

Lucas County, Ohio

2019 Citizens' Executive Financial Summary



Issued by: Anita Lopez, Esq., Lucas County Auditor
For the Year Ended December 31, 2019



ANITA LOPEZ, ESQ.
Lucas County Auditor

As a proud participant in the GFOA Popular Annual Financial Report (PAFR) program, I present you with the Citizens' Executive Financial Summary (CEFS) for the fiscal year ended December 31, 2019. The CEFS is Lucas County's version of the PAFR, which promotes transparency in

government while educating the public by providing a summary of Lucas County's finances, taxes, services, and useful reference material in a readable and understandable format.

Information in this report is derived from the 2019 Lucas County Comprehensive Annual Financial Report (CAFR), which details Lucas County's finances. Our 2019 CAFR received an unmodified opinion from our independent auditors, Clark Schaefer Hackett, which is the most favorable opinion that can be rendered. An unmodified opinion means Clark Schaefer Hackett examined the County's books and records and determined the financial statements fairly present, in all material respects, the financial position, operating results, and cash flows of the

County in conformity with Generally Accepted Accounting Principles (GAAP). Because the CEFS summarizes the financial activity of Lucas County's primary government in an easily understandable format, it is not presented in conformity with GAAP. Readers desiring detailed information in conformity with GAAP are encouraged to read our CAFR. I appreciate your interest and support, and I hope you enjoy the CEFS.

Sincerely,

ANITA LOPEZ, ESQ.
Lucas County Auditor

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Serving You

Licensing

51,643 dog licenses were issued in 2019 along with **24** kennel, **284** vendor, and **484** cigarette licenses.

Steward of Public Funds

- * Accounts for County Revenue
- * Issues payments for County obligations
- * Distributes tax and license revenue
- * Administers the County payroll
- * Maintains and disburses the County's unclaimed funds.
- * Prepare the Comprehensive Annual Financial Report.

How the Lucas County Auditor's Office proudly serves its citizens

Real Estate Appraisal & Assessment

In 2019, the Auditors Office appraised and assessed each of Lucas County's **205,450** real estate parcels, which included manufactured housing.

Weights and Measures

In 2019, the Auditor's Office visited **487** locations throughout Lucas County where **7,760** devices were tested. A total of **741** inspections were completed.

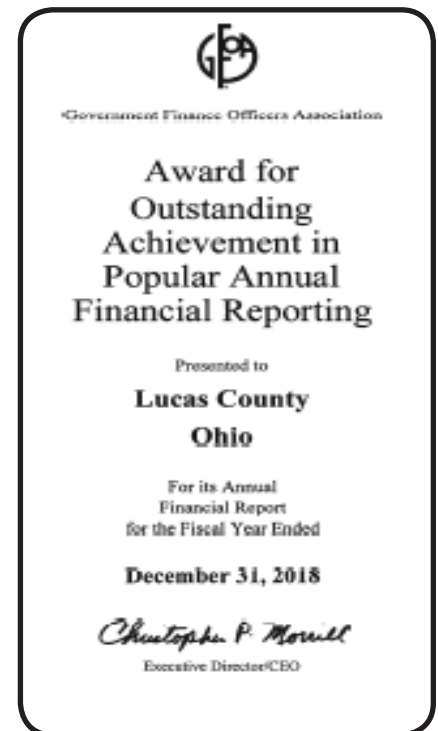
Property Tax Allocation

Homes valued at \$100,000:
 This table illustrates how a property tax bill is allocated to agencies in Lucas County. It assumes eligibility for the Non-Business Credit for agricultural and residential parcels and the Owner-Occupied Credit on the owner occupied properties for qualified levies. Lucas County property tax rates can be located in **Table 7** statistical section of the Lucas County CAFR.

Levied Services	Gross Rate	Effective rates	Cost per \$100,000 Home
Board of Developmental Disabilities	6.00	5.31	\$170
Children Services Board	3.65	3.32	\$103
Emergency Telephone System (9-1-1)	0.70	0.64	\$19
General Fund	2.00	2.00	\$61
Mental Health & Recovery	2.50	2.27	\$69
Science (Imagination Station)	0.17	0.15	\$5
Senior Services (Area Office on Aging)	0.60	0.54	\$17
Zoo Improvement (Toledo Zoo)	1.00	0.91	\$28
Zoo Operating (Toledo Zoo)	0.75	0.68	\$21
Total Lucas County Levies	17.37	15.82	\$494

Outstanding Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Lucas County, Ohio for its Popular Annual Financial Report for the fiscal year ended December 31, 2018. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report. The contents of this report must conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Lucas County has received the Award for 22 consecutive years (1997 to 2018). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.





Lucas County is situated in the center of a trade area comprised of 16 counties in Northwestern Ohio and Southeastern Michigan, with a population of nearly 1.5 million people. Lucas County lies in the central portion of a triangle formed by the cities of Chicago, Detroit, and Cleveland.

Lucas County's largest source of general fund revenue is sales tax, which generated \$102 million in 2019 (on a non-GAAP budgetary basis). The general fund accounts for all financial resources that are not restricted for a specific purpose. Another major source of County revenue is property tax which is administered by the State of Ohio, collected by the County Treasurer, and distributed by the County Auditor.

Property tax is measured in mills. Property tax not only contributes to the general fund, but also generates substantial tax revenue for many special revenue funds levied in the County. Special revenue funds are used to account for funds which are restricted for a specific purpose. The descriptions of the levied services provided by the County's special revenue funds are on page 4.

TOP EMPLOYERS

Number of Employees	Private and Public	% of employment
11,517	ProMedica Health Systems	5.75%
8,502	University of Toledo	4.25%
6,759	Fiat Chrysler	3.38%
5,880	Mercy Health Partners	2.94%
3,193	Toledo Public Schools	1.59%
2,821	Lucas County	1.41%
2,748	City of Toledo	1.37%
2,300	Kroger	1.15%
1,954	Wal-Mart	0.98%
1,778	General Motors-Powertrain	0.89%
1,699	United Parcel Service	0.85%
1,606	State of Ohio	0.80%
1,591	Meijer, Inc.	0.79%
1,481	Libbey Glass	0.74%
1,428	St. Luke's Hospital	0.71%

428,348

Population

89.2%

Have a high school diploma or higher

\$46,924

Median household income

Source: 2018 Estimates
US Census Bureau

10,326

Real estate transfers

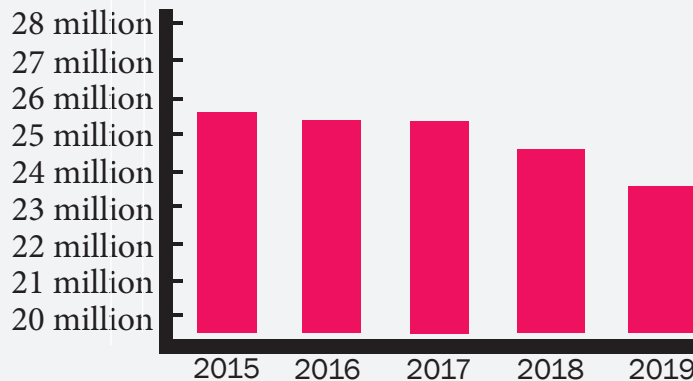
\$7.82 B

Property Valuations (billions)

Source: 2019 Estimates
Auditor's Real Estate

* Represents the unencumbered cash fund balance of the County's general fund on a non-GAAP budgetary basis. See page 35 of the Lucas County CAFR

GENERAL FUND *



The general fund balance decreased slightly as revenues remained flat and expenditures increased from 2018. The end of the year balance was \$23,855,908 or 15.3% of the County's 2019 General Fund Revenue.

Board of Developmental Disabilities (6.00 mills)

An estimated 5,000 individuals with developmental disabilities were touched in 2019 by the services and supports of the Lucas County Board of Developmental Disabilities (Board of DD); all structured to help individuals served reach their full potential. The primary focus of the Board of DD is to ensure the services delivered by the provider community are of the highest quality.

Children Services (3.65 mills)

Lucas County Children Services (LCCS) protects children from abuse and neglect and helps parents overcome the problems in their lives that impact their ability to safely care for the children.



Substance abuse, most commonly heroin and opiates, remained the most often-cited reason for LCCS to open a case with a family. Children entering

foster care declined 22 percent. 50 percent of children receiving services did so while remaining in the family home. This is a direct reflection of the agency's efforts to keep children in a family setting, when appropriate family members are available.

Emergency Telephone (0.70 mills)

The 9-1-1 and County-wide Public Safety Communications System's levy provides County residents with an easily remembered emergency telephone system, five public safety answering points, and an inter-operable public safety radio system. These systems provide fast and efficient delivery of emergency police, fire, and EMS services that save lives and minimize property loss.

Mental Health & Recovery (2.50 mills)

The Mental Health and Recovery Services Board's (MHRSB) mission is to cultivate a high-quality network of resources that inspires personal recovery and promotes mental wellness for Lucas County residents. Approximately 30,435 Lucas County residents were served at least once in Fiscal Year 2019.

Source Information courtesy of corresponding agencies

Science (0.17 mills)

Imagination Station, Toledo's Science Center in Downtown Toledo, is the region's resource



in interactive Science, Technology, Engineering and Math - (STEM) education. The science center provides a critical layer of science enrichment by

serving as an educational partner for educators, schools, parents, and the community of Lucas County.

Senior Services (0.60 mills)

The Area Office on Aging of Northwestern Ohio administers the Lucas County Senior Services levy and provides an array of vital programs and



services for older adults and their family caregivers. In 2019, older adults received: 9,045 hours of help with bathing, dressing, and housekeeping; 97,411 home-delivered

meals; 25,960 transportation trips, well positioning the agency and its service providers to address the needs of the increasing older adult population.

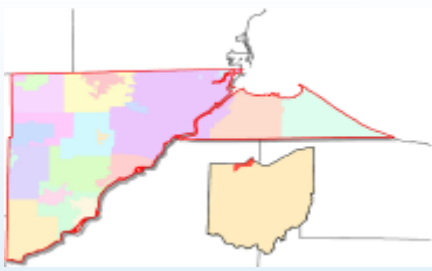
Zoological Services (1.75 mills)

With Lucas County voters' longtime support, Toledo Zoo & Aquarium was voted #1 zoo in the nation (2014) and two-time winner of Best Zoo Lights (2016 & 2017) by USA Today's 10 Best Contests.

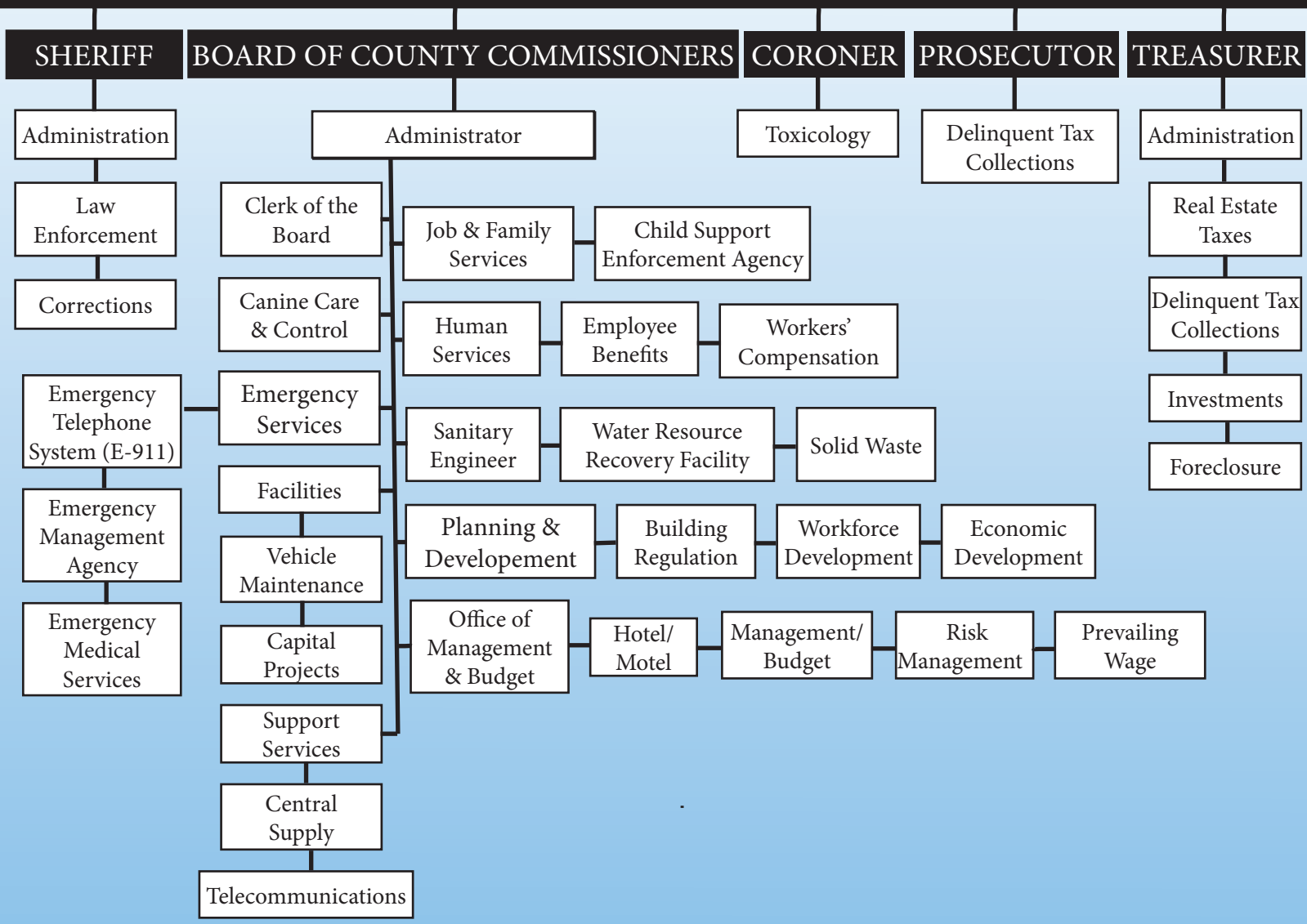


With more than 10,000 animals representing over 720 species, Toledo Zoo is also the region's top destination for family fun. The

approximately one million visitors, including more than 10,000 family membership holders in Lucas County.



The Citizens

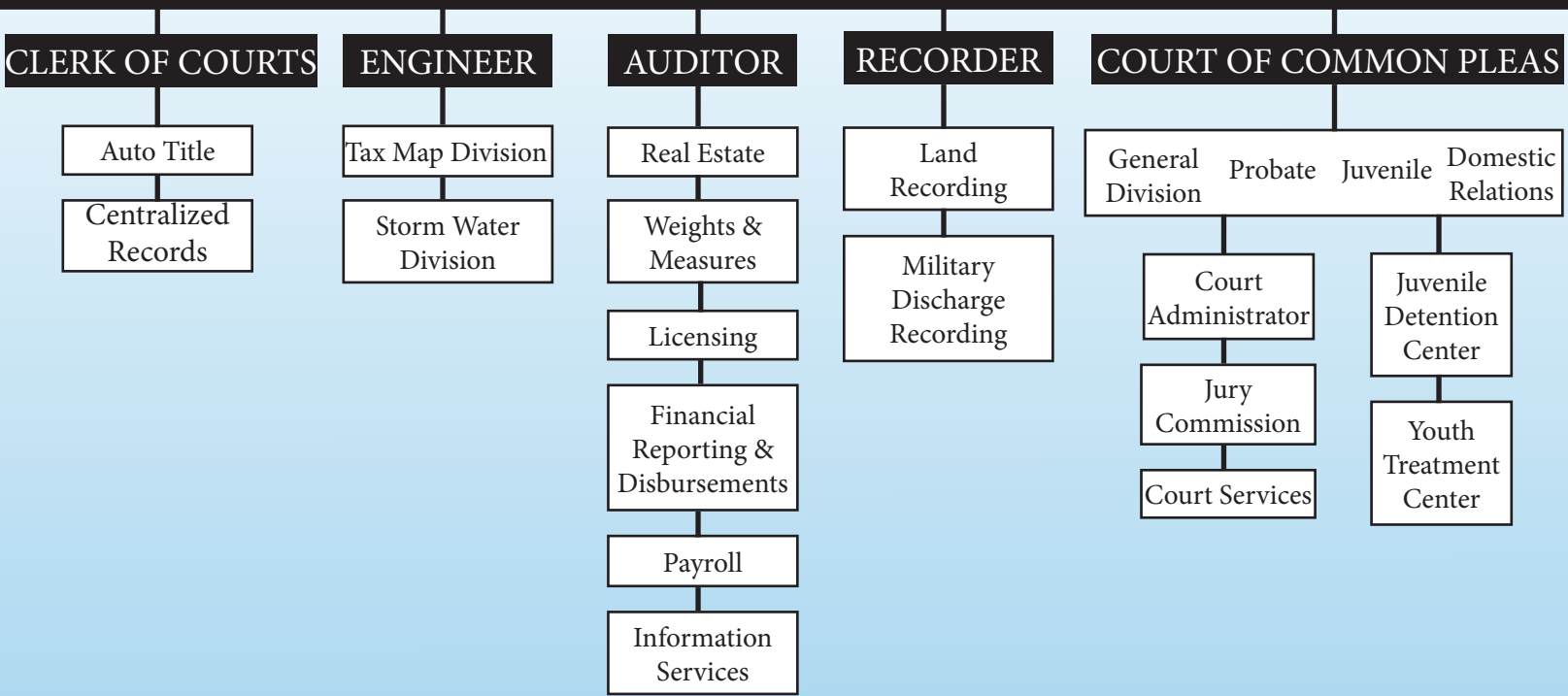


COUNTY COMMISSIONS

<p>Board of Revision includes: Auditor Treasurer President of the Board of Commissioners</p> <p>Investment Advisory Board includes: Board of Commissioners Clerk of Courts Treasurer</p>	<p>Automatic Data Processing Board includes: Auditor Treasurer Recorder Clerk of Courts Representative of Board of Commissioners Representative of Common Pleas Court (2) Representatives of Board of Elections Representative of Domestic Relations Court</p> <p>Veteran Services Commission appointed by: The Judges of the Common Pleas Court & General Trial Division</p>	<p>County Budget Commission includes: Auditor Treasurer Prosecutor</p> <p>County Record Commission includes: Auditor Recorder Prosecutor Clerk of Courts President of the Board of Commissioners</p>
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Lucas County's Board of County Commissioners functions as both the legislative and executive branch of the County. There are eight elected administrative officials, each of which operate independently as set forth by Ohio law. Judges elected on a County-wide basis include: Common Pleas Court, Domestic Relations Court, Juvenile Court, Probate Court, and Court of Appeals.

f Lucas County



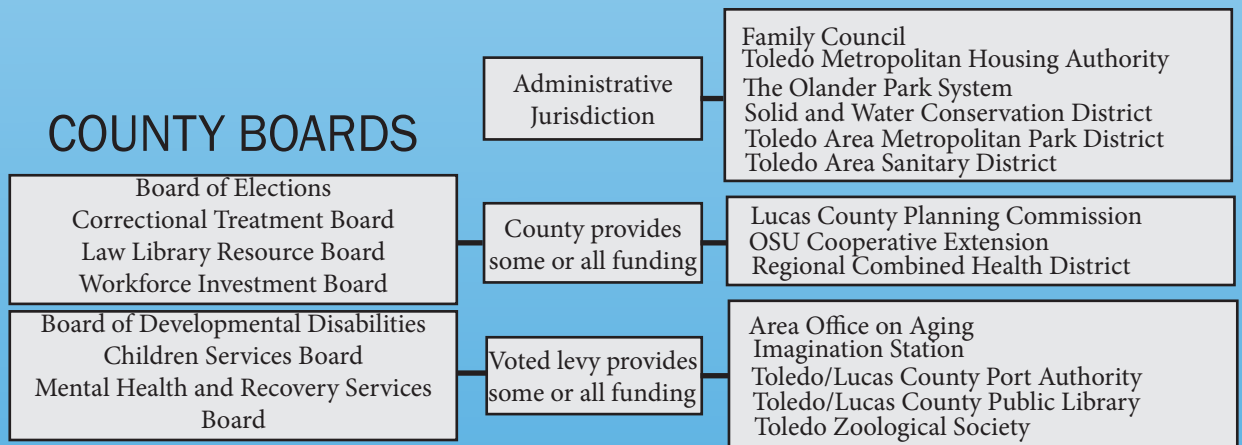
DISCREETLY PRESENTED COMPONENT UNITS*

Convention and Visitors Bureau, Inc.
 Lucas County Economic Development
 Lucas County Land Reutilization Corporation
 Preferred Properties, Inc.

Toledo Arena Sports, Inc.
 Toledo Mud Hens Baseball Club, Inc.
 Transportation Improvement District

*Component units are legally separate entities included in the County's financial report in order to fairly represent the County's financial statements. An individual analysis determines whether the component unit's financial statements are "blended" with (reported as part of) the County's financial statements, or "discreetly" presented in a separate accounting within the County's financial report. Lucas County's component units all require a "discrete" presentation in the County's CAFR. For further information regarding the County's component units, see pages 56 - 57 in Note 2 of the financial statements of the CAFR.

AFFILIATED COUNTY AGENCIES



The Statement of Activities, known in accounting terms as the “Income Statement,” provides a record of funds received and spent during the year. Specific resources and services are explained below.

Resources Received, also known in accounting terms as revenues, are funds Lucas County receives from a variety of sources in order to pay for the services it provides.

Resources Recieved (in 000’s)	2019	2018	2017	2016	2015
Taxes	\$224,196	\$223,442	\$217,315	\$222,215	\$211,630
Charges for Services	70,603	65,278	64,209	60,853	63,450
Intergovernmental Revenue	226,721	192,992	212,836	202,280	200,856
Investment Income	9,590	5,496	2,913	1,905	1,761
Miscellaneous	1,873	2,834	2,814	5,784	6,160
Total Resources Received	\$532,983	\$490,042	\$500,087	\$493,037	\$483,857

Intergovernmental revenue increased due to County receiving increase in operating grants from the Federal and State governments. Investment income rose due to the increase in interest rates.

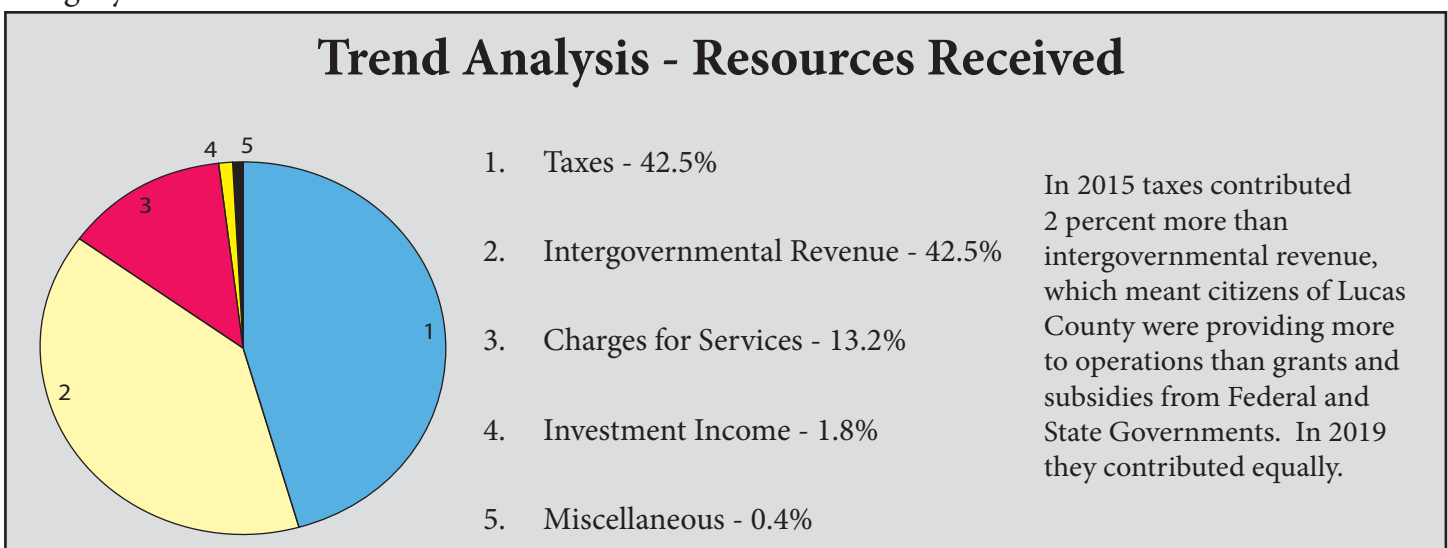
Taxes are resources that include sales tax, real estate tax, hotel lodging tax, and other smaller sources of tax revenue.

Charges for Services are resources from various County departments and agencies for fees paid to them by the public, such as court costs, rent, water and sewer charges, emergency medical service charges, and fees for recording deeds and transferring property.

Intergovernmental Revenue is comprised of grants, subsidies, casino revenue and receipts from other governments.

Investment Income includes realized and unrealized gains and losses, and interest earned on County investments.

Miscellaneous resources received are non-operating receipts that cannot be classified into any other category.



Note: Financial data provided in the tables and graphs include applicable restatements and is rounded to the nearest thousand and presented in a non-GAAP basis, representing combinations of data that summarize the financial activity of Lucas County’s primary government without inclusion of component units. Those desiring to review GAAP basis reports should visit either the Lucas County Auditor’s Online CAFR index at www.co.lucas.oh.us/CAFR, or the office of the Lucas County Auditor. For public viewing, CAFRs and PAFRs are also distributed to all publicly operated libraries throughout Lucas County.

Services Rendered, represented by the accounting term expenses, are the funds spent to provide services to citizens.

Services Rendered (in 000's)	2019	2018	2017	2016	2015
Legislative & Executive	\$67,721	\$65,781	\$62,125	\$66,637	\$59,538
Judicial	81,405	66,933	69,612	60,063	56,315
Public Safety	104,872	95,758	98,253	87,127	81,589
Public Works	27,227	20,840	20,206	14,997	17,328
Health	102,770	103,919	102,345	102,827	96,919
Human Services	112,637	102,793	103,304	91,813	87,538
Conservation & Recreation	14,449	14,367	13,809	14,560	14,378
Interest & Fiscal Charges	3,407	4,029	3,587	4,134	4,552
Business-Type Activities	45,525	33,642	31,807	29,716	28,556
Total Services Rendered	\$560,013	\$508,062	\$505,048	\$471,874	\$446,713

Legislative and Executive expenses are incurred for administrative offices including the Auditor, Commissioners, Recorder, and Treasurer.

Judicial expenses include costs of the Court of Common Pleas, Domestic Relations and Juvenile Courts, and the Prosecutor.

Public Safety expenses are costs of the Coroner, Probation, Emergency Telephone, and Sheriff Departments.

Public Works expenses are costs incurred to maintain County roads and bridges.

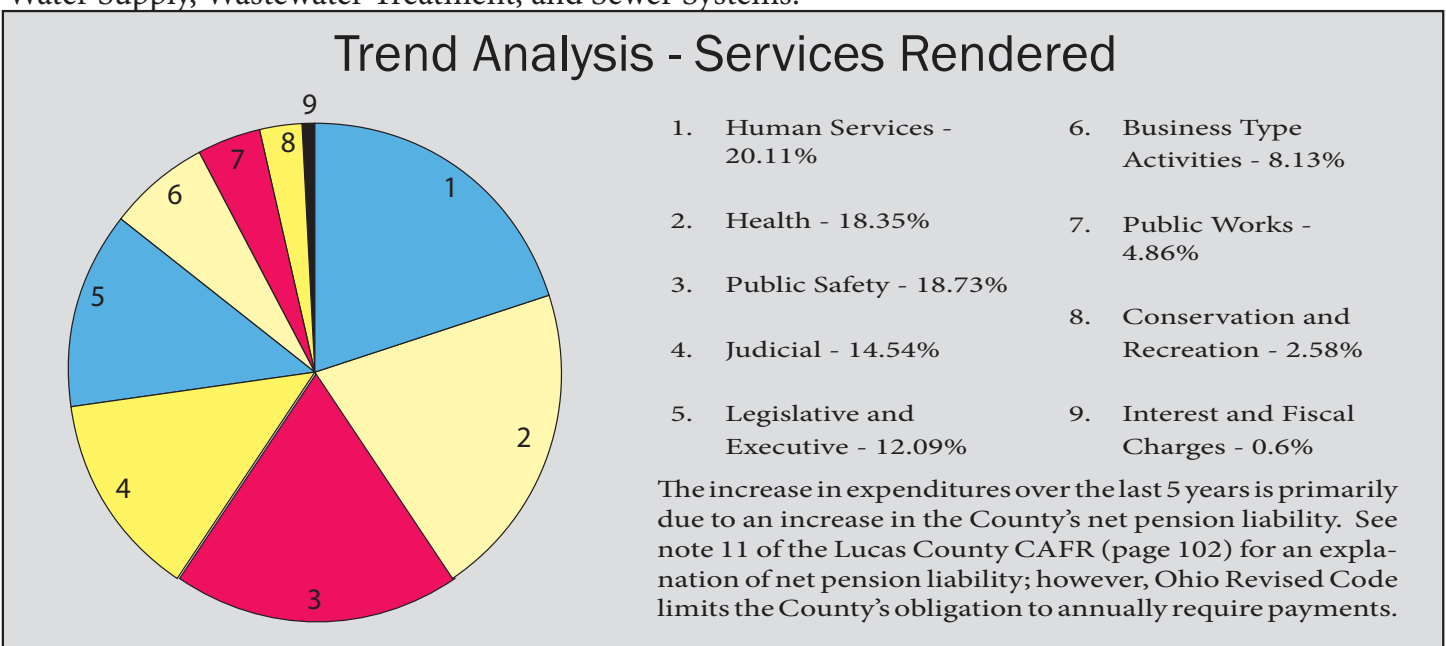
Health expenses include services provided by the Board of Developmental Disabilities and the Mental Health and Recovery Services Board.

Human Services expenses encompass the Job and Family Services Department and the Children Services Board.

Conservation and Recreation expenses are costs to fund the Toledo Zoo, Science services, maintain County parks, and to preserve County lands, including litter prevention.

Interest and Fiscal Charges are expenses related to the issuance and repayment of County debt.

Business-type Activities are self-supporting services funded through user charges that include the Water Supply, Wastewater Treatment, and Sewer Systems.



The Statement of Net Position, known in accounting terms as the “Balance Sheet,” provides a picture of Lucas County’s financial position at year end.

Financial Benefits are referred to as assets in accounting terms, and assets are economic resources available to the County.

Financial Benefits (in 000’s)	2019	2018	2017	2016	2015
Current and Other Assets	\$553,229	\$509,576	\$496,126	\$454,759	\$426,120
Capital Assets	417,144	415,419	412,686	419,207	420,534
Deferred Outflows	112,940	61,855	115,504	82,258	24,810
Total Assets and Deferred Outflows	\$1,083,313	\$986,850	\$1,024,316	\$956,224	\$871,464

Current Assets include cash and investments held by the County Treasurer, and receivables which are funds owed to the County that are expected to be received over the next year, such as real estate taxes, special assessments and payments from other governments. **Other Assets** may include materials and supplies inventory and prepaid items.

Capital Assets include land, buildings and improvements, roads, vehicles, bridges, furniture, equipment, and construction in progress, which are reported net of accumulated depreciation in the County’s financial statements.

Deferred Outflows include unamortized charges on debt restructuring and pensions for the net difference between projected and actual investment earnings on pension plan assets and the County’s contributions to the pension systems subsequent to the measurement date.

Financial Burdens are referred to as liabilities in accounting terms, and liabilities are financial obligations resulting from past County transactions.

Financial Burdens (in 000’s)	2019	2018	2017	2016	2015
Current and Other Liabilities	\$29,293	\$27,835	\$41,509	\$39,958	\$38,930
Long-Term Liabilities	628,311	460,335	409,507	340,952	283,934
Deferred Inflows	127,825	173,766	117,764	114,816	109,032
Total Liabilities and Deferred Inflows	\$785,429	\$661,946	\$568,780	\$495,726	\$432,129

Current Liabilities include accrued wages and benefits that are payable to County employees for salaries and benefits, and amounts due to vendors and other governments for goods and services. **Other Liabilities** include accrued interest payable and short-term notes payable, all of which are expected to be paid in one year.

Long-term Liabilities include long-term debt (such as bonds), compensated absences (such as employee vacation and sick time liabilities), capital lease obligations, and claims payable, which are all expected to be paid over a period of more than one year.

Deferred Inflows include property taxes levied to finance future years and pensions for the differences between expected and actual experience and differences between employer’s contributions and the employer’s proportional share of contributions.

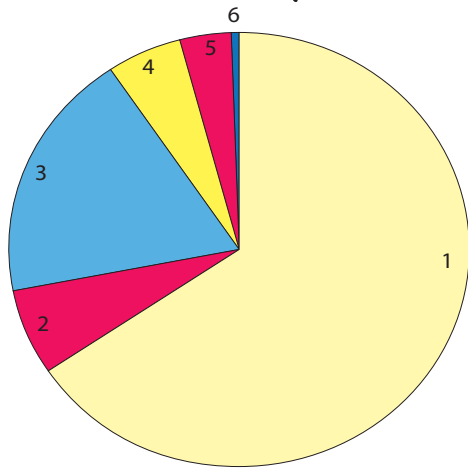
Benefits Over Burdens represents the difference between the financial benefits and the financial burdens of the County, resulting in the County’s net worth and referred to as “Net Position” in the County’s financial statements.

Benefits Over Burden (in 000’s)	2019	2018	2017	2016	2015
	\$297,914	\$324,914	\$337,022	\$460,498	\$439,335

The County’s General Obligation bonds are backed by the full faith and credit of the County and secured with legally available resources. The majority of the County’s debt is associated with the Huntington Center (the County’s downtown arena), and is located in both the Short-term notes and the General Obligation categories. Special assessment debt is funded via assessments on taxpayers receiving specific improvement benefits (i.e. sidewalks, water, and/or lighting). Total debt has remained level over the last 5 years as the County makes its payments and continues to restructure its debt, especially those issuances relating to the Convention Center, Huntington Center, and Fifth Third Field.

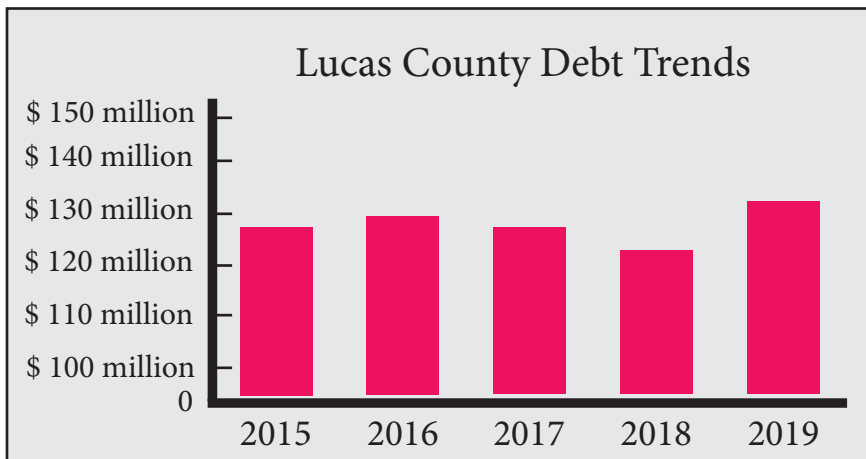
Debt Type (in 000’s)	12/31/18	Additions	Deductions	12/31/19
Short-Term Notes	\$7,880	\$8,660	\$7,880	\$8,660
General Obligations	81,220	5,000	3,160	83,060
Special Assessments	6,664	250	926	5,988
Ohio Water Development Authority Loans (OWDA)	22,893	5,856	1,652	27,097
Ohio Public Works Commission Loans (OPWC)	4,354	2,709	480	6,083
Revenue Bonds				
Sewer Revenue Bonds	627	0	12	615
Totals	\$123,628	\$21,975	\$14,110	\$131,503

Lucas County Debt



1. General Obligation Bonds - 63.2%
2. Short-Term Notes - 6.6%
3. OWDA - 20.6%
4. Special Assessments - 4.6%
5. OPWC - 4.6%
6. Revenue Bonds - 0.4%

Lucas County Debt Trends



Total debt has remained level as the County makes its payments and continues to restructure its debt, especially those issuances related to the Convention Center, Huntington Center, and Fifth Third Field.

About Bond Ratings

A bond rating is an opinion regarding credit worthiness, specifically the likelihood that financial obligations will be met in a timely matter. In 2019, the County’s outstanding general obligation bonds were rated “Aa2” by Moody’s Investor Service, and “AA” by Standard & Poor’s (S&P) rating services.

The “Aa” category is Moody’s second highest rating category, and such obligations are “judged to be of high quality and subject to very low credit risk.” The “2” indicator puts the County’s rating in the mid-range of that category. S&P’s “AA” category is the second highest rating category, and indicates a :very strong capacity to meet financial commitments.”

Good bond ratings help keep lower interest costs for the County when borrowing.

See notes 9 & 10 in the Lucas County CAFR for detailed information on Lucas County’s debt.

Contacting County Government

ADMINISTRATORS

Auditor , Anita Lopez	(419) 213-4406
Clerk of Courts , Bernie Quilter	(419) 213-4484
Commissioner (President) Tina Skeldon Wozniak	(419) 213-4817
Commissioner , Gary L. Byers	(419) 213-2155
Commissioner , Pete Gerken	(419) 213-4084
Coroner , James R. Patrick	(419) 213-3900
Engineer , Keith G. Earley	(419) 213-2860
Prosecutor , Julia R. Bates	(419) 213-4700
Recorder , Phil Copeland	(419) 213-4400
Sheriff , John Tharp	(419) 213-4908
Treasurer , Lindsay Webb	(419) 213-4303

JUDGES

Common Pleas Court

Gary G. Cook	(419) 213-4369
Stacy L. Cook	(419) 213-4566
Myron C. Duhart	(419) 213-4570
Ian B. English	(419) 213-4560
Alfonso J. Gonzalez	(419) 213-4565
Michael R. Goulding	(419) 213-4538
Linda J. Jennings	(419) 213-4580
Dean Mandros	(419) 213-4575
Joseph V. McNamara	(419) 213-4579
Lindsay D. Navarre	

Domestic Relations Court	(419) 213-6824
David E. Lewandowski	(419) 213-6827
Lisa D. McGowan	

Juvenile Court

Denise Navarre Cubbon	(419) 213-6778
Connie Zimmelman	(419) 213-6717

Probate Court

Jack R. Puffenburger	(419) 213-4775
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Sixth District Court of Appeals

Christine E. Mayle	(419) 213-4755
Thomas J. Osowik	(419) 213-4755
Mark L. Pietrykowski	(419) 213-4755
Arlene Singer	(419) 213-4755
Gene A. Zmuda	(419) 213-4755

OTHER AFFILIATED DEPARTMENTS & AGENCIES

Area Office on Aging	(419) 382-0624
Board of Elections	(419) 213-4001
Canine Care & Control	(419) 213-2800
Children's Services	(419) 213-3200
Child Support Enforcement	(419) 213-3001
Developmental Disabilities	(419) 380-4000
Job and Family Services	(419) 213-8999
Imagination Station	(419) 244-2674
Land Reutilization Corp	(419) 213-4293
Law Library	(419) 213-4747
Mental Health and Recovery	(419) 213-4600
Office of Management and Budget	(419) 213-4517
Toledo/Lucas County Convention and Visitors Bureau	(419) 321-6404
Toledo/Lucas County Public Library	(419) 259-5200
Toledo Zoo	(419) 385-5721
Veterans Service Commission	(419) 213-6090

An electronic version of the Citizens' Executive
Financial Summary is available a
www.co.lucas.oh.us/CEFS

Question?
Contact the Auditor's Department of Education
& Outreach (419) 213-4406
or by email outreach@co.lucas.oh.us

