

**LUCAS COUNTY 911 REGIONAL
COUNCIL OF GOVERNMENTS**

LUCAS COUNTY, OHIO

CASH-BASIS FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

**CASH-BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

TABLE OF CONTENTS

Accountant's Compilation Report	2
Cash-Basis Financial Statements:	
Statement of Net Position (Cash-Basis) - December 31, 2020.....	3
Statement of Receipts, Disbursements and Changes in Net Position (Cash-Basis) - For the Year Ended December 31, 2020.....	4
Notes to the Cash-Basis Financial Statements.....	5 - 9

Accountant's Compilation Report

To the Lucas County 911 Regional Council of Governments:

Management is responsible for the accompanying financial statements of the Lucas County 911 Regional Council of Governments, which comprise the statements listed in the table of contents as of December 31, 2020 and the related notes to the financial statements in accordance with the cash basis of accounting. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on the financial statements.

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Julian & Grube, Inc.

Westerville, Ohio
June 6, 2022

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

STATEMENT OF NET POSITION (CASH-BASIS)
DECEMBER 31, 2020

(SEE ACCOUNTANT'S COMPILATION REPORT)

Assets:

Current assets:

Cash and investments with fiscal agent	\$ 477,097
--	------------

Net cash position:

Unrestricted	\$ 477,097
--------------	------------

SEE ACCOMPANYING NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN NET POSITION (CASH-BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

(SEE ACCOUNTANT'S COMPILATION REPORT)

Operating cash disbursements:	
Salaries and wages	\$ <u>22,903</u>
Operating (loss)	(22,903)
Nonoperating cash receipts:	
Contribution from Lucas County (Note 4)	<u>500,000</u>
Change in net cash position	477,097
Net cash position at beginning of year	<u>-</u>
Net cash position at end of year	<u><u>\$ 477,097</u></u>

SEE ACCOMPANYING NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

**NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(SEE ACCOUNTANT'S COMPILATION REPORT)**

NOTE 1 - DESCRIPTION OF THE COUNCIL

The Lucas County 911 Regional Council of Governments (the "Council") was formed on May 4, 2020, pursuant to Chapter 167 of the Ohio Revised Code (ORC). The Council was created as a regional council of governments by an Agreement between Lucas County, City of Toledo, Monclova Township, Village of Ottawa Hills, City of Sylvania, Sylvania Township, and Swanton Township. The Council is a partnership of county, municipal and township governments to operate a safe, effective, and efficient 911 system for Lucas County, Ohio, and the subdivisions within its jurisdictional territory.

The Council's services include, but are not limited to: countywide call taking for 9-1-1 and non-emergency community 10-digit non-emergency public safety numbers; receipt of emergency texts for public safety services; countywide dispatching for law enforcement, fire service and emergency medical services; and operational costs and maintenance required for the consolidated public service answering points (PSAP) and back-up center to include 9-1-1 telephone system hardware and software, computer aided dispatch system hardware and software, mobile data software, Emergency Medical Dispatch software, 9-1-1 mapping, text-to-911 software and voice recorder systems.

The Council may only allow membership or contract to provide services for jurisdictions outside Lucas County's jurisdictional territory so long as the provision of such services does not detract or degrade the services provided to residents of Lucas County, Ohio.

The Board of Directors serve as the governing board for the Council and are responsible for the conduct of the Council's business in accordance with ORC Section 167.04(A). The Board of Directors shall appoint an Executive Director to manage the day-to-day operations of the organization.

The Board of Directors of the Council consists of the following voting members:

- Sheriff of Lucas County;
- Police chief of the most populous municipality in Lucas County;
- Fire chief of the most populous municipality in Lucas County;
- Police chief of the second most populous jurisdiction in Lucas County;
- Municipal (Village or City) police chief selected by a majority of the municipal police chiefs, excluding municipal police chief(s) that already maintain representation on the Board of Directors;
- Municipal (Village or City) fire chief selected by a majority of the municipal fire chiefs, excluding municipal fire chief(s) that already maintain representation on the Board of Directors; and
- Township fire chief selected by a majority vote of the Lucas County Township Association.

The Chair of the Administrators Technical Advisory Committee, as elected by a majority of the Administrators Technical Advisory Committee each year, shall serve as a non-voting member of the Board of Directors.

Terms for the following members of the Board of Directors shall run concurrent to their position in their agencies:

- Sheriff of Lucas County;
- Police chief of the most populous municipality in Lucas County;
- Fire chief of the most populous municipality in Lucas County; and
- Police chief of the second most populous jurisdiction in Lucas County.

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

**NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(SEE ACCOUNTANT’S COMPILATION REPORT)**

NOTE 1 - DESCRIPTION OF THE COUNCIL – (Continued)

Appointed members of the Board of Directors shall serve a three-year term. The terms of the three appointed members of the Board of Directors shall be staggered in the following manner:

- The initial township fire chief appointment shall be a one-year term. Subsequent appointments shall serve a three-year term.
- The initial municipal police chief appointment shall be a two-year term. Subsequent appointments shall serve a three-year term.
- The initial and all subsequent municipal fire chief appointments shall be a full three-year term. The term of the Administrators Technical Advisory Committee non-voting member shall coincide with the period in which they serve as the Chair of the Administrators Technical Advisory Committee.

Lucas County, Ohio (the “Fiscal Agent”) serves as the fiscal agent for the Council and provides certain accounting and administrative services to the Council. The Council’s Board of Director’s believe that these cash-basis statements represent all activities for which the Council is financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2.B., these financial statements are presented on the cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. In cases where these cash basis statements contain items that are the same as, or similar to, those items in the financial statements prepared in conformity with GAAP, similar informative disclosures are provided.

A. Basis of Presentation

The Council presents financial statements in a format consistent with GASB Statement No. 34, “*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.*” The financial statements include adequate disclosure of material matters, in accordance with the basis of accounting described in Note 2.B.

B. Basis of Accounting

The basis of accounting determines when transactions are recorded in the financial records and reported on the basic financial statements. The Council’s basic financial statements are prepared using the cash basis of accounting. Under the cash basis of accounting, receipts are recorded in the Council’s financial records and reported in the basic financial statements when cash is received rather than when earned, and disbursements are recorded when cash is paid rather than when incurred.

As a result of the use of this cash basis of accounting, certain assets and deferred outflows of resources, liabilities and deferred inflows of resources, and the effects of these items on receipts and disbursements are not recorded in these basic financial statements. These statements include adequate disclosure of material matters, in accordance with the basis of accounting described above.

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(SEE ACCOUNTANT'S COMPILATION REPORT)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Fund Accounting

The Council maintains its accounting records in accordance with the principles of “fund” accounting. Fund accounting is a concept developed to meet the needs of government entities in which legal or other restraints require the recording of specific receipts and disbursements. The Council uses an enterprise fund to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs 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 governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for public policy, management control, accountability or other purposes.

D. Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Council first applies restricted resources when a disbursement is incurred for purposes for which both restricted and unrestricted net cash position is available. The Council had no restricted net position at December 31, 2020.

E. Budgetary Process

The Ohio Revised Code does not require the Council to budget annually, therefore, no budgetary information is presented in these financial statements. Council management does prepare a budget for internal monitoring purposes.

F. Cash and Investments

Lucas County, Ohio, as the Council's Fiscal Agent, maintains the Council's books under specific funds designated for Council activity. The Fiscal Agent is responsible for administering the financial transactions of the Council.

G. Capital Assets

Acquisitions of property, plant and equipment purchased are recorded as disbursements when paid. These items are not reflected as assets on the accompanying basic financial statements.

H. Unpaid Vacation Leave and Sick Leave

Employees are entitled to cash payments for unused vacation leave and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation leave and sick leave are not reflected as liabilities on the accompanying basic financial statements.

I. Inventories of Materials and Supplies and Prepaid Items

The Council reports disbursements for inventories of materials and supplies and prepaid items when paid. These items are not reflected as assets in the accompanying basic financial statements.

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(SEE ACCOUNTANT'S COMPILATION REPORT)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

J. Employer Contributions to Cost-Sharing Pension Plans

The Council recognizes the disbursements for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 7 and 8, the employer contributions include portions for pension benefits and for postretirement health care benefits.

K. Operating and Nonoperating Receipts and Disbursements

The Council distinguishes operating cash receipts and disbursements from nonoperating items. Operating cash receipts generally result from charges for services rendered to participants (the Council had no operating cash receipts in 2020). Operating cash disbursements for the Council include salaries and wages. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements. The Council's nonoperating cash receipt was a contribution from Lucas County (see Note 4).

NOTE 3 - DEPOSITS AND INVESTMENTS

The Council's cash is held and invested by the Fiscal Agent who acts as custodian for Council monies. The Council's deposits are held in the Fiscal Agent's cash and investment pool and are valued at the Fiscal Agent's reported carrying amount. The Council's portion of the Fiscal Agent's cash management pool is presented on the financial statements as "Cash and Investments with Fiscal Agent".

The ORC prescribes allowable deposits and investments of the Fiscal Agent. The carrying amount of Council's cash held by its Fiscal Agent at December 31, 2020 was \$477,097.

NOTE 4 - CONTRIBUTIONS FROM LUCAS COUNTY

During 2020, the Council received \$500,000 from Lucas County (the "County") as initial operating capital to start operations.

NOTE 5 - CONTINGENCIES

Litigation - The Council is currently not party to any pending litigation.

NOTE 6 - RISK MANAGEMENT

The Council has obtained insurance coverage through Lucas County policies for the following risks:

- Comprehensive property and general liability;
- Vehicles, and
- Errors and omissions.

During 2020, settled claims did not exceeded insurance coverage.

**LUCAS COUNTY 911 REGIONAL COUNCIL OF GOVERNMENTS
LUCAS COUNTY, OHIO**

**NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(SEE ACCOUNTANT'S COMPILATION REPORT)**

NOTE 7 - DEFINED BENEFIT PENSION PLAN

The Council's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the Council contributed an amount equaling 14 percent of participants' gross salaries. The Council was not required to, and did not make, any contributions to OPERS in calendar year 2020.

NOTE 8 - DEFINED BENEFIT OPEB PLAN

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, that includes multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. OPERS did not allocate any amounts to health care for members in the Traditional Pension Plan and Combined Plan during calendar year 2020.

NOTE 9 - COMMITMENTS

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrances accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrances outstanding at year-end are reported as part of restricted, committed, or assigned classifications of fund balance. At year end, there were no encumbrances expected to be honored upon performance by the vendor in the next fiscal year.

NOTE 10 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Council. The impact on the Council's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.