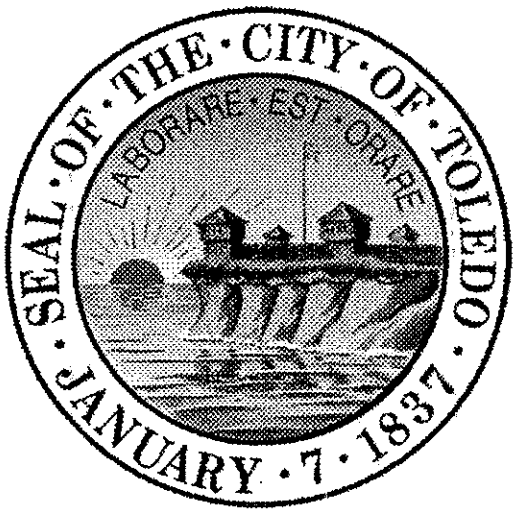
CITY OF TOLEDO, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2007

DEPARTMENT OF FINANCE



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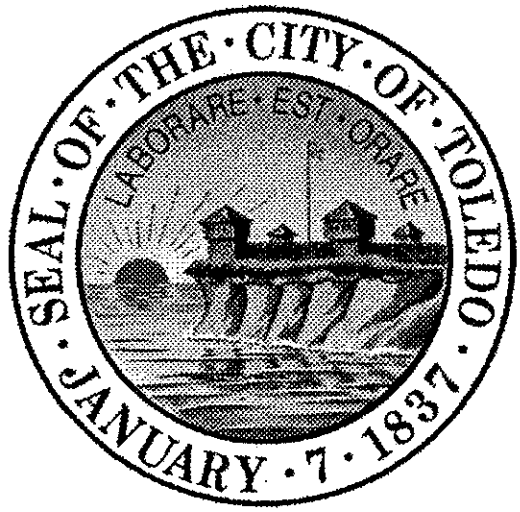

PREPARED BY:

THE DEPARTMENT OF FINANCE

JOHN SHERBURNE, FINANCE DIRECTOR

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CITY OF TOLEDO

Carleton S. Finkbeiner
Mayor

June 30, 2008

Honorable Mayor Carleton S. Finkbeiner, Mark Sobczak, President
and Members of City Council and Citizens of the City of Toledo, Ohio

FORMAL TRANSMITTAL

We are pleased to submit the 2007 Comprehensive Annual Financial Report of the City of Toledo, for the year ended December 31, 2007. The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations including all disclosure rests with the City. We believe the data is presented in a manner which fairly presents in all material respects the financial position and results of operations of the City, with all the necessary disclosures. Furthermore, we believe the accompanying financial statements, which are presented in conformity with Generally Accepted Accounting Principles (GAAP) and the Ohio Revised Code, contain financial, operating and budgetary information for the year 2007 that will be informative to a variety of users, including taxpayers, citizens and other resource providers.

The Comprehensive Annual Financial Report (CAFR) is prepared by the Department of Finance, Accounts Division and is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes the table of contents, this transmittal letter, the GFOA Certificate of Achievement, a list of principal officials and an organization chart of the City. The Financial section, prepared in conformity with GAAP as prescribed by the Governmental Accounting Standards Board (GASB), includes the basic financial statements, the combining financial statements, and the report of independent auditors on the basic financial statements. The Statistical section contains pertinent financial and general information about the City over the last ten years.

This transmittal letter should be read in conjunction with the Management's Discussion and Analysis which provides a narrative introduction, overview and analysis of the basic financial statements.

PROFILE OF THE GOVERNMENT

This report includes all the funds, agencies, boards and commissions over which the City is financially accountable. The City provides a full range of municipal services. These services include highways and streets, public safety, water and sanitation, culture and recreation, health and social services, public improvements and planning and zoning. General Administrative Services are not

applicable to any particular program and are categorized as such in the financial statements. The City has included in its financial statements the operations of the Clerk of Courts. It has excluded various autonomous entities such as the Toledo City School District, the Toledo Area Regional Transit Authority, the Toledo-Lucas County Port Authority, the Toledo Zoo, the Toledo Hospital, the Toledo Metropolitan Park District and The University of Toledo.

INFORMATION USEFUL IN ASSESSING THE GOVERNMENT'S ECONOMIC OUTLOOK

The City of Toledo is located in Lucas County in northwestern Ohio. It covers an area of 84 square miles. Toledo, with a population of approximately 314,000, is the fourth largest city in the state of Ohio. 137,600 people are employed within the City limits.

Toledo's economy has experienced the major changes that are typical of most large U.S. cities: Once dominant, large manufacturers have felt the effect of global competition. The result is the emphasis has shifted from very large manufacturing facilities toward the small and medium-sized companies with less than 100 employees. Also, the diversification within Toledo's industrial base is being realized through the attraction and development of high-tech and medical bio-tech companies. These companies, realizing their affordable access to Great Lakes shipping and international cargo flights, have directed their focus to international as well as domestic markets.

A successful new manufacturing project demands not only attention to high quality and exceptional service, but also a transportation network which benefits suppliers, manufacturers, and customers by providing a means of moving raw materials and finished product efficiently and effectively. Toledo is in the heartland of such production. Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent of these facilities are within 250 miles. Thirty-six (36) percent of U.S. and 19 percent of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 33 percent of the U.S. population resides within 500 miles of Toledo. These statistics are not expected to change significantly in the next decade.

To move products to market efficiently requires a multiple-surface transportation system, including road, rail, water and air capacity. Toledo has an impressive and effective transportation network in place. Toledo is one of the leading rail centers of the United States. Four rail systems utilize more than 1,200 miles of track within the City. The Port of Toledo is Ohio's largest and most diversified port. Toledo Express Airport is the commercial airport serving Northwest Ohio, providing direct service to most major U.S. cities.

The Toledo MSA serves as a major transportation center. Transportation industry employers provide significant employment. Among those employers is BAX Global International (formerly Burlington Air Express), which operates a cargo distribution hub facility at Toledo Express Airport. BAX Global International now has approximately 950 regular employees at the hub facility.

The City's economy, historically associated with the glass and automotive industries, has become increasingly diversified. The Toledo area remains the home of four of the nation's largest glass manufacturing companies: Owens-Illinois, Inc., Owens-Corning, Pilkington North America, Inc., and Libbey, Inc. Chrysler LLC, General Motors Corporation and Dana Corporation also

continue to be major employers in the Toledo MSA with approximately 6,600 employees. The Toledo MSA is also one of the larger oil refining centers between Chicago and the eastern seaboard, with BP Oil Co. and Sun Refining and Marketing each operating a major refinery in the MSA. In recent years, private service industries and governmental employers have provided more than three-fourths of the total employment in the Toledo MSA.

The City has been active in promoting industrial and commercial development in the City and the Toledo MSA, providing financing information, marketing programs and, in some cases, infrastructure improvements, grants and other incentives designed to encourage economic development and the creation and retention of jobs. In addition, the City is addressing Brownfield redevelopment in a collaborative partnership with property owners.

Toledo has been named as a "City of the Future" in North America and received the No. 1 ranking for "Most Business Friendly" city by London-based fDi (Foreign Direct Investment) among 44 cities in the large-city category.

To compete effectively in a global marketplace, Toledo must continue to promote local, state and federal incentives as opportunities for success to companies outside of its jurisdiction as well as to those seeking to grow from within. Available incentives include the Enterprise Development Loan program offering low-interest loans for new construction, major renovation, fixed asset or inventory acquisition, the Neighborhood Economic Development Loan program for small community-based businesses, core and neighborhood façade grants, tax abatements in enterprise and community reinvestment areas, and municipal and downtown job creation employment incentive programs.

MAJOR INITIATIVES

Toledoans have a strong work ethic and a proud tradition of excellence in many industries including glassware and automotive. Our green spaces and parks are second to none. Without question, the Art Museum, the Toledo Zoo, and Fifth Third Field, home of the Toledo Mud Hens, are venues of superior quality. Many other amenities grace the Toledo area.

A myriad of financial resources, entrepreneurial savvy, political leadership and a skilled workforce have bonded together to provide Toledo with the opportunity to begin an economic renaissance. The challenge is to attract vibrant new businesses while also offering creative solutions for maintaining our existing employment base. Simultaneously, with a cooperative spirit, we labor to make the Toledo region a center for entertainment, sports, culture, education and technology. We continue to make progress toward this goal.

In 2007, Chrysler LLC, successor to DaimlerChrysler AG, one of the largest manufacturing employers in the City, completed the second major expansion and improvement project at the Toledo North and Toledo South Plant complex in the City to occur in the past ten years. The initial project, completed in early 2001, involved the renovation and expansion of the Plant into a 1.1 million square foot manufacturing facility, part of an estimated $1.2 billion capital program in the City begun by DaimlerChrysler in 1997. The second project involved the construction of a bridge across Stickney Avenue and a 45 acre vehicle storage area at an estimated cost of $9 million. The City, the State and the Port Authority all provided substantial incentives

and assistance in connection with these projects. In support of the second project, the City agreed to provide certain property tax incentives, issued bonds to support this project, and constructed the bridge and a paved lot for the storage of new vehicles.

In 2007 General Motors Corporation completed a major capital improvement project at its GM Powertrain Division's Alexis Road transmission plant to prepare it for the production of a new six-speed, rear-wheel drive automatic transmission. The plant improvements included $100 million for a 400,000 square foot expansion and renovation of existing facilities and $363 million for new machinery, equipment and special tooling. In addition, General Motors announced in May 2007 that it intended to produce a new six-speed front-wheel drive automatic transmission at that transmission plant and that it would make additional capital investments to that plant estimated to cost $332 million to prepare it for that production which was projected to commence in 2010. The plant is expected to be the only General Motors transmission plant making both front-wheel and rear-wheel drive six-speed transmissions. General Motors has announced that at least 2,365 jobs would be preserved at the plant as a result of the project and that by 2011 production of four-speed transmissions at the plant will likely be phased out. Work on the new project, which includes equipment and tooling to support the new powertrain and related infrastructure improvements, commenced in July 2007. The State and the City provided certain grants and tax incentives to General Motors in connection with these projects.

In 2007, Mercy Health Partners completed a $90 million renovation and construction project at its St. Vincent Mercy Medical Center in central Toledo. The Medical Center is Mercy Medical Partners' largest facility. The project included construction of a four-story, $45 million Heart Center Pavilion and $45 million in renovations in the main hospital building. The expansion is expected to result in the creation of more than 60 permanent jobs at the Center.

In 2007, the owners of Westgate Shopping Center completed Phase I of a major capital improvement project. The $30 million investment included a brownfield clean-up which the City facilitated with Clean Ohio Assistance Funds of $750,000, a VAP clean-up of a former dry cleaning site, demolition of a shopping plaza, and construction of a new retail destination including Costco. Phase I created and retained in excess of 200 jobs. Phase II is currently under construction and with the addition of Fresh Market, an additional 60-90 jobs will be created.

In 2007, the State completed construction of a new bridge for the Interstate 280 crossing of the Maumee River. That bridge, a six-lane, cable-stayed structure with a signature design, is located near the Downtown area of the City and cost approximately $220 million. The City is currently completing a $48 million project for the improvement of its Martin Luther King Bridge over the Maumee River that joins the Marina District with the Downtown area of the City.

For the Future: The Toledo MSA tax base continued to improve throughout 2007. The Toledo MSA population is anticipated to remain through 2008 at an estimated 619,000.

In 2007, Cerberus Capital Management, L.P. purchased an 80.1% interest in DaimlerChrysler A.G.'s Chrysler and Jeep Corporation subsidiaries. Those subsidiaries are operating as Chrysler LLC, which is now the largest manufacturing employer in the Toledo MSA with an aggregate of approximately 3,900 employees at its Toledo North Plant and Toledo South

Plant complex in the City and its Toledo Machine Plant in nearby Perrysburg Township. Chrysler LLC produces the Dodge Nitro and Jeep Liberty and Wrangler models at its Toledo North and South Plant complexes and steering columns and torque converters for various Chrysler, Dodge and Jeep product lines at the Toledo Machine Plant. Chrysler also recently announced that sales of the new four-door Jeep Wrangler model produced at the Toledo South Plant have exceeded expectations. Chrysler suppliers, including Kuka Flexible Production Systems and Magna Steyra, also employ significant numbers of workers at the Toledo North and South Plant complexes.

The City and the City of Rossford, which borders the City to the south and is in Wood County, have entered into a cooperative agreement pursuant to which the City has agreed to extend water service to an area south of Rossford considered to be a prime area for growth and economic development once it is annexed to Rossford. The agreement provides for the creation of a joint economic development zone comprised of that area and for the two cities to share the costs of infrastructure improvements for the area and the income tax revenues received by Rossford from businesses that locate in the zone and their employees. The City has also entered into an agreement with the City of Perrysburg for a similar joint economic development zone under similar circumstances and terms. Bass Pro Shops has purchased 234 acres in an area near Rossford in a location where I-75 and the Ohio Turnpike intersect for the construction of a new $50 million superstore which is expected to be a major catalyst for economic development. The store opened in June 2008.

In 2005, the City and the City of Oregon agreed to cooperate in facilitating the development of a $350 million coke plant on a site owned by the Port Authority on the Maumee River. U.S. Coking Group had previously announced that it had obtained all required approvals and permits to proceed with the plant and signed agreements with the prime construction contractors for the project and that it expected to commence construction in 2007, with completion scheduled for 2009. On June 1, 2007, the State Environmental Review Appeals Commission ruled that an action by a former Ohio Environmental Protection Agency Director relaxing a restrictive permit requirement concerning mercury emissions was unauthorized, thereby reinstating the original permit restriction. U.S. Coking had previously stated that the high cost of complying with original permit requirements could affect its willingness to proceed with the project. The company requested relief from the original permit requirements under new legislation passed by the Ohio General Assembly in late June 2007 and was subsequently granted an air permit. Construction is now to commence in the summer of 2008 and is expected to produce between 1,500 and 2,000 construction jobs over the next two years. The company expects to employ approximately 150 full time workers at the site when the plant is complete. The City and the City of Oregon have created a joint economic development zone including the site, providing supporting infrastructure and services and sharing certain income tax revenues for a 40-year period.

In 2005, the ProMedica Health System began implementing a comprehensive plan to replace, renovate and expand facilities on its Toledo Hospital medical center campus in two phases over a five- to ten-year period. The first phase, a $200 million expansion, includes operating rooms, diagnostic areas, intensive care units and patient rooms. The second phase, which enjoyed its grand opening in 2007, includes a 10 story 500,000 square foot tower that houses the clinical areas of the Toledo Hospital and Toledo Children's Hospital, including the surgical intensive care unit, adult intermediate care units, newborn intensive care unit (NICU), general pediatrics and pediatric

hematology/oncology. The City has made certain street improvements in support of this development and has tentatively agreed to provide a 6.3-acre site for certain of the planned improvements.

In 2005, Dana Corporation (now operating as Dana Holding Corporation) completed construction of a division office and research and development center for its Automotive Systems Group. That center, an approximately $70 million, 183,000 square foot facility, is located in Maumee on an approximately 30-acre site formerly owned by the City. The center currently employs approximately 450 workers. Under a 2005 cooperative economic development agreement between the City, Maumee and Monclova Township, the City and Maumee are to share the municipal income tax revenues from the center and employees at the center, with the City to receive approximately one-third of those revenues and Maumee two-thirds for a period of 45 years.

The City and the Port Authority have assembled, remediated and otherwise prepared a 125-acre former industrial site in the City's Marina District bounded by the Maumee River, Interstate 280, Front Street and Main Street. The costs of the assembly and remediation have been paid from a variety of sources, including more than $8 million from the City's Capital Improvement Fund, $2.7 million from the City's Sewer and Water Revenue Funds, proceeds of a $5.5 million borrowing, $6.0 million of State of Ohio grant money and a $4.3 million grant from the largest local electric utility. The City contemplates that the site will be developed with a mix of uses including single- and multi-family residential buildings, condominiums, apartments, restaurants, entertainment venues, a 180-slip municipal marina, a passenger terminal for Great Lakes cruise ships (both already under construction), park and open spaces and, eventually, retail establishments with a total private and public investment in excess of $300 million over a ten-year period.

In January 2003, the Toledo City School District and the Ohio School Facilities Commission (OSFC) entered into a project agreement for the construction of up to 27 new elementary schools, seven new middle schools, five new high schools, six combined elementary/middle schools and for the renovation of seven schools. The "Building for Success" project will be the single largest building project in the City of Toledo, transforming the landscape and improving educational opportunities for generations of students to come. The District and the OSFC estimate that this program of improvements would cost approximately $800 million and be constructed in six segments over a period of 10 years.

The school district is also undertaking additional school site and facilities projects including the acquisition and improvement of sites for classroom and other district buildings and facilities and the construction, renovation, remodeling, expansion, furnishing and equipping of auditoriums, stadiums and other facilities that are not included in the district's cooperative program of improvements with the OSFC. The district estimates that the school site and facilities project will be completed over a period of ten years and cost in excess of $25 million.

Many cultural and recreational opportunities are available in the City and County. The Toledo Museum of Art, located within the City, is a privately-endowed nonprofit institution noted for the quality of its permanent collection and art education programs, as well as for its displays of traveling exhibits. In the past four years, the Museum has completed a major renovation and restoration of its existing facilities, dedicated a new sculpture garden and opened the state-of-the-art

57,600 square foot Glass Pavilion, an architectural masterpiece that celebrates the City's history as a major center of glass production and houses the museum's vast collection of glass artwork

The Valentine Theater, a historic theater located in the downtown area of the City, hosts a variety of musical, dance and theatrical productions by the Toledo Symphony, the Toledo Ballet, the Toledo Opera, the Toledo Jazz Society and the Toledo Repertoire Theater, as well as culturally and ethnically diverse traveling shows and attractions. The Valentine, rebuilt in the 1990s, contains a 900-seat auditorium, three rehearsal halls, administrative offices and state-of-the-art sound and lighting systems.

Library services throughout the county are provided by the Toledo-Lucas County Public Library (the Library). The Library has been ranked as one of the top ten libraries in America by Hennen's American Public Library Ratings. The Library provides services through its Main Library in the downtown area of the City and 18 branch libraries throughout the county. It has the third largest public library collection in the state with over 2.3 million books and an annual circulation of over 6 million. In 2001, the Library completed work on a $45 million expansion and renovation project at its Main Library, adding more than 271,000 square feet of library space and 300 parking spaces.

The City owns and operates 145 parks covering 2,368 acres and the MetroPark District of the Toledo Area operates eleven parks covering 9,000 acres in the county. The state's Maumee Bay State Park, a 1,860-acre park featuring both Lake Erie and inland lake beaches, a links-style public golf course, and a resort and conference center, is located within eight miles of the city. Sailing, boating and fishing are common activities on Lake Erie and the Maumee River, which flows through the City.

A total of 16 private and public golf courses are located in the county. One of these courses, Inverness Country Club, periodically hosts major USGA and PGA Championships. An LPGA tournament is held in the area annually.

The City is the home to the Toledo Mud Hens, a Class AAA and International League professional baseball team whose parent club is the Detroit Tigers. In 2002, Fifth Third Field, a 10,000-seat County-owned baseball stadium for the Mud Hens, opened in the Warehouse District of the Downtown area of the City. The stadium's design is architecturally compatible with other buildings in that District.

In 2006, the County announced its intention to construct an arena in the Downtown area of the City near the Seagate Convention Center and Fifth Third Field. The Arena, which is estimated to cost in excess of $80 million, is expected to be used for more than 100 events each year, including concerts, minor league hockey and arena football games, and to attract visitors and promote additional development of the Downtown area. The Toledo Mud Hens have acquired the Toledo Walleye, an East Coast Hockey League professional hockey team affiliated with the Detroit Red Wings. The Toledo Walleye will commence playing in the Fall of 2009 in the new Lucas County Arena.

In addition to activities within the area, the City of Toledo continues to work with entities such as the Regional Growth Partnership in developing national and international ties. The City of Toledo has hosted business delegations from various foreign countries on several occasions.

Like many other state and local governments, the City has been affected by the downturn in the economy over the past 4 years. City officials have been and are continuing to monitor City spending and income tax collections and other revenues very closely and have taken steps in recent years to control the size and structure of the City's workforce. Officials have also limited expenditures for overtime, trimmed support costs and eliminated expenditures for inefficient and unnecessary contractual services to keep aggregate appropriations in balance with projected revenues.

FINANCIAL INFORMATION

Internal Control: One of the primary objectives of the City's Accounting System is the maintenance of adequate internal controls. The internal controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. Another goal is the reliability of the financial records for preparing financial statements in conformity with GAAP and maintaining accountability for assets. The City has developed the concept of reasonable assurance to recognize that the cost of controls should not exceed the benefits likely to be derived. Finally, it recognizes that the evaluation of relative control costs and benefits requires management's judgment.

Budgetary Controls: The City of Toledo maintains budgetary controls in conformity with the Ohio Revised Code. The budgetary process commences with the submission of a Certificate of Estimated Revenue and Expenditures for the upcoming year to the County Budget Commission no later than October 31 of the current year.

The City uses the "Certificate" and departmental requests to prepare the Mayor's Estimates. This Executive Budget is presented to City Council as required by law every November. In December, City Council approves a temporary spending measure for the upcoming year, providing spending authority until an Annual Budget is approved but no later than March 31 of the ensuing year. The amount of the temporary spending measure is limited to 25% of the County Budget Commission's "Certificate of Estimated Resources," based on the July Tax Budget.

The Finance Committee of City Council immediately commences a review of the Mayor's Estimates upon approval of the temporary spending measure, conducts hearings with the various Divisions and makes various adjustments. These revised estimates are then presented by the Finance Committee to City Council which may make final changes that are incorporated into an Approved Budget.

Legislation summarizing these detailed budgets at the organizational level for personal service and other costs is then approved by City Council as required by law by March 31. Finally, the Approved Budget is submitted to the County Budget Commission to demonstrate compliance with the "Certificate of Estimated Resources."

Management exercises accounting and legal control over the budget process at various levels. Accounting control is maintained at a level of detail much greater than required by ordinance. Expenditures are controlled by organization at the line item account level. The control system is also designed to measure both expenditure and encumbrance activity and preclude approval of any activity that exceeds appropriations at the lowest managerial level of control. When these circumstances occur, management is required to either process necessary administrative budget adjustments, or present legislation as appropriate under the circumstances.

The City prepares a Special Budgetary Comparison Report that compares the level of appropriation authority to the County Budget Commission's "Certificate of Estimated Resources" to demonstrate its legal compliance. In addition, the "Certificate of Estimated Resources" is also compared on a regular and recurring basis to the estimated revenues of the City to identify additional estimated resources. When this occurs, the City prepares and submits an Amended Certificate of Estimated Resources to the County Budget Commission for approval to provide the necessary additional legal spending authority of these resources.

The Finance Department provides all user departments and divisions a monthly budget report for use in monitoring their revenue and expenditure activity. This report is also used to compare budgeted activity to actual for the purpose of periodically supplementing or reducing appropriations based on proper legislative activity. The Finance Department gives City Council a monthly update on General Fund expense and revenue activity throughout the course of the year.

Debt Administration: The City of Toledo has followed a judicious policy of issuing debt for a variety of projects. Every effort is made to find the optimal funding source for each project. Cash is considered to be the primary choice. The City uses Grants, Loans, Lease Financing, Revenue Debt and General Obligation Debt when cash is not available. Although the full faith and credit of the City is pledged to repay General Obligation Debt, other revenues (from the funded project) are used when available.

At December 31, 2007, the City had a number of debt issues outstanding. These issues included $142 million of General Obligation Bonds and Notes. Of this, $8 million is taxable Police and Fire Pension debt owned by the City Treasury as an investment and supported by a property tax levy and $29 million is supported by other revenue sources. In addition, the City also had outstanding $126 million of Revenue Debt and $39 million of Special Revenue Notes.

The City's General Obligation Note Program continued on a competitive bid basis for unenhanced and unrated notes. Currently, $21 million of notes are outstanding bearing interest of 1.9%.

In 1996, a change was made in the method of funding for the Assessed Services Program. Although still using credit enhancement to reduce interest rates, the City is using a Variable Note Program with weekly interest rate resets instead of the usual six month or twelve month rates. The 2007 program was funded in the same manner. This has reduced financing costs.

Under the Ohio Revised Code, the City's non-exempt debt issuances (that debt which cannot be excluded from the limits because funding is provided from other sources) are subject to certain

legal limits based on assessed valuation. The City's non-exempt debt of $142 million is well below the limits of $252 million of unvoted direct debt and $482 million of direct debt.

During 2007, the City's bond rating with Standard & Poor's was reaffirmed at "A," and with Moody's Investors Service at "A3."

Cash Management: Cash temporarily idle during the year was invested in certificates of deposit, the State Treasurer's Investment Pool and securities issued by the U.S. Treasury, several Government Agencies/Instrumentalities and the City in compliance with the City's codified investment policy. The City's investment policy stresses minimizing credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, all funds on deposit with a financial institution were either insured by federal deposit insurance or collateralized. All collateral for deposits was held in the City of Toledo's name by a financial institution acting as the City's Custodian, or by a third party trustee in a collateral pool.

The average yield on investments for 2007 was 5.63%. The City's investment performance compares favorably with the average yield on twelve month U.S. Treasury securities at 5.46%. The City earned interest income of $5 million on all investments for the year ending December 31, 2007.

Risk Management: The City passed a resolution in 1984 to apply the risk management process to accidental and financial losses. It defined that process as a systematic and continuous identification of loss exposures and analysis for frequency and severity probabilities. Further, this process would include the application of sound risk control procedures and financing of risk consistent with the City's available financial resources. The cost of financing risk internally through deductibles or self-insurance is then allocated to the appropriate funds and organizations within the City.

The Administration has implemented a risk management program through a part-time risk management administrator, workers' compensation manager, loss control specialists and the Joint Union and Management Safety and Health Committee. The responsibility of the risk management administrator includes the development, design, evaluation and review of the risk management process, while the responsibilities of the workers' compensation manager and loss control specialists focus on the area of employee safety and training. The Administration is cognitive of its responsibility in issues of safety and training. As a result, the Joint Union Management Safety and Health Committee (JUMSHC) was formed to review and address specific issues of employee safety and health and meets periodically to recommend safety policies, training and equipment. In addition, a T.E.A.M.S. Quality Circle program is established. T.E.A.M.S. is a name that identifies a Quality Circle program organized by department/divisions that meet weekly. The Administration, knowing that risk management is a "grounds-up" issue involving its employees, encourages participation and involvement. As with the JUMSHC, the T.E.A.M.S. approach provides employees a means to interact with the Administration on issues of safety while providing a forum to identify ways to reduce operational costs and enhance services to the citizens.

While the Ohio General Assembly passed several pieces of legislation to restore and afford limited sovereign immunity to political subdivisions and to provide for alternative financial payment in the form of annuity-type payments, the areas of particular concern to the city's risk management

program are the liability exposures and utilization of various transfer techniques, civil rights and discrimination litigation, court judgments and claims settlements, and the availability of excess liability insurance coverage. The Administration continues its commitment to limiting exposures where possible and optimizing coverage when feasible in recognition of its stewardship responsibilities.

The City continued during 2007 to participate in the State "Retrospective Rated Workers' Compensation Plan" as authorized by City Council in 1990. For each individual year of participation, the City pays a basic portion of workers' compensation premium and thereafter the costs for employee claims as they are incurred, subject to the plan's individual claim cost limitation and the City premium limitation. At the end of each individual ten-year period, a determination of retrospective premium is made and payment remitted to the State and the plan for that year is terminated. Policy years 1990 through 1996 are now terminated and payment has been remitted to the State. During 2003 through 2007, the Administration retained an independent actuary to perform an actuarial analysis of the Workers' Compensation Fund to assure financial integrity of the Fund.

OTHER INFORMATION

Independent Audit: The City of Toledo, with the approval of the Auditor of the State of Ohio, engaged the accounting firm of Clifton Gunderson LLP to conduct its annual audit. The audit was conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in government auditing standards. Additionally, for the eighteenth consecutive year, it also included the additional procedures necessary to meet the requirements of the Single Audit Act of 1984, as amended in 1996, the related Office of Management and Budget Circular A-133, and the requirements of the Auditor of the State of Ohio for legal compliance purposes. The Auditor's report on the basic financial statements and combining statements and schedules is included in the financial section of this report. The Auditors have issued an unqualified report on the City's 2007 basic financial statements.

AWARDS AND ACKNOWLEDGEMENTS

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Toledo for its comprehensive annual financial report for the year ended December 31, 2006. This is the twenty-fourth year since 1982 that the City has received the prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current year comprehensive annual financial report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA.

Acknowledgements: The preparation of the comprehensive annual financial report could not have been accomplished without the dedicated service of the Division of Accounts. Our appreciation is also extended to the entire Department of Finance and the various other departments whose

cooperative efforts during the course of this report's preparation made possible its completion on a timely basis.

In closing, we would like to thank the Mayor and Members of Council for their continued leadership and support.

Respectfully submitted,

John E. Sherburne
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Toledo
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.

President

Executive Director

CITY OF TOLEDO, OHIO
LIST OF PRINCIPAL CITY OFFICIALS

MAYOR

CARLETON S. FINKBEINER

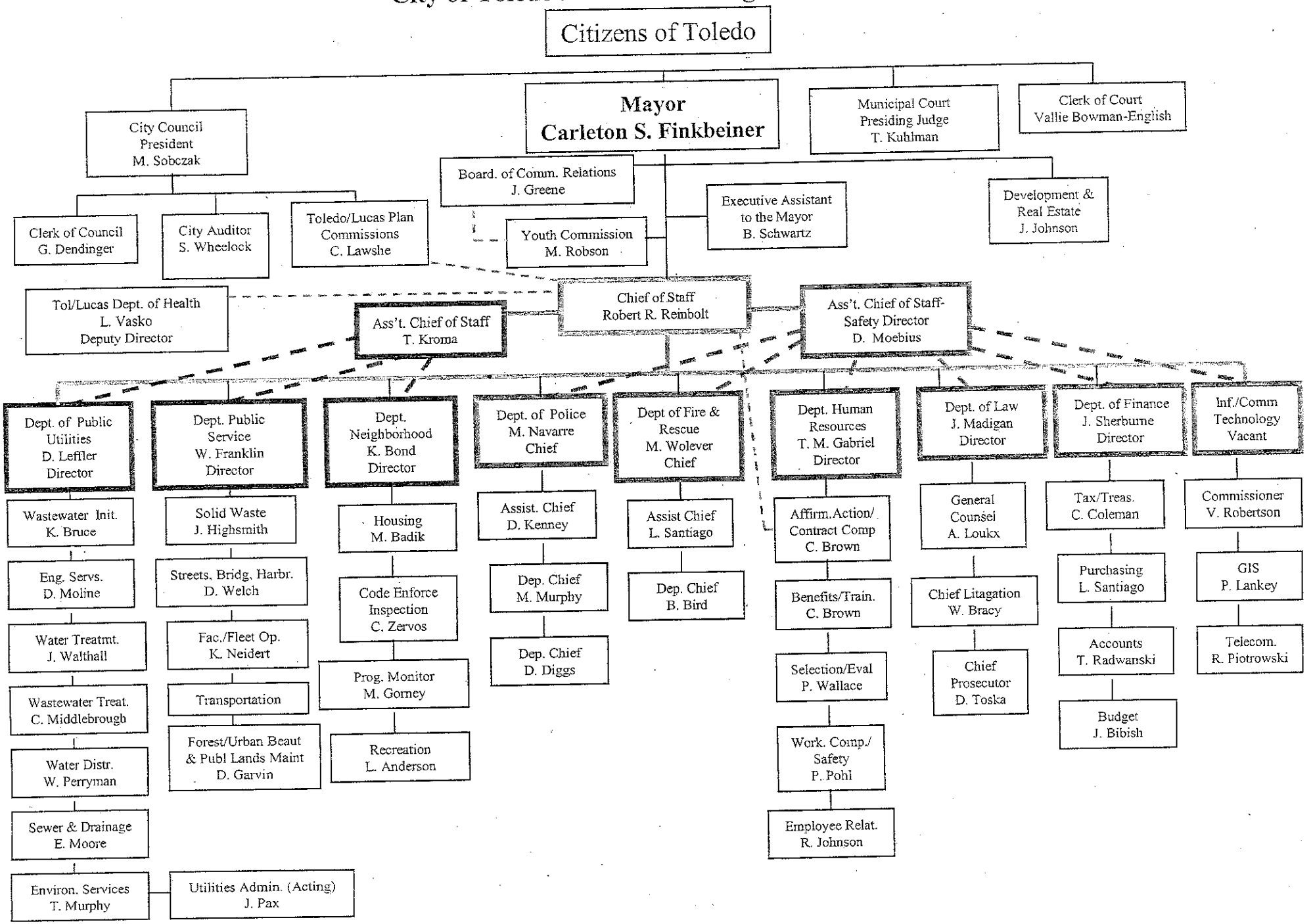
MEMBERS OF COUNCIL

NAME	LENGTH OF SERVICE
At-Large Seats	
Philip Copeland	Three Years
Betty Shultz	Fourteen Years
Joe McNamara	Two Years
George Sarantou	Six Years
Francis J. Szollosi	Five Years
Mark Sobczak, President	Two Years
District Seats	
1. Wilma D. Brown (West-Central)	Ten Years
2. Rob Ludeman (South-West)	Fourteen Years
3. Michael Craig (East Toledo-Historic South)	Two Years
4. Michael Ashford (Central City)	Six Years
5. Ellen M. Grachek (North-West)	Five Years
6. Joe Birmingham (North Toledo-Point Place)	Two Years

CLERK OF COUNCIL

Gerald E. Dendinger

City of Toledo Executive Management Team



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FINANCIAL SECTION

Clifton Gunderson LLP
Certified Public Accountants & Consultants

Independent Auditor's Report

The Honorable Mayor Carleton S. Finkbeiner
and Members of City Council
City of Toledo
Toledo, Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Toledo, Ohio, as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Toledo'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 statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financials statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Toledo, Ohio, as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards,* we have also issued a report dated June 30, 2008 on our consideration of the City of Toledo's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our audit.

Management's discussion and analysis and budgetary comparison on pages F5 through F17 and F87 through F91, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Toledo's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clifton Gunderson LLP

Toledo, Ohio
June 30, 2008

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CITY OF TOLEDO, OHIO

Management's Discussion and Analysis

As management of the City of Toledo, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2007. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The general fund reported a fund balance of $13 million at the end of the current fiscal year. There was a $2 million increase in the total general fund balance for the year ended December 31, 2007 from December 31, 2006.
- The assets of the City of Toledo exceeded its liabilities at the close of 2007 by $777 million. Included in governmental activities liabilities in the Statement of Net Assets in Other Debt, totaling $287 million, is debt for pensions in the amount of $8 million. This debt is supported by a separate property tax voted by the citizens of the City to fund the initial pension costs of the City's safety forces in the Ohio Police and Fire Pension Fund. The funds to be received for the debt on those pensions are sufficient to pay the net future debt payments but are not included in Taxes Receivable on the Statement of Net Assets.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $18 million. The combined governmental funds fund balance decreased $1 million from the prior year's ending fund balance. Approximately $(41) million of the $18 million fund balance is considered unreserved at December 31, 2007.
- The City's total debt (including premiums and accrued interest) increased by $29 million during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include general government, public service, public safety, public utilities, community environment, health, and parks and recreation. The business-type activities of the City primarily includes two enterprise activities: water and sewer funds.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of Toledo maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the capital improvements fund, and the special assessment services fund, all of which are considered to be major funds. Data from the other 17 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Toledo adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements (including statement reconciliations) can be found on pages F-24 through F-28 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water , sewer, storm sewer, and utility administrative services as well as parking, property management, and small business development. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions including, municipal garage, capital replacement, facility operations, storeroom and printshop, data processing, risk management and worker's compensation activities. Because the services provided by these funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provided separate information for water and sanitary sewer operations, both of which are considered to be major funds of the City. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages F-30 through F-37 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page F-38 of this report.

Notes to the financial statements. The notes are an integral part of the financial statements and provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages F-39 through F-83 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's general fund budget. The City adopts an annual appropriation budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with

this budget. Required supplementary information can be found on pages F-85 through F-91 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages F-87 through F-179 of this report.

Table 1:

City of Toledo
Net Assets
(amounts expressed in thousands)

	Governmental activities		Increase/	Business-type Activities		Increase/	Total	Total	Increase/
	2007	2006	(Decrease)	2007	2006	(Decrease)	2007	2006	(Decrease)
Current and other assets	$214,885	$192,091	$22,794	$145,893	$175,615	($29,722)	$360,778	$367,706	($6,928)
Capital assets	508,711	488,084	20,627	649,506	603,721	45,785	1,158,217	1,091,805	66,412
Total Assets	$723,596	$680,175	$43,421	$795,399	$779,336	$16,063	$1,518,995	$1,459,511	$59,484
Long-term liabilities outstanding	219,704	221,596	(1,892)	350,279	336,769	13,510	569,983	558,365	11,618
Other liabilities	121,108	104,967	16,141	50,651	52,464	(1,813)	171,759	157,431	14,328
Total liabilities	$340,812	$326,563	$14,249	$400,930	$389,233	$11,697	$741,742	$715,796	$25,946
Net assets	$382,784	$353,612	$29,172	$394,469	$390,103	$4,366	$777,253	$743,715	$33,538
Invested in capital assets, net of related debt	$329,962	$300,779	$29,183	$280,940	$253,730	$27,210	$610,902	$554,509	$56,393
Restricted	52,822	50,555	2,267	60,000	95,084	(35,084)	112,822	145,639	(32,817)
Unrestricted	-	2,278	(2,278)	53,529	41,289	12,240	53,529	43,567	9,962
Total net assets	$382,784	$353,612	$29,172	$394,469	$390,103	$4,366	$777,253	$743,715	$33,538

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position (See Table 1). The City's assets exceeded liabilities by $777 million at the close of the most recent fiscal year.

The largest portion of the City's net assets (79 %) reflects its investment in capital assets (e.g. land, buildings, improvements other than buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (15 %) represents resources that are subject to restrictions as to how they may be used. The net assets of the City's business-type activities ($394 million) may not be used to fund governmental activities. As stated earlier, property taxes to fund pension obligations of $8 million are not included in Taxes Receivable.

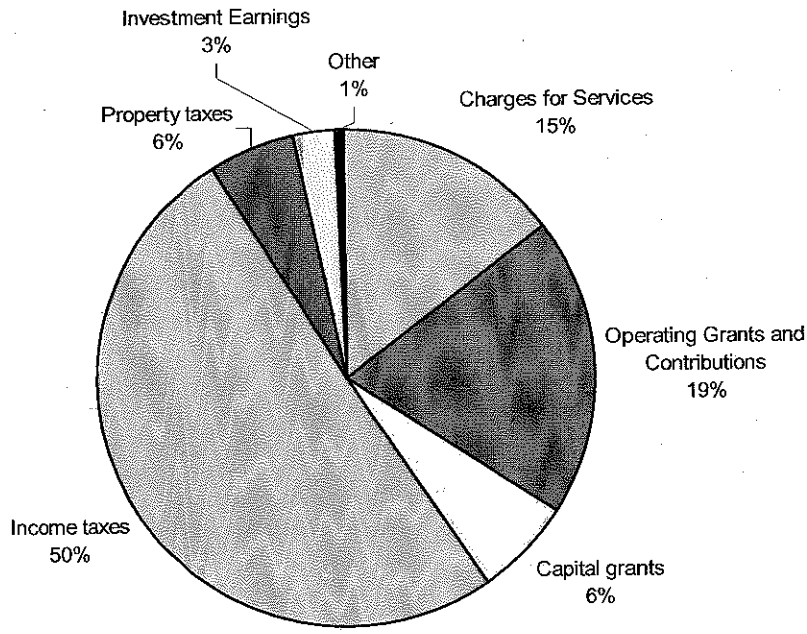
Table 2 provides a summary of the changes in net assets for the year ended December 31, 2007. Comparison data for 2006 is provided for reference purposes. The City's financial position improved for both governmental-type and business-type activities.

Table 2:

City of Toledo
Changes in Net Assets
(amounts expressed in thousands)

	Governmental Activities		Increase/	Business-type Activities		Increase/	Total	Total	Increase/
	2007	2006	(Decrease)	2007	2006	(Decrease)	2007	2006	(Decrease)
Revenues:									
Program Revenues:									
Charges for Services	$49,474	$44,740	$4,734	$109,808	$98,122	$11,686	$159,282	$142,862	$16,420
Operating Grants and Contributions	65,423	55,734	9,689	-	-	-	65,423	55,734	9,689
Capital grants	21,082	25,689	(4,607)	-	-	-	21,082	25,689	(4,607)
General Revenues:									
Income taxes	169,689	164,718	4,971	-	-	-	169,689	164,718	4,971
Property taxes	19,424	17,330	2,094	-	-	-	19,424	17,330	2,094
Investment Earnings	8,553	7,194	1,359	6,461	6,488	(27)	15,014	13,682	1,332
Other	2,297	2,190	107	(5,657)	4,782	(10,439)	-3,360	6,972	(10,332)
Total Revenues	$335,942	$317,595	$18,347	$110,612	$109,392	$1,220	$446,554	$426,987	$19,567
Expenses									
General government	$27,059	$27,250	($191)	-	-	-	$27,059	$27,250	($191)
Public Service	53,562	52,891	671	-	-	-	53,562	52,891	671
Public Safety	163,334	158,499	4,835	-	-	-	163,334	158,499	4,835
Public Utilities	106	46	60	-	-	-	106	46	60
Community Environment	20,230	20,589	(359)	-	-	-	20,230	20,589	(359)
Health	16,773	18,207	(1,434)	-	-	-	16,773	18,207	(1,434)
Parks & Recreation	7,321	7,563	(242)	-	-	-	7,321	7,563	(242)
Interest on Fiscal Charges	18,094	7,833	10,261	-	-	-	18,094	7,833	10,261
Water	-	-	-	38,388	34,324	4,064	38,388	34,324	4,064
Sewer	-	-	-	47,329	44,464	2,865	47,329	44,464	2,865
Other Enterprise Funds	-	-	-	20,819	21,077	(258)	20,819	21,077	(258)
Total Expenses	$306,479	$292,878	$13,601	$106,536	$99,865	$6,671	$413,015	$392,743	$20,272
Increase in net assets before transfers	29,463	24,717	4,746	4,076	9,527	(5,451)	33,539	34,244	(705)
Transfers	(291)	451	(742)	291	(451)	742	-	-	-
Increase in net assets	29,172	25,168	4,004	4,367	9,076	(4,709)	33,539	34,244	(705)
Net asset – January 1st	$353,612	$328,444	$25,168	$390,102	$381,027	$9,075	$743,714	$709,471	$34,243
Net asset – December 31st	$382,784	$353,612	$29,172	$394,469	$390,103	$4,366	$777,253	$743,715	$33,538

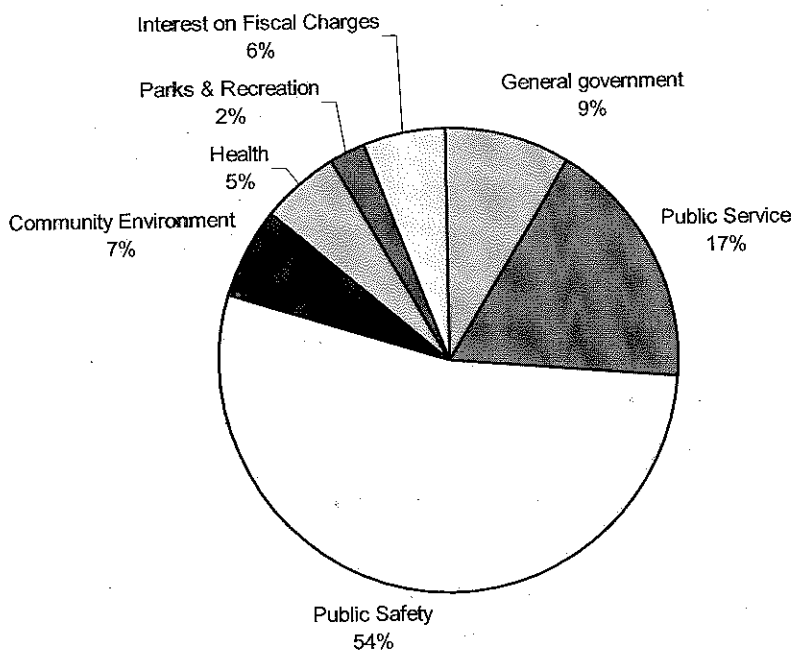
Revenues by Source - Governmental Activities



Governmental activities. Income tax revenue accounts for $170 million of the $336 million total revenue for governmental activities, or 50% of total revenue. Income tax collections increased $5 million due to more aggressive collection policies and the initiation of a tax amnesty program. Property taxes and Assessments account for $19 million or 6% of total revenue and operating grants and contributions of $65 million account for 19% of total governmental revenue. The amount of grants drawn down increased due to the acceptance of homeland security programs and reconstruction of the Martin Luther King Bridge in downtown Toledo.

The City's charges for services made up $50 million or 15% of total governmental revenue. These charges are for user fees, fines and forfeitures, and licenses and permits associated with building inspection. Charges for services increased $5 million in 2007. This came through the introduction of new fees including a garbage collection fee and the City's increased ambulance service.

Expenses by Category - Governmental Activities



Public Safety accounts for $163 million of the $306 million total expenses for governmental activities, or 54% of total expenses. Public Safety costs increased $5 million in 2007 due to increases in wages and fringe benefits based on renewal of contract agreements and increases in medical charges. The next largest program is Public Service, accounting for $54 million representing 17% of total governmental expenses. Interest on Fiscal Charges increased due to the issuance of bonds and notes for various projects. Public Service charges remained on a par with previous years.

Business-type activities. The net assets for the business-type activities for the City increased by $4 million during the year 2007. Much of this can be attributed to new construction and renovation at the City's Sewer Treatment Facilities to meet governmental regulations. Major revenue sources were charges for service of $110 million which increased approximately $12 million. This was due to an increase in fees to cover costs of new construction and replacement of existing Water and Sewer Facilities.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may

serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2007, the City's governmental funds reported combined ending fund balances of $18 million, a decrease of $1 million in comparison with the prior year. Approximately $(34) million of this amount constitutes *unreserved fund balance*, that is mainly due to Special Assessment Fund deferred revenue. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period and for non-current loans receivable.

The general fund is the chief operating fund of the City. At December 31, 2007, total fund balance was $13 million.

The fund balance of the City's general fund increased $2 million during 2007.

The capital improvement fund has a total fund balance of $30 million. The net decrease in fund balance during 2007 in this fund was approximately $6 million. This is due to a increase in notes payable for capital improvement throughout the year.

The special assessment services fund remained unchanged with a total fund deficit of $ 46 million. Receivables of $53 million for Special Assessments are offset by the same amount of Deferred Revenue.

Enterprise funds. The City's enterprise funds provide the same information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water fund at the end of the year amounted to $10 million and unrestricted net assets for the Sewer System was $35 million. The increase in the Water funds net assets was $3 million and the increase in the Sewer Systems net assets was $5 million .

The Water fund maintained all significant ratios including a Current Ratio of 2.5, Debt to Net Worth of 1.0, Long Term Debt to Total Capitalization of .5, and Debt Service Coverage Ratio of 1.9.

The Sewer fund maintained its significant ratios including Current Ratio of 1.8, Debt to Net Worth of 1.2, Long Term Debt to Total Capitalization of .6, and Debt Service Coverage Ratio of 4.1.

Water revenue increased 11% to $39 million. Operating expenses for the water utility increased 14% largely due to increased contractual services.

Sewer revenue increased 10% to $49 million. Operating expenditures in the sewer utility increased 5% due to an increase in personal services.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

There was no significant difference in the grand total of the final general fund budget as compared to the original budget, remaining at $247 million. Decreases were made in the major service areas due to the elimination of positions, not filling vacancies, reduction in overtime, and other cost cutting measures, but these were offset by an increase in operating transfers to other funds. There were no significant variations between the final approved budget and final actual expenditures.

The following schedule presents a summary of General Fund revenues for the year ended December 31, 2007, and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 3:

Revenues and Other Financing Sources (amounts expressed in thousands)	2007 Amount	% of Total	Increase (Decrease) from 2006	Percent Increase (Decrease)
Income Taxes	$169,689	69.4	$ 4,971	3.0
Property Taxes	19,424	7.9	2,094	12.1
Licenses & Permits	2,627	1.1	(240)	(8.4)
Intergovernmental Services	24,327	9.9	679	2.9
Charges for Services	16,144	6.6	2,302	16.6
Investment Earnings	4,663	1.9	194	4.3
Fines and Forfeitures	5,168	2.1	159	3.2
All Other Revenues	1,089	0.5	1,089	100.0
Other Financing Sources and Transfers In	1,423	0.6	268	23.2
Total Revenues & Other Financing Sources	$244,554	100.0	$11,516	4.9

Municipal Income Tax revenue increased 3.0% in 2007 from 2006. The increase can be attributed primarily to the fact that economic conditions in 2007 improved over 2006.

The increase in Investment Earnings is a direct result of increased interest rates. Most other revenue sources showed increases, reflecting stable recovery in economic activity.

The following schedule presents a summary of General Fund expenditures for the year ended December 31, 2007 and the percentage of increases and decreases in relation to prior year's amounts.

Table 4:

Expenditures and Other Uses (amounts expressed in thousands)	2007 Amount	% of Total	Increase (Decrease) from 2006	Percent Increase (Decrease)
General Government	$16,665	6.9	$ (376)	(2.2)
Public Service	1,672	0.7	118	7.6
Public Safety	161,059	66.3	5,870	3.8
Public Utilities	74	0.0	61	469.2
Community Environment	4,931	2.0	388	8.5
Health	15,849	6.5	494	3.2
Parks & Recreation	3,034	1.2	(492)	(14.0)
Capital Outlay	677	0.3	87	14.7
Principal Retirement	1,437	0.6	437	43.7
Interest & Fiscal Charges	1,010	0.4	243	31.7
Other Financing Uses and Transfers Out	36,336	15.0	2,948	8.8
Total	$242,744	100.0	$9,778	4.2

The decrease in General Government is due to decreased costs in personal services, supplies and professional services. The increase in Public Safety relates to increased costs in personal services, supplies and professional services. The decrease in Parks relates to decrease in personal services. The increase in Principal Retirement is due to the increase in the costs associated with Debt paid from General Fund.

General Fund Equity: Total fund equity (expressed in thousands) in the general fund amounts to $12,633, of which $786 is reserved for encumbrances, $883 is reserved for inventories, $18 is designated for subsequent years activity, $6,242 is designated for Budget Stabilization, $3,816 is for other reserves and $888 is unreserved.

The City maintains a Budget Stabilization Designation to cover unexpected revenue shortfalls and/or expenditure increases. The City did not utilize moneys in the Budget Stabilization Designation for expenditures in 2007, and, consistent with its policy of adding to the Designation set forth in an ordinance passed by the Council in 1998, intends to restore and then increase the Designation each year by an amount equal to one-half the amount by which actual annual General Fund revenues exceed actual annual General Fund expenditures for the prior year. The fund increased from $5.7 million at December 31, 2006 to $6.2 million at December 31, 2007.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for governmental and business-type activities as of December 31, 2007, amounts to $1,158 million (net of accumulated deprecation). This investment in capital assets includes land, buildings, water and sewer distribution systems, improvements, machinery and equipment, park facilities, roads, curbs and gutters, streets and sidewalks, and drainage systems. The total increase in the City's investment in capital assets for 2007 was 6 percent (an 4 percent increase for governmental activities and an 8 percent increase for business-type activities).

Table 5:

City of Toledo
Capital Assets, net of depreciation.
(amounts expressed in thousands)

	Governmental activities includes Internal Service		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Land	$25,131	$25,131	$10,874	$10,874	$36,005	$36,005
Buildings	10,168	12,449	26,353	26,931	36,521	39,380
Improvements other than buildings	26,958	29,331	31,369	31,048	58,327	60,379
Machinery and equipment	34,858	35,334	48,005	45,123	82,863	80,457
Infrastructure	411,596	385,839	262,903	253,070	674,499	638,909
Construction in progress	-	-	270,002	236,675	270,002	236,675
Total	$508,711	$488,084	$649,506	$603,721	$1,158,217	$1,091,805

Major capital asset events during 2007 included the following:

- Total capital assets, net of accumulated depreciation, increased $66 million.
- Business-type activity capital assets increased by $46 million.
- Governmental activity capital assets increased by $21 million.

Additional information on the City's capital assets can be found in Note 7 on pages F-62 through F-64 of this report.

Long-term debt. At December 31, 2007, the City, the primary government, had $656 million of long-term bonds, notes, loans, and other obligations outstanding. General obligation bonds and notes outstanding equal $122 million and $21 million respectively. All assessment bonds issued by the City are also general obligation bonds and are included herein. The remainder of the City's debt represents bonds secured by specified revenue sources (i.e. revenue bonds) and other sources of the City.

Table 6:

City of Toledo General Obligation and Revenue Bonds Outstanding (amounts expressed in thousands)						
	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
General obligation bonds and notes	$116,016	$111,066	$23,783	$24,593	$139,799	$135,659
Revenue bonds and notes	38,800	37,700	126,144	133,923	164,944	171,623
Total	$154,816	$148,766	$149,927	$158,516	$304,743	$307,282

Total long-term bonds and loans outstanding at December 31, 2007 increased over December 31, 2006 according to plan.

The City is rated A by Standard & Poor's Corporation and A3 by Moody's Investor Services.

The City is within all of its legal debt limitations. The Ohio Revised Code provides that the net debt (as defined in the Ohio Revised Code) of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on debt are measured by the ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2007 the City's total net debt amounted to 8 % of the total assessed value of all property within the City. Unvoted net debt amounted to 3 % of the total assessed value of all property within the City. The City had a legal debt margin for total debt of $120,742 and a legal debt margin for unvoted debt of $350,344. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Toledo lies, is limited to 10 mills. This millage is measured against the property values in each overlapping district.

Additional information regarding the City's long-term debt can be found in Note 8 on pages F65 through F-74 of this report.

Economic Factors and Next Year's Budgets and Rates

The City of Toledo's elected and appointed officials considered many factors when setting the fiscal 2008 budget. While the national economy is slowly improving, Toledo's economy is rebounding at a slower pace. Our income tax revenues, which are the largest source of revenue for our General Fund, grew at an overall 3.0% rate during 2007. The City has seen a renewed activity in the reported business net profits classification of tax collecting increasing by 16.1% over the 2006 collections.

The City is committed to controlling costs, putting the highest premium on safety for our citizens and adopting a budget designed to promote long-term fiscal stability and maintain budget reserves. Increasing productivity and reducing personnel costs will provide the most benefit to the current year budget and future budgets. The City is in process of reviewing several areas of providing services. The City and County are in discussions concerning areas of shared services ranging from vehicle maintenance to communication services. The City and County along with several other Municipalities and Townships have agreed to participate in a County wide Economic Development program known as the Lucas County Investment Corporation which will provide county wide Economic Development Initiatives. In addition, the City will continue its investment in job creation in order to continue to grow our economy. The total General fund budget for 2008 is $253 million.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance at One Government Center, Suite 2050, Toledo, OH 43604.

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BASIC FINANCIAL STATEMENTS

CITY OF TOLEDO, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Equity in Pooled Cash	$ 30,770	$ 24,111	$ 54,881
Other Cash	36	15	51
Investments	42,716	118,278	160,994
Receivables (Net of Allowance for Uncollectible Accounts)			
Taxes	38,572	---	38,572
Accounts	8,248	20,732	28,980
Special Assessments	55,405	---	55,405
Notes	---	9,198	9,198
Internal Balances	33,062	(33,062)	---
Due from Other Governments	---	40	40
Prepaid Items and Expenses	628	108	736
Inventory of Supplies	5,143	3,452	8,595
Capital Assets Not Being Depreciated	25,131	280,876	306,007
Capital Assets Being Depreciated (Net)	483,580	368,630	852,210
Deferred Debt Issuance Cost	305	3,021	3,326
Total Assets	$ 723,596	$ 795,399	$1,518,995

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
STATEMENT OF NET ASSETS
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
LIABILITIES			
Accounts Payable	$ 9,824	$ 10,022	$ 19,846
Escrow	20,644	15,574	36,218
Retainages	975	2,460	3,435
Due to Other Governments	15	---	15
Other Current Liabilities	22,162	4,307	26,469
Other Debt:			
Due within One Year	67,488	18,288	85,776
Due in More Than One Year	219,704	350,279	569,983
Total Liabilities	340,812	400,930	741,742
NET ASSETS			
Invested in capital assets, net of related debt	329,962	280,940	610,902
Restricted for:			
Special Assessments	4,847	---	4,847
Debt Service	---	3,763	3,763
Replacement	---	22,683	22,683
Capital Improvements	28,165	33,554	61,719
Special Revenue and Permanent Fund	19,810	---	19,810
Unrestricted	---	53,529	53,529
Total Net Assets	$ 382,784	$ 394,469	$ 777,253

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

		Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
Functions/Programs	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	$ 27,059	$ 30,165	$ 44,182	$ 4,724	$ 52,012	$ ---	$ 52,012
Public Service	53,562	---	13	6,050	(47,499)	---	(47,499)
Public Safety	163,334	8,814	2,821	---	(151,699)	---	(151,699)
Public Utilities	106	1,199	---	---	1,093	---	1,093
Community Environment	20,230	6,563	15,265	10,288	11,886	---	11,886
Health	16,773	2,632	2,772	---	(11,369)	---	(11,369)
Parks and Recreation	15,047	101	370	20	(14,556)	---	(14,556)
Interest and Fiscal Charges	10,368	---	---	---	(10,368)	---	(10,368)
Total Governmental Activities	$ 306,479	$ 49,474	$ 65,423	$ 21,082	$ (170,500)	$ ---	$ (170,500)
Business-Type Activities:							
Water	38,388	38,627	---	---	---	239	239
Sewer	47,329	48,901	---	---	---	1,572	1,572
Storm Utility	6,168	8,620	---	---	---	2,452	2,452
Utilities Administration	10,647	9,676	---	---	---	(971)	(971)
Parking	946	1,403	---	---	---	457	457
Property Management	1,930	266	---	---	---	(1,664)	(1,664)
Small Business Development/Exp. Trust	41	---	---	---	---	(41)	(41)
Tow Lot	1,087	2,315	---	---	---	1,228	1,228
Total Business-Type Activities	106,536	109,808	---	---	---	3,272	3,272
Total Primary Government	$ 413,015	$ 159,282	$ 65,423	$ 21,082	$ (170,500)	$ 3,272	$ (167,228)
General Revenues:							
Taxes:							
Income Taxes					169,689	---	169,689
Property Taxes					19,424	---	19,424
Unrestricted Investments Earnings					8,553	6,460	15,013
Gain on Sale of Capital Assets and Other Revenue/Grants					2,297	(5,657)	(3,360)
Transfers					(291)	291	---
Total General Revenues, Special Items and Transfers					199,672	1,094	200,766
Changes in Net Assets					29,172	4,366	33,538
Net Assets-Beginning					353,612	390,103	743,715
Net Assets-Ending					$ 382,784	$ 394,469	$ 777,253

The notes to the financial statements are an integral part of this statement.

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CITY OF TOLEDO, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	General	Capital Improvements	Special Assessment Services
ASSETS			
Equity in Pooled Cash	$ 127	$ 17,008	$ ---
Other Cash	34	---	---
Investments	3,447	25,678	9,303
Receivables (Net of Allowance for Uncollectible Accounts):			
Taxes	38,572	---	---
Accounts	3,352	658	74
Special Assessments	---	---	52,565
Interfund Balances	15,481	264	1,279
Prepaids	---	278	---
Inventory of Supplies	883	1,012	1,534
Total Assets	$ 61,896	$ 44,898	$ 64,755
LIABILITIES			
Accounts Payable	1,576	2,892	636
Escrow	15,608	268	1,279
Retainages	---	925	---
Interfund Balances	10,227	---	17,436
Due to Other Governments	---	---	12
Deferred Revenue	19,114	---	52,565
Other Current Liabilities	2,738	---	5
Debt:			
Notes Payable	---	11,050	38,800
Total Liabilities	$ 49,263	$ 15,135	$ 110,733
FUND BALANCES			
Fund Balances (Deficit):			
Reserved for Encumbrances	786	22,027	505
Reserved for Inventory of Supplies	883	1,012	1,534
Reserved for Capital Improvements	---	13,831	---
Reserved for Debt Service	---	---	---
Reserved for Prepaids	---	278	---
Reserved for Landfill Remediation	3,816	---	---
Unreserved, Reported In:			
General Fund-Designated for Future Years' Expenditures	18	---	---
General Fund-Designated for Budget Stabilization	6,242	---	---
Unreserved – Special Revenue	---	---	---
Unreserved – Capital Projects	---	---	---
Unreserved – Permanent Funds	---	---	---
Unreserved	888	(7,385)	(48,017)
Total Fund Balances	12,633	29,763	(45,978)
Total Liabilities and Fund Balance	$ 61,896	$ 44,898	$ 64,755

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Non-Major Governmental Funds	Total Governmental Funds
ASSETS		
Equity in Pooled Cash	$ 8,838	$ 25,973
Other Cash	2	36
Investments	4,122	42,550
Receivables (Net of Allowance for Uncollectible Accounts):		
Taxes	---	38,572
Accounts	4,128	8,212
Special Assessments	2,840	55,405
Interfund Balances	11,420	28,444
Prepaids	---	278
Inventory of Supplies	750	4,179
Total Assets	$ 32,100	$ 203,649
LIABILITIES		
Accounts Payable	2,551	7,655
Escrow	1,599	18,754
Retainages	50	975
Interfund Balances	1,192	28,855
Due to Other Governments	2	14
Deferred Revenue	2,840	74,519
Other Current Liabilities	49	2,792
Debt:		
Notes Payable	2,265	52,115
Total Liabilities	$ 10,548	$ 185,679
FUND BALANCES		
Fund Balances (Deficit):		
Reserved for Encumbrances	6,922	30,240
Reserved for Inventory of Supplies	750	4,179
Reserved for Capital Improvements	---	13,831
Reserved for Debt Service	58	58
Reserved for Prepaids	--	278
Reserved for Landfill Remediation	--	3,816
Unreserved, Reported In:		
General Fund-Designated for Future Years' Expenditures	90	108
General Fund-Designation for Budget Stabilization	---	6,242
Unreserved – Special Revenue	15,049	15,049
Unreserved – Capital Projects	(2,011)	(2,011)
Unreserved – Permanent Funds	694	694
Unreserved	---	(54,514)
Total Fund Balances	21,552	17,970
Total Liabilities and Fund Balance	$ 32,100	$ 203,649

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

Total governmental fund balances	$	17,969
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.		495,268
Internal service funds are used by management to charge the cost of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of the net assets.		23,071
Long-term assets are not available to pay for current period expenditures and therefore deferred in the funds.		305
Long-term liabilities, including bonds payable, OWDA loans, capital leases, and compensated absences are not due and payable in the current period and therefore are not reported on the funds.		(228,347)
Special assessment tax revenue will be collected beyond the 60 day period use statements. Revenue and a corresponding receivable are included in the government-wide statements.		74,518
Net assets of government activities	$	382,784

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	General	Capital Improvements	Special Assessment Services	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:					
Income Taxes	$ 169,689	$ ---	$ ---	$ ---	$ 169,689
Property Taxes	19,424	---	---	---	19,424
Special Assessments	---	---	23,988	613	24,601
Licenses and Permits	2,627	194	---	9	2,830
Intergovernmental Services	24,327	22,294	---	32,089	78,710
Charges for Services	16,144	99	437	684	17,364
Investment Earnings	4,663	1,548	922	1,420	8,553
Fines and Forfeitures	5,168	---	---	1,171	6,339
All Other Revenue	1,089	490	9	1,737	3,325
Total Revenues	$ 243,131	$ 24,625	$ 25,356	$ 37,723	$ 330,835
EXPENDITURES:					
Current:					
General Government	$ 16,665	$ ---	$ 748	$ 176	$ 17,589
Public Service	1,672	---	21,982	10,134	33,788
Public Safety	161,059	---	---	3,069	164,128
Public Utilities	74	---	---	28	102
Community Environment	4,931	---	---	13,994	18,925
Health	15,849	---	503	1,563	17,915
Parks & Recreation	3,034	---	197	235	3,466
Capital Outlay	677	55,104	3	2,099	57,883
Debt Service:					
Principal Retirement	1,437	4,029	---	11,782	17,248
Interest & Fiscal Charges	1,010	2,569	2,135	4,654	10,368
Total Expenditures	$ 206,408	$ 61,702	$ 25,568	$ 47,734	$ 341,412
Excess (Deficiency) of Revenues over Expenditures	36,723	(37,077)	(212)	(10,011)	(10,577)
Other Financing Sources (Uses):					
Transfers In	1,423	35,603	50	18,597	55,673
Transfers (Out)	(36,336)	(15,690)	---	(4,683)	(56,709)
Bond Issuance of Debt	---	9,000	---	---	9,000
Note Issuance of Debt	---	1,923	---	---	1,923
Premium on Bonds	---	110	---	4	114
Sale of Easements	5	---	---	6	11
TOTAL OTHER FINANCING SOURCES AND (USES)	$ (34,908)	$ 30,946	$ 50	$ 13,924	$ 10,012
Net Change in Fund Balance	1,815	(6,131)	(162)	3,913	(565)
Fund Balances (Deficit) at Beginning of Year	10,791	35,927	(45,650)	17,639	18,707
Increase in Reserve for Inventory	27	(33)	(166)	---	(172)
Fund Balance (Deficit) at Year-End	$ 12,633	$ 29,763	$ (45,978)	$ 21,552	$ 17,970

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, 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
(AMOUNTS IN THOUSANDS)

Net change in fund balances – total governmental funds	$	(566)
Change in Inventory		(169)
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 and reported as depreciation expense. This is the amount by which capital outlays ($57,883) were less than depreciation ($36,104) in the current period.		21,779
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		6,135
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued. Whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt.		(958)
The net income of certain activities of internal service funds is reported with governmental activities.		2,951
Change in net assets of governmental activities.	$	29,172

The notes to the financial statements are an integral part of this statement.

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CITY OF TOLEDO, OHIO
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Non-Major Enterprise	Total	
ASSETS					
Current Assets					
Equity in Pooled Cash	$ 7,161	$ 7,883	$ 9,067	$ 24,111	$ 4,797
Other Cash	8	6	1	15	---
Investments	48,938	37,377	31,963	118,278	166
Receivables (Net of Allowance for Uncollectible Accounts):					
Accounts	7,653	10,626	2,453	20,732	36
Notes	---	---	9,198	9,198	---
Interfund Balances	25,979	31,494	---	57,473	33,940
Due from Other Governments	7	---	34	41	---
Prepaid Expenses	14	57	37	108	350
Inventory of Supplies	2,809	633	10	3,452	964
Total Current Assets	92,569	88,076	52,763	233,408	40,253
Property, Plant and Equipment					
Land	1,762	163	8,950	10,875	350
Buildings	13,829	32,747	28,850	75,426	1,111
Improvements	11,921	51,845	8,216	71,982	379
Machinery and Equipment	26,115	79,385	1,867	107,367	58,591
Furniture and Fixtures	405	948	617	1,970	98
Distribution System	168,499	290,923	11,010	470,432	---
Construction in Progress	55,891	207,955	6,157	270,003	---
Less: Accumulated Depreciation	(92,063)	(248,943)	(17,543)	(358,549)	(47,086)
Net Property, Plant, and Equipment	186,359	415,023	48,124	649,506	13,443
Other Assets:					
Deferred Debt Issuance Cost	2,321	700	---	3,021	---
Total Non-Current Assets	188,680	415,723	48,124	652,527	13,443
Total Assets	$ 281,249	$503,799	$ 100,887	$885,935	$ 53,696

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Water	Sewer	Non-Major Enterprise	Total	Governmental Activities - Internal Service Funds
LIABILITIES AND FUND EQUITY					
Current Liabilities:					
Accounts Payable	$ 2,909	$ 6,126	$ 987	$ 10,022	$ 2,169
Escrow	7,481	7,442	651	15,574	1,889
Retainages	484	1,879	97	2,460	---
Interfund Balances	29,092	31,480	29,964	90,536	467
Other Current Liabilities	881	3,384	42	4,307	19,370
Total Current Liabilities	$ 40,847	$50,311	$31,741	$122,899	$ 23,895
Debt:					
Notes Payable	62,093	192,560	7,913	262,566	6,730
General Obligation Bonds Payable	---	---	26,976	26,976	---
Revenue Bonds Payable	37,631	39,267	---	76,898	---
Capital Lease Obligation	---	---	2,127	2,127	---
Total Long-Term Liabilities	99,724	231,827	37,016	368,567	6,730
Total Liabilities	140,571	282,138	68,757	491,466	30,625
NET ASSETS					
Invested in Capital Assets net of related debt:	86,635	183,197	11,108	280,940	6,710
Restricted Net Assets For:					
Debt Service	249	3,326	188	3,763	---
Replacement	21,309	---	1,374	22,683	2,000
Improvement	22,307	---	11,247	33,554	---
Unrestricted	10,178	35,138	8,213	53,529	14,361
Total Net Assets	$140,678	$ 221,661	$32,130	$ 394,469	$ 23,071

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
PROPRIETARY FUNDS
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSAND)

	Business-Type Activities – Enterprise Funds				Governmental Activities – Internal Service Funds
	Water	Sewer	Non-Major Enterprise	Total	
Operating Revenues:					
Charges for Services	$ 38,627	$ 48,901	$ 21,139	$ 108,667	$ 28,229
Other Revenue	---	---	1,141	1,141	228
Total Operating Revenues	38,627	48,901	22,280	109,808	28,457
Operating Expenses:					
Personal Services	11,457	14,552	10,204	36,213	6,540
Contractual Services	9,560	11,076	6,076	26,712	8,720
Materials and Supplies	5,253	1,818	743	7,814	6,028
Utilities	2,746	3,921	123	6,790	1,653
Depreciation and Amortization	4,878	9,581	1,571	16,030	3,028
Total Operating Expenses	33,894	40,948	18,717	93,559	25,969
Operating Income (Loss)	4,733	7,953	3,563	16,249	2,488
Non-Operating Revenues (Expenses):					
Investment Earnings	2,998	1,874	1,589	6,461	12
Interest Expense and Fiscal Charges	(4,494)	(6,381)	(2,102)	(12,977)	(306)
Other Revenue (Expenses)	(198)	1,514	(7,319)	(6,003)	12
Total Non-Operating Revenues (Expenses)	(1,694)	(2,993)	(7,832)	(12,519)	(282)
Income (Loss) before Transfers	3,039	4,960	(4,269)	3,730	2,206
Federal Grants	---	---	345	345	---
Transfers In	---	145	1,023	1,168	1,802
Transfers (Out)	(88)	---	(789)	(877)	(1,057)
Total Transfers In (Out)	(88)	145	234	291	745
Change in Net Assets	2,951	5,105	(3,690)	4,366	2,951
Net Assets at Beginning of Year	137,727	216,556	35,820	390,103	20,120
Net Assets at End of Year	$ 140,678	$ 221,661	$ 32,130	$ 394,469	$ 23,071

The notes to the financial statements are an integral part of this statement.

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City of Toledo, Ohio
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)

	Water	Sewer	Non-Major Enterprise
Cash Flows from Operating Activity			
Receipts from Customers	$37,903	$ 48,560	$ 31,433
Payments to Suppliers	(26,717)	(15,736)	2,417
Payments to Employees	(11,457)	(14,552)	(10,204)
Other Receipts	--	--	1,141
Net Cash Provided by (Used for) Operating Activity	(271)	18,272	24,787
Cash Flows from Noncapital Financing Activities			
Transfers In	--	145	1,023
Transfers Out	(88)	--	(789)
Net Cash Provided by (Used for) Noncapital Financing Activities	(88)	145	234
Cash Flows from Capital & Related Financing Activities:			
Acquisition and Construction of Capital Assets	(20,986)	(35,328)	(5,499)
Principal Paid on Bond Maturities	(4,715)	(5,837)	(2,659)
Issuance of Revenue Bonds and Notes	4,691	26,371	725
Federal Grants	--	--	345
Interest Expense and Fiscal Charges	(4,494)	(6,381)	(2,102)
Proceeds from Sale of Capital Assets/Grants/Other Expenses	(198)	1,514	--
Net Cash Provided by (Used for) Capital and Related Financing Activities	(25,702)	(19,661)	(9,190)
Cash Flows from Investing Activities:			
Purchase of Investment Securities	(136,006)	(98,230)	(160,587)
Sale and Maturities of Investment Securities	159,246	97,591	152,211
Investment Earnings and Dividends on Investments	2,998	1,874	1,590
Other Revenues (Expenses)	--	--	(7,319)
Net Cash Provided by (Used for) Investing Activities	26,238	1,235	(14,105)
Net Increase (Decrease) in Cash and Cash Equivalents	177	(9)	1,726
Cash and Cash Equivalents (Restricted and Unrestricted) at Beginning of Year	6,992	7,898	7,342
Cash and Cash Equivalents (Restricted and Unrestricted) at End of Year	$ 7,169	$ 7,889	$ 9,068

The notes to the financial statements are an integral part of this statement.

City of Toledo, Ohio
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)

	Total	Internal Service Fund
Cash Flows from Operating Activity		
Receipts from Customers	$117,896	$ 23,429
Payments to Suppliers	(40,036)	(16,186)
Payment to Employees	(36,213)	(6,540)
Other Receipts	1,141	228
Net Cash Provided by (Used for) Operating Activity	42,788	931
Cash Flows from Noncapital Financing Activities:		
Transfers In	1,168	2,070
Transfers Out	(877)	(1,057)
Net Cash Provided by (Used for) Noncapital Financing Activities	291	1,013
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(61,813)	(2,141)
Principal Paid on Bond Maturities	(13,211)	(7,920)
Issuance of Revenue Bonds and Notes	31,787	6,730
Federal Grants	345	--
Interest Expense and Fiscal Charges	(12,977)	(306)
Proceeds from Sale of Capital Assets/Grants	1,316	--
Net Cash Provided by (Used for) Capital and Related Financing Activities	(54,553)	(3,637)
Cash Flows from Investing Activity:		
(Purchase) of Investment Securities	(394,823)	(20)
Sale and Maturities of Investment Securities	409,048	873
Investment Earnings and Dividends on Investments	6,462	12
Other Revenues (Expenses)	(7,319)	11
Net Cash Provided by (Used for) Investing Activities	13,368	876
Net Increase (Decrease) in Cash and Cash Equivalents	1,894	(817)
Cash and Cash Equivalents (Restricted and Unrestricted) at Beginning of Year	22,232	5,614
Cash and Cash Equivalents (Restricted and Unrestricted) at End of Year	$ 24,126	$ 4,797

City of Toledo, Ohio
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)
(Continued)

	Water	Sewer	Non-Major Enterprise
Cash Flows from Operating Activity:			
Operating Income (Loss)	$ 4,733	$ 7,953	$ 3,563
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Amortization	4,878	9,581	1,571
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(72)	1,086	6,919
(Increase) Decrease in Prepaid Expenses	111	(22)	613
(Increase) Decrease in Interfund Balances	(652)	(1,427)	3,375
(Increase) Decrease in Due from Other Governments	8	100	42
(Increase) Decrease in Deferred Debt Issuance Costs	134	43	--
(Increase) Decrease in Inventory of Supplies	(427)	(22)	1
Increase (Decrease) in Accounts Payable	(4,606)	(2,048)	435
Increase (Decrease) in Escrow	307	(178)	(11)
Increase (Decrease) in Retainage	(1,103)	(2,368)	66
Increase (Decrease) in Interfund Balances	(3,780)	3,797	8,211
Increase (Decrease) in Due to Other Governments	--	--	--
Increase (Decrease) in Other Current Liabilities	198	1,777	2
Total Adjustments	(5,004)	10,319	21,224
Net Cash Provided by (Used for) Operating Activities	$ (271)	$18,272	$24,787

The notes to the financial statements are an integral part of this statement.

City of Toledo, Ohio
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)
(Continued)

	Total	Internal Service Fund
Cash Flows from Operating Activity:		
Operating Income (Loss)	$ 16,249	$ 2,488
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Amortization	16,030	3,028
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	7,933	41
(Increase) Decrease in Prepaid Expenses	702	(350)
(Increase) Decrease in Interfund Balances	1,296	(4,842)
(Increase) Decrease in Due from Other Governments	150	--
(Increase) Decrease in Deferred Debt Issuance Costs	177	--
(Increase) Decrease in Inventory of Supplies	(448)	(146)
Increase (Decrease) in Accounts Payable	(6,219)	536
Increase (Decrease) in Escrow	118	226
Increase (Decrease) in Retainage	(3,405)	--
Increase (Decrease) in Interfund Balances	8,228	(264)
Increase (Decrease) in Due to Other Governments	--	(9)
Increase (Decrease) in Other Current Liabilities	1,977	223
Total Adjustments	26,539	(1,557)
Net Cash Provided by (Used for) Operating Activities	$ 42,788	$ 931

The notes to the financial statements are an integral part of this statement.

CITY OF TOLEDO, OHIO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS-AGENCY
DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Total
ASSETS	
Equity in Pooled Cash	$ 1,364
Investments at Cost	1,049
Total Assets	$ 2,413
LIABILITIES	
Liabilities	
Accounts Payable	$ 83
Escrow	1,049
Other Current Liabilities	1,281
Total Liabilities	$ 2,413

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Toledo, Ohio ("City") was incorporated January 7, 1837, and operates under its Charter adopted in November, 1914. The City may exercise all powers of local self-government granted under Article XVIII, Section 3, of the Ohio Constitution, not in conflict with applicable general laws of Ohio. The City government operates as a Strong Mayor/Council form of government. The Charter authorizes the following services: Public Safety, Highways and Streets, Water and Sanitation, Health and Social Services, Culture-Recreation, Public Improvements, Planning and Zoning, and General Administrative Services.

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America. The more significant of the City's accounting policies are described below:

A. Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. The accompanying financial statements present the City of Toledo (the Primary Government) which does not have any component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements, even though agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Income taxes, property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *capital improvements fund* accounts for construction, improvement and acquisition of buildings and infrastructure.

The *special assessment services fund* accounts for the proceeds of special assessments (and related note sales) levies against property benefited from City services.

The government reports the following major proprietary funds:

The *water and sewer funds* account for the activities of these funds. These funds operate the sewage treatment plant, sewage pumping stations and collection systems, and the water distribution system.

Additionally, the government reports the following fund types:

Internal service funds account for data processing and fleet management services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

General Agency – which accounts for various licenses, fees and taxes, such as restaurant licenses, that the City collects as an agent for the State of Ohio; and to account for bonds and other monies deposited with the Municipal Court.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Municipal Court – an agency fund that accounts for bonds and other monies deposited with the Court pending final disposition of the various cases. While the records of the Court are the responsibility of a separate elected Clerk of Courts and not the Finance Department, the balances have been included in these financial statements in compliance with GASB Statement 14.

The City accounts for its Proprietary Fund Financial statements consistent with all applicable GASB pronouncements, as well as the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessors issued on or before November 30, 1989, unless those pronouncements conflict with or contradict those of GASB. The City has elected not to apply the provisions of the FASB Statements and Interpretations issued after November 30, 1989.

D. Basis of Financial Statement Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (expenses). The various funds are summarized by type in the combined financial statements. The following fund types are used by the City:

Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. Governmental Funds are accounted for on a spending or "financial flow" measurement focus. The acquisition and use of available spendable resources during the year and balances of the City's available spendable financial resources at the end of the year are measured in Governmental Funds. The following are the City's Governmental Fund types:

General Fund - The General Fund is used to account for all resources except those required by law or contract to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

Special Assessment Fund – Special Assessments accounts for the proceeds of Special Assessment (and related note sales) levies against property benefiting from the following City services: street cleaning, street lighting, surface treatment, weed cutting, snow removal and ditch maintenance.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs.

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

Proprietary Funds

Proprietary Funds are used to account for the City's ongoing organizations and activities that are similar to those often found in the private sector.

Proprietary Funds are accounted for on a "cost of service" or "economic resources" measurement focus. This means that all assets and liabilities associated with their activity are included on their balance sheets, and operating statements present increases and decreases in total net assets. Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the Water System, Wastewater Treatment Plant and Sewer System and of the Internal Service Funds are charges to customers for services. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The following are the City's Proprietary Fund types:

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private enterprises - where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for economic resources, public policy, management control accountability or other purposes.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other Funds. Agency Funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

E. Annual Budget Process

An annual budget is prepared for all Governmental funds of the City. All budgets are adopted on a basis consistent with GAAP. Budgetary comparisons presented in this report are on this budgetary basis.

The City's budgetary process is as follows:

Budget - A Certificate of Estimated Revenue is submitted to the County Auditor, as Secretary of the County Budget Commission, by October 31 of each year for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each Fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditure from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. On or about January 1, the certificate is amended to include any unencumbered balances from the preceding year.

Appropriations - A temporary appropriation measure to control disbursements may be passed on or about January 1 of each year for the period from January 1 to March 31. During this period, the Administration presents an Executive Budget that is reviewed by City Council for its revision and approval. Upon completion of City Council's review, the revised Executive Budget is summarized into an ordinance that is approved by City Council to provide expenditure authority for an Appropriated Budget. This ordinance receives City Council approval no later than March 31 for the annual period ending December 31. During the year as additional information becomes available, City Council approves transfers, allocations, supplemental appropriations, and

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Annual Budget Process (Continued)

the reappropriation of encumbrances carried over from the prior year. Appropriations did not exceed estimated resources and all original appropriation authority resides with City Council. Management retains administrative authority to transfer existing appropriation authority under $25 within personal services and between other account codes within an organization in a fund.

Budgetary Level of Control - The City is required by Ohio Law to establish annual appropriations for all necessary Funds. These appropriated budgets affect legal control at various levels for individual Funds. Budgetary control is exercised for the General Fund, Special Revenue Funds, and Debt Service Funds at the organizational level distinguishing between personal services and other expenditures. Budgetary control of grant funds is exercised by individual grant for each organization at the personal services and other level. Capital Projects Funds are legislatively controlled by individually approved projects for each organization. Expenditures may not legally exceed appropriations at this level.

The City meets its legal compliance requirements to report at the budgetary level of control with the City of Toledo's Special Budgetary Comparison Report (SBCR). The SBCR reports at the appropriate budgetary level of control for Governmental Funds on a GAAP basis. Because of the complexity of the budgetary control requirement, presentation of budget versus actual financial results in this CAFR would be very detailed and voluminous. Therefore, as permitted by GAAP, the SBCR for the year ended December 31, 2007 is available for public inspection at the Department of Finance's Office.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary control process. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is reappropriated.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Proprietary Funds consider Equity in Pooled Cash and Other Cash to be cash equivalents.

G. Investments

Investments consist primarily of certificates of deposit, repurchase agreements, government securities, and the State Treasurer's Investment Pool and are stated at fair value. The fair value of the State Treasurer's Investment Pool is the Net Asset Value as determined by the Pool Administrator multiplied by the City's units. The Pool is subject to the Ohio Revised Code and an annual audit by an independent CPA firm. Interest earned from investments purchased with pooled cash is credited to the General Fund, except as stipulated by ordinance.

H. Inventory of Supplies

Inventory is valued at cost in Governmental Funds, and the lower of cost or market in Proprietary Funds on the first-in, first-out (FIFO) method. Inventory in the Governmental Funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Recorded inventories in the Governmental Fund types are equally offset by a fund balance reserve that indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

I. Restricted Assets

Proceeds from debt and other assets set aside for specific purposes are classified as restricted assets since their use is limited by applicable bond indentures.

J. Property, Plant and Equipment

Property, plant and equipment are stated at cost or estimated historical cost or, if donated, at fair market value at the date donated. All Property, Plant and Equipment with an individual cost of $500 (Five Hundred Dollars) or greater is capitalized. Infrastructure consisting of roads, bridges, curbs and gutters, sidewalks, drainage systems, lighting systems and water and sewer lines are capitalized in the applicable governmental or business type activities column in the government-wide financial statements.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Depreciation

Depreciation for all capital assets is determined by depreciating the cost of fixed assets over the estimated useful lives of the assets on the straight-line basis. The estimated useful lives are as follows:

Distribution Systems	100 Years
Buildings	35-50 Years
Improvements	10-20 Years
Furniture and Fixtures	8-20 Years
Machinery and Equipment	5-25 Years
Infrastructure	20-50 Years

Depreciation expense is charged to Operations for Proprietary Fund capital assets and Governmental Activities capital assets in the government-wide financial statements.

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Special Assessment Services and Improvements

The City provides special services primarily for snow removal, leaf pickup, street resurfacing and street lighting. These services are assessed in the real estate tax bills to the benefited property owners. The City pays the actual costs of these services, which are then levied as special assessments and collected two years after the service has been rendered. The assessments receivable relating to such services, including interest, amounted to $52,565 at December 31, 2007 and will be collected in 2008 and 2009.

Special assessment notes are issued for the interim financing of various improvements to be assessed from benefiting property owners. Interest expenditures on special assessment notes amounted to $47 in 2007. These improvements include streets, alleys, sanitary sewers, sidewalks, storm sewers and water lines. Upon completion of the approved projects, the notes are converted to long-term bonds which are assessed over a 10 or 20 year period depending on the type and cost of the improvement. As of December 31, 2007, the assessments receivable on such assessed improvement projects amounted to $2,449.

N. Special Assessment Bond Retirement

Special assessment bonds are issued to finance the assessed portion of the cost of streets, alleys, sanitary sewers, sidewalks, storm sewers and water lines. These bonds are due in varying annual debt service payments ranging from $77 in 2008 to $15 in 2012. At December 31, 2007, the assessments receivable for bond retirements was $391.

O. Compensated Absences

The City accrues vacation pay, compensatory time off, and sick leave as accrued wages and benefits payable when earned by employees using the "termination method." For Governmental Fund types, the liability not requiring expendable available financial resources is a long-term obligation, since compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave paid out following an employee's resignation or retirement). The current obligations of all Funds and the long-term obligations of Proprietary Funds are fully funded.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Vacation time is earned in the current year and is required to be taken in the subsequent year. Upon approval, any unused amounts may be carried over for an additional four months. Employees have the option of receiving compensatory time off in lieu of pay for overtime worked. Compensatory time off earned in the current year which is in excess of one hundred hours must be taken by April 30 of the subsequent year. Unused sick days may be accumulated without limitation. Typically, the General Fund, SCMR Fund and Special Assessment Service Fund liquidate the liability for compensated absences. Upon retirement, death or leaving the City's employment with qualifying years of service, an employee is paid one-half of the first sixteen hundred unused sick hours and the total of any remaining accumulated hours.

P. Interfund Transactions

During the course of normal operations, the City has numerous transactions between Funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers.

	Transfer In							
	General Fund	Capital Improvement Fund	Special Assessment Services	Non-Major Governmental Funds	Sewer Funds	Non-Major Enterprise Funds	Internal Service Funds	Total
Transfer Out:								
General Fund	$ --	$ 35,256	$ --	$ 53	$ --	$ 1,023	$ 4	$ 36,336
Capital Improvement Fund	322	--	--	14,482	145	--	741	15,690
Non-Major Governmental Funds	452	347	50	3,834	--	--	--	4,683
Water Funds	--	--	--	88	--	--	--	88
Non-Major Enterprise Funds	649	--	--	140	--	--	--	789
Internal Service Funds	--	--	--	--	--	--	1,057	1,057
Total Transfers In:	$1,423	$ 35,603	$ 50	$ 18,597	$ 145	$ 1,023	$1,802	$ 58,643

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or Acts of God. As required by state law, the City is registered and insured through The Industrial Commission of Ohio and Bureau of Workers' Compensation for injuries to its employees. During fiscal 1988, the City established the Risk Management Fund (an internal service fund) to account for and finance insurance premiums, excluding workers' compensation premiums, and uninsured risks of loss. Under this program, the Risk Management Fund provides coverage for all general liability claims, and up to $100 for each property damage claim. The City has purchased commercial insurance for property claims in excess of the foregoing deductible.

All funds of the City participate in the program and make payments to the Risk Management Fund based on actuarial estimates for the amounts needed to pay prior and current year claims and to establish a reserve for other accrued liabilities. The $1,430 claims liability reported in the Risk Management Fund, an Internal Service Fund, at December 31, 2007 is based on the requirements that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Risk Management Fund's claim liability amount in fiscal years 2005, 2006 and 2007 were:

	Balance at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2005	1,582	733	733	1,582
2006	1,582	1,233	785	2,030
2007	2,030	(90)	510	1,430

None of the City's settlements have exceeded the insurance coverage for each of the past three fiscal years.

During fiscal 1990, the City established a Workers' Compensation Fund (an internal service fund) to account for and finance its uninsured risks of loss for workers' compensation claims. For claims incurred prior to 1995, the Workers' Compensation Fund provides coverage for up to a maximum of $250 for each worker's compensation claim. For claims incurred after January 1, 1995, there is

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Insurance (Continued)

unlimited coverage. The City pays premiums to the State of Ohio Bureau of Workers' Compensation for claims in excess of coverage provided by the Fund. In addition, the Fund will pay assessments to the Bureau of Workers' Compensation for administration and payment of claims.

All funds of the City participate in the program and make payments to the Workers' Compensation Fund based on actuarial estimates of the amounts needed to pay current-year claims. The claim liability of $17,941 reported in the Fund at December 31, 2007 is based on the requirements of Governmental Accounting Standard Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This liability includes an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Liabilities for losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using an expected future investment yield assumption of 5.00 percent.

Changes in the Workers' Compensation Fund's claim liability amount in fiscal years 2005, 2006 and 2007 were:

	Balance at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2005	13,770	4,757	3,758	14,769
2006	14,769	7,109	4,761	17,117
2007	17,117	5,943	5,119	17,941

R. Fund Balance Reserves and Designations

The Governmental Funds balance sheet of the City of Toledo reports reserves and designations of fund equity for:

a) Encumbrances: The portion of Fund Balance segregated for expenditure on vendor performance.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balance Reserves and Designations (Continued)

b) Inventory of Supplies: A portion of Fund Balance represented by inventories that is not available for appropriation and expenditure.

c) Capital Improvements: A portion of fund balance segregated for capital expenditures.

d) Debt Service: A portion of Fund Balance legally restricted to the payment of long-term debt principal and interest amounts maturing in future years.

e) Prepaid Expenditures: The portion of Fund Balance represented by Prepaid Expenditures currently unavailable for appropriation. As the prepaid expenditures are recognized the reserve is reduced accordingly.

f) Landfill Remediation: A portion of Fund Balance designated to pay for the post-closure costs of former landfill sites.

g) Future Years Expenditure: A portion of fund balance segregated for expenditures appropriated in the current fiscal year to be paid in the next year.

h) Budget Stabilization: A portion of Net Assets legally designated for funding of expenditures during cyclical downturns in the economy.

i) Proprietary Fund Revenues: A portion of Net Assets segregated for Debt Service, Replacement and Improvement.

S. Reconciliation of Government-Wide and Fund Financial Statements

a) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this $228,347 difference are as follows:

Accrued Compensated Absences	43,510
Landfill Closure	23,263
Capital Leases	--
Capital Project Loans	52,966
General Obligation Bonds	95,971
Plus Premiums	2,276
Accrued Interest	10,361
Net adjustment to reduce *fund balance-total Governmental funds* to arrive at *net assets-Governmental activities*	$228,347

b) Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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 and reported as depreciation expense." The details of this $21,779 difference are as follows:

Capital Outlay	$ 57,883
Depreciation Expense	(36,104)
Net adjustment to increase *net changes in fund balances-total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 21,779

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

Another element of that reconciliation states that "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Debt Issued or Incurred:	
Issuance of General Obligation Bonds	$ (9,000)
Accrued Interest and Premiums	(6,191)
Increase in Compensated Absences	(327)
Increases in Loan	(1,496)
Landfill Closure	(1,193)
Principal Repayments:	
General Obligation Debt	17,248
Net adjustment to increase *net changes in fund balances-Total* governmental funds to arrive at *changes in net assets Of governmental activities*	$ (959)

NOTE 2. EQUITY IN POOLED CASH

Receipts from the Water and Sewer Utility Enterprise Funds and for certain other Funds are deposited and maintained in separate bank accounts or invested in short-term cash equivalents which are specifically segregated. Receipts from all other City Funds are pooled to provide for maximum investment returns on idle cash balances. Each Fund records its proportionate equity in the pooled account.

Certain Funds have made disbursements from the pooled cash in excess of their individual equities. This excess has been aggregated by Fund type and is reported in the basic balance sheet as Interfund Payables. These excesses are generally temporary and are repaid from normal Fund operations.

NOTE 2. EQUITY IN POOLED CASH (Continued)

Fund Type	Equity in Pooled Cash
General	$ 127
Capital Improvements	17,008
Other Governmental Funds	8,838
Water	7,160
Sewer	7,883
Non-Major Enterprise	9,067
Internal Service	4,797
Trust and Agency	1,364
Total Pooled Cash at December 31, 2007	$ 56,244

NOTE 3. DEPOSITS AND INVESTMENTS

The City's deposits and investments are included on the balance sheet as Equity in Pooled Cash, Other Cash, and Investments at fair value.

	Deposits	Investments	Total
Equity in Pooled Cash	$ (3,027)	$ 59,271	$ 56,244
Other Cash	51	---	51
Investments	---	162,043	162,043
Total	$(2,976)	$ 221,314	$ 218,338

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

The City liquid resources are maintained or invested in bank accounts and short-term investments in order to maximize the rate of interest that can be earned on invested funds. An Investment Advisory Committee, established in 1986, continually reviews and makes recommendations regarding the City's investment activity and also monitors compliance with the City's investment policies.

A. Deposits

The deposit of City resources is governed by portions of the Ohio Revised Code and the Toledo Municipal Code. Such deposits may consist of either demand deposits, nondemand savings accounts or certificates of deposit. Under both the Ohio Revised Code and the Toledo Municipal Code, deposits are subject to collateralization requirements to the extent that they are not insured by the Federal Deposit Insurance Corporation (FDIC). Such uninsured amounts must be collateralized by either specific or pooled collateral in an amount at least equal to the uninsured portion of the deposit. In accordance with the Toledo Municipal Code, only depositories with an office located in the City may be used.

At December 31, 2007, the carrying amount of the City's deposits was $(2,976) (deficit) and the bank balance was $24,684. Of the bank balance, $200 was covered by deposit insurance and $24,484 was covered by collateral held by the agent of the pledging bank in the City's name.

B. Investments

The investment of City financial resources is governed by the Toledo Municipal Code and the Ohio Revised Code. The Toledo Municipal Code authorizes the City to invest in City of Toledo Securities, Government Securities, Repurchase Securities, Municipal Securities, and the State Treasurer's Investment Pool. The Toledo Municipal Code limits investments in Repurchase Securities to ten million dollars per financial institution, and limits investment in the State Treasurer's Investment Pool to 40% of the principal amount of the investment portfolio. These requirements ensure the diversification of the investment portfolio. Repurchase Agreements may not have a term exceeding thirty days.

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

As of December 31, 2007, the City had the following investments and maturities:

	Percent of Total Investments	Fair Value	Investment Maturity in Years Less Than 1	2 – 5	6 - 9
City of Toledo Municipal Bonds	8.3%	$ 18,432	$ 11,082	$ 4,700	$ 2,650
Government Agencies					
Federal Farm Credit Bureau	12.5%	27,610	2,333	25,277	
Federal Home Loan Bank	18.3%	40,566	814	39,752	
Federal Home Loan Mortgage Corp.	9.6%	21,253	4,362	16,891	
Federal National Mortgage Assoc.	14.1%	31,221	13,149	18,072	
Total Governmental Agencies	54.5%	120,650	20,658	99,992	
State Treasurer's Investment Pool	26.9%	59,493	59,493		
Certificate of Deposit/Savings	10.3%	22,739	22,739		
Total Investments	100.0%	$221,314	$113,972	$104,692	$ 2,650

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits maturity of its investments to a period of no longer than three years, unless the investment is matched to a specific cash requirement. If the investment is matched to a specific cash requirement for debt service, maturity period shall not exceed seven years from date of purchase. Repurchase agreements may not have a term exceeding thirty days.

Credit Risk

It is the City's policy to limit its investments to certificates of deposit, demand deposits that bear interest, government agencies, government securities, repurchase agreements, municipal securities, non-demand savings accounts, State Treasurer's Investment Pool (STAR Ohio), and City of Toledo Municipal securities. STAR Ohio was rated AAAm by Standard & Poor's. The Federal Farm Credit Bureau, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association have been rated AAA by Standard & Poor's.

NOTE 3. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

Both the Toledo Municipal Code and the Ohio Revised Code have specific requirements for the collateralization of investments. The Toledo Municipal Code requires that securities underlying Repurchase Agreements must have a market value of at least 100% of the Repurchase Agreements. At the end of each month, the financial institution must review the market value of the collateral, increasing the collateral if it falls below the market value of the investment. All securities held for investment must be deposited for safekeeping with a custodian who is not the vendor of the investment. All of the investments are held by the City or the custodian in the City's name. Investments in the State Treasurer's Investment Pool are not categorized because they are not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The City places the following limitations on the amount the City may invest in any one issuer.

Certificates of Deposit or Non-demand Savings Account	Funds invested shall not exceed 10% of the aggregate principal amount of the City's investment portfolio as of the purchase date of the certificate of deposit.
Government Agencies	Funds invested shall not exceed 25% of the aggregate principal amount of the City's investment portfolio as of the settlement date to be invested in the obligations of that individual Governmental Agency.
Repurchase Agreements	No more than $10 million may be invested at any one time with any one institution.
State Treasurer's Investment	Funds invested shall not exceed 40% of the aggregate principal amount of the City's investment portfolio.
City of Toledo Municipal Securities	Funds invested shall not exceed 10% of the aggregate principal amount of the City's investment portfolio as of the date of purchase.

NOTE 4. RECEIVABLES

The allowance for uncollectible receivables consists of the following at December 31, 2007:

Fund Type	Accounts	Notes
General	$5,520	$ —
Capital Improvements	140	—
Special Assessment Services	17	—
Other Governmental Funds	1,999	28,727
Water	1,801	—
Sewer	3,665	—
Other Enterprise Funds	766	7,543
Internal Service Funds	387	—
Total	$14,295	$36,270

NOTE 5. INCOME TAXES

The City levies an income tax of 2.25% on substantially all earned income arising from employment, residency, or business activities carried on inside the City. The first 1.5% of the income tax is a permanent levy, of which 0.25% of this tax is dedicated to capital improvements. The additional 0.75% of the income tax is slated to expire on December 31, 2012 and, of this tax, 0.25% is also dedicated for capital improvements. The City is required by Statute to transfer those income taxes dedicated for capital improvements to the Capital Improvements Fund. In 2007, the City made all required transfers to the Capital Improvements Fund.

Employers within the City are required to withhold income tax on employee compensation and remit it to the City at least quarterly. Corporations and certain individual taxpayers are required to pay quarterly estimates. As of December 31, 2007, the City has accrued $19,315 as revenue from withheld income taxes remitted within 60 days of its year-end.

NOTE 6. PROPERTY TAX

The property tax levy is based on the assessed value listed as of January 1, 2007, the lien date, for all real and public utility property located in the City. The assessed values are established by the County Auditor at 35% of the current market value and a revaluation of all properties is required every six years with a statistical update every year. The last revaluation was completed in 2002 for the tax year 2004.

NOTE 6. PROPERTY TAX (Continued)

Real property taxes were levied on all non-exempt property located in the County on January 14, 2007. Real property taxes are payable annually or semi-annually. If paid annually, payment was due on January 31, 2007; if paid semi-annually, the first payment was due on February 14, 2007; with the remainder payable on June 30, 2007. Based on this tax calendar, all property taxes that were levied on January 14, 2007 relating to the 2007 budget year, except delinquent taxes, have been collected.

The City's share of personal property taxes is determined by the County Auditor based on annual tax returns filed by the taxpayers. The property is assessed for tax purposes at varying statutory percentages of cost.

The assessed value and tax rates of the City attributable to collections in 2007 and the estimated taxes relating to the 2008 budget year (which became a lien on January 1, 2007) are as follows:

Taxes	Assessed Value	General Fund Tax Rate Per Thousand	Actual 2007 Receipts	Due in 2008
General Fund:				
Real Estate & Public Utility Property	$4,469,968	$ 4.40	$16,581	$16,094
Personal Property	343,264	4.40	2,843	3,020
Total	$4,813,232		$19,424	$19,114

The receivables for estimated taxes related to the 2008 budget year have been offset by a credit to deferred revenue at December 31, 2007 since the taxes are not available for appropriation and use until 2008.

Apportionment of Total Tax Rate	Tax Rate Per Thousand	Actual 2007 Receipts	Due in 2008
Unvoted Levy – Inside 10 Mil Limitation:			
General Fund	$ 2.50	$ 11,036	$ 10,503
Voted Levy – Outside 10 Mil Limitation:			
General Fund (Charter Amendment Rate)	1.90	8,388	8,611
Total	$ 4.40	$ 19,424	$ 19,114

Delinquent real estate and personal property taxes are not recorded as revenue until received. Based on the County Auditor's records, the outstanding delinquent taxes due the City at December 31, 2007 was $1,737.

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

A summary of property, plant and equipment for 2007 is as follows:

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not being depreciated:				
Land	$24,781	--	--	$24,781
Total Capital assets not being depreciated	24,781	--	--	24,781
Capital assets being depreciated:				
Buildings	62,586	515	--	63,101
Improvements	59,139	224	--	59,363
Machinery & Equipment	44,257	2,846	--	47,103
Furniture & Fixtures	6,444	126	--	6,570
Infrastructure	674,551	54,172	--	728,723
Total capital assets being depreciated	$846,977	$57,883	$--	$904,860
Less accumulated depreciation for:				
Buildings	50,137	2,796	--	52,933
Improvements	29,808	2,641	--	32,449
Machinery & Equipment	23,995	1,962	--	25,957
Furniture & Fixtures	5,617	290	--	5,907
Infrastructure	288,712	28,415	--	317,127
Total Accumulated Depreciation	398,269	36,104	--	434,373
Total net capital assets being depreciated	448,708	21,779	--	470,487
Net Governmental Activities capital assets	$473,489	$21,779	$--	$495,268
Internal Service Funds				
Capital assets not being depreciated:				
Land	350	--	--	350
Total Capital assets not being depreciated	350	--	--	350
Capital assets being depreciated:				
Buildings	1,111	--	--	1,111
Improvements	335	44	--	379
Machinery & Equipment	56,761	1,832	--	58,593
Furniture & Fixtures	99	--	--	99
Total capital assets being depreciated	$58,306	$1,876	$--	$60,182
Less accumulated depreciation for:				
Buildings	1,111	--	--	1,111
Improvements	335	--	--	335
Machinery & Equipment	42,517	3,028	--	45,545
Furniture & Fixtures	98	--	--	98
Total Accumulated Depreciation	44,061	3,028	--	47,089
Total net capital assets being depreciated	14,245	(1,152)	--	13,093
Net Internal Service Fund capital assets	$14,595	$(1,152)	$--	$13,443
Total Governmental Activities	$488,084	$20,627	$--	$508,711

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Business Type Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets not being depreciated:				
Land	$10,874	--	--	$10,874
Construction in Progress	236,675	58,402	25,075	270,002
Total Capital assets not being depreciated	247,549	58,402	25,075	280,876
Capital assets being depreciated:				
Buildings	75,425	--	--	75,425
Improvements	71,660	321	--	71,981
Machinery & Equipment	104,276	3,091	--	107,367
Furniture & Fixtures	1,971	--	--	1,971
Distribution System	445,359	25,075	--	470,434
Total capital assets being depreciated	698,691	28,487	--	727,178
Less accumulated depreciation for:				
Buildings	48,494	578	--	49,072
Improvements	40,612	--	--	40,612
Machinery & Equipment	59,961	209	--	60,170
Furniture & Fixtures	1,163	--	--	1,163
Distribution System	192,289	15,242	--	207,531
Total Accumulated Depreciation	342,519	16,029	--	358,548
Total net capital assets being depreciated	356,172	12,458	--	368,630
Net Business Type Activities Capital Assets	$603,721	$70,860	$25,075	$649,506

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	$ 9,601
Public Service	19,772
Public Safety	541
Public Utility	13
Community Environment	1,392
Health	904
Parks	3,881
Total Depreciation Expense – Governmental Activities	$ 36,104
Business-Type Activities:	
Water	$ 4,878
Sewer	9,581
Non-Major	1,570
Total Depreciation Expense – Business-Type Activities	$16,029
Internal Service Funds	3,028
Total Depreciation Expense	$55,161

For several years, the Department of Housing and Neighborhood Revitalization has purchased land and buildings using Block Grant Funds. The intent of such purchases ultimately is to resell the property for a nominal amount to adjacent property owners or developers for redevelopment purposes. As of December 31, 2007, the Department owned approximately 106 parcels at an estimated historical cost of $4,537. Due to the uncertainty of the market value or the ability to locate developers, the purchase costs have been recorded as program expenditures in the Block Grant Funds in the year of purchase. Revenues from the sale of properties are recorded as program income in the same Funds at the time of sale.

NOTE 8. DEBT OBLIGATIONS

A. Obligation Summary by Type

	Balance at Beginning of Year	Increases/ Issuances	Reductions/ Retirements	Balance at End of Year	Due Within One Year
Bonds Outstanding:					
General Obligation	126,236	9,000	13,532	121,704	14,292
Revenue Obligations	133,923	--	7,779	126,144	9,414
Notes Outstanding:					
General Obligation	12,260	20,770	12,260	20,770	20,770
Revenue Obligations	37,700	24,300	23,200	38,800	19,000
Loans Outstanding:					
State Agencies	200,092	32,364	4,487	227,969	7,988
Federal Agencies	18,955	--	1,185	17,770	1,250
Other	15,414	--	556	14,858	539
Capital Leases	10,185	250	2,101	8,334	780
Other Obligations	65,254	3,700	2,181	66,773	1,382
TOTAL OBLIGATIONS	$ 620,019	90,384	67,281	643,122	75,415

Note: General Obligation Debt Capacity per Uniform Bond Act of the ORC = $101,000
Utility Debt Unamortized Discount = $1,125
Assessed Services Revenue Notes are secured by a Letter of Credit from State Street Bank

NOTE 8. DEBT OBLIGATIONS (Continued)

B. Obligation Summary by Fund Type

Changes in bonds payable and general obligations during 2007 and principal amounts outstanding at December 31, 2007 are as follows:

	Balance at Beginning Of Year	Increases/ Issuances	Reductions/ Retirements	Balance At End Of Year	Due Within One Year
Governmental Type					
Accrued Compensated Absences	$ 43,183	2,508	2,181	43,510	1,382
Landfill Closure	22,071	1,192	--	23,263	--
Capital Leases	1,402	--	1,402	--	--
Assessed Services	37,700	24,300	23,200	38,800	19,000
General Fund Capital Projects - Loans	7,760	--	412	7,348	429
Police & Fire Pension – G.O. Bonds	9,450	--	1,025	8,425	1,075
Assessed Improvements – G.O. Bonds	249	--	77	172	77
Capital Projects – G. O. Bonds	89,984	9,000	11,610	87,374	12,245
Capital Projects – G. O. Notes	3,465	13,315	3,465	13,315	13,315
Capital Projects – Loans	46,845	1,500	2,727	45,618	2,874
Subtotal	$ 262,109	$ 51,815	46,099	267,825	50,397
Internal Service Funds					
General Obligation Notes	7,920	6,730	7,920	6,730	6,730
Business Type					
Water Revenue Bonds	$ 91,888	--	4,878	87,010	6,627
Sanitary Sewer Revenue Bonds	42,035	--	2,901	39,134	2,787
Parking (General Obligation)	385	--	85	300	95
Housing (General Obligation)	23,333	--	575	22,758	640
Capital Projects – G.O. Notes	875	725	875	725	725
Capital Projects – Loans	178,356	30,864	2,961	206,259	6,342
Enterprise Fund	2,835	--	160	2,675	160
Capital Lease	8,783	250	700	8,333	780
Property Management ODOD 166	1,500	--	127	1,373	132
Subtotal	349,990	31,839	13,262	368,567	18,288
Total Obligations	$ 620,019	$ 90,384	$ 67,281	$643,122	$ 75,415
Premiums	$ 2,315	--	39	2,276	--
Accrued Interest	4,131	6,230	--	10,361	10,361
Total Debt	$ 626,465	$ 96,614	$ 67,320	$ 655,759	$ 85,776

B. Obligation Summary by Fund Type (Continued)

Special assessment bonds are pledged by the full faith and credit of the City, the debt service requirements of which are funded by proceeds from special assessments tax levies. Water and sewer revenue bonds are collateralized by revenue from Water and Sewer Enterprise Funds. The full faith and credit of the City is pledged against the remaining long-term obligations.

Debt may be issued to provide funds for assets or improvements, which have a useful life of at least five years. The asset or improvements must have a significant value. No debt shall be issued unless the funded item costs in excess of $25 (1999 dollars =adjust for CPI). Improvement projects should be funded with long term debt; however Bond Anticipation Notes (BANs) may be used to provide short term financing during construction. BANs may also be used to avoid volatile times or unfavorable conditions in the bond market.

Changes in short-term notes payable during 2007 were as follows:

	Special Revenue	Capital Projects	Enterprise	Internal Service	Total
Balance at beginning of year	$ 2,115	$ 1,350	$ 875	$ 7,920	$ 12,260
Issuances	2,265	11,050	725	6,730	20,770
Retirements	(2,115)	(1,350)	(875)	(7,920)	(12,260)
Balance at end of year	$ 2,265	$ 11,050	$ 725	$ 6,730	$ 20,770

NOTE 8. DEBT OBLIGATIONS (Continued)

C. Obligation Information by Purpose

	Year Series Matures	Interest Rates	Balance at Beginning of Year	Increases/ Issuances	Reductions/ Retirements	Balance at End of Year	Due Within One Year
Bonds Outstanding:							
General Obligation							
Pension	2014	7.50%	9,450	--	1,025	8,425	1,075
Capital Projects	2026	1.50-7.5%	89,984	9,000	11,610	87,374	12,245
Special Assessments	2018	1.55-7.00%	249	--	77	172	77
Enterprise	2024	4.00-5.00%	2,835	--	160	2,675	160
Parking	2010	6.75-7.125%	385	--	85	300	95
Housing	2028	4.7-7.86%	23,333	--	575	22,758	640
Revenue Obligations							
Water System	2030	3.25-6.45%	91,888	--	4,878	87,010	6,627
Sanitary Sewer System	2028	3.50-6.45%	42,035	--	2,901	39,134	2,787
Notes Outstanding:							
General Obligation							
Capital Projects	2007	4.00%	1,350	11,050	1,350	11,050	11,050
Special Assessments	2007	4.00%	2,115	2,265	2,115	2,265	2,265
Storm Water System	2007	4.00%	875	725	875	725	725
Internal Service Funds	2007	4.00%	7,920	6,730	7,920	6,730	6,730
Revenue Obligations							
Assessed Services 2007	2009	2.29%	--	24,300	4,500	19,800	--
Assessed Services 2005	2007	Var/3.27%	18,700	--	18,700	--	--
Assessed Services 2006	2008	Var	19,000	--	--	19,000	19,000
Loans Outstanding:							
State Agencies							
State Issue 2							
Capital Projects	2024	0.00%	4,876	1,500	472	5,904	549
Water System	2014	0.00%	313	--	28	285	28
Sanitary Sewer Sys.	2027	0.00%	1,642	542	91	2,093	92
Storm Water Sys.	2027	0.00%	1,049	--	68	981	71
Ohio Water Dev Auth.							
Capital Projects	2021	4.02-4.12%	7,760	--	412	7,348	429
Water System	2028	4.02-4.12%	7,630	4,804	--	12,434	--
Sanitary Sewer Sys.	2028	3.75-9.88%	167,722	25,518	2,774	190,466	6,151
ODOD Chapter 166							
Capital Projects	2018	4.25%	7,600	--	515	7,085	536
Property Mgmt.	2016		1,500	--	127	1,373	132
Federal Agencies							
HUD 108							
Capital Projects	2018	6.56-7.96%	18,955	--	1,185	17,770	1,250
Other Loans							
Capital Projects	2032	0.00-7.86%	15,414	--	556	14,858	539
Capital Leases:							
Capital Projects			1,402	--	1,402	--	--
Utilities			2,240	250	364	2,126	414
Parking			6,543	--	335	6,208	366
Other Obligations:							
Landfill Closure			22,071	1,192	--	23,263	--
Compensated Absences			43,183	2,508	2,181	43,510	1,382
Total Obligations			$ 620,019	90,384	67,281	643,122	75,415

NOTE 8. DEBT OBLIGATIONS (Continued)

C. Obligation Information by Purpose (Continued)

The annual debt service requirements for principal and interest on obligations at December 31, 2007 are as follows:

	Water Revenue Bonds		Sewer Revenue Bonds	
	Principal	Interest	Principal	Interest
2008	$ 6,627	$ 2,264	$ 2,787	$ 1,946
2009	5,015	3,835	3,015	1,721
2010	5,240	3,628	3,140	1,590
2011	5,130	3,400	2,305	1,432
2012	5,395	3,147	2,430	1,318
2013-2017	29,425	11,549	13,930	4,821
2018-2022	10,280	6,439	4,895	2,443
2023-2027	12,725	3,734	5,635	1,134
2028-2032	7,173	681	997	57
Total	$ 87,010	$ 38,677	$ 39,134	$ 16,462

	Parking		Capital Projects	
	Principal	Interest	Principal	Interest
2008	$ 95	$ 21	$ 12,245	$ 3,728
2009	100	15	11,296	4,378
2010	105	7	10,627	3,458
2011	--	--	7,292	6,088
2012	--	--	6,804	8,144
2013-2017	--	--	28,685	1,343
2018-2022	--	--	8,920	254
2023-2027	--	--	1,505	--
2028-2032	--	--	--	--
Total	$ 300	$ 43	$ 87,374	$ 27,393

NOTE 8. DEBT OBLIGATIONS (Continued)

C. Obligation Information by Purpose (Continued)

	P&F Pension GO Bonds	
	Principal	Interest
2008	$ 1,075	$ 612
2009	1,100	531
2010	1,150	447
2011	1,200	360
2012	1,250	269
2013-2017	2,650	250
2018-2022	--	--
2023-2027	--	--
2028-2032	--	--
Total	$ 8,425	$ 2,469

	Enterprise		Housing	
	Principal	Interest	Principal	Interest
2008	$ 160	$ 117	$ 640	$ 1,401
2009	160	111	571	1,363
2010	160	105	641	1,327
2011	160	98	716	1,287
2012	160	92	731	1,242
2013-2017	790	359	5,000	5,381
2018-2022	775	182	6,872	3,445
2023-2027	310	23	6,570	1,250
2028-2032	--	--	1,017	50
Total	$ 2,675	$ 1,087	$ 22,758	$16,746

NOTE 8. DEBT OBLIGATIONS (Continued)

C. Obligation Information by Purpose (Continued)

	Issue 2		OWDA Sewer	
	Principal	Interest	Principal	Interest
2008	$ 740	$ --	$ 6,151	5,393
2009	781	--	8,953	6,097
2010	781	--	9,464	5,806
2011	741	--	9,229	5,489
2012	730	--	9,553	5,166
2013-2017	3,042	--	49,104	20,821
2018-2022	1,411	--	51,882	12,070
2023-2027	1,037	--	44,903	3,609
2028-2032	--	--	1,227	27
Total	$ 9,263	$ --	$ 190,466	$ 64,478

	OWDA General Fund		ODOD - 166	
	Principal	Interest	Principal	Interest
2008	$ 429	$ 297	$ 668	$ 347
2009	447	279	695	318
2010	465	260	723	288
2011	485	241	753	256
2012	505	221	783	224
2013-2017	2,856	774	4,173	588
2018-2022	2,160	169	664	13
2023-2027	--	--	--	--
2028-2032	--	--	--	--
Total	$ 7,347	$ 2,241	$ 8,459	$ 2,034

NOTE 8. DEBT OBLIGATIONS (Continued)

C. Obligation Information by Purpose (Continued)

	HUD - 108		Other	
	Principal	Interest	Principal	Interest
2008	1,250	1,363	538	924
2009	1,350	1,273	575	900
2010	1,415	1,176	595	875
2011	1,485	1,070	730	849
2012	1,445	959	755	785
2013-2017	8,730	2,980	3,170	2,915
2018-2022	2,095	166	2,665	2,608
2023-2027	--	--	3,135	1,765
2028-2032	--	--	2,695	147
Total	$17,770	$ 8,987	$ 14,858	$ 11,768

	OWDA Water System	
	Principal	Interest
2008	--	--
2009	--	398
2010	287	246
2011	296	237
2012	306	227
2013-2017	1,686	981
2018-2022	1,981	686
2023-2027	2,328	339
2028-2032	5,550	55
Total	$12,434	$ 3,169

NOTE 8. DEBT OBLIGATIONS (Continued)

C. Obligation Information by Purpose (Continued)

	Special Assessment Bonds		Assessed Services
	Principal	Interest	Principal
2008	$ 77	$ 7	$ 19,000
2009	35	4	19,800
2010	15	2	--
2011	15	2	--
2012	15	2	--
2013-2017	15	--	--
2018-2022	--	--	--
2023-2027	--	--	--
2028-2032	--	--	--
Total	$ 172	$ 17	$ 38,800

Under the Uniform Bond Act of the Ohio Revised Code, the City has the capacity to issue approximately $93,000 additional unvoted general obligation debt. The principal balances of the utility debt have been reduced by unamortized premiums of $2,390.

D. Landfill Closure and Postclosure Care Costs

The City operates the Hoffman Road landfill and accounts for this activity in the General Fund. State and federal regulations require the City to place a final cover on the Hoffman Road site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty (30) years after closure. The closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste. The City records a liability in the government-wide Statement of Net Assets for the closure and postclosure care costs based on landfill capacity used as of each balance sheet date. A new cell was constructed in 2005 resulting in an increase in capacity; therefore, the landfill can continue to accept solid waste and increase its capacity. Based on the remaining air space and estimated annual tonnage to be taken in, the estimated remaining life of the landfill is 36 years. The $23,263 reported as landfill closure and postclosure care liability at December 31, 2007 represents the cumulative amount reported to date based on the use of 98.0% of the used capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of $484 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 using the worst case scenario determined by the permit to install. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

NOTE 8. DEBT OBLIGATIONS (Continued)

E. Other

Capital Lease

The City has a noncancelable long-term lease with the Ohio Building Authority for the space it occupies in the Government Center Office Building, which is classified as a capital lease. In fiscal 1997, the City entered into a lease agreement with the Ohio Building Co., which is also being classified as a capital lease. In 1999, the City entered into a lease agreement with the Lucas County Port Authority for an addition to the Superior Street Garage which is classified as a capital lease. Future minimum lease payments together with the present value of the net minimum lease payments as of December 31, 2007 are as follows:

Year	Enterprise Funds
2008	$1,306
2009	1,299
2010	1,293
2011	1,291
2012	958
2013-2017	3,498
2018-2021	1,489
Total Minimum Lease Payments	11,134
Less Amount Representing Interest	2,800
Present Value of Net Minimum Lease Payments	$8,334

NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables resulted from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

	Interfund Receivable	Interfund Payable
General Fund	$ 15,481	$ 10,227
Capital Improvements	264	--
Special Assessment Services	1,279	17,436
Other Governmental Funds	11,421	1,192
Water	25,979	29,092
Sewer	31,494	31,480
Other Water	--	29,964
Internal Service Funds	33,940	467
Total	$ 119,858	$ 119,858

NOTE 10. FUND BALANCE DEFICITS

A. Fund Balance Deficit

At December 31, 2007, the following Funds had a fund balance deficit:

Special Revenue Funds - Special Assessment Services Fund

The fund deficit of $45,978 in the Special Assessment Services Fund arose because of the application of GAAP to the financial reporting for this Fund. Short-term note proceeds used to finance construction of special assessment projects are not recognized as an "other financing source." Liabilities for special assessment short-term notes payable are accounted for in the Special Assessment Services Fund. Special assessments are recognized as revenue in the year they are remitted to the City by the County Auditor. The deficit will be reduced and eliminated as deferred special assessment installments are received from the County Auditor.

Capital Projects Fund - Special Assessment Improvements Fund

The fund deficit of $1,826 in the Special Assessment Improvements Fund arose because of the application of GAAP to the financial reporting for this Fund. Note proceeds used to finance construction projects are not recognized as an "other financing source" in the Special Assessments Improvements Fund. These deficits will be reduced and eliminated as long-term financing is arranged for projects supported by short-term debt.

Enterprise Fund Types - Property Management

The fund deficit of $10,750 is due to delinquent receivables and the allowance for uncollectible accounts.

Enterprise Fund Types – Erie Street Market

The fund deficit of $6 is due to expenditures assumed in 2007 when the Erie Street Market was acquired by the City of Toledo. Revenues will be applied in 2008 that will be sufficient to eliminate this deficit.

NOTE 11. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PLAN

All employees of the City may elect to participate in the Ohio Public Employees Deferred Compensation Plan and firefighters may participate in the Ohio Association of Professional Firefighters deferred compensation plan, both of which were adopted under the provisions of the Internal Revenue Code Section 457. Under these programs, employees elect to have a portion of their pay deferred until a future time, usually after retirement. The deferred pay and any income earned on it is not subject to income taxation until actually received by the employee.

NOTE 11. OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PLAN (Continued)

As the Ohio Public Employees Deferred Compensation Board and the Ohio Association of Professional Firefighters are the plan Administrators, the City is unable to, and does not, maintain any fiscal control over these assets. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 12. PENSION AND RETIREMENT PLANS

A. Ohio Police and Fire Pension Fund

All Police and Firemen are members of and participate in the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit plan that operates under the authority of Ohio Revised Code, Chapter 742. The Fund provides pension, disability and health care benefits to qualified participants and survivor and death benefits to qualified spouses, children and dependent parents.

The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to: OP & F, 140 East Town Street, Columbus, Ohio 43215-5164.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 10.1% of their annual covered salary and the City is required to contribute a statutorily determined rate that is currently 19.5% for Police and 24.0% for Fire. The City's contributions are equal to 100% of the dollar amount billed the City. The City's contributions to OP&F for the Police portion for the years ending December 31, 2007, 2006, 2005, were $8,400, $8,277, and $7,994, respectively, equal to the required contributions for each year. Contributions for the Fire Portion for the years ending December 31, 2007, 2006, 2005, were $7,448, $7,367, and $7,253, respectively, equal to the required contribution for each year. All contributions to PFDPF were made within the required due dates.

The OP&F also provides post-retirement health care coverage for any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of the City's contribution to OP&F is set aside for the funding of post retirement health care. The City's contribution includes approximately $5,002 (6.75% of covered payroll) used to fund a health care program for retired employees.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to the OP&F.

A. Ohio Police and Fire Pension Fund (Continued)

The assumptions and calculations below were based on the OP&F latest actuarial review performed as of December 31, 2006:

A. Health care funding and accounting is on a pay-as-you-go basis.
B. The number of participants eligible to receive health care benefits as of December 31, 2006 was 14,120 for police and 10,563 for firemen.
C. The Fund's total health care expenses for the year ending December 31, 2006 were $120,373.

In 1994, the City issued $19,050 of taxable general obligation bonds to retire the remaining $29,148 of the unfunded Police and Fire Pension liability existing at that time. The annual net debt service on the bonds will be approximately $1,380.

B. Ohio Public Employees Retirement System

OPERS has provided the following information to the City in order to assist the City in complying with GASB Statement No. 27, Accounting for Pensions by State and Local Governmental Employers (Statement No. 27).

OPERS administers three separate pension plans as described below:

1. The Traditional Pension Plan – a cost sharing multiple-employer defined benefit pension plan.

2. The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon.

3. The Combined Plan – a cost sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self directed by members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the Traditional Plan and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the ORC. OPERS issues a stand-alone financial report. Interested parties may obtain a copy at www.opers.org, by making a written request to OPERS at: 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222-PERS (7377).

B. Ohio Public Employees Retirement System (Continued)

The ORC provides statutory authority for employee and employer contributions. For 2007, member and employer contributions were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety division exist only within the Traditional Pension Plan.

All City employees (excluding Police and Firemen) are members of and participate in the Ohio Public Employees Retirement System (OPERS) traditional plan, a cost-sharing multiple employer defined benefit pension plan. The City's employee contribution rate in 2007 was 9.5%. The City's contribution rate, as an employer, was 13.85% of covered payroll in 2007.

The City's employer share contributions to OPERS for the three years ended December 31, 2007, 2006,and 2005 were $10,320, $10,067, and $9,909, respectively, or 71% of the required contributions for 2007, and equal to the required contributions for 2006 and 2005. All contributions were made within the required due dates.

OPERS members are eligible to retire at any age with 30 years of service, at age 60 with at least 5 years of service or at age 55 with at least 25 years of service. Those retiring with less than 30 years of service or less than age 65 receive reduced benefits. Under the Traditional Pension Plan, eligible employees are entitled to a monthly retirement benefit equal to 2.2% of the average of their three highest years of earnings multiplied by the first 30 years of service plus 2.5% of the average of their three highest years for each year in excess of 30. Under the Member-Directed Plan, eligible members are entitled to a monthly benefit dependent upon the performance of the OPERS investment options that the members selected. Under the Combined Plan, eligible members are entitled to a monthly benefit equal to 1.0% of the average of their three highest years of earnings multiplied by the number of years of service plus 1.25% of the average of their three highest years for each year in excess of 30. Additionally, under the Combined Plan, a benefit is provided based on the performance of the OPERS investment options the member selected. OPERS also provides death and disability benefits. Benefits are established by the ORC.

OPERS has also provided the following information pertaining to other postemployment benefits for health care costs in order to assist the City in complying with GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Benefits (Statement No. 45).

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

B. Ohio Public Employees Retirement System (Continued)

OPERS provides retirement, disability, survivor, and postretirement health care benefits to qualifying members of both the Traditional and the Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post employment health care coverage.

In order to qualify for postretirement health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the Retirement System is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of covered payrolls of active member. In 2007, the City contributed 13.85% of covered payroll. The ORC currently limits the employer contributions to 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS's Postemployment Health Care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. For 2007, the employer contributions allocated to the health care plan from January 1 through June 30, 2007 and July 1 through December 31, 2007 was 5% and 6% of covered payroll, respectively. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The portion of the City's contribution used to fund OPEB was $3,541 million for 2007.

OPERS Board implements its Health Care Preservation Plan. The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Members and employer contribution rates increased as of January 1, 2006 and January 1, 2007, and January 1, 2008, which will allow additional funds to be allocated to the health care plan.

B. Ohio Public Employees Retirement System (Continued)

There are no postemployment benefits provided by the City other than those provided through OPERS and OP&F. The liability for past service costs at the time OPERS was established was assumed by the State of Ohio; therefore, it is not a liability of the City. The liability for past service costs at the time OP&F was established was paid by the City to OP&F in January 1994. The City is current on all of its required pension fund contributions.

NOTE 13. LEASES AND OTHER COMMITMENTS

In 1982, the City entered into a noncancelable long-term lease with the Ohio Building Authority for the space it occupies in the Toledo Government Center Office Building. The lease, which is for 30 years, is classified as a capital lease and has been included as property, plant and equipment in the government-wide financial statements at $26,179 less accumulated depreciation of $21,384. Under the terms of the lease, the City is required to pay for its pro-rata share of operating and maintenance costs of the building. These additional costs were $1,652 in 2007.

In 1997, the City entered into a noncancelable long-term lease with the Ohio Building Co. for the space it occupies in the Ohio Building. The lease, which is for 15 years is classified as a capital lease and has been included in the Utility Administration Services Enterprise Fund at $4,538 less accumulated depreciation of $3,110 at December 31, 2007.

In 1999, the City entered into a $7,825 noncancelable long-term lease with the Lucas County Port Authority for an addition to the Superior Street Garage.

The City leases other facilities and equipment under various operating leases. Rental expense relating to these leases amounted to $2,069 in 2007. Future minimum lease payments on operating leases as of December 31, 2007 is $1,518.

The City has commitments for construction and improvement of four Water Treatment Plant projects and four Water Reclamation Plant projects. Such construction commitments, which total $10,100 at December 31, 2007, are funded from Environmental Protection Agency grants and Sewer Mortgage Revenue Bond proceeds of the Sewer Fund.

NOTE 14. CONTINGENCIES

The City of Toledo is party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations. The significant claims are described below.

The City is involved in various administrative proceedings with the Ohio Environmental Protection Agency and/or Ohio Attorney General's Office and the USEPA concerning certain environmental matters within the City. Those administrative proceedings do not seek money damages from the City but may require the City to take certain remedial measures to eliminate or reduce pollution

NOTE 14. CONTINGENCIES (Continued)

in the lands or waters within the City. The City has, in turn, initiated certain proceedings to require those who it believes disposed of these pollutants to participate in the necessary remedial actions. The overall cost of the various clean-ups could reach up to $50,000. The remedial measures are anticipated to span a multi-year period. The remaining capital cost to the City is estimated to be less than $500. The costs to the City for operation, maintenance and monitoring over the next thirty years are estimated to be less than $10,000 including inflation, most of which is to be funded from settlement reserves. The ultimate resolution of these claims is not anticipated to have a material adverse effect on the City's financial position.

The City was involved in litigation in which the United States and the State of Ohio are seeking injunctive relief and civil penalties against the City under the Clean Water Act for alleged discharges of pollutants from the City's wastewater treatment plant in violation of permit limitations. The City, the United States and the State of Ohio reached a settlement on the amount of civil penalties to be paid by the City, which was ratified by City Council in May 2002 and approved by general election in 2002. Under the consent decree settlement, the City paid a $500 fine and agreed to upgrade the sewage treatment plant and sanitary sewer system at an anticipated total cost of $400,000 over a 15 year period. The City is in compliance with all provisions in the Court-approved decree and the upgrade work is proceeding on schedule. In 2007, the City incurred $11,781 in costs relating to the upgrade. As of December 31, 2007, a total of $164,222 has been expended to date.

In addition, the City participates in a number of Federal and State assisted grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. At December 31, 2007, the audits of certain programs have not been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The City believes that disallowed claims, if any, will not result in a material adverse effect on the City's financial position.

NOTE 15. JOINT VENTURE

The City of Toledo has entered into a contractual agreement with Lucas County, Defiance County, Fulton County, Henry County, and Williams County to form the Corrections Commission of Northwest Ohio (Corrections Commission) to operate a regional jail in northwest Ohio. Each entity is responsible for a portion of the capital and operating budget as follows:

City of Toledo	38.24%
Lucas County	30.88
Defiance County	9.72
Fulton County	7.68
Williams County	7.84
Henry County	5.64
	100.00%

NOTE 15. JOINT VENTURE (Continued)

The Corrections Commission is a board composed of the following representatives: the President of the Board of County Commissioners, Sheriff and the Presiding Judge of the Court of Common Pleas from each County and the Mayor or City Manager, Chief of Police and Presiding Judge of the Municipal Court of the City of Toledo. Each participating entity has an equal degree of control over budgeting and financing.

All debt incurred for the construction of the jail was incurred by the participating governmental agencies, and are not liabilities of the Corrections Commission.

The Corrections Commission has an annual budget of approximately $16,075 and has accumulated cash reserves of $663 at December 31, 2007. Complete financial statements of the Corrections Commission can be obtained from its administrative office as follows:

Corrections Commission of Northwest Ohio
03151 Road 24.25
Rt. 1, Box 100-A
Stryker, OH 43557

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF TOLEDO, OHIO
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2007

General Fund – The general operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund.

Special Assessment Services - To account for the proceeds of special assessments (and related note sales) levied against property benefited from the following City services: street cleaning, street lighting, surface treatment, weed cutting, snow removal and tree and ditch maintenance.

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Budgeted Amounts			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive/(Negative)
REVENUES:				
Income Taxes	$ 173,967	$ 173,967	$ 169,689	$ (4,278)
Property Taxes	18,362	18,362	19,424	1,062
Licenses and Permits	3,674	3,674	2,627	(1,047)
Intergovernmental Services	22,961	22,961	24,327	1,366
Charges for Services	16,521	16,521	16,144	(377)
Investment Earnings	3,725	3,725	4,663	938
Fines and Forfeitures	4,971	4,971	5,168	197
All Other Revenue	1,245	2,747	1,089	(1,658)
Total Revenues	245,426	246,928	243,131	(3,797)
EXPENDITURES				
General Government	18,025	16,802	16,665	137
Public Service	1,740	1,673	1,672	1
Public Safety	162,172	161,225	161,059	166
Public Utilities	203	74	74	
Community Environment	5,675	6,949	4,931	2,018
Health	16,336	16,109	15,849	260
Parks and Recreation	3,599	3,076	3,034	42
Capital Outlay	666	677	677	-
Debt Service:				
Principal Retirement	1,437	1,437	1,437	-
Interest and Fiscal Charges	1,013	1,010	1,010	-
Total Expenditures	210,866	209,032	206,408	2,624
Excess (Deficiency) of Revenues over Expenditures	34,560	37,896	36,723	(1,173)
Other Financing Sources (Uses):				
Transfers In	1,423	1,625	1,423	(202)
Transfers (Out)	(37,030)	(36,336)	(36,336)	-
Sale of Fixed Assets	-	-	5	5
TOTAL OTHER FINANCING SOURCES (USES)	(35,607)	(34,711)	(34,908)	(197)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (1,047)	$ 3,185	$ 1,815	$ (1,370)
Fund Balances (Deficit) at Beginning of Year			10,791	
Increase in Reserve for Inventory			27	
Fund Balance (Deficit) at Year End			$ 12,633	

CITY OF TOLEDO, OHIO
SPECIAL ASSESSMENT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Special Assessment Services			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive/(Negative
REVENUES:				
Special Assessments	$ 24,120	$ 24,120	$ 23,988	$ (132)
Charges for Services	230	230	437	207
Investment Earnings	350	350	922	572
All Other Revenue	1	1	9	8
Total Revenues	$ 24,701	$ 24,701	$ 25,356	$ 655
EXPENDITURES:				
General Government	$ 801	$ 796	$ 748	$ 48
Public Service	24,733	25,027	21,982	3,045
Public Utilities	-	-	-	-
Health	699	521	503	18
Parks and Recreation	183	209	197	12
Capital Outlay	152	23	3	20
Debt Service:				
Principal Retirement	11	-	-	-
Interest and Fiscal Charges	2,005	2,135	2,135	-
Total Expenditures	$ 28,584	$ 28,711	$ 25,568	$ 3,143
Excess (Deficiency) of Revenues over Expenditures	$ (3,883)	$ (4,010)	$ (212)	$ 3,798
OTHER FINANCING SOURCES (USES)				
Transfers In	-	50	50	-
TOTAL OTHER FINANCING SOURCES (USES)	-	50	50	-
Excess (Deficiency) of Revenues and Other Financing Sources Over ExpendituresAnd Other Financing Uses	$ (3,883)	$ (3,960)	(162)	$ 3,798
Fund Balances (Deficit) at Beginning of Year			(45,650)	
Increase in Reserve for Inventory			(166)	
Fund Balance (Deficit) at Year End			$ (45,978)	

NOTE A. ANNUAL BUDGET PROCESS

An annual budget is prepared for all Governmental funds of the City, except for the Permanent Fund. All budgets are adopted on a basis consistent with GAAP. Budgetary comparisons presented in this report are on this budgetary basis.

The City's budgetary process is as follows:

Budget - A Certificate of Estimated Revenue and Expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by October 31 of each year for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each Fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditure from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. On or about January 1, the certificate is amended to include any unencumbered balances from the preceding year.

Appropriations - A temporary appropriation measure to control disbursements may be passed on or about January 1 of each year for the period from January 1 to March 31. During this period, the Administration presents an Executive Budget that is reviewed by City Council for its revision and approval. Upon completion of City Council's review, the revised Executive Budget is summarized into an ordinance which is approved by City Council to provide expenditure authority for an Appropriated Budget. This ordinance receives City Council approval no later than March 31 for the annual period ending December 31. During the year as additional information became available, City Council approved transfers, allocations, supplemental appropriations, and the reappropriation of encumbrances carried over from the prior year. Appropriations did not exceed estimated resources and all original appropriation authority resides with City Council. Management retains administrative authority to transfer existing appropriation authority under $25 within personal services and between other account codes within an organization in a fund.

NOTE A. ANNUAL BUDGET PROCESS (Continued)

Budgetary Level of Control - The City is required by Ohio Law to establish annual appropriations for all necessary Funds. These appropriated budgets affect legal control at various levels for individual Funds. Budgetary control is exercised for the General Fund, Special Revenue Funds, and Debt Service Funds at the organizational level distinguishing between personal services and other expenditures. Budgetary control of grant funds is exercised by individual grant for each organization at the personal services and other level. Capital Projects Funds are legislatively controlled by individually approved projects for each organization. Expenditures may not legally exceed appropriations at this level.

The City meets its legal compliance requirements to report at the budgetary level of control with the City of Toledo's Special Budgetary Comparison Report (SBCR). The SBCR reports at the appropriate budgetary level of control for Governmental Funds on a GAAP basis. Because of the complexity of the budgetary control requirement, presentation of budget versus actual financial results in this CAFR would be very detailed and voluminous. Therefore, as permitted by GAAP, the SBCR for the year ended December 31, 2007 is available for public inspection at the Department of Finance's Office.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary control process. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is reappropriated.

SUPPLEMENTARY INFORMATION

Capital Improvements – To account for construction, major improvements and acquisition to the City's buildings and infrastructure and parkland. Revenue received is from the portion of the income tax earmarked by the voters for capital improvements and from construction grants and bond sales.

General Fund – The general operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund.

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CITY OF TOLEDO, OHIO
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -BUDGET (GAAP BASIS) AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Capital Improvements			
	Initial Budget	Final Budget	Actual	Variance with Final Budget Positive/(Negative
REVENUES:				
Licenses and Permits	-	$ -	$ 194	194
Intergovernmental Services	52,006	52,006	22,294	(29,712)
Charges for Services	96	96	99	3
Investment Earnings	194	194	1,548	1,354
All Other Revenue	780	780	490	(290)
Total Revenues	$ 53,076	$ 53,076	$ 24,625	$ (28,451)
EXPENDITURES:				
Capital Outlay	$ 112,098	$ 112,098	$ 55,104	$ 56,994
Debt Service:				
Principal Retirement	4,029	4,029	4,029	-
Interest and Fiscal Charges	2,590	2,590	2,569	21
Total Expenditures	$ 118,717	$ 118,717	$ 61,702	$ 57,015
Excess (Deficiency) of Revenues over Expenditures	$ (65,641)	$ (65,641)	$ (37,077)	$ 28,564
OTHER FINANCING SOURCES (USES)				
Transfers In	36,459	36,459	35,603	(856)
Transfers (Out)	(15,690)	(15,690)	(15,690)	-
Bond Issuanceof Debt	1,050	1,050	9,000	7,950
Loan Issuance of Debt	-	-	-	-
Note Issuance of Debt	15,324	15,324	1,923	(13,401)
Premiums on Bond	-	-	110	110
Sale of Fixed Assets	75	75	-	(75)
Total Other Financing Sources (Uses)	$ 37,218	$ 37,218	$ 30,946	$ (6,272)
Excess (Deficiency) of Revenues and Other Financing Sources Over ExpendituresAnd Other Financing Uses	$ (28,423)	$ (28,423)	(6,131)	$ 22,292
Fund Balances (Deficit) at Beginning of Year			35,927	
Increase in Reserve for Inventory			(33)	
Fund Balance (Deficit) at Year End			$ 29,763	

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
EXPENDITURES:				
Current				
GENERAL GOVERNMENT				
City Council				
Personal Services	$ 1,251	$ 1,223	$ 1,223	$ -
Materials and Supplies	37	21	13	8
Contractual Services	114	78	77	1
Other	125	138	137	1
Total City Council	1,527	1,460	1,450	9
Office Of The Mayor				
Personal Services	1,115	1,233	1,233	-
Materials and Supplies	73	29	24	5
Contractual Services	226	118	107	11
Other	100	8	8	-
Total Office of the Mayor	1,514	1,388	1,372	16
Auditor				
Personal Services	122	102	102	-
Materials and Supplies	1	1	1	-
Contractual Services	13	9	9	-
Total Auditor	136	112	112	-
Affirmative Action				
Personal Services	272	242	242	-
Materials and Supplies	1	2	2	-
Contractual Services	21	13	13	-
Total Affirmative Action	294	257	257	-
Board Of Community Relations				
Personal Services	179	141	141	-
Materials and Supplies	4	5	5	-
Contractual Services	20	9	9	-
Total Board Of Community Relations	203	155	155	-
Financial Analysis				
Personal Services	78	78	78	-
Materials and Supplies	1	-	-	-
Contractual Services	11	10	10	-
Total Financial Analysis	90	88	88	-
General Fund Utilities				
Contractual Services	1,835	1,948	1,948	-
Total General Fund Utilities	1,835	1,948	1,948	-

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Law				
Personal Services	$ 1,694	$ 1,960	$ 1,960	$ -
Materials and Supplies	37	29	29	-
Contractual Services	289	269	268	1
Total Law	2,020	2,258	2,257	1
Youth Commission				
Personal Services	139	127	127	-
Materials and Supplies	5	4	4	-
Contractual Services	14	7	7	-
Total Youth Commission	158	138	138	-
Finance Administration				
Personal Services	373	287	287	-
Materials and Supplies	1	11	11	-
Contractual Services	34	6	3	3
Total Finance Administration	408	304	301	3
Treasury				
Personal Services	308	281	281	-
Materials and Supplies	40	22	17	5
Contractual Services	63	38	37	1
Total Treasury	411	341	335	6
Taxation				
Personal Services	1,589	1,242	1,242	-
Materials and Supplies	190	109	105	4
Contractual Services	411	198	190	8
Total Taxation	2,190	1,549	1,537	12
Accounts				
Personal Services	1,256	997	997	-
Materials and Supplies	12	10	9	1
Contractual Services	470	601	591	10
Total Accounts	1,738	1,608	1,597	11
Economic Development				
Other	100	75	75	-
Total Economic Development	100	75	75	-

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Human Resources				
Personal Services	$ 1,229	$ 1,104	$ 1,104	$ -
Materials and Supplies	45	9	9	-
Contractual Services	192	165	162	3
Other	4	-	-	-
Total Human Resources	1,470	1,278	1,275	3
Purchasing And Supplies			-	
Personal Services	374	314	314	-
Materials and Supplies	3	1	1	-
Contractual Services	30	12	12	-
Total Purchasing and Supplies	407	327	327	-
Streets Bridges & Harbors				
Personal Services	53	77	77	-
Materials and Supplies	-	1	1	-
Contractual Services	3	9	9	-
Total Streets Bridges & Harbors	56	87	87	-
Solid Waste				
Contractual Services	2	-	-	-
Total Solid Waste	2	-	-	-
Facility Operations				
Contractual Services	518	525	525	-
Total Facility Operations	518	525	525	-
Safety				
Personal Services	39	38	38	-
Other	276	279	279	-
Total Safety	315	317	317	-
Police				
Other	5	1	1	-
Total Police	5	1	1	-
Fire				
Personal Services	3	74	74	-
Materials and Supplies	(9)	25	10	15
Contractual Services	(91)	(20)	(23)	3
Total Fire	(97)	79	61	18

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Natural Resources Administration				
Personal Services	$ 181	$ 176	$ 176	$ -
Materials and Supplies	3	3	3	-
Contractual Services	115	112	112	-
Total Natural Resources Administration	299	291	291	-
Recreation				
Contractual Services	14	14	14	-
Total Recreation	14	14	14	-
Fringe Benefits				
Personal Services	-	48	48	-
Total Fringe Benefits	-	48	48	-
General Non-Departmental Services				
Contractual Services	2,412	2,154	2,097	57
Total General Non-Departmental Services	2,412	2,154	2,097	57
TOTAL GENERAL GOVERNMENT	$ 18,025	$ 16,802	$ 16,665	$ 137
PUBLIC SERVICE				
General Fund Utilities				
Contractual Services	$ 1,367	$ 1,347	$ 1,346	$ 1
Total General Fund Utilities	1,367	1,347	1,346	1
Recreation				
Contractual Services	36	5	5	-
Total Parks & Forestry	36	5	5	-
Parks & Forestry				
Personal Services	91	95	95	-
Materials and Supplies	4	2	2	-
Contractual Services	242	224	224	-
Total Parks & Forestry	337	321	321	-
TOTAL PUBLIC SERVICE	$ 1,740	$ 1,673	$ 1,672	$ 1

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
PUBLIC SAFETY				
Municipal Court Judges				
Personal Services	$ 5,518	$ 5,519	$ 5,519	$ -
Materials and Supplies	89	99	99	-
Contractual Services	2,061	1,969	1,969	-
Total Municipal Court Judges	7,668	7,587	7,587	-
Clerk Of Municipal Court				
Personal Services	5,125	4,718	4,718	-
Materials and Supplies	347	332	332	-
Contractual Services	374	353	353	-
Total Clerk Of Municipal Court	5,846	5,403	5,403	-
Law				
Personal Services	661	474	474	-
Contractual Services	27	27	27	-
Total Law	688	501	501	-
Safety				
Contractual Services	13,672	13,935	13,935	-
Total Safety	13,672	13,935	13,935	-
Police				
Personal Services	74,145	73,289	73,289	-
Materials and Supplies	829	755	709	46
Contractual Services	5,203	5,066	5,055	11
Total Police	80,177	79,110	79,053	57
Fire				
Personal Services	50,868	52,059	52,059	-
Materials and Supplies	395	394	368	26
Contractual Services	2,745	2,131	2,060	71
Total Fire	54,008	54,584	54,487	97
Fringe Benefits				
Personal Services	-	-	-	-
Total Fringe Benefits	-	-	-	-
General Non-Departmental Services				
Contractual Services	112	105	93	12
Total General Non-Departmental Services	112	105	93	12
TOTAL PUBLIC SAFETY	$ 162,171	$ 161,225	$ 161,059	$ 166

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
PUBLIC UTILITIES				
Solid Waste				
Contractual Services	$ 10	$ 9	$ 9	$ -
Total Engineering Services	10	9	9	-
Engineering Services				
Personal Services	22	15	15	-
Contractual Services	4	-	-	-
Total Engineering Services	26	15	15	-
Police				
Contractual Services	167	50	50	-
Total Engineering Services	167	50	50	-
TOTAL PUBLIC UTILITIES	$ 203	$ 74	$ 74	$ -
COMMUNITY ENVIRONMENT				
Planning Commission				
Personal Services	$ 558	$ 533	$ 533	$ -
Materials and Supplies	17	14	14	-
Contractual Services	67	45	45	-
Total Planning Commission	642	592	592	-
General Fund Utilities				
Contractual Services	295	358	358	-
Total General Fund Utilities	295	358	358	-
Youth Commission				
Other	112	111	81	30
Total Youth Commission	112	111	81	30
H N R Administration				
Personal Services	66	52	52	-
Materials and Supplies	1	1	1	-
Contractual Services	17	27	27	-
Total H N R Administration	84	80	80	-
Housing Division				
Personal Services	38	35	35	-
Total Housing Division	38	35	35	-

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Economic Development				
Personal Services	$ 126	$ 148	$ 148	$ -
Materials and Supplies	6	4	4	-
Contractual Services	480	303	275	28
Other	-	12	5	7
Total Economic Development	612	467	432	35
Neighborhood				
Personal Services	185	83	83	-
Contractual Services	9	10	10	-
Total Neighborhood	194	93	93	-
Demolition				
Personal Services	669	530	530	-
Contractual Services	136	95	95	
Other	40	40	40	-
Total Demolition	845	665	665	-
Transportation				
Personal Services	76	55	55	-
Materials and Supplies	2	2	2	-
Contractual Services	23	20	20	-
Total Transportation	101	77	77	-
Streets Bridges & Harbors				
Personal Services	(34)	-	-	-
Materials and Supplies	(1)	-	-	-
Contractual Services	-	-	-	-
Total Streets Bridges & Harbors	(35)	-	-	-
Waste Disposal				
Personal Services	22	19	2	17
Contractual Services	299	2,124	190	1,934
Total Waste Disposal	321	2,143	192	1,951
Engineering Services				
Personal Services	97	34	34	-
Materials and Supplies	10	5	5	-
Contractual Services	25	14	14	-
Total Engineering Services	132	53	53	-

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Building Inspection				
Personal Services	$ 2,031	$ 2,018	$ 2,018	$ -
Materials and Supplies	22	21	19	2
Contractual Services	248	232	232	-
Total Building Inspection	2,301	2,271	2,269	2
Parks & Forestry				
Materials and Supplies	-	-	-	
Contractual Services	33	4	4	-
Total Parks & Forestry	33	4	4	-
Fringe Benefits				
Personal Services	-	-	-	-
Total Fringe Benefits	-	-	-	-
TOTAL COMMUNITY ENVIRONMENT	$ 5,675	$ 6,949	$ 4,931	$ 2,018
HEALTH				
Municipal Court Judges				
Personal Services	$ 300	$ 287	$ 287	$ -
Materials and Supplies	1	-	-	-
Contractual Services	5	4	4	-
Total Municipal Court Judges	306	291	291	-
Refuse Collection				
Personal Services	9,982	9,934	9,934	-
Materials and Supplies	70	86	71	15
Contractual Services	1,652	1,730	1,709	21
Total Refuse Collection	11,704	11,750	11,714	36
Waste Disposal				
Personal Services	1,206	1,063	1,063	-
Materials and Supplies	106	106	89	17
Contractual Services	2,272	2,216	2,027	189
Total Waste Disposal	3,584	3,385	3,179	206
Environmental Services				
Personal Services	152	133	133	-
Contractual Services	25	30	30	-
Total Environmental Services	177	163	163	-
Recreation				
Contractual Services	4	2	2	-
Total Recreation	4	2	2	-

CITY OF TOLEDO, OHIO
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Parks & Forestry				
Personal Services	$ 417	$ 363	$ 363	$ -
Materials and Supplies	12	10	9	1
Contractual Services	133	145	128	17
Total Parks & Forestry	562	518	500	18
TOTAL HEALTH	$ 16,337	$ 16,109	$ 15,849	$ 260
PARKS AND RECREATION				
Natural Resources Administration				
Contractual Services	$ 34	$ 20	$ 20	$ -
Total Natural Resources Administration	34	20	20	-
Recreation				
Personal Services	785	606	606	-
Materials and Supplies	77	53	48	5
Contractual Services	1,123	803	789	14
Total Recreation	1,985	1,462	1,443	19
Parks & Forestry				
Personal Services	469	330	330	-
Materials and Supplies	57	36	27	9
Contractual Services	1,054	1,228	1,214	14
Total Parks & Forestry	1,580	1,594	1,571	23
TOTAL PARKS & RECREATION	$ 3,599	$ 3,076	$ 3,034	$ 42
TOTAL CAPITAL OUTLAY	666	677	677	-
TOTAL DEBT SERVICE	2,450	2,447	2,447	-
TOTAL EXPENDITURES	$ 210,866	$ 209,032	$ 206,408	$ 2,624

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CITY OF TOLEDO, OHIO
OTHER GOVERNMENTAL FUNDS
DECEMBER 31, 2007

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS, COMBINING BALANCE SHEET
FOR YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Special Revenue	Debt Service	Capital Projects
ASSETS			
Equity in Pooled Cash	$ 8,716	$ 59	$ 63
Other Cash	2	-	-
Investments	2,877	-	414
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	4,127	-	-
Special Assessments	-	391	2,449
Notes	-	-	-
Interfund Balances	11,420	-	-
Prepaid Expenditures	-	-	-
Inventory of Supplies	750	-	-
Total Assets	$ 27,892	$ 450	$ 2,926
LIABILITIES			
Accounts Payable	$ 2,550	$ 1	$ -
Escrow	1,461	-	-
Retainages	12	-	38
Interfund Balances	1,192	-	-
Due to Other Governments	2	-	-
Deferred Revenue	-	391	2,449
Other Current Liabilities	49	-	-
Notes Payable	-	-	2,265
Total Liabilities	5,266	392	4,752
FUND BALANCES (DEFICIT):			
Reserved for Debt Service	-	58	-
Reserved for Encumbrances	6,737	-	185
Reserved for Inventory of Supplies	750	-	-
Reserved for Long-Term Notes and Accounts Receivable	-	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	90	-	-
Undesignated	15,049	-	(2,011)
Total Fund Balance (Deficit)	22,626	58	(1,826)
Total Liabilities and Fund Balance (Deficit)	$ 27,892	$ 450	$ 2,926

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS, COMBINING BALANCE SHEET
FOR YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Permanent Funds	Total Non-Major Funds
ASSETS		
Equity in Pooled Cash	$ -	$ 8,838
Other Cash	-	2
Investments	831	4,122
Receivables (Net of Allowance for Uncollectible Accounts):		
Accounts	1	4,128
Special Assessments	-	2,840
Notes	-	-
Interfund Balances	-	11,420
Prepaid Expenditures	-	-
Inventory of Supplies	-	750
Total Assets	$ 832	$ 32,100
LIABILITIES		
Accounts Payable	$ -	$ 2,551
Escrow	138	1,599
Retainages	-	50
Interfund Balances	-	1,192
Due to Other Governments	-	2
Deferred Revenue	-	2,840
Other Current Liabilities	-	49
Notes Payable	-	2,265
Total Liabilities	138	10,548
FUND BALANCES (DEFICIT):		
Reserved for Debt Service	-	58
Reserved for Encumbrances	-	6,922
Reserved for Inventory of Supplies	-	750
Reserved for Long-Term Notes and Accounts Receivable	-	-
Unreserved:		
Designated for Subsequent Years Expenditures	-	90
Undesignated	694	13,732
Total Fund Balance (Deficit)	694	21,552
Total Liabilities and Fund Balance (Deficit)	$ 832	$ 32,100

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNDS IN THOUSANDS)
(CONTINUED)

	Special Revenue	Debt Service	Capital Projects
REVENUES:			
Special Assessments	$ -	$ 100	$ 513
Licenses and Permits	9	-	-
Intergovernmental Services	32,089	-	-
Charges for Services	684	-	-
Investment Earnings	1,420	-	-
Fines and Forfeitures	1,171	-	-
All Other Revenue	1,737	-	-
Total Revenues	37,110	100	513
EXPENDITURES:			
Current:			
General Government	176	-	-
Public Service	10,134	-	-
Public Safety	3,069	-	-
Public Utilities	28	-	-
Community Environment	13,994	-	-
Health	1,563	-	-
Parks and Recreation	235	-	-
Capital Outlay	1,637	-	462
Debt Service:			
Principal Retirement	95	11,687	-
Interest and Fiscal Charges	52	4,507	95
Total Expenditures	30,983	16,194	557
Excess (Deficiency) of Revenues over Expenditures	6,127	(16,094)	(44)
OTHER FINANCING SOURCES (USES):			
Transfers In	2,490	16,107	-
Transfers (Out)	(4,683)	-	-
Note Proceeds	-	-	-
Sale of Fixed Assets	6	-	-
Bond Proceeds	-	-	-
Premium on Bond	-	-	4
Payment to Refunded Bond Escrow Agent	-	-	-
Other Revenue (Expenses)	-	-	-
Total Other Financing Sources and (Uses)	(2,187)	16,107	4
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	3,940	13	(40)
Fund Balances (Deficit) at Beginning of Year	18,686	45	(1,786)
Increase in Reserve for Inventory/Notes	-	-	-
Fund Balance (Deficit) at Year End	$ 22,626	$ 58	$ (1,826)

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNDS IN THOUSANDS)
(CONTINUED)

	Permanent Funds	Total Non-Major Funds
REVENUES:		
Special Assessments	$ -	$ 613
Licenses and Permits	-	9
Intergovernmental Services	-	32,089
Charges for Services	-	684
Investment Earnings	-	1,420
Fines and Forfeitures	-	1,171
All Other Revenue	-	1,737
Total Revenues	-	37,723
EXPENDITURES:		
Current:		
General Government	-	176
Public Service	-	10,134
Public Safety	-	3,069
Public Utilities	-	28
Community Environment	-	13,994
Health	-	1,563
Parks and Recreation	-	235
Capital Outlay	-	2,099
Debt Service:		
Principal Retirement	-	11,782
Interest and Fiscal Charges	-	4,654
Total Expenditures	-	47,734
Excess (Deficiency) of Revenues over Expenditures	-	(10,011)
OTHER FINANCING SOURCES (USES):		
Transfers In	-	18,597
Transfers (Out)	-	(4,683)
Note Proceeds	-	-
Sale of Fixed Assets	-	6
Bond Proceeds	-	-
Premium on Bond	-	4
Payment to Refunded Bond Escrow Agent	-	-
Other Revenue (Expenses)	-	-
Total Other Financing Sources and (Uses)	-	13,924
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	3,913
Fund Balances (Deficit) at Beginning of Year	694	17,639
Increase in Reserve for Inventory/Notes	-	-
Fund Balance (Deficit) at Year End	$ 694	$ 21,552

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Federal Block Grants - To account for monies received from the Federal Government under the Community Development Block Grant program. Individual program and grant activity is controlled by use of programmatic computer codes.

Operation Grants - To account for various non-capital Federal, State and Local grants including such programs as Federal and State Air Pollution Control, D.W.I. (Driving While Intoxicated) program, Child and Family Health, and WIC (Women, Infants and Children). Individual program and grant activity is controlled by use of programmatic computer codes.

Urban Development Action Grants - To account for monies received from the Federal Government under the Urban Development Action Grant program. Individual program and grant activity is controlled by use of programmatic computer codes.

Street Construction Maintenance and Repair - To account for state-levied and controlled gasoline tax and vehicle license fees remitted to the City by formula for routine street maintenance.

Cemetery Maintenance - To account for investment earnings transferred from the non-expendable Cemetery Perpetual Care Fund. Fund monies are used in maintaining the City's five public cemeteries.

Golf Improvements - To account for the portion of golf greens fees designated by City Council for major non-capital golf course maintenance.

Parkland Improvements - To account for those proceeds from parkland sales designated by City Council for minor purchases of park property and equipment.

Cemeteries Property Acquisition Site Development - To account for monies received for interments, removals and lots in municipal cemeteries and used for the expansion of municipal cemeteries.

Marina Development - To account for monies received for operation and improvement of the City's marinas and Boating Education Center.

Expendable Trusts - To account for monies donated in trust to the City. Expenditures of the forty-eight individual trust funds in existence as of December 31 are controlled by reference to individual trust balances maintained in subsidiary records.

Toledo City Parks - To account for investment earnings on funds contributed from General Fund Estate Taxes. This fund will provide funding stability to the City's parks and recreation programs.

Toledo Home Program - To account for monies received under the National Affordable Housing Act to assist low-income individuals attain home ownership. Individual program and grant activity is controlled by use of programmatic computer codes.

Right-of-Way – To account for monies received from various public utilities for the maintenance of their access to the public right-of-way.

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Federal Block Grants	Operation Grants	Urban Development Action Grants
ASSETS			
Equity in Pooled Cash	$ 512	$ -	$ 271
Other Cash	1	-	-
Investments	-	-	13
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	1,285	361	-
Special Assessments	-	-	-
Notes	-	-	-
Interfund Balances	1,368	8,376	413
Prepaid Expenditures		-	-
Inventory of Supplies	-	-	-
Restricted Assets:			
Investments	-	-	-
Total Assets	$ 3,166	$ 8,737	$ 697
LIABILITIES			
Accounts Payable	$ 795	$ 723	$ -
Escrow	12	140	11
Retainages	-	7	-
Interfund Balances	-	-	-
Due to Other Governments	-	-	2
Deferred Revenue	-	-	-
Other Current Liabilities	4	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
Total Liabilities	811	870	13
FUND BALANCES (DEFICIT):			
Reserved for Encumbrances	1,841	2,240	-
Reserved for Inventory of Supplies	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	-	-	-
Undesignated	514	5,627	684
Fund Equity			
Unreserved	-	-	
Total Fund Balance (Deficit)	2,355	7,867	684
Total Liabilities and Fund Balance (Deficit)	$ 3,166	$ 8,737	$ 697

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Street Construction Maintenance and Repair	Cemetery Maintenance	Golf Improvements
ASSETS			
Equity in Pooled Cash	$ 3,065	$ 32	$ 175
Other Cash	-	-	-
Investments	-	-	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	626	-	-
Special Assessments	-	-	-
Notes	-	-	-
Interfund Balances	-	-	-
Prepaid Expenditures	-	-	-
Inventory of Supplies	750	-	-
Restricted Assets:			
Investments	-	-	-
Total Assets	$ 4,441	$ 32	$ 175
LIABILITIES			
Accounts Payable	$ 182	$ 3	$ -
Escrow	-	-	-
Retainages	5	-	-
Interfund Balances	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Other Current Liabilities	45	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
Total Liabilities	232	3	-
FUND BALANCES (DEFICIT):			
Reserved for Encumbrances	186	-	-
Reserved for Inventory of Supplies	750	-	-
Reserved for Prepaid Expenditures	-	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	90	-	-
Undesignated	3,183	29	175
Fund Equity			
Unreserved			
Total Fund Balance (Deficit)	4,209	29	175
Total Liabilities and Fund Balance (Deficit)	$ 4,441	$ 32	$ 175

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Parkland Improvements	Cemeteries Property Acquisition Site Development	Marina Development
ASSETS			
Equity in Pooled Cash	$ 106	$ 170	$ 4
Other Cash	-	-	1
Investments	-	-	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	-	-	-
Special Assessments	-	-	-
Notes	-	-	-
Interfund Balances	-	-	-
Prepaid Expenditures	-	-	-
Inventory of Supplies	-	-	-
Restricted Assets:			
Investments	-	-	-
Total Assets	$ 106	$ 170	$ 5
LIABILITIES			
Accounts Payable	$ 2	$ -	$ 5
Escrow	2	-	-
Retainages	-	-	-
Interfund Balances	-	-	-
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Other Current Liabilities	-	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
Total Liabilities	4	-	5
FUND BALANCES (DEFICIT):			
Reserved for Encumbrances	-	-	3
Reserved for Inventory of Supplies	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Unreserved:			
Designated for Subsequent Years Expenditures	-	-	-
Undesignated	102	170	(3)
Fund Equity			
Unreserved			
Total Fund Balance (Deficit)	102	170	-
Total Liabilities and Fund Balance (Deficit)	$ 106	$ 170	$ 5

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Expendable Trusts	Toledo City Parks	Toledo Home Program
ASSETS			
Equity in Pooled Cash	$ 4,380	$ -	$ -
Other Cash	-	-	-
Investments	152	2,712	-
Receivables (Net of Allowance for Uncollectible Accounts):			
Accounts	62	5	1,788
Special Assessments	-	-	-
Notes	-	-	-
Interfund Balances	-	-	1,263
Prepaid Expenditures	-	-	-
Inventory of Supplies	-	-	-
Restricted Assets:	-		
Investments	-	-	-
Total Assets	$ 4,594	$ 2,717	$ 3,051
LIABILITIES			
Accounts Payable	$ 278	$ -	$ 562
Escrow	32	-	1,263
Retainages	-	-	-
Interfund Balances	-	623	569
Due to Other Governments	-	-	-
Deferred Revenue	-	-	-
Other Current Liabilities	-	-	-
Payable From Restricted Assets:			
Notes Payable	-	-	-
Total Liabilities	310	623	2,394
FUND BALANCES (DEFICIT):			
Reserved for Encumbrances	-	-	2,467
Reserved for Inventory of Supplies	-	-	-
Reserved for Prepaid Expenditures	-	-	-
Unreserved:	4,257		
Designated for Subsequent Years Expenditures	-	-	-
Undesignated	27	2,094	(1,810)
Fund Equity			
Unreserved			
Total Fund Balance (Deficit)	4,284	2,094	657
Total Liabilities and Fund Balance (Deficit)	$ 4,594	$ 2,717	$ 3,051

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Right Of Way	Total Special Revenue Funds
ASSETS		
Equity in Pooled Cash	$ 1	$ 8,716
Other Cash	-	2
Investments	-	2,877
Receivables (Net of Allowance for Uncollectible Accounts):		
Accounts	-	4,127
Special Assessments	-	-
Notes	-	-
Interfund Balances	-	11,420
Prepaid Expenditures	-	-
Inventory of Supplies	-	750
Restricted Assets:		
Investments		-
Total Assets	$ 1	$ 27,892
LIABILITIES		
Accounts Payable	$ -	$ 2,550
Escrow	1	1,461
Retainages	-	12
Interfund Balances	-	1,192
Due to Other Governments	-	2
Deferred Revenue	-	-
Other Current Liabilities	-	49
Payable From Restricted Assets:		-
Notes Payable	-	-
Total Liabilities	1	5,266
FUND BALANCES (DEFICIT):		
Reserved for Encumbrances	-	6,737
Reserved for Inventory of Supplies	-	750
Reserved for Prepaid Expenditures	-	-
Unreserved:		4,257
Designated for Subsequent Years Expenditures	-	90
Undesignated	-	10,792
Fund Equity		
Unreserved		-
Total Fund Balance (Deficit)	-	22,626
Total Liabilities and Fund Balance (Deficit)	$ 1	$ 27,892

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Federal Block Grants	Operation Grants	Urban Development Action Grants
REVENUES:			
Special Assessments	$ -	$ -	$ -
Licenses and Permits	-	1	-
Intergovernmental Services	8,363	8,343	-
Charges for Services	33	166	-
Investment Earnings	13	4	2
Fines and Forfeitures	-	1,114	-
All Other Revenue	4	20	-
Total Revenues	8,413	9,648	2
EXPENDITURES:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	2,201	-
Public Utilities	-	-	-
Community Environment	8,718	3,126	-
Health	-	1,454	-
Parks and Recreation	-	8	-
Capital Outlay	407	989	-
Debt Service:			
Principal Retirement	95	-	-
Interest and Fiscal Charges	52	-	-
Total Expenditures	9,272	7,778	-
Excess (Deficiency) of Revenues over Expenditures	(859)	1,870	2
OTHER FINANCING SOURCES (USES):			
Transfers In	758	-	-
Transfers (Out)	(536)	(258)	-
Note Proceeds	-	-	
Sale of Fixed Assets	6	-	-
Total Other Financing Sources and (Uses)	228	(258)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(631)	1,612	2
Fund Balances (Deficit) at Beginning of Year	2,986	6,255	682
Increase in Reserve for Inventory/Notes	-	-	-
Fund Balance (Deficit) at Year End	$ 2,355	$ 7,867	$ 684

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Street Construction Maintenance and Repair	Cemetery Maintenance	Golf Improvements
REVENUES:			
Special Assessments	$ -	$ -	$ -
Licenses and Permits	8	-	-
Intergovernmental Services	13,456	-	-
Charges for Services	7	-	158
Investment Earnings	-	40	-
Fines and Forfeitures	57	-	-
All Other Revenue	8	-	-
Total Revenues	13,536	40	158
EXPENDITURES:			
Current:			
General Government	87	-	-
Public Service	10,134	-	-
Public Safety	112	-	-
Public Utilities	28	-	-
Community Environment	10	-	-
Health	-	11	-
Parks and Recreation	-	-	-
Capital Outlay	22	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	10,393	11	-
Excess (Deficiency) of Revenues over Expenditures	3,143	29	158
OTHER FINANCING SOURCES (USES):			
Transfers In	225	-	-
Transfers (Out)	(1,689)	-	(150)
Note Proceeds			
Sale of Fixed Assets	-	-	-
Total Other Financing Sources and (Uses)	(1,464)	-	(150)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	1,679	29	8
Fund Balances (Deficit) at Beginning of Year	2,530	-	167
Increase in Reserve for Inventory/Notes	-	-	-
Fund Balance (Deficit) at Year End	$ 4,209	$ 29	$ 175

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Parkland Improvements	Cemeteries Property Acquisition Site Development	Marina Development
REVENUES:			
Special Assessments	$ -	$ -	$ -
Licenses and Permits	-	-	-
Intergovernmental Services	-	-	-
Charges for Services	-	18	82
Investment Earnings	-	-	-
Fines and Forfeitures	-	-	-
All Other Revenue	58	-	-
Total Revenues	58	18	82
EXPENDITURES:			
Current:			
General Government	-	-	-
Public Service	-	-	-
Public Safety	-	-	-
Public Utilities	-	-	-
Community Environment	-	-	-
Health	-	17	-
Parks and Recreation	-	-	136
Capital Outlay	214	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	214	17	136
Excess (Deficiency) of Revenues over Expenditures	(156)	1	(54)
OTHER FINANCING SOURCES (USES):			
Transfers In	-	-	54
Transfers (Out)	-	-	-
Note Proceeds			
Sale of Fixed Assets	-	-	-
Total Other Financing Sources and (Uses)	-	-	54
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(156)	1	-
Fund Balances (Deficit) at Beginning of Year	258	169	-
Increase in Reserve for Inventory/Notes	-	-	-
Fund Balance (Deficit) at Year End	$ 102	$ 170	$ -

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Expendable Trusts	Toledo City Parks	Toledo Home Program
REVENUES:			
Special Assessments	$ -	$ -	$ -
Licenses and Permits	-	-	-
Intergovernmental Services	(1,445)	-	3,372
Charges for Services	220	-	-
Investment Earnings	1,147	214	-
Fines and Forfeitures	-	-	-
All Other Revenue	1,647	-	-
Total Revenues	1,569	214	3,372
EXPENDITURES:			
Current:			
General Government	54	35	-
Public Service	-	-	-
Public Safety	756	-	-
Public Utilities	-	-	-
Community Environment	-	-	2,140
Health	81	-	-
Parks and Recreation	91	-	-
Capital Outlay	-	-	5
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	982	35	2,145
Excess (Deficiency) of Revenues over Expenditures	587	179	1,227
OTHER FINANCING SOURCES (USES):			
Transfers In	1,155	-	73
Transfers (Out)	(980)	(202)	(643)
Note Proceeds			
Sale of Fixed Assets	-	-	-
Total Other Financing Sources and (Uses)	175	(202)	(570)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	762	(23)	657
Fund Balances (Deficit) at Beginning of Year	3,522	2,117	-
Increase in Reserve for Inventory/Notes	-	-	-
Fund Balance (Deficit) at Year End	$ 4,284	$ 2,094	$ 657

CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
SPECIAL REVENUE FUNDS, COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Right Of Way	Total Special Revenue Funds
REVENUES:		
Special Assessments	$ -	$ -
Licenses and Permits	-	9
Intergovernmental Services	-	32,089
Charges for Services	-	684
Investment Earnings	-	1,420
Fines and Forfeitures	-	1,171
All Other Revenue	-	1,737
Total Revenues	-	37,110
EXPENDITURES:		
Current:		
General Government	-	176
Public Service	-	10,134
Public Safety	-	3,069
Public Utilities	-	28
Community Environment	-	13,994
Health	-	1,563
Parks and Recreation	-	235
Capital Outlay	-	1,637
Debt Service:		
Principal Retirement	-	95
Interest and Fiscal Charges	-	52
Total Expenditures	-	30,983
Excess (Deficiency) of Revenues over Expenditures	-	6,127
OTHER FINANCING SOURCES (USES):		
Transfers In	225	2,490
Transfers (Out)	(225)	(4,683)
Note Proceeds		-
Sale of Fixed Assets	-	6
Total Other Financing Sources and (Uses)	-	(2,187)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	3,940
Fund Balances (Deficit) at Beginning of Year	-	18,686
Increase in Reserve for Inventory/Notes	-	-
Fund Balance (Deficit) at Year End	$ -	$ 22,626

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CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Federal Block Grants			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits		-	-	-
Intergovernmental Services	7,396	15,275	8,363	(6,912)
Charges for Services	-	55	33	(22)
Investment Earnings	-	-	13	13
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	4	4
Total Revenues	7,396	15,330	8,413	(6,917)
EXPENDITURES:				
Current:				
General Government	3	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	8,455	16,747	8,718	8,029
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	479	1,150	407	743
Debt Service:				
Principal Retirement	27	95	95	-
Interest and Fiscal Charges	115	72	52	20
Total Expenditures	9,079	18,064	9,272	8,792
Excess (Deficiency) of Revenues over Expenditures	(1,683)	(2,734)	(859)	1,875
OTHER FINANCING SOURCES (USES):				
Transfers In	-	758	758	-
Transfers (Out)	(256)	(792)	(536)	256
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	25	6	(19)
Total Other Financing Sources and (Uses)	(256)	(9)	228	237
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (1,939)	$ (2,743)	(631)	$ 2,112
Fund Balances (Deficit) at Beginning of Year			2,986	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 2,355	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Operation Grants		Variance with Final Budget Actual Amount	Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget		
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	1	1
Intergovernmental Services	13,455	23,579	8,343	(15,236)
Charges for Services	-	-	166	166
Investment Earnings	-	2	4	2
Fines and Forfeitures	-	199	1,114	915
All Other Revenue	33	46	20	(26)
Total Revenues	13,488	23,826	9,648	(14,178)
EXPENDITURES:				
Current:				
General Government	-	1,457	-	1,457
Public Service	-	-	-	-
Public Safety	3,019	5,925	2,201	3,724
Public Utilities	1	1	-	1
Community Environment	6,643	10,995	3,126	7,869
Health	2,190	3,323	1,454	1,869
Parks and Recreation	6	16	8	8
Capital Outlay	2,910	3,283	989	2,294
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	14,769	25,000	7,778	17,222
Excess (Deficiency) of Revenues over Expenditures	(1,281)	(1,174)	1,870	3,044
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	-	(517)	(258)	(259)
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	(517)	(258)	(259)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (1,281)	$ (1,691)	1,612	$ 3,303
Fund Balances (Deficit) at Beginning of Year			6,255	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 7,867	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Urban Development Action Grant			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual Amount	
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	365	365	-	(365)
Charges for Services	-	-	-	-
Investment Earnings	-	-	2	2
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	365	365	2	(363)
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	128	128	-	128
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	192	192	-	192
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	320	320	-	320
Excess (Deficiency) of Revenues over Expenditures	45	45	2	(43)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 45	$ 45	2	$ (43)
Fund Balances (Deficit) at Beginning of Year			682	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 684	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Street Construction Maintenance and Repair			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual Amount	
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	58	58	8	(50)
Intergovernmental Services	13,409	13,419	13,456	37
Charges for Services	4	4	7	3
Investment Earnings	-	-	-	-
Fines and Forfeitures	84	84	57	(27)
All Other Revenue	2	2	8	6
Total Revenues	13,557	13,567	13,536	(31)
EXPENDITURES:				
Current:				
General Government	140	176	87	89
Public Service	12,119	12,161	10,134	2,027
Public Safety	120	120	112	8
Public Utilities	10	28	28	-
Community Environment	11	11	10	1
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	41	22	22	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	12,441	12,518	10,393	2,125
Excess (Deficiency) of Revenues over Expenditures	1,116	1,049	3,143	2,094
OTHER FINANCING SOURCES (USES):				
Transfers In	225	225	225	-
Transfers (Out)	(1,689)	(1,689)	(1,689)	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	(1,464)	(1,464)	(1,464)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (348)	$ (415)	1,679	$ 2,094
Fund Balances (Deficit) at Beginning of Year			2,530	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 4,209	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Cemetery Maintenance			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual Amount	
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	32	32	40	8
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	32	32	40	8
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	14	11	11	-
Parks and Recreation	-	-	-	-
Capital Outlay	(8)	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	6	11	11	-
Excess (Deficiency) of Revenues over Expenditures	26	21	29	8
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 26	$ 21	29	$ 8
Fund Balances (Deficit) at Beginning of Year			-	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 29	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Golf Improvements			Variance with Final Budget
	Initial Budget	Final Budget	Actual Amount	Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	150	150	158	8
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	150	150	158	8
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:			-	
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	150	150	158	8
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	(150)	(150)	(150)	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	(150)	(150)	(150)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ -	$ -	8	$ 8
Fund Balances (Deficit) at Beginning of Year			167	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 175	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Parkland Improvements			Variance with Final Budget
	Initial Budget	Final Budget	Actual Amount	Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	25	25	58	33
Total Revenues	25	25	58	33
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	1	218	214	4
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	1	218	214	4
Excess (Deficiency) of Revenues over Expenditures	24	(193)	(156)	37
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 24	$ (193)	(156)	$ 37
Fund Balances (Deficit) at Beginning of Year			258	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 102	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Cemeteries Property Acquisition Site Development			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	24	24	18	(6)
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	24	24	18	(6)
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	20	20	17	3
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	20	20	17	3
Excess (Deficiency) of Revenues over Expenditures	4	4	1	(3)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 4	$ 4	1	$ (3)
Fund Balances (Deficit) at Beginning of Year			169	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 170	

CITY OF TOLEDO, OHIO
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Marina Development			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual Amount	
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	109	115	82	(33)
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	109	115	82	(33)
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	-	-	-	-
Parks and Recreation	82	146	136	10
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	82	146	136	10
Excess (Deficiency) of Revenues over Expenditures	27	(31)	(54)	(23)
OTHER FINANCING SOURCES (USES):				
Transfers In	15	15	54	39
Transfers (Out)	-	-	-	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	15	15	54	39
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 42	$ (16)	-	$ 16
Fund Balances (Deficit) at Beginning of Year			-	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ -	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Expendable Trusts			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	(1,445)	(1,445)	-
Charges for Services	117	117	220	103
Investment Earnings	678	678	1,147	469
Fines and Forfeitures	-	-	-	-
All Other Revenue	15	15	1,647	1,632
Total Revenues	810	(635)	1,569	2,204
EXPENDITURES:				
Current:				
General Government	1,686	1,865	54	1,811
Public Service	-	-	-	-
Public Safety	885	2,206	756	1,450
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	497	698	81	617
Parks and Recreation	450	572	91	481
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	3,518	5,341	982	4,359
Excess (Deficiency) of Revenues over Expenditures	(2,708)	(5,976)	587	6,563
OTHER FINANCING SOURCES (USES):				
Transfers In	500	565	1,155	590
Transfers (Out)	(252)	(1,001)	(980)	21
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	248	(436)	175	611
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (2,460)	$ (6,412)	$ 762	$ 7,174
Fund Balances (Deficit) at Beginning of Year			3,522	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 4,284	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Toledo City Parks			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	125	125	214	89
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	125	125	214	89
EXPENDITURES:				
Current:				
General Government	45	80	35	45
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	45	80	35	45
Excess (Deficiency) of Revenues over Expenditures	80	45	179	134
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	(202)	(404)	(202)	202
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	(202)	(404)	(202)	202
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (122)	$ (359)	(23)	$ 336
Fund Balances (Deficit) at Beginning of Year			2,117	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 2,094	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Toledo Home Program			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	6,856	9,407	3,372	(6,035)
Charges for Services	-	-	-	-
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	6,856	9,407	3,372	(6,035)
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	6,869	8,839	2,140	6,699
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	52	52	5	47
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	6,921	8,891	2,145	6,746
Excess (Deficiency) of Revenues over Expenditures	(65)	516	1,227	711
OTHER FINANCING SOURCES (USES):				
Transfers In	-	73	73	-
Transfers (Out)	-	(643)	(643)	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	(570)	(570)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (65)	$ (54)	657	$ 711
Fund Balances (Deficit) at Beginning of Year			-	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 657	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Right of Way			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental Services	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Current:				
General Government	-	-	-	-
Public Service	-	-	-	-
Public Safety	-	-	-	-
Public Utilities	-	-	-	-
Community Environment	-	-	-	-
Health	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers In	225	225	225	-
Transfers (Out)	(225)	(225)	(225)	-
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ -	$ -	-	$ -
Fund Balances (Deficit) at Beginning of Year			-	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ -	

CITY OF TOLEDO, OHIO
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
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(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Total			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual Amount	
REVENUES:				
Special Assessments	$ -	$ -	$ -	$ -
Licenses and Permits	58	58	9	(49)
Intergovernmental Services	41,481	60,600	32,089	(28,511)
Charges for Services	404	465	684	219
Investment Earnings	835	837	1,420	583
Fines and Forfeitures	84	283	1,171	888
All Other Revenue	75	88	1,737	1,649
Total Revenues	42,937	62,331	37,110	(25,221)
EXPENDITURES:				
Current:				
General Government	1,874	3,578	176	3,402
Public Service	12,119	12,161	10,134	2,027
Public Safety	4,024	8,251	3,069	5,182
Public Utilities	11	29	28	1
Community Environment	22,106	36,720	13,994	22,726
Health	2,721	4,052	1,563	2,489
Parks and Recreation	538	734	235	499
Capital Outlay	3,667	4,917	1,637	3,280
Debt Service:	-			
Principal Retirement	27	95	95	-
Interest and Fiscal Charges	115	72	52	20
Total Expenditures	47,202	70,609	30,983	39,626
Excess (Deficiency) of Revenues over Expenditures	(4,265)	(8,278)	6,127	14,405
OTHER FINANCING SOURCES (USES):				
Transfers In	965	1,861	2,490	629
Transfers (Out)	(2,549)	(5,196)	(4,683)	513
Note Proceeds	-	-	-	-
Sale of Fixed Assets	-	25	6	(19)
Total Other Financing Sources and (Uses)	(1,584)	(3,310)	(2,187)	1,123
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ (5,849)	$ (11,588)	3,940	$ 15,528
Fund Balances (Deficit) at Beginning of Year			18,686	
Increase in Reserve for Inventory			-	
Fund Balance (Deficit) at Year End			$ 22,626	

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CITY OF TOLEDO, OHIO
NON-MAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2007

General Obligation - To account for City income tax monies transferred from the Capital Improvement Fund.

Special Assessment Debt Service - To account for resources accumulated to repay special assessment notes and bond debt.

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
DEBT SERVICE FUNDS, COMBINING BALANCE SHEET
FOR YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	General Obligation	Special Assessment Debt Service	Total Debt Service Funds
ASSETS:			
Equity in Pooled Cash	$ 1	$ 58	$ 59
Receivables (Net of Allowance for Uncollectible Accounts):			
Special Assessments	-	391	391
Interfund Balances	-	-	-
Prepaid Expenditures	-	-	-
Restricted Assets:			
Other Cash	-	-	-
Investments	-	-	-
Total Assets	$ 1	$ 449	$ 450
LIABILITIES:			
Accounts Payable	$ 1	$ -	$ 1
Deferred Revenue	-	391	391
Total Liabilities	1	391	392
FUND BALANCES (DEFICIT):			
Reserved for Encumbrances	-	-	-
Reserved for Debt Service	-	58	58
Reserved for Prepaid Expenditures	-	-	-
Unreserved:	-	-	-
Total Fund Balance (Deficit)	-	58	58
Total Liabilities and Fund Balance (Deficit)	$ 1	$ 449	$ 450

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
DEBT SERVICE FUNDS,
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	General Obligation	Special Assessment Debt Service	Total Debt Service Funds
REVENUES:			
Special Assessments	$ -	$ 100	$ 100
Intergovernmental Services	-	-	-
Investment Earnings	-	-	-
Total Revenues	-	100	100
EXPENDITURES:			
Debt Service:			
Principal Retirement	11,610	77	11,687
Interest and Fiscal Charges	4,497	10	4,507
Total Expenditures	16,107	87	16,194
Excess (Deficiency) of Revenues over Expenditures	(16,107)	13	(16,094)
OTHER FINANCING SOURCES (USES):			
Transfers In	16,107	-	16,107
Transfers (Out)	-	-	-
Refunding Bonds Issued	-	-	-
Premium on Bond	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-
Total Other Financing Sources and (Uses)	16,107	-	16,107
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-	13	13
Fund Balances (Deficit) at Beginning of Year	-	45	45
Fund Balance (Deficit) at Year End	$ -	$ 58	$ 58

CITY OF TOLEDO, OHIO
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	General Obligation			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual	
REVENUES:				
Special Assessments	$ -	$ -	-	$ -
Intergovernmental Services	-	-	-	-
Investment Earnings	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Debt Service:				
Principal Retirement	12,045	11,718	11,610	108
Interest and Fiscal Charges	5,054	4,660	4,497	163
Total Expenditures	17,099	16,378	16,107	271
Excess (Deficiency) of Revenues over Expenditures	(17,099)	(16,378)	(16,107)	271
OTHER FINANCING SOURCES (USES):				
Transfers In	17,099	17,099	16,107	(992)
Transfers (Out)	-	-	-	-
Premium on Bond	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources and (Uses)	17,099	17,099	16,107	(992)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ -	$ 721	$ -	$ (721)
Fund Balances (Deficit) at Beginning of Year			-	
Fund Balance (Deficit) at Year End			$ -	

CITY OF TOLEDO, OHIO
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Special Assessment Debt Service			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual	
REVENUES:				
Special Assessments	$ 102	$ 102	100	$ (2)
Intergovernmental Services	-	-	-	-
Investment Earnings	-	-	-	-
Total Revenues	102	102	100	(2)
EXPENDITURES:				
Debt Service:				
Principal Retirement	77	77	77	-
Interest and Fiscal Charges	15	15	10	5
Total Expenditures	92	92	87	5
Excess (Deficiency) of Revenues over Expenditures	10	10	13	3
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	-
Premium on Bond	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources and (Uses)	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 10	$ 10	$ 13	$ 3
Fund Balances (Deficit) at Beginning of Year			45	
Fund Balance (Deficit) at Year End			$ 58	

CITY OF TOLEDO, OHIO
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Total			Variance with Final Budget Positive (Negative)
	Initial Budget	Final Budget	Actual	
REVENUES:				
Special Assessments	$ 102	$ 102	$ 100	$ (2)
Intergovernmental Services	-	-	-	-
Investment Earnings	-	-	-	-
Total Revenues	102	102	100	(2)
EXPENDITURES:				
Debt Service:				
Principal Retirement	12,122	11,795	11,687	108
Interest and Fiscal Charges	5,069	4,675	4,507	168
Total Expenditures	17,191	16,470	16,194	276
Excess (Deficiency) of Revenues over Expenditures	(17,089)	(16,368)	(16,094)	274
OTHER FINANCING SOURCES (USES):				
Transfers In	17,099	17,099	16,107	(992)
Transfers (Out)	-	-	-	-
Premium on Bond	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources and (Uses)	17,099	17,099	16,107	(992)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 10	$ 731	$ 13	$ (718)
Fund Balances (Deficit) at Beginning of Year			45	
Fund Balance (Deficit) at Year End			$ 58	

Special Assessment Improvements - To account for proceeds of special assessments (and related note bond sales) levied against property benefited by various capital construction projects.

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
CAPITAL PROJECTS FUND, BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Special Assessment Improvements
ASSETS:	
Equity in Pooled Cash	$ 63
Receivables (Net of Allowance for Uncollectible Accounts):	
Accounts	-
Special Assessments	2,449
Interfund Balances	-
Prepaid Expenses	-
Inventory of Supplies	-
Investments	414
Total Assets	$ 2,926
LIABILITIES:	
Accounts Payable	$ -
Escrow	-
Retainages	38
Interfund Balances	-
Due to Other Governments	-
Deferred Revenue	2,449
Other Current Liabilities	
Debt:	
Notes Payable	2,265
Total Liabilities	4,752
FUND BALANCES (DEFICIT):	
Reserved for Encumbrances	185
Reserved for Inventory of Supplies	-
Reserved for Capital Improvements	-
Reserved for Prepaid Expenditures	-
Undesignated	(2,011)
Total Fund Balance (Deficit)	(1,826)
Total Liabilities and Fund Balance (Deficit)	$ 2,926

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
CAPITAL PROJECTS FUND, STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES,
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Special Assessment Improvements
REVENUES:	
Special Assessments	$ 513
Intergovernmental Services	-
Charges for Services	-
Investment Earnings	-
All Other Revenue	-
Total Revenues	513
EXPENDITURES:	
Capital Outlay	462
Debt Service:	
Principal Retirement	-
Interest and Fiscal Charges	95
Total Expenditures	557
Excess (Deficiency) of Revenues over Expenditures	(44)
OTHER FINANCING SOURCES (USES):	
Transfers In	-
Transfers (Out)	-
Bond Proceeds	-
Note Proceeds	-
Premiums on Bond	4
Other	-
Total Other Financing Sources and (Uses)	4
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(40)
Fund Balances (Deficit) at Beginning of Year	(1,786)
Increase in Reserve for Inventory	-
Fund Balance (Deficit) at Year End	$ (1,826)

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CITY OF TOLEDO, OHIO
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Special Assessment Improvements			
	Initial Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Special Assessments	$ 415	$ 415	$ 513	$ 98
Intergovernmental Services	-	-	-	-
Charges for Services	-	-	-	-
Investment Earnings	-	-	-	-
All Other Revenue	-	-	-	-
Total Revenues	415	415	513	98
EXPENDITURES:				
Capital Outlay	1,030	1,022	462	560
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	582	590	95	495
Total Expenditures	1,612	1,612	557	1,055
Excess (Deficiency) of Revenues over Expenditures	(1,197)	(1,197)	(44)	1,153
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Bond Proceeds	1,815	1,815	-	(1,815)
Premiums on Bond	-	-	4	4
Total Other Financing Sources and (Uses)	1,815	1,815	4	(1,811)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ 618	$ 618	(40)	$ (658)
Fund Balances (Deficit) at Beginning of Year			(1,786)	
Fund Balance (Deficit) at Year End			$ (1,826)	

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CITY OF TOLEDO, OHIO
NON-MAJOR PERMANENT FUNDS
DECEMBER 31, 2007

PERMANENT FUNDS

Cemetery Perpetual Care - To account for revenues from sales of plots in the City's five cemeteries. Investment earnings, if any, from this Fund are credited to the Cemetery Maintenance Fund as directed by legislation.

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
PERMANENT FUND, BALANCE SHEET
FOR THE YEAR END DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Cemetery Perpetual Care
ASSETS	
Equity in Pooled Cash	$ -
Other Cash	-
Receivables (Net of Allowance for Uncollectible Accounts):	
Accounts	1
Investments	831
Total Assets	$ 832
LIABILITIES	
Accounts Payable	$ -
Escrow	138
Retainages	-
Interfund Balances	-
Due to Other Governments	-
Deferred Revenue	-
Other Current Liabilities	-
Payable From Restricted Assets:	
Notes Payable	-
Total Liabilities	138
FUND BALANCES (DEFICIT):	
Reserved for Debt Service	-
Reserved for Encumbrances	-
Reserved for Inventory of Supplies	-
Reserved for Long-Term Notes Receivable	-
Reserved for Prepaid Expenditures	-
Designated for Subsequent Years Expenditures	-
Undesignated	694
Total Fund Balance (Deficit)	694
Total Liabilities and Fund Balance (Deficit)	$ 832

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CITY OF TOLEDO, OHIO
NON-MAJOR FUNDS
PERMANENT FUND, STATEMENT OF REVENUES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Cemetery Perpetual Care
REVENUES:	
Special Assessments	$ -
Licenses and Permits	-
Intergovernmental Services	-
Charges for Services	-
Investment Earnings (Loss)	$ -
Fines and Forfeitures	-
All Other Revenue	-
All Other Revenue	-
Total Revenues	-
EXPENDITURES:	
Current:	
General Government	-
Public Service	-
Public Safety	-
Public Utilities	-
Community Environment	-
Health	-
Parks and Recreation	-
Capital Outlay	-
Debt Service:	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	-
Excess (Deficiency) of Revenues over Expenditures	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	-
Fund Balances (Deficit) at Beginning of Year	694
Increase in Reserve for Inventory/Notes	-
Fund Balance (Deficit) at Year End	$ 694

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CITY OF TOLEDO, OHIO
NON-MAJOR ENTERPRISE FUNDS
DECEMBER 31, 2007

Storm Sewer – To account for storm drainage services provided to individual and commercial residents of the City.

Utility Administrative Services - To account for operating overhead activities not specifically allocable to either of the two utility funds.

Parking - To account for the provision of on- and off-street facilities.

Property Management - To facilitate accountability and control of certain properties acquired for the purpose of property management. The City accounts for such properties on a capital maintenance basis similar to private business enterprises, to aid in the recovery of on-going costs for the production of income by such properties, and to facilitate management and accounting control.

Small Business Development - To account for the assets of the former Small Business Assistance Corporation, which the City of Toledo assumed in 1989.

Municipal Tow Lot – To account for the revenues and expenditures of the one centralized location for the storage and subsequent release of vehicles ordered to be impounded by the Toledo Police Department.

Erie Street Market – To account for the revenues and expenditures of the operations of the Erie Street Market, which the City of Toledo assumed in 2007.

By virtue of Ohio law, certain separate funds are maintained for enterprise debt service and capital improvements. Inasmuch as GASB Statement 1 requires that all such activities be accounted for within the respective Enterprise Fund itself, the City has consolidated the various legally-required funds into the categories indicated above for purposes of these financial statements.

CITY OF TOLEDO, OHIO
ENTERPRISE FUNDS,
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Non Major Enterprise Funds			
	Storm Sewer	Utility Administrative Services	Parking	Property Management
ASSETS				
Current Assets				
Equity in Pooled Cash	$ 6,782	$ -	$ 221	$ 797
Other Cash	-	-	-	1
Investments	6,377	24,806	-	765
Receivables (Net of Allowance for Uncollectible Accounts):				
Accounts	1,608	125	-	28
Notes	-	-	-	9,198
Interfund Balances	-	-	-	-
Due From Other Governments	34	-	-	-
Prepaid Items	34	-	-	-
Inventory of Supplies	-	10	-	-
Total Current Assets	14,835	24,941	221	10,789
Property, Plant and Equipment				
Land	-	-	6,550	1,550
Buildings	-	4,538	23,644	668
Improvements	1,629	52	804	2,207
Machinery and Equipment	931	630	271	-
Furniture and Fixtures	-	606	8	-
Distribution System	11,010	-	-	-
Construction in Progress	6,157	-	-	-
Less: Accumulated Depreciation	(541)	(4,430)	(9,784)	(1,520)
Net Property, Plant and Equipment	19,186	1,396	21,493	2,905
Other Assets:				
Deferred Debt Issuance Cost	-	-	-	-
Total Assets	$ 34,021	$ 26,337	$ 21,714	$ 13,694

CITY OF TOLEDO, OHIO
ENTERPRISE FUNDS,
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Storm Sewer	Utility Administrative Services	Parking	Property Management
LIABILITIES AND FUND EQUITY:				
Current Liabilities:				
Accounts Payable	$ 454	$ 366	$ -	$ 79
Escrow	-	651	-	-
Retainages	97	-	-	-
Interfund Balances	7,115	22,484	-	365
Due to Other Governments	-	-	-	-
Other Current Liabilities	-	-	2	-
Total Current Liabilities	7,666	23,501	2	444
Long-Term Debt:				
Current Portion	-	-	-	-
Notes Payable	1,708	-	6,205	-
General Obligation Bonds Payable	-	-	302	24,000
Revenue Bonds Payable	-	-	-	-
Capital Lease Obligation	-	2,127		-
Total Long-Term Liabilities	1,708	2,127	6,507	24,000
Total Liabilities	9,374	25,628	6,509	24,444
Net Assets				
Invested in Capital Assets net of related debt:	17,479	(732)	14,987	(21,095)
Reserved for Debt Service	188	-	-	-
Reserved for Replacement	1,374	-	-	-
Reserved for Improvement	11,247	-	-	-
Unrestricted	(5,641)	1,441	218	10,345
Total Net Assets	$ 24,647	$ 709	$ 15,205	$ (10,750)

CITY OF TOLEDO, OHIO
ENTERPRISE FUNDS,
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Small Business Development	Municipal Tow Lot	Erie St Market	Total Non Major Enterprise
ASSETS				
Current Assets				
Equity in Pooled Cash	$ 196	$ 1,071	$ -	$ 9,067
Other Cash	-	-	-	1
Investments	15	-	-	31,963
Receivables (Net of Allowance for Uncollectible Accounts):				
Accounts	146	546	-	2,453
Notes	-	-	-	9,198
Interfund Balances	-	-	-	-
Due From Other Governments	-	-	-	34
Prepaid Items	-	-	3	37
Inventory of Supplies	-	-	-	10
Total Current Assets	357	1,617	3	52,763
Property, Plant and Equipment				
Land	153	697	-	8,950
Buildings	-	-	-	28,850
Improvements	1,406	2,118	-	8,216
Machinery and Equipment	35	-	-	1,867
Furniture and Fixtures	3	-	-	617
Distribution System	-	-	-	11,010
Construction in Progress	-	-	-	6,157
Less: Accumulated Depreciation	(875)	(393)	-	(17,543)
Net Property, Plant and Equipment	722	2,422	-	48,124
Other Assets:				
Deferred Debt Issuance Cost	-	-	-	-
Total Assets	$ 1,079	$ 4,039	$ 3	$ 100,887

CITY OF TOLEDO, OHIO
ENTERPRISE FUNDS,
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Small Business Development	Municipal Tow Lot	Erie St Market	Total Non Major Enterprise
LIABILITIES AND FUND EQUITY:				
Current Liabilities:				
Accounts Payable	$ 15	64	9	987
Escrow	-	-	-	651
Retainages	-	-	-	97
Interfund Balances	-	-	-	29,964
Due to Other Governments	-	-	-	-
Other Current Liabilities	38	2	-	42
Total Current Liabilities	53	66	9	31,741
Long-Term Debt:				
Current Portion	-	-	-	-
Notes Payable	-	-	-	7,913
General Obligation Bonds Payable	-	2,674	-	26,976
Revenue Bonds Payable	-	-	-	-
Capital Lease Obligation	-	-	-	2,127
Total Long-Term Liabilities	-	2,674	-	37,016
Total Liabilities	53	2,740	9	68,757
Net Assets				
Invested in Capital Assets		-	-	-
net of related debt:	722	(253)	-	11,108
Reserved for Debt Service	-	-	-	188
Reserved for Replacement	-	-	-	1,374
Reserved for Improvement	-	-	-	11,247
Unrestricted	304	1,552	(6)	8,213
Total Net Assets	$ 1,026	$ 1,299	$ (6)	$ 32,130

CITY OF TOLEDO, OHIO
ENTERPRISE FUND TYPES
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Storm Sewer	Utility Administrative Services	Parking	Property Management
REVENUES:				
Charges for Services	$ 8,620	$ 9,676	$ 679	$ 266
Other Revenue	-	-	724	-
Total Revenues	8,620	9,676	1,403	266
EXPENSES:				
Personal Services	3,976	6,228	-	-
Contractual Services	1,633	3,495	-	156
Materials and Supplies	409	310	-	-
Utilities	2	80	-	-
Depreciation and Amortization	170	336	578	278
Total Expenses	6,190	10,449	578	434
Income (Loss)	2,430	(773)	825	(168)
NON REVENUES (EXPENSES):				
Investment Earnings	384	673	-	531
Interest Expense and Fiscal Charges	22	(198)	(368)	(1,496)
Other Revenue (Expenses)	64	-	-	(7,383)
Total Non Revenues (Expenses)	470	475	(368)	(8,348)
Income (Loss) before Transfers	2,900	(298)	457	(8,516)
Federal Grants	345			
Transfers In	-	-	-	1,023
Transfers (Out)	(75)	-	(65)	-
Total Transfers In (Out)	(75)	-	(65)	1,023
Net Income (Loss)	3,170	(298)	392	(7,493)
Net Assets at Beginning of Year	21,477	1,007	14,813	(3,257)
Net Assets at End of Year	24,647	709	15,205	(10,750)

CITY OF TOLEDO, OHIO
ENTERPRISE FUND TYPES
COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)

	Small Business Development	Municipal Tow Lot	Erie St Market	Total
REVENUES:				
Charges for Services	$ -	$ 1,898	$ -	$ 21,139
Other Revenue	-	417	-	1,141
Total Revenues	-	2,315	-	22,280
EXPENSES:				
Personal Services	-	-	-	10,204
Contractual Services	24	762	6	6,076
Materials and Supplies	-	24	-	743
Utilities	17	24	-	123
Depreciation and Amortization	-	209	-	1,571
Total Expenses	41	1,019	6	18,717
Income (Loss)	(41)	1,296	(6)	3,563
NON REVENUES (EXPENSES):				
Investment Earnings	1	0	0	1,589
Interest Expense and Fiscal Charges	-	(62)	-	(2,102)
Other Revenue (Expenses)	-	-	-	(7,319)
Total Non Revenues (Expenses)	1	(62)	-	(7,832)
Income (Loss) before Transfers	(40)	1,234	(6)	(4,269)
Federal Grants				345
Transfers In	-	-	-	1,023
Transfers (Out)	-	(649)	-	(789)
Total Transfers In (Out)	-	(649)	-	234
Net Income (Loss)	(40)	585	(6)	(3,690)
Net Assets at Beginning of Year	1,066	714	-	35,820
Net Assets at End of Year	1,026	1,299	(6)	32,130

City of Toledo, Ohio
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)

	Storm Sewer	Utility Administrative Services	Parking	Property Management	Business Development	Tow Lot	Erie St Market	Total Non-Major Enterprise
Cash Flows from Operating Activity								
Receipts from Customers	$ 11,377	$ 9,090	$ 679	$ 7,881	$ -	$ 2,406	$ -	$ 31,433
Payments to Suppliers	(4,378)	7,975	(326)	30	(41)	(843)	-	2,417
Payment to Employees	(3,976)	(6,228)	-	-	-	-	-	(10,204)
Other Receipts	-	-	724			417	-	1,141
Net Cash Provided by (Used for)Operating Activity	3,023	10,837	1,077	7,911	(41)	1,980	-	24,787
Cash Flows from Noncapital Financing Activities								
Transfers In	-	-		1,023	-	-	-	1,023
Transfers Out	(75)	-	(65)	-	-	(649)	-	(789)
Net Cash Provided by (Used for) Noncapital Financing Activities	(75)	-	(65)	1,023	-	(649)	-	234
Cash Flows from Capital & Related Financing Activities								
Acquisition and Construction of Capital Assets	(5,427)	(15)	-	-	-	(57)	-	(5,499)
Principal Paid on Bond Maturities	(1,011)	(364)	(423)	(701)	-	(160)	-	(2,659)
Issuance of Revenue Bonds and Notes	725	-	-	-	-	-	-	725
Federal Grants	345	-	-	-				345
Interest Expense and Fiscal Charges	22	(198)	(368)	(1,496)	-	(62)	-	(2,102)
Proceeds from Sale of Capital Assets/Grants/Other expenses		-	-	-	-	-	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(5,346)	(577)	(791)	(2,197)	-	(279)	-	(9,190)
Cash Flows from Investing Activities								
Purchase of Investment Securities	(18,304)	(141,331)	-	(952)	-	-	-	(160,587)
Sale and Maturities of Investment Securities	20,902	130,397	-	912	-	-	-	152,211
Investment Earnings and Dividends on Investments	384	674	-	531	1	-	-	1,590
Other Revenues (Expenses)	64	-	-	(7,383)	-	-	-	(7,319)
Net Cash Provided by (Used for) Investing Activities	3,046	(10,260)	-	(6,892)	1	-	-	(14,105)
Net Increase (Decrease)in Cash & Cash Equivalents	648	-	221	(155)	(40)	1,052	-	1,726
Cash & Cash Equivalents (Restricted & Unrestricted) at Beginning of Year	6,134	-	-	953	236	19	-	7,342
Cash & Cash Equivalents (Restricted & Unrestricted) at End of Year	$ 6,782	$ -	$ 221	$ 798	$ 196	$ 1,071	$ -	$ 9,068

City of Toledo, Ohio
Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)

	Storm Sewer	Utility Administrative Services	Parking	Property Management	Small Business Development	Tow Lot	Erie St Market	Total Non Major Enterprise
Cash Flows from Operating Activity:								
Operating Income (Loss)	$ 2,430	$ (773)	$ 825	$ (168)	$ (41)	$ 1,296	$ (6)	$ 3,563
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used for) Operating Activities:								
Depreciation and Amortization	170	336	578	278	-	209	-	1,571
Changes in Assets and Liabilities:								
(Increase) Decrease in Accounts Receivable	128	(586)	-	7,615	-	(238)		6,919
(Increase) Decrease in Interfund Balances	2,629	-	-	-	-	746		3,375
(Increase) Decrease in Prepaid Expenses	(35)	651	-	-	-	-	(3)	613
(Increase) Decrease in Due from Other Governments	42	-	-	-	-	-		42
(Increase) Decrease in Deferred Debt Issuance Costs	-	-	-	-	-	-		-
(Increase) Decrease in Inventory of Supplies	-	1	-	-	-	-		1
Increase (Decrease) in Accounts Payable	291	155	-	1	-	(21)	9	435
Increase (Decrease) in Escrow	-	-	(11)	-	-	-		(11)
Increase (Decrease) in Retainage	80	-		-	-	(14)		66
Increase (Decrease) in Interfund Balances	(2,712)	11,053	(315)	185	-	-		8,211
Increase (Decrease) in Other Current Liabilities	-	-	-	-	-	2		2
Total Adjustments	593	11,610	252	8,079	-	684	6	21,224
Net Cash Provided by (Used for) Operating Activities	$ 3,023	$ 10,837	$ 1,077	$ 7,911	$ (41)	$ 1,980	$ -	$ 24,787

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CITY OF TOLEDO, OHIO
INTERNAL SERVICE FUNDS
DECEMBER 31, 2007

Municipal Garage - To account for the costs of a maintenance facility for automotive equipment used by various City departments. The actual costs of labor and material utilized are reimbursed to this Fund by the user departments.

Capital Replacement - To account for interdepartmental charges assessed for the improvement and replacement of the City's capital equipment.

Storeroom and Printshop - To account for small supplies consumed by and printing services provided to various City departments. The actual costs of supplies requisitioned and labor and materials utilized are reimbursed to this Fund by the user departments.

Data Processing - To account for the costs of data processing services provided to various City departments. The actual costs of materials and services are reimbursed to this Fund by the user departments.

Risk Management - to account for the City's insurance program related to property and liability loss exposure. The payment of self-insured losses, insurance in excess of retention levels and related loss financing expenditures are accounted for in this fund.

Facility Operations – To account for the costs of maintenance and repair activities provided to various City departments. The actual costs of materials and services are reimbursed to this Fund by the user departments.

Workers' Compensation - To account for the City's Worker's Compensation Program under the State of Ohio's Retrospective Rating Plan. The payment of premiums, assessments and claims to the State Bureau of Worker's Compensation, and their allocation to the responsible funds are accounted for in this fund.

CITY OF TOLEDO, OHIO
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Municipal Garage	Capital Replacement	Storeroom and Printshop	Data Processing
ASSETS				
Current Assets				
Equity in Pooled Cash	$ -	$ -	$ 73	$ 159
Receivables (Net of Allowance for Uncollectible Accounts):				
Accounts	20	-	-	-
Interfund Balances		12,955	-	-
Prepaid Items	-	350		
Inventory of Supplies	958	-	6	-
Investments at Cost	-	166	-	-
Total Current Assets	978	13,471	79	159
Property, Plant and Equipment				
Land	350	-	-	-
Buildings	1,111	-	-	-
Improvements	172	162	-	-
Machinery and Equipment	55,963	2,147	60	296
Furniture and Fixtures	11	19	4	64
Less: Accumulated Depreciation	(45,190)	(1,411)	(64)	(360)
Net Property, Plant and Equipment	12,417	917	-	-
Total Assets	$ 13,395	$ 14,388	$ 79	$ 159
LIABILITIES AND FUND EQUITY				
Current Liabilities:				
Accounts Payable	$ 1,018	$ 656	$ 78	$ 136
Escrow	-	-	-	-
Interfund Balances	467	-	-	-
Other Current Liabilities	-	-	-	-
Total Current Liabilities	1,485	656	78	136
Debt:				
Notes Payable	-	6,730	-	-
General Obligation Bonds Payable	-	-	-	-
Total Long-Term Liabilities	-	6,730	-	-
Total Liabilities	1,485	7,386	78	136
Net Assets				
Invested in Capital Assets net of Related Debt	12,417	(5,813)	(2)	(1)
Reserved for Replacement	-	2,000	-	-
Unreserved	(507)	10,815	3	24
Total Net Assets	$ 11,910	$ 7,002	$ 1	$ 23

CITY OF TOLEDO, OHIO
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Risk Management	Facility Operations	Workers' Compensation	Total
ASSETS				
Current Assets				
Equity in Pooled Cash	$ 4,340	$ 225	$ -	$ 4,797
Receivables (Net of Allowance for Uncollectible Accounts):				
Accounts	1	15	-	36
Interfund Balances	-	1,889	19,096	33,940
Prepaid Items				350
Inventory of Supplies	-	-	-	964
Investments at Cost	-	-	-	166
Total Current Assets	4,341	2,129	19,096	40,253
Property, Plant and Equipment				
Land	-	-	-	350
Buildings	-	-	-	1,111
Improvements	-	44	1	379
Machinery and Equipment	18	55	52	58,591
Furniture and Fixtures	-	-	-	98
Less: Accumulated Depreciation	(11)	(11)	(39)	(47,086)
Net Property, Plant and Equipment	7	88	14	13,443
Total Assets	$ 4,348	$ 2,217	$ 19,110	$ 53,696
LIABILITIES AND FUND EQUITY				
Current Liabilities:				
Accounts Payable	$ 5	$ 267	$ 9	$ 2,169
Escrow	-	1,889	-	1,889
Interfund Balances	-	-	-	467
Other Current Liabilities	1,430	-	17,940	19,370
Total Current Liabilities	1,435	2,156	17,949	23,895
Debt:				
Notes Payable	-	-	-	6,730
General Obligation Bonds Payable	-	-	-	-
Total Long-Term Liabilities	-	-	-	6,730
Total Liabilities	1,435	2,156	17,949	30,625
Net Assets				
Invested in Capital Assets net of Related Debt	7	88	14	6,710
Reserved for Replacement	-	-	-	2,000
Unreserved	2,906	(27)	1,147	14,361
Total Net Assets	$ 2,913	$ 61	$ 1,161	$ 23,071

CITY OF TOLEDO, OHIO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Municipal Garage	Capital Replacement	Storeroom and Printshop	Data Processing
OPERATING REVENUES:				
Charges for Services	$ 9,980	$ 4,731	$ 562	$ 2,203
Other Revenue	42	-	-	-
Total Operating Revenues	10,022	4,731	562	2,203
OPERATING EXPENSES:				
Personal Services	3,962	-	69	1,171
Contractual Services	754	-	57	(417)
Materials and Supplies	5,224	-	523	45
Utilities	17	-	-	1,634
Depreciation and Amortization	2,921	93	1	-
Total Operating Expenses	12,878	93	650	2,433
Operating Income (Loss)	(2,856)	4,638	(88)	(230)
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	-	12	-	-
Interest Expense and Fiscal Charges	-	(306)	-	-
Other Revenue (Expenses)	-	12	-	-
Total Nonoperating Revenues (Expenses)	-	(282)	-	-
Income (Loss) before Transfers	(2,856)	4,356	(88)	(230)
Transfers In	1,799	-	3	-
Transfers (Out)	-	(1,057)	-	-
Total Transfers In (Out)	1,799	(1,057)	3	-
Net Income (Loss)	(1,057)	3,299	(85)	(230)
Net Assets at Beginning of Year	12,967	3,703	86	253
Net Assets at End of Year	$ 11,910	$ 7,002	$ 1	$ 23

CITY OF TOLEDO, OHIO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2007
(AMOUNTS IN THOUSANDS)
(CONTINUED)

	Risk Management	Facility Operations	Workers' Compensation	Total
OPERATING REVENUES:				
Charges for Services	$ 1,007	$ 2,684	$ 7,062	$ 28,229
Other Revenue	-	6	180	228
Total Operating Revenues	1,007	2,690	7,242	28,457
OPERATING EXPENSES:				
Personal Services	-	1,189	149	6,540
Contractual Services	941	1,203	6,182	8,720
Materials and Supplies	-	230	6	6,028
Utilities	1	-	1	1,653
Depreciation and Amortization	-	8	5	3,028
Total Operating Expenses	942	2,630	6,343	25,969
Operating Income (Loss)	65	60	899	2,488
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	-	-	-	12
Interest Expense and Fiscal Charges	-	-	-	(306)
Other Revenue (Expenses)	-	-	-	12
Total Nonoperating Revenues (Expenses)	-	-	-	(282)
Income (Loss) before Transfers	65	60	899	2,206
Transfers In	-	-	-	1,802
Transfers (Out)	-	-	-	(1,057)
Total Transfers In (Out)	-	-	-	745
Net Income (Loss)	65	60	899	2,951
			-	
Net Assets at Beginning of Year	2,848	1	262	20,120
Net Assets at End of Year	$ 2,913	$ 61	$ 1,161	$ 23,071

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)

	Municipal Garage	Capital Replacement	Storeroom & Printshop	Data Processing	Risk Management	Facility Operations	Workers Compensation	Total
Cash Flows from Operating Activity:								
Receipts from Customers	$ 10,020	$ 1,841	$ 562	$ 2,203	$ 1,007	$ 2,459	$ 5,337	$ 23,429
Payments to Suppliers	(6,070)	(164)	(519)	(1,318)	(1,574)	(1,173)	(5,368)	(16,186)
Payments to Employees	(3,962)	-	(69)	(1,171)	-	(1,189)	(149)	(6,540)
Other Receipts	42		-	-		6	180	228
Net Cash Provided by (Used for) Operating Activities	30	1,677	(26)	(286)	(567)	103	-	931
Cash Flow from Noncapital Financing Activities:								
Operating Transfers In	2,067	-	3	-	-	-	-	$ 2,070
Operating Transfers Out	-	(1,057)	-	-	-	-	-	(1,057)
Net Cash Provided by (Used for) Noncapital Financing Activities	2,067	(1,057)	3	-	-	-	-	1,013
Cash Flows from Capital and Related Financing Activities:								
Acquisition and Construction of Capital Assets	(2,097)	-	-	-	-	(44)	-	(2,141)
Principal Paid on Bond Maturities	-	(7,920)	-	-	-	-	-	(7,920)
Issuance of Revenue Bonds and Notes	-	6,730	-	-	-	-	-	6,730
Interest Expense and Fiscal Charges	-	(306)	-	-	-	-	-	(306)
Proceeds on Sale of Capital Assets	-	-	-	-	-	-	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(2,097)	(1,496)	-	-	-	(44)	-	(3,637)
Cash Flows from Investing Activities:								
(Purchase) of Investment Securities	-	(20)	-	-	-	-	-	(20)
Sale of Investment Securities	-	873	-	-	-	-	-	873
Investment Earnings and Dividends on Investments	-	12	-	-	-	-	-	12
Other Revenues (Expenses)	-	11	-	-	-	-	-	11
Net Cash Provided by (Used for) Investing Activities	-	876	-	-	-	-	-	876
Net Increase (Decrease) in Cash	-	-	(23)	(286)	(567)	59	-	(817)
Cash and Cash Equivalents at Beginning of Year	-	-	96	445	4,907	166	-	5,614
Cash and Cash Equivalents at End of Year	$ -	$ -	$ 73	$ 159	$ 4,340	$ 225	$ -	$ 4,797

City of Toledo, Ohio
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2007
(Amounts in Thousands)

	Municipal Garage	Capital Replacement	Storeroom & Printshop	Data Processing	Risk Management	Facility Operations	Workers Compensation	Total
Cash Flows from Operating Activity:								
Operating Income (Loss)	$ (2,856)	$ 4,638	$ (88)	$ (230)	$ 65	$ 60	$ 899	$ 2,488
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by Operating Activities:								
Depreciation and Amortization	2,921	93	1	-	-	8	5	3,028
Change in Assets and Liabilities:								
(Increase) Decrease in Accounts Receivable	40	-	-	-	-	1	-	41
(Increase) Decrease in Interfund Balances	-	(2,890)	-	-	-	(226)	(1,726)	(4,842)
(Increase) Decrease in Prepaid Expenses		(350)						(350)
(Increase) Decrease in Inventory	(151)	-	5	-	-	-	-	(146)
Increase (Decrease) in Accounts Payable	340	195	56	(56)	(32)	34	(1)	536
Increase (Decrease) in Escrow						226		226
Increase (Decrease) in Interfund Balances	(264)	-	-	-	-	-	-	(264)
Increase (Decrease) in Due to Other Governments		(9)						(9)
Increase (Decrease) in Other Current Liabilities	-	-	-	-	(600)	-	823	223
Total Adjustments	2,886	(2,961)	62	(56)	(632)	43	(899)	(1,557)
Net Cash Provided by (Used for) Operating Activities:	$ 30	$ 1,677	$ (26)	$ (286)	$ (567)	$ 103	$ -	$ 931

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CITY OF TOLEDO, OHIO
FIDUCIARY FUNDS - AGENCY FUNDS
DECEMBER 31, 2007

FIDUCIARY FUNDS

General Agency – To account for various licenses, fees and taxes, such as restaurant licenses, that the City collects as an agent for the State of Ohio.

Municipal Court – To account for bonds and other monies deposited with the Court pending final disposition of the various cases. While the records of the Court are the responsibility of a separate elected Clerk of Courts and not the Finance Department, the balances have been included in these financial statements in compliance with GASB Statement-14.

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City of Toledo, Ohio
Agency Funds
Combining Balance Sheet
For the Year Ended December 31, 2007
(Amounts in Thousands)

	General Agency	Municipal Court	Total
Assets			
Equity in Pooled Cash	$ 1,364	$ ---	$ 1,364
Investments at Cost	---	1,049	1,049
Receivables (Net of Allowance for Uncollectible Accounts:			
Accounts	---	---	---
Total Assets	$ 1,364	$ 1,049	$ 2,413
Liabilities and Fund Equity			
Liabilities			
Accounts Payable	$ 83	$ ---	$ 83
Escrow	---	1,049	1,049
Other Current Liabilities	1,281	---	1,281
Total Liabilities	$ 1,364	$ 1,049	$ 2,413
Net Assets:	$ ---	$ ---	$ ---

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2007
(Amounts in Thousands)
(Continued)

	GENERAL AGENCY FUND			
	Balance Jan. 1, 2007	Additions	Deductions	Balance Dec. 31, 2007
Assets				
Equity in Pooled Cash	$ 1,109	$ 1,144	$ 889	$ 1,364
Accounts Receivable	---	---	---	---
Total Assets	$ 1,109	$ 1,144	$ 889	$ 1,364
Liabilities				
Accounts Payable	$ 60	$ 789	$ 766	$ 83
Other Current Liabilities	1,049	1,119	887	1,281
Total Liabilities	$ 1,109	$ 1,908	$ 1,653	$ 1,364

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2007
(Amounts in Thousands)
(Continued)

	MUNICIPAL COURT FUND			
	Balance Jan. 1, 2007	Additions	Deductions	Balance Dec. 31, 2007
Assets				
Equity in Pooled Cash	$ ---	$ ---	$ ---	$ ---
Investments	1,307	---	258	1,049
Total Assets	$ 1,307	$ ---	$ 258	$ 1,049
Liabilities				
Accounts Payable	$ ---	$ ---	$ ---	$ ---
Escrow	1,307	---	258	1,049
Other Current Liabilities	---	---	---	---
Total Liabilities	$ 1,307	$ ---	$ 258	$ 1,049

City of Toledo, Ohio
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2007
(Amounts in Thousands)
(Continued)

	TOTAL – ALL AGENCY FUNDS			
	Balance Jan. 1, 2007	Additions	Deductions	Balance Dec. 31, 2007
Assets				
Equity in Pooled Cash	$ 1,109	$ 1,144	$ 889	$ 1,364
Accounts Receivable	---	---	---	---
Investments	1,307	---	258	1,049
Total Assets	$ 2,416	$ 1,144	$ 1,147	$ 2,413
Liabilities				
Accounts Payable	$ 60	$ 789	$ 766	$ 83
Escrow	1,307	---	258	1,049
Other Current Liabilities	1,049	1,119	887	1,281
Total Liabilities	$ 2,416	$ 1,908	$ 1,901	$ 2,413

STATISTICAL SECTION

City of Toledo, Ohio

Statistical Section

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. These tables are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section.*

Contents	Schedules
Financial Trends	1 - 4
These schedules contain trend information to help understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	5 - 10
These schedules contain information to help assess the City's most significant local revenue sources.	
Debt Capacity	11 - 15
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	16 - 18
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	19 , 20
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City Provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in 2002; schedules presenting government-wide information include information beginning that year.

Schedule 1
City of Toledo, Ohio
Net Assets by Component,
Last Six Fiscal Years
(accrual basis of accounting)
(amounts in thousands)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Governmental activities						
Invested in capital assets, net of related debt	$ 231,662	$ 248,832	$ 243,683	$ 280,486	$ 300,779	$ 329,962
Restricted	68,428	59,685	59,138	47,957	50,555	52,822
Unrestricted	(10,922)	(12,375)	-	-	2,278	-
Total governmental activities net assets	$ 289,168	$ 296,142	$ 302,821	$ 328,443	$ 353,612	$ 382,784
Business-type activities						
Invested in capital assets, net of related debt	$ 226,407	$ 254,276	$ 229,170	$ 224,105	$ 253,730	$ 280,940
Restricted	117,988	164,930	143,156	169,220	95,084	60,000
Unrestricted	3,405	(62,954)	(8,264)	(12,298)	41,289	53,529
Total business-type activities net assets	$ 347,800	$ 356,252	$ 364,062	$ 381,027	$ 390,103	$ 394,469
Primary government						
Invested in capital assets, net of related debt	$ 458,069	$ 503,108	$ 472,853	$ 504,591	$ 554,509	$ 610,902
Restricted	186,416	224,615	202,294	217,177	186,928	112,822
Unrestricted	(7,517)	(75,329)	(8,264)	(12,298)	2,278	53,529
Total primary government net assets	$ 636,968	$ 652,394	$ 666,883	$ 709,470	$ 743,715	$ 777,253

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

Schedule 2
City of Toledo, Ohio
Changes in Net Assets, Last Six Fiscal Years
(accrual basis of accounting)
(amounts in thousands)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Expenses						
Governmental activities:						
General Government	$ 27,694	$ 26,790	$ 26,721	$ 25,960	$ 27,250	$ 27,059
Public Service	42,036	45,757	48,204	52,706	52,891	53,562
Public Safety	142,256	148,446	151,217	153,085	158,499	163,334
Public Utilities	1,143	1,085	808	-	46	106
Community Environment	23,240	19,465	17,918	14,895	20,589	20,230
Health	16,490	17,347	17,030	17,638	18,207	16,773
Parks and Recreation	7,834	7,488	7,765	7,345	7,563	15,047
Interest and Fiscal Charges	15,679	16,437	9,408	8,973	7,833	10,368
Total Governmental Activities	276,372	282,815	279,071	280,602	292,878	306,479
Business-type activities expenses:						
Water	28,444	28,211	30,356	34,369	34,324	38,388
Sewer	38,420	36,285	38,334	41,217	44,464	47,329
Storm Utility	3,576	4,192	6,122	7,018	6,883	6,168
Utilities Administration	8,072	7,958	7,922	8,099	9,898	10,647
Parking	1,267	1,204	1,154	1,100	1,040	946
Property Management	1,856	1,787	2,596	2,640	2,010	1,930
Small Business Development/Exp. Trust	50	55	43	47	77	41
Tow Lot	-	-	-	314	1,169	1,087
Total business-type activities expenses	81,685	79,692	86,527	94,804	99,865	106,536
Total primary governmental expenses	$358,057	$362,507	$365,598	$ 375,406	$ 392,743	$ 413,015
Program Revenues						
Governmental activities:						
Charges for services:						
General Government	$ 5,928	$ 31,181	$ 23,982	$ 28,584	$ 28,338	$ 30,165
Public Service	20	30	130	19	-	-
Public Safety	3,634	3,501	8,460	9,436	8,524	8,814
Public Utilities	-	-	-	158	-	1,199
Community Environment	2,539	2,673	5,267	6,727	7,052	6,563
Health	891	862	1,175	1,377	704	2,632
Parks and Recreation	490	365	474	421	122	101
Operating grants	20,655	54,155	51,604	49,406	55,734	65,423
Capital grants	9,267	16,172	12,236	25,779	25,689	21,082
Total governmental activities program revenues	43,424	108,939	103,328	121,907	126,163	135,979

Note: The City began to report accrual information when it implemented GASB 34 in fiscal year 2002.

Schedule 2
City of Toledo, Ohio
Changes in Net Assets, Last Six Fiscal Years
(accrual basis of accounting)
(amounts in thousands)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Business-type activities						
Charges for services:						
Water	$ 33,614	$ 32,578	$ 34,258	$ 37,326	$ 34,790	$ 38,627
Sewer	34,464	35,370	39,919	43,551	44,377	48,901
Storm Utility	7,686	8,315	7,710	8,637	8,132	8,620
Utilities Administration	7,641	8,085	7,829	10,288	7,802	9,676
Parking	1,317	1,356	1,382	1,435	1,486	1,403
Property Management	1,117	886	277	264	(688)	266
Small Business Development/Exp. Trust	62	52	77	38	(2)	-
Tow Lot	-	-	-	527	2,225	2,315
Capital grants	-	1,577	-	-	-	-
Total business-type activities program revenues	85,901	88,219	91,452	102,066	98,122	109,808
Total primary government program revenues	$ 129,325	$ 197,158	$ 194,780	$ 223,973	$ 224,285	$ 245,787
Net (Expense)/Revenue						
Governmental activities	$ (232,948)	$ (173,876)	$ (175,743)	$(158,695)	$ (166,715)	$ (170,500)
Business-type activities	4,216	8,527	4,925	7,262	(1,743)	3,272
Total Primary government net expense	$ (228,732)	$ (165,349)	$ (170,818)	$(151,433)	$ (168,458)	$ (167,228)
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes						
Income Taxes	$ 153,965	$ 155,112	$ 155,243	$ 160,683	$ 164,718	$ 169,689
Property Taxes	30,948	19,794	21,444	20,136	17,330	19,424
Unrestricted Investments Earnings	4,654	3,260	2,570	4,153	7,194	8,553
Gain on Sale of Capital Assets and Other Revenue/Grants	62,495	3,204	2,702	273	2,190	2,297
Transfers	(2,482)	(519)	462	(927)	451	(291)
Total governmental activities	249,580	180,851	182,421	184,318	191,883	199,672
Business-type activities:						
Unrestricted Investments Earnings	3,249	2,692	2,248	3,282	6,488	6,461
Gain on Sale of Capital Assets and Other Revenue/Grants	1,604	(3,286)	1,102	5,494	4,782	(5,657)
Transfers	2,482	519	(462)	927	(451)	291
Total business-type activities	7,335	(75)	2,888	9,703	10,819	1,095
Total primary government	$ 256,915	$ 180,776	$ 185,309	$ 194,021	$ 202,702	$ 200,767
Changes in Net Assets						
Governmental activities	$ 16,632	$ 6,975	$ 6,678	$ 25,623	$ 25,168	$ 29,172
Business-type activities	11,551	8,452	7,813	16,965	9,076	4,367
Total Primary government net expense	$ 28,183	$ 15,427	$ 14,491	$ 42,588	$ 34,244	$ 33,539

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

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Schedule 3
City of Toledo, Ohio
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	$ 10,418	$ 19,137	$ 7,139	$ 4,794	$ 4,741	$ 4,027	$ 4,395	$ 4,358	$ 1,974	$ 5,485
Unreserved	1,580	2,081	18,034	14,700	12,067	9,393	4,905	6,413	8,818	7,148
Total general fund	$ 11,998	$ 21,218	$ 25,173	$ 19,494	$ 16,808	$ 13,420	$ 9,300	$ 10,771	$ 10,792	$ 12,633
Capital Improvements Fund										
Reserved	$ 29,103	$ 34,378	$ 27,418	$ 25,868	$ 32,403	$ 28,715	$ 64,282	$ 61,353	$ 45,542	$ 37,148
Unreserved	(26,880)	(7,128)	11,386	12,513	8,929	15,757	(21,267)	(29,617)	(9,615)	(7,385)
Total capital improvements fund	$ 2,223	$ 27,250	$ 38,804	$ 38,381	$ 41,332	$ 44,472	$ 43,015	$ 31,736	$ 35,927	$ 29,763
Special Assessment Services Fund										
Reserved	$ 1,304	$ 1,245	$ 801	$ 1,627	$ 1,019	$ 1,373	$ 2,444	$ 2,304	$ 2,578	$ 2,039
Unreserved	(33,444)	(35,999)	(37,311)	(35,741)	(34,805)	(36,834)	(41,760)	(44,905)	(48,228)	(48,017)
Total special assessment services fund	$ (32,140)	$ (34,754)	$ (36,510)	$ (34,114)	$ (33,786)	$ (35,461)	$ (39,316)	$ (42,601)	$ (45,650)	$ (45,978)
All Other Governmental Funds										
Reserved	$ 10,314	$ 11,467	$ 12,493	$ 11,440	$ 9,132	$ 6,312	$ 7,900	$ 8,389	$ 10,819	$ 7,730
Unreserved, reported in:										
Special revenue funds	2,143	4,839	6,689	1,415	7,176	9,907	8,425	8,392	8,065	15,138
Capital projects funds	(948)	(1,052)	(1,198)	(1,457)	(1,154)	(1,486)	(1,537)	(1,736)	(1,939)	(2,011)
Permanent fund	849	920	263	282	711	716	708	694	694	694
Other governmental	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ 12,358	$ 16,174	$ 18,247	$ 11,680	$ 15,865	$ 15,694	$ 15,496	$ 15,739	$ 17,639	$ 21,551

Schedule 4
City of Toledo, Ohio
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts in thousands)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Income taxes	$ 144,505	$ 150,170	$ 153,830	$ 150,911	$ 153,965	$ 155,112	$ 155,243	$ 160,683	$ 164,718	$ 169,689
Property taxes	15,195	15,177	13,244	15,477	15,437	15,223	17,206	17,231	17,330	19,424
Special assessments	19,184	18,353	17,825	20,337	19,347	18,273	17,435	20,684	21,788	24,601
Licenses and permits	2,737	2,841	2,211	2,172	1,967	2,145	2,567	3,071	3,012	2,830
Intergovernmental servic	62,908	76,986	64,446	57,736	64,883	70,327	63,840	75,186	79,957	78,710
Charges for services	11,952	12,352	12,454	12,363	13,646	13,724	14,088	14,003	15,081	17,364
Investment Earnings	7,535	7,620	8,854	7,534	4,654	3,259	2,570	4,153	7,194	8,553
Fines and Forefeitures	5,071	4,616	4,103	3,841	3,636	4,087	5,281	6,080	6,094	6,339
All other revenues	8,505	2,320	2,081	2,350	2,953	3,476	2,773	2,882	1,475	3,325
Total revenues	277,592	290,435	279,048	272,721	280,488	285,626	281,003	303,973	316,649	330,835
Expenditures										
General government	18,338	18,581	19,018	21,231	20,823	19,074	18,079	16,908	18,160	17,589
Public service	24,171	26,753	26,803	27,513	27,682	30,261	30,930	34,235	34,216	33,788
Public safety	125,685	130,411	133,448	138,036	144,112	143,350	146,536	150,182	158,575	164,128
Public utilities	3,337	2,952	2,940	1,629	1,149	1,043	774	39	38	102
Community environment	19,523	18,841	18,157	21,120	22,329	18,062	16,469	13,432	19,281	18,926
Health	18,493	19,149	14,300	16,850	16,030	16,240	15,960	16,600	17,403	17,915
Parks and recreation	5,145	4,521	4,974	5,179	5,009	4,729	4,342	3,736	3,876	3,466
Capital outlay	*90,007	43,202	41,532	43,609	34,574	42,319	42,163	67,895	61,690	57,883
Debt service										
Principal	13,707	13,755	14,307	14,577	15,546	16,291	15,256	16,920	18,465	17,248
Interest	11,112	11,180	11,281	12,107	13,896	9,312	8,871	8,946	10,111	10,368
Total expenditures	239,511	289,345	286,760	301,851	301,150	300,681	299,380	328,893	341,815	341,413
Excess of revenues over (under) expenditures	38,081	1,090	(7,712)	(29,130)	(20,662)	(15,055)	(18,377)	(24,920)	(25,166)	(10,578)

* Land was acquired in 1998 for a new Jeep plant.

Schedule 4
City of Toledo, Ohio
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts in thousands)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Other Financing Sources (Uses)										
Bonds issued	6,520	9,995	12,465	7,900	10,270	7,620	8,000	11,000	26,525	9,000
Premiums on Bonds	5	30	1	4	3,478	7	129	138	672	114
Note issuance of debt	16,761	23,064	2,152	687	162	1,665	52	2,613	1,026	1,923
Sale of capital assets	103	156	124	50	109	91	46	135	43	11
Transfers in	60,714	59,453	63,409	61,061	63,008	57,087	53,573	55,015	52,718	55,673
Transfers out	(54,150)	(59,052)	(52,520)	(51,494)	(54,089)	(54,487)	(53,286)	(56,799)	(52,852)	(56,709)
Total other financing sources (uses)	29,953	33,646	25,631	18,208	22,938	11,983	8,514	12,102	28,132	10,012
Net change in fund balances	$ (21,973)	$ 34,736	$ 17,919	$ (10,922)	$ 2,276	$ (3,072)	$ (9,863)	$ (12,818)	$ 2,966	$ (566)
Debt service as a percentage of noncapital expenditures	10.4%	10.1%	10.4%	10.3%	11.0%	9.9%	9.4%	9.9%	10.2%	10.2%

Schedule 5
City of Toledo, Ohio
General Revenues by Source, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts in thousands)

Fiscal Year	Income Taxes	Property Taxes and Special Assessments	Licenses and Permits	Grants and Subsidies	Shared Revenues	Charges for Services	Investment Earnings	Fines and Forfeitures	All Other Revenue	Total
1998	144,505	34,379	2,737	40,634	22,274	11,768	7,279	5,071	7,364	276,011
1999	150,170	33,530	2,841	54,191	22,795	12,179	6,642	4,616	2,284	289,248
2000	153,830	31,069	2,211	41,138	23,308	12,349	8,383	4,103	765	277,156
2001	150,911	35,814	2,172	34,338	23,398	12,227	7,292	3,841	1,009	271,002
2002	153,965	34,784	1,967	40,648	24,235	13,646	4,654	3,636	2,953	280,488
2003	155,112	33,496	2,147	39,676	30,651	13,722	3,259	4,086	3,477	285,626
2004	155,243	34,641	2,567	33,476	30,364	14,088	2,570	5,281	2,773	281,003
2005	160,683	37,915	3,071	39,888	30,420	14,004	4,153	6,080	2,884	299,098
2006	164,718	39,118	3,012	44,776	35,181	15,081	7,194	6,094	1,475	316,649
2007	169,689	44,025	2,830	44,078	34,632	17,364	8,553	6,339	3,325	330,835

Schedule 6
City of Toledo, Ohio
Income Tax Revenues
Last Six Fiscal Years
(amounts in thousands)

Fiscal Year	Withholding	Utility	Business	Individuals	Total Tax Revenues
2002	133,689	1,003	13,046	6,227	153,965
2003	136,187	193	13,122	5,610	155,112
2004	134,709	237	14,120	6,177	155,243
2005	138,042	492	15,747	6,401	160,683
2006	139,805	783	17,443	6,687	164,718
2007	141,583	1,863	19,331	6,912	169,689

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

Schedule 7
City of Toledo, Ohio
Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
(amounts in thousands)

	Real Property		Public Utility (2)		Personal Property		Total			
Tax Collection Year	Assessed Value (1)	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value (2)	Estimated Actual Value	Assessed Value	Direct Rate	Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value
1999	2,673,597	7,638,849	268,638	767,537	509,003	2,036,012	3,451,238	4.40	10,442,398	33.1%
2000	2,689,930	7,685,514	252,326	720,931	529,770	2,119,080	3,472,026	4.40	10,525,525	33.0%
2001	3,281,956	9,375,589	251,453	718,437	551,232	2,204,928	4,084,141	4.40	12,586,329	32.4%
2002	3,275,750	9,359,286	185,625	742,500	564,431	2,257,724	4,025,806	4.40	12,359,510	32.6%
2003	3,280,308	9,372,309	199,143	796,572	530,490	2,210,375	4,009,941	4.40	12,379,256	32.4%
2004	3,752,847	10,722,242	171,574	686,296	487,172	1,948,688	4,411,593	4.40	13,357,226	33.0%
2005	3,789,811	10,828,031	165,221	660,884	468,208	1,872,832	4,423,240	4.40	13,361,747	34.0%
2006	3,772,059	10,777,311	155,248	620,992	442,309	1,769,236	4,369,616	4.40	13,167,539	34.0%
2007	4,315,322	12,329,491	154,646	618,584	343,264	1,373,056	4,813,232	4.40	14,321,131	33.6%
2008	4,197,056	11,991,589	155,080	620,320	239,911	959,644	4,592,047	4.40	13,571,553	33.8%

Notes:
(1) The assessed valuation is fixed at 35% of true value and is determined pursuant to the rules of the Ohio Commissioner of Tax Equalization. An exception is that real property devoted exclusively to agricultural use is to be assessed at not more than 35% of its current agricultural use value.
(2) Includes public utility personal property. Assessed value determined by the State of Ohio.

Source: Lucas County Auditor.

Schedule 8
City of Toledo, Ohio
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(rate per $1,000 of assessed value)

	City of Toledo				Overlapping Governments Rates					
Tax Collection Year	General Fund	Police Pension Fund	Fire Pension Fund	Total Toledo Rate	Transit Authority	Port Authority	Lucas County	Toledo City School District	Metro Park District	Total
1998	3.80	.30	.30	4.40	2.50	.40	15.45	57.80	1.40	81.95
1999	3.80	.30	.30	4.40	2.50	.40	15.55	57.50	1.40	81.75
2000	3.80	.30	.30	4.40	2.50	.40	16.00	63.00	1.40	87.70
2001	3.80	.30	.30	4.40	2.50	.40	15.65	63.00	1.40	87.35
2002	3.80	.30	.30	4.40	2.50	.40	15.65	63.50	1.70	88.15
2003	3.80	.30	.30	4.40	2.50	.40	16.20	63.30	1.70	88.50
2004	3.80	.30	.30	4.40	2.50	.40	15.90	63.05	1.70	87.95
2005	3.80	.30	.30	4.40	2.50	.40	14.75	63.05	1.70	86.80
2006	3.80	.30	.30	4.40	2.50	.40	15.90	62.80	1.70	87.70
2007	3.80	.30	.30	4.40	2.50	.40	15.90	62.80	1.70	87.70

Source: Lucas County Auditor.

Schedule 9
City of Toledo, Ohio
Top 75 Withholders by Industry
Last Ten Fiscal Years
(amounts in thousands)

Industry	Fiscal Year 1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Banking	$ 1,018	$ 1,113	$ 1,098	$ 1,317	$ 1,444	$ 1,493	$ 1,345	$ 1,300	$ 1,263	$ 1,207
Construction	-	171	-	-	-	505	336	228	413	225
Government	8,238	8,501	9,193	9,320	9,660	9,796	9,548	9,987	10,219	10,497
Grocery	1,408	1,507	1,173	1,353	1,307	1,247	1,229	1,332	1,349	1,404
Hospital	10,267	10,096	10,102	10,422	10,696	11,174	11,303	11,847	12,196	12,302
Manufacturing	24,678	26,388	27,219	23,708	24,303	23,881	23,613	23,595	22,702	20,101
Non-profit	7,923	8,368	8,600	8,772	9,918	10,258	10,178	10,159	10,013	10,040
Retail	882	966	983	1,552	1,522	1,712	1,749	1,598	1,750	1,027
Services	8,300	8,496	9,271	10,528	9,538	9,546	9,491	10,259	10,408	14,672
Transportation	-	163	490	445	464	480	360	773	328	356
Total	$ 62,713	$ 65,771	$ 68,129	$ 67,417	$ 68,854	$ 70,092	$ 69,151	$ 71,078	$ 70,642	$ 71,831

Source: City of Toledo Taxation and Treasury Division

Schedule 10
City of Toledo, Ohio
Real and Public Utility Property Tax Levies and Collections
Last Ten Years
(amounts in thousands)

Tax Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Collections in Subsequent Years	Amount of Total Tax Collections	Percent of Total Tax Collections To Tax Levy
1998	12,505	12,245	97.9%	510	12,755	102.0%
1999	12,710	12,191	95.9%	441	12,632	99.4%
2000	12,205	12,130	99.4%	514	12,644	103.6%
2001	14,934	14,462	96.8%	398	14,860	99.5%
2002	15,659	14,886	95.1%	664	15,550	99.3%
2003	15,047	14,189	94.3%	646	14,835	98.6%
2004	16,995	16,056	94.5%	753	16,809	98.9%
2005	16,954	16,702	98.5%	100	16,802	99.2%
2006	17,305	15,889	91.8%	986	16,876	97.5%
2007	19,693	17,782	90.3%	1,232	19,014	96.6%

Source: Lucas County Auditor.

Schedule 11
City of Toledo, Ohio
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years
(amounts in thousands, except per capita)

	Governmental Activities		
Fiscal Year	General Obligation Bonds	Assessed Services	General Fund Capital Projects Loans & Leases
1998	117,438	-	25,254
1999	113,202	-	24,472
2000	111,507	-	23,670
2001	109,261	-	21,152
2002	114,109	31,900	55,979
2003	112,946	31,500	51,432
2004	111,930	35,600	48,110
2005[3]	112,803	36,500	53,608
2006	111,066	37,700	56,008
2007	116,016	38,800	52,966

Notes: 1. Decisions regarding the City's outstanding debt can be found in the notes to the financial statements.
2. See schedule 19 for personal income & per capita information.
3. Waterways Initiatives capital improvement program started in 2005.

Schedule 11
City of Toledo, Ohio
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years
(amounts in thousands, except per capita)

	Business-type Activities							
Fiscal Year	Water Revenue Bonds	Sanitary Sewer Revenue Bonds	General Obligation Bonds	Capital Projects Loans	Other Loans	Total Primary Government	Percentage of Personal Income[2]	Per Capita[2]
1998	33,734	33,337	30,796	13,000	4,380	255,941	2.6%	652
1999	63,754	40,665	30,059	12,800	12,028	294,981	2.9%	746
2000	61,239	38,433	29,435	13,169	11,700	287,153	2.8%	738
2001	58,619	35,740	28,601	12,886	11,445	275,703	2.5%	709
2002	55,874	32,916	29,098	36,644	13,200	367,718	3.3%	917
2003	69,507	49,923	28,033	36,485	12,215	390,038	3.4%	983
2004	65,990	47,084	26,897	49,864	11,743	395,214	3.3%	1,001
2005[3]	96,433	44,710	25,683	104,364	13,760	467,808	4.0%	1,205
2006	91,888	42,035	24,593	178,356	13,119	551,730	4.5%	1,398
2007	87,010	39,134	23,783	206,259	12,381	366,560	4.5%	1,449

Notes: 1. Decisions regarding the City's outstanding debt can be found in the notes to the financial statements.
2. See schedule 19 for personal income & per capita information.
3. Waterways Initiatives capital improvement program started in 2005.

Schedule 12
City of Toledo, Ohio
Ratio of Net General Bonded Debt
To Assessed Value and Net Bonded Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Population[1]	Assessed Value[2]	Gross General Bonded Debt[2]	Less Balance in Debt Service Fund[2] & [3]	Net General Bonded Debt[2]	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1998	332,943	3,451,238	131,859	899	130,960	3.8%	393.34
1999	332,943	3,472,027	127,636	1,023	126,613	3.7%	380.28
2000	313,619	4,084,141	126,046	1,156	124,890	3.1%	398.22
2001	313,619	4,025,806	123,810	579	123,231	3.1%	392.93
2002	313,619	4,009,940	127,805	215	127,590	3.2%	406.83
2003	313,619	4,411,593	125,978	29	125,949	2.9%	401.60
2004	313,619	4,423,240	127,241	38	127,203	2.9%	405.63
2005	313,619	4,369,616	128,474	38	128,436	2.9%	409.53
2006	313,619	4,813,232	126,683	45	126,638	2.6%	403.80
2007	313,619	4,592,047	131,821	58	131,763	2.9%	420.14

(1) Source: U.S. Bureau of the Census.

(2) Amounts shown in thousands of dollars. Source: Lucas County Auditor.

(3) The City has paid its general bonded debt service for the tax years shown from current income tax revenues. The amount required is transferred to the debt service funds from the capital improvement fund.

Schedule 13
City of Toledo, Ohio
Computation of Direct and Overlapping Debt
at December 31, 2007
(amounts in thousands)

Political Subdivision	Amount of Debt	Percent Applicable To City	City's Share
Direct Debt:			
City of Toledo	$131,321	100.0%	$131,321
Subdivision Overlapping Debt:			
Lucas County	35,814	49.8%	17,835
Toledo City School District.....	148,247	98.7%	146,320
Sylvania City School District.....	2,248	8.4%	189
Ottawa Hills Local School District ..	42	1.1%	1
Springfield Local School District	1,985	10.0%	199
Sylvania Area Joint Recreation Dist.	304	8.4%	26
Washington Local School District ...	81	96.7%	77
Total Subdivision Overlapping Debt....	$188,721		$ 164,647
Total Direct and Overlapping Debt	$320,042		$295,968

Source: Lucas County Auditor.

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Schedule 14
City of Toledo, Ohio
Legal Debt Margin Information,
Last Ten Fiscal Years
(amounts in thousands)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	$ 362,379	$ 364,562	$ 428,835	$ 422,710	$ 421,044	$ 463,217	$ 464,440	$ 458,810	$ 505,389	$ 482,165
Total net debt applicable to limit	136,097	128,953	127,186	126,895	127,974	126,776	127,021	128,474	126,683	$ 131,821
Legal debt margin	$ 226,282	$ 235,609	$ 301,649	$ 295,815	$ 293,070	$ 336,441	$ 337,419	$ 330,336	$ 378,706	$ 350,344
Total net debt applicable to the limit as a percentage of debt limit	60.14%	54.73%	42.16%	42.90%	43.67%	37.68%	37.64%	38.89%	33.45%	37.63%

Schedule 15
City of Toledo, Ohio
Pledged-Revenue Coverage,
Last Ten Fiscal Years
(amounts in thousands)

			Water Revenue Bonds				
				Debt Service			
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Total	Coverage
1998	27,315	17,134	10,181	987	2,235	3,222	3.2
1999	30,562	19,002	11,560	3,272	3,057	6,329	1.8
2000	32,829	16,962	15,867	2,515	3,164	5,679	2.8
2001	34,454	20,494	13,960	2,620	3,066	5,686	2.5
2002	35,115	21,744	13,371	2,745	2,953	5,698	2.3
2003	33,732	22,607	11,125	3,475	3,163	6,638	1.7
2004	35,406	23,585	11,821	3,517	3,277	6,794	1.7
2005	39,875	27,524	12,351	5,565	3,174	8,739	1.4
2006	38,811	26,002	12,809	4,545	4,464	9,009	1.4
2007	41,713	29,016	12,697	4,715	4,494	9,209	1.4

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

Schedule 15
City of Toledo, Ohio
Pledged-Revenue Coverage,
Last Ten Fiscal Years
(amounts in thousands)

	Sewer Revenue Bonds						
				Debt Service			
Fiscal Year	Sewer Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Total	Coverage
1998	32,819	22,550	10,269	1,372	2,719	4,091	2.5
1999	34,790	22,777	12,013	2,732	2,965	5,697	2.1
2000	36,279	22,134	14,145	2,232	2,475	4,707	3.0
2001	36,560	22,542	14,018	2,693	2,002	4,695	3.0
2002	35,703	24,970	10,733	2,824	1,894	4,718	2.3
2003	36,095	24,287	11,808	2,885	2,369	5,254	2.3
2004	41,121	25,165	15,956	2,839	3,994	6,833	2.3
2005	47,366	27,338	20,028	7,540	4,589	12,129	1.7
2006	51,253	29,633	21,620	2,675	5,409	8,084	2.7
2007	52,289	31,367	20,922	2,790	6,381	9,171	2.3

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

Schedule 16
City of Toledo, Ohio
Demographic and Economic Statistics,
Last Ten Fiscal Years

Fiscal Year	City of Toledo Population	Personal Income* *(thousands of dollars)*	Per Capita Personal Income*	Median Age	Public School Enrollment	Unemployment Rate
1997	332,943	11,306,048	24,701	31.7	39,378	6.1%
1998	332,943	11,765,455	25,759	31.7	39,378	6.4%
1999	332,943	12,224,732	26,837	31.7	37,720	6.2%
2000	313,619	12,669,269	27,853	31.7	37,315	5.7%
2001	313,619	12,754,660	28,064	35.3	36,719	5.8%
2002	313,619	13,142,344	28,980	35.3	35,610	8.3%
2003	313,619	13,556,678	29,970	35.3	34,200	8.1%
2004	313,619	13,503,325	30,035	35.3	32,985	8.0%
2005	313,619	13,890,020	31,045	35.3	29,850	7.3%
2006	313,619	14,304,000	32,200	35.3	29,070	6.8%

Sources: U.S. Bureau of Economic Analysis
U.S. Bureau of the Census

Notes: Personal income is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

* values are calculated using Lucas County statistics

Schedule 17
City of Toledo, Ohio
Principal Employers,
Current Year and Nine Years Ago

	2007			1998		
Employer	**Employees**	**Rank**	**Percentage of Total MSA Employment**	**Employees**	**Rank**	**Percentage of Total MSA Employment**
Promedica Health Systems[3]	11,265	1	11.08%	6,077	2	5.90%
Mercy Health Partners	6,727	2	6.62%	6,062	3	5.88%
The University of Toledo[2]	6,412	3	6.31%	5,248	6	5.09%
Bowling Green State University	5,400	4	5.31%	6,085	1	5.90%
Toledo City School District	4,489	5	4.42%	5,404	4	5.24%
Lucas County	3,912	6	3.85%	4,316	9	4.19%
Chrysler LLC	3,854	7	3.79%	-		-
The City of Toledo	2,847	8	2.80%	-		-
The Kroger Company	2,789	9	2.74%	-		-
Sauder Woodworking Co.	2,451	10	2.41%	3,600	10	3.49%
General Motors Corp./GM Powertrain Division	-		-	4,400	8	4.27%
Seaway Foodtown, Inc.	-		-	4,998	7	4.85%
Jeep Corporation, a subsidiary of DaimlerChrysler AG[1]	-		-	5,400	5	5.24%
Total	50,146		49.33%	46,190		44.81%

Notes:
1. On May 14, 2007, Daimler Chrysler announced that Cerberus Capital Management, a private equity firm, will take over an 80.1% equity position in Chrysler with Daimler retaining the remaining 19.9%.
2. Effective July 1, 2006, The Medical College of Ohio was merged with The University of Toledo.
3. The Toledo Hospital is a member of Promedica Health Systems.

Source: Toledo Regional Growth Partnership, 2007 Harris Industrial Directory; except as otherwise noted.

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Schedule 18
City of Toledo, Ohio
Full-time-Equivalent City Government Employees by MSA,
Last Ten Fiscal Years

Major Service Area	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Community environment	97	103	97	95	96	94	90	88	86	85
General government	337	334	337	346	348	347	342	336	342	350
Health*	50	46								
Parks and recreation	107	96	93	89	95	98	93	74	76	81
Public safety	1,351	1,368	1,349	1,366	1,378	1,361	1,350	1,323	1,345	1,326
Public service	439	430	436	444	447	445	431	447	447	436
Public utilities	555	561	557	550	541	561	560	582	587	597
Total	2,936	2,938	2,869	2,890	2,905	2,906	2,866	2,850	2,883	2,875

Source: City of Toledo Payroll Office.

Notes: A full-time employee is scheduled to work 2,088 hours per year (including vacation and sick leave). Full-time-Equivalent employment is calculated by dividing total labor hours by 2,088.

*In 2000, the Toledo Health Department merged with the Lucas County Health Department and is now reported under Lucas County, Ohio.

Schedule 19
City of Toledo, Ohio
Operating Indicators by
Function/ Program,
Last Six Fiscal Years

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Function/ Program						
General Government						
Building permits	6,461	6,281	6,200	6,314	6,492	5,537
Value of permits (in thousands)	92,457	144,184	176,421	295,067	276,746	146,514
Total Board-ups	337	423	465	586	931	664
Total Demolitions	306	214	237	222	285	312
Police						
Traffic Citations	42,160	43,869	48,790	48,504	52,331	60,786
Red-Light Cameras	10,418	13,509	17,305	25,186	18,512	24,104
Number of Offences	27,204	26,777	25,283	27,776	26,534	23,826
911 Call Volume	463,697	436,151	440,649	433,415	430,523	406,101
Non-Emergency Calls	107,772	103,289	101,838	108,961	114,065	111,755
Fire						
Emergency runs	39,535	38,461	38,393	39,796	38,630	41,135
Fires runs	8,262	7,534	7,397	7,175	7,550	7,533
Total runs	47,797	45,995	45,790	47,260	46,180	48,668

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Other public works						
Traffic Signs manufactured/ installed			21,925	25,653	26,936	32,508
Energy reduction (traffic signals)		0.2%	7.5%	10.3%	13.1%	17.1%
Traffic signals replaced	111	38	59	79	81	122
Traffic signal calls			5,221	7,069	6,823	6,731
Energy						
Electric customers- Toledo Edison Company	316,000	303,000	303,000	303,000	307,000	307,000
Gas customers- Columbia Gas of Ohio, Inc.	175,000	175,744	179,250	177,329	178,500	176,715
Toledo Lucas County Public Library						
Volumes in collection	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Total volumes borrowed	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Water						
New connections	2030	1765	1721	1404	791	584
Water main breaks	469	435	281	447	203	448
Average daily consumption (millions of gallons)	81.8	78.4	78.8	86.9	80.8	80.7
Wastewater						
Average daily sewage treatment (millions of gallons)	64.0	65.0	64.0	90.7	76.4	70.9
Public Transit						
TARTA* passengers	4,609,819	4,561,045	4,537,990	4,727,186	4,614,412	4,609,701

Note: The City implemented GASB statement 34 in fiscal year 2002.
*TARTA stands for Toledo Area Regional Transit Authority.
Sources: Various City Departments.

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Schedule 20
City of Toledo, Ohio
Capital Asset Statistics by Function/ Program,
Last Six Fiscal Years

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Function/ Program						
Police						
Number of stations	3	3	3	3	3	3
Number of substations	3	3	3	3	3	3
Number of employees with arrest power	693	693	686	673	688	667
Number of neighborhood offices	7	7	7	7	7	7
Fire Division						
Fire stations	17	17	17	17	17	17
Number of firefighters	526	526	510	498	525	484
Other public works						
Streets (miles)	1,122	1,122	1,122	1,122	1,122	1,122
Rail (miles)	1,200	1,200	1,200	1,200	1,200	1,200
Toledo Lucas County Public Library						
Branches	18	18	18	18	18	18
Medical						
Number of hospitals	4	4	4	4	4	4
Number of beds	1,641	1,684	1,737	1,839	1,839	1,684
Parks & recreation						
Acreage	2,368	2,368	2,368	2,368	2,368	2,368
Number of parks	144	144	145	145	145	145
Public pools	12	12	12	12	12	12
Golf Courses	16	16	16	16	16	16
Water						
Water lines (miles)	1,129	1,135	1,140	1,150	1,150	1,165
Storage capacity (millions of gallons)	78	78	78	78	78	78
Plant capacity (millions of gallons)	150	150	150	150	150	150
Wastewater						
Sanitary sewers (miles)	951	951	960	960	960	960
Treatment capacity (millions of gallons)	102	102	102	102	102	102

Note: The City implemented GASB statement 34 in fiscal year 2002.
Sources: Various City Departments.