

2023

Popular Annual Financial Report

Lucas County, Ohio



Issued by Lucas County Auditor, Katie Moline, CPA

For the Year Ended December 31, 2023

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WELCOME



Dear Reader,

Transparency is a cornerstone of democracy. With the goal of transparency and accountability in mind, I proudly present Lucas County's Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2023. My office enthusiastically participates in the Government Finance Officers Association (GFOA) program of creating this report so that the public has a more easily digestible summary of Lucas County's finances, taxes, services, and their outcomes. I strive to make this report useful, understandable, and accessible. It is also always available online at co.lucas.oh.us/pafr.

Information in this report is derived from the 2023 Lucas County Annual Comprehensive Financial Report (ACFR), which details Lucas County's finances and provides readers with information about the County's financial performance and operations. Our 2023 ACFR received an unmodified opinion from our independent auditors, which is the most favorable opinion that can be rendered. Further, an unmodified opinion means the Ohio Auditor of State 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). While this opinion was music to my ears, because the information in the PAFR is meant to be presented in a more understandable format, the PAFR is not consistent with GAAP. Readers who want detailed information in conformity with GAAP can access the ACFR, always available online at co.lucas.oh.us/acfr. You can also request a copy in my office at 1 Government Center, Suite 600, in downtown Toledo, or at your local Lucas County Public Library.

Thank you for your interest in the finances of Lucas County. Transparent government cannot exist without citizens, like you, taking the time to review reports and information. I appreciate your participation, and I hope you enjoy the PAFR!

Sincerely,

A handwritten signature in black ink that reads "Katie Moline".

Katie Moline, CPA
Lucas County Auditor

ACHIEVEMENT AWARD



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Lucas County
Ohio**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

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 that conforms to program standards of creativity, presentation, understandability, and reader appeal.

Lucas County has received the award for **26 consecutive years** (1997 to 2022). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we will submit it to the GFOA.

PAFR TEAM

Katie Moline, CPA

Anthony Stechschulte

Ellen Lauderman, CPA

Valerie White

Lucas County Auditor

Director of Accounting and Internal Control

Chief Accountant

Executive Assistant to the Auditor



LUCAS COUNTY

Education

92.8%

Have a high school diploma or higher

Weights & Measures

6,529

Total inspected devices

170

Price Verification Inspections

0

Skimmers found in Lucas County

Population

425,484

Real Estate

13,658

Real Estate Transfers

\$9.15 B

Property valuation (billions)

205,774

Real Estate Parcels

Unclaimed Funds

\$133,469.91

Reclaimed by the community

Income

\$57,736

Median household income

Licensing

40,260

Dog Licenses Issued

447

Kennel Licenses Issued

169

County Vendor Licenses Issued

497

Cigarette Licenses Issued

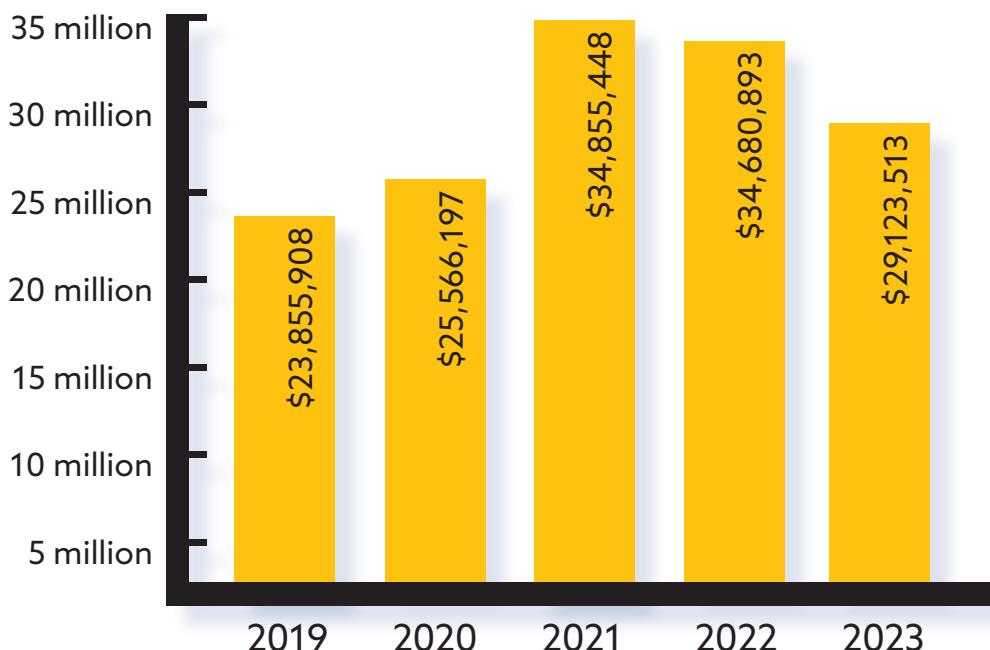
AT A GLANCE

2023 Lucas County Top Employers

Number of Employees	Private and Public	% of Employment
10,164	ProMedica Health Systems	5.16%
6,355	University of Toledo	3.23%
5,472	Stellantis	2.78%
5,300	Mercy Health Partners	2.69%
4,118	Toledo Public Schools	2.09%
2,920	Lucas County	1.48%
2,773	City of Toledo	1.41%
2,700	Kroger	1.37%
1,900	Wal-Mart	0.98%
1,800	Meijer, Inc.	0.91%
1,700	Libbey Glass	0.86%
1,600	General Motors Toledo Propulsion System	0.81%
1,600	United Parcel Service	0.81%
1,585	State of Ohio	0.81%
1,200	Owens Corning	0.61%

Sources: Reference Solutions (formerly Reference USA) database (Toledo Public Library), Ohio Labor Market Information website, Lucas County Auditor, and employer contact

End of Year General Fund Balance*



* Represents the unencumbered cash fund balance of the County's general fund on a non-GAAP budgetary basis. See page 39 of the Lucas County ACFR for more detail.

The end of year General Fund balance was 13.5% of the County's 2023 General Fund Revenue.

Levied Services



Board of Developmental Disabilities (6.00 mills)

Services and supports of the Lucas County Board of Developmental Disabilities (Board of DD) had an impact on more than 4,400 individuals in 2023. As the only agency that serves individuals from birth to end of life, the Board of DD is mission-driven to improve lives by working with provider partners to help every individual served reach their full potential.

Children Services (3.65 mills)

With new leadership at the board and executive director levels, in 2023 Lucas County Children Services (LCCS) refined and expanded upon strategies for success that were first identified as part of its 2019 - 2023 strategic plan. These included safely increasing the proportion of children on open cases remaining in their family system; developing cultural competence to reduce disproportionality and eliminating racial and ethnic disparities in our system; developing a parent and kin training institute; leveraging collaborations to advance a system of prevention; and implementing best practice improvements to ensure quality service delivery in an ever-changing child protection environment. In nearly every category, LCCS advanced the organization's success in one or more target areas. In some areas, LCCS was recognized as a leader in state implementation and was called upon to mentor other counties.

Emergency Telephone (0.70 mills)

Operating 24 hours a day, 365 days a year, the Lucas County 911 Regional Council of Governments (RCOG) serves as the singular, consolidated Public Safety Answering Point (PSAP) for Lucas County. The Lucas County 911 RCOG provides 9-1-1 services to the community and dispatch support to 18 law enforcement agencies, 13 fire agencies, and one countywide emergency medical service.

The Sheriff's Office operates the Countywide Communications System, which is an 800 MHz interoperable public safety radio system. Combined, these organizations provide fast and efficient delivery of emergency services, save and protect life and property, while ensuring responder safety.

Mental Health & Recovery (2.50 mills)

The Mental Health & Recovery Services Board's (MHSRB) mission is to cultivate a high-quality network of resources that inspires personal recovery and promote mental wellness for Lucas County residents. MHSRB is Lucas County's safety net for uninsured, underinsured, or indigent persons needing mental health, addiction, prevention, and/or support services. Over 26,000 Lucas County residents were served at least once in Fiscal Year 2023.





Science (0.17 mills)

Imagination Station, located in downtown Toledo, stands as the premier destination for STEAM education in the region, offering interactive experiences in science, technology, engineering, art, and math. Toledo's Science Center provides vital tools, programs, and access to extend learning for all ages through in-person experiences, hands-on exhibits, and engaging community outreach. Imagination Station bolsters STEAM learning in the Toledo area by collaborating with educators, schools, parents, and the citizens of Lucas County creating a future where Science is for Everyone.



Senior Services (0.75 mills)

In 2023, Lucas County older adults and caregivers received 5,297 participant days of adult day care (1,698 Lucas County Senior Services Levy (LCSS) funded); 8,802.1 hours of home care (5,483 LCSS funded); 29,068 one-way transportation trips (14,534 LCSS funded); and 362,057 congregate, grab and go, and home delivered meals (126,636 LCSS funded). In addition, senior centers provided 11,933 socialization and recreation activities (8,433 LCSS funded), as well as, 10,474 supportive services contacts connecting older adults with additional programs and services (8,270 LCSS funded).



Zoological Services (1.65 mills)

Recognized numerous times throughout the years for the spectacular Lights Before Christmas display, along with being named one of the best zoos in the country, the Toledo Zoo & Aquarium remains one of Lucas County's premier attractions and destination. The Toledo Zoo annually attracts visitors from every state, including nearly 300,000 Michigan visitors. With over 70,000 membership households, the Zoo ranks as one of the top zoos per capita and is home to more than 10,000 animals, representing 720+ diverse species.

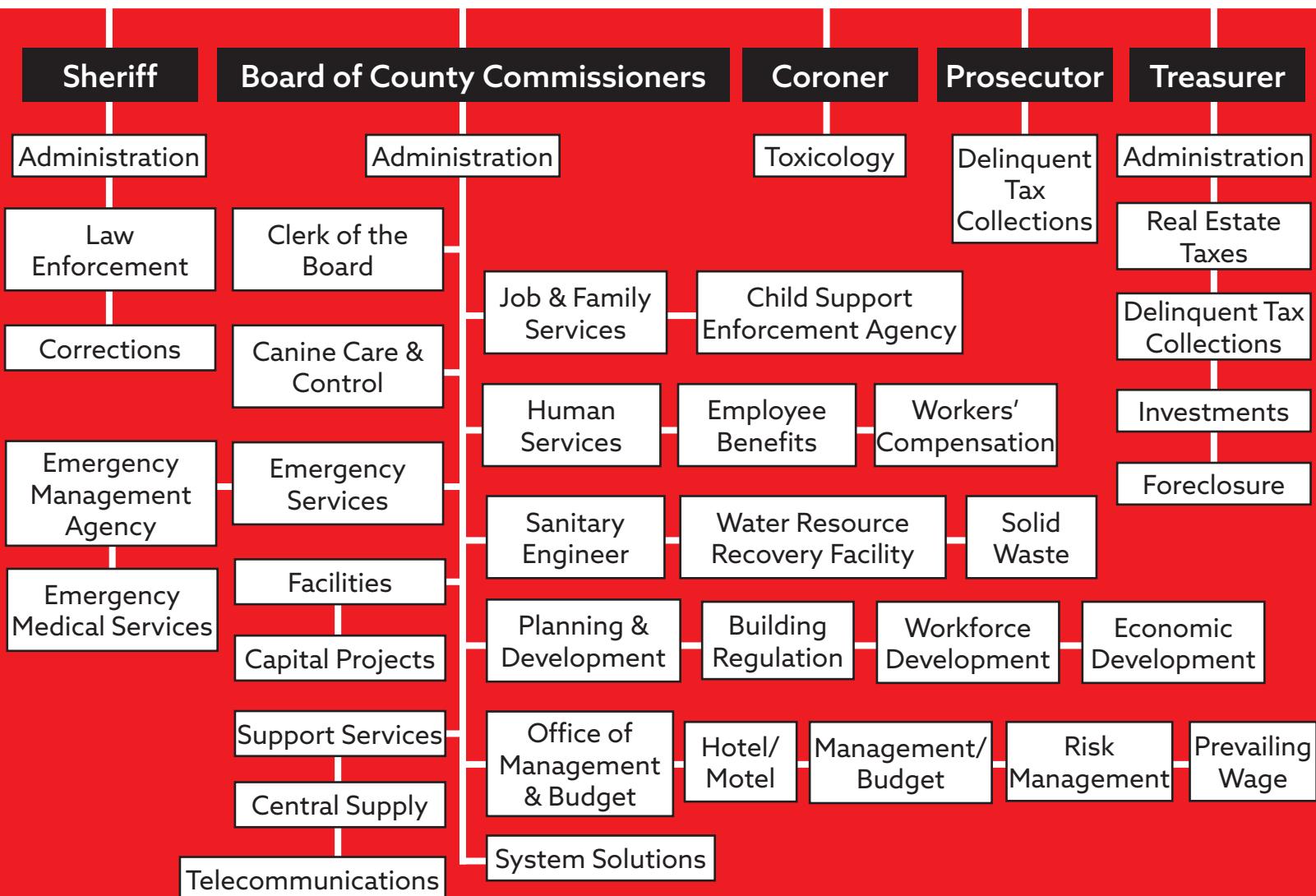
Property Tax Allocation

Levied Service	Gross Rates	Effective Rates	Cost per \$100k Home
Board of Developmental Disabilities	6.00	4.62	\$148
Children Services Board	3.65	2.89	\$90
Emergency Telephone System (9-1-1)	0.70	0.55	\$17
General Fund	2.00	2.00	\$61
Mental Health & Recovery	2.50	1.97	\$60
Science (Imagination Station)	0.17	0.13	\$4
Senior Services (Area Office on Aging)	0.75	0.60	\$20
Zoo Improvement (Toledo Zoo)	1.00	0.79	\$24
Zoo Operating (Toledo Zoo)	0.65	0.51	\$16
Total Lucas County Levies	17.42	14.06	\$440

This table shows how a property tax bill is distributed among Lucas County Agencies. It assumes eligibility for the Non-Business Credit and the Owner-Occupied Credit on the properties for qualified levies. "Gross Rates" are the total rates, as passed by levies at the ballot box. "Effective Rates" are what are used in calculations and take into account House Bill 920 and other reduction factors. Lucas County property tax rates can be found in Table 7 of the statistical section of the 2023 Lucas County ACFR.

Your Lucas County Government

The Citizens of



County Commissions

Board of Revision:
 Auditor
 President of Board of Commissioners
 Treasurer

Investment Advisory Board:
 Board of Commissioners
 Clerk of Courts
 Treasurer

Automatic Data Processing Board:
 Auditor
 Board of Commissioners Representative
 Board of Elections Representatives (2)
 Clerk of Courts
 Common Pleas Court Representative
 Domestic Relations Court Representative

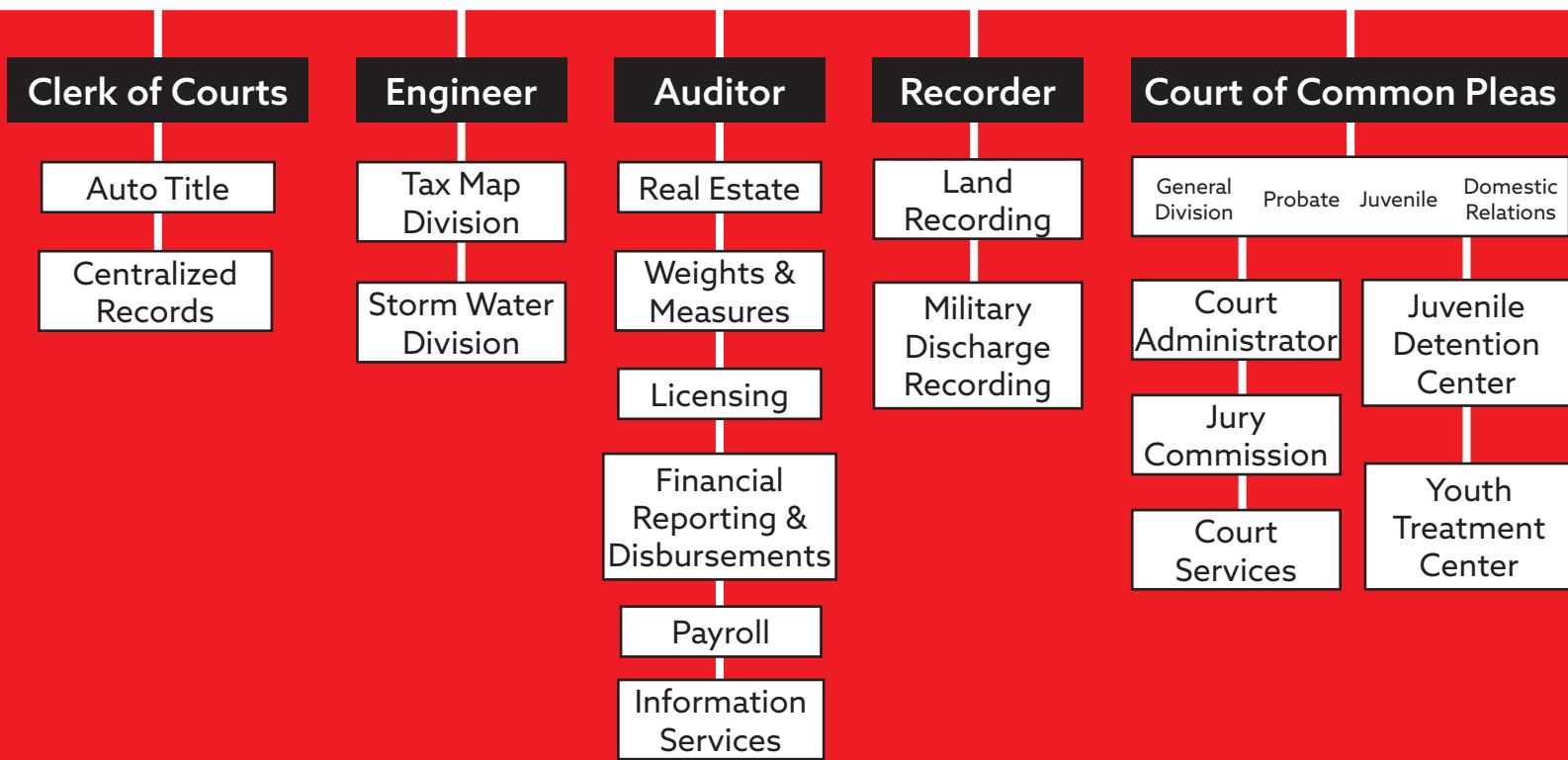
Veteran Services Commission appointed by:
 Judges of the Common Pleas Court &
 General Trial Division

County Budget Commission:
 Auditor
 Prosecutor
 Treasurer

County Record Commission:
 Auditor
 President of Board of Commissioners
 Clerk of Courts
 Prosecutor
 Recorder

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.

Lucas County



Discretely 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 "discretely" 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 ACFR. For further information regarding the County's component units, see pages 60-61 in Note 2 of the financial statements of the ACFR.

Affiliated County Agencies

County Boards

Board of Elections
Correctional Treatment Board
Law Library Resource Board
Workforce Investment Board

Administrative Jurisdiction

Family Council
Toledo Metropolitan Housing Authority
The Olander Park System
Soil and Water Conservation District
Toledo Area Metropolitan Park District
Toledo Area Sanitary District

County provides some or all funding

Lucas County Planning Commission
OSU Cooperative Extension
Regional Combined Health District

Board of Developmental Disabilities
Children Services Board
Mental Health & Recovery Services Board

Voted levy provides some or all funding

Area Office on Aging
Imagination Station
Toledo-Lucas County Port Authority
Toledo-Lucas County Public Library
Toledo Zoological Society

Statement of

The Statement of Activities, also known as the "Income Statement," provides a record of funds received and spent during the year. Specific resources and services are explained below. The following financial data contains both governmental & business-type activities. This includes all Lucas County funds and ties in with the ACFR.

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

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.

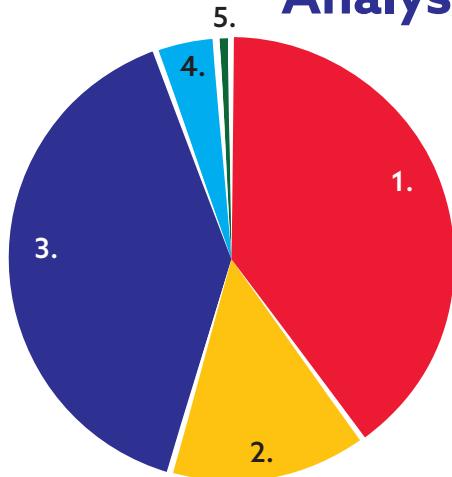
Intergovernmental Revenue is comprised of grants, subsidies, casino revenue and receipts from other governments.

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.

Resources Received (in 000s)	2019	2020	2021	2022	2023
Taxes	\$224,196	\$227,576	\$249,552	\$253,962	\$255,433
Charges for Services	70,603	84,589	89,978	92,942	91,647
Intergovernmental Revenue	226,721	202,031	196,707	277,931	253,077
Investment Income	9,590	6,494	-2,095	-14,058	27,967
Miscellaneous	1,873	6,205	4,792	5,133	6,041
Total Resources Received	\$532,983	\$526,895	\$538,934	\$615,910	\$634,165

Analysis - Resources Received in 2023



1. Taxes: 40.2%
2. Charges for Services: 14.5%
3. Intergovernmental Revenue: 39.9%
4. Investment Income: 4.4%
5. Miscellaneous: 1.0%

In 2023, taxes contributed 2% less to resources than in 2019, which means the citizens of Lucas County provided less to operations in 2023 than in 2019.

Note: Financial data provided in the tables and graphs include applicable restatements. Amounts are 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 Annual Report index at co.lucas.oh.us/ACFR, or the office of the Lucas County Auditor. For public viewing, ACFRs are also available at all the publicly operated libraries throughout Lucas County and at the Auditor's Office. One can directly request a copy of the ACFR from the Auditor's Office by emailing outreach@co.lucas.oh.us.

Activities

Services Rendered, also known as "Expenditures," are the funds spent to provide services to citizens.

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 Medical, and Sheriff.

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.

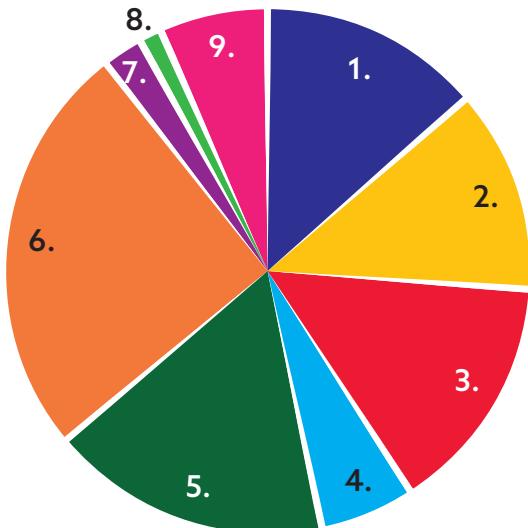
Conservation and Recreation expenses are costs to fund the Toledo Zoo, Science services, maintain County parks, and to preserve County lands, including litter prevention.

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.

Services Rendered (in 000s)	2019	2020	2021	2022	2023
Legislative & Executive	\$67,721	\$65,083	\$54,992	\$69,432	\$80,563
Judicial	81,405	64,790	31,529	50,007	74,367
Public Safety	104,872	91,449	36,359	64,243	85,614
Public Works	27,227	30,849	30,234	34,286	35,133
Health	102,770	74,143	65,299	72,859	99,859
Human Services	112,637	109,952	74,204	144,112	151,563
Conservation & Recreation	14,449	13,580	14,962	13,821	14,306
Interest & Fiscal Charges	3,407	3,956	4,468	4,823	7,969
Business-Type Activities	45,525	32,470	28,223	34,245	38,781
Total Services Rendered	\$560,013	\$486,272	\$340,270	\$487,828	\$588,155

Analysis - Services Rendered in 2023



1. Legislative & Executive: 13.7%
2. Judicial: 12.6%
3. Public Safety: 14.6%
4. Public Works: 6.0%
5. Health: 17.0%
6. Human Services: 25.8%
7. Conservation & Recreation: 2.4%
8. Interest & Fiscal Charges: 1.3%
9. Business-Type Activities: 6.6%

The fluctuations in expenditures over the last 5 years is primarily due to the County's net pension liability. See note 11 of the Lucas County ACFR (page 106) for an explanation of net pension liability; however, Ohio Revised Code limits the County's obligation to annually required payments.

Net Position

The Statement of Net Position, also known as the "Balance Sheet," provides a picture of Lucas County's financial position at year end.

Financial Benefits (in 000s)	2019	2020	2021	2022	2023
Current and Other Assets	\$553,229	\$713,021	\$821,163	\$854,096	\$826,215
Capital Assets	417,144	419,709	432,264	463,730	473,336
Deferred Outflows	112,940	65,813	36,733	43,830	155,339
Total Assets & Deferred Outflows	\$1,083,313	\$1,198,543	\$1,290,160	\$1,361,656	\$1,454,890

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

Current Assets include cash and investments held by the County Treasurer, and funds owed to the County that are expected to be received over the next year, such as real estate taxes.

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.

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 (in 000s)	2019	2020	2021	2022	2023
Current and Other Liabilities	\$29,293	\$115,488	\$167,729	\$121,811	\$92,441
Long-Term Liabilities	628,311	545,885	322,678	294,485	523,261
Deferred Inflows	127,825	198,663	262,582	280,107	127,926
Total Liabilities & Deferred Inflows	\$785,429	\$860,036	\$752,989	\$696,403	\$743,628

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

Current Liabilities includes accrued wages and benefits that are payable to County employees, 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 is referred to as "Net Position" in the County's financial statements.

Benefits over Burdens (in 000s)	2019	2020	2021	2022	2023
	\$297,844	\$338,507	\$537,171	\$666,253	\$711,262

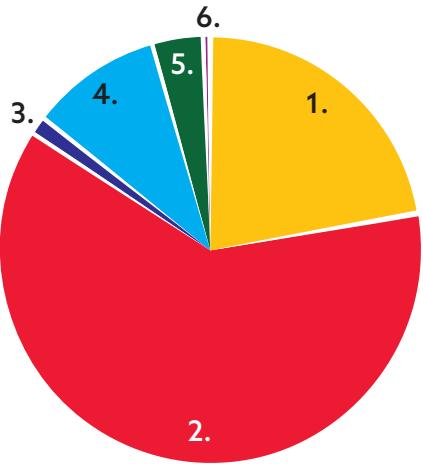
Lucas County has increased its benefits over burdens since 2019, which means that Lucas County has increased its net worth by \$413,418 since 2019.

Debt Structure

The County's General Obligation bonds are backed by the full faith and credit of the County and secured with legally available resources. All short-term notes are backed by the full faith and credit of the County and mature within one year from the date of issuance. The County's debt associated with the Huntington Center (the County's downtown arena) is located in both the Short-Term Notes and the General Obligation categories. Special assessment debt is funded via assessments on taxpayers receiving specific improvements (i.e. sidewalks, water, lighting).

Debt Type (in 000s)	12/31/2022	Additions	Deductions	12/31/2023
Short-Term Notes	\$50,973	\$45,945	\$50,973	\$45,945
General Obligations	130,830	0	3,845	126,985
Special Assessments	3,457	0	710	2,747
Ohio Water Development Authority Loans	22,112	0	1,783	20,329
Ohio Public Works Commission Loans	6,757	2,432	692	8,497
Revenue Bonds				
Sewer Revenue Bonds	577	0	14	563
Totals	\$214,706	\$48,377	\$58,017	\$205,066

Lucas County Debt



1. Short-Term Notes: 22.4%
2. General Obligation Bonds: 61.9%
3. Special Assessments: 1.4%
4. OWDA Loans: 9.9%
5. OPWC Loans: 4.1%
6. Revenue Bonds: 0.3%

About Bond Ratings

A bond rating is an opinion regarding credit worthiness, specifically the likelihood that financial obligations will be met in a timely manner. In 2023, 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.

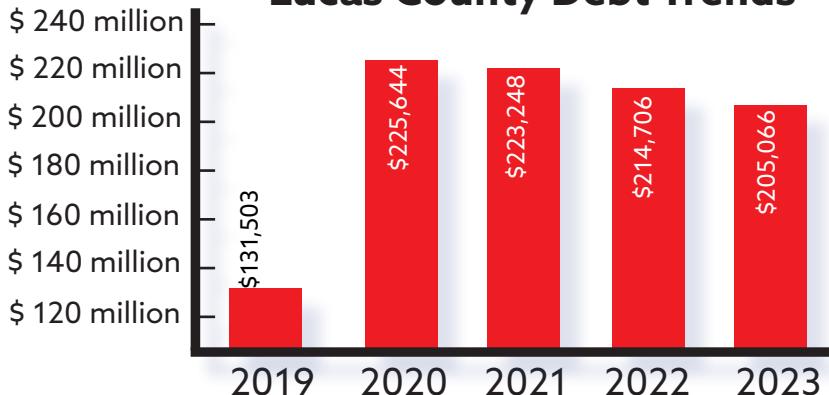
The "AA" category is Moody's second highest rating category, and such obligations are "judged to be of high quality and subject to very low credit risk." The "2" indicator puts the County's rating in the mid-range of that category.

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 ACFR for detailed information on Lucas County's debt.

Lucas County Debt Trends



The debt increase in 2020 is from short-term notes issued for the Convention Center Ballroom project and the Hotel project. See note 20 of the ACFR for more information on Hotel project debt.

Lucas County, Ohio

Contacting County Government

Administrators

Auditor , Katie Moline, CPA	419-213-4406
Clerk of Courts , Bernie Quilter	419-213-4484
Commissioner (President) , Pete Gerken	419-213-4817
Commissioner , Anita Lopez	419-213-4084
Commissioner , Lisa A. Sobecki	419-213-2155
Coroner , Tom Blomquist	419-213-3900
Engineer , Mike Pniewski	419-213-2860
Prosecutor , Julia R. Bates	419-213-4700
Recorder , Michael Ashford	419-213-4400
Sheriff , Michael J. Navarre	419-213-4908
Treasurer , Lindsay Webb	419-213-4305

Judges

Common Pleas Court

Gary G. Cook	419-213-4378
Stacy L. Cook	419-213-4566
Ian B. English	419-213-4560
Michael R. Goulding	419-213-4538
Linda J. Jennings	419-213-4581
Dean Mandros	419-213-4575
Eric Allen Marks	419-213-4570
Joseph V. McNamara	419-213-4578
Lindsay D. Navarre	419-213-4572
Lori Olander	419-213-4564

Domestic Relations Court

David E. Lewandowski	419-213-6850
Lisa D. McGowan	419-213-6850

Juvenile Court

Robert J. Jones, Jr.	419-213-6778
Linda M. Knepp	419-213-6717

Probate Court

Jack R. Puffenberger	419-213-4775
Sixth District Court of Appeals	

Myron C. Duhart	419-213-4755
Christine E. Mayle	419-213-4755
Thomas J. Osowik	419-213-4755
Charles E. Sulek	419-213-4755
Gene E. 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 & Family Services	419-213-8999
Imagination Station	419-244-2674
Land Reutilization Corp	419-213-4293
Law Library	419-213-4747
Mental Health & Recovery	419-213-4600
Office of Management & Budget	419-213-4517
Toledo/Lucas County Convention & Visitors Bureau	419-321-6404
Toledo-Lucas County Public Libraries	419-259-5200
Toledo Zoo	419-385-4040
Veterans Service Commission	419-213-6090

An electronic version of the Popular Annual
Financial Report is available at:
co.lucas.oh.us/PAFR

Questions?
Contact the Auditor's Department of
Education and Outreach at 419-213-4406
or by email: outreach@co.lucas.oh.us

