



**Auditor of State
Betty Montgomery**

**FINANCIAL CONDITION
KNOX COUNTY**

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KNOX COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2003

Federal Program	CFDA #	Pass-through Agency Awarding Number	Disbursements
United States Department of Agriculture:			
Direct Program:			
Cooperative Forestry Assistance Grant	10.664	N/A	\$ 68,742
Total U.S. Department of Agriculture			<u>68,742</u>
United States Department of Transportation:			
Passed-through Ohio Department of Transportation:			
Highway Planning and Construction Grant	20.205	02N083 02N048 03N044	576,406 55,294 191,553
Total Highway Planning and Construction Grant			<u>823,253</u>
Direct Program:			
Airport Improvement Program	20.102	N/A	<u>43,574</u>
Total U.S. Department of Transportation			<u>866,827</u>
United States Department of Education:			
Passed-through Ohio Department of Education:			
Special Education Cluster:			
Special Education Grants to States	84.027	066076-6B-SF-03P	8,085
Special Education - Preschool Grant	84.173	066076-PG-SC-03P	<u>3,749</u>
Total Special Education Cluster			<u>11,834</u>
Innovative Education Program Strategies	84.298		<u>145</u>
Total U.S. Department of Education			<u>11,979</u>
United States Department of Labor:			
WIA Cluster Passed-through Ohio Department of Job and Family Services:			
Workforce Investment Act - Adult			
Workforce Investment Act - Adult Administrative			108,059
Workforce Investment Act - Adult Total	17.258	N/A	<u>30,135</u> 138,194
Workforce Investment Act - Youth			
Workforce Investment Act - Youth Administrative			105,697
Workforce Investment Act - Youth Total	17.259	N/A	<u>21,461</u> 127,158
Workforce Investment Act - Dislocated Worker			
Workforce Investment Act - Dislocated Worker Administrative			68,693
Workforce Investment Act - Dislocated Worker Total	17.260	N/A	<u>16,883</u> 85,576
Total United States Department of Labor - WIA Cluster			<u>350,928</u>
United States Department of Health and Human Services:			
Passed-through Ohio Department of Mental Retardation:			
Title XX	93.667	N/A	50,842
Medical Assistance Program	93.778	N/A	<u>877,754</u>
Total U.S. Department of Health and Human Services			<u>928,596</u>
United States Department of Federal Emergency Management Agency:			
Passed through Ohio Department of Public Safety:			
Emergency Management Performance Grant	97.042	EMC-2003-GR-7006	27,629
Pre-Disaster Mitigation Program Grant	97.047	EMC-2002-GR-7037	6,068
FEMA Supplemental Planning Grant	97.051	EMC-2003-GR-7026	27,498
State Domestic Preparedness Equipment Program	97.007	2002-TE-CX-0049	<u>94,216</u>
Total U.S. Department of Federal Emergency Management Agency			<u>155,411</u>
United States Department of Justice			
Passed through the Ohio Attorney General:			
Victims of Crime Assistance	16.575	2003VAGENE334	30,202
Byrne Formula Grant	16.579	2002-DG-F01-7369	<u>77,799</u>
Total U.S. Department of Justice			<u>108,001</u>
United States Department of Housing and Urban Development:			
Passed through Ohio Department of Development:			
HOME Investment Partnerships Program	14.239	BC-00-039-2 BC-02-039-2	4,879 44,002
Total HOME Investment Partnerships Program			<u>48,881</u>
Community Development Block Grant / State's Program	14.228	BF-01-039-1 BF-02-039-1 BF-03-039-1 BC-02-039-1	89,336 43,189 15,000 66,183
Total Community Development Block Grant / State's Program			<u>213,708</u>
Total U.S. Department of Housing and Urban Development			<u>262,589</u>
Total			<u>\$ 2,753,073</u>

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

**FINANCIAL CONDITION
KNOX COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FISCAL YEAR ENDED DECEMBER 31, 2003**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

Knox County (the County) has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The initial loan of this money was recorded as a disbursement on the Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2003 the gross amount of loans outstanding under this program was \$104,259.

NOTE C – MATCHING REQUIREMENTS

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

NOTE D – PASS THROUGH ENTITY NUMBERS

Those federal programs where the grant agreement did not identify a pass-through number are noted with an N/A.

NOTE E – U.S. DEPARTMENT OF HOMELAND SECURITY FEDERAL AWARDS

The Federal Homeland Security Act of 2002 established the Department of Homeland Security (the Department) to consolidate functions of other Federal agencies related to homeland security. Effective January 24, 2003, the Department began to administer certain Federal awards the County previously received from other Federal agencies. The accompanying Federal Awards Expenditure Schedule reports all such 2003 award amounts under the Department's Catalog of Federal Domestic Assistance (CFDA) numbers. The purposes and compliance requirement of these programs has not changed. A comparison of Federal agencies' and CFDA numbers the County reported in its 2002 Federal Award Expenditure Schedule compared with the Department's CFDA numbers reported in the 2003 Schedule follows:

Previous Federal Agency	CFDA No. used in 2002	Homeland Security CFDA No. used for 2003
Department of Justice	16.010	97.007
Department of Federal Emergency Management Agency	83.552	97.042
Department of Federal Emergency Management Agency	83.557	97.047
Department of Federal Emergency Management Agency	83.562	97.051



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Board of County Commissioners
Knox County
117 East High Street
Mount Vernon, Ohio 43050

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Knox County, Ohio (the County) as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 31, 2004, wherein we noted the County adopted Governmental Accounting Standards Board Statement 34 (GASB 34). We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that we must report under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the County's management in a separate letter dated August 31, 2004.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the County's management in a separate letter dated August 31, 2004.

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This report is intended solely for the information and use of management, the Board County of Commissioners, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 31, 2004



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL PROGRAMS, INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND SCHEDULE OF FEDERAL AWARDS EXPENDITURES

Board of County Commissioners
Knox County
117 East High Street
Mount Vernon, Ohio 43050

Compliance

We have audited the compliance of Knox County, Ohio, (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Federal Awards Expenditures

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2003, which collectively comprises the County's basic financial statements, and have issued our report thereon dated August 31, 2004, wherein we noted the County adopted the Governmental Accounting Standards Board Statement No. 34. Our audit was performed for the purpose of forming an opinion on the County's basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, the Board of County Commissioners, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Betty Montgomery
Auditor of State

August 31, 2004

**FINANCIAL CONDITION
KNOX COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 §.505
DECEMBER 31, 2003**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Community Development Block Grant – CFDA # 14.228 Medical Assistance Program – CFDA # 93.778
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

*County Seat
Mount Vernon, Ohio*



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2003



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2003

*Margaret Ann Ruhl
County Auditor*

*Prepared by the
Knox County Auditor's Office*



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INTRODUCTORY SECTION



Knox County Auditor

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August 31, 2004

To the Citizens of Knox County
and to The Board of County Commissioners:
the Honorable Thomas C. McLarnan
the Honorable Allen D. Stockberger
the Honorable Robert S. Wise:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of Knox County, Ohio, for the year ended December 31, 2003. This report was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and provides full and complete disclosure of the financial position and operations of the County for the year ended December 31, 2003. The information contained in this report will assist County officials in making management decisions and will provide the taxpayers of Knox County with comprehensive financial data in a format that will enable them to gain a true understanding of the County's financial affairs. The general public as well as investors will be able to compare the financial position of Knox County and the results of its operations with other governmental entities. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County, specifically the County Auditor's Office.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, the County's organization chart, a list of elected officials in the County and the Certificate of Achievement for Excellence in Financial Reporting. The financial section includes the Independent Accountant's Report, Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the County's financial position and operating results, the Combining Statements for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

GAAP require the Management's Discussion and Analysis (MD & A), a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD & A and should be read in conjunction with it.

***Letter of Transmittal
For the Year Ended December 31, 2003***

Reporting Entity

Knox County was created in 1808. The County has only those powers conferred upon it by Ohio statutes. A three-member board of County Commissioners is elected at large in even-numbered years for overlapping four-year terms. The Commissioners serve as the taxing authority, the contracting board, and the chief administrators of public services for the County. The Board of Commissioners creates and adopts the annual operating budget and makes the annual appropriation measure for expenditures of all County funds. In addition to the Board of Commissioners, the offices of County Auditor and County Treasurer are grouped under the category of general government and are of particular importance to the financial affairs of the County.

The County Auditor is elected to a four year term and has as one of her most important functions, the task of assessing real property for tax purposes. Under state law, a complete reappraisal must be conducted every six years as well as a triennial update every third year between reappraisals. After the County Treasurer collects taxes, the County Auditor is responsible for distributing certain taxes to various government units. The Auditor is also the chief fiscal officer of the County, and no County contract or obligation may be made without her certification that funds for that contract or obligation have been lawfully appropriated, are available for payment, or are in the process of collection. In addition, no account may be paid except by the Auditor's warrant drawn upon the County treasury. The Auditor is responsible for the County payroll and has other statutory accounting responsibilities. The Auditor is also in charge of the County's bond retirement fund. She is, by state law, secretary of the County Board of Revision and the County Budget Commission, and the administrator and supervisor of the County Data Processing Board. In 2003, the Auditor employed nine full-time and one part-time employee.

The County Treasurer is required by state law to collect certain locally assessed taxes. She is the distributing agent for expenditures authorized by the Board upon the Auditor's warrant. The Treasurer must make daily reports showing receipt, payments and balances to the County Auditor, and the books of account must always balance with those of the County Auditor. The Treasurer is responsible for investing all funds of the County. The Treasurer is elected to a four year term and in 2003 employed four full-time and two part-time employees. The Treasurer is a member of the County Board of Revision. In addition, the Treasurer, the Auditor and the Prosecuting Attorney form the County Budget Commission which plays an important part in the financial administration of County government as well as all local governments throughout the County.

The County Prosecuting Attorney is elected to a four year term and is responsible for all legal matters for the County and Township officials. He prosecutes all felonies, child support delinquencies and tax foreclosures. The office is also the contact for victim assistance. In 2003, the Prosecuting Attorney employed three attorneys and four full-time employees.

The County Recorder is elected to a four year term and is responsible for recording all deeds, mortgages, and liens. The Recorder oversees the Microfilm/Retention Office and is Secretary of the Records Retention Board and the Microfilm Board for the County. In addition to the Recorder, the office employs five other full-time workers. The recorder's office had an increase of 2,769 documents over 2002 with a total of 21,325 documents recorded in 2003.

***Letter of Transmittal
For the Year Ended December 31, 2003***

The County Engineer is elected to a four year term and employs thirty-eight full-time employees who work in four major divisions under the Engineer. The Office Division is responsible for the tax map department and office operation. The Road Division is responsible for maintenance and upkeep of all the County roads, including resurfacing. The Bridge Division is responsible for the replacement and inspection of all bridges. The Garage Division is responsible for road signs on all County roads and maintenance on all vehicles.

The County Sheriff is elected to a four year term and is the head of six divisions. Nineteen full-time employees make up the Patrol Division which provides protection for a total of 532 square miles of Knox County. The twelve full-time employees of the Communications Division handle Enhanced 9-1-1 dispatching and are responsible for all communications for Knox County. The Detective Division consists of five full-time employees who are responsible for investigating all major criminal cases in Knox County. The Jail Division consists of twenty-nine full-time employees who run a full service jail which houses both adult male and female prisoners charged with or convicted of felony and misdemeanor offenses. The Civil Process Division, which has three full-time employees, is responsible for serving all court processes. The last is the Community Relations Division, which has three full-time employees and is responsible for coordinating the county's neighborhood watch program, providing the Drug Abuse Resistance Education program in all city and county elementary schools as well as some junior high schools, operating the bicycle patrol on the Kokosing Gap Bike Trail and providing crime prevention and other public awareness programs.

The Clerk of Courts is elected to a four year term and is responsible for the Legal Division and the Title Division. The Legal Division's main function is to file, process and preserve papers for cases that will be handled by the Knox County Common Pleas Court and Fifth District Court of Appeals. The Legal Division has eight full-time employees and received 973 cases filed in 2003. The Title Division has three full-time employees, with a main function to issue vehicle titles, which serve as a person's only proof of ownership. In 2003, 30,767 titles were issued, a 2.4% decrease over 2002.

The Knox County Common Pleas Judge is elected to a six year term and is responsible for hearing all domestic relations, criminal and civil cases.

The Knox County Common Pleas Probate and Juvenile Judge is elected to a six year term and is responsible for hearing all probate and juvenile cases. In 2003, the estate cases totaled 305, which was an increase of 4 cases over 2002. Overall cases filed in Probate Court totaled 819 in 2003, which was a decrease of 34 over 2002. In 2003, the Juvenile Court cases filed totaled 1,188, which was a decrease of 35 over 2002. This court also performs miscellaneous tasks such as assigning foreign judges and appointing the Dog Warden and members to the Board of Mental Retardation and Developmental Disabilities, and the Knox County Metropolitan Housing Authority. The Probate Court houses old birth, death and marriage records where many people work on genealogy research.

The Knox County Coroner is elected to a four year term and is responsible for certifications of deaths. He orders autopsies and investigates suspicious deaths.

KNOX COUNTY, OHIO

Letter of Transmittal For the Year Ended December 31, 2003

The Board of Elections is a statutory board, the same as the budget commission and the board of revision, with the exception that this board has no elected officials as board members. The four member board, made up of two Republicans and two Democrats, meets monthly to conduct board business. The Board of Elections oversees all primary, general and special elections. Registered voters in 2003, totaled 31,897, a .84 percent increase over 2002.

The County provides its citizens with a wide range of services that include job and family services, health and community assistance related services, and other general and administrative support services. The County also operates enterprise funds which include water and wastewater systems and the landfill. For financial reporting purposes, the County's reporting entity includes the primary government, which is comprised of all funds and the agencies, boards and commissions that make up the County's legal entity, component units, which are legally separate organizations which are fiscally dependent on the County or for which the County is financially accountable, and any activities that need to be included to insure that the financial statements are complete and not misleading.

The County's reporting entity includes the financial activities of the County Board of Mental Retardation and Developmental Disabilities. The mission of this Board is to establish support focused on the individual which will provide opportunities for informed choices. These choices will provide an opportunity for individuals to plan their futures in where they live, work, learn and develop social relationships. Knox New Hope Industries, a not-for-profit corporation, is included as a component unit of the County, as is the Knox County Airport. Both have significant ties to the County.

Excluded from the reporting entity because they are fiscally independent of the County are the Knox County Board of Education, the Knox County Humane Society, the Knox County Agricultural Society, the Knox County Extension Services, Knox County Park District, Knox County Regional Planning Commission and the Kno-Ho-Co Community Action Commission.

The County serves as fiscal agent but is not financially accountable for the Knox County General Health District, the Knox County Soil and Water Conservation District and the Knox County Local Emergency Planning Commission whose activities are included in this report as agency funds.

The Emergency Management Agency, the Alcohol and Drug Addiction and Mental Health Board, and the Eastern Ohio Housing Corporation are governmental joint ventures. The Joint Solid Waste District, the Mid Eastern Ohio Regional Council, the Morrow-Ashland-Richland-Knox Job Training Partnership Act, and Licking-Muskingum Community Based Correctional Facility (CBCF) are jointly governed organizations. The Mid Ohio Transit Authority and the Public Library of Mount Vernon and Knox County are Related Organizations. These organizations are discussed in Notes 1, 11 and 12 of the notes to the Basic Purpose Financial Statements.

A complete discussion of the County's reporting entity is provided in Note 1 of the notes to the Basic Financial Statements.

***Letter of Transmittal
For the Year Ended December 31, 2003***

Economic Condition and Outlook

The economy in Knox County for 2003, definitely had its ups and downs. Our local bank did expand with another branch office being completed on the south side of Mount Vernon. Marathon Oil Company and McDonalds combined and expanded with another new facility located in the north end of Mount Vernon. More restaurants were added with the largest being a new Ruby Tuesdays. The vacant Kroger Store is now the new location of the Tractor Supply Company and China Buffet. There is still some space left for a smaller business or two to locate in this same building.

The down side of the economy for 2003, was the closing of the Big Bear Store, and the moving of the Tractor Supply Company leaving another vacant building on the west side of Mount Vernon. We have been disappointed that Owens Corning has not reopened their business.

Employee Relations

Knox County has four separate unions, whose labor contracts commence at various times. The County Engineer has twenty-seven members in the American Federation of State, County and Municipal Employees (A.F.S.C.M.E.) Local 2803. This contract commenced July 1, 2004, and it will expire on June 30, 2005.

The County Sheriff has fifty members in the Fraternal Order of Police, Ohio Labor Council, Inc. This contract was signed for a three-year period. It will expire on December 31, 2005.

The Department of Human Services has sixty-one members in the A.F.S.C.M.E. Local 657. This contract commenced on July 1, 2003 for a three year period and expires on June 30, 2006.

The Emergency Management 9-1-1 has nineteen members in the Fraternal Order of Police, Ohio Labor Council, Inc. This contract commenced January 1, 2003 for a three year period. It expires on December 31, 2005. The remaining departments along with department heads are not represented by any union.

Major Initiatives

The old jail was demolished in the spring of 2004 to allow more parking between the Courthouse and the County Service Center. Lowe's Hardware Store decided to demolish the old Ames Store and replace with a larger service building and opened their doors in early 2004. The old Quality Farm and Fleet is now remodeled and opened their doors to a Sears Dealer, Dollar Tree and Hong Kong Buffet.

The County has plans to build a new dog pound on the land already purchased and is used partly now for the Recycling Center. The plan is to start building in 2005. The Auditor and Treasurer Offices implemented a new financial system and started conversion in June of 2004. They both are looking at upgrading the Real Estate, Personal Property, Manufactured Home and Computer Assisted Mass Appraisal (CAMA) systems in 2005.

***Letter of Transmittal
For the Year Ended December 31, 2003***

Cash Management

During the year ended December 31, 2003, the County's cash resources were divided into bank deposits and investments.

The County Treasurer, custodian of all County monies, is responsible for investing all idle funds and for directing the investment policies of the County.

The County pools its cash to maximize investment efficiency and to simplify accountability.

Among the County's investments, Knox County participates in the State Treasurer's investment pool of Ohio (STAR Ohio). This statewide investment pool was established in January 1986 for governmental entities in Ohio and is administrated by the Treasurer of State. Interest is allocated to the General Fund and to other qualifying funds. Interest for all funds of the primary government during 2003 was \$351,610.

Risk Management

The County contracts with County Risk Sharing Authority (CORSA) for liability, property and crime insurance. In addition, the County maintains replacement cost insurance on buildings and contents. The County also maintains Workers' Compensation for all employees by paying premiums to the State.

Knox County manages the hospital/medical health benefits for its employees on a self-insured basis. A third party administrator processes and pays claims. A stop loss carrier covers claims in excess of \$125,000 per employee per year. The advantages of the self-insurance arrangement include Knox County holding the reserves and earning interest on them as well as savings on administrative costs. Control of the plan rests with the County.

Independent Audit

Included in this report is an unqualified audit opinion rendered on the County's financial statements as of and for the year ended December 31, 2003, by our independent auditor, Betty Montgomery, Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1996 and related OMB Circular A-133, which results are not included in this report.

County management plans to continue to subject financial statements to an annual independent audit as part of the preparation of a CAFR. An annual audit also serves to maintain and strengthen the County's accounting and budgetary controls.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Knox County, Ohio, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2002. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

***Letter of Transmittal
For the Year Ended December 31, 2003***

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. The (CAFR) must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Knox County has received a Certificate of Achievement for the last thirteen consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The publication of this Comprehensive Annual Financial Report for Knox County, Ohio, is the culmination of many hours of dedicated work in the research, analysis, and preparation of the financial statements and the related notes and narratives by the Fiscal Department of the Office of the Knox County Auditor.

The effort put forth so willingly by the various department heads and their staffs in providing the data needed for the report is greatly appreciated. Special recognition is given to Sharon Lamb, Deputy Auditor, for her many hours, perseverance, and expertise in managing this project to completion. We are very appreciative of this effort.

We thank Donald J. Schonhardt and Associates for their expert advice and technical assistance.

A final note of appreciation is extended to the auditing staff of the State Auditor's office for their cooperation and guidance for our fourteenth Comprehensive Annual Financial Report.

I ask for your continuing support of this project and in our efforts to promote good sound financial management for Knox County.

Sincerely,



Margaret Ann Ruhl,
Knox County Auditor

KNOX COUNTY, OHIO

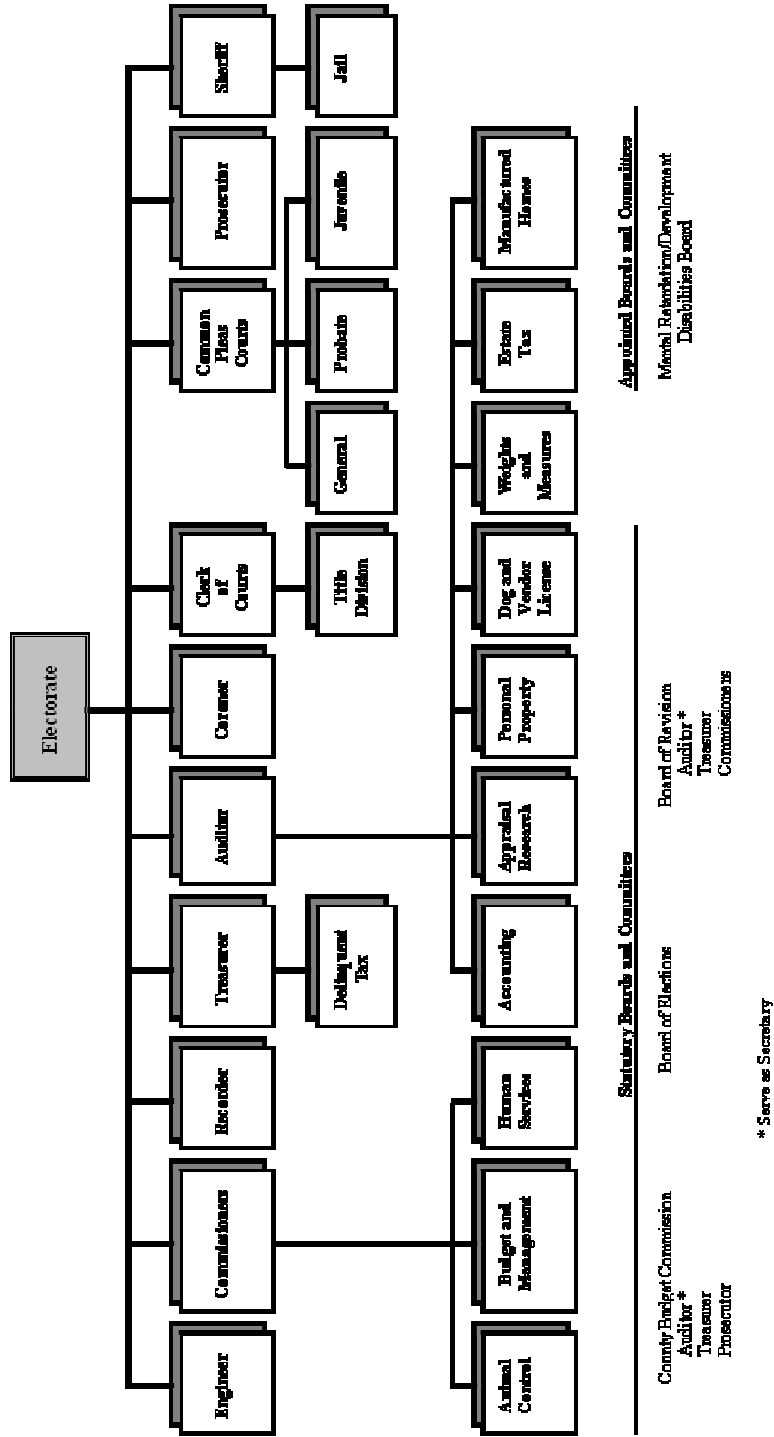
*List of Elected Officials
For the Year Ended December 31, 2003*

OFFICE HELD	NAME OF OFFICIAL
Commissioners	Allen D. Stockberger Robert S. Wise Thomas C. McLarnan
Auditor	Margaret Ann Ruhl
Clerk of Courts	Mary Jo Hawkins
Coroner	Jeffrey L. Bowers
Engineer	James L. Henry
Prosecutor	John W. Baker
Recorder	John L. Lybarger
Sheriff	David B. Barber
Treasurer	Sandra Mizer

JUDGES

Common Pleas Judge	Otho Eyster
Juvenile/Probate	James Ronk

County Organizational Chart
For the Year Ended December 31, 2003



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Knox County,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

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

FINANCIAL SECTION





Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Board of County Commissioners
Knox County
117 East High Street
Mount Vernon, Ohio 43050

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Knox County, Ohio, (the County) as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial 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 financial 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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, Public Assistance Fund, Motor Vehicle and Gas Tax Fund, Children Services Board Fund and Mental Retardation Fund, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2003, the County implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2004, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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 considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. 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.

We conducted our audit to form opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects, in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

August 31, 2004

The discussion and analysis of Knox County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2003. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2003 are as follows:

- ❑ In total, net assets increased \$833,322. Net assets of governmental activities decreased \$493,189, which represents a 1.4% decrease from 2002. Net assets of business-type activities increased \$1,326,511 or 94.7% from 2002.
- ❑ General revenues accounted for \$14,621,381 in revenue or 47.1% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$16,436,636 or 52.9% of total revenues of \$31,058,017.
- ❑ The County had \$29,519,246 in expenses related to governmental activities; only \$15,201,789 of these expenses were offset by program specific charges for services, grants or contributions.
- ❑ Among major funds, the general fund had \$10,971,459 in revenues and \$10,719,839 in expenditures. The general fund's fund balance decreased \$514,293 to a balance of \$3,203,695. This decrease is attributable to an increase in expenditures due to the opening of a new jail facility, which increased staffing and utilities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the County:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the County's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the County, reporting the County's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the County's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net assets and how they have changed. Net-assets (the difference between the County's assets and liabilities) is one way to measure the County's financial health or position.

- Over time, increases or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County you need to consider additional nonfinancial factors such as changes in the County's tax base and the condition of County capital assets also need to be evaluated.

The government-wide financial statements of the County are divided into two categories:

- Governmental Activities – Most of the County's programs and services are reported here including public safety, health, human services, and public works.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The County's sewer and landfill funds are reported as business activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the County's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance County programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The accounting used for fiduciary funds is much like that of the proprietary funds. We exclude these activities from the County's other financial statements because the assets cannot be utilized by the County to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

This is the first year for government-wide financial statements using the full accrual basis of accounting, therefore a comparison with prior year's information is not available. A comparative analysis will be provided in future years when prior year's information is available.

	Governmental Activities	Business-type Activities	Total
	2003	2003	2003
Current and other assets	\$29,814,275	\$1,753,169	\$31,567,444
Capital assets, Net	26,040,013	3,098,424	29,138,437
Total assets	55,854,288	4,851,593	60,705,881
Long-term debt outstanding	13,164,204	2,057,003	15,221,207
Other liabilities	8,770,163	67,931	8,838,094
Total liabilities	21,934,367	2,124,934	24,059,301
Net assets			
Invested in capital assets, net of related debt	13,947,256	3,025,719	16,972,975
Restricted	13,036,753	0	13,036,753
Unrestricted	6,935,912	(299,060)	6,636,852
Total net assets	\$33,919,921	\$2,726,659	\$36,646,580

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Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2003:

	Governmental Activities	Business-type Activities	Total
	2003	2003	2003
Revenues			
Program revenues:			
Charges for Services and Sales	\$3,324,131	\$1,056,339	\$4,380,470
Operating Grants and Contributions	11,219,722	0	11,219,722
Capital Grants and Contributions	657,936	178,508	836,444
General revenues:			
Property Taxes	6,428,588	0	6,428,588
Sales Taxes	4,599,207	0	4,599,207
Shared Revenues	2,311,657	0	2,311,657
Investment Earnings	336,429	0	336,429
Miscellaneous	945,500	0	945,500
Total revenues	<u>29,823,170</u>	<u>1,234,847</u>	<u>31,058,017</u>
Program Expenses			
General Government			
Legislative and Executive	7,089,635	0	7,089,635
Judicial	1,769,703	0	1,769,703
Public Safety	5,386,148	0	5,386,148
Public Works	2,226,958	0	2,226,958
Health	466,347	0	466,347
Human Services	11,960,600	0	11,960,600
Interest and Fiscal Charges	619,855	0	619,855
Sewer	0	956,011	956,011
Landfill	0	(250,562)	(250,562)
Total expenses	<u>29,519,246</u>	<u>705,449</u>	<u>30,224,695</u>
Change in Net Assets Before Transfers	303,924	529,398	833,322
Transfers	(797,113)	797,113	0
Total Change in Net Assets	(493,189)	1,326,511	833,322
Restated Beginning Net Assets	<u>34,413,110</u>	<u>1,400,148</u>	<u>35,813,258</u>
Ending Net Assets	<u>\$33,919,921</u>	<u>\$2,726,659</u>	<u>\$36,646,580</u>

Governmental Activities

Net assets of the County's governmental activities decreased by \$493,189. This was due mainly to decreases in State and Federal grants monies. Operating grants and contributions, which represent the largest program revenue totaled \$11,219,722. The major recipients of these program specific grants were Job and Family Services, Children's Services and the Mental Health Services Board.

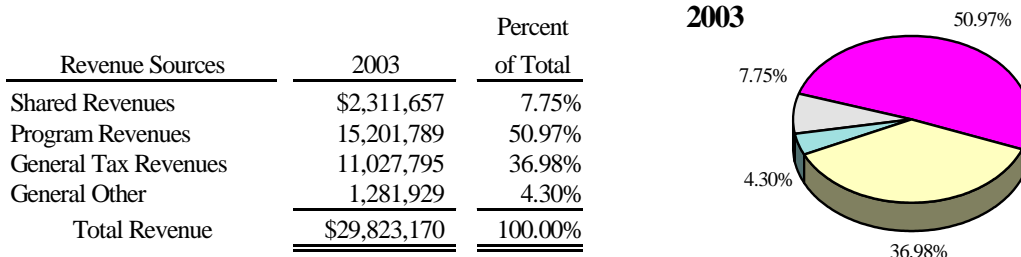
KNOX COUNTY, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2003**

Unaudited

Tax revenue accounts for \$11,027,795 of the \$29,823,170 in total revenues for governmental activities. Sales tax accounted for \$4,599,207, or approximately 41.7% of total tax revenue.

The County's direct charges to users of governmental services totaled \$3,324,131. This amount represents 11.1% of total revenues for governmental activities and 21.9% of program specific revenues.



Business-Type Activities

Net assets of the business-type activities increased by \$1,326,511. This is attributable to increases in charges received for water and wastewater treatment and a transfer of capital assets. These programs had revenues of \$1,234,847 and expenses of \$705,449 for fiscal year 2003. Business type activities receive no support from tax revenues and remain self-supporting.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

The County's governmental funds reported a combined fund balance of \$15,270,225 which is less than last year's total of \$16,538,268. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2003 and 2002.

	Fund Balance December 31, 2003	Fund Balance December 31, 2002	Increase (Decrease)
General	\$3,203,695	\$3,717,988	(\$514,293)
Public Assistance	1,216,428	1,837,510	(621,082)
Motor Vehicle and Gasoline Tax	680,592	607,826	72,766
Children Services Board	2,316,584	2,338,461	(21,877)
Mental Retardation	1,657,409	1,768,531	(111,122)
Other Governmental	6,195,517	6,267,952	(72,435)
Total	\$15,270,225	\$16,538,268	(\$1,268,043)

KNOX COUNTY, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2003**

Unaudited

General Fund – The County's General Fund balance remained relatively stable from fiscal year 2002 to 2003. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2003 Revenues	2002 Revenues	Increase (Decrease)
Taxes	\$6,718,779	\$5,906,936	\$811,843
Intergovernmental Revenues	1,524,591	1,568,185	(43,594)
Charges for Services	2,001,296	1,918,975	82,321
Licenses and Permits	6,235	5,191	1,044
Investment Earnings	296,752	318,814	(22,062)
Fines and Forfeitures	50,044	45,232	4,812
All Other Revenue	373,762	432,617	(58,855)
Total	\$10,971,459	\$10,195,950	\$775,509

General Fund revenues in 2003 increased approximately 7.6% compared to revenues in fiscal year 2002. This increase is the result of increases in taxes and charges for services. Tax revenues increased as a result of a real estate reappraisal, and an increase in recorder fees contributed to the increase in charges for services.

	2003 Expenditures	2002 Expenditures	Increase (Decrease)
General Government:			
Legislative and Executive	\$4,746,333	\$4,176,199	\$570,134
Judicial	1,575,402	1,562,077	13,325
Public Safety	3,115,895	2,829,880	286,015
Public Works	104,547	109,899	(5,352)
Health	180,346	124,286	56,060
Human Services	770,722	576,259	194,463
Conservation and Recreation	0	2,000	(2,000)
Capital Outlay	224,796	415,657	(190,861)
Debt Service:			
Principal Retirement	1,480	1,480	0
Interst and Fiscal Charges	318	318	0
Total	\$10,719,839	\$9,798,055	\$921,784

Expenditures increased by \$921,784 or 9.4% over the prior year. This is mainly the result of increases in the public safety and human services function. The increase in public safety was the result of the opening of a new jail facility. The large increase in human services can be attributed to increases in amounts for purchased services within the indigent fees department.

Public Assistance Fund – The County's Public Assistance Fund balance decreased by 33.8%. This decrease in fund balance was the result of decreases in state and federal grant monies received.

KNOX COUNTY, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2003

Unaudited

Motor Vehicle and Gasoline Tax Fund – The County's Motor Vehicle and Gasoline Tax Fund balance increased by 12%. This increase in fund balance was the result of a two-cent increase in gasoline taxes and state and federal grant monies received.

Children Services Board Fund – The fund balance reported in the Children Services Board Fund remained relatively stable, decreasing by only 1%.

Mental Retardation Fund – The fund balance reported in the Mental Retardation Fund decreased by 6.3%. This decrease in fund balance was the result of an increase in expenditures in the human services function.

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2003 the County amended its General Fund budget several times, none significant.

For the General Fund, budget basis revenue of \$10.8 million did not change over the original budget estimates of \$10.8 million. The General Fund had an adequate fund balance to cover expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2003 the County had \$29,138,437 net of accumulated depreciation invested in land, buildings, equipment, vehicles and infrastructure. Of this total, \$26,040,013 was related to governmental activities and \$3,098,424 to the business-type activities. The following table shows fiscal 2003 and 2002 balances:

	Governmental Activities		Increase (Decrease)
	2003	2002	
Land	\$930,259	\$930,259	\$0
Construction in Progress	0	665,815	(665,815)
Capital Assets not Being Depreciated	930,259	1,596,074	(665,815)
Buildings and Improvements	24,662,359	24,269,586	392,773
Vehicles	2,553,197	2,475,320	77,877
Machinery and Equipment	3,433,025	3,436,586	(3,561)
Computer Equipment	990,100	990,780	(680)
Infrastructure	2,082,736	0	2,082,736
Capital Assets Being Depreciated	33,721,417	31,172,272	2,549,145
Less: Accumulated Depreciation	(8,611,663)	(7,264,321)	(1,347,342)
Totals	\$26,040,013	\$25,504,025	\$535,988

KNOX COUNTY, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2003**

Unaudited

The primary increases occurred in infrastructure, which consists of the street and bridge projects the County is involved in. The County is currently reporting general infrastructure on a prospective basis only. The County will be required to report general infrastructure on a retroactive basis by 2008.

	Business-Type Activities		Increase (Decrease)
	2003	2002	
Land	\$236,839	\$236,839	\$0
Construction in Progress	0	0	0
Capital Assets Not Being Depreciated	236,839	236,839	0
Buildings and Improvements	819,190	901,956	(82,766)
Vehicles	172,425	172,572	(147)
Machinery and Equipment	1,052,891	370,816	682,075
Computer Equipment	37,545	31,506	6,039
Sewer Lines	2,009,927	2,009,927	0
Capital Assets Being Depreciated	4,091,978	3,486,777	605,201
Less: Accumulated Depreciation	(1,230,393)	(1,225,255)	(5,138)
Totals	\$3,098,424	\$2,498,361	\$600,063

The primary increases occurred in machinery and equipment. Of these increases to machinery and equipment, the largest portion was attributable to a new water storage tank. Additional information on the County's capital assets can be found in Note 10.

Debt

At December 31, 2003, the County had \$11.9 million in general obligation bonds outstanding, \$490,000 due within one year. The following table summarizes the County's debt outstanding as of December 31, 2003:

	2003	2002
Governmental Activities:		
General Obligation Bonds	\$11,910,000	\$12,385,000
Special Assessment Bonds	260,000	430,000
Installment Note Payable	175,000	230,000
Capital Leases Payable	7,757	10,832
Compensated Absences	811,447	784,110
Total Governmental Activities	13,164,204	13,839,942
Business-Type Activities:		
OWDA Loan Payable	72,705	74,498
Landfill Postclosure Care Liability	1,941,245	2,359,932
Compensated Absences	43,053	18,422
Total Business-Type Activities	2,057,003	2,452,852
Totals	\$15,221,207	\$16,292,794

Additional information on the County's long-term debt can be found in Note 18.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Although the 2004 budget is very conservative, the local business development in the county continues to grow. First-Knox National Bank expanded by adding a new bank branch office on the south side of Mount Vernon. The Marathon Oil Company and McDonald's combined to create a joint gas station / convenient store / fast food complex in the north end of Mount Vernon. Lowe's hardware store built a new structure and opened their doors in early 2004, as well as the former Quality Farm and Fleet building, being restored and now houses the Sears dealer and Dollar Tree with a Hong Kong buffet. Ruby Tuesdays, a restaurant and bar opened in early 2003 to add more dining for the Knox County area. The Tractor Supply Company has moved their store from the west side of Mount Vernon to the east side of Mount Vernon. It remodeled the old Kroger store and also houses the new China Buffet.

Knox County still has some empty buildings to be of concern for the future, like the old Big Bear grocery store and the vacant Tractor Supply Company building. We are working with the Knox County Area Development and Knox County Chamber of Commerce and are very optimistic about the future and with the rebounding of the economy; we do feel good about the future.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information contact Margaret Ann Ruhl, Auditor of Knox County.



KNOX COUNTY, OHIO

**Statement of Net Assets
December 31, 2003**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Knox New Hope Industries	Knox County Airport
Assets:					
Cash and Cash Equivalents	\$ 15,445,335	\$ 1,285,797	\$ 16,731,132	\$ 0	\$ 0
Cash and Cash Equivalents in Segregated Accounts	73,643	0	73,643	128,344	267,072
Cash and Cash Equivalents with Fiscal Agent	213,609	0	213,609	907	
Investments	0	0	0	201,028	0
Receivables:					
Taxes	7,510,057	0	7,510,057	0	0
Accounts	219,697	238,243	457,940	4,592	38,217
Intergovernmental	5,195,725	0	5,195,725	0	5,243
Interest	29,917	0	29,917	0	0
Special Assessments	250,210	119,913	370,123	0	0
Loans	104,259	0	104,259	0	0
Due from Component Unit	33,803	0	33,803	0	0
Loans Receivable from Component Unit	267,676	0	267,676	0	0
Inventory of Supplies at Cost	414,491	104,121	518,612	1,456	23,270
Prepaid Items	55,853	5,095	60,948	0	0
Capital Assets not Being Depreciated	930,259	236,839	1,167,098	0	779,159
Capital Assets Being Depreciated, net	25,109,754	2,861,585	27,971,339	41,483	1,077,708
Total Assets	55,854,288	4,851,593	60,705,881	377,810	2,190,669
Liabilities:					
Accounts Payable	601,569	8,478	610,047	2,605	15,028
Accrued Wages and Benefits	411,901	12,491	424,392	1,001	0
Intergovernmental Payable	317,627	8,864	326,491	0	0
Contracts Payable	162,935	38,098	201,033	0	0
Claims Payable	261,825	0	261,825	0	0
Retainage Payable	39,787	0	39,787	0	0
Matured Bonds and Interest Payable	48,379	0	48,379	0	0
Due to Primary Government	0	0	0	0	33,803
Deferred Revenue	6,876,207	0	6,876,207	0	0
Accrued Interest Payable	49,933	0	49,933	0	0
Long Term Liabilities:					
Due Within One Year	1,279,986	85,194	1,365,180	0	27,950
Due in More Than One Year	11,884,218	1,971,809	13,856,027	0	370,726
Total Liabilities	21,934,367	2,124,934	24,059,301	3,606	447,507
Net Assets:					
Invested in Capital Assets, Net of Related Debt	13,947,256	3,025,719	16,972,975	41,483	1,458,191
Restricted For:					
Capital Projects	2,675,521	0	2,675,521	0	0
Debt Service	586,428	0	586,428	0	0
Other Purposes	9,774,804	0	9,774,804	35,314	0
Unrestricted (Deficit)	6,935,912	(299,060)	6,636,852	297,407	284,971
Total Net Assets	\$ 33,919,921	\$ 2,726,659	\$ 36,646,580	\$ 374,204	\$ 1,743,162

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Activities
For the Year Ended December 31, 2003**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government:				
Legislative and Executive	\$ 7,089,635	\$ 1,791,213	\$ 610,946	\$ 71,166
Judicial	1,769,703	594,876	6,162	0
Public Safety	5,386,148	524,686	526,198	147,284
Public Works	2,226,958	34,775	3,569,979	439,486
Health	466,347	159,619	239,376	0
Human Services	11,960,600	218,962	6,267,061	0
Interest and Fiscal Charges	619,855	0	0	0
Total Governmental Activities	<u>29,519,246</u>	<u>3,324,131</u>	<u>11,219,722</u>	<u>657,936</u>
Business-Type Activities:				
Sewer District Fund	956,011	1,056,339	0	178,508
Landfill Fund	(250,562)	0	0	0
Total Business-Type Activities	<u>705,449</u>	<u>1,056,339</u>	<u>0</u>	<u>178,508</u>
Total Primary Government	<u>\$ 30,224,695</u>	<u>\$ 4,380,470</u>	<u>\$ 11,219,722</u>	<u>\$ 836,444</u>
Component Units:				
Knox New Hope Industries	\$ 149,898	\$ 128,606	\$ 0	\$ 21,316
Knox County Airport	375,697	347,146	47,000	48,817
Total Component Units	<u>\$ 525,595</u>	<u>\$ 475,752</u>	<u>\$ 47,000</u>	<u>\$ 70,133</u>
General Revenues				
Property Taxes Levied for:				
General Purposes				
Special Purposes				
Sales Tax				
Shared Revenues				
Investment Earnings				
Net Increase in Fair Value of Investments				
Unrestricted Contributions from Knox County				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Assets				
Restated Net Assets Beginning of Year				
Net Assets End of Year				

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

Net (Expense) Revenue and Changes in Net Assets			Component Units	
Governmental Activities	Business-Type Activities	Total	Knox New Hope Industries	Knox County Airport
\$ (4,616,310)	\$ 0	\$ (4,616,310)		
(1,168,665)	0	(1,168,665)		
(4,187,980)	0	(4,187,980)		
1,817,282	0	1,817,282		
(67,352)	0	(67,352)		
(5,474,577)	0	(5,474,577)		
(619,855)	0	(619,855)		
<u>(14,317,457)</u>	<u>0</u>	<u>(14,317,457)</u>		
0	278,836	278,836		
<u>0</u>	<u>250,562</u>	<u>250,562</u>		
<u>0</u>	<u>529,398</u>	<u>529,398</u>		
<u>(14,317,457)</u>	<u>529,398</u>	<u>(13,788,059)</u>		
			\$ 24	\$ 0
			<u>0</u>	<u>67,266</u>
			<u>24</u>	<u>67,266</u>
4,529,804	0	4,529,804	0	0
1,898,784	0	1,898,784	0	0
4,599,207	0	4,599,207	0	0
2,311,657	0	2,311,657	0	0
336,429	0	336,429	7,046	2,784
0	0	0	20,421	0
0	0	0	26,593	0
945,500	0	945,500	5,820	27,023
(797,113)	797,113	0	0	0
<u>13,824,268</u>	<u>797,113</u>	<u>14,621,381</u>	<u>59,880</u>	<u>29,807</u>
(493,189)	1,326,511	833,322	59,904	97,073
<u>34,413,110</u>	<u>1,400,148</u>	<u>35,813,258</u>	<u>314,300</u>	<u>1,646,089</u>
<u>\$ 33,919,921</u>	<u>\$ 2,726,659</u>	<u>\$ 36,646,580</u>	<u>\$ 374,204</u>	<u>\$ 1,743,162</u>

KNOX COUNTY, OHIO

**Balance Sheet
Governmental Funds
December 31, 2003**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Board
Assets:				
Cash and Cash Equivalents	\$ 3,486,578	\$ 1,028,250	\$ 204,637	\$ 2,461,758
Cash and Cash Equivalents in Segregated Accounts	7,839	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	3,811,523	0	0	1,023,534
Accounts	50,609	7,808	50	5,755
Intergovernmental	208,402	1,356,139	1,837,018	487,980
Interest	27,935	0	209	0
Special Assessments	0	0	0	0
Loans	0	0	0	0
Due from Other Funds	38,348	145,363	0	0
Interfund Receivable	7,000	0	0	0
Due from Component Unit	33,803	0	0	0
Loan Receivable from Component Unit	267,676	0	0	0
Inventory of Supplies, at Cost	3,923	0	410,568	0
Prepaid Items	34,225	8,347	0	0
Total Assets	\$ 7,977,861	\$ 2,545,907	\$ 2,452,482	\$ 3,979,027
Liabilities:				
Accounts Payable	\$ 118,985	\$ 87,850	\$ 129,893	\$ 33,510
Accrued Wages and Benefits Payable	147,788	57,038	37,922	16,799
Intergovernmental Payable	109,114	51,430	30,789	13,325
Contracts Payable	67,666	84,433	0	400
Retainage Payable	0	0	0	0
Matured Bonds and Interest Payable	0	0	0	0
Due to Other Funds	0	5,335	11,798	99,112
Interfund Payable	0	0	0	0
Deferred Revenue	4,330,613	1,043,393	1,561,488	1,499,297
Total Liabilities	4,774,166	1,329,479	1,771,890	1,662,443
Fund Balances:				
Reserved for Encumbrances	343,429	354,670	24,419	5,004
Reserved for Supplies Inventory	3,923	0	410,568	0
Reserved for Debt Service	0	0	0	0
Reserved for Loans Receivable	0	0	0	0
Reserve for Due From Component Unit	33,803	0	0	0
Reserved for Loan Receivable from Component Unit	267,676	0	0	0
Undesignated, Unreserved in:				
General Fund	2,554,864	0	0	0
Special Revenue Funds	0	861,758	245,605	2,311,580
Capital Projects Funds	0	0	0	0
Total Fund Balances	3,203,695	1,216,428	680,592	2,316,584
Total Liabilities and Fund Balances	\$ 7,977,861	\$ 2,545,907	\$ 2,452,482	\$ 3,979,027

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

Mental Retardation	Other Governmental Funds	Total Governmental Funds
\$ 1,654,086	\$ 6,315,084	\$ 15,150,393
0	65,804	73,643
0	11,588	11,588
1,518,822	1,156,178	7,510,057
96,770	35,995	196,987
300,461	1,005,725	5,195,725
0	1,480	29,624
0	250,210	250,210
0	104,259	104,259
0	0	183,711
0	13,000	20,000
0	0	33,803
0	0	267,676
0	0	414,491
11,799	1,482	55,853
<u>\$ 3,581,938</u>	<u>\$ 8,960,805</u>	<u>\$ 29,498,020</u>
\$ 43,137	\$ 188,194	\$ 601,569
91,463	60,891	411,901
67,684	45,285	317,627
0	10,436	162,935
0	39,787	39,787
0	48,379	48,379
0	67,466	183,711
0	20,000	20,000
1,722,245	2,284,850	12,441,886
<u>1,924,529</u>	<u>2,765,288</u>	<u>14,227,795</u>
45,751	310,705	1,083,978
0	0	414,491
0	654,229	654,229
0	104,259	104,259
0	0	33,803
0	0	267,676
0	0	2,554,864
1,611,658	3,018,944	8,049,545
0	2,107,380	2,107,380
<u>1,657,409</u>	<u>6,195,517</u>	<u>15,270,225</u>
<u>\$ 3,581,938</u>	<u>\$ 8,960,805</u>	<u>\$ 29,498,020</u>

KNOX COUNTY, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Assets Of Governmental Activities
December 31, 2003***

Total Governmental Fund Balances		\$ 15,270,225
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		26,040,013
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		5,565,679
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		258,141
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(11,910,000)	
Special Assessment Bonds Payable	(260,000)	
Compensated Absences Payable	(811,447)	
Capital Lease Payable	(7,757)	
Installment Note Payable	(175,000)	
Accrued Interest Payable	(49,933)	
		<u>(13,214,137)</u>
<i>Net Assets of Governmental Activities</i>		<u><u>\$ 33,919,921</u></u>

See accompanying notes to the basic financial statements



KNOX COUNTY, OHIO**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Board
Revenues:				
Taxes	\$ 6,718,779	\$ 0	\$ 631,195	\$ 897,012
Intergovernmental Revenues	1,524,591	3,933,960	3,438,702	1,327,191
Charges for Services	2,001,296	0	4,953	23,990
Licenses and Permits	6,235	0	0	0
Investment Earnings	296,752	0	4,752	0
Special Assessments	0	0	0	0
Fines and Forfeitures	50,044	0	14,450	0
All Other Revenue	373,762	165,725	41,730	21,256
Total Revenue	10,971,459	4,099,685	4,135,782	2,269,449
Expenditures:				
Current:				
General Government:				
Legislative and Executive	4,746,333	0	0	0
Judicial	1,575,402	0	0	0
Public Safety	3,115,895	0	0	0
Public Works	104,547	0	4,118,617	0
Health	180,346	0	0	0
Human Services	770,722	4,416,537	0	2,291,326
Capital Outlay	224,796	0	0	0
Debt Service:				
Principal Retirement	1,480	0	1,595	0
Interest and Fiscal Charges	318	0	346	0
Total Expenditures	10,719,839	4,416,537	4,120,558	2,291,326
Excess (Deficiency) of Revenues Over (Under) Expenditures	251,620	(316,852)	15,224	(21,877)
Other Financing Sources (Uses):				
Transfers In	223,181	0	0	0
Transfers Out	(990,712)	(304,230)	0	0
Total Other Financing Sources (Uses)	(767,531)	(304,230)	0	0
Net Change in Fund Balances	(515,911)	(621,082)	15,224	(21,877)
Fund Balances at Beginning of Year	3,717,988	1,837,510	607,826	2,338,461
Increase in Inventory Reserve	1,618	0	57,542	0
Fund Balances End of Year	\$ 3,203,695	\$ 1,216,428	\$ 680,592	\$ 2,316,584

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

	Mental Retardation	Other Governmental Funds	Total Governmental Funds
\$	1,312,941	\$ 2,043,221	\$ 11,603,148
	1,652,719	2,551,036	14,428,199
	51,141	1,033,759	3,115,139
	0	116,423	122,658
	0	31,169	332,673
	0	232,199	232,199
	0	24,998	89,492
	2,710	340,317	945,500
	<u>3,019,511</u>	<u>6,373,122</u>	<u>30,869,008</u>
	0	1,237,122	5,983,455
	0	183,997	1,759,399
	0	1,837,125	4,953,020
	0	0	4,223,164
	0	225,361	405,707
	3,130,633	1,243,939	11,853,157
	0	1,314,472	1,539,268
	0	700,000	703,075
	0	622,333	622,997
	<u>3,130,633</u>	<u>7,364,349</u>	<u>32,043,242</u>
	(111,122)	(991,227)	(1,174,234)
	0	1,755,173	1,978,354
	0	(836,381)	(2,131,323)
	0	918,792	(152,969)
	(111,122)	(72,435)	(1,327,203)
	1,768,531	6,267,952	16,538,268
	0	0	59,160
\$	<u>1,657,409</u>	<u>\$ 6,195,517</u>	<u>\$ 15,270,225</u>

KNOX COUNTY, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Year Ended December 31, 2003***

Net Change in Fund Balances - Total Governmental Funds \$ (1,327,203)

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlay	2,164,624	
Depreciation Expense	<u>(1,587,120)</u>	
		577,504

Governmental Funds only report the disposal of assets to the extent proceeds are received from sale. In the statement of activities, a gain or loss is reported for each disposal.

This is the amount of the loss on the disposal of capital assets net of proceeds received.	<u>(41,516)</u>	(41,516)
--	-----------------	----------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (1,049,594)

The issuance of long-term debt provides current financial resources to governmental funds, but has not effect on net assets. In addition, the payment of bond principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net assets.

General Obligation Bond Principal Payment	475,000	
Special Assessment Bond Principal Payment	170,000	
Capital Lease Principal Payment	3,075	
Installment Loan Principal Payment	<u>55,000</u>	
		703,075

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 3,142

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences	(27,337)	
Change in Inventory	<u>59,160</u>	
		31,823

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 609,580

Change in Net Assets of Governmental Activities \$ (493,189)

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 6,309,400	\$ 6,309,400	\$ 6,719,357	\$ 409,957
Intergovernmental Revenues	1,555,000	1,555,000	1,518,429	(36,571)
Charges for Services	1,837,900	1,837,900	2,031,806	193,906
Licenses and Permits	5,650	5,650	6,235	585
Investment Earnings	900,000	900,000	321,069	(578,931)
Fines and Forfeitures	42,000	42,000	49,263	7,263
All Other Revenues	179,345	179,345	257,912	78,567
Total Revenues	<u>10,829,295</u>	<u>10,829,295</u>	<u>10,904,071</u>	<u>74,776</u>
Expenditures:				
General Government - Legislative and Executive	5,445,904	6,219,343	5,408,699	810,644
General Government - Judicial	1,629,733	1,676,931	1,633,358	43,573
Public Safety	3,445,628	3,208,595	3,190,744	17,851
Public Works	603,085	299,857	107,619	192,238
Health	142,060	145,241	133,344	11,897
Human Services	701,082	768,127	768,011	116
Conservation and Recreation	8,657	8,657	0	8,657
Capital Outlay	229,006	229,006	229,006	0
Total Expenditures	<u>12,205,155</u>	<u>12,555,757</u>	<u>11,470,781</u>	<u>1,084,976</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,375,860)	(1,726,462)	(566,710)	1,159,752
Other Financing Sources (Uses):				
Other Financing Sources	288,598	288,598	311,054	22,456
Other Financing Uses	(236,350)	(258,397)	(197,209)	61,188
Transfers In	50,000	50,000	208,000	158,000
Transfers Out	(68,685)	(826,747)	(822,562)	4,185
Advances In	0	0	300,000	300,000
Total Other Financing Sources (Uses)	<u>33,563</u>	<u>(746,546)</u>	<u>(200,717)</u>	<u>545,829</u>
Net Change in Fund Balance	(1,342,297)	(2,473,008)	(767,427)	1,705,581
Fund Balance at Beginning of Year	2,970,393	2,970,393	2,970,393	0
Prior Year Encumbrances	407,251	407,251	407,251	0
Fund Balance at End of Year	<u>\$ 2,035,347</u>	<u>\$ 904,636</u>	<u>\$ 2,610,217</u>	<u>\$ 1,705,581</u>

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Public Assistance Fund
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 8,253,298	\$ 8,253,298	\$ 4,557,588	\$ (3,695,710)
All Other Revenues	236,702	236,702	272,228	35,526
Total Revenues	<u>8,490,000</u>	<u>8,490,000</u>	<u>4,829,816</u>	<u>(3,660,184)</u>
Expenditures:				
Human Services	7,031,537	7,545,485	4,808,480	2,737,005
Total Expenditures	<u>7,031,537</u>	<u>7,545,485</u>	<u>4,808,480</u>	<u>2,737,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,458,463	944,515	21,336	(923,179)
Other Financing Sources (Uses):				
Transfers Out	(304,230)	(304,230)	(304,230)	0
Total Other Financing Sources (Uses)	<u>(304,230)</u>	<u>(304,230)</u>	<u>(304,230)</u>	<u>0</u>
Net Change in Fund Balance	1,154,233	640,285	(282,894)	(923,179)
Fund Balance at Beginning of Year	620,692	620,692	620,692	0
Prior Year Encumbrances	386,014	386,014	386,014	0
Fund Balance at End of Year	<u>\$ 2,160,939</u>	<u>\$ 1,646,991</u>	<u>\$ 723,812</u>	<u>\$ (923,179)</u>

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 620,000	\$ 620,000	\$ 631,195	\$ 11,195
Intergovernmental Revenues	3,150,000	3,305,000	3,449,756	144,756
Charges for Services	0	0	4,905	4,905
Investment Earnings	3,000	3,000	4,840	1,840
Fines and Forfeitures	12,000	12,000	15,424	3,424
All Other Revenues	76,500	76,500	42,089	(34,411)
Total Revenues	<u>3,861,500</u>	<u>4,016,500</u>	<u>4,148,209</u>	<u>131,709</u>
Expenditures:				
Public Works	3,935,000	4,154,936	4,139,763	15,173
Total Expenditures	<u>3,935,000</u>	<u>4,154,936</u>	<u>4,139,763</u>	<u>15,173</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,500)	(138,436)	8,446	146,882
Fund Balance at Beginning of Year	73,955	73,955	73,955	0
Prior Year Encumbrances	64,482	64,482	64,482	0
Fund Balance at End of Year	<u>\$ 64,937</u>	<u>\$ 1</u>	<u>\$ 146,883</u>	<u>\$ 146,882</u>

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Children Services Board Fund
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 867,100	\$ 867,100	\$ 897,012	\$ 29,912
Intergovernmental Revenues	1,910,345	1,910,345	1,546,777	(363,568)
Charges for Services	93,655	93,655	23,990	(69,665)
All Other Revenues	3,000	3,000	4,920	1,920
Total Revenues	<u>2,874,100</u>	<u>2,874,100</u>	<u>2,472,699</u>	<u>(401,401)</u>
Expenditures:				
Human Services	<u>2,576,000</u>	<u>2,730,751</u>	<u>2,353,665</u>	<u>377,086</u>
Total Expenditures	<u>2,576,000</u>	<u>2,730,751</u>	<u>2,353,665</u>	<u>377,086</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	298,100	143,349	119,034	(24,315)
Fund Balance at Beginning of Year	2,321,562	2,321,562	2,321,562	0
Prior Year Encumbrances	<u>7,751</u>	<u>7,751</u>	<u>7,751</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,627,413</u>	<u>\$ 2,472,662</u>	<u>\$ 2,448,347</u>	<u>\$ (24,315)</u>

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Mental Retardation Fund
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,373,100	\$ 1,373,100	\$ 1,312,941	\$ (60,159)
Intergovernmental Revenues	1,519,145	1,519,146	1,581,855	62,709
Charges for Services	35,000	35,000	51,141	16,141
All Other Revenues	1,000	1,000	1,968	968
Total Revenues	<u>2,928,245</u>	<u>2,928,246</u>	<u>2,947,905</u>	<u>19,659</u>
Expenditures:				
Human Services	5,817,160	5,867,807	4,308,851	1,558,956
Total Expenditures	<u>5,817,160</u>	<u>5,867,807</u>	<u>4,308,851</u>	<u>1,558,956</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,888,915)	(2,939,561)	(1,360,946)	1,578,615
Other Financing Sources (Uses):				
Other Financing Sources	1,091,954	1,091,954	1,128,825	36,871
Total Other Financing Sources (Uses)	<u>1,091,954</u>	<u>1,091,954</u>	<u>1,128,825</u>	<u>36,871</u>
Net Change in Fund Balance	(1,796,961)	(1,847,607)	(232,121)	1,615,486
Fund Balance at Beginning of Year	1,796,961	1,796,961	1,796,961	0
Prior Year Encumbrances	50,646	50,646	50,646	0
Fund Balance at End of Year	<u>\$ 50,646</u>	<u>\$ 0</u>	<u>\$ 1,615,486</u>	<u>\$ 1,615,486</u>

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Net Assets
Proprietary Funds
December 31, 2003**

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer District	Landfill	Total	Activities- Internal Service Fund
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 1,223,083	\$ 62,714	\$ 1,285,797	\$ 294,942
Cash and Cash Equivalents with Fiscal Agent	0	0	0	202,021
Receivables:				
Accounts	238,243	0	238,243	22,710
Interest	0	0	0	293
Special Assessments	119,913	0	119,913	0
Inventory of Supplies at Cost	104,121	0	104,121	0
Prepaid Items	5,095	0	5,095	0
Total Current Assets	1,690,455	62,714	1,753,169	519,966
Noncurrent Assets:				
Capital Assets not Being Depreciated	93,675	143,164	236,839	0
Capital Assets being Depreciated, net	2,861,585	0	2,861,585	0
Total Noncurrent Assets	2,955,260	143,164	3,098,424	0
Total Assets	4,645,715	205,878	4,851,593	519,966
Liabilities:				
Current Liabilities:				
Accounts Payable	8,478	0	8,478	0
Accrued Wages and Benefits	12,491	0	12,491	0
Intergovernmental Payable	8,864	0	8,864	0
Contracts Payable	38,098	0	38,098	0
Claims Payable	0	0	0	261,825
OWDA Loans Payable - Current	1,894	0	1,894	0
Landfill Postclosure Care Liability - Current	0	83,300	83,300	0
Total Current Liabilities	69,825	83,300	153,125	261,825
Noncurrent Liabilities				
Compensated Absences Payable	43,053	0	43,053	0
OWDA Loans Payable	70,811	0	70,811	0
Landfill Postclosure Care Liability	0	1,857,945	1,857,945	0
Total Noncurrent Liabilities	113,864	1,857,945	1,971,809	0
Total Liabilities	183,689	1,941,245	2,124,934	261,825
Net Assets:				
Invested in Capital Assets, net of related debt	2,882,555	143,164	3,025,719	0
Unrestricted	1,579,471	(1,878,531)	(299,060)	258,141
Total Net Assets	\$ 4,462,026	\$ (1,735,367)	\$ 2,726,659	\$ 258,141

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2003**

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer District	Landfill	Total	Activities- Internal Service Fund
Operating Revenues:				
Charges for Services	\$ 898,197	\$ 0	\$ 898,197	\$ 3,667,308
Tap In Fees	117,957	0	117,957	0
Other Operating Revenue	25,004	0	25,004	0
Total Operating Revenues	1,041,158	0	1,041,158	3,667,308
Operating Expenses:				
Personal Services	510,981	0	510,981	0
Contractual Services	218,367	(250,562)	(32,195)	254,399
Materials and Supplies	88,727	0	88,727	0
Depreciation	108,428	0	108,428	0
Other Operating Expenses	25,390	0	25,390	0
Health Insurance Claims	0	0	0	2,928,010
Total Operating Expenses	951,893	(250,562)	701,331	3,182,409
Operating Income	89,265	250,562	339,827	484,899
Nonoperating Revenue (Expenses):				
Investment Earnings	15,181	0	15,181	3,756
Interest Expense	(4,118)	0	(4,118)	0
Other Nonoperating Revenue	0	0	0	120,954
Other Nonoperating Expense	0	0	0	(29)
Total Nonoperating Revenues (Expenses)	11,063	0	11,063	124,681
Income Before Contributions and Transfers	100,328	250,562	350,890	609,580
Capital Contributions - Tap in Fees	178,508	0	178,508	0
Capital Contributions	644,144	0	644,144	0
Transfers In	0	168,150	168,150	0
Transfers Out	(15,181)	0	(15,181)	0
Change in Net Assets	907,799	418,712	1,326,511	609,580
Restated Net Assets Beginning of Year	3,554,227	(2,154,079)	1,400,148	(351,439)
Net Assets End of Year	<u>\$ 4,462,026</u>	<u>\$ (1,735,367)</u>	<u>\$ 2,726,659</u>	<u>\$ 258,141</u>

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2003**

	Business Type Activities - Enterprise Funds			Governmental-
	Sewer District	Landfill	Totals	Activities Internal Service Fund
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$968,315	\$0	\$968,315	\$0
Cash Received from Quasiexternal Transactions with Other Funds	0	0	0	3,645,631
Cash Payments to Suppliers for Goods and Services	(296,464)	(168,150)	(464,614)	(254,536)
Cash Payments to Employees for Service	(485,694)	0	(485,694)	0
Cash Payments for Claims	0	0	0	(3,027,594)
Other Operating Receipts	19,234	0	19,234	120,954
Net Cash Provided (Used) for Operating Activities	205,391	(168,150)	37,241	484,455
<u>Cash Flows from Noncapital and Related Financing Activities:</u>				
Transfers In	0	168,150	168,150	0
Transfers Out	(15,181)	0	(15,181)	0
Repayment of Advance to Other Funds	0	0	0	(300,000)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(15,181)	168,150	152,969	(300,000)
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Receipt of Special Assessments	9,301	0	9,301	0
Contributed Capital from Tap-In Fees	178,508	0	178,508	0
Acquisition of Capital Assets	(64,349)	0	(64,349)	0
Principal Paid on Ohio Water Development Loan Payable	(1,793)	0	(1,793)	0
Interest Paid on Debt	(4,118)	0	(4,118)	0
Net Cash Provided for Capital and Related Financing Activities	117,549	0	117,549	0
<u>Cash Flows from Investing Activities:</u>				
Receipts of Interest	15,181	0	15,181	3,463
Net Cash Provided by Investing Activities	15,181	0	15,181	3,463
Net Increase in Cash and Cash Equivalents	322,940	0	322,940	187,918
Cash and Cash Equivalents at Beginning of Year	900,143	62,714	962,857	309,045
Cash and Cash Equivalents at End of Year	\$1,223,083	\$62,714	\$1,285,797	\$496,963

(Continued)

KNOX COUNTY, OHIO

	<u>Business Type Activities - Enterprise Funds</u>			Governmental-
	<u>Sewer District</u>	<u>Landfill</u>	<u>Totals</u>	<u>Activities Internal Service Fund</u>
<u>Reconciliation of Operating Income to Net Cash Provided (Used) for Operating Activities:</u>				
Operating Income	\$89,265	\$250,562	\$339,827	\$484,899
Adjustments to Reconcile Operating Income to Net Cash Provided for Operating Activities:				
Depreciation Expense	108,428	0	108,428	0
Miscellaneous Nonoperating Revenue	0	0	0	120,954
Miscellaneous Nonoperating Expense	0	0	0	(29)
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	(49,464)	0	(49,464)	(21,677)
Decrease in Inventory	16,678	0	16,678	0
Increase in Prepaid Items	(1,139)	0	(1,139)	0
Decrease in Accounts Payable	(10,613)	0	(10,613)	(108)
Increase in Contracts Payable	31,094	0	31,094	0
Increase in Accrued Wages and Benefits	4,027	0	4,027	0
Decrease in Closure and Postclosure Care Payable	0	(418,687)	(418,687)	0
Decrease in Intergovernmental Payable	(3,371)	(25)	(3,396)	0
Increase in Compensated Absences	24,631	0	24,631	0
Decrease in Deferred Revenue	(4,145)	0	(4,145)	0
Decrease in Claims Payable	0	0	0	(99,584)
Total Adjustments	<u>116,126</u>	<u>(418,712)</u>	<u>(302,586)</u>	<u>(444)</u>
Net Cash Provided (Used) for Operating Activities	<u>\$205,391</u>	<u>(\$168,150)</u>	<u>\$37,241</u>	<u>\$484,455</u>

Schedule of Noncash Investing, Capital and Financing Activities:

During 2003 the Sewer District Fund received capital contributions from another fund of \$644,144.

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Net Assets
Fiduciary Funds
December 31, 2003**

	<u>Agency</u>
Assets:	
Cash and Cash Equivalents	\$ 3,659,889
Cash and Cash Equivalents in Segregated Accounts	298,131
Receivables:	
Taxes	48,206,249
Accounts	5,269
Special Assessments	255,980
Due from Other Governments	<u>2,770,810</u>
Total Assets	<u>55,196,328</u>
Liabilities:	
Due to Other Governments	53,729,644
Undistributed Monies	291,166
Due to Others	<u>1,175,518</u>
Total Liabilities	<u>55,196,328</u>
Total Net Assets	<u>\$ 0</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 1 - REPORTING ENTITY

Knox County, Ohio (The County) was created in 1808. The County is governed by a board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the county auditor, treasurer, recorder, clerk of courts, coroner, engineer, prosecuting attorney, sheriff, a common pleas court judge, and a probate/juvenile court judge. The county commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body and the chief administrators of public services for the County, including each of these departments.

The reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements of the County are not misleading.

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Knox County this includes the children services board, the board of mental retardation and developmental disabilities, the human services department and all departments and activities that are operated directly by the elected County officials.

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

The County participates in the **County Risk Sharing Authority (CORSA)**, a public entity risk sharing pool among thirty-three counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/self-insurance Program, a group primary and excess insurance/self-insurance and risk management program.

The County participates in the **County Commissioners Association of Workers' Compensation Group Rating Plan** established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool.

Joint Ventures:

The County participates in three joint ventures with other Ohio local governments.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 1 - REPORTING ENTITY (Continued)

Emergency Management Agency

The Emergency Management Agency is a joint venture among the County, twenty-two townships located within the County, six villages and one corporation.

Alcohol and Drug Addiction and Mental Health Board (ADAMH)

The ADAMH Board is a joint venture between Knox and Licking counties. The headquarters for the Mental Health Board is in Licking County.

Eastern Ohio Housing Corporation

The Knox County Department of Mental Retardation and Developmental Disabilities contracts with the Eastern Ohio Housing Authority to develop dwellings and provide affordable housing for persons with disabilities.

Jointly Governed Organizations:

The County participates in four jointly governed organizations with other Ohio local governments.

Joint Solid Waste District

The Joint Solid Waste District is a jointly governed organization among Delaware, Knox, Marion, and Morrow Counties. The purpose of the district is to make disposal of waste in the four county area more comprehensive in terms of recycling and land filling.

Mid Eastern Ohio Regional Council (MEORC)

MEORC is a jointly governed organization among fourteen county departments of mental retardation and developmental disabilities in Ohio.

Licking-Muskingum Community Based Correctional Facility (CBCF)

CBCF is a jointly governed organization among four counties. The purpose is to offer treatment, education, work and other rehabilitation services to convicted felons.

Morrow-Ashland-Richland-Knox Job Training Partnership Act (MARK-JTPA)

MARK-JTPA is a jointly governed organization among four counties. The purpose of MARK-JTPA is to administer a federal grant received by each of the four counties.

Further information regarding these joint ventures and jointly governed organizations is presented in Note 11 and Note 12.

Related Organizations:

Mid Ohio Transit Authority (M.O.T.A.)

One Commissioner is appointed to the total of a four person governing board of M.O.T.A. The Commissioners cannot influence M.O.T.A.'s operation nor does M.O.T.A. represent a potential financial benefit for or burden of the County. M.O.T.A. did receive funding in the amount of \$40,000 for 2003.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 1 - REPORTING ENTITY (Continued)

Public Library of Mount Vernon and Knox County

The Commissioners and Judge of Knox County Common Pleas appoints the governing board of the Library, however, the Commissioners and Judge cannot influence the Library's operation nor does the Library represent a potential financial benefit for or burden on the County. The Commissioners serve in a ministerial capacity as a taxing authority for the Library. Once the Library Board determines to present a levy to the voters, including the determination of its rate and duration, the Commissioners must place the levy on the ballot. The Library determines its own budget. The library did not receive any funding from the County during 2003.

Discretely Presented Component Units:

The component unit columns in the financial statements identify the financial data of the County's component units, Knox New Hope Industries, Inc. and Knox County Airport. They are reported separately to emphasize that they are legally separate from the County.

Knox New Hope Industries, Incorporated (the Workshop) is a non-profit workshop that consists of a Board of Trustees with expertise in industry, labor, education, civil administration, mental retardation and/or developmental disabilities. The Workshop provides employment, vocational training, occupational counseling and evaluation. Knox County Board of Mental Retardation and Developmental Disabilities provides for certain administrative costs of the Workshop with no charge to them. These costs are approved by the County Commissioners as part of the County Board of Mental Retardation and Developmental Disabilities' budget. Based on the significant services and resources provided by the County to the Workshop and the Workshop's sole purpose of providing assistance to the retarded and handicapped adults of Knox County, the Workshop is reflected as a component unit of Knox County because it would be misleading to exclude them.

Knox County Airport is situated on County owned land, and it is operated by a County appointed authority. The County has issued debt on behalf of the airport for the construction of hangar bays and storage buildings as well as the purchase of land. The Airport is reflected as a component unit of the County.

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

Knox County General Health District is governed by a five member board of health which oversees the operation of the health district and is elected by a regional advisory council. The board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

Knox County Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the State. The five supervisors of the Soil and Water Conservation District are appointed by elected officials and authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, hire and fire staff, and do not rely on the County to finance deficits.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources. The County also applies pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989, to its proprietary funds unless they contradict or conflict with GASB pronouncements. The information generally relates to the primary government. Information related to the Workshop and the Airport is specifically identified.

A. Basis of Presentation - Fund Accounting

The accounting system is organized and operated 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 basic financial statements. The following fund types are used by the County:

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the County's major governmental funds:

General Fund

The General Fund is used to account for all financial resources of the County except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Public Assistance Fund

This fund is used to account for various federal and state grants as well as transfers from the general fund used to provide public assistance to general relief recipients and to pay their providers of medical assistance, and for certain public social services.

Motor Vehicle and Gas Tax Fund

This fund is used to account for revenues derived from the sale of motor vehicle license, gasoline taxes and interests. Expenditures are restricted by state law to county road and bridge construction, maintenance and repairs. The County engineer currently expends the majority of the revenues for repairs.

Children Services Board Fund

The fund accounts for money from a tax levy, federal and state grants, support collection and social security. Major expenditures are for a boys' group home, emergency shelters, medical treatment, school supplies, counseling and parental training.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Mental Retardation Fund

The fund accounts for money received from a County-wide property tax levy and several federal and state grants and subsidies.

The other governmental funds of the County account for grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital facilities.

Proprietary Fund Types:

Proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. The following are the County's proprietary fund types:

Enterprise Funds

The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The following are the County's major enterprise funds:

Sewer District Fund – The Fund that accounts for provision of sewer and water services

Landfill Fund – The Fund that accounts for fees collected for the operation of sanitary landfill.

Internal Service Fund

The internal service fund is used to account for the County's self-insurance activity. Employee medical benefits are provided by the self-insurance fund to other County departments on a cost reimbursement basis.

Fiduciary Fund Types:

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, investment trust funds, private purpose trust funds, and agency funds. The County's only fiduciary fund type is its agency funds. The County's agency funds hold assets such as property and other taxes as well as other intergovernmental resources that have been collected by the County and will be distributed to other taxing districts located within the County. The County's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or accounts of operations.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function or program of the County’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements – Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the County is thirty days after year end. In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: earnings on investments, sales tax (see Note 8), federal and state grants and subventions, and charges for current services. Major revenue sources not susceptible to accrual include licenses and permits, and fines and forfeitures, which are not considered measurable until received.

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

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

The County reports deferred revenues on its balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized. Special assessments are recorded as deferred revenue because they do not meet the availability criteria. Property taxes measurable as of December 31, 2003, and delinquent property taxes, whose availability is indeterminable and which are intended to finance 2004 operations, have also been recorded as deferred revenue.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Principal and interest on general and special assessment long-term debt are recorded as fund liabilities when due, and costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds, and the agency funds. Revenues are recognized when they are earned and expenses are recognized when incurred. Unbilled service charges receivable are recognized as revenue at year end.

Component Units

The Workshop and the Knox County Airport use the full accrual basis of accounting similar to the proprietary funds of the County.

D. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources, and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are required to be budgeted and appropriated. The Workshop, Airport and nine funds of the County are being reported as part of the statements prepared using generally accepted accounting principles but were not budgeted by the County because they are outside of the appropriated budget and do not maintain separate budgetary financial records. The funds are Commissary, Revolving Loan, Law Enforcement, Drug Abuse Resistance Education, Calendar, Drug Enforcement, Work Release and LE Cadets Special Revenue Funds and Landfill Development Enterprise Fund. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the County Commissioners.

Tax Budget

A budget of estimated revenue and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the County must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate may be further amended during the year if the County Auditor determines that more or less revenue will be received than originally estimated. The amounts reported on the budgetary statements include the amounts on the original official certificate of estimated resources and the amounts in the final amended official certificate of estimated resources issued during 2003.

Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1 of each year for the period of January 1 to March 31. An annual appropriation resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund, department, and object level, the legal level of control. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may only be modified during the year by a resolution of the Commissioners. During 2003, supplemental appropriation resolutions were passed. The budget figures which appear in the statement of budgetary comparison represent the original and the final appropriations amount including all amendments and modifications.

Lapsing of Appropriations

At the close of the 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 need not be re-appropriated.

Budgetary Basis of Accounting

While reporting financial position, results of operations and changes in fund balance/net assets on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Revised Code prohibits expenditures plus encumbrances from exceeding appropriations.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statements of Revenues, Expenditures, and Changes in Fund Balances, Budget and Actual (Non GAAP Budgetary Basis), are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures/expenses (budget basis) rather than as reservation of fund balance for governmental fund types (GAAP basis).
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

A reconciliation of results of operations on the GAAP basis to the budget basis appears in Note 4.

E. Cash and Cash Equivalents and Investments

To improve cash management, cash received by the County Treasurer is pooled in a central bank account. Moneys for all funds, including proprietary funds, are maintained in this account or are temporarily used to purchase short term investments. Individual fund integrity is maintained through the County's records. Interest revenue earned by the primary government during 2003 amounted to \$351,610.

The County has invested funds in the STAR Ohio during 2003. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2003.

For purposes of the statement of cash flows and for presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less are considered to be cash equivalents.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Inventories

Inventories of governmental funds are valued at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis, and is expensed when used.

Reported supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

Component Units

Inventory of the Workshop and the Knox County Airport is valued at the lower of cost or market on a first-in, first-out basis and is expensed when used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2003, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it is consumed.

H. Capital Assets and Depreciation

Capital assets are defined by the County as assets with an initial, individual cost of more than \$1,000 except for land and computer hardware, in which all are capitalized.

1. Property, Plant and Equipment – Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements. The County is currently reporting general infrastructure on a prospective basis only. The County will be required to report general infrastructure on a retroactive basis by 2008.

Donated capital assets are recorded at fair market value at the date received. Capital asset values were determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing current market costs back to the estimated year of acquisition.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds, and component units, are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Donated capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

Depreciation has been provided on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Primary Government</u>	<u>Workshop</u>	<u>Airport</u>
Buildings and Improvements	10-50 Years	N/A	10-50 Years
Machinery and Equipment	5-30 Years	5 Years	5-30 Years
Vehicles	5-10 Years	3 Years	5 Years
Computer Equipment	5 Years	N/A	5 Years
Sewer and Water Lines	50 Years	N/A	N/A
Infrastructure	12-50 Years	N/A	N/A
Shop Equipment	N/A	7 Years	N/A
Runway	N/A	N/A	50 Years

I. Compensated Absences

The County complies with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that the benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. In proprietary funds, and the government-wide Statement of Net Assets, the entire amount of compensated absences is reported as a fund liability. In the government-wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Debt

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bond	Bond Retirement Fund
Special Assessment Bond	Bond Retirement Fund
Compensated Absences	General Fund, Public Assistance Fund, Motor Vehicle and Gas Tax Fund, Children Services Board Fund, Mental Retardation Fund, Dog and Kennel Fund, Probate Juvenile Special Projects Fund, After Hours Probation Fund, Juvenile Court Social Workers Fund, Delinquent Tax Assessment Fund, VOCA and SVAA Grant Fund, Byrne Drug Court Fund, 911 Emergency Calling System Fund, Youth Service Grant Fund, Emergency Management Agency Fund, Sewer District Fund

K. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net Assets restricted for Other Purposes include programs for street and highway improvements, federal grants for public safety and mandatory fines for various court programs.

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

L. Interfund Activity

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

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Reservations of Fund Balance

Reservations of fund balance indicate that a portion of the balance is not available for expenditure or is legally segregated for a specific future use. Balances are reserved for inventories of materials and supplies, prepaid items, loan receivables, due from component units, debt service and encumbered amounts not accrued at year end in the governmental funds.

N. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are sewer and water treatment and distribution, and interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

O. Risk Management

The County provides insurance coverage combined with its own risk management activities to organizations outside its reporting entity, however, the County is by far the predominant participant and the activity is reported as an internal service fund.

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE

A. Changes in Accounting Principles

For fiscal year 2003, the County has implemented GASB Statement No. 34, "*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Government*," GASB Statement No. 37, "*Basic Financial Statements for State and Local Governments: Omnibus*"; GASB Statement No. 38, "*Certain Financial Statement Note Disclosures*"; and GASB Interpretation No. 6, "*Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statement*." At December 31, 2002, there was no effect on fund balance as a result of implementing GASB Statements 36, 37 and 38, or Interpretation No. 6.

GASB 34 creates new basic financial statements for reporting on the County’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE (Continued)

The government-wide financial statements split the County's programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 2002, caused by the elimination of the internal service fund and the conversion to the accrual basis of accounting.

B. Prior Period Adjustments and Restatement of Fund Balance/Net Assets

During the year ended December 31, 2003, the County discovered an accounting error in the Special Assessment Receivable. The correction of the accounting error resulted in the restatement of the net assets at December 31, 2002 for the enterprise funds as follows.

The changes to the beginning net assets/fund balance, as well as the transition from fund balance to net assets of the governmental activities and the business-type activities are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Fund Balance/Net Assets		
December 31, 2002	\$16,538,268	(\$2,155,415)
Prior Period Adjustments:		
Restate Special Assessment Receivable	<u>0</u>	<u>(63,284)</u>
Restated Fund Balance/Net Assets		
December 31, 2002	<u>16,538,268</u>	<u>(2,218,699)</u>
GASB 34 Adjustments:		
Capital Assets	25,504,025	0
Contributed Capital	0	3,618,847
Internal Service Fund	(351,439)	0
Long-Term Liabilities	(13,893,017)	0
Long-Term (Deferred) Assets	<u>6,615,273</u>	<u>0</u>
Net Assets, December 31, 2002	<u><u>\$34,413,110</u></u>	<u><u>\$1,400,148</u></u>

KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 4. - CONVERSION OF OPERATIONS FROM BUDGET BASIS TO GAAP BASIS

Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the GAAP basis are as follows:

Net Change in Fund Balance					
	General Fund	Public Assistance Fund	Motor Vehicle and Gasoline Tax Fund	Children's Services Board Fund	Mental Retardation Fund
GAAP Basis (as reported)	(\$515,911)	(\$621,082)	\$15,224	(\$21,877)	(\$111,122)
Increase (Decrease):					
Net Adjustments for					
Revenue Accruals	243,666	730,131	12,427	203,250	1,057,219
Net Adjustments for					
Expenditure Accruals	(517,445)	(391,735)	38,550	(48,928)	(1,139,618)
Transfers In	(15,181)	0	0	0	0
Transfers Out	168,150	304,230	0	0	0
Advances In	300,000	0	0	0	0
Advances Out	0	0	0	0	0
Outstanding Encumbrances	(430,706)	(304,438)	(57,755)	(13,411)	(38,600)
Budget Basis	<u>(\$767,427)</u>	<u>(\$282,894)</u>	<u>\$8,446</u>	<u>\$119,034</u>	<u>(\$232,121)</u>

NOTE 5 - FUND DEFICITS

The following funds had a deficit fund balance/net assets as of December 31, 2003:

Special Revenue Funds:	
Byrne Drug Court	\$3,157
Ditch Maintenance	1,754
Home	509
Capital Projects Funds:	
Board of Health Center	39,787
Community Development Block Grant	98,513
Enterprise Funds:	
Landfill Development	1,735,367

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 5 - FUND DEFICITS (Continued)

The deficits in the Byrne Drug Court, Ditch Maintenance, Home, Board of Health Center, and Community Development Block Grant Funds are the result of the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides transfers to cover deficit fund balances, however, this is done when cash is needed rather than when accruals occur. The deficit in the Landfill Development is the result of the recognition of payables in accordance with generally accepted accounting principles. Management is analyzing the operations of the funds to determine appropriate steps to eliminate the deficits.

NOTE 6 - DEPOSITS AND INVESTMENTS

Primary Government

The County maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents."

Protection of the County's cash and investments may be provided by the Federal Deposit Insurance Corporation, by qualified securities pledged by the institution holding the assets, by surety company bonds deposited with the treasurer by the financial institution, or a single collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of the public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Ohio law requires the classification of monies held by the County into two categories. The first classification consists of "active" monies, those monies required to be kept in a "cash" or "near-cash" status for current demands upon the County Treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

The second classification consists of "inactive" monies. Inactive monies may be deposited or invested in the following securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bond, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase and reverse repurchase agreements in the securities enumerated above;
4. Time certificates of deposits or savings or deposit accounts;
5. Bonds and other obligations of the State of Ohio, its political subdivisions, or other units or agencies of the State or its political subdivisions;

KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreement secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
7. The State Treasurer's investment pool (STAR Ohio).

The County is required by Statement No. 3 of the GASB entitled "Deposits with Financial Institutions, Investments and Reserve Repurchase Agreements" to classify deposits and investments to give an indication of the level of credit risk assumed by the County at year end.

A. Deposits

At year-end, the carrying amount of the County's deposits was \$13,675,216 and the bank balance was \$14,374,252. Of the bank balance:

1. \$581,529 was covered by federal depository insurance, or by collateral held by the County's agent in the County's name.
2. \$2,238,416 was insured or collateralized with securities held by the County's agent in the County's name.
3. \$11,554,007 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

B. Investments

STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	<u>Carrying Value</u>	<u>Fair Value</u>
Investment in State Treasurer's Investment Pool	\$7,301,188	\$7,301,188

The classification of cash and cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the financial statements and the classifications per GASB statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement 9	\$20,976,404	\$ 0
State Treasurers Investment Pool	<u>(7,301,188)</u>	<u>7,301,188</u>
GASB Statement 3	<u>\$13,675,216</u>	<u>\$7,301,188</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

Component Units

At year end, the carrying value of the Knox New Hope Industries, Inc. deposits was \$129,251 and the bank balance was \$130,200. \$100,000 of the bank balance was covered by federal depository insurance, the remainder of the balance in uncollateralized. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation. Cash and deposits of the Workshop are presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts" and "Cash and Cash Equivalents with Fiscal and Escrow Agents." New Hope Industries, Inc. invests in open-ended mutual funds, which are presented at the fair market value at December 31, 2003.

At year end, the carrying value of the Knox County Airport's deposits was \$267,072 and the bank balance was \$280,769. \$100,000 of the bank balance was covered by federal depository insurance, the remainder of the balance was collateralized through an entity pool. Cash and deposits of the Airport are presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts." The Airport follows similar guidelines for deposit and investment of funds for the County.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Taxes collected on real property (other than public utility) in one calendar year are levied as of October 1 in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2002. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at eighty-eight percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 7 - PROPERTY TAXES (Continued)

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County.

Accrued property taxes receivable represent delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable as of December 31, 2003. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2003 operations. The receivable is therefore offset by a credit to deferred revenue.

The full tax rate for all County operations for the year ended December 31, 2003, was \$9.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

Real Property	\$809,928,240
Public Utility Personal Property	38,990,330
Tangible Personal Property	<u>111,165,489</u>
Total Assessed Value	<u>\$960,084,059</u>

NOTE 8 - PERMISSIVE SALES AND USE TAX

In 1971, the County Commissioners by resolution imposed a one-half percent sales tax. In 1993, the County Commissioners imposed an additional one quarter percent tax on all retail sales to fund the 9-1-1 Emergency Calling System and, in 1994, the County Commissioners imposed a quarter percent tax on all retail sales made in the County for the general operations of the County. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of the month. The State Auditor then has five days in which to draw the warrant payable to the County.

Amounts that are measurable and available at year-end are accrued as revenue. Sales tax revenue in 2003 amounted to \$4,337,933 with the \$3,253,527 credited to the General Fund and \$1,084,406 credited to the 9-1-1 Emergency Calling System Special Revenue Fund.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 9 - RECEIVABLES

Receivables at December 31, 2003, consisted of taxes, interest, special assessments, accounts, (billings for user charged services, including unbilled utility services), loans, intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables except Apple Valley special assessments are considered collectible in full. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment. It is estimated that \$135,937 of the \$386,147 special assessments remaining are uncollectible leaving a receivable of \$250,210.

A summary of the principal items of intergovernmental receivables (Due from other governments) follows:

<u>Intergovernmental Receivables</u>	<u>Amount</u>
General Fund	
Municipal Court Fines and Costs	\$ 3,928
Election Costs Receivable	19,079
Sheriff's Contracts	16,334
Reimbursement	8,938
Homestead and Rollback Reimbursement	135,639
Public Defender Reimbursement	16,734
Corsa	7,750
Total General Fund	<u>208,402</u>
Special Revenue Funds	
Cents Per Gallon	480,547
Motor Vehicle District Registration	157,185
County Motor Vehicle	317,810
Road Miles	142,473
5% County Equalization	65,584
New Permissive	200,277
Old Permissive	92,618
Public Assistance Retro Exp Reimbursement	14,114
Public Assistance Grant	1,342,025
Children Services Homestead and Rollback Reimb	47,628
Children Services Grant	431,181
Children Services Foster Grant	9,171
Child Abuse Prevention Grant	8,523
Litter Grant	11,320
Youth Services Grant	196,573
VOCA Grant	23,656
Jail Diversion Grant	25,237
Gasoline Tax	379,912
Drug Court Grant	157,025
Emergency Management Grant	3,034
Help American Vote Grant	6,593
Mental Retardation Grant	237,876
Mental Retardation Homestead and Rollback Reimbursement	62,585
Municipal Court Fines & Costs	682
Total Special Revenue Funds	<u>4,413,629</u>

KNOX COUNTY, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 9 - RECEIVABLES (Continued)

Capital Projects Funds	
Highway Planning & Construction Grant	5,553
CDBG Grant	568,141
Total Capital Projects Funds	<u>573,694</u>
Total Governmental Fund Types	<u>\$ 5,195,725</u>
Agency Funds	
Local Government	\$ 836,980
Revenue Assistance	202,109
Library Local Government	732,366
Cents Per Gallon	382,109
Motor Vehicle Registration	72,720
Township Road Miles	87,148
New Permissive	58,390
Old Permissive	47,062
Municipal Court Fines & Costs	997
Workers Compensation	13,161
Community Health Homestead & Rollback	
Reimbursement	31,146
Gasoline Tax	306,622
Total Agency Funds	<u>\$ 2,770,810</u>

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KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 10 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2003:

<i>Historical Cost:</i>	December 31,			December 31,
Class	2002	Additions	Deletions	2003
<i>Capital assets not being depreciated:</i>				
Land	\$930,259	\$0	\$0	\$930,259
Construction in Progress	665,815	0	(665,815)	0
Subtotal	1,596,074	0	(665,815)	930,259
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	24,269,586	400,753	(7,980)	24,662,359
Machinery and Equipment	3,436,586	130,076	(133,637)	3,433,025
Vehicles	2,475,320	174,552	(96,675)	2,553,197
Computer Equipment	990,780	42,322	(43,002)	990,100
Infrastructure	0	2,082,736	0	2,082,736
Subtotal	31,172,272	2,830,439	(281,294)	33,721,417
Total Cost	\$32,768,346	\$2,830,439	(\$947,109)	\$34,651,676
<i>Accumulated Depreciation:</i>				
Class	December 31,	Additions	Deletions	December 31,
	2002			2003
Buildings and Improvements	(\$3,130,293)	(\$937,151)	\$4,785	(\$4,062,659)
Machinery and Equipment	(1,798,496)	(308,075)	102,760	(2,003,811)
Vehicles	(1,674,112)	(213,677)	92,675	(1,795,114)
Computer Equipment	(661,420)	(107,389)	39,558	(729,251)
Infrastructure	0	(20,828)	0	(20,828)
Total Depreciation	(\$7,264,321)	(\$1,587,120) *	\$239,778	(\$8,611,663)
<i>Net Value:</i>	\$25,504,025			\$26,040,013

*Depreciation expenses were charges to governmental functions as follows:

General Government	
Legislative and Executive	\$534,486
Judicial	20,021
Public Safety	481,097
Public Works	224,365
Health	68,391
Human Services	258,760
Total Depreciation Expense	<u>\$1,587,120</u>

KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 10 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2003:

Historical Cost:

Class	December 31, 2002	Additions	Deletions	December 31, 2003
Capital assets not being depreciated:				
Land	\$236,839	\$0	\$0	\$236,839
Construction in Progress	0	0	0	0
Subtotal	236,839	0	0	236,839
Capital assets being depreciated:				
Buildings and Improvements	901,956	0	(82,766)	819,190
Machinery and Equipment	370,816	682,076	0	1,052,892
Vehicles	172,572	20,376	(20,523)	172,425
Computer Equipment	31,506	6,039	0	37,545
Sewer and Water Lines	2,009,927	0	0	2,009,927
Subtotal	3,486,777	708,491	(103,289)	4,091,979
Total Cost	\$3,723,616	\$708,491	(\$103,289)	\$4,328,818

Accumulated Depreciation:

Class	Restated December 31, 2002	Additions	Deletions	December 31, 2003
Buildings and Improvements	(\$316,948)	(\$14,532)	\$82,766	(\$248,714)
Machinery and Equipment	(130,305)	(32,810)	0	(163,115)
Vehicles	(60,641)	(15,314)	20,523	(55,432)
Computer Equipment	(11,071)	(5,573)	0	(16,644)
Sewer and Water Lines	(706,290)	(40,199)	0	(746,489)
Total Depreciation	(\$1,225,255)	(\$108,428)	\$103,289	(\$1,230,394)

Net Value:

	\$2,498,361			\$3,098,424
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KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 10 - CAPITAL ASSETS (Continued)

C. Component Unit Capital Assets

A summary of the Knox New Hope Industries' and Knox County Airport's capital assets at December 31, 2003, follows:

Knox New Hope Industries

<i>Historical Cost:</i>	December 31,			December 31,
Class	2002	Additions	Deletions	2003
<i>Capital assets being depreciated:</i>				
Machinery and Equipment	\$70,240	\$18,330	\$0	\$88,570
Vehicles	63,676	0	0	63,676
Computer Equipment	1,219	2,427	0	3,646
Subtotal	<u>135,135</u>	<u>20,757</u>	<u>0</u>	<u>155,892</u>
Total Cost	<u>\$135,135</u>	<u>\$20,757</u>	<u>\$0</u>	<u>\$155,892</u>
<i>Accumulated Depreciation:</i>				
Class	December 31,			December 31,
	2002	Additions	Deletions	2003
Machinery and Equipment	(87,850)	(9,507)	0	(97,357)
Vehicles	(15,756)	(432)	0	(16,188)
Computer Equipment	(828)	(36)	0	(864)
Total Depreciation	<u>(\$104,434)</u>	<u>(\$9,975)</u>	<u>\$0</u>	<u>(\$114,409)</u>
<i>Net Value:</i>	<u>\$30,701</u>			<u>\$41,483</u>

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KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 10 - CAPITAL ASSETS (Continued)

Knox County Airport				
<i>Historical Cost:</i>				
Class	December 31, 2002	Additions	Deletions	December 31, 2003
<i>Capital assets not being depreciated:</i>				
Land	\$744,837	\$0	\$0	\$744,837
Construction in Progress	3,730	30,592	0	34,322
Subtotal	748,567	30,592	0	779,159
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	777,452	4,864	0	782,316
Machinery and Equipment	541,099	0	0	541,099
Vehicles	41,000	0	0	41,000
Computer Equipment	1,522	0	0	1,522
Subtotal	1,361,073	4,864	0	1,365,937
Total Cost	\$2,109,640	\$35,456	\$0	\$2,145,096
<i>Accumulated Depreciation:</i>				
Class	December 31, 2002	Additions	Deletions	December 31, 2003
Buildings and Improvements	(\$153,889)	(\$15,791)	\$0	(\$169,680)
Machinery and Equipment	(65,268)	(19,261)	0	(84,529)
Vehicles	(27,619)	(5,000)	0	(32,619)
Computer Equipment	(1,401)	0	0	(1,401)
Total Depreciation	(\$248,177)	(\$40,052)	\$0	(\$288,229)
<i>Net Value:</i>	\$1,861,463			\$1,856,867

NOTE 11 - JOINT VENTURES

A. Emergency Management Agency

The Emergency Management Agency is a joint venture among the County, twenty-two townships located within the County, six villages and one corporation. The Board is composed of at least the following seven members: One county commissioner representing the board of county commissioners entering into the agreement; five chief executives representing the municipal corporations and townships entering into the agreement; and one non-elected representative.

The Agency does not have any outstanding debt. The County contributed \$30,000 to the Agency during 2003. The County has an ongoing financial responsibility for the agency in that the existence of the Agency depends upon the continuing participation of the County. The Agency is not accumulating significant financial resources nor experiencing fiscal stress that may cause an additional benefit or burden to the County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 11 - JOINT VENTURES (Continued)

B. Alcohol and Drug Addiction and Mental Health Board (ADAMH)

The ADAMH Board is a joint venture between Knox and Licking counties. The headquarters for the ADAMH Board is in Licking County. The Board provides community services to mentally ill and emotionally disturbed persons. Statutorily created, the ADAMH Board is made up of 15 members, with 10 appointed by the county commissioners and five by the State Director of Mental Health. These appointments are based on county population, with the largest county in population having the most appointed members. With respect to the county's population, two of the five members appointed by the State Director of Mental Health are from Knox County, and three of the 10 appointed by the county commissioners are from Knox County. Revenues to provide mental health services are generated through a one mill district wide tax levy and through state and federal grants. The Board does not have any outstanding debt. The Board is not accumulating significant financial resources nor experiencing fiscal stress that may cause an additional benefit or burden to the County. The existence of the Board depends upon the continuing participation of the County. The County collected \$677,526 in property taxes for the Board during 2003. Separate financial statements may be obtained by contacting the ADAMH Board at 65 Messmore Drive, Newark, Ohio.

C. Eastern Ohio Housing Corporation

The Knox County Board of Mental Retardation and Developmental Disabilities (MRDD), along with five other county boards of mental retardation and developmental disabilities, entered into a contract with the Eastern Ohio Housing Corporation. This Corporation is a non-profit charitable corporation which is responsible for developing dwellings, providing affordable housing and managing a range of residential alternatives and support services to persons with disabilities. The housing purchases are financed by State grants that are distributed to each MRDD Board and then to the Corporation. No contributions were made by the County during 2003. The Corporation is a joint venture among the Counties because of the potential liability for the housing loans upon the Corporation's default on loans or dissolution. Upon dissolution of the Corporation, the Corporation shall distribute all remaining assets of the operation to the participating County Boards of Mental Retardation and Developmental Disabilities. Information can be obtained from Eastern Ohio Housing Corporation, 340 Fox Shannon Place, St. Clairsville, Ohio.

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS

A. Joint Solid Waste District

The Joint Solid Waste District is a jointly governed organization among Delaware, Knox, Marion and Morrow Counties. Each of these governments supports the District. The County made no contributions during 2003. The degree of control exercised by any participating County is limited to its representation on the Board. The Board of Directors consists of twelve members, the three county commissioners of each of the four counties. The District does not have any outstanding debt. The District is self-sufficient, operating entirely on collected fees.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

B. Mid Eastern Ohio Regional Council (MEORC)

The Mid Eastern Ohio Regional Council of Governments (MEORC) is a jointly governed organization among fourteen counties in Ohio. MEORC provides services to the mentally retarded and developmentally disabled residents in the participating counties. The Council is made up of the superintendents of each county's Board of Mental Retardation and Developmental Disabilities. Revenues are generated by fees and state grants. The Council does not have any outstanding debt. No contributions were made by the County in 2003.

MEORC has contracted with Knox County to provide payroll services for seven employees of the Council. MEORC reimburses the County for any expenditures incurred. At December 31, 2003, MEORC owed the County \$307,817.

C. Licking-Muskingum Community Based Correctional Facility (CBCF)

The Licking-Muskingum Community Based Correctional Facility (CBCF) is a four county facility created pursuant to Ohio Revised Code Section 2301.51. The CBCF serves Licking, Muskingum, Coshocton and Knox counties. The CBCF was formed in 1994 to offer treatment, education, work and other rehabilitation services to convicted felons within the four counties. The CBCF is governed by a seven member board comprised of two common pleas court judges from Licking, Muskingum and Coshocton Counties and one common pleas court judge from Knox County. The common pleas judges and the respective county commissioners appoint a thirteen member citizens advisory board to assist in the operation of the CBCF. The board has total control over budgeting, personnel, and financial matters. The CBCF receives funding in the form of state grant monies which are used to provide the various services of the CBCF. Licking County serves as fiscal agent for the CBCF. During 2003, the CBCF received no monies from Knox County. The continued existence of the CBCF is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for the CBCF. The CBCF has no outstanding debt.

D. Morrow-Ashland-Richland-Knox Job Training Partnership Act (MARK-JTPA)

Knox County is a participant in the Morrow-Ashland-Richland-Knox Job Training Partnership Act (MARK-JTPA), a regional council of governments established to conduct an employment and training administration program under the provisions of the Job Training Reform Amendment of 1992. The Consortium Board of MARK-JTPA consists of the three county commissioners from each of the four participating counties. The Consortium Board is responsible for the administration, operation, and success of the job training program. Financial information can be obtained from MARK-JTPA, 1495 West Longview Avenue, Suite 101, Mansfield, Ohio, 44906.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 13 - RISK MANAGEMENT

County Risk Sharing Authority, Inc. (CORSA) is a public entity risk sharing pool among thirty-nine counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. The County paid \$178,809 in the form of insurance premiums during 2003 to CORSA.

The County is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees and natural disasters. The County contracted with County Risk Sharing Authority (CORSA) for liability, property and crime insurance. The CORSA program has a \$2,500 deductible.

General liability insurance is maintained in the amount of \$1,000,000 for each occurrence. Other liability insurance includes \$100,000 for Ohio Stop Gap, which provides additional coverage beyond the State's workers' compensation program, \$1,000,000 for employee benefit liability, \$1,000,000 for law enforcement professional liability, \$1,000,000 for public official error and omission liability, \$1,000,000 for automobile liability, and \$250,000 for uninsured motorists liability.

In addition, the County maintains replacement cost insurance on buildings and contents. Other property insurance includes: \$1,000,000 for extra expenses, data processing equipment, contractor's equipment and miscellaneous equipment, \$1,000,000 for valuable papers and records, actual cash value for automobile physical damage, and \$1,000,000 for flood and earthquake damage. Comprehensive boiler and machinery coverage is carried in the amount of \$50,000,000.

The County also maintains crime insurance on its food stamp program, its monies and securities, and potential employee dishonesty. Respectively, the crime insurance is held in the amounts of \$250,000, \$250,000, and \$250,000.

With the exception of health insurance, workers' compensation, and all elected officials bonds, all insurance is held with CORSA. The amount of settlements has not exceeded insurance coverage in any of the past three years.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 13 - RISK MANAGEMENT (Continued)

The County has elected to provide employee medical/surgical and dental benefits through a self insured program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program.

The liability for unpaid claims costs of \$261,825 reported in the fund at December 31, 2003 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that 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. The liability is based on an estimate provided by the third party administrator.

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2002	\$588,613	\$3,305,089	(\$3,532,293)	\$361,409
2003	361,409	2,928,010	(3,027,594)	261,825

The County participates in the Workers' Compensation program provided by the State of Ohio. The County belongs to a pool with 50 other Ohio counties (County Commissioners Association of Ohio) for a workers' compensation group rating program. The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. A group executive committee consists of seven members and is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing fees, and determining eligibility of each participant.

NOTE 14 - DEFINED BENEFIT RETIREMENT PLANS

A. Public Employees Retirement System

All Knox County full-time employees, other than teachers, participate in one of the three pension plans administered by the Ohio PERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is 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 MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 14 - DEFINED BENEFIT RETIREMENT PLANS (Continued)

The Ohio PERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2003, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). Plan members, other than those engaged in law enforcement, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations; law enforcement employees contribute 10.1 percent. For plan members, other than those engaged in law enforcement, the County was required to contribute 13.55 percent of covered salary for 2003. The County contribution for law enforcement employees for 2003 was 16.7 percent. Contributions are authorized by State statute. The contribution rates are determined actuarially. The County's contributions to PERS for the years ended December 31, 2003, 2002, and 2001 were \$2,050,161, \$1,910,026, and \$1,718,447, respectively: 92.17 percent has been contributed for 2003 and 100 percent has been contributed for 2002 and 2001. The unpaid contribution for 2003 is recorded as a liability.

B. State Teachers Retirement System

Certified teachers employed by the school for the Mental Retardation and Developmental Disabilities, participate in the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, OH 43215-3771.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 14 - DEFINED BENEFIT RETIREMENT PLANS (Continued)

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Plan members are required to contribute 9.25 percent of their annual covered salary to fund pension obligations and the County is required to contribute 13 percent through June 30, 2003. Effective July 1, 2003, the member contribution rate increased to the statutory maximum rate of 10%. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The County's contributions to STRS for the years ended December 31, 2003, 2002, and 2001 were \$29,199, \$27,997, and \$26,058, respectively: 100 percent has been contributed for 2003 and 100 percent has been contributed for 2002 and 2001.

NOTE 15 - POSTEMPLOYMENT BENEFITS

A. Public Employees Retirement System

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and primary survivor recipients of such retirees. Health care coverage for disability 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. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The employer contribution rate for 2003 is 13.55 percent of covered payroll for employees not engaged in law enforcement; 5.0 percent was the portion that was used to fund health care. The employer contribution rate for law enforcement employees for 2003 was 16.7 percent; 5.0 percent was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.00 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 15 - POSTEMPLOYMENT BENEFITS (Continued)

The number of active contributing participants was 364,881. The County's actual contributions for 2003 which were used to fund postemployment benefits were \$738,231. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

B. State Teachers Retirement System

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS). Benefits include hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS.

Benefits are funded on a pay-as-you-go basis. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio Law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. For the County, this amount equaled \$10,512 for 2003.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund at June 30, 2003, was \$2.8 billion. For the year ended June 30, 2003, net health care costs paid by STRS were \$352,301,000 and there were 108,294 eligible benefit recipients.

NOTE 16 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time and compensatory time is paid upon separation if the employee has acquired at least one year of service with the County. Twenty-five percent up to a maximum of thirty days accumulated unused sick leave is paid to employees upon retirement after ten years of service. As of December 31, 2003, the liability for compensated absences was \$854,500 for the entire County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 17 - CAPITAL LEASES - LESSEE DISCLOSURE

Two capital leases were entered into during 2001 for copying equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for the governmental funds. Equipment acquired by lease has been capitalized in the governmental activities capital assets in the amount of \$7,570 for the copier for the Tax Map Department and \$8,160 for the copier for the Engineer's Office, which is equal to the lesser of the fair market value or the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the governmental activities long term liabilities. Principal payments in 2003 totaled \$1,480 for the copier for the Tax Map Department and \$1,595 for the copier for the Engineer's Office.

Future minimum lease payments as of December 31, 2003 are as follows:

<u>Year Ending December 31,</u>	<u>Map Department Amount</u>	<u>Engineer Department Amount</u>
2004	\$1,798	\$1,941
2005	1,798	1,941
2006	<u>449</u>	<u>485</u>
Minimum Lease Payments	4,045	4,367
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(314)</u>	<u>(341)</u>
Present value of minimum lease payments	<u>\$3,731</u>	<u>\$4,026</u>

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KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 18 - LONG-TERM DEBT

Changes in the County's long-term obligations during the year consisted of the following:

	Balance December 31, 2002	Additions	(Reductions)	Balance December 31, 2003	Due Within One Year
Governmental Activities Long-Term Debt:					
Special Assessment Bond Payable with Governmental Commitment					
1984 9.50% Sewer District Improvement	\$170,000	\$0	(\$85,000)	\$85,000	\$85,000
1985 8.38% Sewer District Improvement	260,000	0	(85,000)	175,000	85,000
Total Special Assessment Bonds	430,000	0	(170,000)	260,000	170,000
General Obligation Bonds Payable					
1998 5.02% Children's Resource Center	1,035,000	0	(45,000)	990,000	45,000
1997 5.27% Corporate Center	2,040,000	0	(95,000)	1,945,000	100,000
2001 5.04% Correctional Facility	6,360,000	0	(228,000)	6,132,000	236,000
2001 5.05% Board of Health Center	1,590,000	0	(57,000)	1,533,000	59,000
2002 4.75% JFS Training Center	1,360,000	0	(50,000)	1,310,000	50,000
Total General Obligation Bonds	12,385,000	0	(475,000)	11,910,000	490,000
Installment Note-Board of Elections	230,000	0	(55,000)	175,000	55,000
Capital Leases-General Fund - TaxMap Department	5,211	0	(1,480)	3,731	1,586
Capital Leases-Motor Vehicle and Gasoline Tax Fund - Engineer Department	5,621	0	(1,595)	4,026	1,710
Total Capital Leases	10,832	0	(3,075)	7,757	3,296
Compensated Absences	784,110	27,337	0	811,447	\$561,690
Total Governmental Activities	\$13,839,942	\$27,337	(\$703,075)	\$13,164,204	\$1,279,986
Business-Type Activities:					
Ohio Water Development Authority Loans (OWDA):					
2000 2.00% Water Treatment Plant/Clearwells/Wellfield	\$74,498	\$0	(\$1,793)	\$72,705	\$1,894
Landfill Postclosure Care Liability	2,359,932	0	(418,687)	1,941,245	83,300
Compensated Absences	18,422	24,631	0	43,053	0
Total Business-Type Long-Term Debt	\$2,452,852	\$24,631	(\$420,480)	\$2,057,003	\$85,194

The capital leases will be paid from the general and special revenue funds. The Board of Elections note installment for the voting machines and the Correctional Facility general obligation bonds will be paid from the general fund. The Corporate Center Bonds and the JFS Training Center bonds will be paid from the Department of Human Services, which is mostly funded by levies passed by the voters. The Children's Resource Center bonds will be paid by a lease with Boy's Village Inc. If Boy's Village Inc. does not pay their lease, the bonds will be paid by Children Services monies. The OWDA loan will be paid through special assessments. The special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the County. Compensated absences are reported in the Long-Term Liabilities account and will be paid from the fund from which the employee is paid.

KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 18 - LONG-TERM DEBT (Continued)

Special assessment bonded debt service requirements to maturity, including \$30,269 of interest; Board of Elections note installment requirements to maturity, including \$18,460 of interest; Corporate Center bond requirements to maturity, including \$869,735 of interest; Children's Resource Center bond requirements to maturity, including \$434,236 of interest; Correctional Facility bond requirements to maturity, including \$3,136,826 of interest; Board of Health Center bond requirements to maturity, including \$784,207 of interest; JFS Training Center bond requirements to maturity, including \$635,040 of interest; and the OWDA Loan requirements to maturity, including \$53,472 of interest are as follows:

Years	General Obligation Bonds		Special Assessment		OWDA Loan Amont	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$490,000	\$552,545	\$170,000	\$22,731	\$1,843	\$4,068
2005	510,000	534,688	90,000	7,538	1,947	3,964
2006	530,000	515,215	0	0	2,057	3,854
2007	550,000	494,470	0	0	2,173	3,738
2008	570,000	471,955	0	0	2,295	3,616
2009-2013	3,250,000	1,959,801	0	0	13,570	15,985
2014-2018	3,895,000	1,107,545	0	0	17,852	11,703
2019-2023	2,115,000	223,825	0	0	22,575	6,072
2023-2025	0	0	0	0	8,393	473
Totals	\$11,910,000	\$5,860,044	\$260,000	\$30,269	\$72,705	\$53,473

Years	Installment		Total	
	Principal	Interest	Principal	Interest
2004	\$55,000	\$9,100	\$716,843	\$588,444
2005	60,000	6,240	661,947	552,430
2006	60,000	3,120	592,057	522,189
2007	0	0	552,173	498,208
2008	0	0	572,295	475,571
2009-2013	0	0	3,263,570	1,975,786
2014-2018	0	0	3,912,852	1,119,248
2019-2020	0	0	2,137,575	229,897
2023-2025	0	0	8,393	473
Totals	\$175,000	\$18,460	\$12,417,705	\$5,962,246

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed one percent of the total assessed valuation of the County. The Code further provides that the total voted and unvoted net debt of the County less the same exempt debt shall never exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

The effects of the debt limitations described above at December 31, 2003, are an overall debt margin of \$17,378,150; and an unvoted debt margin of \$4,476,890.

KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 19 - NOTES PAYABLE AND LOANS PAYABLE

Component Units

At December 31, 2003, the Knox County Airport had \$131,000 in revenue bonds outstanding which were used to remove and replace fuel tanks. The original bonds issued were for \$158,000 and the bonds bear an interest rate of 4.75 percent. The bonds will mature in installments over 20 years. The Knox County Airport also has loans payable to the Primary Government outstanding at December 31, 2003, in the amount of \$267,676 that were issued to construct new hangar bays, storage building and land purchase. These loans will be repaid over the next 25 years and are non-interest bearing. They are reported as Long-term Liabilities, Due in more than one year.

NOTE 20 - INTERFUND TRANSACTIONS

The following balances at December 31, 2003 represent transfers in and transfers out:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$223,181	\$990,712
Public Assistance Fund	0	304,230
Other Governmental Funds	<u>1,755,173</u>	<u>836,381</u>
Total Governmental Funds	1,978,354	2,131,323
Business-Type Activities:		
Sewer Fund	0	15,181
Landfill Fund	<u>168,150</u>	<u>0</u>
Total Enterprise Funds	<u>168,150</u>	<u>15,181</u>
Totals	<u>\$2,146,504</u>	<u>\$2,146,504</u>

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; and to provide additional resources for current operations or debt service.

Interfund balances at December 31, 2003, consist of the following individual fund receivables and payables:

<u>Due from/Due to Other Funds:</u>	<u>Recipient</u>	<u>Payer</u>
General Fund	\$38,348	\$0
Public Assistance	145,363	5,335
Motor Vehicle & Gas Tax	0	11,798
Children Services	0	99,112
Other Governmental Funds	<u>0</u>	<u>67,466</u>
Total Due from/Due to Other Funds	<u>\$183,711</u>	<u>\$183,711</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2003**

NOTE 20 - INTERFUND TRANSACTIONS (Continued)

<u>Interfund Receivables/Payables:</u>		
General Fund	\$7,000	\$0
Other Governmental Funds	13,000	20,000
Total Interfund Receivables/Payables	<u>\$20,000</u>	<u>\$20,000</u>

The Due to/Due from Other Funds is for reimbursements of expenditures made by one fund for another fund. The Interfund Receivable/Payable is a short-term loan.

NOTE 21 - CONTINGENT LIABILITIES

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial.

Several claims and lawsuits are pending against the County. In the opinion of the County Prosecutor and outside counsel, ultimate disposition of these claims and lawsuits will not have a material effect, if any, on the financial condition of the County.

NOTE 22 - FOOD STAMPS

The County's Department of Human Services distributed, through contracting issuance centers, federal food stamps to entitled recipients within Knox County. The receipt and issuance of these stamps have the characteristics of federal "grants"; however, the Department of Human Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements as the only economic interest related to these stamps rests with the ultimate recipient. The County's Department of Human Services had on hand for distribution approximately \$3,459 of federal food stamps at December 31, 2003.

NOTE 23 - CONTRACTUAL COMMITMENTS - LANDFILL CLOSURE

The County closed the landfill in compliance with the requirements set by the Environmental Protection Agency (EPA) on September 30, 1993. The recognition of a liability for closure and postclosure care costs is based on landfill capacity used to date. The County is at 100% capacity. The County Commissioners have awarded contracts as of December 31, 2003 for engineering, monitoring, and testing the landfill closure requirements to Bennett & Williams, Inc. and MASI, Inc. to ensure that requirements are being met. No assets are restricted for payment of closure and postclosure care costs. There is an estimate for postclosure care costs until the year 2023. The estimated costs of postclosure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. In 2003, there was a change in the estimate for postclosure care cost by the environmental specialists. The costs of monitoring the Landfill will be covered by a transfer from the General Fund to the Landfill Development Fund. The County has met State required postclosure care financial assurance requirements.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2003***

NOTE 24 - RELATED PARTY TRANSACTIONS

During 2003 Knox County provided facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of programs to New Hope Industries, Inc., (the "workshop"), a discretely presented component unit of Knox County. The Workshop reported \$26,593 for such contributions, recording revenue and expenses at cost or fair value, as applicable, to the extent the contribution is related to the vocational purposes of the workshop. Additional habilitative services provided directly to Workshop clients by Knox County amounted to \$846,985 during 2003.

Knox County issued notes on behalf of the Knox County Airport, a discretely presented component unit of Knox County, for the construction of airport hangar bays and storage buildings, and the purchase of land. The Airport will give the County the money needed to pay the debt as the principal and interest payments become due. Loans Receivable from Component Units are reflected in the General Fund of the County for the balance of the note.

NOTE 25 - CONDUIT DEBT OBLIGATIONS

The County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2003, there were twenty-four series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$1,600,000.

Also, at December 31, 2003, Industrial Revenue Bonds outstanding for Knox Community Hospital totaled \$25,495,000.



*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS AND FIDUCIARY
FUNDS.*



Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Dog and Kennel Fund

The fund is to account for the dog warden's operations that are financed by sales of dog tags, kennel permits and fine collections.

Indigent Guardianship Fund

The fund was established under Section 2111.51 of the Ohio Revised Code to account for the collection and distribution of probate court fees established under Section 2101.16 of the Revised Code.

Conduct of Business Fund

The fund was established for the collection and distribution of probate court fees established under Section 2101.19 of the Revised Code.

Courts Computer Fund

The fund was established for the collection of fees by the clerk of courts, probate court, and juvenile court to be used to fund the computerization and ongoing computer maintenance of the various courts.

Recorder's Equipment Fund

The fund was established for the collection of fees by the recorder to be used for funding the acquisition and maintenance of equipment purchased by the recorder.

Courts' Computer Research Fund

The fund was established for the collection of fees by the clerk of courts, probate court, and juvenile court to be used for funding the acquisition and maintenance of computerized legal research services for the various courts.

Time Out Program Fund

The fund accounts for donations received for the Knox County Juvenile Court and to be used on expenses to monitor juvenile detention program called "Podsville".

Court Security Fund

The fund accounts for revenue received to increase security for the Court House. Expenditures are for personnel and equipment to increase security and safety for the individuals working and using the Court House.

(Continued)

Special Revenue Funds

Probate-Juvenile Special Projects Fund

The fund accounts for revenue received to acquire and pay for special projects. Expenditures are for the acquisition of additional facilities or the rehabilitation of existing facilities, equipment, hiring and training staff, community service programs, mediation or dispute resolution services and other related services.

After Hours Probation Fund

The fund accounts for revenue received to supervise probation clients. Expenditures are for the personnel and any equipment necessary for probation.

Juvenile Court Social Workers Fund

The fund accounts for a transfer from the Children Services fund to be used for social workers who work at the direction of Juvenile Court and related expenditures.

Truancy Mediation Fund

The fund accounts for revenue received to manage the mediation. Expenditures are for the personnel and any other related services. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Automated Title Processing Fund

The fund accounts for fees collected by the clerk of courts to be used for costs incurred in processing titles under Chapters 1548 and 4505 of the Revised Code.

Delinquent Tax Assessment Collection Fund

The fund accounts for a percentage of the monies received from delinquent tax and assessment collections. Half of the money is to be allocated to the prosecutor and the other half to the treasurer to be used for the collection of delinquent taxes and assessments.

**Victims of Crime Act (VOCA) and
State Victims Assistance Act (SVAA) Grant Fund**

The fund is two grants being a Federal Grant, Victims of Crime Act, and a State Grant, State Victims Assistance Act. The monies are to be used to assist victims of crimes and awareness of help to these families.

Marine Patrol Grant Fund

The grant monies are received from the State of Ohio, Department of Natural Resources, for the purpose of establishing and/or maintaining and operating a marine law enforcement patrol program.

Drug Abuse Resistance Education Grant Fund

The fund accounts for a grant received from the Ohio Attorney General to be used for the salary of a certified Drug Abuse Resistance Education (DARE) officer.

Community Policing Grant Fund

The fund accounts for a grant received from the Cops Fast Grant program and is to be used for up to 75% of the salary and benefits of a full time officer.

(Continued)

Special Revenue Funds

Common Pleas Prison Reduction Grant Fund

The fund accounts for a grant received from the Department of Rehabilitation and Correction. The project is designed to prepare the court to comply with the dictates of Senate Bill 2 when it becomes effective in July of 1996.

Common Pleas Jail Diversion Grant Fund

The fund accounts for two grants awarded from the Department of Rehabilitation and Correction. The grants are to help divert offenders from the penal system and to help with pre-trial releases from jail.

Byrne Drug Court Fund

The grant monies are received from the State of Ohio, Office of Criminal Justice Services, for the purpose of paying for a probation officer, drug screening on juveniles who appear in court and a counselor who helps counsel juveniles on drug abuse prevention.

911 Emergency Calling System Fund

The fund accounts for a one quarter percent sales tax imposed by the commissioners for funding of the 911 emergency calling system.

Child Abuse Prevention Grant Fund

The money for this grant comes from the Ohio Children's Trust Fund, a division of the Ohio Job and Family Services. The expenses are to be used to make awards to selected child abuse or neglect prevention programs in the county.

Litter Control and Recycling Fund

The fund accounts for state grant receipts and donations from both individuals and corporations used to enforce litter laws, educate citizens, and promote litter control in the County.

Child Support Enforcement Agency Fund

The fund accounts for the poundage fees and earned incentives collected by the Child Support Enforcement Agency which are restricted by state statute to finance the operation of the CSEA, and Title IV-D grants that reimburse expenditures for support enforcement. Payments are distributed to the court-designated recipients. The CSEA is managed by the department of human services.

Real Estate Assessment Fund

The fund accounts for state mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

Youth Services Grant Fund

Grant monies are received from the State Department of Youth Services and used for placement of children, a juvenile delinquents diversion program, work programs involving restitution, juvenile delinquency prevention and other related activities.

(Continued)

Special Revenue Funds

Ditch Maintenance Fund

The fund accounts for special assessment revenue which is used for improvements and repairs for various ditches in Knox County.

Water Resource Study Fund

The fund accounts for donations from various subdivisions in Knox County to develop a county-wide effort to determine the quality and quantity of a large underground aquifer and to purchase legal services needed to repel outside agencies, which are intruding on this underground water supply.

Emergency Management Agency Fund

The fund accounts for the fund controlled by the Emergency Management Agency as established by Section 5915.07, Ohio Revised Code.

Family Resources Fund

The fund accounts for revenue received from the Ohio Department of Mental Retardation and Development Disabilities. Expenditures are for in-home respite care, out-of-home respite care, education, training, counseling, and for administrative costs.

Home Fund

The fund accounts for rehabilitation, tenant-based rental payment assistance and home buyer down payment assistance through a grant received from the Department of Housing and Urban Development.

Marriage License Fund

The fund accounts for the \$17 collected on each issued marriage license which is sent to a local shelter called New Directions for victims of domestic abuse.

Commissary Fund

The fund accounts for revenues generated through the Sheriff's department from sales within the commissary. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Law Enforcement Fund

The fund accounts for the County's share of the assets forfeited in drug enforcement cases. This money is to be used for future drug investigations. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Drug Abuse Resistance Education Fund

The fund accounts for proceeds from the sale of vehicles ordered criminally forfeited to the state. The money is used to educate adults or children about the dangers associated with the use or abuse of drugs. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

(Continued)

Special Revenue Funds

Drug Enforcement Fund

The fund accounts for fine moneys received under Section 2925.03 of the Ohio Revised Code. The money is used for drug abuse prevention education, drug law enforcement education, drug enforcement equipment, undercover drug purchases, travel expenses, pictures, handbooks, advertisements, and training related to drug enforcement. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Revolving Loan Fund

The fund accounts for money received from the Community Development Block Grant and used for low interest loans to County businesses for development projects. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Calendar Fund

The fund accounts for donations received for the costs associated with the production of Victims of Crime calendars. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Help America Vote Grant Fund

The fund accounts for grant monies designated for the upgrade of voting equipment

Juvenile Court Special Probation Fund

The fund accounts for state grant monies designated for juvenile social workers

Work Release Fund

The fund accounts (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Law Enforcement Cadets Fund

The fund accounts for fees for the instruction of youths in the cadet training program. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Senior Citizens Fund

The fund was established to account for the one (1) mill voted levy in November, 2002. The money received is to be used to benefit any Knox County citizen age 60 or older, by providing meals or necessary services to maintain their home.

Debt Service Funds

The Debt Service Funds are used to account for retirement of the County's general obligation bonds, special assessment bonds and loans other than those financed by proprietary funds.

General Obligation Bond Retirement Fund

The fund accounts for the retirement of the principal and interest of the outstanding debt of the County.

Ohio Water Development Authority Fund

The fund accounts for revenue received from special assessment money to repay the OWDA loan used to construct a water tower at Apple Valley.

Capital Projects Funds

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

Permanent Improvement Fund

The fund accounts for a transfer from the General Fund and will be used for capital improvements to County owned buildings.

Dog and Kennel Equipment Fund

The fund accounts for expenses to equip and furnish a Dog Pound.

Correctional Facility Construction Fund

The fund accounts for expenses to construct, equip and furnish a facility to house a county jail, including an emergency operations center and the office of the County Sheriff.

Issue II Fund

The fund accounts for road and bridge construction projects, partially funded by State grants from the Ohio Public Works Commission. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Sewer Construction Fund

The fund accounts for investment income from original Apple Valley Sewer project money. The expenditures are for the construction of a water tower at Apple Valley.

Job and Family Services (JFS) Training Center Fund

The fund accounts for expenses to construct, equip and furnish a Training Center for the Department of Job and Family Services.

Capital Projects Funds

Children's Resource Center Fund

The fund accounts for expenses to construct, equip, and furnish a children's resource center for the use of the department of Human Services.

Board of Health Center Fund

The fund accounts for expenses to construct, equip and furnish a County Health Department.

Community Development Block Grant Fund

Revenue is received from the federal government and is used for major construction projects

Fredericktown Sewer Project Fund

The fund accounts for a Community Development Block Grant to construct sewer and water lines near Fredericktown Village.

Highway Planning and Construction Grant Fund

The fund accounts for planning and construction of county roads, partially funded by Ohio Department of Transportation.

Scott and Lucerne Road Bridges Fund

The fund accounts for planning and replacement of the Scott and Lucerne Road bridges.

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 3,200,484	\$ 702,608	\$ 2,411,992	\$ 6,315,084
Cash and Cash Equivalents in Segregated Accounts	65,804	0	0	65,804
Cash and Cash Equivalents with Fiscal Agent	0	0	11,588	11,588
Receivables:				
Taxes	1,156,178	0	0	1,156,178
Accounts	35,995	0	0	35,995
Intergovernmental	432,031	0	573,694	1,005,725
Interest	50	0	1,430	1,480
Special Assessments	8,018	242,192	0	250,210
Loans	104,259	0	0	104,259
Interfund Receivable	13,000	0	0	13,000
Prepaid Items	1,482	0	0	1,482
Total Assets	\$ 5,017,301	\$ 944,800	\$ 2,998,704	\$ 8,960,805
Liabilities:				
Accounts Payable	\$ 37,448	\$ 0	\$ 150,746	\$ 188,194
Accrued Wages and Benefits Payable	60,891	0	0	60,891
Intergovernmental Payable	45,285	0	0	45,285
Contracts Payable	5,690	0	4,746	10,436
Retainage Payable	0	0	39,787	39,787
Matured Bonds and Interest Payable	0	48,379	0	48,379
Due to Other Funds	67,466	0	0	67,466
Interfund Payable	20,000	0	0	20,000
Deferred Revenue	1,474,517	242,192	568,141	2,284,850
Total Liabilities	1,711,297	290,571	763,420	2,765,288
Fund Balances:				
Reserved for Encumbrances	182,801	0	127,904	310,705
Reserved for Debt Service	0	654,229	0	654,229
Reserved for Loans Receivable	104,259	0	0	104,259
Unreserved, Undesignated in:				
Special Revenue Funds	3,018,944	0	0	3,018,944
Capital Projects Funds	0	0	2,107,380	2,107,380
Total Fund Balances	3,306,004	654,229	2,235,284	6,195,517
Total Liabilities and Fund Balances	\$ 5,017,301	\$ 944,800	\$ 2,998,704	\$ 8,960,805

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 2,043,221	\$ 0	\$ 0	\$ 2,043,221
Intergovernmental Revenues	1,704,837	0	846,199	2,551,036
Charges for Services	1,033,759	0	0	1,033,759
Licenses and Permits	116,423	0	0	116,423
Investment Earnings	629	0	30,540	31,169
Special Assessments	7,412	224,787	0	232,199
Fines and Forfeitures	24,998	0	0	24,998
All Other Revenue	75,813	183,545	80,959	340,317
Total Revenue	5,007,092	408,332	957,698	6,373,122
Expenditures:				
Current:				
General Government:				
Legislative and Executive	1,237,122	0	0	1,237,122
Judicial	183,997	0	0	183,997
Public Safety	1,837,125	0	0	1,837,125
Health	225,361	0	0	225,361
Human Services	1,137,502	0	106,437	1,243,939
Capital Outlay	17,133	0	1,297,339	1,314,472
Debt Service:				
Principal Retirement	0	700,000	0	700,000
Interest and Fiscal Charges	0	622,333	0	622,333
Total Expenditures	4,638,240	1,322,333	1,403,776	7,364,349
Excess (Deficiency) of Revenues Over Expenditures	368,852	(914,001)	(446,078)	(991,227)
Other Financing Sources (Uses):				
Transfers In	72,562	932,611	750,000	1,755,173
Transfers Out	(208,000)	0	(628,381)	(836,381)
Total Other Financing Sources (Uses)	(135,438)	932,611	121,619	918,792
Net Change in Fund Balances	233,414	18,610	(324,459)	(72,435)
Fund Balances at Beginning of Year	3,072,590	635,619	2,559,743	6,267,952
Fund Balances End of Year	\$ 3,306,004	\$ 654,229	\$ 2,235,284	\$ 6,195,517

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

	Dog and Kennel	Indigent Guardianship	Conduct of Business	Courts' Computer
Assets:				
Cash and Cash Equivalents	\$ 172,003	\$ 3,048	\$ 3,806	\$ 46,258
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Accounts	954	400	19	2,206
Intergovernmental	70	0	0	0
Interest	0	0	0	50
Special Assessments	0	0	0	0
Loans	0	0	0	0
Interfund Receivable	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 173,027	\$ 3,448	\$ 3,825	\$ 48,514
Liabilities:				
Accounts Payable	\$ 508	\$ 569	\$ 0	\$ 0
Accrued Wages and Benefits Payable	2,071	0	0	0
Intergovernmental Payable	1,402	0	0	0
Contracts Payable	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	3,981	569	0	0
Fund Balances:				
Reserved for Encumbrances	793	0	0	0
Reserved for Loans Receivable	0	0	0	0
Unreserved, Undesignated in :				
Special Revenue Funds	168,253	2,879	3,825	48,514
Total Fund Balances	169,046	2,879	3,825	48,514
Total Liabilities and Fund Balances	\$ 173,027	\$ 3,448	\$ 3,825	\$ 48,514

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

<u>Recorder's Equipment</u>	<u>Courts' Computer Research</u>	<u>Time Out Program</u>	<u>Court Security</u>	<u>Probate- Juvenile Special Project</u>	<u>After Hours Probation</u>	<u>Juvenile Court Social Workers</u>
\$ 37,918	\$ 4,151	\$ 3,727	\$ 98	\$ 27,992	\$ 1,396	\$ 92,628
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
236	174	0	0	60	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	13,000
0	0	0	0	0	0	0
<u>\$ 38,154</u>	<u>\$ 4,325</u>	<u>\$ 3,727</u>	<u>\$ 98</u>	<u>\$ 28,052</u>	<u>\$ 1,396</u>	<u>\$ 105,628</u>
\$ 652	\$ 0	\$ 0	\$ 0	\$ 500	\$ 322	\$ 0
0	0	336	0	0	22	2,035
0	0	276	0	0	210	1,735
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>652</u>	<u>0</u>	<u>612</u>	<u>0</u>	<u>500</u>	<u>554</u>	<u>3,770</u>
5,006	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>32,496</u>	<u>4,325</u>	<u>3,115</u>	<u>98</u>	<u>27,552</u>	<u>842</u>	<u>101,858</u>
<u>37,502</u>	<u>4,325</u>	<u>3,115</u>	<u>98</u>	<u>27,552</u>	<u>842</u>	<u>101,858</u>
<u>\$ 38,154</u>	<u>\$ 4,325</u>	<u>\$ 3,727</u>	<u>\$ 98</u>	<u>\$ 28,052</u>	<u>\$ 1,396</u>	<u>\$ 105,628</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

	Automated Title Processing	Delinquent Tax Assessment Collection	VOCA and SVAA Grant
Assets:			
Cash and Cash Equivalents	\$ 126,430	\$ 196,151	\$ 6,457
Cash and Cash Equivalents in Segregated Accounts	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0
Receivables:			
Taxes	0	0	0
Accounts	16,667	0	0
Intergovernmental	0	0	23,656
Interest	0	0	0
Special Assessments	0	0	0
Loans	0	0	0
Interfund Receivable	0	0	0
Prepaid Items	0	0	0
Total Assets	<u>\$ 143,097</u>	<u>\$ 196,151</u>	<u>\$ 30,113</u>
Liabilities:			
Accounts Payable	\$ 0	\$ 1,880	\$ 312
Accrued Wages and Benefits Payable	3,450	1,305	706
Intergovernmental Payable	2,376	843	544
Contracts Payable	0	0	0
Due to Other Funds	0	0	0
Interfund Payable	0	0	0
Deferred Revenue	0	0	18,925
Total Liabilities	<u>5,826</u>	<u>4,028</u>	<u>20,487</u>
Fund Balances:			
Reserved for Encumbrances	466	1,288	1,043
Reserved for Loans Receivable	0	0	0
Unreserved, Undesignated in :			
Special Revenue Funds	136,805	190,835	8,583
Total Fund Balances	<u>137,271</u>	<u>192,123</u>	<u>9,626</u>
Total Liabilities and Fund Balances	<u>\$ 143,097</u>	<u>\$ 196,151</u>	<u>\$ 30,113</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

Marine Patrol Grant	Drug Abuse Resistance Education Grant	Community Policing Grant	Common Pleas Prison Reduction Grant	Common Pleas Jail Diversion Grant	Byrne Drug Court	911 Emergency Calling System
\$ 1,324	\$ 25,641	\$ 18	\$ 7	\$ 10,118	\$ 2,239	\$ 1,441,815
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	173,927
0	0	0	0	0	0	119
0	0	0	0	25,237	157,025	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	1,482
<u>\$ 1,324</u>	<u>\$ 25,641</u>	<u>\$ 18</u>	<u>\$ 7</u>	<u>\$ 35,355</u>	<u>\$ 159,264</u>	<u>\$ 1,617,343</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 129	\$ 6,957	\$ 1,851
0	1,086	0	0	1,112	1,317	23,969
122	133	0	0	848	922	17,680
0	0	0	0	0	0	3,786
0	0	0	0	0	0	0
0	0	0	0	0	13,000	0
0	0	0	0	12,618	140,225	94,960
<u>122</u>	<u>1,219</u>	<u>0</u>	<u>0</u>	<u>14,707</u>	<u>162,421</u>	<u>142,246</u>
0	0	0	0	34	0	5,222
0	0	0	0	0	0	0
<u>1,202</u>	<u>24,422</u>	<u>18</u>	<u>7</u>	<u>20,614</u>	<u>(3,157)</u>	<u>1,469,875</u>
<u>1,202</u>	<u>24,422</u>	<u>18</u>	<u>7</u>	<u>20,648</u>	<u>(3,157)</u>	<u>1,475,097</u>
<u>\$ 1,324</u>	<u>\$ 25,641</u>	<u>\$ 18</u>	<u>\$ 7</u>	<u>\$ 35,355</u>	<u>\$ 159,264</u>	<u>\$ 1,617,343</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

	Child Abuse Prevention Grant	Litter Control and Recycling	Child Support Enforcement Agency	Real Estate Assessment
Assets:				
Cash and Cash Equivalents	\$ 250	\$ 5,363	\$ 104,258	\$ 488,643
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	13,952	270
Intergovernmental	8,523	11,320	0	0
Interest	0	0	0	0
Special Assessments	0	0	0	0
Loans	0	0	0	0
Interfund Receivable	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$ 8,773	\$ 16,683	\$ 118,210	\$ 488,913
Liabilities:				
Accounts Payable	\$ 0	\$ 1,913	\$ 0	\$ 9,326
Accrued Wages and Benefits Payable	0	976	11,232	4,257
Intergovernmental Payable	0	760	8,594	3,181
Contracts Payable	0	0	277	309
Due to Other Funds	0	0	67,466	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	11,320	0	0
Total Liabilities	0	14,969	87,569	17,073
Fund Balances:				
Reserved for Encumbrances	0	0	2,514	48,297
Reserved for Loans Receivable	0	0	0	0
Unreserved, Undesignated in :				
Special Revenue Funds	8,773	1,714	28,127	423,543
Total Fund Balances	8,773	1,714	30,641	471,840
Total Liabilities and Fund Balances	\$ 8,773	\$ 16,683	\$ 118,210	\$ 488,913

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

Youth Services Grant	Ditch Maintenance	Water Resource Study	Emergency Management Agency	Family Resources	Home	Marriage License
\$ 99,206	\$ 5,246	\$ 500	\$ 129,180	\$ 11,671	\$ 298	\$ 7,580
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	43	895
196,573	0	0	3,034	0	0	0
0	0	0	0	0	0	0
0	8,018	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 295,779</u>	<u>\$ 13,264</u>	<u>\$ 500</u>	<u>\$ 132,214</u>	<u>\$ 11,671</u>	<u>\$ 341</u>	<u>\$ 8,475</u>
\$ 0	\$ 0	\$ 0	\$ 1,810	\$ 1,756	\$ 0	\$ 7,580
5,788	0	0	1,229	0	0	0
4,391	0	0	1,222	0	0	0
0	0	0	468	0	850	0
0	0	0	0	0	0	0
0	7,000	0	0	0	0	0
196,573	8,018	0	3,034	0	0	0
<u>206,752</u>	<u>15,018</u>	<u>0</u>	<u>7,763</u>	<u>1,756</u>	<u>850</u>	<u>7,580</u>
0	0	225	112,633	1,028	4,252	0
0	0	0	0	0	0	0
89,027	(1,754)	275	11,818	8,887	(4,761)	895
<u>89,027</u>	<u>(1,754)</u>	<u>500</u>	<u>124,451</u>	<u>9,915</u>	<u>(509)</u>	<u>895</u>
<u>\$ 295,779</u>	<u>\$ 13,264</u>	<u>\$ 500</u>	<u>\$ 132,214</u>	<u>\$ 11,671</u>	<u>\$ 341</u>	<u>\$ 8,475</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

	<u>Commissary</u>	<u>Law Enforcement</u>	<u>Drug Abuse Resistance Education</u>	<u>Drug Enforcement</u>
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Cash and Cash Equivalents in Segregated Accounts	3,048	581	4,895	8,168
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Special Assessments	0	0	0	0
Loans	0	0	0	0
Interfund Receivable	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	<u>\$ 3,048</u>	<u>\$ 581</u>	<u>\$ 4,895</u>	<u>\$ 8,168</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Contracts Payable	0	0	0	0
Due to Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Reserved for Encumbrances	0	0	0	0
Reserved for Loans Receivable	0	0	0	0
Unreserved, Undesignated in :				
Special Revenue Funds	3,048	581	4,895	8,168
Total Fund Balances	<u>3,048</u>	<u>581</u>	<u>4,895</u>	<u>8,168</u>
Total Liabilities and Fund Balances	<u>\$ 3,048</u>	<u>\$ 581</u>	<u>\$ 4,895</u>	<u>\$ 8,168</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2003**

Revolving Loan	Calendar	Help American Vote Grant	Juvenile Court Special Probation	Work Release	Law Enforcement Cadets	Senior Citizens	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 7,908	\$ 1,638	\$ 0	\$ 0	\$ 135,518	\$ 3,200,484
45,639	158	0	0	1,064	2,251	0	65,804
0	0	0	0	0	0	0	0
0	0	0	0	0	0	982,251	1,156,178
0	0	0	0	0	0	0	35,995
0	0	6,593	0	0	0	0	432,031
0	0	0	0	0	0	0	50
0	0	0	0	0	0	0	8,018
104,259	0	0	0	0	0	0	104,259
0	0	0	0	0	0	0	13,000
0	0	0	0	0	0	0	1,482
<u>\$ 149,898</u>	<u>\$ 158</u>	<u>\$ 14,501</u>	<u>\$ 1,638</u>	<u>\$ 1,064</u>	<u>\$ 2,251</u>	<u>\$ 1,117,769</u>	<u>\$ 5,017,301</u>
\$ 0	\$ 0	\$ 0	\$ 1,383	\$ 0	\$ 0	\$ 0	\$ 37,448
0	0	0	0	0	0	0	60,891
0	0	0	46	0	0	0	45,285
0	0	0	0	0	0	0	5,690
0	0	0	0	0	0	0	67,466
0	0	0	0	0	0	0	20,000
0	0	6,593	0	0	0	982,251	1,474,517
0	0	6,593	1,429	0	0	982,251	1,711,297
0	0	0	0	0	0	0	182,801
104,259	0	0	0	0	0	0	104,259
45,639	158	7,908	209	1,064	2,251	135,518	3,018,944
149,898	158	7,908	209	1,064	2,251	135,518	3,306,004
<u>\$ 149,898</u>	<u>\$ 158</u>	<u>\$ 14,501</u>	<u>\$ 1,638</u>	<u>\$ 1,064</u>	<u>\$ 2,251</u>	<u>\$ 1,117,769</u>	<u>\$ 5,017,301</u>

KNOX COUNTY, OHIO**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	Dog and Kennel	Indigent Guardianship	Conduct of Business	Courts' Computer
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0
Charges for Services	20,245	7,780	397	28,557
Licenses and Permits	116,423	0	0	0
Investment Earnings	0	0	0	570
Special Assessments	0	0	0	0
Fines and Forfeitures	8,395	0	0	0
All Other Revenue	568	59	0	0
Total Revenue	145,631	7,839	397	29,127
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	5,797	140	19,054
Public Safety	0	0	0	0
Health	138,543	0	0	0
Human Services	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	138,543	5,797	140	19,054
Excess (Deficiency) of Revenues Over Expenditures	7,088	2,042	257	10,073
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	7,088	2,042	257	10,073
Fund Balances at Beginning of Year	161,958	837	3,568	38,441
Fund Balances End of Year	\$ 169,046	\$ 2,879	\$ 3,825	\$ 48,514

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

Recorder's Equipment	Courts' Computer Research	Time Out Program	Court Security	Probate-Juvenile Special Project	After Hours Probation	Juvenile Court Social Workers
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	9,618	47,865
83,085	3,209	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	2,002	0	0
0	0	8,117	0	810	16	51,037
<u>83,085</u>	<u>3,209</u>	<u>8,117</u>	<u>0</u>	<u>2,812</u>	<u>9,634</u>	<u>98,902</u>
110,830	0	0	0	0	0	0
0	2,221	0	0	0	0	0
0	0	13,374	256	3,302	8,921	56,279
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>110,830</u>	<u>2,221</u>	<u>13,374</u>	<u>256</u>	<u>3,302</u>	<u>8,921</u>	<u>56,279</u>
(27,745)	988	(5,257)	(256)	(490)	713	42,623
0	0	10,000	0	0	0	0
0	0	0	0	0	0	0
0	0	10,000	0	0	0	0
(27,745)	988	4,743	(256)	(490)	713	42,623
65,247	3,337	(1,628)	354	28,042	129	59,235
<u>\$ 37,502</u>	<u>\$ 4,325</u>	<u>\$ 3,115</u>	<u>\$ 98</u>	<u>\$ 27,552</u>	<u>\$ 842</u>	<u>\$ 101,858</u>

(Continued)

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003***

	Truancy Mediation	Automated Title Processing	Delinquent Tax Assessment Collection	VOCA and SVAA Grant
Revenues:				
Taxes	\$ 0	\$ 0	\$ 91,890	\$ 0
Intergovernmental Revenues	0	0	0	30,753
Charges for Services	0	230,799	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	1,075	514	631	86
Total Revenue	1,075	231,313	92,521	30,839
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	81,927	34,801
Judicial	0	156,785	0	0
Public Safety	273	0	0	0
Health	0	0	0	0
Human Services	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	273	156,785	81,927	34,801
Excess (Deficiency) of Revenues Over Expenditures	802	74,528	10,594	(3,962)
Other Financing Sources (Uses):				
Transfers In	0	0	0	8,062
Transfers Out	0	(200,000)	0	0
Total Other Financing Sources (Uses)	0	(200,000)	0	8,062
Net Change in Fund Balances	802	(125,472)	10,594	4,100
Fund Balances at Beginning of Year	(802)	262,743	181,529	5,526
Fund Balances End of Year	\$ 0	\$ 137,271	\$ 192,123	\$ 9,626

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

Marine Patrol Grant	Drug Abuse Resistance Education Grant	Community Policing Grant	Common Pleas Prison Reduction Grant	Common Pleas Jail Diversion Grant	Byrne Drug Court	911 Emergency Calling System
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,083,951
19,605	39,083	0	0	61,830	83,838	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
36	36	8	0	61	0	2,304
<u>19,641</u>	<u>39,119</u>	<u>8</u>	<u>0</u>	<u>61,891</u>	<u>83,838</u>	<u>1,086,255</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
18,670	17,714	0	0	45,350	86,995	1,097,127
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>18,670</u>	<u>17,714</u>	<u>0</u>	<u>0</u>	<u>45,350</u>	<u>86,995</u>	<u>1,097,127</u>
971	21,405	8	0	16,541	(3,157)	(10,872)
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
971	21,405	8	0	16,541	(3,157)	(10,872)
231	3,017	10	7	4,107	0	1,485,969
<u>\$ 1,202</u>	<u>\$ 24,422</u>	<u>\$ 18</u>	<u>\$ 7</u>	<u>\$ 20,648</u>	<u>\$ (3,157)</u>	<u>\$ 1,475,097</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	Child Abuse Prevention Grant	Litter Control and Recycling	Child Support Enforcement Agency	Real Estate Assessment
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	21,137	56,480	819,360	0
Charges for Services	0	18,530	143,831	457,572
Licenses and Permits	0	0	0	0
Investment Earnings	0	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	557	8,194	419
Total Revenue	21,137	75,567	971,385	457,991
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	0	277,702
Judicial	0	0	0	0
Public Safety	0	0	0	0
Health	0	71,997	0	0
Human Services	15,669	0	1,054,141	0
Capital Outlay	0	0	0	0
Total Expenditures	15,669	71,997	1,054,141	277,702
Excess (Deficiency) of Revenues Over Expenditures	5,468	3,570	(82,756)	180,289
Other Financing Sources (Uses):				
Transfers In	0	7,000	0	0
Transfers Out	0	(8,000)	0	0
Total Other Financing Sources (Uses)	0	(1,000)	0	0
Net Change in Fund Balances	5,468	2,570	(82,756)	180,289
Fund Balances at Beginning of Year	3,305	(856)	113,397	291,551
Fund Balances End of Year	\$ 8,773	\$ 1,714	\$ 30,641	\$ 471,840

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

Youth Services Grant	Ditch Maintenance	Water Resource Study	Emergency Management Agency	Family Resources	Home	Marriage License
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
239,471	0	0	185,186	15,408	48,050	0
0	0	0	0	0	0	14,556
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	7,412	0	0	0	0	0
0	0	0	0	0	0	0
930	0	0	312	0	43	0
<u>240,401</u>	<u>7,412</u>	<u>0</u>	<u>185,498</u>	<u>15,408</u>	<u>48,093</u>	<u>14,556</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
241,008	0	0	196,731	0	0	0
0	0	0	0	0	0	14,821
0	0	0	0	15,042	47,627	0
0	17,133	0	0	0	0	0
<u>241,008</u>	<u>17,133</u>	<u>0</u>	<u>196,731</u>	<u>15,042</u>	<u>47,627</u>	<u>14,821</u>
(607)	(9,721)	0	(11,233)	366	466	(265)
0	0	0	47,500	0	0	0
0	0	0	0	0	0	0
0	0	0	47,500	0	0	0
(607)	(9,721)	0	36,267	366	466	(265)
89,634	7,967	500	88,184	9,549	(975)	1,160
<u>\$ 89,027</u>	<u>\$ (1,754)</u>	<u>\$ 500</u>	<u>\$ 124,451</u>	<u>\$ 9,915</u>	<u>\$ (509)</u>	<u>\$ 895</u>

(Continued)

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003***

	Commissary	Law Enforcement	Drug Abuse Resistance Education	Drug Enforcement
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0
Charges for Services	21,128	0	0	0
Licenses and Permits	0	0	0	0
Investment Earnings	0	33	5	20
Special Assessments	0	0	0	0
Fines and Forfeitures	0	1,337	9,843	0
All Other Revenue	0	0	0	0
Total Revenue	21,128	1,370	9,848	20
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	0
Public Safety	18,671	912	8,330	0
Health	0	0	0	0
Human Services	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	18,671	912	8,330	0
Excess (Deficiency) of Revenues Over Expenditures	2,457	458	1,518	20
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balances	2,457	458	1,518	20
Fund Balances at Beginning of Year	591	123	3,377	8,148
Fund Balances End of Year	\$ 3,048	\$ 581	\$ 4,895	\$ 8,168

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

Revolving Loan	Calendar	Help American Vote Grant	Juvenile Court Special Probation	Work Release	Law Enforcement Cadets	Senior Citizens	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 867,380	\$ 2,043,221
0	0	7,908	19,245	0	0	0	1,704,837
0	0	0	0	4,070	0	0	1,033,759
0	0	0	0	0	0	0	116,423
0	1	0	0	0	0	0	629
0	0	0	0	0	0	0	7,412
0	0	0	0	0	3,421	0	24,998
0	0	0	0	0	0	0	75,813
<u>0</u>	<u>1</u>	<u>7,908</u>	<u>19,245</u>	<u>4,070</u>	<u>3,421</u>	<u>867,380</u>	<u>5,007,092</u>
0	0	0	0	0	0	731,862	1,237,122
0	0	0	0	0	0	0	183,997
0	0	0	19,036	3,006	1,170	0	1,837,125
0	0	0	0	0	0	0	225,361
5,023	0	0	0	0	0	0	1,137,502
0	0	0	0	0	0	0	17,133
<u>5,023</u>	<u>0</u>	<u>0</u>	<u>19,036</u>	<u>3,006</u>	<u>1,170</u>	<u>731,862</u>	<u>4,638,240</u>
(5,023)	1	7,908	209	1,064	2,251	135,518	368,852
0	0	0	0	0	0	0	72,562
0	0	0	0	0	0	0	(208,000)
0	0	0	0	0	0	0	(135,438)
(5,023)	1	7,908	209	1,064	2,251	135,518	233,414
154,921	157	0	0	0	0	0	3,072,590
<u>\$ 149,898</u>	<u>\$ 158</u>	<u>\$ 7,908</u>	<u>\$ 209</u>	<u>\$ 1,064</u>	<u>\$ 2,251</u>	<u>\$ 135,518</u>	<u>\$ 3,306,004</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2003**

	<u>Bond Retirement</u>	<u>Ohio Water Development Authority</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets:			
Cash and Cash Equivalents	\$ 702,428	\$ 180	\$ 702,608
Receivables:			
Special Assessments	242,192	0	242,192
Total Assets	<u>\$ 944,620</u>	<u>\$ 180</u>	<u>\$ 944,800</u>
Liabilities:			
Matured Bonds and Interest Payable	\$ 48,379	\$ 0	\$ 48,379
Deferred Revenue	242,192	0	242,192
Total Liabilities	<u>290,571</u>	<u>0</u>	<u>290,571</u>
Fund Balances:			
Reserved for Debt Service	654,049	180	654,229
Total Fund Balances	<u>654,049</u>	<u>180</u>	<u>654,229</u>
Total Liabilities and Fund Balances	<u>\$ 944,620</u>	<u>\$ 180</u>	<u>\$ 944,800</u>

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2003***

	<u>Bond Retirement</u>	<u>Ohio Water Development Authority</u>	<u>Total Nonmajor Debt Service Funds</u>
Revenues:			
Special Assessments	\$ 224,787	\$ 0	\$ 224,787
All Other Revenue	183,545	0	183,545
Total Revenue	<u>408,332</u>	<u>0</u>	<u>408,332</u>
Expenditures:			
Debt Service:			
Principal Retirement	700,000	0	700,000
Interest and Fiscal Charges	622,333	0	622,333
Total Expenditures	<u>1,322,333</u>	<u>0</u>	<u>1,322,333</u>
Excess (Deficiency) of Revenues Over Expenditures	(914,001)	0	(914,001)
Other Financing Sources (Uses):			
Transfers In	932,611	0	932,611
Total Other Financing Sources (Uses)	<u>932,611</u>	<u>0</u>	<u>932,611</u>
Net Change in Fund Balances	18,610	0	18,610
Fund Balances at Beginning of Year	<u>635,439</u>	<u>180</u>	<u>635,619</u>
Fund Balances End of Year	<u>\$ 654,049</u>	<u>\$ 180</u>	<u>\$ 654,229</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2003**

	<u>Permanent Improvement</u>	<u>Dog and Kennel Equipment</u>	<u>Correctional Facility Construction</u>	<u>Sewer Construction</u>
Assets:				
Cash and Cash Equivalents	\$ 1,348,604	\$ 3,183	\$ 800,964	\$ 78,859
Cash and Cash Equivalents with Fiscal Agent	0	0	7,305	0
Receivables:				
Intergovernmental	0	0	0	0
Interest	0	0	1,173	115
Total Assets	<u>\$ 1,348,604</u>	<u>\$ 3,183</u>	<u>\$ 809,442</u>	<u>\$ 78,974</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 11,979	\$ 0
Contracts Payable	0	0	0	1,096
Retainage Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>11,979</u>	<u>1,096</u>
Fund Balances:				
Reserved for Encumbrances	0	0	26,173	74,878
Unreserved, Undesignated in :				
Capital Projects Funds	1,348,604	3,183	771,290	3,000
Total Fund Balances	<u>1,348,604</u>	<u>3,183</u>	<u>797,463</u>	<u>77,878</u>
Total Liabilities and Fund Balances	<u>\$ 1,348,604</u>	<u>\$ 3,183</u>	<u>\$ 809,442</u>	<u>\$ 78,974</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2003**

JFS Training Center	Children's Resource Center	Board of Health Center	Community Development Block Grant	Fredericktown Sewer Project	Highway Planning and Construction Grant	Total Nonmajor Capital Project Funds
\$ 4,231	\$ 133,892	\$ 0	\$ 35,465	\$ 6,794	\$ 0	\$ 2,411,992
4,283	0	0	0	0	0	11,588
0	0	0	568,141	0	5,553	573,694
22	118	0	2	0	0	1,430
<u>\$ 8,536</u>	<u>\$ 134,010</u>	<u>\$ 0</u>	<u>\$ 603,608</u>	<u>\$ 6,794</u>	<u>\$ 5,553</u>	<u>\$ 2,998,704</u>
\$ 402	\$ 2,482	\$ 0	\$ 130,330	\$ 0	\$ 5,553	\$ 150,746
0	0	0	3,650	0	0	4,746
0	0	39,787	0	0	0	39,787
0	0	0	568,141	0	0	568,141
<u>402</u>	<u>2,482</u>	<u>39,787</u>	<u>702,121</u>	<u>0</u>	<u>5,553</u>	<u>763,420</u>
0	12,642	0	14,211	0	0	127,904
8,134	118,886	(39,787)	(112,724)	6,794	0	2,107,380
<u>8,134</u>	<u>131,528</u>	<u>(39,787)</u>	<u>(98,513)</u>	<u>6,794</u>	<u>0</u>	<u>2,235,284</u>
<u>\$ 8,536</u>	<u>\$ 134,010</u>	<u>\$ 0</u>	<u>\$ 603,608</u>	<u>\$ 6,794</u>	<u>\$ 5,553</u>	<u>\$ 2,998,704</u>

KNOX COUNTY, OHIO**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	Permanent Improvement	Dog and Kennel Equipment	Correctional Facility Construction	Issue II	Sewer Construction
Revenues:					
Intergovernmental Revenues	\$ 0	\$ 0	\$ 147,284	\$ 50,735	\$ 0
Investment Earnings	0	0	17,770	0	3,598
All Other Revenue	0	307	80,652	0	0
Total Revenue	0	307	245,706	50,735	3,598
Expenditures:					
Current:					
Human Services	0	0	0	0	0
Capital Outlay	46,468	0	97,975	50,735	354,631
Total Expenditures	46,468	0	97,975	50,735	354,631
Excess (Deficiency) of Revenues Over Expenditures	(46,468)	307	147,731	0	(351,033)
Other Financing Sources (Uses):					
Transfers In	750,000	0	0	0	0
Transfers Out	0	0	(628,381)	0	0
Total Other Financing Sources (Uses)	750,000	0	(628,381)	0	0
Net Change in Fund Balances	703,532	307	(480,650)	0	(351,033)
Fund Balances at Beginning of Year	645,072	2,876	1,278,113	0	428,911
Fund Balances End of Year	\$ 1,348,604	\$ 3,183	\$ 797,463	\$ 0	\$ 77,878

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003***

JFS Training Center	Children's Resource Center	Board of Health Center	Community Development Block Grant	Fredericktown Sewer Project	Highway Planning and Construction Grant	Scott and Lucerne Road Bridges	Total Nonmajor Capital Project Funds
\$ 0	\$ 0	\$ 0	\$ 208,694	\$ 0	\$ 370,744	\$ 68,742	\$ 846,199
4,372	4,778	0	22	0	0	0	30,540
0	0	0	0	0	0	0	80,959
<u>4,372</u>	<u>4,778</u>	<u>0</u>	<u>208,716</u>	<u>0</u>	<u>370,744</u>	<u>68,742</u>	<u>957,698</u>
0	0	0	106,437	0	0	0	106,437
<u>33,997</u>	<u>62,230</u>	<u>90</u>	<u>211,727</u>	<u>0</u>	<u>370,744</u>	<u>68,742</u>	<u>1,297,339</u>
<u>33,997</u>	<u>62,230</u>	<u>90</u>	<u>318,164</u>	<u>0</u>	<u>370,744</u>	<u>68,742</u>	<u>1,403,776</u>
(29,625)	(57,452)	(90)	(109,448)	0	0	0	(446,078)
0	0	0	0	0	0	0	750,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(628,381)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>121,619</u>
(29,625)	(57,452)	(90)	(109,448)	0	0	0	(324,459)
<u>37,759</u>	<u>188,980</u>	<u>(39,697)</u>	<u>10,935</u>	<u>6,794</u>	<u>0</u>	<u>0</u>	<u>2,559,743</u>
<u>\$ 8,134</u>	<u>\$ 131,528</u>	<u>\$ (39,787)</u>	<u>\$ (98,513)</u>	<u>\$ 6,794</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,235,284</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 6,309,400	\$ 6,309,400	\$ 6,719,357	\$ 409,957
Intergovernmental Revenues	1,555,000	1,555,000	1,518,429	(36,571)
Charges for Services	1,837,900	1,837,900	2,031,806	193,906
Licenses and Permits	5,650	5,650	6,235	585
Investment Earnings	900,000	900,000	321,069	(578,931)
Fines and Forfeitures	42,000	42,000	49,263	7,263
All Other Revenues	179,345	179,345	257,912	78,567
Total Revenues	<u>10,829,295</u>	<u>10,829,295</u>	<u>10,904,071</u>	<u>74,776</u>
Expenditures:				
General Government - Legislative and Executive:				
Commissioners:				
Personal Services	260,700	262,514	253,320	9,194
Materials and Supplies	123,407	138,457	102,960	35,497
Contractual Services	163,400	241,555	173,277	68,278
Other Expenditures	339,943	665,004	562,411	102,593
Total Commissioners	<u>887,450</u>	<u>1,307,530</u>	<u>1,091,968</u>	<u>215,562</u>
County Microfilming::				
Personal Services	21,850	22,230	22,010	220
Other Expenditures	4,750	4,754	1,354	3,400
Total County Microfilming	<u>26,600</u>	<u>26,984</u>	<u>23,364</u>	<u>3,620</u>
Safe/Loss:				
Personal Services	43,425	44,105	43,457	648
Materials and Supplies	3,800	4,573	3,113	1,460
Contractual Services	950	950	204	746
Other Expenditures	950	1,060	566	494
Total Safe/Loss	<u>49,125</u>	<u>50,688</u>	<u>47,340</u>	<u>3,348</u>
Regional Planning Commission:				
Personal Services	54,500	54,500	54,500	0
Total Regional Planning Commission	<u>54,500</u>	<u>54,500</u>	<u>54,500</u>	<u>0</u>
Auditor:				
Personal Services	170,663	173,203	171,381	1,822
Materials and Supplies	14,660	15,166	14,053	1,113
Contractual Services	6,745	39,620	39,307	313
Other Expenditures	3,325	3,575	3,574	1
Total Auditor	<u>195,393</u>	<u>231,564</u>	<u>228,315</u>	<u>3,249</u>

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Assessing Personal Property:				
Personal Services	37,655	29,425	29,289	136
Materials and Supplies	<u>1,140</u>	<u>1,038</u>	<u>1,038</u>	<u>0</u>
Total Assessing Personal Property	38,795	30,463	30,327	136
Treasurer:				
Personal Services	144,803	141,034	141,034	0
Materials and Supplies	6,150	7,958	7,958	0
Contractual Services	5,130	16,213	16,213	0
Other Expenditures	<u>2,375</u>	<u>4,591</u>	<u>4,591</u>	<u>0</u>
Total Treasurer	158,458	169,796	169,796	0
Prosecuting Attorney:				
Personal Services	280,392	285,902	284,198	1,704
Materials and Supplies	5,150	8,184	7,770	414
Contractual Services	40,423	63,423	51,378	12,045
Other Expenditures	<u>7,500</u>	<u>6,776</u>	<u>4,740</u>	<u>2,036</u>
Total Prosecuting Attorney	333,465	364,285	348,086	16,199
Bureau of Inspection:				
Contractual Services	<u>67,000</u>	<u>75,803</u>	<u>75,803</u>	<u>0</u>
Total Bureau of Inspection	67,000	75,803	75,803	0
Data Processing Board:				
Materials and Supplies	0	76,534	53,442	23,092
Contractual Services	<u>86,450</u>	<u>86,625</u>	<u>83,917</u>	<u>2,708</u>
Total Data Processing Board	86,450	163,159	137,359	25,800
Board of Elections:				
Personal Services	190,972	195,484	194,393	1,091
Materials and Supplies	75,550	84,500	84,290	210
Contractual Services	10,500	28,637	28,086	551
Other Expenditures	<u>3,800</u>	<u>6,500</u>	<u>5,923</u>	<u>577</u>
Total Board of Elections	280,822	315,121	312,692	2,429
Maintenance and Operation:				
Personal Services	225,800	225,800	203,723	22,077
Materials and Supplies	94,553	107,341	70,673	36,668
Contractual Services	715,800	859,807	584,804	275,003
Other Expenditures	<u>100,000</u>	<u>95,708</u>	<u>24,636</u>	<u>71,072</u>
Total Maintenance and Operation	1,136,153	1,288,656	883,836	404,820

(Continued)

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Corporate Center - Maintenance and Operation:				
Personal Services	80,200	84,150	82,817	1,333
Materials and Supplies	32,150	34,525	13,030	21,495
Contractual Services	29,000	27,498	21,233	6,265
Other Expenditures	950	950	344	606
Total Corporate Center - Maintenance and Operation	142,300	147,123	117,424	29,699
Air Navigation and Facilities Personal Services:				
Personal Services	45,727	45,727	33,803	11,924
Total Air Navigation and Facilities Personal Services	45,727	45,727	33,803	11,924
Recorder:				
Personal Services	149,948	152,048	150,959	1,089
Materials and Supplies	6,650	6,650	6,442	208
Contractual Services	11,750	11,750	11,750	0
Other Expenditures	1,900	1,900	1,638	262
Total Recorder	170,248	172,348	170,789	1,559
Insurance, Pension and Taxes:				
Contractual Services	1,300,530	1,302,708	1,210,409	92,299
Total Insurance, Pension and Taxes	1,300,530	1,302,708	1,210,409	92,299
Agriculture:				
Contractual Services	472,888	472,888	472,888	0
Total Agriculture	472,888	472,888	472,888	0
Total General Government - Legislative and Executive	5,445,904	6,219,343	5,408,699	810,644
General Government - Judicial:				
Court of Appeals:				
Contractual Services	8,200	8,200	4,635	3,565
Total Court of Appeals	8,200	8,200	4,635	3,565
Common Pleas Court:				
Personal Services	285,135	282,400	280,861	1,539
Materials and Supplies	14,250	10,456	10,097	359
Contractual Services	11,400	24,446	24,446	0
Other Expenditures	11,400	18,195	17,376	819
Total Common Pleas Court	322,185	335,497	332,780	2,717

(Continued)

KNOX COUNTY, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Jury Commission:				
Personal Services	1,500	1,500	1,500	0
Contractual Services	500	90	21	69
Total Jury Commission	<u>2,000</u>	<u>1,590</u>	<u>1,521</u>	<u>69</u>
Juvenile Court:				
Personal Services	50	50	44	6
Materials and Supplies	6,500	5,485	4,963	522
Contractual Services	14,100	15,442	15,211	231
Total Juvenile Court	<u>20,650</u>	<u>20,977</u>	<u>20,218</u>	<u>759</u>
Juvenile Probation:				
Personal Services	292,000	289,939	286,891	3,048
Materials and Supplies	10,000	6,295	6,290	5
Contractual Services	208,500	229,187	229,039	148
Total Juvenile Probation	<u>510,500</u>	<u>525,421</u>	<u>522,220</u>	<u>3,201</u>
Probate Court:				
Personal Services	113,220	114,723	111,923	2,800
Materials and Supplies	6,000	6,699	6,061	638
Contractual Services	8,800	13,302	13,226	76
Other Expenditures	2,500	2,625	2,580	45
Total Probate Court	<u>130,520</u>	<u>137,349</u>	<u>133,790</u>	<u>3,559</u>
Clerk of Courts:				
Personal Services	244,848	246,373	244,235	2,138
Materials and Supplies	10,450	14,754	10,471	4,283
Contractual Services	9,720	10,810	9,960	850
Other Expenditures	1,900	1,900	801	1,099
Total Clerk of Courts	<u>266,918</u>	<u>273,837</u>	<u>265,467</u>	<u>8,370</u>
Municipal Court:				
Personal Services	75,310	77,810	77,296	514
Contractual Services	12,630	12,630	12,129	501
Total Municipal Court	<u>87,940</u>	<u>90,440</u>	<u>89,425</u>	<u>1,015</u>
Law Library:				
Personal Services	5,900	5,900	1,353	4,547
Other Expenditures	1,000	1,000	0	1,000
Total Law Library:	<u>6,900</u>	<u>6,900</u>	<u>1,353</u>	<u>5,547</u>

(Continued)

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Public Defender:				
Personal Services	265,570	265,962	252,775	13,187
Materials and Supplies	2,660	2,660	2,577	83
Contractual Services	5,595	8,098	6,597	1,501
Other Expenditures	95	0	0	0
Total Public Defender	<u>273,920</u>	<u>276,720</u>	<u>261,949</u>	<u>14,771</u>
Total General Government - Judicial	<u>1,629,733</u>	<u>1,676,931</u>	<u>1,633,358</u>	<u>43,573</u>
Public Safety:				
Sheriff:				
Personal Services	2,293,657	2,489,835	2,488,582	1,253
Materials and Supplies	251,843	302,248	302,186	62
Contractual Services	724,357	242,840	231,970	10,870
Other Expenditures	115,000	112,411	110,878	1,533
Total Sheriff	<u>3,384,857</u>	<u>3,147,334</u>	<u>3,133,616</u>	<u>13,718</u>
Coroner:				
Personal Services	29,621	30,178	29,419	759
Materials and Supplies	100	100	0	100
Contractual Services	30,100	30,033	27,709	2,324
Other Expenditures	950	950	0	950
Total Coroner	<u>60,771</u>	<u>61,261</u>	<u>57,128</u>	<u>4,133</u>
Total Public Safety	<u>3,445,628</u>	<u>3,208,595</u>	<u>3,190,744</u>	<u>17,851</u>
Public Works:				
Map Department:				
Personal Services	85,500	86,452	85,974	478
Materials and Supplies	12,575	12,128	11,053	1,075
Other Expenditures	100	17	17	0
Total Map Department	<u>98,175</u>	<u>98,597</u>	<u>97,044</u>	<u>1,553</u>
Buildings and Grounds:				
Contractual Services	288,852	35,202	8,369	26,833
Capital Outlay	216,058	166,058	2,206	163,852
Total Buildings and Grounds	<u>504,910</u>	<u>201,260</u>	<u>10,575</u>	<u>190,685</u>
Total Public Works	<u>603,085</u>	<u>299,857</u>	<u>107,619</u>	<u>192,238</u>

(Continued)

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Health:				
Vital Statistics:				
Other Expenditures	1,200	1,200	0	1,200
Total Vital Statistics	1,200	1,200	0	1,200
Other Health:				
Other Expenditures	85,000	85,800	85,749	51
Total Other Health	85,000	85,800	85,749	51
Humane Society:				
Personal Services	8,725	8,725	7,288	1,437
Materials and Supplies	1,900	1,900	0	1,900
Other Expenditures	6,650	6,750	1,505	5,245
Total Humane Society	17,275	17,375	8,793	8,582
Animal Control Officer:				
Personal Services	36,305	40,046	38,651	1,395
Other Expenditures	2,280	820	151	669
Total Animal Control Officer	38,585	40,866	38,802	2,064
Total Health	142,060	145,241	133,344	11,897
Human Services:				
Children's Home:				
Contractual Services	100,000	100,000	100,000	0
Total Children's Home	100,000	100,000	100,000	0
Soldiers Relief:				
Personal Services	30,572	27,871	27,871	0
Materials and Supplies	6,300	17,118	17,118	0
Contractual Services	245,000	285,132	285,132	0
Total Soldiers Relief	281,872	330,121	330,121	0
Veterans Relief:				
Personal Services	92,110	113,496	113,420	76
Contractual Services	26,100	24,281	24,241	40
Other Expenditures	1,000	229	229	0
Total Veterans Relief	119,210	138,006	137,890	116

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Public Assistance:				
Contractual Services	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Total Public Assistance	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>0</u>
Total Human Services	<u>701,082</u>	<u>768,127</u>	<u>768,011</u>	<u>116</u>
Conservation and Recreation:				
Bike Path:				
Contractual Services	<u>8,657</u>	<u>8,657</u>	<u>0</u>	<u>8,657</u>
Total Bike Path	<u>8,657</u>	<u>8,657</u>	<u>0</u>	<u>8,657</u>
Total Conservation and Recreation	<u>8,657</u>	<u>8,657</u>	<u>0</u>	<u>8,657</u>
Capital Outlay	<u>229,006</u>	<u>229,006</u>	<u>229,006</u>	<u>0</u>
Total Expenditures	<u>12,205,155</u>	<u>12,555,757</u>	<u>11,470,781</u>	<u>1,084,976</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,375,860)	(1,726,462)	(566,710)	1,159,752
Other Financing Sources (Uses):				
Other Financing Sources	288,598	288,598	311,054	22,456
Other Financing Uses	(236,350)	(258,397)	(197,209)	61,188
Transfers In	50,000	50,000	208,000	158,000
Transfers Out	(68,685)	(826,747)	(822,562)	4,185
Advances In	0	0	300,000	300,000
Advances Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>33,563</u>	<u>(746,546)</u>	<u>(200,717)</u>	<u>545,829</u>
Net Change in Fund Balance	(1,342,297)	(2,473,008)	(767,427)	1,705,581
Fund Balance at Beginning of Year	2,970,393	2,970,393	2,970,393	0
Prior Year Encumbrances	407,251	407,251	407,251	0
Fund Balance at End of Year	<u>\$ 2,035,347</u>	<u>\$ 904,636</u>	<u>\$ 2,610,217</u>	<u>\$ 1,705,581</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2003***

PUBLIC ASSISTANCE FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Revenues	\$ 8,253,298	\$ 8,253,298	\$ 4,557,588	\$ (3,695,710)
All Other Revenues	236,702	236,702	272,228	35,526
Total Revenues	<u>8,490,000</u>	<u>8,490,000</u>	<u>4,829,816</u>	<u>(3,660,184)</u>
Expenditures:				
Human Services:				
Personal Services	2,668,500	2,825,993	2,648,499	177,494
Materials and Supplies	257,166	311,282	104,728	206,554
Contractual Services	3,012,970	3,294,452	1,597,250	1,697,202
Other Expenditures	1,085,000	1,105,857	450,102	655,755
Capital Outlay	7,901	7,901	7,901	0
Total Expenditures	<u>7,031,537</u>	<u>7,545,485</u>	<u>4,808,480</u>	<u>2,737,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,458,463	944,515	21,336	(923,179)
Other Financing Sources (Uses):				
Transfers Out	(304,230)	(304,230)	(304,230)	0
Total Other Financing Sources (Uses)	<u>(304,230)</u>	<u>(304,230)</u>	<u>(304,230)</u>	<u>0</u>
Net Change in Fund Balance	1,154,233	640,285	(282,894)	(923,179)
Fund Balance at Beginning of Year	620,692	620,692	620,692	0
Prior Year Encumbrances	386,014	386,014	386,014	0
Fund Balance at End of Year	<u>\$ 2,160,939</u>	<u>\$ 1,646,991</u>	<u>\$ 723,812</u>	<u>\$ (923,179)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2003**

	MOTOR VEHICLE AND GAS TAX FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 620,000	\$ 620,000	\$ 631,195	\$ 11,195
Intergovernmental Revenues	3,150,000	3,305,000	3,449,756	144,756
Charges for Services	0	0	4,905	4,905
Investment Earnings	3,000	3,000	4,840	1,840
Fines and Forfeitures	12,000	12,000	15,424	3,424
All Other Revenues	76,500	76,500	42,089	(34,411)
Total Revenues	<u>3,861,500</u>	<u>4,016,500</u>	<u>4,148,209</u>	<u>131,709</u>
Expenditures:				
Public Works:				
Personal Services	1,884,779	1,907,738	1,898,349	9,389
Materials and Supplies	755,861	1,067,556	1,067,287	269
Contractual Services	1,184,421	1,085,016	1,081,504	3,512
Other Expenditures	45,673	28,216	26,213	2,003
Intergovernmental	57,800	59,944	59,944	0
Capital Outlay	6,466	6,466	6,466	0
Total Expenditures	<u>3,935,000</u>	<u>4,154,936</u>	<u>4,139,763</u>	<u>15,173</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,500)	(138,436)	8,446	146,882
Fund Balance at Beginning of Year	73,955	73,955	73,955	0
Prior Year Encumbrances	64,482	64,482	64,482	0
Fund Balance at End of Year	<u>\$ 64,937</u>	<u>\$ 1</u>	<u>\$ 146,883</u>	<u>\$ 146,882</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2003**

	CHILDREN SERVICES BOARD FUND			Variance with Final Budget Positive Negative
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Taxes	\$ 867,100	\$ 867,100	\$ 897,012	\$ 29,912
Intergovernmental Revenues	1,910,345	1,910,345	1,546,777	(363,568)
Charges for Services	93,655	93,655	23,990	(69,665)
All Other Revenues	3,000	3,000	4,920	1,920
Total Revenues	<u>2,874,100</u>	<u>2,874,100</u>	<u>2,472,699</u>	<u>(401,401)</u>
Expenditures:				
Human Services:				
Personal Services	902,500	899,500	769,804	129,696
Materials and Supplies	61,485	21,736	6,282	15,454
Contractual Services	1,011,000	858,500	662,528	195,972
Other Expenditures	600,000	950,000	914,036	35,964
Capital Outlay	1,015	1,015	1,015	0
Total Expenditures	<u>2,576,000</u>	<u>2,730,751</u>	<u>2,353,665</u>	<u>377,086</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	298,100	143,349	119,034	(24,315)
Fund Balance at Beginning of Year	2,321,562	2,321,562	2,321,562	0
Prior Year Encumbrances	7,751	7,751	7,751	0
Fund Balance at End of Year	<u>\$ 2,627,413</u>	<u>\$ 2,472,662</u>	<u>\$ 2,448,347</u>	<u>\$ (24,315)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive Negative (Negative)
MENTAL RETARDATION FUND				
Revenues:				
Taxes	\$ 1,373,100	\$ 1,373,100	\$ 1,312,941	\$ (60,159)
Intergovernmental Revenues	1,519,145	1,519,146	1,581,855	62,709
Charges for Services	35,000	35,000	51,141	16,141
All Other Revenues	1,000	1,000	1,968	968
Total Revenues	<u>2,928,245</u>	<u>2,928,246</u>	<u>2,947,905</u>	<u>19,659</u>
Expenditures:				
Human Services:				
Personal Services	4,208,683	4,201,833	3,651,063	550,770
Materials and Supplies	106,582	115,675	92,831	22,844
Contractual Services	1,485,292	1,533,696	548,500	985,196
Other Expenditures	1,000	1,000	854	146
Capital Outlay	15,603	15,603	15,603	0
Total Expenditures	<u>5,817,160</u>	<u>5,867,807</u>	<u>4,308,851</u>	<u>1,558,956</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,888,915)	(2,939,561)	(1,360,946)	1,578,615
Other Financing Sources (Uses):				
Other Financing Sources	1,091,954	1,091,954	1,128,825	36,871
Total Other Financing Sources (Uses)	<u>1,091,954</u>	<u>1,091,954</u>	<u>1,128,825</u>	<u>36,871</u>
Net Change in Fund Balance	(1,796,961)	(1,847,607)	(232,121)	1,615,486
Fund Balance at Beginning of Year	1,796,961	1,796,961	1,796,961	0
Prior Year Encumbrances	50,646	50,646	50,646	0
Fund Balance at End of Year	<u>\$ 50,646</u>	<u>\$ 0</u>	<u>\$ 1,615,486</u>	<u>\$ 1,615,486</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	DOG AND KENNEL FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for Services	\$ 17,950	\$ 17,950	\$ 20,155	\$ 2,205
Licenses and Permits	115,000	115,000	122,451	7,451
Fines and Forfeitures	4,500	4,500	8,550	4,050
All Other Revenues	<u>575</u>	<u>575</u>	<u>508</u>	<u>(67)</u>
Total Revenues	<u>138,025</u>	<u>138,025</u>	<u>151,664</u>	<u>13,639</u>
Expenditures:				
Health:				
Personal Services	96,050	102,250	95,098	7,152
Materials and Supplies	20,867	20,867	5,233	15,634
Contractual Services	11,900	7,085	4,245	2,840
Other Expenditures	19,100	18,745	14,958	3,787
Capital Outlay	<u>20,808</u>	<u>20,808</u>	<u>20,808</u>	<u>0</u>
Total Expenditures	<u>168,725</u>	<u>169,755</u>	<u>140,342</u>	<u>29,413</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,700)	(31,730)	11,322	43,052
Fund Balance at Beginning of Year	158,351	158,351	158,351	0
Prior Year Encumbrances	<u>1,030</u>	<u>1,030</u>	<u>1,030</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 128,681</u>	<u>\$ 127,651</u>	<u>\$ 170,703</u>	<u>\$ 43,052</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 8,300	\$ 8,300	\$ 8,500	\$ 200
All Other Revenues	200	200	59	(141)
Total Revenues	<u>8,500</u>	<u>8,500</u>	<u>8,559</u>	<u>59</u>
Expenditures:				
General Government - Judicial:				
Contractual Services	<u>7,613</u>	<u>7,645</u>	<u>5,932</u>	<u>1,713</u>
Total Expenditures	<u>7,613</u>	<u>7,645</u>	<u>5,932</u>	<u>1,713</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	887	855	2,627	1,772
Fund Balance at Beginning of Year	388	388	388	0
Prior Year Encumbrances	<u>33</u>	<u>33</u>	<u>33</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,308</u>	<u>\$ 1,276</u>	<u>\$ 3,048</u>	<u>\$ 1,772</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	CONDUCT OF BUSINESS FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Charges for Services	\$ 425	\$ 425	\$ 408	\$ (17)
Total Revenues	<u>425</u>	<u>425</u>	<u>408</u>	<u>(17)</u>
Expenditures:				
General Government - Judicial:				
Contractual Services	1,000	1,000	140	860
Other Expenditures	<u>2,568</u>	<u>2,568</u>	<u>0</u>	<u>2,568</u>
Total Expenditures	<u>3,568</u>	<u>3,568</u>	<u>140</u>	<u>3,428</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,143)	(3,143)	268	3,411
Fund Balance at Beginning of Year	<u>3,538</u>	<u>3,538</u>	<u>3,538</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 395</u>	<u>\$ 395</u>	<u>\$ 3,806</u>	<u>\$ 3,411</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 28,500	\$ 28,500	\$ 31,420	\$ 2,920
Investment Earnings	3,500	3,500	572	(2,928)
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>31,992</u>	<u>(8)</u>
Expenditures:				
General Government - Judicial:				
Materials and Supplies	5,000	5,000	0	5,000
Contractual Services	32,935	34,165	28,864	5,301
Total Expenditures	<u>37,935</u>	<u>39,165</u>	<u>28,864</u>	<u>10,301</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,935)	(7,165)	3,128	10,293
Fund Balance at Beginning of Year	41,900	41,900	41,900	0
Prior Year Encumbrances	1,230	1,230	1,230	0
Fund Balance at End of Year	<u>\$ 37,195</u>	<u>\$ 35,965</u>	<u>\$ 46,258</u>	<u>\$ 10,293</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

RECORDER'S EQUIPMENT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 78,000	\$ 78,000	\$ 83,133	\$ 5,133
Total Revenues	<u>78,000</u>	<u>78,000</u>	<u>83,133</u>	<u>5,133</u>
Expenditures:				
General Government - Legislative and Executive:				
Materials and Supplies	0	1,000	822	178
Contractual Services	66,000	67,646	66,865	781
Other Expenditures	5,000	4,075	353	3,722
Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Expenditures	<u>121,000</u>	<u>122,721</u>	<u>118,040</u>	<u>4,681</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,000)	(44,721)	(34,907)	9,814
Fund Balance at Beginning of Year	66,098	66,098	66,098	0
Prior Year Encumbrances	<u>1,721</u>	<u>1,721</u>	<u>1,721</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 24,819</u>	<u>\$ 23,098</u>	<u>\$ 32,912</u>	<u>\$ 9,814</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 1,475	\$ 2,775	\$ 3,200	\$ 425
Total Revenues	<u>1,475</u>	<u>2,775</u>	<u>3,200</u>	<u>425</u>
Expenditures:				
General Government - Judicial:				
Contractual Services	<u>3,250</u>	<u>4,550</u>	<u>2,221</u>	<u>2,329</u>
Total Expenditures	<u>3,250</u>	<u>4,550</u>	<u>2,221</u>	<u>2,329</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,775)	(1,775)	979	2,754
Fund Balance at Beginning of Year	<u>3,172</u>	<u>3,172</u>	<u>3,172</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,397</u>	<u>\$ 1,397</u>	<u>\$ 4,151</u>	<u>\$ 2,754</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 29,000	\$ 37,000	\$ 0	\$ (37,000)
All Other Revenues	<u>0</u>	<u>0</u>	<u>8,117</u>	<u>8,117</u>
Total Revenues	<u>29,000</u>	<u>37,000</u>	<u>8,117</u>	<u>(28,883)</u>
Expenditures:				
Public Safety:				
Personal Services	15,561	15,561	14,171	1,390
Other Expenditures	<u>220</u>	<u>220</u>	<u>0</u>	<u>220</u>
Total Expenditures	<u>15,781</u>	<u>15,781</u>	<u>14,171</u>	<u>1,610</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,219	21,219	(6,054)	(27,273)
Other Financing Sources (Uses):				
Transfers In	8,000	16,000	10,000	(6,000)
Advances Out	<u>(219)</u>	<u>(219)</u>	<u>(219)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>7,781</u>	<u>15,781</u>	<u>9,781</u>	<u>(6,000)</u>
Net Change in Fund Balance	21,000	37,000	3,727	(33,273)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,000</u>	<u>\$ 37,000</u>	<u>\$ 3,727</u>	<u>\$ (33,273)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Public Safety:				
Materials and Supplies	256	256	256	0
Other Expenditures	<u>98</u>	<u>98</u>	<u>0</u>	<u>98</u>
Total Expenditures	<u>354</u>	<u>354</u>	<u>256</u>	<u>98</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	(354)	(354)	(256)	98
Fund Balance at Beginning of Year	<u>354</u>	<u>354</u>	<u>354</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 98</u>	<u>\$ 98</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 10,200	\$ 10,200	\$ 2,292	\$ (7,908)
All Other Revenues	<u>0</u>	<u>0</u>	<u>810</u>	<u>810</u>
Total Revenues	<u>10,200</u>	<u>10,200</u>	<u>3,102</u>	<u>(7,098)</u>
Expenditures:				
Public Safety:				
Materials and Supplies	5,000	5,000	601	4,399
Contractual Services	15,000	6,000	1,649	4,351
Other Expenditures	<u>8,042</u>	<u>8,042</u>	<u>552</u>	<u>7,490</u>
Total Expenditures	<u>28,042</u>	<u>19,042</u>	<u>2,802</u>	<u>16,240</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,842)	(8,842)	300	9,142
Fund Balance at Beginning of Year	<u>27,692</u>	<u>27,692</u>	<u>27,692</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,850</u>	<u>\$ 18,850</u>	<u>\$ 27,992</u>	<u>\$ 9,142</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 10,821	\$ 9,530	\$ 9,618	\$ 88
All Other Revenues	<u>0</u>	<u>0</u>	<u>16</u>	<u>16</u>
Total Revenues	<u>10,821</u>	<u>9,530</u>	<u>9,634</u>	<u>104</u>
Expenditures:				
Public Safety:				
Personal Services	<u>11,007</u>	<u>9,716</u>	<u>8,424</u>	<u>1,292</u>
Total Expenditures	<u>11,007</u>	<u>9,716</u>	<u>8,424</u>	<u>1,292</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(186)	(186)	1,210	1,396
Other Financing Sources (Uses):				
Advances Out	<u>(87)</u>	<u>(87)</u>	<u>(87)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(87)</u>	<u>(87)</u>	<u>(87)</u>	<u>0</u>
Net Change in Fund Balance	(273)	(273)	1,123	1,396
Fund Balance at Beginning of Year	<u>273</u>	<u>273</u>	<u>273</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,396</u>	<u>\$ 1,396</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
JUVENILE COURT SOCIAL WORKERS FUND				
Revenues:				
Intergovernmental Revenues	\$ 52,100	\$ 52,100	\$ 48,405	\$ (3,695)
Charges for Services	8,000	8,000	0	(8,000)
All Other Revenues	25,000	25,000	51,037	26,037
Total Revenues	85,100	85,100	99,442	14,342
Expenditures:				
Public Safety:				
Personal Services	72,031	86,789	40,052	46,737
Materials and Supplies	5,000	5,000	962	4,038
Contractual Services	1,313	613	0	613
Other Expenditures	7,057	24,103	21,350	2,753
Total Expenditures	85,401	116,505	62,364	54,141
Excess (Deficiency) of Revenues Over (Under) Expenditures	(301)	(31,405)	37,078	68,483
Other Financing Sources (Uses):				
Advances In	0	0	306	306
Advances Out	(13,000)	(13,000)	(13,000)	0
Total Other Financing Sources (Uses)	(13,000)	(13,000)	(12,694)	306
Net Change in Fund Balance	(13,301)	(44,405)	24,384	68,789
Fund Balance at Beginning of Year	68,244	68,244	68,244	0
Fund Balance at End of Year	\$ 54,943	\$ 23,839	\$ 92,628	\$ 68,789

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 26	\$ 0	\$ (26)
All Other Revenues	<u>0</u>	<u>0</u>	<u>26</u>	<u>26</u>
Total Revenues	<u>0</u>	<u>26</u>	<u>26</u>	<u>0</u>
Expenditures:				
Public Safety:				
Personal Services	247	0	0	0
Contractual Services	<u>0</u>	<u>273</u>	<u>273</u>	<u>0</u>
Total Expenditures	<u>247</u>	<u>273</u>	<u>273</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(247)	(247)	(247)	0
Fund Balance at Beginning of Year	<u>247</u>	<u>247</u>	<u>247</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

AUTOMATED TITLE PROCESSING FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 210,000	\$ 210,000	\$ 231,221	\$ 21,221
All Other Revenues	3,000	3,000	514	(2,486)
Total Revenues	<u>213,000</u>	<u>213,000</u>	<u>231,735</u>	<u>18,735</u>
Expenditures:				
General Government - Judicial:				
Personal Services	163,080	158,350	145,951	12,399
Materials and Supplies	5,500	7,383	5,165	2,218
Contractual Services	3,475	6,449	6,313	136
Other Expenditures	950	2,180	2,094	86
Total Expenditures	<u>173,005</u>	<u>174,362</u>	<u>159,523</u>	<u>14,839</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,995	38,638	72,212	33,574
Other Financing Sources (Uses):				
Transfers Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Net Change in Fund Balance	(160,005)	(161,362)	(127,788)	33,574
Fund Balance at Beginning of Year	252,395	252,395	252,395	0
Prior Year Encumbrances	1,357	1,357	1,357	0
Fund Balance at End of Year	<u>\$ 93,747</u>	<u>\$ 92,390</u>	<u>\$ 125,964</u>	<u>\$ 33,574</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 13,200	\$ 91,200	\$ 91,890	\$ 690
All Other Revenues	<u>6,500</u>	<u>6,500</u>	<u>631</u>	<u>(5,869)</u>
Total Revenues	<u>19,700</u>	<u>97,700</u>	<u>92,521</u>	<u>(5,179)</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	58,000	60,720	56,684	4,036
Materials and Supplies	5,300	4,371	1,229	3,142
Contractual Services	26,000	28,633	20,488	8,145
Other Expenditures	<u>4,800</u>	<u>5,389</u>	<u>4,769</u>	<u>620</u>
Total Expenditures	<u>94,100</u>	<u>99,113</u>	<u>83,170</u>	<u>15,943</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,400)	(1,413)	9,351	10,764
Fund Balance at Beginning of Year	178,969	178,969	178,969	0
Prior Year Encumbrances	<u>5,013</u>	<u>5,013</u>	<u>5,013</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 109,582</u>	<u>\$ 182,569</u>	<u>\$ 193,333</u>	<u>\$ 10,764</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 31,100	\$ 31,100	\$ 26,022	\$ (5,078)
All Other Revenues	100	100	86	(14)
Total Revenues	<u>31,200</u>	<u>31,200</u>	<u>26,108</u>	<u>(5,092)</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	45,442	31,181	26,465	4,716
Materials and Supplies	1,626	1,626	1,352	274
Contractual Services	2,830	14,591	12,788	1,803
Other Expenditures	2,302	4,802	1,463	3,339
Total Expenditures	<u>52,200</u>	<u>52,200</u>	<u>42,068</u>	<u>10,132</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,000)	(21,000)	(15,960)	5,040
Other Financing Sources (Uses):				
Transfers In	8,000	8,000	8,062	62
Total Other Financing Sources (Uses)	<u>8,000</u>	<u>8,000</u>	<u>8,062</u>	<u>62</u>
Net Change in Fund Balance	(13,000)	(13,000)	(7,898)	5,102
Fund Balance at Beginning of Year	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,102</u>	<u>\$ 5,102</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 19,605	\$ 19,605	\$ 0
All Other Revenues	<u>0</u>	<u>0</u>	<u>36</u>	<u>36</u>
Total Revenues	<u>0</u>	<u>19,605</u>	<u>19,641</u>	<u>36</u>
Expenditures:				
Public Safety:				
Personal Services	0	17,074	16,302	772
Materials and Supplies	0	1,130	940	190
Contractual Services	<u>291</u>	<u>1,692</u>	<u>1,366</u>	<u>326</u>
Total Expenditures	<u>291</u>	<u>19,896</u>	<u>18,608</u>	<u>1,288</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(291)	(291)	1,033	1,324
Fund Balance at Beginning of Year	<u>291</u>	<u>291</u>	<u>291</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,324</u>	<u>\$ 1,324</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 17,000	\$ 17,000	\$ 39,083	\$ 22,083
All Other Revenues	<u>50</u>	<u>50</u>	<u>36</u>	<u>(14)</u>
Total Revenues	<u>17,050</u>	<u>17,050</u>	<u>39,119</u>	<u>22,069</u>
Expenditures:				
Public Safety:				
Personal Services	<u>19,790</u>	<u>19,790</u>	<u>16,567</u>	<u>3,223</u>
Total Expenditures	<u>19,790</u>	<u>19,790</u>	<u>16,567</u>	<u>3,223</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,740)	(2,740)	22,552	25,292
Fund Balance at Beginning of Year	<u>3,089</u>	<u>3,089</u>	<u>3,089</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 349</u>	<u>\$ 349</u>	<u>\$ 25,641</u>	<u>\$ 25,292</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Public Safety:				
Personal Services	<u>18</u>	<u>18</u>	<u>0</u>	<u>18</u>
Total Expenditures	<u>18</u>	<u>18</u>	<u>0</u>	<u>18</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18)	(18)	0	18
Fund Balance at Beginning of Year	<u>18</u>	<u>18</u>	<u>18</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 18</u>	<u>\$ 18</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 31,000	\$ 0	\$ 0	\$ 0
All Other Revenues	<u>100</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>31,100</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures:				
Public Safety:				
Personal Services	31,107	0	0	0
Contractual Services	<u>0</u>	<u>7</u>	<u>0</u>	<u>7</u>
Total Expenditures	<u>31,107</u>	<u>7</u>	<u>0</u>	<u>7</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7)	(7)	0	7
Fund Balance at Beginning of Year	<u>7</u>	<u>7</u>	<u>7</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7</u>	<u>\$ 7</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003***

COMMON PLEAS JAIL DIVERSION GRANT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 50,473	\$ 49,211	\$ (1,262)
All Other Revenues	0	0	61	61
Total Revenues	<u>0</u>	<u>50,473</u>	<u>49,272</u>	<u>(1,201)</u>
Expenditures:				
Public Safety:				
Personal Services	5,800	42,066	40,723	1,343
Materials and Supplies	0	2,829	2,483	346
Contractual Services	366	4,271	2,421	1,850
Total Expenditures	<u>6,166</u>	<u>49,166</u>	<u>45,627</u>	<u>3,539</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,166)	1,307	3,645	2,338
Fund Balance at Beginning of Year	6,167	6,167	6,167	0
Prior Year Encumbrances	143	143	143	0
Fund Balance at End of Year	<u>\$ 144</u>	<u>\$ 7,617</u>	<u>\$ 9,955</u>	<u>\$ 2,338</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 115,829	\$ 67,038	\$ (48,791)
Total Revenues	<u>0</u>	<u>115,829</u>	<u>67,038</u>	<u>(48,791)</u>
Expenditures:				
Public Safety:				
Personal Services	0	73,166	52,361	20,805
Materials and Supplies	0	6,863	6,863	0
Contractual Services	0	35,800	18,575	17,225
Total Expenditures	<u>0</u>	<u>115,829</u>	<u>77,799</u>	<u>38,030</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	(10,761)	(10,761)
Other Financing Sources (Uses):				
Advances In	0	0	13,000	13,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>13,000</u>	<u>13,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	2,239	2,239
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,239</u>	<u>\$ 2,239</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,020,000	\$ 1,020,000	\$ 1,084,407	\$ 64,407
All Other Revenues	11,000	11,000	2,185	(8,815)
Total Revenues	<u>1,031,000</u>	<u>1,031,000</u>	<u>1,086,592</u>	<u>55,592</u>
Expenditures:				
Public Safety:				
Personal Services	1,516,572	1,516,572	1,001,455	515,117
Materials and Supplies	659,166	665,131	4,009	661,122
Contractual Services	120,000	124,943	44,174	80,769
Other Expenditures	70,000	77,468	19,616	57,852
Capital Outlay	47,834	47,834	47,834	0
Total Expenditures	<u>2,413,572</u>	<u>2,431,948</u>	<u>1,117,088</u>	<u>1,314,860</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,382,572)	(1,400,948)	(30,496)	1,370,452
Fund Balance at Beginning of Year	1,447,673	1,447,673	1,447,673	0
Prior Year Encumbrances	18,375	18,375	18,375	0
Fund Balance at End of Year	<u>\$ 83,476</u>	<u>\$ 65,100</u>	<u>\$ 1,435,552</u>	<u>\$ 1,370,452</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 0</u>	<u>\$ 17,669</u>	<u>\$ 17,669</u>	<u>\$ 0</u>
Total Revenues	<u>0</u>	<u>17,669</u>	<u>17,669</u>	<u>0</u>
Expenditures:				
Human Services:				
Contractual Services	<u>5,055</u>	<u>22,724</u>	<u>22,474</u>	<u>250</u>
Total Expenditures	<u>5,055</u>	<u>22,724</u>	<u>22,474</u>	<u>250</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,055)	(5,055)	(4,805)	250
Fund Balance at Beginning of Year	<u>5,055</u>	<u>5,055</u>	<u>5,055</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 250</u>	<u>\$ 250</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
LITTER CONTROL AND RECYCLING FUND				
Revenues:				
Intergovernmental Revenues	\$ 49,770	\$ 127,310	\$ 56,480	\$ (70,830)
Charges for Services	7,230	7,230	18,530	11,300
All Other Revenues	0	0	170	170
Total Revenues	<u>57,000</u>	<u>134,540</u>	<u>75,180</u>	<u>(59,360)</u>
Expenditures:				
Health:				
Personal Services	44,682	48,491	47,763	728
Materials and Supplies	9,039	15,113	12,730	2,383
Contractual Services	2,345	7,798	7,798	0
Other Expenditures	2,700	4,532	4,035	497
Capital Outlay	982	982	982	0
Total Expenditures	<u>59,748</u>	<u>76,916</u>	<u>73,308</u>	<u>3,608</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,748)	57,624	1,872	(55,752)
Other Financing Sources (Uses):				
Transfers In	0	4,629	7,000	2,371
Transfers Out	0	(8,000)	(8,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(3,371)</u>	<u>(1,000)</u>	<u>2,371</u>
Net Change in Fund Balance	(2,748)	54,253	872	(53,381)
Fund Balance at Beginning of Year	<u>2,748</u>	<u>2,748</u>	<u>2,748</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 57,001</u>	<u>\$ 3,620</u>	<u>\$ (53,381)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

CHILD SUPPORT ENFORCEMENT AGENCY FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 814,834	\$ 814,834	\$ 819,360	\$ 4,526
Charges for Services	45,166	133,006	143,831	10,825
All Other Revenues	10,000	10,000	2,637	(7,363)
Total Revenues	<u>870,000</u>	<u>957,840</u>	<u>965,828</u>	<u>7,988</u>
Expenditures:				
Human Services:				
Personal Services	514,000	529,567	492,096	37,471
Materials and Supplies	15,000	16,708	9,314	7,394
Contractual Services	276,000	349,921	320,356	29,565
Other Expenditures	185,000	246,340	227,291	19,049
Total Expenditures	<u>990,000</u>	<u>1,142,536</u>	<u>1,049,057</u>	<u>93,479</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(120,000)	(184,696)	(83,229)	101,467
Fund Balance at Beginning of Year	183,922	183,922	183,922	0
Prior Year Encumbrances	774	774	774	0
Fund Balance at End of Year	<u>\$ 64,696</u>	<u>\$ 0</u>	<u>\$ 101,467</u>	<u>\$ 101,467</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	REAL ESTATE ASSESSMENT FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Charges for Services	\$ 457,000	\$ 457,000	\$ 457,572	\$ 572
All Other Revenues	750	750	464	(286)
Total Revenues	<u>457,750</u>	<u>457,750</u>	<u>458,036</u>	<u>286</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	212,575	212,575	189,032	23,543
Materials and Supplies	23,750	23,750	9,285	14,465
Contractual Services	285,000	345,538	125,911	219,627
Other Expenditures	9,500	9,500	1,099	8,401
Total Expenditures	<u>530,825</u>	<u>591,363</u>	<u>325,327</u>	<u>266,036</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,075)	(133,613)	132,709	266,322
Fund Balance at Beginning of Year	246,912	246,912	246,912	0
Prior Year Encumbrances	<u>60,538</u>	<u>60,538</u>	<u>60,538</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 234,375</u>	<u>\$ 173,837</u>	<u>\$ 440,159</u>	<u>\$ 266,322</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 400,000	\$ 329,182	\$ 252,021	\$ (77,161)
All Other Revenues	0	0	930	930
Total Revenues	<u>400,000</u>	<u>329,182</u>	<u>252,951</u>	<u>(76,231)</u>
Expenditures:				
Public Safety:				
Personal Services	298,564	420,465	246,206	174,259
Contractual Services	0	1,178	0	1,178
Total Expenditures	<u>298,564</u>	<u>421,643</u>	<u>246,206</u>	<u>175,437</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,436	(92,461)	6,745	99,206
Fund Balance at Beginning of Year	90,388	90,388	90,388	0
Prior Year Encumbrances	2,073	2,073	2,073	0
Fund Balance at End of Year	<u>\$ 193,897</u>	<u>\$ 0</u>	<u>\$ 99,206</u>	<u>\$ 99,206</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

DITCH MAINTENANCE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 12,700	\$ 12,700	\$ 7,412	\$ (5,288)
Total Revenues	<u>12,700</u>	<u>12,700</u>	<u>7,412</u>	<u>(5,288)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	15,722	27,326	17,133	10,193
Other Expenditures	80	80	0	80
Total Expenditures	<u>15,802</u>	<u>27,406</u>	<u>17,133</u>	<u>10,273</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,102)	(14,706)	(9,721)	4,985
Fund Balance at Beginning of Year	3,363	3,363	3,363	0
Prior Year Encumbrances	11,604	11,604	11,604	0
Fund Balance at End of Year	<u>\$ 11,865</u>	<u>\$ 261</u>	<u>\$ 5,246</u>	<u>\$ 4,985</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Health:				
Contractual Services	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Total Expenditures	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500)	(500)	0	500
Fund Balance at Beginning of Year	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 500</u>	<u>\$ 500</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

EMERGENCY MANAGEMENT AGENCY FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 73,986	\$ 456,602	\$ 185,186	\$ (271,416)
All Other Revenues	12,000	12,000	312	(11,688)
Total Revenues	<u>85,986</u>	<u>468,602</u>	<u>185,498</u>	<u>(283,104)</u>
Expenditures:				
Public Safety:				
Personal Services	45,628	59,869	55,036	4,833
Materials and Supplies	8,900	389,729	195,444	194,285
Contractual Services	60,898	91,071	41,519	49,552
Other Expenditures	<u>31,500</u>	<u>33,001</u>	<u>17,802</u>	<u>15,199</u>
Total Expenditures	<u>146,926</u>	<u>573,670</u>	<u>309,801</u>	<u>263,869</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,940)	(105,068)	(124,303)	(19,235)
Other Financing Sources (Uses):				
Transfers In	<u>19,000</u>	<u>19,000</u>	<u>47,500</u>	<u>28,500</u>
Total Other Financing Sources (Uses)	<u>19,000</u>	<u>19,000</u>	<u>47,500</u>	<u>28,500</u>
Net Change in Fund Balance	(41,940)	(86,068)	(76,803)	9,265
Fund Balance at Beginning of Year	87,047	87,047	87,047	0
Prior Year Encumbrances	<u>4,493</u>	<u>4,493</u>	<u>4,493</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 49,600</u>	<u>\$ 5,472</u>	<u>\$ 14,737</u>	<u>\$ 9,265</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 30,816	\$ 30,816	\$ 15,508	\$ (15,308)
Total Revenues	<u>30,816</u>	<u>30,816</u>	<u>15,508</u>	<u>(15,308)</u>
Expenditures:				
Human Services:				
Personal Services	3,157	4,241	2,082	2,159
Materials and Supplies	10,600	10,922	2,093	8,829
Contractual Services	<u>24,424</u>	<u>26,950</u>	<u>12,899</u>	<u>14,051</u>
Total Expenditures	<u>38,181</u>	<u>42,113</u>	<u>17,074</u>	<u>25,039</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,365)	(11,297)	(1,566)	9,731
Fund Balance at Beginning of Year	7,365	7,365	7,365	0
Prior Year Encumbrances	<u>3,932</u>	<u>3,932</u>	<u>3,932</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,932</u>	<u>\$ 0</u>	<u>\$ 9,731</u>	<u>\$ 9,731</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	HOME FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Revenues	\$ 65,000	\$ 174,271	\$ 48,050	\$ (126,221)
Total Revenues	<u>65,000</u>	<u>174,271</u>	<u>48,050</u>	<u>(126,221)</u>
Expenditures:				
Human Services:				
Contractual Services	<u>66,129</u>	<u>149,896</u>	<u>49,571</u>	<u>100,325</u>
Total Expenditures	<u>66,129</u>	<u>149,896</u>	<u>49,571</u>	<u>100,325</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,129)	24,375	(1,521)	(25,896)
Fund Balance at Beginning of Year	1,129	1,129	1,129	0
Prior Year Encumbrances	<u>396</u>	<u>396</u>	<u>396</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 396</u>	<u>\$ 25,900</u>	<u>\$ 4</u>	<u>\$ (25,896)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 15,700	\$ 15,700	\$ 14,821	\$ (879)
Total Revenues	<u>15,700</u>	<u>15,700</u>	<u>14,821</u>	<u>(879)</u>
Expenditures:				
Health:				
Contractual Services	<u>15,700</u>	<u>15,700</u>	<u>14,821</u>	<u>879</u>
Total Expenditures	<u>15,700</u>	<u>15,700</u>	<u>14,821</u>	<u>879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 14,500	\$ 14,500	\$ 7,908	\$ (6,592)
Total Revenues	<u>14,500</u>	<u>14,500</u>	<u>7,908</u>	<u>(6,592)</u>
Expenditures:				
General Government - Legislative and Executive:				
Materials and Supplies	<u>0</u>	<u>14,500</u>	<u>0</u>	<u>14,500</u>
Total Expenditures	<u>0</u>	<u>14,500</u>	<u>0</u>	<u>14,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,500	0	7,908	7,908
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,500</u>	<u>\$ 0</u>	<u>\$ 7,908</u>	<u>\$ 7,908</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 19,245	\$ 19,245	\$ 0
Total Revenues	<u>0</u>	<u>19,245</u>	<u>19,245</u>	<u>0</u>
Expenditures:				
Public Safety:				
Personal Services	0	19,245	17,607	1,638
Total Expenditures	<u>0</u>	<u>19,245</u>	<u>17,607</u>	<u>1,638</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	1,638	1,638
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,638</u>	<u>\$ 1,638</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2003**

SENIOR CITIZENS FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 759,300	\$ 861,964	\$ 867,380	\$ 5,416
Total Revenues	<u>759,300</u>	<u>861,964</u>	<u>867,380</u>	<u>5,416</u>
Expenditures:				
General Government - Legislative and Executive:				
Contractual Services	759,300	861,964	731,862	130,102
Total Expenditures	<u>759,300</u>	<u>861,964</u>	<u>731,862</u>	<u>130,102</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	135,518	135,518
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 135,518</u>	<u>\$ 135,518</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive Negative (Negative)
BOND RETIREMENT FUND				
Revenues:				
Special Assessments	\$ 2,500	\$ 2,500	\$ 224,787	\$ 222,287
All Other Revenues	296,938	296,938	295,438	(1,500)
Total Revenues	<u>299,438</u>	<u>299,438</u>	<u>520,225</u>	<u>220,787</u>
Expenditures:				
Debt Service:				
Principal Retirement	605,000	700,000	700,000	0
Interest and Fiscal Charges	547,195	661,376	622,333	39,043
Total Expenditures	<u>1,152,195</u>	<u>1,361,376</u>	<u>1,322,333</u>	<u>39,043</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(852,757)	(1,061,938)	(802,108)	259,830
Other Financing Sources (Uses):				
Transfers In	1,787,020	1,787,019	932,611	(854,408)
Total Other Financing Sources (Uses)	<u>1,787,020</u>	<u>1,787,019</u>	<u>932,611</u>	<u>(854,408)</u>
Net Change in Fund Balance	934,263	725,081	130,503	(594,578)
Fund Balance at Beginning of Year	571,925	571,925	571,925	0
Fund Balance at End of Year	<u>\$ 1,506,188</u>	<u>\$ 1,297,006</u>	<u>\$ 702,428</u>	<u>\$ (594,578)</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2003***

OHIO WATER DEVELOPMENT AUTHORITY FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Debt Service:				
Total Expenditures	<u> 0</u>	<u> 0</u>	<u> 0</u>	<u> 0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u> 180</u>	<u> 180</u>	<u> 180</u>	<u> 0</u>
Fund Balance at End of Year	<u><u>\$ 180</u></u>	<u><u>\$ 180</u></u>	<u><u>\$ 180</u></u>	<u><u>\$ 0</u></u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	PERMANENT IMPROVEMENT FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
All Other Revenues	\$ 2,000	\$ 2,000	\$ 0	\$ (2,000)
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>0</u>	<u>(2,000)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	985,595	1,052,370	51,766	1,000,604
Total Expenditures	<u>985,595</u>	<u>1,052,370</u>	<u>51,766</u>	<u>1,000,604</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(983,595)	(1,050,370)	(51,766)	998,604
Other Financing Sources (Uses):				
Transfers In	400,000	400,000	750,000	350,000
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	<u>750,000</u>	<u>350,000</u>
Net Change in Fund Balance	(583,595)	(650,370)	698,234	1,348,604
Fund Balance at Beginning of Year	587,595	587,595	587,595	0
Prior Year Encumbrances	<u>62,775</u>	<u>62,775</u>	<u>62,775</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 66,775</u>	<u>\$ 0</u>	<u>\$ 1,348,604</u>	<u>\$ 1,348,604</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 307</u>	<u>\$ 307</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>307</u>	<u>307</u>
Expenditures:				
Capital Outlay:				
Materials and Supplies	<u>2,876</u>	<u>2,876</u>	<u>0</u>	<u>2,876</u>
Total Expenditures	<u>2,876</u>	<u>2,876</u>	<u>0</u>	<u>2,876</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	(2,876)	(2,876)	307	3,183
Fund Balance at Beginning of Year	<u>2,876</u>	<u>2,876</u>	<u>2,876</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,183</u>	<u>\$ 3,183</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 147,284	\$ 147,284
Investment Earnings	0	0	18,721	18,721
All Other Revenues	0	0	80,652	80,652
Total Revenues	<u>0</u>	<u>0</u>	<u>246,657</u>	<u>246,657</u>
Expenditures:				
Capital Outlay:				
Contractual Services	62,559	62,559	1,614	60,945
Capital Outlay	1,100,000	585,015	91,653	493,362
Total Capital Outlay	<u>1,162,559</u>	<u>647,574</u>	<u>93,267</u>	<u>554,307</u>
Total Expenditures	<u>1,162,559</u>	<u>647,574</u>	<u>93,267</u>	<u>554,307</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,162,559)	(647,574)	153,390	800,964
Other Financing Sources (Uses):				
Transfers Out	0	(628,381)	(628,381)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(628,381)</u>	<u>(628,381)</u>	<u>0</u>
Net Change in Fund Balance	(1,162,559)	(1,275,955)	(474,991)	800,964
Fund Balance at Beginning of Year	1,162,559	1,162,559	1,162,559	0
Prior Year Encumbrances	113,396	113,396	113,396	0
Fund Balance at End of Year	<u>\$ 113,396</u>	<u>\$ 0</u>	<u>\$ 800,964</u>	<u>\$ 800,964</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	ISSUE II FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Revenues	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 50,735</u>	<u>\$ (199,265)</u>
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>50,735</u>	<u>(199,265)</u>
Expenditures:				
Capital Outlay:				
Capital Outlay	<u>250,000</u>	<u>250,000</u>	<u>50,735</u>	<u>199,265</u>
Total Expenditures	<u>250,000</u>	<u>250,000</u>	<u>50,735</u>	<u>199,265</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 2,000	\$ 2,000	\$ 4,219	\$ 2,219
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>4,219</u>	<u>2,219</u>
Expenditures:				
Capital Outlay:				
Capital Outlay	8,253	449,471	448,805	666
Total Expenditures	<u>8,253</u>	<u>449,471</u>	<u>448,805</u>	<u>666</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,253)	(447,471)	(444,586)	2,885
Fund Balance at Beginning of Year	6,253	6,253	6,253	0
Prior Year Encumbrances	<u>441,218</u>	<u>441,218</u>	<u>441,218</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 441,218</u>	<u>\$ 0</u>	<u>\$ 2,885</u>	<u>\$ 2,885</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 0	\$ 4,850	\$ 5,148	\$ 298
Total Revenues	<u>0</u>	<u>4,850</u>	<u>5,148</u>	<u>298</u>
Expenditures:				
Capital Outlay:				
Contractual Services	7,836	41,791	37,858	3,933
Total Capital Outlay	<u>7,836</u>	<u>41,791</u>	<u>37,858</u>	<u>3,933</u>
Total Expenditures	<u>7,836</u>	<u>41,791</u>	<u>37,858</u>	<u>3,933</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,836)	(36,941)	(32,710)	4,231
Fund Balance at Beginning of Year	7,836	7,836	7,836	0
Prior Year Encumbrances	<u>29,105</u>	<u>29,105</u>	<u>29,105</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 29,105</u>	<u>\$ 0</u>	<u>\$ 4,231</u>	<u>\$ 4,231</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Investment Earnings	\$ 0	\$ 0	\$ 4,447	\$ 4,447
Total Revenues	<u>0</u>	<u>0</u>	<u>4,447</u>	<u>4,447</u>
Expenditures:				
Capital Outlay:				
Contractual Services	135,393	189,193	72,390	116,803
Total Expenditures	<u>135,393</u>	<u>189,193</u>	<u>72,390</u>	<u>116,803</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,393)	(189,193)	(67,943)	121,250
Fund Balance at Beginning of Year	135,393	135,393	135,393	0
Prior Year Encumbrances	53,800	53,800	53,800	0
Fund Balance at End of Year	<u>\$ 53,800</u>	<u>\$ 0</u>	<u>\$ 121,250</u>	<u>\$ 121,250</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Capital Outlay:				
Other Expenditures	<u>0</u>	<u>90</u>	<u>90</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>90</u>	<u>90</u>	<u>0</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	0	(90)	(90)	0
Fund Balance at Beginning of Year	<u>90</u>	<u>90</u>	<u>90</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 90</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 487,000	\$ 568,033	\$ 244,446	\$ (323,587)
Investment Earnings	150	150	22	(128)
Total Revenues	<u>487,150</u>	<u>568,183</u>	<u>244,468</u>	<u>(323,715)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u>489,020</u>	<u>570,906</u>	<u>227,924</u>	<u>342,982</u>
Total Expenditures	<u>489,020</u>	<u>570,906</u>	<u>227,924</u>	<u>342,982</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,870)	(2,723)	16,544	19,267
Fund Balance at Beginning of Year	1,873	1,873	1,873	0
Prior Year Encumbrances	<u>851</u>	<u>851</u>	<u>851</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 854</u>	<u>\$ 1</u>	<u>\$ 19,268</u>	<u>\$ 19,267</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u> 6,794</u>	<u> 6,794</u>	<u> 0</u>	<u> 6,794</u>
Total Expenditures	<u> 6,794</u>	<u> 6,794</u>	<u> 0</u>	<u> 6,794</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,794)	(6,794)	0	6,794
Fund Balance at Beginning of Year	<u> 6,794</u>	<u> 6,794</u>	<u> 6,794</u>	<u> 0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 6,794</u></u>	<u><u>\$ 6,794</u></u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 0</u>	<u>\$ 1,044,224</u>	<u>\$ 576,406</u>	<u>\$ (467,818)</u>
Total Revenues	<u>0</u>	<u>1,044,224</u>	<u>576,406</u>	<u>(467,818)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u>0</u>	<u>976,710</u>	<u>576,406</u>	<u>400,304</u>
Total Expenditures	<u>0</u>	<u>976,710</u>	<u>576,406</u>	<u>400,304</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	67,514	0	(67,514)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 67,514</u>	<u>\$ 0</u>	<u>\$ (67,514)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 0</u>	<u>\$ 70,000</u>	<u>\$ 68,742</u>	<u>\$ (1,258)</u>
Total Revenues	<u>0</u>	<u>70,000</u>	<u>68,742</u>	<u>(1,258)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u>0</u>	<u>70,000</u>	<u>68,742</u>	<u>1,258</u>
Total Expenditures	<u>0</u>	<u>70,000</u>	<u>68,742</u>	<u>1,258</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Funds

Community Mental Health Fund

The fund accounts for money distributed to Moundbuilder's Guidance Center, a joint venture between Knox and Licking Counties which provides mental health services.

District Board of Health Fund

The fund accounts for the District Board of Health for which the county auditor is the ex officio fiscal agent as required under Section 1515.23, Ohio Revised Code.

Soil and Water Conservation Fund

The fund accounts for the funds of the Soil and Water Conservation District, established under Chapter 1515, Ohio Revised Code, for which the county auditor is the fiscal agent.

Corporation Fund

The fund accounts for the portion of permissive taxes and local government money distributed to the City of Mount Vernon and villages in the County.

Local Government Fund

The fund accounts for money received from sales and rental of tangible personal property and selected services, distributed by the State of Ohio under Ohio Revised Code, Chapters 5739 and 5741. An alternative formula distributes all income to the County, City, Villages, Townships and Park Districts, for general operation.

Law Library Fund

The fund accounts for fine money that the law library is entitled to receive.

Library Support Fund

The fund accounts for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes which is returned to the County for use by district libraries and park districts. These monies are apportioned to the libraries on a monthly basis, allocated by the budget commission according to a formula.

Lodging Tax Fund

The fund accounts for a 3% excise tax on lodging furnished to transient guests. The auditor's office receives 5% and the remaining 95% is distributed to the Knox County Visitors Bureau.

(Continued)

Agency Funds

Cigarette Tax Fund

The fund accounts for cigarette license money collected by the State and distributed by the County to certain local governments.

Manufactured Home Tax Fund

The fund accounts for the collection of first and second half manufactured home taxes which are distributed to certain local governments.

County Court Agency Fund

The fund accounts for money received and distributed by the Court for the following court activities:

1. Clerk of Courts auto title fees, and legal (court related) receipts, and dispositions;
2. Probate Court related receipts and disbursements; and
3. Juvenile Court related receipts and disbursements.

Undivided Personal Property Tax Fund

The fund accounts for the first and second half collections of tangible personal property taxes and delinquent tangible tax to be distributed following state statute to cities, villages, townships, and the County itself.

Estate Tax Fund

The fund accounts for the collection of first and second half estate taxes which are distributed to the State and to certain local governments according to applicable State laws.

Undivided Real Estate Tax Fund

The fund accounts for the first and second half collection of real estate taxes and special assessments from real estate owners. These collections are periodically apportioned to local governments in the County.

Regional Planning Commission Fund

The fund was established by Knox County Regional Planning Commission with revenue generated based on cents per capita from all municipalities and townships within Knox County. The expenses are to contract or plan such information and reports as may be necessary to operate the Commission.

Workers Compensation Fund

The fund accounts for workers' compensation payments collected from local governments in the County and paid to the State.

Alimony and Child Support Fund

The fund accounts for the collection of alimony and child support payments and the distribution of such monies to the court-designated recipients.

(Continued)

Agency Funds

Inmate Fund

The fund accounts for monies held by the sheriff's department that belong to the prisoners. The money is distributed to the commissary or to the prisoner upon release.

Township Fund

The fund accounts for the portion of permissive taxes, gasoline tax and local government money to be distributed to the townships in the County.

Payroll Fund

The fund accounts for payroll taxes and other related payroll deductions accumulated from the governmental and proprietary funds for distribution to other governmental units and private organizations.

KNOX COUNTY, OHIO

**Combining Statement Of Net Assets
Agency Funds
December 31, 2003**

	Undivided Personal Property Tax	Undivided Real Estate Tax	All Other Agency	Totals
Assets:				
Cash and Cash Equivalents	\$256,809	\$1,788,608	\$1,614,472	\$3,659,889
Cash and Cash Equivalents in Segregated Accounts	0	0	298,131	298,131
Receivables:				
Taxes	6,393,124	41,813,125	0	48,206,249
Accounts	0	0	5,269	5,269
Special Assessments	0	255,980	0	255,980
Due from Other Governments	0	0	2,770,810	2,770,810
Total Assets	<u>\$6,649,933</u>	<u>\$43,857,713</u>	<u>\$4,688,682</u>	<u>\$55,196,328</u>
Liabilities:				
Due to Other Governments	\$6,649,933	\$43,857,713	\$3,222,098	\$53,729,744
Undistributed Monies	0	0	291,166	291,166
Due to Others	0	0	1,175,418	1,175,418
Total Liabilities	<u>\$6,649,933</u>	<u>\$43,857,713</u>	<u>\$4,688,682</u>	<u>\$55,196,328</u>

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003**

	Balance December 31, 2002	Additions	Reductions	Balance December 31, 2003
<u>Community Mental Health</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$677,526	(\$677,526)	\$0
Due From Other Governments	30,341	31,146	(30,341)	31,146
Total Assets	30,341	708,672	(707,867)	31,146
Liabilities:				
Due to Others	30,341	708,672	(707,867)	31,146
Total Liabilities	\$30,341	\$708,672	(\$707,867)	\$31,146
<u>District Board of Health</u>				
Assets:				
Cash and Cash Equivalents	\$926,950	\$2,832,488	(\$2,798,349)	\$961,089
Total Assets	926,950	2,832,488	(2,798,349)	961,089
Liabilities:				
Due to Others	926,950	2,832,488	(2,798,349)	961,089
Total Liabilities	\$926,950	\$2,832,488	(\$2,798,349)	\$961,089
<u>Soil and Water Conservation</u>				
Assets:				
Cash and Cash Equivalents	\$112,812	\$272,028	(\$256,071)	\$128,769
Total Assets	112,812	272,028	(256,071)	128,769
Liabilities:				
Due to Others	112,812	272,028	(256,071)	128,769
Total Liabilities	\$112,812	\$272,028	(\$256,071)	\$128,769
<u>Corporation</u>				
Assets:				
Cash and Cash Equivalents	\$48,038	\$902,232	(\$914,784)	\$35,486
Due from Other Governments	122,110	164,877	(122,110)	164,877
Total Assets	170,148	1,067,109	(1,036,894)	200,363
Liabilities:				
Due to Other Governments	170,148	1,067,109	(1,036,894)	200,363
Total Liabilities	\$170,148	\$1,067,109	(\$1,036,894)	\$200,363
<u>Local Government</u>				
Assets:				
Due from Other Governments	\$995,101	\$946,896	(\$995,101)	\$946,896
Total Assets	995,101	946,896	(995,101)	946,896
Liabilities:				
Due to Other Governments	995,101	946,896	(995,101)	946,896
Total Liabilities	\$995,101	\$946,896	(\$995,101)	\$946,896

(Continued)

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003**

	Balance December 31, 2002	Additions	Reductions	Balance December 31, 2003
<u>Law Library</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$26,491	(\$26,491)	\$0
Due From Other Governments	2,384	997	(2,384)	997
Total Assets	<u>2,384</u>	<u>27,488</u>	<u>(28,875)</u>	<u>997</u>
Liabilities:				
Due to Other Governments	2,384	27,488	(28,875)	997
Total Liabilities	<u>\$2,384</u>	<u>\$27,488</u>	<u>(\$28,875)</u>	<u>\$997</u>
<u>Library Support</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$1,871,674	(\$1,871,674)	\$0
Due From Other Governments	748,939	732,366	(748,939)	732,366
Total Assets	<u>748,939</u>	<u>2,604,040</u>	<u>(2,620,613)</u>	<u>732,366</u>
Liabilities:				
Due to Other Governments	748,939	2,604,040	(2,620,613)	732,366
Total Liabilities	<u>\$748,939</u>	<u>\$2,604,040</u>	<u>(\$2,620,613)</u>	<u>\$732,366</u>
<u>Lodging Tax</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$99,649	(\$99,649)	\$0
Accounts Receivable	5,767	5,269	(5,767)	5,269
Total Assets	<u>5,767</u>	<u>104,918</u>	<u>(105,416)</u>	<u>5,269</u>
Liabilities:				
Due to Others	5,767	104,918	(105,416)	5,269
Total Liabilities	<u>\$5,767</u>	<u>\$104,918</u>	<u>(\$105,416)</u>	<u>\$5,269</u>
<u>Cigarette Tax</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$2,956	(\$1,948)	\$1,008
Total Assets	<u>0</u>	<u>2,956</u>	<u>(1,948)</u>	<u>1,008</u>
Liabilities:				
Due to Other Governments	0	2,956	(1,948)	1,008
Total Liabilities	<u>\$0</u>	<u>\$2,956</u>	<u>(\$1,948)</u>	<u>\$1,008</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003**

	Balance December 31, 2002	Additions	Reductions	Balance December 31, 2003
Manufactured Home Tax				
Assets:				
Cash and Cash Equivalents	\$23,332	\$238,289	(\$234,738)	\$26,883
Total Assets	<u>23,332</u>	<u>238,289</u>	<u>(234,738)</u>	<u>26,883</u>
Liabilities:				
Due to Other Governments	23,332	238,289	(234,738)	26,883
Total Liabilities	<u>\$23,332</u>	<u>\$238,289</u>	<u>(\$234,738)</u>	<u>\$26,883</u>
County Court Agency Fund				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$245,804	\$9,154,126	(\$9,108,764)	\$291,166
Total Assets	<u>245,804</u>	<u>9,154,126</u>	<u>(9,108,764)</u>	<u>291,166</u>
Liabilities:				
Due to Other Governments	0	6,736,379	(6,736,379)	0
Undistributed Monies	245,804	291,166	(245,804)	291,166
Due to Others	0	2,126,581	(2,126,581)	0
Total Liabilities	<u>\$245,804</u>	<u>\$9,154,126</u>	<u>(\$9,108,764)</u>	<u>\$291,166</u>
Undivided Personal Property Tax				
Assets:				
Cash and Cash Equivalents	\$143,357	\$5,869,429	(\$5,755,977)	\$256,809
Receivables:				
Taxes	5,576,099	6,393,124	(5,576,099)	6,393,124
Total Assets	<u>5,719,456</u>	<u>12,262,553</u>	<u>(11,332,076)</u>	<u>6,649,933</u>
Liabilities:				
Due to Other Governments	5,719,456	12,262,553	(11,332,076)	6,649,933
Total Liabilities	<u>\$5,719,456</u>	<u>\$12,262,553</u>	<u>(\$11,332,076)</u>	<u>\$6,649,933</u>
Estate Tax				
Assets:				
Cash and Cash Equivalents	\$168,931	\$492,380	(\$397,753)	\$263,558
Total Assets	<u>168,931</u>	<u>492,380</u>	<u>(397,753)</u>	<u>263,558</u>
Liabilities:				
Due to Other Governments	168,931	492,380	(397,753)	263,558
Total Liabilities	<u>\$168,931</u>	<u>\$492,380</u>	<u>(\$397,753)</u>	<u>\$263,558</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003**

	Balance December 31, 2002	Additions	Reductions	Balance December 31, 2003
Undivided Real Estate Tax				
Assets:				
Cash and Cash Equivalents	\$1,418,932	\$37,520,094	(\$37,150,418)	\$1,788,608
Receivables:				
Taxes	39,821,300	41,813,125	(39,821,300)	41,813,125
Special Assessments	489,712	255,980	(489,712)	255,980
Total Assets	<u>41,729,944</u>	<u>79,589,199</u>	<u>(77,461,430)</u>	<u>43,857,713</u>
Liabilities:				
Due to Other Governments	41,729,944	79,589,199	(77,461,430)	43,857,713
Total Liabilities	<u>\$41,729,944</u>	<u>\$79,589,199</u>	<u>(\$77,461,430)</u>	<u>\$43,857,713</u>
Regional Planning Commission				
Assets:				
Cash and Cash Equivalents	\$34,407	\$79,159	(\$72,979)	\$40,587
Total Assets	<u>34,407</u>	<u>79,159</u>	<u>(72,979)</u>	<u>40,587</u>
Liabilities:				
Due to Others	34,407	79,159	(72,979)	40,587
Total Liabilities	<u>\$34,407</u>	<u>\$79,159</u>	<u>(\$72,979)</u>	<u>\$40,587</u>
Workers' Compensation				
Assets:				
Cash and Cash Equivalents	\$48,655	\$92,277	(\$140,932)	\$0
Due from Other Governments	6,513	13,161	(6,513)	13,161
Total Assets	<u>55,168</u>	<u>105,438</u>	<u>(147,445)</u>	<u>13,161</u>
Liabilities:				
Due to Other Governments	55,168	105,438	(147,445)	13,161
Total Liabilities	<u>\$55,168</u>	<u>\$105,438</u>	<u>(\$147,445)</u>	<u>\$13,161</u>
Alimony and Child Support				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$157	\$6,340	\$0	\$6,497
Total Assets	<u>157</u>	<u>6,340</u>	<u>0</u>	<u>6,497</u>
Liabilities:				
Due to Others	157	6,340	0	6,497
Total Liabilities	<u>\$157</u>	<u>\$6,340</u>	<u>\$0</u>	<u>\$6,497</u>

(Continued)

KNOX COUNTY, OHIO**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2003**

	Balance December 31, 2002	Additions	Reductions	Balance December 31, 2003
<u>Inmate Fund</u>				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$542	\$50,430	(\$50,504)	\$468
Total Assets	<u>542</u>	<u>50,430</u>	<u>(50,504)</u>	<u>468</u>
Liabilities:				
Due to Others	542	50,430	(50,504)	468
Total Liabilities	<u>\$542</u>	<u>\$50,430</u>	<u>(\$50,504)</u>	<u>\$468</u>
<u>Township</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$2,348,412	(\$2,348,412)	\$0
Due from Other Governments	724,150	881,367	(724,150)	881,367
Total Assets	<u>724,150</u>	<u>3,229,779</u>	<u>(3,072,562)</u>	<u>881,367</u>
Liabilities:				
Due to Other Governments	724,150	3,229,779	(3,072,562)	881,367
Total Liabilities	<u>\$724,150</u>	<u>\$3,229,779</u>	<u>(\$3,072,562)</u>	<u>\$881,367</u>
<u>Payroll Fund</u>				
Assets:				
Cash and Cash Equivalents	\$146,538	\$12,835,132	(\$12,824,578)	\$157,092
Total Assets	<u>146,538</u>	<u>12,835,132</u>	<u>(12,824,578)</u>	<u>157,092</u>
Liabilities:				
Due to Other Governments	145,541	5,740,227	(5,730,369)	155,399
Due to Others	997	7,094,905	(7,094,209)	1,693
Total Liabilities	<u>\$146,538</u>	<u>\$12,835,132</u>	<u>(\$12,824,578)</u>	<u>\$157,092</u>
<u>All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$3,071,952	\$66,160,216	(\$65,572,279)	\$3,659,889
Cash and Cash Equivalents in Segregated Accounts	246,503	9,210,896	(9,159,268)	298,131
Receivables:				
Taxes	45,397,399	48,206,249	(45,397,399)	48,206,249
Accounts	5,767	5,269	(5,767)	5,269
Special Assessments	489,712	255,980	(489,712)	255,980
Due from Other Governments	2,629,538	2,770,810	(2,629,538)	2,770,810
Total Assets	<u>51,840,871</u>	<u>126,609,420</u>	<u>(123,253,963)</u>	<u>55,196,328</u>
Liabilities:				
Due to Other Governments	50,483,094	113,042,733	(109,796,183)	53,729,644
Undistributed Monies	245,804	291,166	(245,804)	291,166
Due to Others	1,111,973	13,275,521	(13,211,976)	1,175,518
Total Liabilities	<u>\$51,840,871</u>	<u>\$126,609,420</u>	<u>(\$123,253,963)</u>	<u>\$55,196,328</u>

*C*OMPONENT *U*NITS

KNOX COUNTY, OHIO**Statement of Cash Flows****Component Units****For the Year Ended December 31, 2003**

	Knox New Hope Industries	Knox County Airport
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$154,388	\$333,790
Cash Payments to Suppliers for Goods and Services	(36,400)	(257,874)
Cash Payments to Employees for Service	(78,598)	(60,773)
Other Operating Receipts	26,387	10,808
Net Cash Provided by Operating Activities	<u>65,777</u>	<u>25,951</u>
<u>Cash Flows from Noncapital and Related Financing Activities:</u>		
Operating Grant	0	90,574
Net Cash Provided by Noncapital and Related Financing Activities	<u>0</u>	<u>90,574</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Acquisition of Capital Assets	(19,882)	(35,456)
Proceeds from Sale of Capital Assets	128	0
Debt Principal Retirement	0	(27,950)
Interest Paid on Debt	0	(6,503)
Net Cash Used for Capital and Related Financing Activities	<u>(19,754)</u>	<u>(69,909)</u>
<u>Cash Flows from Investing Activities:</u>		
Receipts of Interest	7,033	0
Investment in Mutual Fund	(6,839)	0
Net Cash Provided by Investing Activities	<u>194</u>	<u>0</u>
Net Increase in Cash and Cash Equivalents	46,217	46,616
Cash and Cash Equivalents at Beginning of Year	83,034	220,456
Cash and Cash Equivalents at End of Year	<u>\$129,251</u>	<u>\$267,072</u>
<u>Reconciliation of Cash and</u>		
<u>Cash Equivalents per the Balance Sheet:</u>		
Cash and Cash Equivalents	\$128,344	\$267,072
Cash with Fiscal and Escrow Agents	907	0
Cash and Cash Equivalents at End of Year	<u>\$129,251</u>	<u>\$267,072</u>
<u>Reconciliation of Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income	\$32,309	\$14,919
Adjustments to Reconcile Operating (Income) Loss to		
Net Cash Used for Operating Activities:		
Depreciation Expense	9,975	40,052
NonCash Contribution	(875)	0
Miscellaneous Nonoperating Expense	0	(7,160)
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	25,485	(32,355)
Increase in Inventory	(181)	(6,679)
Increase (Decrease) in Accounts Payable	(302)	13,381
Decrease in Accrued Wages and Benefits	(634)	0
Increase in Due to Primary Government	0	3,793
Total Adjustments	<u>33,468</u>	<u>11,032</u>
Net Cash Provided for Operating Activities	<u>\$65,777</u>	<u>\$25,951</u>

*CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS*

KNOX COUNTY, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
December 31, 2003***

<u>Capital Assets</u>	
Land	\$930,259
Buildings and Improvements	24,662,359
Vehicles	2,553,197
Machinery and Equipment	3,433,025
Computer Equipment	990,100
Infrastructure	2,082,736
Total Capital Assets	<u>\$34,651,676</u>
<u>Investment in Capital Assets</u>	
Federal Grants	\$853,782
State Grants	3,104,698
Local Grants	24,874
General Fund	3,589,648
Special Revenue Funds	15,275,333
Donations	1,661,012
Note or Bonded Debt	10,142,329
Total Investment in Capital Assets	<u>\$34,651,676</u>

KNOX COUNTY, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
December 31, 2003***

<u>Function and Category</u>	<u>Total</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Vehicles</u>
General Government	\$12,386,984	\$721,676	\$10,204,541	\$82,197
Judicial	346,187	17,043	50,031	0
Public Safety	8,928,613	13,056	7,322,492	534,464
Public Works	5,240,178	39,231	697,844	1,281,844
Health	1,705,121	5,006	1,634,621	54,556
Human Services	<u>6,044,593</u>	<u>134,247</u>	<u>4,752,830</u>	<u>600,136</u>
Total Capital Assets	<u>\$34,651,676</u>	<u>\$930,259</u>	<u>\$24,662,359</u>	<u>\$2,553,197</u>

KNOX COUNTY, OHIO

<u>Machinery and Equipment</u>	<u>Computer Equipment</u>	<u>Infrastructure</u>
\$1,202,433	\$176,137	\$0
88,792	190,321	0
751,216	307,385	0
1,101,636	36,887	2,082,736
5,580	5,358	0
<u>283,368</u>	<u>274,012</u>	<u>0</u>
<u><u>\$3,433,025</u></u>	<u><u>\$990,100</u></u>	<u><u>\$2,082,736</u></u>

KNOX COUNTY, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule Changes by Function and Activity
For Year Ended December 31, 2003***

<u>Function</u>	<u>December 31, 2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2003</u>
General Government	\$12,366,666	\$52,725	(\$32,407)	\$12,386,984
Judicial	347,926	10,368	(12,107)	346,187
Public Safety	8,937,953	114,067	(123,407)	8,928,613
Public Works	3,405,013	2,210,706	(375,541)	5,240,178
Health	1,684,313	20,808	0	1,705,121
Human Services	<u>6,026,475</u>	<u>421,765</u>	<u>(403,647)</u>	<u>6,044,593</u>
Total Capital Assets	<u>\$32,768,346</u>	<u>\$2,830,439</u>	<u>(\$947,109)</u>	<u>\$34,651,676</u>

STATISTICAL SECTION



STATISTICAL TABLES

***T**HE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE COUNTY.*

KNOX COUNTY, OHIO

GOVERNMENTAL FUND EXPENDITURES BY FUNCTION* LAST TEN YEARS

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General Government:										
Legislative and Executive	\$2,701,636	\$2,961,383	\$3,750,034	\$3,162,637	\$3,480,262	\$3,622,019	\$4,511,051	\$4,860,082	\$5,028,221	\$5,983,455
Judicial	856,702	949,066	1,083,561	1,190,252	1,173,930	1,408,310	1,475,157	1,574,654	1,751,198	1,759,399
Public Safety	2,709,368	2,419,993	2,289,264	3,204,801	3,154,859	3,521,691	3,770,772	4,448,211	4,707,732	4,953,020
Public Works	3,654,953	3,865,581	4,054,634	3,451,947	4,399,121	4,501,269	4,469,823	4,086,178	3,976,355	4,223,164
Health	136,368	205,997	101,001	203,702	197,921	213,783	324,844	285,930	315,828	405,707
Human Services	7,621,164	7,646,885	7,144,420	7,194,904	8,059,404	10,272,419	11,335,746	13,297,236	12,088,490	11,853,157
Conservation - Recreation	1,461,510	3,048	0	0	1,119	34,000	0	0	2,000	0
Miscellaneous	0	0	0	7,427	0	0	0	0	0	0
Capital Outlay	575,048	738,978	2,021,456	3,779,089	2,758,478	1,878,619	7,583,661	10,181,363	5,902,503	1,539,268
Intergovernmental	44,098	899,600	0	0	0	0	0	0	0	0
Debt Service	778,842	677,745	710,438	609,426	2,112,784	924,734	794,175	1,335,364	1,423,953	1,326,072
Total	<u>\$20,539,689</u>	<u>\$20,368,276</u>	<u>\$21,154,808</u>	<u>\$22,804,185</u>	<u>\$25,337,878</u>	<u>\$26,376,844</u>	<u>\$34,265,229</u>	<u>\$40,069,018</u>	<u>\$35,196,280</u>	<u>\$32,043,242</u>

*Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data for 1994 - 2003 reported in conformity with General Accepted Accounting Principles, on a modified accrual basis.

Source: Knox County Auditor

KNOX COUNTY, OHIO

GOVERNMENTAL FUND REVENUES BY SOURCE * LAST TEN YEARS

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Taxes	\$6,669,706	\$7,110,642	\$7,219,776	\$8,069,612	\$8,522,953	\$9,116,222	\$10,018,445	\$9,787,810	\$9,728,904	\$11,603,148
Charges for Services	2,225,965	2,190,183	2,149,562	2,330,594	2,463,225	2,584,716	2,544,910	2,836,828	2,983,209	3,115,139
Licenses and Permits	7,597	7,336	99,099	93,573	105,306	107,900	97,070	117,776	108,978	122,658
Fines and Forfeitures	80,201	84,269	54,560	68,278	95,066	63,819	72,799	66,336	82,526	89,492
Intergovernmental	10,944,557	9,997,114	10,229,401	10,817,066	12,163,802	12,480,135	17,532,176	20,708,975	17,011,475	14,428,199
Special Assessments	811,250	727,694	643,256	566,052	548,482	495,428	431,104	404,081	185,399	232,199
Interest	465,901	696,351	772,391	998,870	1,095,352	1,233,607	1,524,354	1,536,669	390,210	332,673
Other Revenue	203,341	177,711	237,821	274,978	875,929	1,195,467	742,434	1,070,933	1,246,036	945,500
Total Revenue	<u>\$21,408,518</u>	<u>\$20,991,300</u>	<u>\$21,405,866</u>	<u>\$23,219,023</u>	<u>\$25,870,115</u>	<u>\$27,277,294</u>	<u>\$32,963,292</u>	<u>\$36,529,408</u>	<u>\$31,736,737</u>	<u>\$30,869,008</u>

*Includes General, Special Revenue, Debt Service and Capital Projects Funds.

Data for 1994 - 2003 reported in conformity with General Accepted Accounting Principles, on a modified accrual basis.

Source: Knox County Auditor

KNOX COUNTY, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS REAL AND PUBLIC UTILITY TAXES LAST TEN YEARS

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent Collected</u>	<u>Delinquent Tax Billed</u>	<u>Delinquent Tax Collected</u>	<u>Percent Collected</u>	<u>Total Tax Billed</u>	<u>Total Tax Collected</u>	<u>Percent of Total Tax Collections to Total tax billed</u>
1994	\$26,438,370	\$20,762,465	78.53%	\$1,470,268	\$958,934	65.22%	\$27,908,638	\$21,721,399	77.83%
1995	26,141,060	21,954,289	83.98%	1,398,164	912,459	65.26%	27,539,224	22,866,748	83.03%
1996	26,656,497	22,865,655	85.78%	1,530,409	992,737	64.87%	28,186,906	23,858,392	84.64%
1997	31,522,008	27,490,905	87.21%	1,493,541	1,026,567	68.73%	33,015,549	28,517,472	86.38%
1998	31,364,602	27,420,701	87.43%	1,676,091	1,146,883	68.43%	33,040,693	28,567,584	86.46%
1999	31,961,868	28,067,376	87.82%	1,693,940	1,175,186	69.38%	33,655,808	29,242,562	86.89%
2000	34,453,907	30,362,406	88.12%	1,735,271	1,199,736	69.14%	36,189,178	31,562,142	87.21%
2001	38,343,899	33,508,523	87.39%	1,975,628	1,269,430	64.25%	40,319,527	34,777,953	86.26%
2002	38,268,528	33,259,724	86.91%	2,312,706	1,486,287	64.27%	40,581,234	34,746,011	85.62%
2003	43,609,735	37,958,155	87.04%	2,435,236	1,534,372	63.01%	46,044,971	39,492,527	85.77%

Source: Knox County Auditor

KNOX COUNTY, OHIO

TANGIBLE PERSONAL PROPERTY COLLECTION LAST TEN YEARS

<u>Collection Year</u>	<u>Billed</u>	<u>Collected</u>	<u>% Collected</u>
1994	\$4,434,986	\$4,165,790	93.93%
1995	4,861,873	4,504,533	92.65%
1996	4,519,106	4,217,260	93.32%
1997	5,799,290	5,350,060	92.25%
1998	6,344,437	6,048,340	95.33%
1999	6,383,118	5,966,422	93.47%
2000	7,348,352	6,836,102	93.03%
2001	5,761,706	5,364,289	93.10%
2002	5,602,631	4,895,042	87.37%
2003	6,360,585	5,752,854	90.45%

Source: Knox County Auditor

KNOX COUNTY, OHIO

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN YEARS (in Thousands)

Tax Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Assessed Value Ratio
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1994	\$407,352	\$1,163,863	\$49,348	\$140,994	\$80,242	\$320,968	\$536,942	\$1,625,825	33.03%
1995	412,847	1,179,563	50,306	143,731	82,024	\$328,096	545,177	1,651,390	33.01%
1996	430,426	1,229,789	48,540	194,161 *	85,719	\$342,876	564,685	1,766,826	31.96%
1997	525,720	1,502,057	51,596	206,386 *	79,247	\$316,988	656,563	2,025,431	32.42%
1998	534,118	1,526,051	48,978	195,910 *	92,328	\$369,312	675,424	2,091,273	32.30%
1999	551,110	1,574,600	49,306	197,223 *	101,276	\$405,104	701,692	2,176,927	32.23%
2000	664,739	1,899,254	48,862	195,446	105,495	\$421,980	819,096	2,516,680	32.55%
2001	693,254	1,980,726	46,059	184,234	123,909	\$495,636	863,222	2,660,596	32.44%
2002	707,736	2,022,103	38,254	153,015	97,689	\$390,756	843,679	2,565,874	32.88%
2003	809,928	2,314,080	38,990	155,961	111,165	444,662	960,083	2,914,703	32.94%

Source: Knox County Auditor

* Percentage change from 88% to 25%

KNOX COUNTY, OHIO

**PROPERTY TAX RATES OF ALL DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS**

Levy Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Collection Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
COUNTY ENTITY:										
General Fund	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Mental Retardation	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60
Children Services	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Community Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Citizens	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Board of Health	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Total County Levy	8.70	8.70	8.70	8.70	8.70	8.70	8.70	8.70	8.70	9.70
In County School Districts:										
Fredericktown	40.20	40.20	44.70	49.20	49.20	49.20	49.20	54.53	54.53	54.53
Danville	42.00	42.00	42.00	42.00	41.00	41.00	41.00	44.60	44.60	44.60
Mount Vernon	33.60	36.20	36.20	40.59	39.87	39.87	37.54	36.74	36.64	35.43
East Knox	40.70	45.70	45.50	45.50	45.50	44.00	42.70	47.20	43.40	43.40
Centerburg	39.70	39.70	39.50	39.20	34.10	34.10	34.10	41.16	41.16	41.16
Out Of County School Districts:										
Clear Fork	46.80	46.60	46.60	46.20	52.38	52.38	50.80	50.20	50.20	50.20
Loudonville	37.90	37.90	37.40	37.10	36.80	36.40	35.70	35.70	35.60	35.00
North Fork	37.00	37.00	37.00	37.00	37.00	37.00	37.00	35.75	35.75	35.29
Northridge	40.30	40.30	40.30	47.17	39.47	39.20	38.10	37.85	37.80	37.28
Joint Vocational School Districts:										
Knox County Career Center	4.70	4.70	4.70	6.40	6.40	6.40	6.40	6.40	6.40	6.40
Ashland JVS	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Licking JVS	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Villages:										
Martinsburg	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Centerburg	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40
Utica	1.80	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Brinkhaven	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	2.50
Danville	8.80	8.80	8.80	8.80	8.80	8.80	8.80	8.80	8.80	7.30
Fredericktown	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00

(Continued)

KNOX COUNTY, OHIO

PROPERTY TAX RATES OF ALL DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 OF ASSESSED VALUATIONS) LAST TEN YEARS

Levy Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Collection Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Corporations:										
Mount Vernon	4.20	3.20	3.20	3.20	3.20	3.20	3.20	4.50	4.50	4.50
Townships:										
Berlin	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Brown	6.40	6.40	6.90	6.40	6.40	6.40	6.40	6.65	6.65	5.40
Butler	3.50	3.50	3.50	3.50	3.85	3.85	3.85	3.85	3.85	2.10
Clay	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Clay - Martinsburg Village	2.80	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10
Clinton	4.20	4.20	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
College	5.80	5.80	5.75	5.75	7.50	7.50	7.50	7.50	7.50	7.50
Harrison	3.50	3.50	3.50	3.55	3.55	3.55	3.55	3.15	3.15	2.10
Hilliar	7.20	7.20	7.20	9.20	8.70	8.35	7.70	5.70	5.70	5.70
Hilliar - Centerburg Village	5.80	5.80	8.30	7.80	7.30	6.95	6.30	4.30	4.30	4.30
Howard	3.40	3.40	3.40	3.60	3.60	3.60	3.60	3.60	3.60	2.10
Jackson	2.10	2.10	2.10	2.10	2.10	2.10	2.10	3.60	3.60	3.60
Jefferson	3.80	4.10	4.10	4.20	4.20	4.20	4.20	4.20	4.20	2.50
Liberty	4.10	4.10	4.80	4.80	4.80	4.80	4.80	2.80	2.80	2.80
Middlebury	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Milford	3.70	3.70	3.70	4.20	4.20	4.20	4.20	2.20	2.20	2.20
Miller	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Monroe	5.60	5.60	5.60	5.60	5.60	5.60	6.10	6.10	6.10	7.60
Morgan	4.90	4.90	4.90	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Morgan - Utica Village	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Morris - Mount Vernon	3.50	3.50	4.00	3.50	3.50	3.50	4.00	4.00	4.00	5.00
Morris - Fredericktown	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Pike	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.90	4.90
Pleasant	5.80	5.80	5.80	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Union	3.30	3.30	3.30	3.70	3.70	3.50	3.50	3.50	3.50	2.10
Union - Brinkhaven Village	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Union - Danville Village	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Wayne	2.50	2.50	2.50	2.50	2.50	2.50	3.80	3.80	3.80	3.80

(Continued)

KNOX COUNTY, OHIO

**PROPERTY TAX RATES OF ALL DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN YEARS**

Levy Year Collection Year	1993 1994	1994 1995	1995 1996	1996 1997	1997 1998	1998 1999	1999 2000	2000 2001	2001 2002	2002 2003
Other Units:										
Fredericktown Community										
Fire District	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fredericktown Ambulance	0.60	0.60	0.60	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fredericktown Park	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Bladensburg Fire District	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Mount Vernon Public Library	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.70	0.70
Central Ohio Joint										
Fire District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50	5.50	5.50

KNOX COUNTY, OHIO

CURRENT SPECIAL ASSESSMENT COLLECTIONS LAST TEN YEARS

<u>Year</u>	<u>Current Amount Billed</u>	<u>Current Amount Collected</u>	<u>Percent Collected</u>
1994	\$916,368	\$743,146	81.10%
1995	797,534	665,080	83.39%
1996	728,141	568,619	78.09%
1997	651,529	500,898	76.88%
1998	623,161	498,536	80.00%
1999	651,771	533,249	81.82%
2000	684,638	541,867	79.15%
2001	942,370	829,747	88.05%
2002	813,084	678,576	83.46%
2003	997,017	898,407	90.11%

Source: Knox County Auditor

Note: Special assessments collected on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types includes delinquent special assessments collected.

KNOX COUNTY, OHIO

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA LAST SEVEN YEARS

Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Funds Available	Net Bonded Debt	Ratio of General Obligation Debt to Assessed Valuation	Net General Obligation Debt Per Capita
1997	(4) 47,473	656,563,971	3,650,000	209,364	3,440,636	0.52%	72.48
1998	47,473	675,423,003	3,575,000	245,613	3,329,387	0.49%	70.13
1999	47,473	701,692,107	3,455,000	260,826	3,194,174	0.46%	67.28
2000	54,500	819,095,981	3,335,000	498,148	2,836,852	0.35%	52.05
2001	54,500	863,221,722	11,435,000	578,365	10,856,635	1.26%	199.20
2002	54,500	843,678,684	12,385,000	635,439	11,749,561	1.39%	215.59
2003	54,503	960,084,059	11,910,000	654,049	11,255,951	1.17%	206.52

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

(2) Source: Knox County Auditor

(3) Includes all general obligation bonded debt supported by property taxes

(4) There was no debt service fund prior to 1997

KNOX COUNTY, OHIO

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST SIX YEARS**

<u>Year</u>	<u>Debt Principal</u>	<u>Debt Interest</u>	<u>Total Bonded Service</u>	<u>General Governmental Expenditures</u>	<u>Ratio of Debt Supported Debt Service To General Government Expenditures</u>
1998	75,000	150,580	225,580	25,337,898	0.89%
1999	120,000	178,210	298,210	26,376,844	1.13%
2000	120,000	173,230	293,230	34,265,229	0.86%
2001	125,000	307,957	432,957	40,069,018	1.08%
2002	410,000	539,617	949,617	35,196,280	2.70%
2003	475,000	309,848	784,848	32,043,242	2.45%

Knox County did not have any Genereal Obligation Debt from 1993-1997. Principal and interest payments began in 1998 for the Corporate Center and Children's Resource Center. Interest payments began in 2001 for the Board of Health Center and the Correctional Facility and 2002 for the JFS Training Center. Principal payments began in 2002 for the Board of Health Center and the Correctional Facility.

KNOX COUNTY, OHIO

COMPUTATION OF LEGAL DEBT MARGIN DECEMBER 31, 2003

	<u>Total Debt (a)</u>	<u>Unvoted Debt (b)</u>
Net Assessed Valuation	\$960,084,059	\$960,084,059
Legal Debt Limitation (%) (1)	2.34%	1.00%
Legal Debt Limitation (\$) (1)	22,502,101	9,600,841
Applicable County Debt Outstanding (2)	5,778,000	5,778,000
Less Applicable Debt		
Service Fund Amounts	<u>(654,049)</u>	<u>(654,049)</u>
Net Indebtedness Subject To Limitation	<u>5,123,951</u>	<u>5,123,951</u>
 Legal Debt Margin	 <u><u>\$17,378,150</u></u>	 <u><u>\$4,476,890</u></u>

(1) Direct Debt Limitation Based Upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(a) 3% of first \$100,000,000 of assessed value; 1.5% of next \$200,000,000 assessed value; 2.5% of assessed value in excess of \$300,000,000

(b) 1% of assessed value

(2) County Debt Outstanding excludes Special Assessment Bonds and Correctional Facility Bonds.

KNOX COUNTY, OHIO

COMPUTATION OF DIRECT AND OVERLAPPING DEBT DECEMBER 31, 2003

<u>Political Subdivision</u>	<u>Net General Obligation Debt</u>	<u>Percent Applicable To County (1)</u>	<u>Amount Applicable To Knox County</u>
Knox County	\$11,430,951	100%	\$11,430,951
All Townships wholly within County	399,091	100%	399,091
All Cities wholly within County	233,600	100%	233,600
All School Districts wholly within County	18,406,997	100%	18,406,997
Clear Fork School District	<u>7,888,510</u>	6.40%	<u>504,865</u>
Totals	<u><u>38,359,149</u></u>		<u><u>30,975,504</u></u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the County by the total assessed valuation of the political subdivision. The valuations used were for the 2002 collection year

Source: Knox County Auditor

KNOX COUNTY, OHIO

CONSTRUCTION, BANK DEPOSITS, AND PROPERTY VALUES LAST TEN YEARS

Tax Year	New Construction			Bank Deposits	Real Property Value			
	Agriculture Residential	Commercial Industrial	Total New Construction		Agriculture Residential	Commerical Industrial	Public Utility	Tax Exempt
1994	\$8,273,880	\$6,077,130	\$14,351,010	\$361,132,000	\$341,165,170	\$65,877,290	\$309,060	\$57,948,100
1995	8,217,950	2,114,250	10,332,200	385,303,000	348,629,140	63,948,790	269,140	62,380,750
1996	11,625,150	5,131,450	16,756,600	408,033,000	360,486,950	69,666,910	271,700	63,689,540
1997	17,859,270	3,757,150	21,616,420	470,611,000	446,640,730	78,789,900	289,400	79,408,440
1998	12,286,460	2,759,310	15,045,770	467,925,000	457,857,530	75,960,450	299,730	85,912,490
1999	15,444,970	1,352,550	16,797,520	471,900,000	472,342,790	78,472,720	294,440	89,620,970
2000	17,160,020	3,331,730	20,491,750	487,758,000	582,346,820	82,114,730	277,390	89,269,500
2001	19,755,590	7,824,790	27,580,380	519,468,000	601,110,340	92,011,350	132,560	91,639,600
2002	19,025,500	1,162,320	20,187,820	519,459,000	619,482,050	87,828,790	125,050	102,752,100
2003	21,816,240	5,897,380	27,713,620	227,649,000	703,162,240	106,637,030	128,970	140,263,990

Source: Knox County Auditor
Federal Reserve Bank - Cleveland, Ohio

KNOX COUNTY, OHIO

*KNOX COUNTY, OHIO
TEN PRINCIPAL TAXPAYERS
DECEMBER 31, 2003*

<u>Taxpayer</u>	<u>Type</u>	<u>Assessed Valuation</u>	<u>Percent of Total County Assessed Valuation</u>
1. Rolls Royce Energy Systems	Business	\$22,685,440	2.36%
2. Ohio Power Company	Public Utility	15,716,950	1.64%
3. Ariel Corporation	Business	10,394,840	1.08%
4. United Telephone Company	Public Utility	9,092,660	0.95%
5. FT Precision Inc	Business	7,283,070	0.76%
6. Licking Rural Electrification	Public Utility	5,664,360	0.59%
7. Weyerhaeuser Corporation	Business	5,339,630	0.56%
8. Owens Corning	Business	4,839,750	0.50%
9. Columbia Gas Transmission	Public Utility	4,784,440	0.50%
10. T R W Inc	Business	4,499,740	0.47%
	Subtotal	<u>90,300,880</u>	<u>9.41%</u>
	All Other	<u>869,783,179</u>	<u>90.59%</u>
Total		<u><u>\$960,084,059</u></u>	<u><u>100.00%</u></u>

Source: Knox County Auditor's Office

KNOX COUNTY, OHIO

DEMOGRAPHIC STATISTICS DECEMBER 31, 2003

<u>Annual Average Unemployment Rates</u>		<u>Employment - 2003 Annual Averages</u>		<u>Employment by Sector, 2000</u>		<u>Number</u>	<u>Percent</u>
2003	5.3%	Total Civilian Labor Force	26,300	Manufacturing		4,542	25.99%
2002	6.7%	Total Employed	24,900	Wholesale and Retail Trade		3,799	21.74%
2001	4.9%	Total Unemployed	1,400	Services		4,372	25.01%
2000	5.3%	Unemployment Rate	5.3%	State and Local Government		2,705	15.48%
1999	4.2%			Finance, Insurance, Real Estate		533	3.05%
1998	5.5%			Transportation and Public Utilities		429	2.45%
1997	4.4%			Construction		755	4.32%
1996	5.1%			Agriculture, Forestry, Fisheries and Mining		343	1.96%
1995	5.7%			Total		17,478	100.00%
1994	5.2%						

<u>Year</u>	<u>Population</u>	<u>Public School Enrollment *</u>
2003	54,503	8,288
2002	54,500	8,177
2001	54,500	8,330
2000	54,500	8,518
1999	51,702	8,267
1998	52,498	8,391
1997	51,702	8,248
1996	51,702	8,118
1995	48,478	8,121
1994	48,478	7,898

(Continued)

KNOX COUNTY, OHIO

DEMOGRAPHIC STATISTICS DECEMBER 31, 2003

Households by Income

<u>House holds</u>	
\$0 to \$9,999	2,926
\$10,000 to \$24,999	5,811
\$25,000 to \$49,999	6,244
\$50,000 to \$99,999	2,066
\$100,000 or more	192

Per Capita Income

\$20,850

Employed Persons 16 Years and Over by Class of Worker

Private Wage and Salary	16,160
Federal Government	318
State Government	1,186
Local Government	1,493
Self-Employed	1,796
Unpaid Family Worker	165

Source: * Knox County Board of Education

** Chamber of Commerce

All Other Information Obtained From the Ohio Data Users Center.

KNOX COUNTY, OHIO

MISCELLANEOUS STATISTICS DECEMBER 31, 2003

Date Established 1808
County Seat Mount Vernon

Area (square miles) 532

Location
Central Ohio (including the geographical center of the state)
49 miles from Columbus and 99 miles from Cleveland.

Climate
Four season temperate, classified continental.
Moderately warm summers; reasonably cold winters.
Average annual rainfall 40.61". Average annual snowfall
is 24.94". Growing season averages 147 days.

Number of Political Subdivisions Located in the county

Cities	1
Villages	6
Townships	22
School Districts	5
Vocational School	1
Universities - Kenyon College, established 1824	
Mount Vernon Nazarene University, established 1966	

Homestead Exemptions
1,150 exemptions granted, average reduction
in taxable value \$3,765

Road Mileage (1)

U.S. Highways	59.05
State Highways	182.30
County Roads	401.73
Township Roads	622.80

Manufactured Homes
1,222 manufactured homes, taxable value \$3,068,650

Communications (3)
Mount Vernon News (circulation - 10,000)
A weekly paper is published in Fredericktown

Industrial Sites
300 Acre Industrial Park

Voter Statistics, Election of November 2003 (2)

Number of Registered Voters	31,897
Number of Voters, Last General Election	12,785
Percentage of Registered Voters Voting	40%

Knox County covers 334,720 acres.
253,852 acres are currently under Current Agriculture
Use Value Program

Livestock Numbers on Farms (4)

Beef cattle and calves	26,423
Dairy cattle and heifers	5,927
Hogs and pigs	24,599
Stock sheep and lambs	6,172

Number of Acres in Crops (4)

Corn	53,553
Soy Beans	40,996
Wheat	6,072
Oats	1,649
Hay	26,954

Income From Agricultural Sales (4)

Livestock and Livestock Products	\$25,965,000
Crops	28,573,000
Dairy and Milk	\$10,988,000
Cattle and Calves	5,313,000
Hogs and Pigs	4,322,000
Poultry and Other Livestock	5,342,000
Corn	12,786,000
Soybeans	10,247,000
Wheat	938,000
Oats and Hay	1,601,000
Other Crops	3,001,000

Knox County has 1,103 farms
with an average size of 187 acres.

Sources:
(1) Knox County Engineer
(2) Knox County Board of Elections
(3) Mount Vernon News
(4) Ohio Cooperative Extension Service

All other information obtained
from County records.

KNOX COUNTY, OHIO

HISTORY OF COUNTY AUDITORS

The Clerk of the County Commissioners performed the duties of the County Auditor until 1820 when the County organized the Auditor's position. The following were the Knox County Auditors starting in 1820.

W. Y. Farquhar	1820-1827	John M. Blocher	1890-1896
Alexander Elliott	1827-1829	William A. Wander	1896-1902
Marvin Tracy	1829-1835	Archie C. Collins	1902-1906
Simon B. Kenton	1835-1841	Charles A. Mitchell	1906-1909
Killian Winne	1841-1847	Irvin Young	1909-1913
Thomas Winne	1847	Walter M. Riley	1913-1917
Merrett M. Beam	1847-1851	A. D. Rinehart	1917-1923
Benjamin F. Smith	1851-1855	Howard McFarland	1923-1927
John Lamb	1855-1859	Howard N. Mendenhall	1927-1935
Samuel W. Farquhar	1859-1863	Arthur H. McMillan	1935-1943
John D. Thompson	1863-1865	John W. McLarnan	1943-1949
Alexander Cassil	1865-1869	Gail W. Porterfield	1949-1956
Samuel W. Farquhar	1869-1871	W. Glenn Hess	1956-1967
John W. Ewalt	1871-1875	Paul W. Davis	1967-1975
Alexander Cassil	1875-1880	J. William Moody	1975-1991
John H. Stevens	1880-1883	Robert L. Jones	1991-1995
Curtis W. McKee	1883-1890	Margaret Ann Ruhl	1995-present



**Auditor of State
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

FINANCIAL CONDITION

KNOX COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 23, 2004**