



Dave Yost • Auditor of State

LAKETRAN
LAKE COUNTY

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**LAKETRAN
LAKE COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Grant Number	Disbursements
<u>U.S. Department of Transportation:</u>			
Federal Transit Administration			
<i>Direct Awards:</i>			
Federal Transit Formula Grants	20.507	OH-90-X529	\$324,594
		OH-90-X591	872
		OH-90-X629	50,822
		OH-90-X673	17,373
		OH-90-X721	1,003,296
		OH-90-X700	33,373
		OH-95-X075	779,262
ARRA Federal Transit Formula Grants		OH-96-X026	109,428
Total Federal Transit Formula Grants			<u>2,319,020</u>
New Freedom Program	20.521	OH-57-X021	79,603
Total New Freedom Program			<u>79,603</u>
Total Direct Awards			2,398,623
<i>Passed Through Ohio Department of Transportation</i>			
Highway Planning and Construction Grant	20.205	OH-90-X463	295,673
Total Highway Planning and Construction Grant			<u>295,673</u>
Total U.S. Department of Transportation			<u>2,694,296</u>
Total Federal Expenditures			<u><u>\$2,694,296</u></u>

See the Note to the Federal Awards Expenditures Schedule

**LAKETRAN
LAKE COUNTY**

**NOTE TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2011**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule reports Laketran's federal award programs' disbursements. The Schedule has been prepared on the accrual basis of accounting.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Laketran
Lake County
555 Lakeshore Blvd.
P.O. Box 158
Grand River, Ohio 44045

To the Board of Trustees:

We have audited the basic financial statements of the business-type activities, of Laketran, Lake County, Ohio (the Transit Authority) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 6, 2012, wherein we noted that other auditors audited the basic financial statements of the Transit Authority as of and for the year ended December 31, 2010. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Transit Authority's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Transit Authority's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Transit Authority's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Transit Authority's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Transit Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the audit committee, management, the Board of Trustees, and others within the Transit Authority. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

June 6, 2012



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND ON THE FEDERAL AWARDS EXPENDITURE SCHEDULE

Laketran
Lake County
555 Lakeshore Blvd.
PO Box 158
Grand River, Ohio 44045

To the Board of Trustees:

Compliance

We have audited the compliance of Laketrans (the Transit Authority) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Transit Authority's major federal program for the year ended December 31, 2011. The *summary of auditor's results* section of the accompanying schedule of findings identifies the Transit Authority's major federal program. The Transit Authority's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to opine on the Transit Authority's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Transit Authority's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Transit Authority's compliance with these requirements.

In our opinion, the Transit Authority complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The Transit Authority's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Transit Authority's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and

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report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Transit Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Federal Awards Expenditures

We have also audited the financial statements of the business type activities of Laketrans (the Transit Authority) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 6, 2012, wherein we noted that other auditors audited the basic financial statements of the Transit Authority as of and for the year ended December 31, 2010. Our audit was performed to form an opinion on the financial statements that collectively comprise the Transit Authority's basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is the Transit Authority's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, the Board of trustees, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Dave Yost
Auditor of State

June 6, 2012

**LAKETRAN
LAKE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
FOR THE YEAR ENDED DECEMBER 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	CFDA# 20.507 – Federal Transit Formula Grants CFDA# 20.507 - ARRA Federal Transit Formula Grants
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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**Comprehensive
Annual Financial Report
For The Years Ended December 31, 2011 and 2010**

LAKE
TRAN

LAKE COUNTY, OHIO



*Kevin Malecek
President
Board of Trustees*

*Raymond Jurkowski
General Manager/
Secretary-Treasurer*

**Introductory
Section
2011**

Comprehensive
Annual Financial Report
For The Years Ended December 31, 2011 and 2010



LAKE COUNTY, OHIO



Kevin Malecek
President
Board of Trustees

Raymond Jurkowski
General Manager/
Secretary-Treasurer

LAKETRAN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

LakeTran
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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.



Linda C. Dandison

President

Jeffrey R. Egan

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Laketran, Ohio for its comprehensive annual financial report for the fiscal year ended December 31, 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



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Phone: (440) 350-1000 • 942-6332 • Fax: (440) 354-4202
www.laketrans.com • e-mail: laketrans@laketrans.com

June 6, 2012

Mr. Kevin Malecek, President
Members, Board of Trustees of Laketrans
and Residents of Lake County

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Laketrans for the year ended December 31, 2011. This is the eleventh such report issued by Laketrans. It has become the standard format used in presenting the results of Laketrans's operations, financial position, cash flows, and related statistical information.

Laketrans takes great pride in the fact that its ten previous CAFRs earned the recognition of the Government Finance Officer's Association of the United States and Canada (GFOA) in the form of its Certificate of Achievement for Excellence in Financial Reporting.

Laketrans also submits its annual operating and capital budget to the GFOA and has been doing so since 1998. All of these budget documents have won the Distinguished Budget Presentation Award, having satisfied the most stringent program criteria and proven its value as 1) a policy document, 2) an operations guide, 3) a financial plan and, 4) a communication device.

This report contains the basic financial statements, management's discussion and analysis (MD&A), and statistical data that provides full disclosure of all the material financial operations of Laketrans. The basic financial statements, MD&A, and statistical information are the representation of Laketrans's management which bears the responsibility for their accuracy, completeness, and fairness. In conformance with generally accepted accounting principles, this report was developed on the accrual basis of accounting, treating Laketrans as a single enterprise fund. The CAFR is indicative of Laketrans's commitment to provide accurate, concise, and high quality financial information to the residents of Lake County and other interested parties.



The MD&A immediately follows the independent accountant's report and provides a narrative summarizing and analyzing the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

REPORTING ENTITY

Laketran is an independent political subdivision of the State of Ohio. It was created on December 23, 1974 by resolution of the Board of County Commissioners of Lake County, Ohio. Contract operations at Laketran began in 1977 using vehicles owned by STS (Special Transportation Services). On July 1, 1985, Laketran began direct operations when it placed its first two buses into service on Route 1. Either directly or through contracts with local service providers, Laketran provides virtually all public transportation services within Lake County. Laketran is a multimodal system, delivering paratransit and motor bus services.

A nine member Board of Trustees (Board) establishes policy and sets direction for the management of Laketran. All Board members are appointed by the County Commissioners and serve overlapping three year terms. Under the provisions of GASB Statement No. 14, Laketran is considered to be a jointly governed organization.

Responsibility for the line administration rests with the General Manager/Secretary-Treasurer. He supervises five managers assigned to three departments as follows:

Administration:

- Controller
- Human Resources Manager
- Public Relations/Marketing Director

Maintenance:

- Maintenance Supervisor

Operations:

- Operations Manager

An organization chart, which depicts these relationships, follows later in this introductory section.

In 2011, Laketran had 137.5 employees. The system delivered 756,988 revenue miles of motor bus service and 1,825,459 revenue miles of directly operated paratransit service. The service fleet was composed of 40 motor bus coaches and 74 paratransit buses.

CURRENT YEAR REVIEW

During the year 2011, Laketran received the following national awards for financial reporting:

- The Distinguished Budget Presentation Award for the 2011 operating and capital budget from the GFOA.
- Certificate of Achievement for Excellence in Financial Reporting for the 2010 CAFR from the GFOA.

Ridership changes from 2010 to 2011 for all modes of services were up 4.4 percent. The reason for the increase in ridership is due to decreasing unemployment and maintaining service levels. Laketran did increase evening service from 7:00 p.m. to 8:00 p.m. on a permanent basis. Holiday service was also offered from November 16, 2011 to January 16, 2012.

MISSION STATEMENT

Laketran is committed to providing quality public transportation to all Lake County residents with special emphasis on meeting the transportation needs of senior citizens and people with disabilities. We will accomplish this by:

- Providing efficient, affordable, reliable, safe and clean service
- Employing caring, committed, capable and courteous service providers
- Emphasizing individual accountability
- Promoting teamwork
- Maintaining fiscal responsibility

FUTURE PLANS

Laketran currently has a capital improvement plan in place through the year 2016. This plan was developed to provide for the future transportation needs of all Lake County residents and includes:

- **Passenger Shelters and Benches:** The Federal Transit Administration has directed more attention to passenger amenities. As a result, more bus shelters have been constructed and additional benches have been placed at various bus stops throughout the County. This program is done annually.
- **Vehicles:** Laketran has a regular vehicle replacement program for Dial-a-Ride buses. These are very high mileage vehicles that need to be replaced regularly. An approximately equal number of buses are replaced each year in a number sufficient enough to replace all buses every eight years.

Eight Dial-a-Ride buses were purchased during 2011. All of these buses were used as replacement buses, with the oldest buses being taken out of service. Keeping the fleet current is one of many ways Laketran demonstrates that Dial-a-Ride is a priority.

Motor buses have an approximate 12-14 year service life depending on the vehicle length. A 35-40' bus has a 12-14 year life while a 30' bus has an 8 year life. The total Motor bus fleet is approximately 40 buses. Motor bus includes the Commuter Express and Fixed Route buses. Commuter Express travels longer distance and Fixed Route is within the County.

- **Passenger Information Program**: This is a major passenger amenity in the form of a “ride guide” (a four sided sign that will be attached to bus stop signs). Each ride guide will contain a copy of the schedule and a detailed map of the appropriate route. Also included is fare information, bike rack instructions, Laketran phone numbers and web site information. The first ride guide was installed in September 2004 and the project will be ongoing.

INTERNAL CONTROL

Laketran’s internal controls are reviewed annually as a part of the independent audit. In developing and revising Laketran’s accounting and reporting control system, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

- Safeguarding assets against loss from unauthorized use or disposition, and
- Reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

- The cost of control should not exceed the benefits likely to be derived, and
- The evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. Laketran’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

BASIS OF ACCOUNTING

Laketran’s accounting records are maintained on the accrual basis. The activities are reported through the use of a single enterprise fund.

BUDGETARY CONTROL

Responsibility for budgetary control rests with individual departments. Each department receives a report of their expenses vs. budget each month. The accounting department exercises budgetary control over administrative costs such as hospitalization and property and casualty coverage. All bank accounts are reconciled monthly.

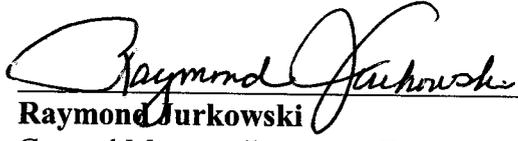
OTHER INFORMATION

The Laketran independent audit was conducted by the Ohio State Auditor’s Office, who has issued an unqualified opinion on the financial statements.

Laketran also participates in the federal single audit program, which consists of a single audit of all federally funded programs administered by Laketran. As a requirement for continued funding eligibility, participation in the single audit program is mandatory for most local governments, including Laketran.

ACKNOWLEDGMENT

This report is prepared in collaboration with the firm of James G. Zupka, CPA, Inc. Special thanks to Sujata Sulzer and the staff of James G. Zupka, CPA, Inc. for their valuable contributions to this document.



Raymond Jurkowski
General Manager/Secretary-Treasurer



Lisa Colling
Controller

LAKETRAN
BOARD OF TRUSTEES AND MANAGEMENT
AS OF DECEMBER 31, 2011

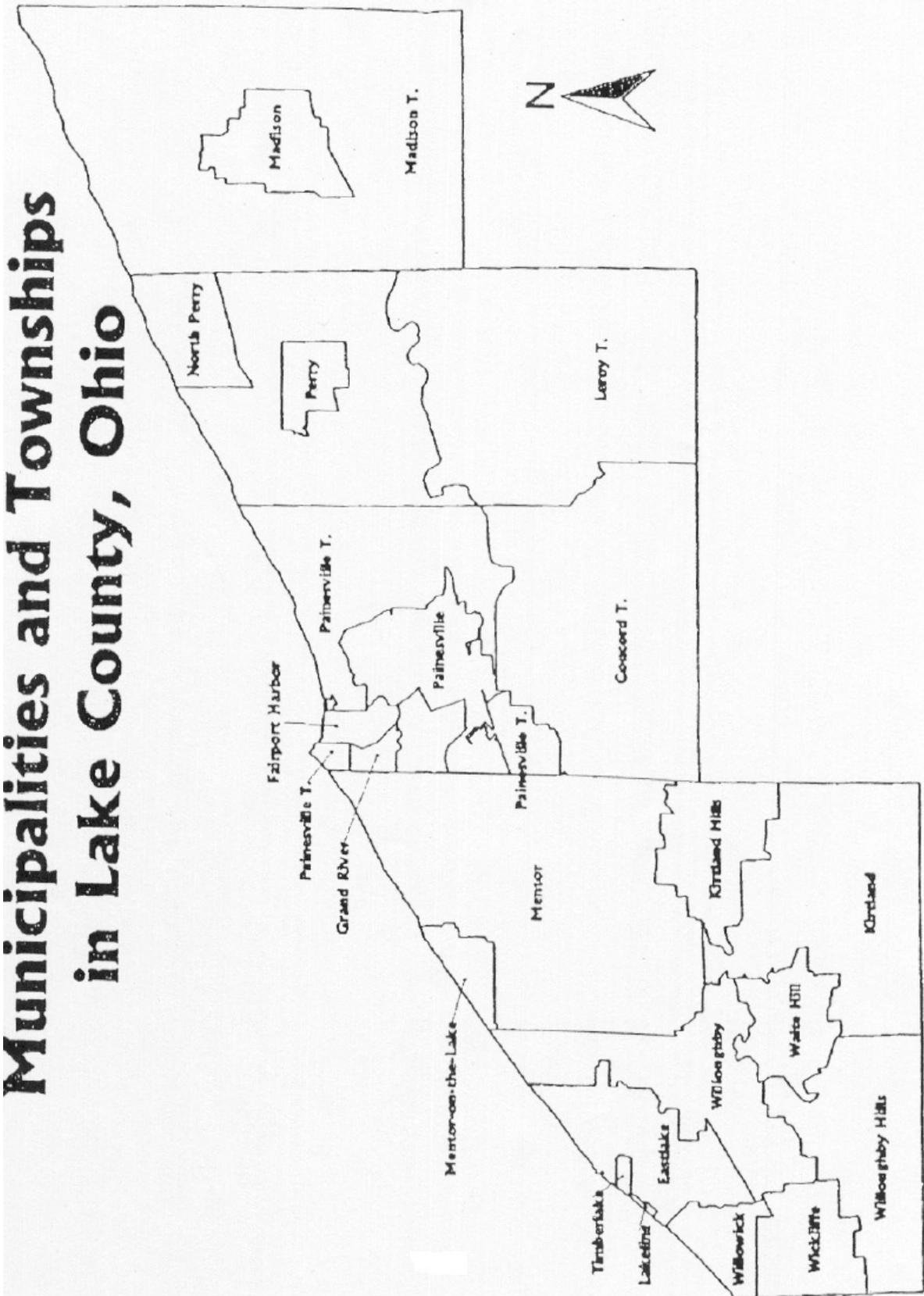
Board of Trustees

Chairman	Kevin D. Malecek
Vice-Chairman	Matthew C. Armand
Trustees	Jean Argo Jason Boyd Jeanette Crislip Brian Falkowski Donna P. McNamee Edward J. Podojil Robert C. Roberti

Management

General Manager and Secretary-Treasurer	Raymond Jurkowski
Operations Manager	Andrew A. Altenweg
Controller	Lisa M. Colling
Human Resources Manager	Maureen D. Bierer
P/R and Marketing Director	Julia Schick
Maintenance Supervisor	Keith M. Bare

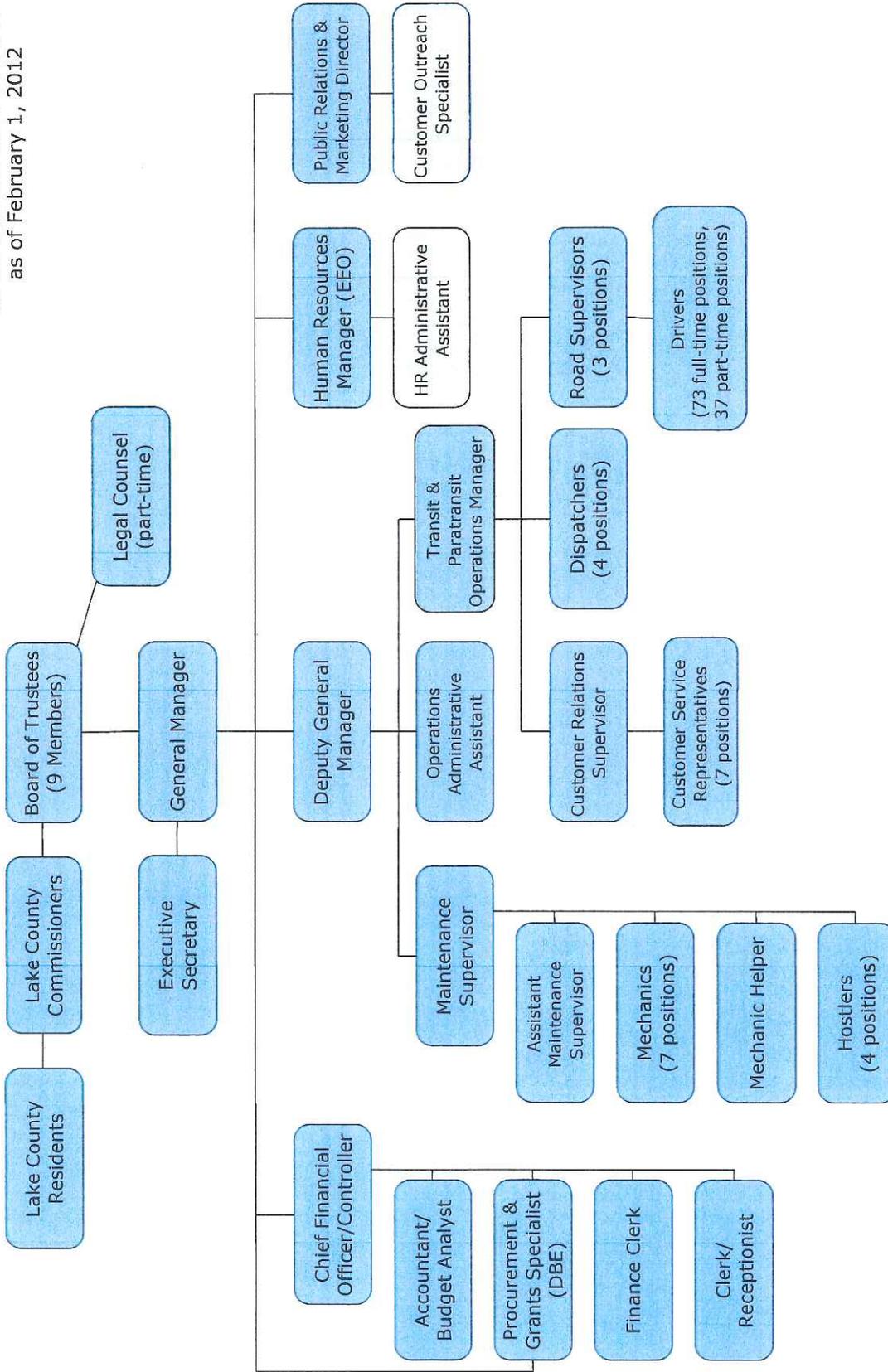
Municipalities and Townships in Lake County, Ohio



LAKETRAN

ORGANIZATION CHART

as of February 1, 2012



Financial Section

2011

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Laketran
Lake County
555 Lakeshore Blvd.
P.O. Box 158
Grand River, Ohio 44045

To the Board of Trustees:

We have audited the accompanying financial statements of Laketran, Lake County (the Transit Authority), as of and for the year ended December 31, 2011, as listed in the table of contents. These financial statements are the responsibility of the Transit Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Laketran, Lake County, as of and for the year ended December 31, 2010 were audited by other auditors whose report dated June 16, 2011, expressed an unqualified opinion on those statements.

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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinion.

In our opinion, the 2011 financial statements referred to above present fairly, in all material respects, the financial position of Laketran, as of December 31, 2011, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2012, on our consideration of the Transit Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally

accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the Transit Authority's basic financial statements taken as a whole. The introductory section and the statistical section information provide additional analysis and are not a required part of the financial statements. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

June 6, 2012

LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

As management of Laketran, we offer readers of Laketran's financial statements this narrative overview and analysis of the financial activities of Laketran for the fiscal years ended December 31, 2011, 2010, and 2009. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5 through 9 of this report.

FINANCIAL HIGHLIGHTS

- Laketran's 2011 net assets decreased as a result of current year operations by \$898,583 or 2.2 percent over 2010. Net assets for 2010 increased \$3,591,444, or 9.7 percent from 2009.
- Operating expenses, exclusive of depreciation, were \$11,006,690 at December 31, 2011, \$10,629,549 in 2010, and \$12,042,570 in 2009. This represents an increase of 3.6 percent and a decrease of 11.7 percent, respectively.
- Net capital assets were \$25,702,032 at December 31, 2011, \$28,499,809 at December 31, 2010, and \$26,619,938 at December 31, 2009. This represents a decrease of 9.8 percent and an increase of 7.1 percent, respectively.
- Cash and cash equivalents were \$3,382,676 at December 31, 2011, \$4,631,520 at December 31, 2010, and \$4,407,612 at December 31, 2009. This represents a decrease of 27.0 percent and an increase of 5.1 percent, respectively.
- Investments at fair value, other than those included in cash and cash equivalents, were \$8,859,300 at December 31, 2011, \$5,233,721 at December 31, 2010, and \$5,132,656 at December 31, 2009. This represents an increase of 69.3 percent and an increase of 2.0 percent, respectively.

NOTE: Cash and cash equivalents, and investments at fair value combined were \$12,241,976 at December 31, 2011, \$9,865,241 at December 31, 2010, and \$9,540,268 at December 31, 2009. This represents an increase of 24.1 percent and an increase of 3.4 percent, respectively. These cash reserves were used to pay Laketran's local share of capital improvements.

Laketran had current Federal and State operating grants receivable of \$1,157,849 at December 31, 2011, \$1,833,391 at December 31, 2010, and \$4,745,858 at December 31, 2009. This represents a decrease of 36.8 percent and a decrease of 61.4 percent, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Laketran's basic financial statements. Laketran's basic financial statements are comprised of four components: **1)** Statements of Net Assets, **2)** Statements of Revenues, Expenses, and Changes in Net Assets, **3)** Statements of Cash Flows, and **4)** Notes to the Basic Financial Statements. The Statements of Net Assets and Statements of Revenue, Expenses, and Changes in Net Assets (pages 22 and 23) provide information about the activities of Laketran and present a longer-term view of its finances.

**LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Continued)**

One of the most important questions asked about Laketrans finances is, "Is Laketrans better off or worse off as a result of the year's activities?" The Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows report information about Laketrans and its activities in a way that helps answer this question. These statements are prepared on the accrual basis of accounting. Revenues are recorded when earned as opposed to received and expenses are recorded when incurred as opposed to paid.

The basic financial statements report Laketrans net assets and changes in them. Laketrans net assets are the difference between assets (what the citizens own) and liabilities (what the citizens owe) as one way to measure Laketrans financial health or financial position. Over time, increases or decreases in Laketrans net assets are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors need to be considered such as the condition of Laketrans capital assets (property, equipment, vehicles, etc.).

Laketrans only engages in business type activities. The sole purpose of Laketrans is to provide public transportation services to the citizens of Lake County. A bus fare is charged each rider to help cover a portion of expenses.

Table 1 - Net Assets

	2011	2010	2009
<u>Assets</u>			
Current Assets	\$ 15,601,978	\$ 13,717,338	\$ 16,213,321
Other Assets	5,084,922	4,373,102	8,965,939
Capital Assets	<u>25,702,032</u>	<u>28,499,809</u>	<u>26,619,938</u>
Total Assets	<u>46,388,932</u>	<u>46,590,249</u>	<u>51,799,198</u>
<u>Liabilities</u>			
Current Liabilities	1,415,699	1,422,486	5,654,128
Other Liabilities	<u>5,421,512</u>	<u>4,717,459</u>	<u>9,286,210</u>
Total Liabilities	<u>6,837,211</u>	<u>6,139,945</u>	<u>14,940,338</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Debt	25,694,276	28,484,693	26,595,830
Unrestricted	<u>13,857,445</u>	<u>11,965,611</u>	<u>10,263,030</u>
Total Net Assets	<u>\$ 39,551,721</u>	<u>\$ 40,450,304</u>	<u>\$ 36,858,860</u>

**LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Continued)**

Laketrans net assets were \$39,551,721 at December 31, 2011, \$40,450,304 at December 31, 2010, and \$36,858,860 at December 31, 2009. These represent a decrease of 2.2 percent and an increase of 9.7 percent, respectively. Unrestricted net assets were \$13,857,445 at December 31, 2011, \$11,965,611 at December 31, 2010, and \$10,263,030 at December 31, 2009. This represents an increase of 15.8 percent and an increase of 16.6 percent, respectively.

The following financial ratios should be used to assess the financial stability of Laketrans over a period of five years. The ratios of working capital and days cash and investments in reserve demonstrate the ability to finance operations with cash.

FINANCIAL RATIOS

Working capital is the amount by which current assets exceeds current liabilities:

2011	2010	2009	2008	2007
\$ 14,186,279	\$ 12,294,852	\$ 10,559,193	\$ 10,473,993	\$ 11,452,774

The current ratio, which compares current assets to current liabilities, is an indicator of the ability to pay current obligations.

2011	2010	2009	2008	2007
9.1	9.6	2.9	5.0	7.5

Days cash and investments in reserve represents the number of days normal operations could continue with no revenue collection.

2011	2010	2009	2008	2007
351	320	289	270	286

Liabilities to net assets indicates the extent of borrowing.

2011	2010	2009	2008	2007
4.4%	15.2%	40.5%	19.3%	14.1%

In addition, Laketrans has never incurred debt by borrowing (issuing bonds, obtaining a bank loan, etc.). The "borrowing" in the ratio above is solely a result of unpaid liabilities at year end. These consist of 1) payments due vendors, 2) accrued payroll liabilities, and 3) deferred revenue. Deferred revenue consists of capital grant funding approved but not yet eligible to be received.

LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Continued)

Table 2 - Changes in Net Assets

	2011	2010	2009
REVENUES			
Operating Revenues			
Passenger Fares	\$ 2,122,234	\$ 2,041,948	\$ 1,911,353
Auxiliary Transportation Revenue	74,311	71,970	78,851
Total Operating Revenue	<u>2,196,545</u>	<u>2,113,918</u>	<u>1,990,204</u>
Operating Expenses Other Than Depreciation			
Labor	4,620,888	4,531,669	5,018,385
Fringe Benefits	3,108,797	2,952,196	3,264,433
Services	561,160	684,110	614,061
Fuel and Lubricants	952,784	908,789	1,164,945
Materials and Supplies	332,494	224,232	585,388
Utilities	149,479	126,948	181,737
Claims and Insurance	492,649	520,668	570,354
Purchased Transportation	658,741	549,875	499,705
Miscellaneous	129,698	131,062	143,562
Total Operating Expenses Other Than Depreciation	11,006,690	10,629,549	12,042,570
Depreciation	3,350,100	3,703,483	3,399,313
Total Operating Expenses	<u>14,356,790</u>	<u>14,333,032</u>	<u>15,441,883</u>
Operating Loss	<u>(12,160,245)</u>	<u>(12,219,114)</u>	<u>(13,451,679)</u>
Non-Operating Revenues			
Sales Tax Revenue	7,759,654	7,294,636	7,157,307
Federal Grant Reimbursements	1,862,159	2,716,460	4,827,052
State Grants, Reimbursements, and Special Fare Assistance	1,072,110	960,893	1,117,214
Interest Income	125,753	126,201	144,507
Non-Transportation Revenues	29,219	44,057	29,523
Gain (Loss) on Disposal of Assets	(419,368)	(622,534)	0
Total Non-Operating Revenues	<u>10,429,527</u>	<u>10,519,713</u>	<u>13,275,603</u>
Loss Before Capital Contributions	<u>(1,730,718)</u>	<u>(1,699,401)</u>	<u>(176,076)</u>
Capital Funding			
Federal Grants and Reimbursements	832,135	5,290,845	1,444,750
Total Capital Funding	<u>832,135</u>	<u>5,290,845</u>	<u>1,444,750</u>
Increase (Decrease) in Net Assets	(898,583)	3,591,444	1,268,674
Total Net Assets Beginning of Year	<u>40,450,304</u>	<u>36,858,860</u>	<u>35,590,186</u>
Total Net Assets End of Year	<u>\$ 39,551,721</u>	<u>\$ 40,450,304</u>	<u>\$ 36,858,860</u>

**LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Continued)**

Significant items contributing to the change in net assets are as follows:

- Federal grant reimbursements decreased from 2010 to 2011 by 31.4 percent and increased from 2009 to 2010 by 27.7 percent. Deferred revenue fluctuates greatly from year to year. This represents federal grant funds approved but not yet eligible to be received, which increased from 2010 to 2011 by 16.9 percent and decreased from 2009 to 2010 by 51.2 percent.
- Sales tax revenues, Laketran's largest source of revenue, increased from 2010 to 2011 by 6.4 percent and increased from 2009 to 2010 by 1.9 percent. Laketran receives a 1/4 percent sales tax.
- Investment income decreased 0.4 percent from 2010 to 2011 and decreased 12.7 percent from 2009 to 2010 due to a drop in interest rates .
- Operating expenses, excluding depreciation, increased 3.5 percent from 2010 to 2011 and decreased 11.7 percent from 2009 to 2010, respectively.
- Significant changes in operating expenses are:

Fuel and oil costs increased 4.8 percent from 2010 to 2011 and decreased 22.0 percent from 2009 to 2010. Laketran hedged its fuel costs for three years starting in 2009. Because of this hedge Laketran will save over a million dollars in fuel costs over this three year hedge period (2009-2012).

Labor costs increased 2.0 percent from 2010 to 2011 and decreased 9.7 percent from 2009 to 2010. The decrease in labor costs in 2010 is attributed to service cuts that were put in place beginning in July 2009. Evening and Saturday services were eliminated due to the state of the economy and the decreasing sales tax revenues at that time.

Table 3 - Changes in Cash Flows

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Net Cash Used for Operating Activities	\$ (8,730,781)	\$ (8,814,170)	\$ (9,842,755)
Net Cash Provided by Noncapital Financing Activities	11,084,502	10,942,403	9,661,576
Net Cash Provided (Used) by Capital and Related Financing Activities	(92,298)	(1,938,054)	72,231
Net Cash Provided (Used) by Investment Activities	<u>(3,510,267)</u>	<u>33,729</u>	<u>99,623</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (1,248,844)</u>	<u>\$ 223,908</u>	<u>\$ (9,325)</u>

LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Continued)

Net cash used for operating activities decreased 1.0 percent from 2010 to 2011 and decreased 10.5 percent from 2009 to 2010 due to fare rate increases and expense reductions.

Net cash provided by noncapital financing activities increased 1.3 percent from 2010 to 2011 and increased 13.3 percent from 2009 to 2010 due to fluctuations in sales tax and grant revenue.

Net cash provided/(used) by capital and related financing activities increased 2783.1 percent from 2009 to 2010 and decreased 95.2 percent from 2010 to 2011 due to significant capital assets additions in 2010.

Net cash provided/(used) by investment activities decreased 66.1 percent from 2009 to 2010. The decrease was primarily caused by a drop in interest rates and a decrease in net proceeds from investments. In 2011 a significant increase in investment purchases occurred.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

For years ended December 31, 2011, 2010 and 2009, Laketrans had invested in a broad range of capital assets, including land, buildings, equipment, office furniture/fixtures/equipment, parking lots, communication equipment, and vehicles for \$25,702,032, \$28,499,809 and \$26,619,938 (net), respectively. This represents a net decrease of \$2,797,777 or 9.8 percent from 2010 to 2011 which is attributable to the sale of the CNG fueling station and buses, and a net increase of \$1,879,871 or 7.1 percent from 2009 to 2010 which is attributable to the addition of twelve buses and depreciation expense.

Table 4 - Capital Assets at Year End

	2011	2010	2009
Land	\$ 2,442,643	\$ 2,442,643	\$ 2,442,643
Buildings	15,175,887	16,283,642	16,132,532
Transportation Vehicles and Equipment	35,039,141	40,032,747	40,253,633
Furniture and Equipment	688,063	691,939	819,643
Construction in Progress	421,591	147,032	0
	53,767,325	59,598,003	59,648,451
Less: Accumulated Depreciation	28,065,293	31,098,194	33,028,513
Total Capital Assets, Net	\$ 25,702,032	\$ 28,499,809	\$ 26,619,938

For more detailed information on capital asset activity, see Note 10 of the financial statements.

All capital assets are depreciated using the straight line method of depreciation. Vehicles useful lives are either four, seven, or twelve years as specified in Federal Transit Administration regulations. All other useful lives range from five to thirty years, depending on the nature of the asset. Laketrans owns one building which is being depreciated over a period of thirty years.

**LAKETRAN
MANAGEMENT'S DISCUSSION & ANALYSIS (unaudited)
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010
(Continued)**

Long-Term Debt

For years ended December 31, 2011, 2010 and 2009, Laketran had capital leases payable of \$7,756 \$15,116 and \$24,108, respectively. See Note 11 of the financial statements for more detail.

DISCUSSION OF CURRENTLY KNOWN FACTS

During 2011, operating and non-operating revenues decreased 0.1 percent while operating expenses (other than depreciation) increased 3.5 percent. Wages and benefits are 70.2 percent of operating expenses but these only increased 3.3 percent. Included in this modest 3.3 percent increase in wages and benefits was a 9.9 percent increase in health insurance in 2011 and a 2 percent wage increase in 2010. Employees pay 10 percent of their health insurance costs in addition to a spousal surcharge of \$75.00 per month if applicable.

Exclusive of capital grant reimbursements, Laketran has experienced relatively flat revenues since 2000. Capital grant reimbursements can be very volatile from one year to the next because they are based upon the availability of governmental funds for capital purchases rather than bus operations.

Fuel and oil which comprises 8.7 percent of the operating budget increased 4.8 percent. This increase is due to fuel prices being higher in 2011 than in 2010.

During November, 2003, Lake County voters overwhelmingly approved the 1/4 percent sales tax which provides Laketran with a majority of its funding. This levy was approved by a margin of 67 percent for and 33 percent against. The old levy expired July 31, 2004, and the new levy took effect on August 1, 2004. The current levy expires July 31, 2014.

During 2011, sales tax revenue increased 6.4 percent over 2010. Sales tax provided Laketran with 70.5 percent of its operating costs in 2011.

Requests for Information

This financial report is designed to provide a general overview of Laketran for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Lisa Colling, Controller, Laketran, 555 Lakeshore Boulevard, P.O. Box 158, Grand River, Ohio 44045.

LAKETRAN
STATEMENT OF NET ASSETS
DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 3,382,676	\$ 4,631,520
Investments	8,859,300	5,233,721
Receivables:		
Federal Grants	1,157,849	1,833,391
Trade	201,534	158,581
Sales Tax	1,285,948	1,191,832
Accrued Interest	29,343	18,902
Materials and Supplies	685,328	649,391
Total Current Assets	15,601,978	13,717,338
Non-Current Assets:		
Federal Grants Receivable	5,084,922	4,373,102
Non-Depreciable Capital Assets	2,864,234	2,589,675
Depreciable Capital Assets, net	22,837,798	25,910,134
Total Non-Current Assets	30,786,954	32,872,911
TOTAL ASSETS	\$ 46,388,932	\$ 46,590,249
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 420,376	\$ 316,673
Deferred Revenue - State Grants	369,360	512,949
Capital Leases Payable	7,756	8,890
Accrued Payroll and Benefits	325,179	312,775
Compensated Absences	293,028	271,199
Total Current Liabilities	1,415,699	1,442,486
Other Liabilities:		
Deferred Revenue - Federal Grants	5,084,922	4,373,102
Capital Leases Payable	0	6,226
Compensated Absences	336,590	338,131
Total Other Liabilities	5,421,512	4,717,459
TOTAL LIABILITIES	6,837,211	6,139,945
Net Assets		
Invested in Capital Assets, Net of Related Debt	25,694,276	28,484,693
Unrestricted	13,857,445	11,965,611
Total Net Assets	39,551,721	40,450,304
TOTAL LIABILITIES AND NET ASSETS	\$ 46,388,932	\$ 46,590,249

See accompanying notes to the basic financial statements.

LAKETRAN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues		
Passenger Fares for Transit Service	\$ 1,454,940	\$ 1,442,985
Special Transit Fares	667,294	598,963
Auxiliary Transportation Revenue	74,311	71,970
Total Operating Revenues	<u>2,196,545</u>	<u>2,113,918</u>
Operating Expenses Other Than Depreciation		
Labor	4,620,888	4,531,669
Fringe Benefits	3,108,797	2,952,196
Services	561,160	684,110
Fuel and Lubricants	952,784	908,789
Materials and Supplies	332,494	224,232
Utilities	149,479	126,948
Claims and Insurance	492,649	520,668
Purchased Transportation	658,741	549,875
Miscellaneous	129,698	131,062
Total Operating Expenses Other Than Depreciation	<u>11,006,690</u>	<u>10,629,549</u>
Depreciation	<u>3,350,100</u>	<u>3,703,483</u>
Total Operating Expenses	<u>14,356,790</u>	<u>14,333,032</u>
Operating Loss	<u>(12,160,245)</u>	<u>(12,219,114)</u>
Non-Operating Revenues (Expenses)		
Sales Tax Revenue	7,759,654	7,294,636
Federal Grants and Reimbursements	1,862,159	2,716,460
State Grants, Reimbursements, and Special Fare Assistance	1,072,110	960,893
Interest Income	125,753	126,201
Loss on Disposal of Capital Assets	(419,368)	(622,534)
Non-Transportation Revenues	29,219	44,057
Total Non-Operating Revenues	<u>10,429,527</u>	<u>10,519,713</u>
Gain (Loss) before Capital Contributions	<u>(1,730,718)</u>	<u>(1,699,401)</u>
Capital Funding		
Federal Grants and Reimbursements	<u>832,135</u>	<u>5,290,845</u>
Total Capital Funding	<u>832,135</u>	<u>5,290,845</u>
Increase (Decrease) in Net Assets	(898,583)	3,591,444
Total Net Assets, Beginning of Year	<u>40,450,304</u>	<u>36,858,860</u>
Total Net Assets, End of Year	<u>\$ 39,551,721</u>	<u>\$ 40,450,304</u>

See accompanying notes to the basic financial statements.

LAKETRAN
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Cash Flows from Operating Activities</u>		
Cash Received from Customers	\$ 2,153,592	\$ 2,107,626
Cash Payments for Goods and Services	(3,216,599)	(3,238,412)
Cash Payments for Employees' Services	(7,696,993)	(7,727,441)
Non-Transportation Revenue	29,219	44,057
Net Cash Used for Operating Activities	<u>(8,730,781)</u>	<u>(8,814,170)</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
Sales Tax Received	7,665,538	7,240,999
Operating Grants Received	3,418,964	3,701,404
Net Cash Provided by Noncapital Financing Activities	<u>11,084,502</u>	<u>10,942,403</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Proceeds from Asset Sale	223,572	18,000
Capital Grants Received	879,393	4,267,834
Acquisition and Construction of Capital Assets	<u>(1,195,263)</u>	<u>(6,223,888)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(92,298)</u>	<u>(1,938,054)</u>
<u>Cash Flows from Investing Activities</u>		
Interest Received	115,312	134,794
Purchase of Investment Securities	(8,866,065)	(6,344,340)
Proceeds from Maturities of Investments	5,240,486	6,243,275
Net Cash Provided (Used) by Investment Activities	<u>(3,510,267)</u>	<u>33,729</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,248,844)	223,908
Cash and Cash Equivalents at Beginning of Year	4,631,520	4,407,612
Cash and Cash Equivalents at End of Year	<u>\$ 3,382,676</u>	<u>\$ 4,631,520</u>
<u>Reconciliation of Operating Loss to Net Cash Used by Operating Activities</u>		
Operating Loss	\$(12,160,245)	\$(12,219,114)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:		
Depreciation	3,350,100	3,703,483
Non-Transportation Revenue	29,219	44,057
Change in Assets and Liabilities:		
(Increase) Decrease in:		
Trade Accounts Receivable	(42,953)	(6,292)
Materials and Supplies	(35,937)	(141,028)
Prepaid Expenses	0	76,802
Increase (Decrease) in:		
Accounts Payable (includes Capital Lease payable)	96,343	(28,502)
Accrued Payroll and Benefits	32,692	(243,576)
Total Adjustments	<u>3,429,464</u>	<u>3,404,944</u>
Net Cash Used for Operating Activities	<u>\$ (8,730,781)</u>	<u>\$ (8,814,170)</u>

See accompanying notes to the basic financial statements.

Schedule of Noncash Investing Capital and Financing Activities - The net change in the fair value of investments was \$27,734 and \$15,730 as of December 31, 2011 and 2010, respectively.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010

NOTE 1: **ORGANIZATION**

Laketran was formed as the public agency responsible for public transportation in Lake County. Laketran is a political subdivision of the State of Ohio and was organized as a regional transit authority in accordance with the provisions of the Ohio Revised Code Sections 306.30 through 306.71, inclusive. Therefore, Laketran is not subject to federal, state, or local income taxes.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Summary of Significant Accounting Policies

The financial statements of Laketran have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, Laketran has elected not to apply the provisions of the Statements and Interpretations of the Financial Accounting Standards Board issued after November 30, 1989. Laketran will continue applying all applicable pronouncements issued by the Governmental Accounting Standards Board. The more significant of Laketran's accounting policies are described below.

Financial Reporting Entity

For financial reporting purposes, all departments and operations for which Laketran is financially accountable are included in the reporting entity. Financial accountability was evaluated based on consideration of financial interdependency, appointment of voting majority, and imposition of will. No governmental units other than Laketran itself are included in the reporting entity. There are no component units based on the consideration above.

Under the guidelines of GASB Statement No. 14, Laketran is a jointly governed organization. All nine members of its Board are appointed by the Lake County Board of Commissioners. The Lake County Board of Commissioners did not provide any support or have any significant financial transactions with Laketran during 2011 or 2010.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Basis of Presentation

Laketrans basic financial statements consist of a statement of net assets, a statement of revenue, expenses and changes in net assets, and a statement of cash flows.

Laketrans uses a single enterprise fund to maintain its financial records on an accrual basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Enterprise fund reporting focuses on the determination of the change in net assets, financial position, and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Measurement Focus and Basis of Accounting

The enterprise fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of Laketrans are included on the statement of net assets. The statement of changes in 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 Laketrans finances and meets the cash flow needs of its enterprise activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds principal ongoing operations. The principal operating revenues of Laketrans enterprise fund are charges to customers for passenger fare for transit services. Operating expenses for enterprise funds include the cost of transit services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Cash, Cash Equivalents, and Investments

For the purposes of the statement of cash flows, Laketran considers all highly liquid investments with an initial maturity date of three months or less to be cash equivalents. The carrying amount of cash equivalents and investments is fair value. The net change in fair value of investments is recorded on the Statements of Revenues, Expenses, and Changes in Net Assets, and includes the unrealized and realized gains and losses on investments.

Inventory

Inventory of replacement vehicle parts are stated at the lower of cost or market using the average cost method.

Capital Assets and Depreciation

Property, facilities, and equipment are stated at cost. Donated property is capitalized at estimated fair value at the date donated. Laketran maintains a capitalization threshold of \$300.

Depreciation on all assets is computed on the straight line method based on the following estimated useful lives:

<u>Description</u>	<u>Years</u>
Buildings	30
Equipment	5-10
Furniture and Office Equipment	5-10
Parking Lots and Bus Shelters	10
Communication System	15
Vehicles	4-12

Cost of property retired and the related depreciation are removed from the asset account and accumulated depreciation account, respectively.

Compensated Absences

In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, vacation time is accrued as a liability when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probably that the conditions of compensation will be met in the future.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Compensated Absences (Continued)

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date.

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 borrowing 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 constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At December 31, 2011 and 2010, there were no restricted net assets.

Recognition of Revenue, Receivables, and Deferred Revenues

Passenger fares are recorded as revenue at the time services are performed.

The Federal Transit Administration (FTA) and the Ohio Department of Transportation (ODOT) provide financial assistance and make grants directly to Laketrans for acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenues over the entitlement period. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as grant receivables and credited to revenue when the related qualified expenditures are incurred. Capital grants received in advance of project costs being incurred are deferred. Subsidies from various local governments/agencies are recognized when received.

Investment Policy

State statutes and Board resolutions authorize Laketrans's investments. Laketrans is authorized to invest in U.S. Treasury securities and obligations of Federal government agencies or instrumentalities, collateralized repurchase agreements, certificates of deposit, bankers acceptances, commercial paper, savings accounts, and the State Treasurer's Asset Reserve (STAR Ohio) investment pool.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 3: **DEPOSITS AND INVESTMENTS**

Cash On Hand

At December 31, 2011 and 2010, Laketrans had undeposited cash on hand, including petty cash, of \$400 and \$400, respectively.

At December 31, 2011 and 2010, the carrying value amount of Laketrans cash deposits were \$3,381,195 and \$4,630,040, respectively. Based on criteria described in GASB Statement No.40, *Deposits and Investment Risk Disclosures*, as of December 31, 2011 and 2010, deposits totaling \$500,000 and \$750,000, respectively, were covered by Federal Depository Insurance and deposits totaling \$2,791,301 and \$4,093,049, respectively, were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in Laketrans name.

Custodial credit is the risk, that in the event of a bank failure, Laketrans deposits may not be returned. Laketrans policy is to place deposits with major local banks approved by the Board. Multiple financial institution collateral pools that insure public deposits must maintain collateral in excess of 105 percent of deposits. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve system in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, or specific collateral held at a Federal Reserve bank in the name of Laketrans.

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LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 3: **DEPOSITS AND INVESTMENTS** (Continued)

Investments

Laketrans has a formal investment policy. Laketrans follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At December 31, 2011 and 2010 fair value was \$32,220 and \$31,761 above Laketrans's net cost for investments, respectively. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, Laketrans's investment policy requires that operating funds be invested primarily in short-term investments maturing within 5 years from the date of purchase and that its investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

The credit risk of Laketrans's investments are in the table below. Laketrans has no investment policy that would further limit its investment choices.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, Laketrans will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Laketrans has no investment policy dealing with investment custodial risk beyond the requirements in State statute that prohibits payment for investments prior to delivery of the securities representing such balances to the controller or qualified trustee.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 3: **DEPOSITS AND INVESTMENTS** (continued)

Concentration of Credit Risk

Laketrans places no limit on the amount it may invest in any one issuer. Laketrans's investment in U.S. Government Securities represents 99.99 percent of Laketrans's total investments.

Cash and investments at 2011 year-end were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating (*)</u>	<u>Investment Maturities (in Years)</u>		
			<u>< 1</u>	<u>1-2</u>	<u>> 2-5</u>
STAR Ohio	\$ 1,081	AAAm	\$ 1,081	\$ 0	\$ 0
U.S. Government and Agency Securities	8,859,300	AAA	1,454	1,026,900	7,830,946
Carrying Amount of Deposits	3,381,195		3,381,195	0	0
Petty Cash	400		400	0	0
Totals	<u>\$12,241,976</u>		<u>\$ 3,384,130</u>	<u>\$ 1,026,900</u>	<u>\$ 7,830,946</u>

* Standard & Poor's rating.

NOTE 4: **GRANT ASSISTANCE**

Federal Grant

Preventive maintenance operating expenses became eligible for federal capital assistance under the Department of Transportation's 1998 appropriations act. Revenues are recognized in the year earned, which is the year in which eligible expenses are incurred. For the years ended December 31, 2011 and 2010, Laketrans recognized \$1,862,159 and \$2,716,460, respectively. In addition, Laketrans recognized capital grants reimbursements as revenue in 2011 and 2010 of \$832,135 and \$5,290,845, respectively.

State Grant

The Ohio Department of Transportation typically enacts very similar regulations to those of the U.S. Department of Transportation. Preventive maintenance operating expenses are eligible for state capital assistance with certain restrictions which depend upon availability of federal funds. For the years ended December 31, 2011 and 2010, Laketrans recognized revenue of \$189,802 and \$73,084, respectively.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 4: **GRANT ASSISTANCE** (Continued)

State of Ohio Elderly and Disabled Transit Fare Assistance

The State of Ohio provides a grant each year to help defray the high costs of transporting Lake County residents who are elderly or have disabilities. For the years ended December 31, 2011 and 2010, Laketrans received \$882,308 and \$887,809, respectively.

NOTE 5: **OTHER REVENUE**

In November 2003, the Lake County electorate voted to continue a levy of one-quarter of one percent sales tax, which shall be in effect for ten years beginning July 1, 2004, to provide local funding for all transit purposes for the years 2004 through 2014.

For the years ended December 31, 2011 and 2010, sales tax revenues totaled \$7,759,654 and \$7,294,636, respectively. Laketrans records sales tax revenues and receivables as the sales taxes are earned, which is the year in which the related exchange transaction is incurred.

NOTE 6: **PENSION PLANS**

Ohio Public Employees Retirement System

Laketrans participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member Directed Plan, members accumulate retirement assets equal to the value of member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of both the Traditional Pension and Combined plans. Members of the Member Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand alone financial report that may be obtained by visiting www.opers.org/investments/cafr, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, by calling 1-614-222-5601 or 1-800-222-7377.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 6: **PENSION PLAN** (Continued)

Ohio Public Employees Retirement System (Continued)

The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2011, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. Laketran's contribution rate of 14.00 percent was allocated to fund pension benefits for members of the Traditional Plan and the Combined Plan. The pension allocation for the Traditional Plan was 10.00 percent during calendar year 2011. The pension allocation for the Combined Plan was 7.95 percent during calendar year 2011. Laketran's required pension contributions for the Traditional Pension, Combined and Member Directed Plans for the years ended December 31, 2011, 2010, and 2009 were \$737,334, \$725,848 and \$806,363, respectively; 100 percent has been contributed for 2011, 2010, and 2009. The required contributions above for 2011 include Member Directed and Combined Plans in the amounts of \$48,961 contributed by Laketran and \$34,972 contributed by plan members.

NOTE 7: **POST-EMPLOYMENT BENEFITS**

Ohio Public Employees Retirement System

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 7: **POST-EMPLOYMENT BENEFITS** (Continued)

Ohio Public Employees Retirement System (Continued)

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting www.opers.org/investments/cafr by writing to OPERS, 277 E. Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. The 2011 local government employer contribution rate was 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for local government employers. Active members do not make contributions to the OPEB Plan.

OPERS Post-Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.00 percent during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent during calendar year 2011. The portion of employer contributions allocated to health care for the calendar year beginning January 1, 2012 remained the same, but they are subject to change based on Board action. Employers will be notified if the portion allocated to health care changes during calendar year 2012. The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. Laketrans actual employer contributions for December 31, 2011, 2010 and 2009 which were used to fund post-employment benefits were \$210,656, \$304,597 and \$338,384, respectively, 100 percent has been contributed for 2011, 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1 of each year from 2006 to 2008, which allowed additional funds to be allocated to the health care plan.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 8: COMPENSATED ABSENCES

Employees of Laketran earn vacation and sick leave at various rates under Laketran policy. In case of death, termination, or retirement, an employee or their estate is paid for portions of these benefits. Laketran records a liability for vacation, holiday, and sick hours earned but not used at year-end at the employees' current wage rate. Laketran's obligations for these amounts at December 31, 2011 and 2010 amounted to approximately \$629,618 and \$609,330, respectively.

Changes in compensated absences liabilities are as follows:

	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
2011	\$ 609,330	\$ 313,318	\$ 293,030	\$ 629,618
2010	\$ 621,210	259,319	271,199	609,330

NOTE 9: RISK MANAGEMENT

Since 1996 Laketran has been a member of the Ohio Transit Risk Pool (OTRP), a joint self-insurance pool, created pursuant to Section 2744.081 of the Ohio Revised Code. OTRP has been in existence since 1994 and operates pursuant to by-laws and a Board of Trustees to provide self-insurance through risk retention and to purchase property and liability coverage from A rated, or greater, commercial carriers.

During the loss year of December 1, 2010 - November 30, 2011, OTRP provided to Laketran, commercial property coverage with limits of \$200,000,000. The pool retained the first \$100,000 of these losses. For auto-physical damage, the pool provided \$50,000,000 in coverage and retained \$250,000. The following coverages were also provided: auto/transit liability, general liability, E&O, and EBL \$10,000,000. Crime coverage limits are \$4,000,000. All limits are per occurrence no aggregate limits apply. For each of these lines the pool retained \$1,000,000.

Laketran's deductible for all claims was \$1,000 except for auto physical damage which was \$25,000.

OTRP provides the Treasurer of Laketran, a Bond as required by Ohio law.

As of December 31, 2011, Laketran has met all obligations to OTRP. There are no special assessments being billed at this time and there are no known loss developments which would lead to a special assessment.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 9: **RISK MANAGEMENT** (Continued)

Laketran pays OTRP through an initial contribution for reinsurance and/or excess insurance and quarterly payments for their loss and administrative fee. Laketran's contribution percentage for 2011 was 12.763 percent.

Laketran participates in the State of Ohio Workers' Compensation plan, paying premiums directly to the State.

Laketran provides medical and life insurance to its employees by participating in the group plan offered by the Lake County Commissioners to all County employees.

Laketran is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from the previously noted risks have not exceeded commercial insurance coverage in the past three fiscal years.

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LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 10: CAPITAL ASSETS

Capital assets consist of the following at December 31, 2011 and 2010:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>2011</u>				
Capital Assets Not Being Depreciated				
Land	\$ 2,442,643	\$ 0	\$ 0	\$ 2,442,643
Construction in Progress	147,032	421,591	(147,032)	421,591
Total Capital Assets Not Being Depreciated	<u>2,589,675</u>	<u>421,591</u>	<u>(147,032)</u>	<u>2,864,234</u>
Capital Assets Being Depreciated				
Buildings	16,283,642	0	(1,107,755)	15,175,887
Transportation Vehicles and Equipment	40,032,747	881,100	(5,874,706)	35,039,141
Furniture and Office Equipment	691,939	39,604	(43,480)	688,063
Total Capital Assets Being Depreciated	<u>57,008,328</u>	<u>920,704</u>	<u>(7,025,941)</u>	<u>50,903,091</u>
Less: Accumulated Depreciation				
Buildings	(6,813,043)	(469,479)	606,444	(6,676,078)
Transportation Vehicles and Equipment	(23,701,918)	(2,823,053)	5,734,697	(20,790,274)
Furniture and Office Equipment	(583,233)	(57,568)	41,860	(598,941)
Total Accumulated Depreciation	<u>(31,098,194)</u>	<u>(3,350,100)</u>	<u>6,383,001</u>	<u>(28,065,293)</u>
Total Capital Assets Being Depreciated, Net	<u>25,910,134</u>	<u>(2,429,396)</u>	<u>(642,940)</u>	<u>22,837,798</u>
Total Capital Assets, Net	<u>\$ 28,499,809</u>	<u>\$ (2,007,805)</u>	<u>\$ (789,972)</u>	<u>\$ 25,702,032</u>
<u>2010</u>				
Capital Assets Not Being Depreciated				
Land	\$ 2,442,643	\$ 0	\$ 0	\$ 2,442,643
Construction in Progress	0	147,032	0	147,032
Total Capital Assets Not Being Depreciated	<u>2,442,643</u>	<u>147,032</u>	<u>0</u>	<u>2,589,675</u>
Capital Assets Being Depreciated				
Buildings	16,132,532	151,110	0	16,283,642
Transportation Vehicles and Equipment	40,253,633	5,899,692	(6,120,578)	40,032,747
Furniture and Office Equipment	819,643	26,055	(153,759)	691,939
Total Capital Assets Being Depreciated	<u>57,205,808</u>	<u>6,076,857</u>	<u>(6,274,337)</u>	<u>57,008,328</u>
Less: Accumulated Depreciation				
Buildings	(6,305,354)	(507,689)	0	(6,813,043)
Transportation Vehicles and Equipment	(26,040,285)	(3,142,137)	5,480,504	(23,701,918)
Furniture and Office Equipment	(682,874)	(53,658)	153,299	(583,233)
Total Accumulated Depreciation	<u>(33,028,513)</u>	<u>(3,703,484)</u>	<u>5,633,803</u>	<u>(31,098,194)</u>
Total Capital Assets Being Depreciated, Net	<u>24,177,295</u>	<u>2,373,373</u>	<u>(640,534)</u>	<u>25,910,134</u>
Total Capital Assets, Net	<u>\$ 26,619,938</u>	<u>\$ 2,520,405</u>	<u>\$ (640,534)</u>	<u>\$ 28,499,809</u>

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 11: CAPITAL LEASES

In prior years, Laketran entered into leases for the acquisition of copiers. During 2008, Laketran entered into a new lease for the acquisition of telephone/radio recorders. Laketran's lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards Board No. 13, *Accounting for Leases*.

Capital assets acquired by lease have been capitalized and depreciated as follows as of December 31, 2011:

<i>Capital Assets being Depreciated:</i>	
Furniture and Office Equipment	\$ 58,108
Less Accumulated Depreciation:	
Furniture, Fixtures, and Equipment	<u>(50,352)</u>
<i>Total Capital Assets Being Depreciated</i>	<u>\$ 7,756</u>

The following is an analysis of capital leases payable for 2011:

<u>Balance</u> <u>12/31/10</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/11</u>	<u>Amount</u> <u>Due Within</u> <u>One Year</u>
<u>\$ 15,116</u>	<u>\$ 0</u>	<u>\$ (7,360)</u>	<u>\$ 7,756</u>	<u>\$ 7,756</u>

Future minimum lease payments required under the capital leases and present value of minimum lease payments are as follows:

Year Ending	
<u>December 31</u>	
2012	<u>\$ 7,756</u>
Total Minimum Lease Payments	<u>7,756</u>
Present Value of Minimum Lease Payments	<u>\$ 7,756</u>

NOTE 12: CONTINGENCIES

A. Litigation

Laketran is party to legal proceedings. Laketran is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of Laketran.

LAKETRAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 and 2010
(CONTINUED)

NOTE 12: **CONTINGENCIES** (Continued)

B. Grants

Laketrans received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of Laketrans at December 31, 2011 or 2010.

Statistical Section

2011

STATISTICAL SECTION

This part of Laketran’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what information in the financial statements, note disclosures, and required supplementary information says about Laketran’s overall financial health.

<u>Contents</u>	<u>Page</u>
 <i>Financial Trends</i>	
These schedules contain trend information to help the reader understand how Laketran’s financial performance and well being have changed over time.	41-43
 <i>Revenue Capacity</i>	
These schedules contain information to help the reader assess Laketran’s operating revenues and comparisons to the transportation industry.	44-46
 <i>Operating Information</i>	
These schedules contain service data to help the reader understand how the information in Laketran’s financial report relates to the services Laketran provides and the activities it performs.	47-51
 <i>Demographic and Economic Information</i>	
These scheduels offer demographic and economic indicators to help the reader understand the environment within which Laketran’s financial activities take place.	52-53

LAKETRAN
NET ASSETS BY COMPONENT
LAST TEN YEARS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Invested in Capital Assets, Net of Related Debt	\$25,083,662	\$27,780,052	\$25,793,484	\$26,209,778	\$28,515,959	\$27,741,282	\$25,336,813	\$26,595,830	\$28,484,693	\$25,694,276
Unrestricted	<u>17,321,371</u>	<u>16,472,278</u>	<u>16,540,674</u>	<u>14,530,433</u>	<u>12,381,785</u>	<u>11,218,227</u>	<u>10,253,373</u>	<u>10,263,030</u>	<u>11,965,611</u>	<u>13,857,445</u>
Total Net Assets	<u>\$ 42,405,033</u>	<u>\$ 44,252,330</u>	<u>\$ 42,334,158</u>	<u>\$ 40,740,211</u>	<u>\$ 40,897,744</u>	<u>\$ 38,959,509</u>	<u>\$ 35,590,186</u>	<u>\$ 36,858,860</u>	<u>\$ 40,450,304</u>	<u>\$ 39,551,721</u>

LAKETRAN
REVENUES AND EXPENSES BY TYPE AND CHANGES IN NET ASSETS
LAST TEN YEARS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Operating Revenue</u>										
Fares	\$ 725,450	\$ 761,657	\$ 822,817	\$ 907,448	\$ 1,079,002	\$ 1,190,339	\$ 1,575,204	\$ 1,911,353	\$ 2,041,948	\$ 2,122,234
Auxiliary Transportation Revenue	<u>62,033</u>	<u>55,235</u>	<u>59,125</u>	<u>66,241</u>	<u>76,270</u>	<u>82,411</u>	<u>82,224</u>	<u>78,851</u>	<u>71,970</u>	<u>74,311</u>
Total Operating Revenues	<u>787,483</u>	<u>816,892</u>	<u>881,942</u>	<u>973,689</u>	<u>1,155,272</u>	<u>1,272,750</u>	<u>1,657,428</u>	<u>1,990,204</u>	<u>2,113,918</u>	<u>2,196,545</u>
<u>Non Operating Revenues</u>										
Sales Tax	7,202,698	7,440,528	7,637,134	7,552,508	7,728,332	7,913,161	7,744,815	7,157,307	7,294,636	7,759,654
Federal Grants and Reimbursements	675,379	884,993	1,468,880	1,247,047	1,171,239	1,438,721	1,560,826	4,827,052	2,716,460	1,862,159
State Grants, Reimbursements, and Special Fare Assistance	787,998	740,021	568,148	717,666	785,133	698,419	664,448	1,117,214	960,893	1,072,110
Interest Income	482,164	237,028	166,297	315,948	518,798	503,792	252,887	144,507	126,201	125,753
Gain/(Loss) on Disposal of Capital Assets	(71,289)	0	61,909	81,170	3,000	75,339	239,327	0	(622,534)	(419,368)
Non-Transportation Revenues	<u>53,846</u>	<u>6,322</u>	<u>28,425</u>	<u>9,807</u>	<u>38,768</u>	<u>149,763</u>	<u>292,352</u>	<u>29,523</u>	<u>44,057</u>	<u>29,219</u>
Total Non-Operating Revenues	<u>9,130,796</u>	<u>9,308,892</u>	<u>9,930,793</u>	<u>9,924,146</u>	<u>10,245,270</u>	<u>10,779,195</u>	<u>10,754,655</u>	<u>13,275,603</u>	<u>10,519,713</u>	<u>10,429,527</u>
<u>Capital Funding</u>										
Federal Grants and Reimbursements	1,558,396	4,621,004	1,103,312	2,071,662	4,072,472	2,640,882	1,724,523	1,444,750	5,290,845	832,135
State Grants and Reimbursements	<u>70,291</u>	<u>350,678</u>	<u>170,461</u>	<u>142,664</u>	<u>111,883</u>	<u>37,643</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Funding	<u>1,628,687</u>	<u>4,971,682</u>	<u>1,273,773</u>	<u>2,214,326</u>	<u>4,184,355</u>	<u>2,678,525</u>	<u>1,724,523</u>	<u>1,444,750</u>	<u>5,290,845</u>	<u>832,135</u>
Total Revenues	<u>11,546,966</u>	<u>15,097,466</u>	<u>12,086,508</u>	<u>13,112,161</u>	<u>15,584,897</u>	<u>14,730,470</u>	<u>14,136,606</u>	<u>16,710,557</u>	<u>17,924,476</u>	<u>13,458,207</u>

(Continued)

LAKETRAN
REVENUES AND EXPENSES BY TYPE AND CHANGES IN NET ASSETS
LAST TEN YEARS
(CONTINUED)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Operating Expenses										
Labor	\$ 4,307,897	\$ 4,443,650	\$ 4,846,414	\$ 5,228,225	\$ 5,311,698	\$ 5,384,569	\$ 5,490,577	\$ 5,018,385	\$ 4,531,669	\$ 4,620,888
Fringe Benefits	1,983,644	2,449,787	2,517,417	2,838,873	2,826,144	3,022,379	3,191,539	3,264,433	2,952,196	3,108,797
Retirement Incentive Plan	0	355,565	0	0	0	0	0	0	0	0
Services	630,108	654,579	609,115	528,066	511,675	572,486	670,322	614,061	684,110	561,160
Fuel and Lubricants	465,342	531,737	668,839	823,304	1,002,631	1,089,416	1,418,915	1,164,945	908,789	952,784
Materials and Supplies	479,660	556,373	474,348	504,858	445,966	547,379	525,052	585,388	224,232	332,494
Utilities	153,070	152,147	155,817	179,927	205,505	213,375	202,286	181,737	126,948	149,479
Claims and Insurance	324,826	372,329	518,412	567,312	551,421	579,289	584,193	570,354	520,668	492,649
Purchased Transportation	266,025	253,288	208,593	233,256	236,015	573,128	639,050	499,705	549,875	658,741
Miscellaneous	<u>509,953</u>	<u>540,813</u>	<u>453,736</u>	<u>277,828</u>	<u>336,890</u>	<u>289,267</u>	<u>215,130</u>	<u>143,562</u>	<u>131,062</u>	<u>129,698</u>
Total Operating Expenses Excluding Depreciation	9,476,090	9,954,703	10,452,691	11,181,649	11,427,945	12,271,288	12,937,064	12,042,570	10,629,549	11,006,690
Depreciation	<u>3,035,648</u>	<u>3,295,466</u>	<u>3,551,989</u>	<u>3,524,459</u>	<u>3,669,160</u>	<u>4,397,417</u>	<u>4,568,865</u>	<u>3,399,313</u>	<u>3,703,483</u>	<u>3,350,100</u>
Total Operating Expenses	<u>12,511,738</u>	<u>13,250,169</u>	<u>14,004,680</u>	<u>14,706,108</u>	<u>15,097,105</u>	<u>16,668,705</u>	<u>17,505,929</u>	<u>15,441,883</u>	<u>14,333,032</u>	<u>14,356,790</u>
Change in Net Assets	<u>\$ (964,772)</u>	<u>\$ 1,847,297</u>	<u>\$ (1,918,172)</u>	<u>\$ (1,593,947)</u>	<u>\$ 487,792</u>	<u>\$ (1,938,235)</u>	<u>\$ (3,369,323)</u>	<u>\$ 1,268,674</u>	<u>\$ 3,591,444</u>	<u>\$ (898,583)</u>

**LAKETRAN
FARE BOX RECOVERY PERCENTAGE
LAST TEN YEARS**

	<u>Percentage</u>
2002	13.06
2003	13.07
2004	12.71
2005	18.94
2006	16.50
2007	17.85
2008.....	12.20
2009.....	6.38
2010.....	13.50
2011.....	13.20

Note: Fare box recovery is calculated by dividing fare box revenues into direct operating expenses.

Fare Structure - December 31, 2011

	Dial-A-Ride	Fixed Route	Local Commuter Express
Regular Adult Fare	\$ 10.00	\$ 1.75	\$ 3.75
Citizens with Buckeye or Medicare Cards (Senior citizens and those with disabilities)	2.50	0.75	N/A
Children ages 2-12	2.50	0.75	N/A
Children under 2	FREE	FREE	N/A
Monthly Pass	N/A	N/A	135.00
Electronic Fare Boxes accept cash/fare media - will return value card if excess cash is deposited			
Tokens - Children ages 2-12	N/A	0.75	N/A
Transfers	N/A	FREE	FREE

LAKETRAN
REVENUES AND OPERATING ASSISTANCE
COMPARISON TO INDUSTRY TREND DATA - LAST TEN YEARS
(expressed in percent)

Transportation Industry (1):

<u>Year</u>	<u>Operating and Other Miscellaneous Revenue</u>			<u>Federal</u>	<u>Operating Assistance State &</u>		<u>Total Revenues</u>
	<u>Fares</u>	<u>Other</u>	<u>Total</u>		<u>Local</u>	<u>Total</u>	
2002	32.5	17.3	49.8	5.0	45.2	50.2	100.0
2003	32.6	18.1	50.7	5.8	43.5	49.3	100.0
2004	32.9	16.7	49.6	7.0	43.4	50.4	100.0
2005	32.4	15.7	48.1	7.3	44.6	51.9	100.0
2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Laketran:

<u>Year</u>	<u>Operating and Other Miscellaneous Revenue</u>			<u>Federal</u>	<u>Operating Assistance State &</u>		<u>Total Revenues</u>
	<u>Fares</u>	<u>Other(2)</u>	<u>Total</u>		<u>Local(3)</u>	<u>Total</u>	
2002	7.3	5.3	12.6	6.8	80.6	87.4	100.0
2003	7.5	2.9	10.4	8.7	80.9	89.6	100.0
2004	7.6	2.9	10.5	13.6	75.9	89.5	100.0
2005	8.3	4.4	12.7	11.4	75.9	87.3	100.0
2006	8.6	4.0	12.6	12.7	74.7	87.4	100.0
2007	9.9	6.7	16.6	11.9	71.5	83.4	100.0
2008	12.7	6.9	19.6	12.6	67.8	80.4	100.0
2009	12.5	1.7	14.2	31.6	54.2	85.8	100.0
2010	11.4	(2.1)	9.3	44.7	46.0	90.7	100.0
2011	11.5	1.5	10.0	20.0	70.0	90.0	100.0

(1) Source: American Public Transit Association, APTA 2007 Transit Fact Book, table 52. This book contains 2005 data which is the latest available.

(2) Other miscellaneous revenue includes advertising, interest income and other non-operating income.

(3) State and local operating assistance includes sales tax, operating grants and special fare assistance.

**LAKETRAN
OPERATING EXPENSES
COMPARISON TO INDUSTRY TREND DATA - LAST TEN YEARS
(expressed in percent)**

Transportation Industry (1) (2) (3):

<u>Year</u>	<u>Salaries and Wages</u>	<u>Fringe Benefits</u>	<u>Services</u>	<u>Materials and Supplies</u>	<u>Utilities</u>	<u>Casualty and Liability</u>	<u>Purchased Transportation</u>	<u>Other</u>	<u>Expenses</u>
2002	45.1	25.1	6.2	9.2	3.1	2.5	12.0	(3.2)	100.0
2003	43.3	25.7	6.0	9.0	3.0	2.6	13.4	(3.0)	100.0
2004	42.0	26.7	5.8	9.1	3.0	2.6	13.4	(2.6)	100.0
2005	40.2	26.7	5.8	10.1	3.2	2.5	13.8	(2.3)	100.0

Laketrans:

<u>Year</u>	<u>Salaries and Wages</u>	<u>Fringe Benefits</u>	<u>Services</u>	<u>Materials and Supplies</u>	<u>Utilities</u>	<u>Casualty and Liability</u>	<u>Purchased Transportation</u>	<u>Other</u>	<u>Total Operating Expenses</u>
2002	45.3	21.2	6.6	9.8	1.7	3.4	2.8	9.2	100.0
2003	44.6	24.6	6.6	10.9	1.5	3.7	2.5	5.6	100.0
2004	46.4	24.1	5.8	10.9	1.5	5.0	2.0	4.3	100.0
2005	46.8	25.4	4.7	11.9	1.6	5.1	2.1	2.4	100.0
2006	46.5	24.7	4.5	12.7	1.8	4.8	2.1	2.9	100.0
2007	43.9	24.6	4.7	13.3	1.7	4.7	4.7	2.4	100.0
2008	42.4	24.7	5.2	15.0	1.6	4.5	4.9	1.7	100.0
2009	41.7	27.1	5.1	14.5	1.5	4.7	4.2	1.0	100.0
2010	42.6	27.8	6.4	10.7	1.2	4.9	5.2	1.2	100.0
2011	42.0	28.2	5.0	11.7	1.4	4.5	6.0	1.2	100.0

(1) Source: American Public Transit Association, APTA 2007 Transit Fact Book, table 47. This book contains 2005 data which is the latest available.

(2) Excludes depreciation expense

(3) No information available after 2005

**LAKETRAN
OPERATING STATISTICS
LAST TEN YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>System Ridership</u>										
Motor Bus (directly operated)	572,382	563,785	614,303	661,603	634,184	615,656	648,035	533,433	459,318	491,298
Dial-A-Ride (directly operated)	310,784	301,491	323,126	342,483	337,226	312,831	305,806	254,378	202,650	191,708
Dial-A-Ride (contract service)	43,596	41,516	43,815	40,840	39,040	62,623	63,358	55,928	49,639	59,577
Jitney (contract service)	30,358	40,817	37,532	25,828	48,476	26,101	0	0	0	0
<u>Average Daily System Ridership</u>										
Motor Bus (directly operated)	1,865	1,836	2,001	2,152	2,066	2,005	2,122	2,108	1,837	2,164
Dial-A-Ride (directly operated)	1,012	982	1,053	1,119	1,098	1,019	1,002	1,005	826	738
Dial-A-Ride (contract service)	171	163	172	160	153	246	208	221	90	237
Jitney (contract service)	152	204	187	129	242	290	0	0	0	0
<u>Average Daily Vehicle Miles Operated</u>										
Motor Bus (directly operated)	3,356	3,606	3,904	4,232	4,090	4,018	4,059	4,584	7,649	4,422
Dial-A-Ride (directly operated)	8,660	8,586	9,164	8,971	8,685	8,650	8,614	8,860	4,255	7,399
Dial-A-Ride (contract service)	750	655	496	468	440	1,171	934	1,020	645	1,140
Jitney (contract service)	37	38	36	23	45	38	0	0	0	0
<u>Revenue Miles</u>										
Motor Bus (directly operated)	758,717	801,365	845,532	886,826	829,455	829,584	841,444	766,833	717,503	756,988
Dial-A-Ride (directly operated)	2,317,045	2,288,492	2,417,107	2,378,128	2,298,482	2,360,718	2,324,174	1,901,429	1,613,980	1,592,586
Dial-A-Ride (contract service)	168,406	143,949	113,336	107,789	98,568	252,936	248,738	223,690	188,623	232,873
Jitney (contract service)	7,469	7,686	7,225	4,552	8,980	5,018	0	0	0	0

**LAKETRAN
OPERATING STATISTICS
LAST TEN YEARS**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Passenger Miles</u>										
Motor Bus (directly operated)	6,416,873	6,458,013	7,197,352	7,897,397	7,708,043	7,553,957	8,456,215	6,897,727	6,008,030	6,313,599
Dial-A-Ride (directly operated)	3,502,979	3,383,030	3,253,833	3,479,600	3,482,573	3,179,646	3,345,473	2,718,112	2,198,455	2,016,312
Dial-A-Ride (contract service)	296,365	269,472	251,504	239,060	240,604	590,722	457,483	374,929	340,665	451,087
Jitney (contract service)	10,119	13,606	12,499	8,609	16,159	8,700	0	0	0	0

**LAKETRAN
OPERATING STATISTICS
LAST TEN YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>Energy Consumption</u>										
Motor Bus										
Gallons of diesel	78,966	93,520	116,314	123,576	123,533	117,116	98,159	97,880	171,162	180,174
Gallons of natural gas	124,599	126,718	109,403	120,939	130,387	136,452	105,828	100,733	1,561	0
Gallons of purinox	42,622	18,033	3,204	0	0	0	0	0	0	0
Dial-A-Ride										
Gallons of diesel	161,074	231,673	259,088	295,095	274,827	272,198	291,533	226,277	189,984	176,156
Gallons of purinox	86,907	14,175	10,321	0	0	0	0	0	0	0
<u>Fleet Requirement</u>										
Motor Bus (directly operated)	30	30	38	38	38	24	24	24	24	24
Dial-A-Ride (directly operated)	60	65	63	71	76	76	75	75	75	75
Dial-A-Ride (contract service)	9	9	9	9	9	12	12	6	6	6
<u>Total Active Vehicles</u>										
Motor Bus (directly operated)	36	36	46	46	46	38	39	38	38	40
Dial-A-Ride (directly operated)	65	71	74	74	77	76	75	76	76	74
Dial-A-Ride (contract service)	15	15	17	18	18	18	20	9	9	11
Van Pool (contract service)	1	0	0	0	0	0	0	0	0	0

* 2010 - Stopped CNG early in year (January 15) - Replaced by New Flyers - Diesel

**LAKERAN
FULL TIME EQUIVALENT EMPLOYEES
LAST TEN YEARS**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Administration</u>										
General Manager	1	1	1	1	1	1	1	1	1	1
Executive Secretary	1	1	1	1	1	1	1	1	1	1
Controller	1	1	1	1	1	1	1	1	1	1
Director of Development	1	1	1	1	1	1	0	0	0	0
Procurement and Grant Specialist	0	0	0	0	0	0	1	1	1	1
Human Resources Manager	1	1	1	1	1	1	1	1	1	1
Public Relations/Marketing Director	1	1	1	1	1	1	1	1	1	1
Accountant/Budget Analyst	0	0	0	0	1	1	1	1	1	1
Administrative Secretary	1	1	1	1	1	1	0	0	0	0
Finance Clerk	1	1	1	1	1	1	1	1	1	1
Information Specialist	1	1	1	1	1	1	1	0	0	0
Customer Outreach Specialist	0	0	0	0	1	1	1	1	1	1
Clerk/Receptionist	<u>1</u>									
Total Administrative	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>12</u>	<u>12</u>	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>

LAKERAN
FULL TIME EQUIVALENT EMPLOYEES
LAST TEN YEARS
(CONTINUED)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>Maintenance</u>										
Maintenance Supervisor	1	1	1	1	1	1	1	1	1	1
Assistant Maintenance Supervisor	0	0	0	0	1	1	1	1	1	1
Maintenance Clerk	1	1	1	1	1	1	1	0	0	.5
Mechanics	5	5	5	5	6	6	6	6	7	7
Mechanics Helper	0	1	1	1	1	1	1	1	1	1
Hostler	<u>5</u>	<u>4</u>	<u>4</u>							
Total Maintenance	<u>12</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>14</u>	<u>14</u>	<u>14.5</u>
<u>Operations</u>										
Deputy GM	0	0	0	0	0	0	1	1	1	1
Operations Manager	1	1	1	1	1	1	1	0	0	0
Administrative Assistant	1	1	1	1	1	1	1	1	1	1
Dispatchers/Schedulers	5	5	5	5	5	6	5	5	4	4
Customer Service Supervisor1	1	1	1	1	1	1	1	1	1	1
Customer Service Representatives	6	6	6	6	6	6	6	5	7	7
Road Supervisors	4	4	4	4	4	4	3	3	3	3
Trainer	1	1	1	1	1	1	0	0	0	0
Drivers	<u>109</u>	<u>114</u>	<u>123</u>	<u>124</u>	<u>126</u>	<u>125</u>	<u>126</u>	<u>128</u>	<u>99</u>	<u>97</u>
Total Operations	<u>128</u>	<u>133</u>	<u>142</u>	<u>143</u>	<u>145</u>	<u>145</u>	<u>144</u>	<u>144</u>	<u>116</u>	<u>113</u>
Grand Total	<u>150</u>	<u>156</u>	<u>165</u>	<u>166</u>	<u>172</u>	<u>172</u>	<u>170</u>	<u>158</u>	<u>130</u>	<u>137.5</u>

LAKETRAN

LAKE COUNTY DEMOGRAPHICS

County Population by Decade and Future Projections

<u>Decade</u>	<u>Population</u>	<u>Percent of Change</u>
1900	21,680	
1910	22,927	5.75
1920	28,667	25.04
1930	41,674	45.37
1940	50,020	20.03
1950	75,979	51.90
1960	148,700	95.71
1970	197,200	32.62
1980	212,801	7.91
1990	215,499	1.27
2000	227,511	5.57
2005	230,510	1.32
2010	236,775	1.47
2015 Projection	233,760	(0.06)
2020 Projection	233,520	(0.10)
2025 Projection	233,290	(0.10)
2030 Projection	232,340	(0.40)

Actual figures from Ohio Department of Development
Projections from Lake County Job and Family Services Profile

Age and Population Distribution - 2010 Census

	<u>Age</u>	<u>Percentage</u>
Under 6	16,677	7.3
6-7	38,301	16.8
18-24	16,356	7.2
25-44	68,088	30.0
45-64	55,996	24.6
65 and Over	32,093	14.1
2000	227,511	100.0

Ohio Department of Development
Latest Information Available

LAKETRAN

LAKE COUNTY DEMOGRAPHICS

Population By Race - 2010 Census

<u>Race</u>	<u>Total</u>	<u>Percentage</u>
White	212,788	90.8
African-American	7,361	3.2
Two or more races	3,451	1.5
Asian	2,530	1.1
Latino/Other	7,821	3.3
Native American	<u>230</u>	<u>0.1</u>
	<u>234,181</u>	<u>100.00</u>

Ohio Department of Development

**Largest Populations in the County
2010 Census**

Mentor	50,278
Willoughby	22,621
Eastlake	20,255
Painesville	17,503
Madison Township	15,494
Concord Township	15,282
Painesville Township	15,037
Willowick	14,361
Wickliffe	13,484
Willoughby Hills	8,595

Ohio Department of Development

LAKE METRAN

LAKE COUNTY, OHIO



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Dave Yost • Auditor of State

LAKETRAN

LAKE 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
JUNE 21, 2012