

LORAIN COUNTY, OHIO

SINGLE AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2003**



**Auditor of State
Betty Montgomery**

Board of County Commissioners
Lorain County

We have reviewed the Independent Auditor's Report of Lorain County, prepared by Gary B. Fink & Associates, Inc. for the audit period January 1, 2003 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Lorain County is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

August 4, 2004

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**LORAIN COUNTY, OHIO
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2003**

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of County Commissioners,
County Auditor and County Treasurer
Lorain County
226 Middle Avenue
Elyria, OH 44035

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Lorain County, Ohio (the County), as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 28, 2004. We did not audit the financial statements of the Murray Ridge Production Center, Inc., the Lorain County Transit, the Lorain County Regional Airport Authority and the Lorain County Port Authority, discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Murray Ridge Production Center, Inc., a discretely presented component unit, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as Item 2003-001.

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (continued)

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County, in a separate letter dated June 28, 2004.

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



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

June 28, 2004

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH *OMB CIRCULAR A-133***

The Board of County Commissioners,
County Auditor and County Treasurer
Lorain County
226 Middle Avenue
Elyria, OH 44035

Compliance

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

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

As described in Item 2003-002 in the accompanying Schedule of Findings and Questioned costs, the County did not comply with requirements regarding Davis-Bacon Act that are applicable to its Highway Planning and Construction Grant. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

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

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 (continued)

Internal Control Over Compliance

The management of the County 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 County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2003, and have issued our report thereon dated June 28, 2004. We did not audit the financial statements of the Murray Ridge Production Center, Inc., the Lorain County Transit, the Lorain County Regional Airport Authority and the Lorain County Port Authority, discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

June 28, 2004

Lorain County, Ohio
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2003

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Agriculture:</u>			
<i>Passed Through the Ohio Department of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	---	\$35,379
National School Lunch Program	10.555	---	93,051
Total U.S. Department of Agriculture - Child Nutrition Cluster			128,430
<u>U.S. Department of Housing and Urban Development:</u>			
<i>Passed Through the Ohio Department of Development:</i>			
Community Development Block Grants/State's Program	14.228	B-F-98-043-1	10,310
Community Development Block Grants/State's Program	14.228	B-F-99-043-1	9,135
Community Development Block Grants/State's Program	14.228	B-F-00-043-1	12,000
Community Development Block Grants/State's Program	14.228	B-F-01-043-1	87,928
Community Development Block Grants/State's Program	14.228	B-F-02-043-1	276,342
Community Development Block Grants/State's Program	14.228	B-C-00-043-01	16,261
Total Community Development Block Grants/State's Program			411,976
HOME Investment Partnership Program	14.239	B-C-00-043-02	304,173
Total U.S. Department of Housing and Urban Development			716,149
<u>U.S. Department of Justice:</u>			
<i>Passed Through the Ohio Office of Criminal Justice Services:</i>			
Focus on Domestic Violence Advocacy	16.588	2002-WF-VA2-8315	13,976
Byrne Formula Grant Program	16.579	2002-DG-A01-7085	189,106
Juvenile School-Liaison Mediation Project	16.540	2002-JJ-DP2-0057	18,434
Juvenile Accountability Incentive Block Grant (Detention Home Project)	16.523	2001-JB-001-A166	26,326
Juvenile Accountability Incentive Block Grant (Residential Accountability Program)	16.523	2000-JB-002-A134	13,039
Juvenile Accountability Incentive Block Grant (Merit Project II)	16.523	2002-JB-013-A052	90,679
Total Juvenile Accountability Incentive Block Grant			130,044
<i>Passed Through the Ohio Attorney General's Office:</i>			
Crime Victim Assistance	16.575	2003VAGENE041	40,073
Crime Victim Assistance	16.575	2003VAGENE041T	12,098
Crime Victim Assistance	16.575	2003VAGENE492	14,800
Crime Victim Assistance	16.575	2003VAGENE492T	6,770
Crime Victim Assistance	16.575	2003VADSCE491	23,110
Crime Victim Assistance	16.575	2004VADSCE491	10,988
Total Crime Victim Assistance			107,839
Total U.S. Department of Justice			459,399
<u>U.S. Department of Transportation:</u>			
<i>Passed Through the Ohio Department of Public Safety:</i>			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	3117.0	3,604
State and Community Highway Safety	20.600	2003-STP-GR-3248	8,831
Total Highway Safety Cluster			12,435
Alcohol Traffic Safety and Drunk Driving Prevention Grant	20.601	3117.0	3,605

(continued)

Lorain County, Ohio
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2003

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<i>Passed Through the Ohio Department of Transportation</i>			
Highway Planning and Construction Grant	20.205	LOR-SR-0611-04.38	4,137,129
Highway Planning and Construction Grant	20.205	LOR-CR-0027-06.18	263,897
Highway Planning and Construction Grant	20.205	LOR-SR-0611-03.90	937,668
Highway Planning and Construction Grant	20.205	LOR-CR-GRAIL-00.00	199,171
Total Highway Planning and Construction Grant			5,537,865
			5,553,905
<u>U.S. Department of Homeland Security</u>			
Cooperating Technical Partner	83.500	EMC-2001-GR-0054	66,000
<i>Passed Through the Ohio Department of Public Safety:</i>			
State Domestic Preparedness Equipment Support Program	97.004	2001-TE-CX-0016	1,872
Public Assistance Grant	97.036	FEMA-3187-EM-093UW4FJ	3,044
Terrorism Consequence Management Preparedness Assistance Grant	97.051	EMC-2003-GR-7026	45,830
Terrorism Consequence Management Preparedness Assistance Grant	97.051	EMC-2003-GR-7027	2,000
Total Terrorism Consequence Management Preparedness Assistance Grant			47,830
Emergency Management Performance Grants	97.042	EMC-2003-GR-7006	69,682
Total U.S. Department of Homeland Security			188,428
<u>U.S. Department of Education:</u>			
<i>Passed Through the Ohio Department of Alcohol and Drug Addiction Services:</i>			
Safe and Drug-Free Schools and Communities - State Grants	84.186A	47-01942-00-DFSCA-P-03-9635	30,160
Safe and Drug-Free Schools and Communities - State Grants	84.186B	47-01942-00-DFSCA-P-04-9635	29,000
Total Safe and Drug-Free Schools and Communities - State Grants			59,160
<i>Passed Through the Ohio Department of Education:</i>			
Special Education Cluster: Special Education - Grants to States (Title VI-B Flow-Thru)	84.027	---	113,072
<i>Passed Through the Ohio Rehabilitation Services Commission/Passed Through the Bureau of Vocational Rehabilitation:</i>			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	---	11,735
Total U.S. Department of Education			183,967
<u>U.S. Department of Health and Human Services:</u>			
<i>Passed Through the Ohio Department of Mental Health:</i>			
Social Services Block Grant (Title XX)	93.667	---	156,165
<i>Passed Through the Ohio Department of Mental Retardation and Developmental Disabilities:</i>			
Social Services Block Grant (Title XX)	93.667	---	327,153
Total Social Services Block Grant (Title XX)			483,318

(continued)

Lorain County, Ohio
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2003

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<i>Passed Through the Ohio Department of Alcohol and Drug Addiction Services:</i>			
Medicaid Cluster:			
Medical Assistance Program (Title XIX)	93.778	---	398,783
<i>Passed Through the Ohio Department of Mental Health:</i>			
Medicaid Cluster:			
Medical Assistance Program (Title XIX)	93.778	---	55,948
Medical Assistance Program (Title XIX)	93.778	---	3,273,480
Medical Assistance Program (Title XIX)	93.778	---	14,517
State Children's Insurance Program	93.767	---	272,301
<i>Passed Through the Ohio Department of Mental Retardation and Developmental Disabilities and the Ohio Department of Job and Family Services:</i>			
Medicaid Cluster:			
Medical Assistance Program (Title XIX)	93.778	---	3,346,006
Medical Assistance Program (Title XIX)	93.778	---	288,007
Medical Assistance Program (Title XIX)	93.778	---	1,116,584
Medical Assistance Program (Title XIX)	93.778	---	200,387
Medical Assistance Program (Title XIX)	93.778	---	1,641,806
Medical Assistance Program (Title XIX)	93.778	---	561,497
<i>Passed Through the Ohio Department of Mental Retardation and Developmental Disabilities and the Ohio Department of Job and Family Services/Passed Through the Cuyahoga County Department of Mental Retardation and Developmental Disabilities:</i>			
Medicaid Cluster:			
Medical Assistance Program (Title XIX)	93.778	---	147,636
Total Medical Assistance Program (Title XIX) - Medicaid Cluster			11,316,952
<i>Passed Through the Ohio Department of Mental Health:</i>			
Block Grants for Community Mental Health Services (Juvenile Offender Program)	93.958	---	39,343
Block Grants for Community Mental Health Services (Vocational Program)	93.958	---	50,000
Block Grants for Community Mental Health Services (Child & Adolescent Grant)	93.958	---	28,979
Block Grants for Community Mental Health Services (Recovery Tour Grant)	93.958	---	3,626
Block Grants for Community Mental Health Services (Leadership Training Grant)	93.958	---	2,954
Block Grants for Community Mental Health Services (Community Plan)	93.958	---	99,613
Total Block Grants for Community Mental Health Services			224,515
<i>Passed Through the Ohio Department of Alcohol and Drug Addiction Services:</i>			
Substance Abuse and Mental Health Services	93.243	47-00463-SIG-P-04-0405	36,285
Block Grants for Prevention and Treatment of Substance Abuse	93.959	47-01942-00-CMMCO-P-03-0030	6,250
Block Grants for Prevention and Treatment of Substance Abuse	93.959	47-00463-00-SAMI-T-03-0042	9,225
Block Grants for Prevention and Treatment of Substance Abuse	93.959	47-01942-UMDOP-P-049198	134,442
Block Grants for Prevention and Treatment of Substance Abuse	93.959	---	553,177
Block Grants for Prevention and Treatment of Substance Abuse	93.959	---	1,081,448
Block Grants for Prevention and Treatment of Substance Abuse	93.959	---	296,009
Total Block Grants for Prevention and Treatment of Substance Abuse			2,080,551
<i>Passed Through the Ohio Department of Job and Family Services:</i>			
Independent Living	93.674	----	78,604
Total U.S. Department of Health and Human Services			14,220,225

(continued)

Lorain County, Ohio
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2003

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. Department of Labor:</u>			
<i>Passed Through the Ohio Department of Job and Family Services:</i>			
WIA Cluster:			
WIA Adult Program	17.258	---	847,164
WIA Administration - Adult Program	17.258		112,255
WIA Youth Activities	17.259	---	705,576
WIA Administration - Youth Activities	17.259		93,477
WIA Dislocated Workers	17.260	---	399,386
WIA Administration - Dislocated Workers	17.260	---	52,920
WIA Rapid Response	17.260	---	269,221
Total U.S. Department of Labor:			2,479,999
Total Expenditures of Federal Awards			\$23,930,502

LORAIN COUNTY, OHIO

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the County's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information in the Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B - SUBRECIPIENTS

The County passes through certain Federal assistance received from the Ohio Department of Alcohol and Drug Addiction Services and the Ohio Department of Mental Health to not-for-profit agencies (subrecipients). The County records expenditures of Federal awards to subrecipients when paid in cash on the Schedule.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal programs. Under OMB Circular A-133, the County is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANTS REVOLVING LOAN PROGRAM

The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-to-moderate income households and to eligible persons to rehabilitate their homes. The U.S. Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The initial loan of this money would be recorded as an expenditure on the Schedule in the year the initial loan was made. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirement imposed by HUD, and they would also be included as expenditures on the Schedule. These loans are collateralized by mortgages on the property.

As of December 31, 2003, there was one loan outstanding totaling \$100,000 as presented on the basic financial statements.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally funded programs. The expenditures of non-Federal matching funds are not included on the Schedule.

LORAIN COUNTY, OHIO

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)**

FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE E - DISCRETELY PRESENTED COMPONENT UNITS

The accompanying Schedule does not include Federal assistance, if any, provided to the County's discretely presented component units.

LORAIN COUNTY, OHIO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §505**

FOR THE YEAR ENDED DECEMBER 31, 2003

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of auditor's report issued on the financial statements	Unqualified Opinion
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level?	No
(d)(1)(ii)	Were there any other reportable conditions in internal control reported at the financial statement level?	No
(d)(1)(iii)	Was there any material noncompliance reported at the financial statement level?	Yes
(d)(1)(iv)	Were there any material weaknesses in internal control over major programs reported?	No
(d)(1)(iv)	Were there any other reportable conditions in internal control over major programs reported?	No
(d)(1)(v)	Type of auditor's report issued on compliance for major programs	Qualified
(d)(1)(vi)	Were there any reportable audit findings under §510?	Yes

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §505
(CONTINUED)

(d)(1)(vii)	Major Programs:	Medicaid Cluster (Title XIX), CFDA #93.778; Highway Planning and Construction, CFDA #20.205
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: >\$2,116,836 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

2003-001

Section 5705.41(B), Revised Code, requires that no subdivision or taxing unit is to expend money unless it has been appropriated.

Federal funds awarded by the Federal Highway Administration (FHWA) to the County with funding flowing to the Ohio Department of Transportation (ODOT) were not appropriated by the County. The County is the lead agency responsible for the administration of the project and thus, is responsible for budgeting and recording the receipts and costs associated with the project even when the funds are not physically received or disbursed by the County.

The County did not budget for, record the grant award as revenue or record the costs incurred in administering the project. This resulted in the County incurring project costs of \$5,171,682 which were not appropriated.

The County is required to certify the resources to the County Budget Commission in accordance with Section 5705.36, Revised Code, and to appropriate the funds as required by Section 5705.38, Revised Code. The County is also to record, as revenue, the grant receipts and to expense any costs incurred.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2003-002

CFDA Title and Number: Highway Planning and Construction, CFDA #20.205
 Federal Award Number: LOR-CR-0027-06.18
 Federal Agency: Federal Highway Administration
 Pass-Through Agency: Ohio Department of Transportation

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 §505
(CONTINUED)

29CFR1.6 states, “Project wage determination initially issued shall be effective for 180 calendar days from the date of such determination. If such a wage determination is not used in the period of its effectiveness, it is void”. Accordingly, if it appears that a wage determination may expire between bid opening and contract award, the agency shall request a new wage determination sufficiently in advance of the bid opening to assure receipt prior thereto.

Of four contracts awarded in this Federal program, one program was not awarded within 180 days from the date project wage determination was made.

By not updating project wage determinations, laborers and mechanics employed by contractors or subcontractors to work on construction contracts could be paid wages less than those established by the Department of Labor for the locality of the project.

We recommend that a re-determination of prevailing wages be made when a contract may not be awarded within 180 days of the initial wage determination.

Lorain County



Amherst
Town
Hall



Elyria
Town
Hall



North Ridgeville
City
Hall



Lorain County
Justice
Center



Lorain
City
Hall



Comprehensive Annual Financial Report

For The Year Ended December 31, 2003
Mark R. Stewart, Auditor



INTRODUCTION SECTION



County Auditor



Mark Stewart

CAFR Team



Craig Snodgrass



Lillie Brand

Payroll Department



*Terri Oakes
Supervisor*



Gail Brunetto



Nona Kelly

Tax Settlement Department



*Cheryl Litz
Supervisor*



Carmella Phillips



Diane Schuster



Maggie Barta

Bookkeeping Department



*Lisa Hobart
Supervisor*



Jean O'Donnell



Rhonda Heginbotham



Emily Pietch



Jessica Basinski

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Comprehensive Annual Financial Report

For the Year Ended December 31, 2003



Lorain County Ohio

Mark R. Stewart
Lorain County Auditor

Prepared by:

J. Craig Snodgrass, CPA, CGFM
Asst. Chief Deputy Auditor

Lillian C. Brand
Asst. Comptroller

**LORAIN COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2003**

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**LORAIN COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003**

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LORAIN COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2003

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June 28, 2004

Lorain County Commissioners:

Honorable Elizabeth C. Blair, President
Honorable David J. Moore
Honorable Mary Jo Vasi

Citizens of Lorain County

I am pleased to present this Comprehensive Annual Financial Report (CAFR) for the County of Lorain, Ohio, for the year ended December 31, 2003. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County, and specifically, the County Auditor's Office. This CAFR conforms to generally accepted accounting principles, as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources, and is representative of the County's commitment to provide financial information to the citizens of Lorain County. Preparation of this CAFR represents a continuing effort to improve the financial management of the County. The information contained in this CAFR will assist County officials in making management decisions and will provide the taxpayers of Lorain County with comprehensive financial data in a format that will enable them to gain a better understanding of the County's financial affairs.

The Comprehensive Annual Financial Report (CAFR) is presented in three sections:

1. The Introductory Section includes a Table of Contents, the Letter of Transmittal, a list of elected officials, the organization chart of the county government, the organizational chart of the County Auditor's Office, the Lorain County Geographical Information System Maps, and the GFOA Certificate of Achievement.
2. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis, the Financial Statements, which include explanatory notes and relevant supplemental financial statements and schedules for 2003.
3. The Statistical Section includes selected financial, economic, demographic, and other socioeconomic information about the County which may be used to extrapolate trends for comparative years.

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

FORM OF GOVERNMENT AND REPORTING ENTITY

Lorain County, established in 1822, is located in northeastern Ohio, approximately 30 miles west of Cleveland, and covers an area of 495 square miles. It encompasses 33 cities, villages, and townships, the largest being the city of Lorain. The county seat is located in Elyria, which is the second largest city in the County. According to the 2000 census, the County had a population of 284,664, making it the ninth most populous of the 88 counties in the State.

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

The Auditor serves as the fiscal officer and property tax assessor for the County. One of the most important functions of the Auditor involves the assessing of real property for tax purposes. State law mandates a complete reappraisal of real property every six years as well as triennial updates between reappraisals. Once the County Treasurer collects taxes, the Auditor is responsible for distributing the tax settlement to the various governmental units. As chief fiscal officer of the County, no County contract or obligation may be made without the Auditor's certification that the funds have been lawfully appropriated, are available for payment, or are in the process of collection. In addition, the Auditor is responsible for the County payroll and has other statutory accounting functions. By State law the Auditor is secretary of the County Board of Revision and the County Budget Commission, and administrator of the County Data Processing Board.

The Treasurer collects property taxes, is the custodian of all funds and is responsible for investing all idle County funds as specified by law. The Treasurer is the distributing agent for expenditures authorized by the Board of Commissioners upon the Auditor's warrant. The Treasurer must make daily reports showing receipts, payments and balances to the County Auditor, and the books of account must always balance with those of the County Auditor. The Treasurer is a member of the County Budget Commission, which plays an important part in the financial administration of local governments throughout the County.

Other elected officials, serving four-year terms each, include Prosecutor, Sheriff, Engineer, Clerk of Courts, Recorder, and Coroner. Common Pleas Judges, Domestic Relations Judges, and the Probate Judge are also elected on a county-wide basis.

The County provides its citizens a wide range of services that include human and social services, health and community assistance services, road and bridge maintenance, and other general and administrative support services. The County also operates an enterprise fund sewer operation.

For financial reporting purposes, the County includes all funds, agencies, boards and commissions making up Lorain County (the Primary Government) and its Component Units in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity." Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organizations resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to, the organization; or the County is obligated for the debt of the organization. The Lorain County Regional Airport Authority, Lorain County Transit, the Murray Ridge Production Center, Inc. and the Lorain County Port Authority have been included as discretely presented component units.

The County serves as fiscal agent for the following organizations which are included as agency funds in the report:

Lorain County General Health District
Lorain County Soil and Water Conservation District
Local Emergency Planning Commission
Lorain County Family and Children First Council

A complete discussion of the County's reporting entity is provided in Note 1 to the basic financial statements.

ECONOMIC CONDITION AND OUTLOOK

Lorain County is well situated in a diverse, industrialized region on the southern shore of Lake Erie, within a one-hour drive of the major cities of Cleveland and Akron. Approximately one-third of the United States population lives within a 500-mile radius of the County. The County enjoys the benefits of urbanization, while also offering a rural atmosphere and a variety of lifestyles for its inhabitants. The County is traversed by two major limited-access highways and a number of major State and U.S. Highways. Interstate Highways 80 and 90, major east-west transportation links, provide residents of the County direct access to major economic centers such as Chicago, Illinois, to the west and Cleveland, Ohio; Erie, Pennsylvania; and Buffalo and Rochester, New York to the east. State and U.S. Routes, such as U.S. 6 and 20 and State Routes 2, 57, 58, 254, and 611, provide excellent access to local and regional markets south, east and west. The excellent road network of the County has attracted over 41 common carriers that serve the area.

The County has access to other land transportation as well as sea or air. The County has access to major railroad systems and is currently served by Amtrak, ConRail, Norfolk and Southern, Chessie System and Lorain and West Virginia railroads. A major port located within the corporate limits of the County has facilities which provide ore-transshipping from ship to ship to rail, and docks and other facilities for the receipt of iron ore, gypsum ore, concrete and aggregates. The port is operated by the Lorain Port Authority, a political subdivision separate from the County. Air freight and air passenger service access is provided through the Lorain County Regional Airport in New Russia Township and Cleveland Hopkins International Airport and Burke Lakefront Airport in adjacent Cuyahoga County.

Numerous adult education opportunities complement the educational programs offered to the youth of the County. The Lorain County Community College provides the opportunity for the citizens of the County to further their education with associate degrees in various fields. The college has teamed-up with other major universities for students to obtain four-year and graduate degrees.

MAJOR INITIATIVES

The County completed a number of major construction and renovation projects in 2003 to expand and better serve the citizens of Lorain County. It is critical to invest in the infrastructure of the County to maintain the high level of service that the citizenry deserves.

The County spent about \$20.5 million towards the construction of its new Justice Center in 2003 bringing the to date project costs to \$32.5 million. The County officially broke ground May 3, 2002 on the 228,000 square foot facility. The total estimated costs of the project is \$46 million, which is being paid from cash reserves on hand, and the issuance of \$25 million in bonds. The seven-story structure was substantially complete in 2003 and occupied in May of 2004, with some minor finishing work subsequent to occupancy. Once the Justice Center is fully completed, it will house the offices of the five Common Pleas Court Judges, three Domestic Relations Judges, the Probate Court Judge, the County Prosecuting Attorney and the County Clerk of Courts and their respective staffs. These departments are currently located in various buildings in the County. A number of other County departments are expected to be moved into the newly vacated Pre-1900's Courthouse. The remaining departments such as the County Commissioners, Recorder, Auditor and Treasurer will remain in the County Administration Building.

Late in 2003, the County committed to purchase a new facility to house its Board of Elections officials and employees. Historically, the County has leased two Board of Elections office buildings, one located in the county seat of Elyria and the other in the County's most populous city, Lorain. In a cost saving move, the Commissioners opted to purchase a facility in lieu of rent, which should save the taxpayers money in the long term. The County will now own a centrally located facility with highway access at an initial capital outlay of approximately \$1.7 million. In April of 2004, bonds were issued for this amount to acquire, renovate, improve and furnish the Board of Elections building. This action will also help position the County favorably as the State mandated use of computerized voting machines takes effect and should better meet the changing needs of the community.

The County looks forward to a continuation in growth of its economy as new homes are built and the population increases. There were more than 1,600 new homes built in 2003, with record numbers in conveyances, recording fees and sales tax collections. As the State and surrounding Counties have suffered rough economic times, Lorain County has shown moderate to heavy growth in a number of these key economic areas. The County looks forward to continued growth through the numerous economic tools it has put in place. A number of administrative and legislative actions taken by the County Commissioners during the year should enhance the quality of services provided by the Lorain County Regional Airport Authority and Lorain County Transit. The relatively new Lorain County Port Authority recently completed financing for the Lorain County Visitors Bureau to purchase land and construct a visitor's bureau facility and is currently working on other potential projects.

Another project currently under construction that offers great promise that Lorain County will continue its growth is the addition of an Ohio Turnpike Interchange onto State Route 58 in Amherst Township. This project has been in process for a number of years and the Ohio Turnpike Commission broke ground in 2003 with completion scheduled for the fall of 2004. The increased flow of traffic and accessibility to this North-South corridor of Lorain County should greatly assist in the economic growth of the area.

DEPARTMENT FOCUS

The featured department for this year's CAFR is the office of the Lorain County Recorder, Judy Nedwick. In July 2003, Judy Nedwick assumed the position of Lorain County Recorder upon the untimely death of long-time Recorder Mary Ann Jamison.

Ms. Nedwick and her staff of nineteen employees are responsible for various documentation issues relating to the residents of Lorain County. There are more than 150 possible document files that can be recorded, the most common being deeds, mortgages, leases, living wills and powers of attorney and which date back to 1824. The Recorder's office has the important and indispensable task of keeping vital records pertaining to ownership in real estate and to all related encumbrances or liens.

In 2003, the office of the Recorder processed a record number of 97,575 transactions, which equated to more than 4 million dollars flowing through the County financial system. During the past several years, the office has assumed increased responsibilities as mandated by Ohio State law and an increased workload resulting from unprecedented growth in Lorain County, and compounded by all-time low interest rates with increasing home sales and the refinancing of loans. From the first deed ever recorded in 1824 to the two millionth deed recorded in early 2004, the second million in the last 26 years, the Recorder has been the gatekeeper to the history of Lorain County.

An important aspect of the County Recorder's function is to index each document. Accurate indexing makes it possible for persons searching land records to locate documents necessary to establish a "chain of title" and ensure that debts or encumbrances against the property are evident. The general public, attorneys, historians, genealogists and land title examiners regularly access this information.

Ms. Nedwick has improved computerization and accessibility of these records allowing for a user-friendly environment compared to the cumbersome record book system previously used. She has compiled a "task force" of individuals that work with the various documents and who advise on processes to assist the end users. Ultimately, the Recorder intends to make all documents Internet accessible. As the Recorder's office pursues the cutting edge of technology, the recording of documents by E-Mail will be phased in as an additional component of her master plan.

In the final analysis, the implementation of improved technology, will equate to cost-savings for Lorain County.

FINANCIAL INFORMATION

Basis of Accounting The County's accounting system is organized on a "fund" basis. Each fund or account group is a distinct self-balancing accounting entity. For financial reporting purposes, Government-wide financial statements are prepared using the accrual basis of accounting, Governmental funds use the modified accrual basis of accounting, Enterprise funds and fiduciary funds use the accrual basis of accounting, the accounting records for all governmental and fiduciary funds are converted to the modified accrual basis, whereby revenues are recognized when measurable and available within the business cycle (within sixty days after year end), and expenditures are recognized when the fund liability is incurred.

Accounting records for the proprietary funds are converted to the accrual basis, whereby revenues are recognized when goods or services are measurable and earned, and expenses are recognized in the period in which they are incurred.

Internal Accounting Control In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The County utilizes a fully automated accounting system as well as automated systems of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment by the accounting department of the Auditor's Office, ensure that the financial information generated is both accurate and reliable.

Budgetary Control The Board of County Commissioners adopts a permanent appropriation measure in December of the previous year. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the department level within the general fund and at the fund level for all other funds. Purchase orders are approved by the department heads and are encumbered prior to their release to vendors. Those purchase orders which exceed the available appropriation are rejected until additional resources are secured. A computerized certification system allows the Auditor's office to ascertain the status of a department's appropriation prior to authorizing additional purchases from a certain account.

Debt Limitation - At December 31, 2003, general obligation bonds outstanding totaled \$25,320,000. During 2003, \$1,915,000 of general obligation bonds were retired. The County's total legal debt margin at December 31, 2003 was \$113,816,825.

The outstanding general obligation debt is primarily related to proceeds of bonds used either to construct or renovate buildings the County uses for its operations.

The County has a liability for loans from the Ohio Water Development Authority. Loan proceeds were used for ongoing sewer system improvements and are being repaid from special assessments charged to benefited property owners. At December 31, 2003, the special assessment liability for the loans was \$1,440,188.

Special Assessment Bonds outstanding at December 31, 2003, were \$5,175,182. Special Assessment Bonds are backed by the full faith and credit of the County. In the event of default by the property owners charged with the assessment, the County would be responsible for the debt service payments.

The County maintains an "A-1" credit rating on its long-term bonds from Moody's Investors Service, Inc. All bonds of the County are general obligation debt and are backed by its full faith and credit.

Cash Management - The County pools its cash to simplify cash management. All idle moneys are invested, with the earnings paid into the general fund and other qualifying funds as prescribed by Ohio law. The County invests in

certificates of deposit, STAR Ohio, the State Treasurer's Investment Pool, U.S. Treasury Bills, U.S. Treasury notes, Federal Farm Credit Bank (FFCB) notes, Federal National Mortgage Association (FNMA) notes, Federal Home Loan Bank (FHLB) notes, Student Loan Market Association (SLMA) notes, National City Money Market Fund, commercial paper, bankers acceptances and overnight repurchase agreements. Interest earned on investments is credited to the general fund, except as stipulated by State Statute or County resolution. Interest earnings for the primary government totaled \$1,900,526 during 2003.

A majority of the County's deposits are collateralized with securities held by the pledging financial institutions' trust department or agent in collateral pools that name the County as a participant. The face value of the pooled collateral must equal at least 110% of the public funds on deposit. The collateral is held by trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management - The County maintains self-funded programs for health care benefits for County employees and their dependents. A risk manager monitors and processes all claims. The County carries stop loss insurance coverage for the health care program in the amounts of \$250,000 per occurrence. Vehicles and property are covered through the County Risk Sharing Authority (CORSA), and professional liability claims are covered through a contract with an external insurance company, the cost of which is allocated among both governmental and enterprise funds. Workers' compensation coverage is provided through participation in the State of Ohio Workers' Compensation program.

INDEPENDENT AUDIT

Gary B. Fink & Associates, Inc., conducted an independent audit with respect to the basic financial statements for the year ended December 31, 2003. The unqualified opinion appears in the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act Amendments of 1996. Information related to this audit, including the schedule of federal financial assistance, findings and recommendations, and the report on internal control and compliance are published in a separate report.

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lorain County for its Comprehensive Annual Financial Report for the year ended December 31, 2002. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

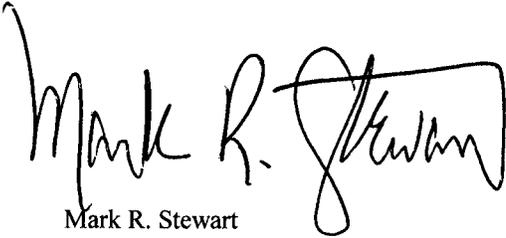
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The preparation of a financial document of this magnitude is the result of a combined effort of a number of dedicated individuals who deserve recognition for their efforts. I wish to extend my appreciation to the entire staff of the Auditor's office. Special thanks are extended to J. Craig Snodgrass, CPA, CGFM, Lillian Brand, Cheryl Litz, Carmella Phillips, Lisa Hobart, Diane Schuster, Maggie Barta, Jessica Yarish, John Rokasy and the Budget Department.

In addition, I would like to express my appreciation to Steven G. Luca, CPA and James J. Czarney CPA of Frank, Seringer & Chaney, Inc. for their consultation and assistance in this project. Also, I wish to express my appreciation to the staff of the various County departments whose time and dedicated efforts made this report possible.

Respectfully yours,

A handwritten signature in black ink that reads "Mark R. Stewart". The signature is written in a cursive style with a large, sweeping initial "M" and a distinct "S" at the end.

Mark R. Stewart
Lorain County Auditor

Lorain County, Ohio
Elected Officials
As of December 31, 2003

Board of Commissioners

Elizabeth C. Blair

Mary Jo Vasi

David J. Moore

County Auditor

Mark R. Stewart

County Treasurer

Daniel J. Talarek

Prosecuting Attorney

Jeffrey Manning

Clerk of Courts

Ron Nabakowski

Coroner

Paul M. Matus

Common Pleas Court Judges

Kosma Glavas

Edward M. Zaleski

Lynett M. McGough

Thomas W. Janas

Mark Betleski

Probate Court Judge

Frank J. Horvath

Domestic Relations Judges

David A. Basinski

Paulette Lilly

Debra Boros

Engineer

Kenneth P. Carney

Recorder

Judy Nedwick

Sheriff

Phil R. Stammitti

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FINANCIAL SECTION



**Sheffield Village
Fire
Station**



**Elyria
Fire
Station**



**LaGrange
Fire
Station**



**Carlisle Township
Fire
Station**

INDEPENDENT AUDITOR'S REPORT

The Board of County Commissioners,
County Auditor and County Treasurer
Lorain County
226 Middle Avenue
Elyria, OH 44035

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Lorain County, Ohio, (the County) as of and for the year ended December 31, 2003 which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Murray Ridge Production Center, Inc., a discretely presented component unit, which statements reflect total assets of \$1,505,856 as of June 30, 2003, and total revenues of \$1,465,158 for the year then ended. We did not audit the financial statements of the Lorain County Transit, a discretely presented component unit, which statements which reflect total assets of \$4,899,439 as of December 31, 2003, and total revenues of \$4,836,337 for the year then ended. We did not audit the financial statements of the Lorain County Regional Airport Authority, a discretely presented component unit, which statements which reflect total assets of \$9,462,948 as of December 31, 2003, and total revenues of \$3,647,947 for the year then ended. We did not audit the financial statements of the Lorain County Port Authority, a discretely presented component unit, which statements which reflect total assets of \$2,558,083 as of December 31, 2003, and total revenues of \$54,684. Those financial statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for the Murray Ridge Production Center, Inc., the Lorain County Transit, the Lorain County Regional Airport Authority and the Lorain County Port Authority, discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Murray Ridge Production Center, Inc. were not audited by the other auditors in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of December 31, 2003, and the respective changes in financial position and cash flows where applicable, thereof and the respective budgetary comparison for the General Fund, Job and Family Services, Children Services, Community Mental Health and MRDD 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 28, 2004 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion thereon.

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



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

June 28, 2004

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2003

The discussion and analysis of Lorain County's financial performance provides an overall review of the County's financial activities for the year ended December 31, 2003. It is the intent of this discussion and analysis to look at the County's performance as a whole. Note that readers should also review the transmittal letter and the financial statements to further understand the County's financial performance.

Financial Highlights

Key financial highlights for 2003 are:

- The General Fund balance decreased \$416,848 or 1%. This decrease is due in part to an advance out to The Board of Elections for the acquisition of a new building and cash advance to Job and Family Services of approximately \$2 million.
- The County had record sales tax revenues, conveyance fees and recorder fee collections during 2003.
- Construction of The Justice Center project used approximately \$20 million of cash during 2003 and this negatively impacted the investment income for the fiscal year end.

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Lorain County as an entire operating entity. The basic financial statements are comprised of three components: The Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements. The statements also provide additional information of specific financial conditions.

Government-wide Financial Statements

The Government-wide Financial Statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Statement of Net Assets and Statements of Activities - The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The Statement of Activities presents information indicating the County's net assets change during the current year. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used in a private-sector business. This basis of accounting takes into consideration all of the current year's revenues and expenditures, regardless of when the cash is received or paid.

These two statements report the County's net assets and the change in those assets. The change in net assets informs the reader as to whether, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of the County's capital assets should also be evaluated.

In the Statement of Net Assets and the Statement of Activities, the County is divided into three kinds of activities:

Government Activities – The reporting of services including public safety, social services programs, administration, and all departments, with the exception of our Sewer Fund, are reported as Government Activities.

Business-Type Activity – The County charges user fees to recoup the cost of the operation of the Sewer System as well as all capital expenses associated with the facilities.

Component Units – The County includes financial data of the Lorain County Regional Airport Authority, Lorain County Transit, Murray Ridge Production Center, Inc. and the Lorain County Port Authority. These component

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2003

units are described in Note 1 of the Notes to the Financial Statements. The component units are separate entities and may buy, sell, lease and mortgage property in their own name and can sue or be sued in their own name.

The Government-wide Financial Statements can be found on pages 11-13 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the County can be divided into the following three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds. Fund financial reports provide detailed information about those funds. Based on restriction on use of dollars in those funds, the County has established many funds that account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most significant funds. Lorain County's major funds are: General Fund, Board of Mental Retardation and Developmental Disabilities, Children Services, Community Mental Health, Job and Family Services and Q Construction.

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

Because the focus of governmental funds is narrower than the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the County's near-term financial decisions. Both the Governmental Funds Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures and Changes in Fund Balances for the major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 14-19 of this report.

The County adopts an annual appropriated budget for all county funds under its jurisdiction. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds – The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an Enterprise Fund to account for its Sanitary Engineer operations. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County used Internal Service Funds to account for the medical self-insurance. The proprietary fund financial statements can be found on pages 27-30 of this statement.

Fiduciary Funds – Are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds is not available to support the County's own programs. The Fiduciary Fund financial statements can be found on page 31 of this statement.

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2003

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-80 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules that can be found on pages 82-182 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. In the case of Lorain County, assets exceeded liabilities by \$286.3 million (\$277.4 million in governmental activities and \$8.9 million in business-type activities) as of December 31, 2003. The largest portion of the County's net assets (38%) reflects its investment in capital assets (i.e.; buildings, land, equipment and machinery, infrastructure), less any related debt used to acquire those assets that is still outstanding. Lorain County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net assets are included in the following Table 1.

TABLE 1
NET ASSETS
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Assets						
Current and Other Assets	\$201.3	\$219.3	\$.1	\$.3	\$201.4	\$219.6
Capital Assets, net	<u>132.3</u>	<u>112.0</u>	<u>10.4</u>	<u>10.7</u>	<u>142.7</u>	<u>122.7</u>
Total Assets	<u>\$333.6</u>	<u>\$331.3</u>	<u>\$10.5</u>	<u>\$11.0</u>	<u>\$344.1</u>	<u>\$342.3</u>
Liabilities						
Current and Other Liabilities	\$ 16.1	\$ 15.7	\$.1	\$ -	\$ 16.2	\$ 15.7
Long-Term Liabilities due within one year	4.8	6.1	.1	.1	4.9	6.2
Long-Term Liabilities due in more than one year	<u>35.3</u>	<u>34.9</u>	<u>1.4</u>	<u>1.6</u>	<u>36.7</u>	<u>36.5</u>
Total Liabilities	<u>\$ 56.2</u>	<u>\$ 56.7</u>	<u>\$ 1.6</u>	<u>\$ 1.7</u>	<u>\$ 57.8</u>	<u>\$ 58.4</u>
Net Assets						
Invested in Capital Assets Net of Debt	\$ 99.9	\$ 77.4	\$ 9.0	\$ 9.1	\$108.9	\$ 86.5
Restricted:						
Highways and Streets	6.3	.3	-	-	6.3	.3
Justice Center	17.3	36.4	-	-	17.3	36.4
Unrestricted	<u>153.9</u>	<u>160.5</u>	<u>(.1)</u>	<u>2</u>	<u>153.8</u>	<u>160.7</u>
Total Net Assets	<u>\$277.4</u>	<u>\$274.6</u>	<u>\$ 8.9</u>	<u>\$ 9.3</u>	<u>\$286.3</u>	<u>\$283.9</u>

An additional portion of the County's net assets (8.25%) represents resources that are subject to restriction on how they can be used. The remaining balance of unrestricted assets (\$153.9 million) may be used to meet the County's ongoing obligations to citizens and creditors.

Lorain County, Ohio
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Table 2 below, indicates the changes in net assets for the year ended December 31, 2003 and 2002.

TABLE 2
CHANGES IN NET ASSETS
(In Millions)

	Governmental Activities		Business Type Activities		Total	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenues						
Program Revenues:						
Charge for Services	\$ 33.7	\$ 30.3	\$.9	\$ 1.1	\$ 34.6	\$ 31.4
Operating Grants and Contributions	77.8	85.5	-	-	77.8	85.5
Capital Grants and Contributions	7.2	1.9	-	-	7.2	1.9
General Revenues:						
Taxes	66.9	64.2	-	-	66.9	64.2
Investment Income	1.9	4.2	-	-	1.9	4.2
Intergovernmental Revenue not Restricted to Specific Programs	10.8	11.8	-	-	10.8	11.8
Premium on Bonds, Including Interest	-	.6	-	-	-	.6
Other	.6	.5	-	-	.6	.5
Total Revenues	<u>\$198.9</u>	<u>\$199.0</u>	<u>\$.9</u>	<u>\$1.1</u>	<u>\$199.8</u>	<u>\$200.1</u>
Program Expenses						
General Government:						
Legislative and Executive	\$ 33.8	\$ 34.3	\$ -	\$ -	\$ 33.8	\$ 34.3
Judicial System	13.7	15.4	-	-	13.7	15.4
Public Safety	20.6	19.2	-	-	20.6	19.2
Public Works	14.3	12.6	-	-	14.3	12.6
Health	41.7	42.6	-	-	41.7	42.6
Human Services	69.8	72.3	-	-	69.8	72.3
Economic Development and Assistance	1.1	.8	-	-	1.1	.8
Intergovernmental	.5	.6	-	-	.5	.6
Interest and Fiscal Charges	.6	1.7	-	-	.6	1.7
Sewer System	-	-	1.3	1.2	1.3	1.2
Total Expenses	<u>\$196.1</u>	<u>\$199.5</u>	<u>\$1.3</u>	<u>\$1.2</u>	<u>\$197.4</u>	<u>\$200.7</u>
Increase(Decrease) in Net Assets	2.8	(.5)	(.4)	(.1)	2.4	(.6)
Net Assets – Beginning	<u>274.6</u>	<u>275.1</u>	<u>9.3</u>	<u>9.4</u>	<u>283.9</u>	<u>284.5</u>
Net Assets – Ending	<u>\$277.4</u>	<u>\$274.6</u>	<u>\$8.9</u>	<u>\$9.3</u>	<u>\$286.3</u>	<u>\$283.9</u>

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Governmental Activities

Tax revenue accounts for \$66,916,905 of the \$198,972,849 total revenue for governmental activity, or 34% of total revenue. The major recipients of intergovernmental revenue were the General Fund receiving \$9,501,220 and the Job and Family Services, receiving \$1,322,932.

The County's direct charges to users of governmental services made up \$33,655,828 or 17% of total governmental revenue. These charges are for fees for real estate transfers, collection of taxes, fines and forfeitures related to judicial activity, and licenses and permits.

Human Services accounts for \$69,762,952 of the \$196,171,895 total expenses for governmental activities, or 36% of total expenditures. The next largest program is Health, which equals \$41,679,367 or 21% of total governmental expenses.

Business-Type Activities

The net assets for the business-type activities for the County decreased by \$387,229 during the year 2003. Major revenue sources were Charges for Services of \$890,755.

Financial Analysis of the County's Funds

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

Governmental Funds -- The focus of the County's governmental funds is to provide information on near term outflows, inflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$112,987,496, a decrease of \$22,021,163 in comparison with the prior year. Approximately 74% of this total amount, or \$84,094,335 is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not readily available for new spending since it has already been committed to (1) liquidate contracts and purchase orders from the prior period of \$12,227,720, (2) to pay debt service of \$2,737,141, or (3) for a variety of other restricted purposes of \$13,928,300.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the General Funds unreserved balance was \$26,857,666, while the total fund balance reached \$39,468,378. As a measure of the General Funds liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 56% of total General Fund expenditures, while total fund balance represents 82% of that same amount.

The fund balance of the County's General Fund decreased by approximately \$416,848 or 1%. This decrease is due in part to advances out to The Board of Elections for the acquisition of new facilities and to Job and Family Services of approximately \$2 million. This was offset by record sales tax revenues, conveyance fees and recorder fee collections during 2003.

The other major governmental funds of the County are Job and Family Services, Children Services, Community Mental Health, Board of Mental Retardation and Development Disabilities, and Q Construction.

Lorain County, Ohio
Management's Discussion and Analysis
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The fund balance of the Job and Family Services decreased by approximately \$1.4 million. The decrease is due to a reduction in state revenue due to the timing of the grantor agency whose fiscal year does not coincide with the County's calendar year.

The fund balance for Children Services Board decreased by \$20,876. The decrease is due to decreased funding amounts in state grants and timing issues on when monies are received.

The fund balance for the Community Mental Health Board increased by \$1.1 million due to collections of replacement levy.

The fund balance for the Board of Mental Retardation and Developmental Disabilities experienced a net increase by \$474,530 due to the collection of new levy proceeds.

The Q Construction fund balance decreased by \$19.6 million due to actual construction costs incurred predominantly on The Justice Center project.

Enterprise funds - The County's Enterprise Funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the Sewer fund totaled \$(54,340). The decrease in net assets for this fund was \$387,229 for the year.

General Fund Budgetary Highlights

The final amended revenue budget was approximately \$2.5 million higher than initially budgeted. This was due in part to record receipts in conveyance and recording fees along with improved collection procedures on Clerk of Court fines. Sales tax collections were also up more than originally anticipated. These increases more than offset a \$1.5 million drop in treasurer's interest, as there was less money in the treasury to invest during the year in 2003 compared to the previous year coupled with depressed interest rates.

Differences between the original and final amended appropriation measure increased by approximately \$5.6 million. This was due primarily to anticipate expenditures for capital outlay and the Community Maintenance department. These projects did not materialized in 2003 thus leaving an approximate \$5.2 million less spent than the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets – The County's investment in capital assets for its governmental and business-type activities as of December 31, 2003, amounts to \$142,756,275 (net of accumulated depreciation). This investment in capital assets includes land, building structures and improvements, furniture, fixtures and equipment and infrastructure. The total increase in the County's investment in capital assets for the current fiscal year was 14% (a 16% increase for governmental activities and a 2% decrease for business-type activities).

Major capital asset events during the fiscal year included the following:

- Expansion of Jail Facilities totaling \$1.05 million
- Continued construction of the \$46 million Justice Center

Additional information of the County's capital assets can be found in Note 8.

Debt Administration

The philosophy and implemented strategy of the County has been to maintain a modest general obligation bonded debt level. This has been achieved by means of a pay-as-you-go basis for relatively small capital projects, by encouraging competition among bond underwriters to fulfill the County's financing needs, maximizing flexibility and cost (interest) effectiveness of one-year notes when feasible, and keeping debt service periods (years) to a minimum.

Lorain County, Ohio
Management's Discussion and Analysis
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Moody's Investors Services has assigned an "A-1" bond rating to the County, and Fitch's has assigned an "AA" rating to the County for present bonding needs. These high ratings afford the County flexibility in borrowing when necessary to receive extremely attractive rates due to the financial community's belief that the County's financial operations will remain satisfactory as the result of a conservative management approach to the annual budgeting process.

Exclusive of the County's April 2002 \$25,000,000 20-year bond debt portion for a new \$45,000,000 Justice Center, total general obligation bonds and note indebtedness was \$7,920,000 at year-end 2003 as compared with \$8,235,000 at year-end 2002, a decrease of \$315,000 (3.8%). Included in the \$7,920,000 is \$3,580,000 attributable to the County's Human Services Building and is fully reimbursable to the County by State monies; and, \$2,000,000 attributable to capital funding needs of the County Engineer's Office, with yearly debt service amounts also fully reimbursed to the County and secured by the Motor Vehicle Gas Tax Revenues of that office.

In addition to general obligation bonds and notes required to meet its borrowing needs, the County utilizes OWDA loans and special assessment bonds to finance Sanitary Sewer and Waterline Projects. Current debt levels are modest and are reimbursable by sewer assessments and tap-in fees. Future activity to construct sewer and water lines is expected to increase as the result of new home development and light commercial/retail expansion in the County.

Additional information of the County's debt administration can be found in Note 16.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 7.3%, which is an increase from the rate of 6.8% a year ago. The state average unemployment rate was 6.1% and the national average was 6%.
- Inflationary trends in the region compare favorably; unfavorably to national indices.

During the current fiscal year, unreserved fund balances in the general fund decreased from \$27,435,281 to \$26,857,666. The County has prepared a budget for 2004 without appropriating any of the unreserved balance. The County prepared a revenue-balanced budget for the General Fund without an increase in taxes or increase in fees or charges for services.

Request for Information

This financial report is designed to provide a general overview of Lorain County's finances for all those with an interest in the governments' finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

J. Craig Snodgrass, CPA CGFM
Assistant Chief Deputy Auditor
Lorain County Administration Building
Elyria, Ohio 44035

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Lorain County, Ohio
Statement of Net Assets
December 31, 2003

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Cash and Cash Equivalents	\$ 117,496,923	\$ 250,913	\$ 117,747,836	\$ 1,723,133
Cash with Fiscal and Escrow	398,897	-	398,897	-
Investments	-	-	-	785,567
Receivables, Net of Allowances	82,078,847	96,720	82,175,567	3,852,553
Internal Balances	246,811	(246,811)	-	-
Due from Component Units	83,247	-	83,247	-
Inventory	986,357	355	986,712	-
Prepaid Expenses	-	-	-	18,840
Deposits	-	-	-	1,000
Non-Current Assets:				
Bond Fund Program Reserves	-	-	-	2,525,284
Capital Assets not being Depreciated	41,925,167	51,684	41,976,851	4,245,402
Capital Assets, net of Depreciation	90,435,532	10,343,892	100,779,424	5,274,547
Total Assets	\$ 333,651,781	\$ 10,496,753	\$ 344,148,534	\$ 18,426,326
Liabilities:				
Accounts Payable	\$ 10,416,075	\$ 68,360	\$ 10,484,435	\$ 1,562,304
Claims Payable	2,258,042	-	2,258,042	-
Intergovernmental Payable	1,513,164	16,958	1,530,122	64,303
Due to Primary Government	-	-	-	83,247
Deferred Revenue	-	-	-	24,284
Note Payable	2,000,000	-	2,000,000	-
Noncurrent Liabilities:				
Due within One Year	4,752,244	140,957	4,893,201	-
Due in more than One Year	35,277,060	1,369,430	36,646,490	2,103,796
Total Liabilities	\$ 56,216,585	\$ 1,595,705	\$ 57,812,290	\$ 3,837,934
Net Assets:				
Invested in Capital Assets, Net of Related Debt	99,865,517	8,955,388	108,820,905	9,474,182
Restricted:				
Highways & Streets	6,275,918	-	6,275,918	-
Justice Center	17,306,449	-	17,306,449	-
Bond Fund Program Reserves	-	-	-	2,525,284
Capital Improvements	-	-	-	354,057
Donor Restricted	-	-	-	71,899
Unrestricted	153,987,312	(54,340)	153,932,972	2,162,970
Total Net Assets	\$ 277,435,196	\$ 8,901,048	\$ 286,336,244	\$ 14,588,392

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Activities
For the Year Ended December 31, 2003

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u> <u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities				
General Government -				
Legislative and Executive	\$ 33,764,298	\$ 20,184,306	\$ 389,526	\$ 6,025,830
Judicial	13,767,058	2,787,279	161,351	-
Public Safety	20,580,981	1,538,896	2,832,696	10,121
Public Works	14,299,549	838,449	6,996,814	1,200,107
Health	41,679,367	6,829,609	21,859,593	-
Human Services	69,762,952	1,477,289	44,615,576	-
Economic Development and Assistance	1,103,502	-	928,943	-
Intergovernmental	555,155	-	-	-
Interest on Long-Term Debt	659,033	-	-	-
Total Government Activities	<u>196,171,895</u>	<u>33,655,828</u>	<u>77,784,499</u>	<u>7,236,058</u>
Business-Type Activities:				
Sewer	1,277,984	890,755	-	-
Total Business-Type Activities	<u>1,277,984</u>	<u>890,755</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>197,449,879</u>	<u>34,546,583</u>	<u>77,784,499</u>	<u>7,236,058</u>
Component Units:				
Lorain County Regional Airport Authority	1,348,492	661,543	300,000	2,661,620
Lorain County Transit	5,115,078	454,614	4,320,761	-
Lorain County Port Authority	44,722	35,318	-	-
Murray Ridge Production Center, Inc.	1,352,239	1,385,870	48,809	-
Total Component Units	<u>\$ 7,860,531</u>	<u>\$ 2,537,345</u>	<u>\$ 4,669,570</u>	<u>\$ 2,661,620</u>

General Revenues:
Taxes
 Property and Other Taxes
 Sales
Intergovernmental Revenue
not Restricted to Specific Programs
Investment Income
Other Income
Total General Revenues
Changes in Net Assets
Net Assets - Beginning (As restated in Note 2)
Net Assets - Ending

The Notes to the Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Assets**

Governmental Activities	Primary Government Business-type Activities	Total	Component Units
\$ (7,164,636)	\$ -	\$ (7,164,636)	\$ -
(10,818,428)	-	(10,818,428)	-
(16,199,268)	-	(16,199,268)	-
(5,264,179)	-	(5,264,179)	-
(12,990,165)	-	(12,990,165)	-
(23,670,087)	-	(23,670,087)	-
(174,559)	-	(174,559)	-
(555,155)	-	(555,155)	-
(659,033)	-	(659,033)	-
<u>(77,495,510)</u>	<u>-</u>	<u>(77,495,510)</u>	<u>-</u>
-	(387,229)	(387,229)	-
-	(387,229)	(387,229)	-
<u>(77,495,510)</u>	<u>(387,229)</u>	<u>(77,882,739)</u>	<u>-</u>
-	-	-	2,274,671
-	-	-	(339,703)
-	-	-	(9,404)
-	-	-	82,440
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,008,004</u>
46,305,545	-	46,305,545	-
20,611,360	-	20,611,360	-
10,824,152	-	10,824,152	-
1,900,526	-	1,900,526	61,517
654,881	-	654,881	74,074
<u>80,296,464</u>	<u>-</u>	<u>80,296,464</u>	<u>135,591</u>
2,800,954	(387,229)	2,413,725	2,143,595
274,634,242	9,288,277	283,922,519	12,444,797
<u>\$ 277,435,196</u>	<u>\$ 8,901,048</u>	<u>\$ 286,336,244</u>	<u>\$ 14,588,392</u>

Lorain County, Ohio
Balance Sheet
Governmental Funds
December 31, 2003

	<u>General</u>	<u>Job & Family Services</u>	<u>Children Services</u>	<u>Community Mental Health</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 21,183,532	\$ 2,977,378	\$ 5,963,066	\$ 9,272,743
Cash with Fiscal Agent	-	-	-	-
Receivables, Net of Allowances	17,525,686	8,030,359	11,134,602	8,797,913
Notes Receivable	-	-	-	-
Due from Other Funds	3,352,386	-	-	-
Due from Component Units	83,247	-	-	-
Advances to Other Funds	11,914,766	-	-	200,000
Materials and Supplies Inventory	236,540	21,603	1,841	3,418
Total Assets	<u>\$ 54,296,157</u>	<u>\$ 11,029,340</u>	<u>\$ 17,099,509</u>	<u>\$ 18,274,074</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 2,152,450	\$ 759,098	\$ 451,091	\$ 761,159
Contracts Payable	36,816	689,000	5,528	-
Retainage Payable	-	-	-	-
Intergovernmental Payable	499,585	242,876	99,248	12,142
Deferred Revenue	12,115,634	6,869,626	10,164,601	8,481,512
Due to Other Funds	23,294	610,854	17,189	-
Advance from Other Funds	-	-	-	-
Note Payable	-	-	-	-
Total Liabilities	<u>14,827,779</u>	<u>9,171,454</u>	<u>10,737,657</u>	<u>9,254,813</u>
Fund Balances:				
Reserved for:				
Encumbrances	459,406	1,203,258	-	68,377
Inventory	236,540	21,603	1,841	3,418
Advances	11,914,766	-	-	200,000
Loans	-	-	-	220,220
Notes Receivable	-	-	-	-
Debt Service	-	-	-	-
Unreserved (Deficit), reported in:				
General Fund	26,857,666	-	-	-
Special Revenue Funds	-	633,025	6,360,011	8,527,246
Capital Projects Funds	-	-	-	-
Total Fund Balances	<u>39,468,378</u>	<u>1,857,886</u>	<u>6,361,852</u>	<u>9,019,261</u>
Total Liabilities and Fund Balances	<u>\$ 54,296,157</u>	<u>\$ 11,029,340</u>	<u>\$ 17,099,509</u>	<u>\$ 18,274,074</u>

The Notes to the Financial Statements are an integral part of this statement

<u>MRDD</u>	<u>Q Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 11,255,811	\$ 19,448,164	\$ 40,696,749	\$ 110,797,443
-	-	398,897	398,897
19,140,822	6,721	16,333,780	80,969,883
-	-	606,957	606,957
-	-	436,967	3,789,353
-	-	-	83,247
-	-	-	12,114,766
61,529	-	661,426	986,357
<u>\$ 30,458,162</u>	<u>\$ 19,454,885</u>	<u>\$ 59,134,776</u>	<u>\$ 209,746,903</u>
\$ 803,268	\$ -	\$ 3,468,092	\$ 8,395,158
19,082	405,231	286,744	1,442,401
-	-	912	912
187,595	-	471,718	1,513,164
18,187,258	-	12,303,919	68,122,550
3,859	1,525,000	1,107,020	3,287,216
-	11,461,786	536,220	11,998,006
-	-	2,000,000	2,000,000
<u>19,201,062</u>	<u>13,392,017</u>	<u>20,174,625</u>	<u>96,759,407</u>
186,698	8,314,617	1,995,364	12,227,720
61,529	-	661,426	986,357
-	-	-	12,114,766
-	-	-	220,220
-	-	606,957	606,957
-	-	2,737,141	2,737,141
-	-	-	26,857,666
11,008,873	-	30,908,641	57,437,796
-	(2,251,749)	2,050,622	(201,127)
<u>11,257,100</u>	<u>6,062,868</u>	<u>38,960,151</u>	<u>112,987,496</u>
<u>\$ 30,458,162</u>	<u>\$ 19,454,885</u>	<u>\$ 59,134,776</u>	<u>\$ 209,746,903</u>

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Lorain County, Ohio
Reconciliation of Total Governmental Fund Balances
to Net Assets of Governmental Activities
December 31, 2003

Total governmental fund balances	\$ 112,987,496
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources are therefore not reported in the funds.	132,360,699
Long term liabilities, including sick leave, vacation, personal time, and compensated absences are not due in the current period and therefore are not reported in the funds.	(9,503,551)
Deferrals from prior period already recorded in the net assets are now due and recorded in the fund balances	68,122,550
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(30,495,182)
Internal service funds are used by management to charge the cost of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	<u>3,963,184</u>
Net assets of governmental activities	<u>\$ 277,435,196</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2003

	<u>General</u>	<u>Job & Family Services</u>	<u>Children Services</u>	<u>Community Mental Health</u>
REVENUES				
Taxes:				
Property	\$ 8,870,419	\$ -	\$ 5,956,312	\$ 8,252,742
Sales	13,745,707	-	-	-
Charges for Services	1,589,641	-	-	-
Licenses and Permits	10,780,064	-	-	-
Fines and Forfeitures	1,740,166	-	-	-
Special Assessments	-	-	-	-
Intergovernmental Revenue	10,508,758	24,215,881	7,311,106	8,044,114
Interest Income	1,810,883	-	-	-
Miscellaneous Revenue	1,635,670	6,042	89,423	43,557
Total Revenues	<u>50,681,308</u>	<u>24,221,923</u>	<u>13,356,841</u>	<u>16,340,413</u>
EXPENDITURES				
Current:				
General Government				
Legislative and Executive	24,578,893	-	-	-
Judicial	13,780,807	-	-	-
Public Safety	6,506,388	-	-	-
Public Works	265,608	-	-	-
Health	7,106	-	-	15,207,184
Human Services	2,206,427	25,620,905	13,377,717	-
Economic Development and Assistance	373	-	-	-
Intergovernmental	555,155	-	-	-
Miscellaneous	60	-	-	-
Debt Service:				
Principal Paid	-	-	-	-
Interest Paid	-	-	-	-
Capital Outlay	240,652	-	-	-
Total Expenditures	<u>48,141,469</u>	<u>25,620,905</u>	<u>13,377,717</u>	<u>15,207,184</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,539,839</u>	<u>(1,398,982)</u>	<u>(20,876)</u>	<u>1,133,229</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	134,605	-	-	-
Transfers Out	(3,091,292)	-	-	-
Proceeds of Sale of Bonds	-	-	-	-
Total Other Financing Sources (Uses)	<u>(2,956,687)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(416,848)	(1,398,982)	(20,876)	1,133,229
Fund Balances at Beginning of Year	39,933,778	3,243,691	6,382,677	7,887,265
Increase (Decrease) in Reserve for Inventory	<u>(48,552)</u>	<u>13,177</u>	<u>51</u>	<u>(1,233)</u>
Fund Balances at End of Year	<u>\$ 39,468,378</u>	<u>\$ 1,857,886</u>	<u>\$ 6,361,852</u>	<u>\$ 9,019,261</u>

The Notes to the Financial Statements are an integral part of this statement

<u>MRDD</u>	<u>Q Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 17,843,423	\$ -	\$ 2,947,011	\$ 43,869,907
-	-	6,865,653	20,611,360
90,603	-	9,362,260	11,042,504
-	-	3,828,718	14,608,782
-	-	658,827	2,398,993
-	-	713,959	713,959
7,495,810	5,979,206	31,529,981	95,084,856
-	46,624	89,643	1,900,526
-	-	669,129	2,490,445
<u>25,429,836</u>	<u>6,025,830</u>	<u>56,665,181</u>	<u>192,721,332</u>
-	-	3,973,606	28,552,499
-	-	22,850	13,803,657
-	-	13,663,945	20,170,333
-	-	9,247,384	9,512,992
-	-	26,168,146	41,382,436
20,984,249	-	7,672,441	69,861,739
-	-	1,103,129	1,103,502
-	-	-	555,155
-	-	-	60
-	-	4,198,626	4,198,626
-	-	1,633,613	1,633,613
-	25,589,864	34,060	25,864,576
<u>20,984,249</u>	<u>25,589,864</u>	<u>67,717,800</u>	<u>216,639,188</u>
<u>4,445,587</u>	<u>(19,564,034)</u>	<u>(11,052,619)</u>	<u>(23,917,856)</u>
-	-	6,961,943	7,096,548
(3,967,475)	-	(32,900)	(7,091,667)
-	-	2,000,000	2,000,000
<u>(3,967,475)</u>	<u>-</u>	<u>8,929,043</u>	<u>2,004,881</u>
478,112	(19,564,034)	(2,123,576)	(21,912,975)
10,782,570	25,626,902	41,151,776	135,008,659
<u>(3,582)</u>	<u>-</u>	<u>(68,049)</u>	<u>(108,188)</u>
<u>\$ 11,257,100</u>	<u>\$ 6,062,868</u>	<u>\$ 38,960,151</u>	<u>\$ 112,987,496</u>

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Lorain County, Ohio
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended December 31, 2003

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balance - total government funds	\$ (21,912,975)
Deferrals from prior period already recorded in the net assets are now due and recorded in revenue.	68,122,550
Deferrals recorded in the governmental funds for the year have previously been reported in net assets and must be removed.	(65,285,504)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the current period.	19,461,451
Expenses for accrued items, including sick leave, vacation, personal time, and compensated absences are not due in the current period and therefore are not reported in the funds.	(9,503,551)
Expenses for prior period items, including sick leave, vacation, personal time, and compensated absences are now due in the current period and therefore are recorded in the fund balances and not in the Statement of Activities.	8,394,957
Expenses reported in governmental funds for current period capital assets.	1,053,116
Expenses incurred as a result of asset disposition in the current period	(1,232,023)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,198,626
Interest expensed on the governmental statements has been reclassified as capitalized interest and is not a part of the change in net assets	974,580
Expenses related to changes in inventory not included with governmental activities	(108,188)
Net revenue of certain activities of internal service funds is reported with governmental activities	<u>637,915</u>
Change in net assets of governmental activities	<u>\$ 2,800,954</u>

The Notes to the Financial Statements are an integral part of this statement

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

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Property and Other Taxes	\$ 8,614,846	\$ 8,875,035	\$ 8,914,552	\$ -	\$ 8,914,552	\$ 39,517
Sales Tax	12,800,000	13,529,309	13,529,309	-	13,529,309	-
Charges for Services	1,650,759	1,584,457	1,589,109	-	1,589,109	4,652
Licenses, Permits and Fees	7,358,680	10,577,705	10,745,563	-	10,745,563	167,858
Fines and Forfeitures	995,200	1,611,218	1,728,907	-	1,728,907	117,689
Intergovernmental	11,263,702	10,471,543	10,496,281	-	10,496,281	24,738
Interest	4,883,800	3,161,160	3,202,122	-	3,202,122	40,962
Other	1,327,939	1,654,086	1,665,190	-	1,665,190	11,104
Total Revenues	48,894,926	51,464,513	51,871,033	-	51,871,033	406,520
Expenditures						
Current:						
General Government:						
Legislative and Executive	22,856,246	27,499,795	24,667,225	593,183	25,260,408	2,239,387
Judicial	14,300,565	14,683,003	13,955,558	86,007	14,041,565	641,438
Public Safety	6,636,972	6,820,753	6,519,459	47,279	6,566,738	254,015
Public Works	287,105	285,134	271,567	1,346	272,913	12,221
Health	4,971	4,971	3,890	-	3,890	1,081
Human Services	2,235,543	2,271,578	2,161,003	7,064	2,168,067	103,511
Capital Outlay	1,133,144	1,488,975	240,652	109,443	350,095	1,138,880
Intergovernmental	458,117	456,306	451,533	3,055	454,588	1,718
Total Expenditures	47,912,663	53,510,515	48,270,887	847,377	49,118,264	4,392,251
Excess (Deficiency) of Revenues Over (Under) Expenditures	982,263	(2,046,002)	3,600,146	(847,377)	2,752,769	4,798,771
Other Financing Sources (Uses)						
Advances - In	500,000	2,589,808	2,589,808	-	2,589,808	-
Advances - Out	-	(4,525,979)	(4,525,979)	-	(4,525,979)	-
Operating Transfers - In	-	134,605	134,605	-	134,605	-
Operating Transfers - Out	(19,054,607)	(15,672,326)	(3,091,292)	-	(3,091,292)	12,581,034
Total Other Financing Sources (Uses)	(18,554,607)	(17,473,892)	(4,892,858)	-	(4,892,858)	12,581,034
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(17,572,344)	(19,519,894)	(1,292,712)	\$ (847,377)	\$ (2,140,089)	\$ 17,379,805
Fund Balance at Beginning of Year	22,538,401	22,538,401	22,538,401			
Fund Balance at End of Year	\$ 4,966,057	\$ 3,018,507	\$ 21,245,689			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Job and Family Services
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 28,638,022	\$ 25,622,489	\$ 25,629,432	\$ -	\$ 25,629,432	\$ 6,943
Total Revenues	28,638,022	25,622,489	25,629,432	-	25,629,432	6,943
Expenditures						
Current:						
Human Services:						
Salaries and Wages	7,909,000	7,318,000	7,204,078	-	7,204,078	113,922
Fringe Benefits	2,483,993	2,813,576	2,751,871	-	2,751,871	61,705
Supplies and Materials	399,952	281,341	238,575	37,924	276,499	4,842
Equipment	509,522	161,161	127,771	24,421	152,192	8,969
Contractual Services	15,996,307	14,335,420	12,603,832	1,649,694	14,253,526	81,894
Fees	24,400	407,500	405,324	-	405,324	2,176
Other	2,649,316	2,817,287	2,618,687	138,760	2,757,447	59,840
Total Expenditures	29,972,490	28,134,285	25,950,138	1,850,799	27,800,937	333,348
Excess(Deficiency) of Revenues Over (Under) Expenditures	(1,334,468)	(2,511,796)	(320,706)	(1,850,799)	(2,171,505)	340,291
Other Financing Sources						
Advances - In	-	490,441	490,441	-	490,441	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(1,334,468)	(2,021,355)	169,735	<u>\$ (1,850,799)</u>	<u>\$ (1,681,064)</u>	<u>\$ 340,291</u>
Fund Balance at Beginning of Year	2,807,643	2,807,643	2,807,643			
Fund Balance at End of Year	\$ 1,473,175	\$ 786,288	\$ 2,977,378			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Children Services
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Property and Other Taxes	\$ 5,684,454	\$ 5,966,246	\$ 6,003,293	\$ -	\$ 6,003,293	\$ 37,047
Intergovernmental	7,428,000	8,208,119	8,243,022	-	8,243,022	34,903
Other	200,500	90,191	90,296	-	90,296	105
Total Revenues	13,312,954	14,264,556	14,336,611	-	14,336,611	72,055
Expenditures						
Current:						
Human Services:						
Salaries and Wages	6,026,334	6,026,334	5,841,023	-	5,841,023	185,311
Fringe Benefits	1,675,271	1,916,628	1,802,898	-	1,802,898	113,730
Supplies and Materials	147,360	147,360	86,827	-	86,827	60,533
Equipment	205,000	205,000	129,214	-	129,214	75,786
Contractual Services	5,734,311	5,502,954	4,566,703	-	4,566,703	936,251
Fees	39,760	39,760	28,884	-	28,884	10,876
Other	959,938	948,920	641,166	-	641,166	307,754
Total Expenditures	14,787,974	14,786,956	13,096,715	-	13,096,715	1,690,241
Excess(Deficiency) of Revenues Over (Under) Expenditures	(1,475,020)	(522,400)	1,239,896	\$ -	\$ 1,239,896	\$ 1,762,296
Fund Balance at Beginning of Year	4,488,007	4,488,007	4,488,007			
Fund Balance at End of Year	\$ 3,012,987	\$ 3,965,607	\$ 5,727,903			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Mental Health
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 7,873,581	\$ 8,232,590	\$ 8,277,046	\$ -	\$ 8,277,046	\$ 44,456
Intergovernmental	8,395,300	8,079,456	8,079,456	-	8,079,456	-
Total Revenues	16,268,881	16,312,046	16,356,502	-	16,356,502	44,456
Expenditures						
Current:						
Health:						
Salaries and Wages	675,000	724,870	671,298	-	671,298	53,572
Fringe Benefits	171,451	207,581	193,111	-	193,111	14,470
Supplies and Materials	23,300	49,300	23,667	-	23,667	25,633
Equipment	60,000	98,000	70,695	-	70,695	27,305
Capital Outlay	-	1,200,000	681,454	9,000	690,454	509,546
Contractual Services	14,261,134	15,273,522	12,780,003	59,377	12,839,380	2,434,142
Other	238,100	323,544	301,180	-	301,180	22,364
Total Expenditures	15,428,985	17,876,817	14,721,408	68,377	14,789,785	3,087,032
Excess (Deficiency) of Revenues Over (Under) Expenditures	839,896	(1,564,771)	1,635,094	\$ (68,377)	\$ 1,566,717	\$ 3,131,488
Fund Balance at Beginning of Year	7,361,179	7,361,179	7,361,179			
Fund Balance at End of Year	\$ 8,201,075	\$ 5,796,408	\$ 8,996,273			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
MRDD
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 17,304,245	\$ 17,894,450	\$ 17,980,645	\$ -	\$ 17,980,645	\$ 86,195
Charges for Services	85,000	90,253	90,603	-	90,603	350
Intergovernmental	6,513,500	7,850,422	7,943,972	-	7,943,972	93,550
Other	522,000	8,541	8,541	-	8,541	-
Total Revenues	24,424,745	25,843,666	26,023,761	-	26,023,761	180,095
Expenditures						
Current:						
Human Services:						
Salaries and Wages	10,820,000	10,970,000	10,815,254	-	10,815,254	154,746
Fringe Benefits	5,388,400	5,585,400	4,700,656	-	4,700,656	884,744
Supplies and Materials	314,277	315,279	261,390	6,078	267,468	47,811
Equipment	282,682	269,367	154,576	8,488	163,064	106,303
Contractual Services	4,870,517	4,603,170	3,707,896	256,319	3,964,215	638,955
Capital Outlay	179,859	7,939,384	937,875	41,837	979,712	6,959,672
Other	552,808	642,122	518,868	4,963	523,831	118,291
Total Expenditures	22,408,543	30,324,722	21,096,515	317,685	21,414,200	8,910,522
Excess(Deficiency) of Revenues Over (Under) Expenditures	2,016,202	(4,481,056)	4,927,246	(317,685)	4,609,561	9,090,617
Other Financing Uses						
Operating Transfers - Out	-	(3,967,475)	(3,967,475)	-	(3,967,475)	-
Excess(Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	2,016,202	(8,448,531)	959,771	<u>\$ (317,685)</u>	<u>\$ 642,086</u>	<u>\$ 9,090,617</u>
Fund Balance at Beginning of Year	9,751,259	9,751,259	9,751,259			
Fund Balance at End of Year	\$ 11,767,461	\$ 1,302,728	\$ 10,711,030			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Net Assets
Proprietary Funds
As of December 31, 2003

	Enterprise Fund	Governmental Activity
	Sewer System	Internal Service Fund
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 250,913	\$ 6,699,480
Receivables, Net of Allowance	96,720	132,207
Due from Other Funds	2,286	-
Inventory	355	-
Total Current Assets	350,274	6,831,687
Noncurrent Assets:		
Capital Assets, Net of Depreciation:		
Land	51,684	-
Vehicles	-	-
Machinery & Equipment	-	-
Sewer Plant	56,087	-
Sewer Lines	9,650,770	-
Water Lines	637,035	-
Total Noncurrent Assets	10,395,576	-
Total Assets	\$ 10,745,850	\$ 6,831,687
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 59,235	\$ 608,175
Contracts Payable	9,125	-
Sick Leave, Vacation Payable	28,845	-
Claims and Judgments Payable	-	2,258,042
Due to Other Funds	186,597	-
Intergovernment Payable	16,958	-
Advance from Other Funds	62,500	-
OWDA Loan - Current	112,112	-
Total Current Liabilities	475,372	2,866,217
Noncurrent Liabilities:		
Matured Compensated Absences	41,354	-
OWDA Loan	1,328,076	-
Total Noncurrent Liabilities	1,369,430	-
Total Liabilities	\$ 1,844,802	\$ 2,866,217
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	\$ 8,955,388	\$ -
Unrestricted	(54,340)	3,965,470
Total Net Assets	8,901,048	3,965,470
Total Liabilities and Net Assets	\$ 10,745,850	\$ 6,831,687

The Notes to the Financial Statements are an integral part of this statement

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

	Enterprise Fund	Governmental Activity
	<u>Sewer System</u>	<u>Internal Service Fund</u>
Operating Revenues:		
Charges for Services	\$ 890,755	\$ 13,736,708
Other	-	2,071
	<u>890,755</u>	<u>13,738,779</u>
 Operating Expenses:		
Public Works	15,536	-
Contract Services	325,406	1,330,140
Personal Services	332,945	-
Fringe Benefits	106,949	-
Depreciation	281,045	-
Claims Expense	-	11,854,259
Supplies and Materials	17,843	-
Miscellaneous	124,259	5,064
Total Operating Expenses	<u>1,203,983</u>	<u>13,189,463</u>
 Operating Income/(Loss)	<u>(313,228)</u>	<u>549,316</u>
 Nonoperating (Expenses):		
Interest and Fiscal Charges	(74,001)	-
	<u>(74,001)</u>	<u>-</u>
 Total Non-operating (Expenses)	<u>(74,001)</u>	<u>-</u>
 Income/(Loss) Before Operating Transfers	<u>(387,229)</u>	<u>549,316</u>
 Transfers In	<u>-</u>	<u>96,824</u>
 Change in Net Assets	<u>(387,229)</u>	<u>646,140</u>
 Net Assets at Beginning of Year (as restated in Note 2)	<u>9,288,277</u>	<u>3,319,330</u>
 Net Assets at End of Year	<u>\$ 8,901,048</u>	<u>\$ 3,965,470</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2003

	Enterprise Fund	Governmental Activity
	Sewer System	Internal Service Fund
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 908,153	\$ 13,655,771
Cash Paid to Suppliers	(250,706)	(1,410,057)
Cash Paid for Claims	-	(11,635,536)
Cash Paid to Employees	(449,888)	-
Net Cash Provided by Operating Activities	207,559	610,178
Cash Flows from Noncapital Financing Activities:		
Transfers In	-	96,824
Net Cash Provided (Used) by Noncapital Financing Activities	-	96,824
Cash Flows from Capital and Related Financing Activities:		
Principal Payments - OWDA Loans	(106,827)	-
Interest Paid	(74,001)	-
Net Cash (Used) by Capital and Related Financing Activities	(180,828)	-
Net Increase in Cash	26,731	707,002
Cash and Cash Equivalents, January 1, 2003	224,182	5,992,478
Cash and Cash Equivalents, December 31, 2003	\$ 250,913	\$ 6,699,480

(continued)

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended December 31, 2003

Reconciliation of Operating Income (Loss) to Net Cash Provided
by Operating Activities

	<u>Enterprise Fund</u>	<u>Governmental Activity</u>
	<u>Sewer System</u>	<u>Internal Service Fund</u>
Operating Income/(Loss)	\$ (313,228)	\$ 549,316
Adjustments to Reconcile Operating (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	281,045	-
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(12,910)	(2,071)
Intergovernment Receivable	22,285	(80,937)
Due from Other Funds	(2,286)	-
Special Assessment Receivable	8,023	-
Inventory	307	-
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	12,324	(74,853)
Claims Payable	-	218,723
Contracts Payable	7,627	-
Sick Leave, Vacation Payable	16,134	-
Intergovernment Payable	9,947	-
Interfund Payable	180,658	-
Accrued Wages and Benefits	(2,367)	-
Total Adjustments	<u>520,787</u>	<u>60,862</u>
Net Cash Provided by Operating Activities	<u>\$ 207,559</u>	<u>\$ 610,178</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2003

	Agency Funds
Assets:	
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 15,279,461
Cash and Cash Equivalents in Segregated Accounts	6,089,678
Receivables:	
Property and Other Taxes	320,441,432
Special Assessments	20,704,781
Intergovernment Receivable	12,904,147
Total Assets	\$ 375,419,499
 Liabilities:	
Interfund Payable	\$ 31,938
Local Government Taxes Payable	13,093,100
Intergovernmental Payable	323,931,449
Advances from Other Funds	54,260
Undistributed Monies	38,308,752
Total Liabilities	\$ 375,419,499

The Notes to the Financial Statements are an integral part of this statement.

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Lorain County, Ohio
Combining Statement of Net Assets
Discretely Presented Component Units
Lorain County Regional Airport Authority - December 31, 2003
Lorain County Transit - December 31, 2003
Lorain County Port Authority - December 31, 2003
Murray Ridge Production Center, Inc. - June 30, 2003

	<u>Lorain County Regional Airport Authority</u>	<u>Lorain County Transit</u>	<u>Lorain County Port Authority</u>	<u>Murray Ridge Production Center, Inc.</u>	<u>Total Component Units</u>
Assets:					
Current Assets:					
Cash and Equivalents	\$ 500,732	\$ 699,947	\$ 32,799	\$ 489,655	\$ 1,723,133
Investments	-	-	-	785,567	785,567
Receivables, Net of Allowances	935,950	2,732,736	-	183,867	3,852,553
Inventory	-	-	-	-	-
Deposits	-	-	-	1,000	1,000
Prepaid Expenses	13,727	5,113	-	-	18,840
Total Current Assets	<u>1,450,409</u>	<u>3,437,796</u>	<u>32,799</u>	<u>1,460,089</u>	<u>6,381,093</u>
Non-Current Assets					
Restricted Bond Fund Program Reserves	-	-	2,525,284	-	2,525,284
Total Non-Current Assets	<u>-</u>	<u>-</u>	<u>2,525,284</u>	<u>-</u>	<u>2,525,284</u>
Capital Assets, Net of Depreciation					
Land	2,153,589	-	-	-	2,153,589
Construction in Progress	2,091,813	-	-	-	2,091,813
Land Improvements	2,587,878	-	-	-	2,587,878
Buildings and Improvements	969,583	207,101	-	-	1,176,684
Transportation Equipment	80,011	1,206,044	-	-	1,286,055
Furniture and Equipment	129,665	48,498	-	-	178,163
Equipment	-	-	-	45,767	45,767
Total Capital Assets	<u>8,012,539</u>	<u>1,461,643</u>	<u>-</u>	<u>45,767</u>	<u>9,519,949</u>
Total Assets	<u>\$ 9,462,948</u>	<u>\$ 4,899,439</u>	<u>\$ 2,558,083</u>	<u>\$ 1,505,856</u>	<u>\$ 18,426,326</u>
Liabilities:					
Current Liabilities:					
Accounts Payable	\$ 1,055,374	\$ 436,661	\$ -	\$ 70,269	\$ 1,562,304
Intergovernmental Payable	-	-	147,550	-	147,550
Deferred Revenue	24,284	-	-	-	24,284
Total Current Liabilities	<u>1,079,658</u>	<u>436,661</u>	<u>147,550</u>	<u>70,269</u>	<u>1,734,138</u>
Non-Current Liabilities					
Due in More than One Year	16,694	2,087,102	-	-	2,103,796
Total Non-Current Liabilities	<u>16,694</u>	<u>2,087,102</u>	<u>-</u>	<u>-</u>	<u>2,103,796</u>
Total Liabilities	<u>1,096,352</u>	<u>2,523,763</u>	<u>147,550</u>	<u>70,269</u>	<u>3,837,934</u>
Net Assets:					
Invested in Capital Assets	8,012,539	1,461,643	-	-	9,474,182
Restricted	354,057	-	2,525,284	71,899	2,951,240
Unrestricted	-	914,033	(114,751)	1,363,688	2,162,970
Total Net Assets	<u>\$ 8,366,596</u>	<u>\$ 2,375,676</u>	<u>\$ 2,410,533</u>	<u>\$ 1,435,587</u>	<u>\$ 14,588,392</u>

The Notes to the Financial Statements are an integral part of this statement.

Lorain County, Ohio
Statement of Activities
Discretely Presented Component Units
Lorain County Regional Airport Authority - For the Year Ended December 31, 2003
Lorain County Transit - For the Year Ended December 31, 2003
Lorain County Port Authority - For the Year Ended December 31, 2003
Murray Ridge Production Center, Inc. - For the Year Ended June 30, 2003

Functions/Programs	Program Revenues		
Expenses	Charges for Services	Grants and Contributions	
Lorain County Regional Airport Authority			
Airport Operations	\$ 1,348,492	\$ 661,543	\$ 2,961,620
Lorain County Transit			
Transit Operations	5,115,078	454,614	4,320,761
Lorain County Port Authority			
Economic Development	44,722	35,318	-
Murray Ridge Production Center, Inc.			
Production	1,352,239	1,385,870	48,809
Total Component Units	\$ 7,860,531	\$ 2,537,345	\$ 7,331,190

General Revenues:
Investment Income
Contributed Services
Other Revenue
Total General Revenue
Changes in Net Assets
Net Assets - Beginning, (as restated in Note 30)
Net Assets - Ending

The Notes to the Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes on Net Assets**

Lorain County Regional Airport Authority	Lorain County Transit	Lorain County Port Authority	Murray Ridge Production Center, Inc.	Total Component Units
\$ 2,274,671	\$ -	\$ -	\$ -	\$ 2,274,671
-	(339,703)	-	-	(339,703)
-	-	(9,404)	-	(9,404)
-	-	-	82,440	82,440
<u>\$ 2,274,671</u>	<u>\$ (339,703)</u>	<u>\$ (9,404)</u>	<u>\$ 82,440</u>	<u>\$ 2,008,004</u>
2,852	8,820	19,366	30,479	61,517
-	46,618	-	-	46,618
21,932	5,524	-	-	27,456
<u>24,784</u>	<u>60,962</u>	<u>19,366</u>	<u>30,479</u>	<u>135,591</u>
2,299,455	(278,741)	9,962	112,919	2,143,595
6,067,141	2,654,417	2,400,571	1,322,668	12,444,797
<u>\$ 8,366,596</u>	<u>\$ 2,375,676</u>	<u>\$ 2,410,533</u>	<u>\$ 1,435,587</u>	<u>\$ 14,588,392</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 1 - REPORTING ENTITY

Lorain County, Ohio (the County) was created in 1822. The County is governed by a board of three Commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the county auditor, treasurer, recorder, clerk of courts, coroner, engineer, prosecuting attorney, sheriff, five common pleas court judges, one probate court judge, and three domestic relations court judges.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the County are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Lorain County, this includes the Children's Services Board, the Board of Mental Retardation and Developmental Disabilities (MRDD), the Board of Mental Health, the Job and Family Services Department, and all departments and activities that are directly operated by the elected County officials.

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

Discretely Presented Component Units. The component units column on the financial statements identifies the financial data of the following component units: Lorain County Regional Airport Authority, Lorain County Transit, Murray Ridge Production Center, Inc. and Lorain County Port Authority. They are reported separately to emphasize that they are legally separate from the County.

Lorain County Regional Airport Authority. The Airport Authority is statutorily created as a separate and distinct political subdivision of the State. Lorain County appoints the nine Airport Authority Trustees. Lorain County approves the budget and all applications for State and Federal grants. Based on this relationship, the Airport Authority is a component unit of Lorain County. Separately issued financial statements can be obtained from the Lorain County Regional Airport Authority, 44050 Russia Road, Elyria, Ohio 44035.

Lorain County Transit. The Transit provides mass transportation within the area. Its board is appointed by the County Commissioners. The Transit imposes a financial burden on the County. Based on this relationship, the Lorain County Transit is a component unit of Lorain County. Separately issued financial statements can be obtained from the Lorain County Transit, 6100 S. Broadway, Suite 301, Lorain, Ohio 44053.

Murray Ridge Production Center, Inc. (Workshop). The Workshop is a legally separate, nongovernmental not-for-profit corporation, served by a self-appointing board of trustees. The Workshop, under a contractual agreement with the Lorain County Board of Mental Retardation and Developmental Disabilities, provides sheltered employment for mentally retarded or handicapped adults in Lorain County. The Lorain County Board of MRDD provides the Workshop with staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, and other funds as necessary for the operation of the Workshop. Based on the significant services and resources provided by the County to the Workshop and the Workshop's sole purpose of providing assistance to the retarded and handicapped adults of Lorain County, the Murray Ridge Production Center, Inc. is reflected as a component unit of Lorain County. The Workshop operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from the Murray Ridge Production Center, Inc. of Lorain County, 1095 Infirmary Road, Elyria, Ohio 44035.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

The Lorain County Port Authority. The Lorain County Port Authority was created by statute as a separate and distinct political subdivision of the State. The purpose of the Lorain County Port Authority is to promote economic development by assisting private industry initiatives; by encouraging development and redevelopment; and by promoting investment in business, industrial and transportation projects. As of December 31, 2003, the Authority has a liability to the County in the amount of \$128,247 for past operating advances. Under GASB Statement No. 14, this is considered to be a financial burden on the County; also the County can impose its will on the Authority through the appointment of the members of the Board of Directors. Therefore, the Authority is a component unit of Lorain County. Separately issued financial statements can be obtained from the Lorain County Port Authority, Lorain County Administration Building, Elyria, Ohio 44035.

The County is associated with certain organizations which are defined as a Risk Sharing Pool, Jointly Governed Organizations or Related Organizations. These organizations are presented in Note 10, Note 11 and Note 12 to the financial statements. These organizations are:

- County Risk Sharing Authority, Inc.
- Lorain County Cluster
- Northeast Ohio Areawide Coordinating Agency
- Lorain County Metropolitan Park District
- Lorain County Community College
- Community Based Correctional Facility

As the custodian of public funds, the County Treasurer invests all public moneys held on deposit in the County treasury. In the case of the separate agencies, boards and commissions listed below, the County serves as fiscal agent, but is not financially accountable for their operations nor are the entities fiscally dependent on the County. Accordingly, the activity of the following entities are presented as agency funds within Lorain County's financial statements:

General Health District. The five member Board of Health which oversees the operation of the Health District is elected by a District Advisory Council comprised of township trustees and mayors of participating municipalities. The Board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

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

Local Emergency Planning Commission. The Local Emergency Planning Commission is statutorily created as a separate and distinct political subdivision of the State. Its members are appointed by the Emergency Response Commission. The Commission adopts its own budget, authorizes expenditures, hires and fire staff, and operates autonomously from the County. The activity of the Local Emergency Planning Commission is reported to the Emergency Response Commission.

Lorain County Family and Children First Council. The Lorain County Family and Children First Council was created by Ohio Revised Code and is governed by a multi-member board. The purpose of the Council is to identify ways in which Lorain County child serving systems can provide services to the community in the most efficient and effective manner.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its governmental and business, type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the County's accounting policies are described below.

A. Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a Statement of Net Assets and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types. The following categories and fund types are used by the County:

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or *must* be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

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

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Job and Family Services. The fund accounts for various federal and state grants used to provide public assistance to general relief recipients and pay their providers of medical assistance, and for certain public social services.

Children Services. The fund accounts for federal and state welfare subsidies and veteran's administration and social security payments. Major expenditures are for support and placement of children.

Mental Retardation and Development Disabilities Fund (MRDD). The fund accounts for the operation of a school and the costs of administering a workshop for the mentally retarded and developmentally disabled. Revenue sources are a countywide property tax levy, federal and state grants, and subsidies from the Ohio Department of Education and the Ohio Department of Mental Retardation and Developmental Disabilities.

Community Mental Health. The fund accounts for the operation of providing mental health services and facilities for the citizens of Lorain County. Revenue sources are a countywide property tax levy, federal and state grants, and subsidies from the Ohio Department of Mental Health.

Q Construction. The fund accounts for monies used for acquisition and construction of various projects within the county.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. The County's funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the County's major proprietary funds:

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

Internal Service Fund. This fund is used to account for the medical self-insurance fund. It is used to account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. There are two types of fiduciary funds, trust and agency. The County has no trust funds. The County's agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included in the Statement of Net Assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Revenues, Expenditures, and Changes in Fund Balance reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Revenues, Expenses, and Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The Statement of Cash Flows reflects how the County finances and meets the cash flow needs of its enterprise activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; enterprise funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Nonexchange Transactions

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

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

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end; sales taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, interest, and rent.

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at December 31, 2003, but were levied to finance 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The Law Enforcement Trust Fund is included in with the Nonmajor Special Revenue section without a budget. The major documents prepared are the tax budget, the Certificate of Estimated Resources, and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The Certificate of Estimated Resources established a limit on the amount the County Commissioners may appropriate. The Appropriation Resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by County Commissioners at the fund level except for the General Fund, which is at the fund department level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. These appropriations were made before the end of the prior year and before the year end fund balances were known. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2003.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year.

The County's budgetary process accounts for certain transactions on a basis other than GAAP. The major difference between the budget basis and the GAAP basis are:

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accruals (GAAP)
- (2) Expenditures are recorded when encumbered, or paid in cash (budget), as opposed to when susceptible to accrual (GAAP).

The actual results of operations, compared to the final appropriation, which include amendments to the original appropriation, for each fund type by expenditure function and revenue source are presented in the Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (non-GAAP Budgetary Basis). The difference between the accrual and cash basis statements was not significant. The reserve for encumbrances is carried forward as part of the budgetary authority for the next year and is included in the revised budget amounts shown in the budget to actual comparisons.

F. Budgetary Non-Compliance

Contrary to 5705.41(B) of the Ohio Revised Code, capital project fund Q Construction had expenditures exceeding appropriations by \$5,171,682 due to "on behalf of" Federal Grant disbursements through the Ohio Department of Transportation.

G. Equity in Pooled Cash and Cash Equivalents

To improve cash management, cash received by the County is pooled in a central bank account. Moneys for all funds, including the proprietary funds, are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through County records. Each fund's interest in the pool is presented as "equity in

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

pooled cash and cash equivalents" on the balance sheet. During 2003, investments were limited to certificates of deposit, overnight repurchase agreements, National City Money Market Fund, interest in STAR Ohio, the State Treasurer's Investment Pool, U.S. Treasury notes, Federal Farm Credit Bank (FFCB) notes, Federal National Mortgage Association (FNMA) notes, Federal Home Loan Bank (FHLB) notes, Federal Home Loan Mortgage Company (FHLMC) notes, Student Loan Marketing Association (SLMA), Federal Securities, commercial paper, and bankers acceptances. Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at a fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost. Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest earned on investments is credited to the general fund, except as stipulated by State statute or County resolution. Interest revenue credited to the general fund during 2003 totaled \$1,810,883, which includes \$1,527,134 assigned from other County funds.

The County utilizes a financial institution to service bonded debt as principal and interest payments come due and to administer the community development block grant revolving loans. The balance in this account is presented on the balance sheet as "cash and cash equivalents with fiscal agents" and represents deposits. The County has segregated bank accounts for moneys held separate from the County's central bank account. These interest bearing depository accounts are presented on the combined balance sheet as "cash and cash equivalents."

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the County are considered to be cash equivalents. Investments with an original maturity of more than three months are considered to be investments.

H. Inventory

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund type when used.

I. Interfund Assets/Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for any residual amounts due between governmental and business-type activities, which are presented as internal balances.

J. Capital Assets and Depreciation

Capital assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net assets and in the respective funds.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of fifteen thousand dollars for property, plant and equipment and ten thousand dollars for infrastructure items. The County's infrastructure consists of roads, bridges, and culverts. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

<u>Description</u>	<u>Years</u>
Buildings and Building Improvements	50
Machinery and Equipment	5 – 25
Vehicles	5
Infrastructure	10 – 50
Sewerlines	40 – 90

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using current expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The non-current portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Accrued and Long-Term Liabilities

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans are recognized as a liability on the fund financial statements when due.

M. 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 balance 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 adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Fund Balance Reserves

The county reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, inventory, advances, notes receivable, loans receivable and debt service.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services for the sewer. Operating expenses are the necessary costs incurred to provide the service that is primary activity of the fund. Revenues and expenses not meeting these definitions are reported as non-operating.

P. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

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

Q. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

R. Change in Accounting Principles

For 2003, the County has increased the threshold amount for capitalizing fixed assets. The threshold amount was increased from \$5,000 to \$15,000 for property, plant and equipment and was set at \$10,000 for general infrastructure.

The restatement to the Beginning Net Assets is as follows:

	Governmental Activities	Business-Type Activities
Net Assets as Previously Reported	\$114,148,260	\$10,677,821
Changes in Threshold	(2,044,685)	(1,200)
Net Assets as Restated December 31, 2002	\$112,103,575	\$10,676,621

S. Entity-Wide Reconciliations

The following details reconciling items between entity-wide and government-wide financial statements for the year ended December 31, 2003:

Reconciliation of Net Assets:

Long-Term Liabilities:	
General Obligation Bonds	\$5,920,000
Special Assessment Bonds	5,175,182
Justice Center Bonds	19,400,000
Total Long-Term Liability Adjustment	\$30,495,182

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Internal Service:	
Net Assets-Government-Wide	\$3,965,470
Entity-Wide Payable	<u>(2,286)</u>
Total Internal Service, Net Assets	<u>\$3,963,184</u>

Reconciliation of Changes in Net Assets:

Capital Outlay Adjustment:	
Government-Wide Capital Outlay	\$25,864,576
Reclass to Other Expenses-Entity-Wide	(1,679,037)
Depreciation-Entity-Wide	<u>(4,724,088)</u>
Excess Capital Outlay	<u>\$19,461,451</u>

Current Period Capital Asset Purchases:

Expensed on Government-Wide:	
Legislative and Executive	\$ 43,095
Judicial	21,805
Public Safety	263,874
Public Works	188,415
Health	334,389
Human Services	<u>201,538</u>
Total Capitalized on Entity-Wide	<u>\$1,053,116</u>

Issuance of Long-Term Debt:

Proceeds from Long-Term Debt	\$(2,000,000)
Principal Paid	<u>4,198,626</u>
Net Principal Paid	<u>\$ 2,198,626</u>

Internal Service:	
Change in Net Assets-Government-Wide	\$646,140
Additional Entity-Wide Expenses	<u>(2,286)</u>
Internal Service, Change in Net Assets, Entity-Wide	<u>\$643,854</u>

NOTE 3 – DEFICIT IN NET ASSETS

The following funds had deficit in net assets at December 31, 2003:

	<u>Deficit</u>
Special Revenue Funds:	
Bascule Bridge	\$(57,904)
County Erosion Control	(16,305)

The special revenue funds deficit fund balances resulted from the application of generally accepted accounting principles. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 4 - DEPOSITS AND INVESTMENTS

Moneys held by the County are classified by State statute into two categories. Active moneys are public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Moneys held by the County which are not considered active are classified as inactive. Legislation permits inactive moneys to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Governmental National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed 5% of the County's total average portfolio; and
10. Bankers acceptances for a period not to exceed 270 days and in an amount not to exceed 10% of the County's total average portfolio.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

Deposits. At year-end, the carrying amount of the County's deposits was \$21,062,034 and the bank balance was \$25,979,814. Of the bank balance:-

1. \$1,461,655 was covered by federal depository insurance; and
2. \$24,518,159 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

Investments. The County's investments are categorized below to give an indication of the level of risk assumed by the County at year end. Category 1 includes investments that are insured or registered or are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments which are held by the counterparty, or by its trust department or agent but not in the County's name. Investments in STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category 3	Fair Value at 12/31/03
Overnight Repurchase Agreements	\$ 23,160,788	\$ 23,160,788
FFCB	12,272,849	12,133,109
FHLB	19,115,075	19,015,691
FHLMC	19,196,478	19,131,566
FNMA	22,182,339	22,135,625
SLMA	3,000,000	2,993,088
STAR Ohio		19,883,971
Total Investments		\$118,453,838

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." A reconciliation between the classifications of cash and cash equivalents and investments on the financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of The Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2003.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement 9	\$139,515,872	\$ -
Investments which are part of the cash management pool:		
Overnight Repurchase Agreements	(23,160,788)	23,160,788
FNMA	(22,135,625)	22,135,625
FHLB	(19,015,691)	19,015,691
FFCB	(12,133,109)	12,133,109
SLMA	(2,993,088)	2,993,088
FHLMC	(19,131,566)	19,131,566
STAR Ohio	(19,883,971)	19,883,971
GASB Statement 3	\$ 21,062,034	\$118,453,838

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the County. Real property taxes collected in 2003 are levied after October 1, 2002, on the assessed value as of January 1, 2002, the lien date. Assessed values are established by State law at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes collected in 2003 were intended to finance 2003 operations.

Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 88% of cost). Public utility property taxes paid in 2003 became a lien December 31, 2002, are levied after October 1, 2002, and are collected in 2003 with real property taxes. 2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2003. Tangible personal property assessments are 25% of actual value. For 2004 collections, inventories will be assessed at 23% of actual value.

The full tax rate for all County operations applied to real property for the fiscal year ended December 31, 2003 was \$12.89 per \$1,000 of assessed value. The assessed values upon which the 2003 taxes were collected were as follows:

Category	Assessed Value
Real Estate	\$4,615,358,230
Tangible Personal:	
General	596,275,920
Public Utilities	311,488,890

Total	\$5,523,123,040

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits earlier or later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

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

Accrued property taxes receivable represents delinquent taxes outstanding and real, tangible personal, and public utility taxes, which were measurable as of December 31, 2003.

NOTE 6 - PERMISSIVE SALES AND USE TAX

In 1986, the County Commissioners, by resolution, imposed a .5% tax on all retail sales made in the County, except sales on motor vehicles, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. During 1994, the County approved, by levy, a .25% sales tax for the construction, operation and maintenance of a jail facility. Collection started in July of 1995. This activity is presented in the jail facility operation special revenue fund and the jail facility construction capital projects fund. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of the month. The State Auditor then has five days to draw the warrant payable to the County.

Proceeds of the .5% tax are credited to the general fund and the .25% are credited to the jail facility operation special revenue fund and the jail facility construction capital projects fund. Amounts measurable and available at year-end are accrued as revenue. During 2003, sales tax revenue amounted to \$20,611,360.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 7 - RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor, internal service and sewer system funds in the aggregate are deemed collectible in full and are as follows:

	<u>General</u>	<u>Job & Family Services</u>	<u>Children Services</u>	<u>Community Mental Health</u>	<u>MRDD</u>	<u>Sewer System</u>	<u>Internal Service Fund</u>	<u>Q Construction</u>	<u>Nonmajor Governmental Funds</u>
Receivables:									
Interest	\$ 477,307	-	-	-	-	-	-	-	\$ 33,696
Property and other Taxes	8,757,297	-	5,935,749	8,446,796	16,601,727	-	-	-	2,797,825
Sales Tax	2,323,526	-	-	-	-	-	-	-	1,159,608
Accounts	212,591	29,719	2,790	61,464	-	25,590	2,516	6,721	599,284
Loans	-	-	-	220,220	-	-	-	-	-
Notes	-	-	-	-	-	-	-	-	606,957
Special Assessment	-	-	-	-	-	71,130	-	-	5,293,887
Intergovernmental	315,810	8,000,640	5,196,063	69,433	2,539,095	-	129,691	-	6,449,480
Local Government	5,439,155	-	-	-	-	-	-	-	-
	<u>\$17,525,686</u>	<u>\$8,030,359</u>	<u>\$11,134,602</u>	<u>\$8,797,913</u>	<u>\$19,140,822</u>	<u>\$96,720</u>	<u>\$132,207</u>	<u>\$6,721</u>	<u>\$16,940,737</u>
Net Total Receivables									

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 8 – CAPITAL ASSETS

Construction-In-Progress: The County has active construction projects as of December 31, 2003, of \$32,799,501 for the new Justice Center, and \$4,430,404 for Highway Improvements. The estimated cost to complete these projects is an additional \$16 million.

Capital asset activity for the County for the year ended December 31, 2003, appears on the following page.

Depreciation expense was charged to functions and programs of the County as follows:

Governmental Activities:	
Legislative & Executive	\$ 477,480
Judicial	83,048
Public Safety	601,213
Public Works	3,135,369
Health	92,162
Human Services	329,938
Total Depreciation Expense –Governmental Activities	\$4,719,210
Business-Type Activities:	
Sewer Plants	\$ 4,457
Sewer Lines	245,634
Water Lines	30,954
Total Depreciation Expense –Business-Type Activities	\$ 281,045

Activity for the Component Units for the years ended December 31, 2003 and June 30, 2003 are as follows:

	Beginning Balance	Changes in Assets	Ending Balance
Component Units			
Capital Assets, Not Being Depreciated:			
Land	\$2,153,589	\$ -	\$2,153,589
Construction In Progress	-	2,091,813	2,091,813
Total Capital Assets, Not Being Depreciated	2,153,589	2,091,813	4,245,402
Capital Assets Being Depreciated:			
Buildings, Structures and Improvements	6,216,847	480,575	6,697,422
Vehicles	3,446,881	(214,401)	3,232,480
Machinery & Equipment	599,374	35,058	634,432
Furniture & Fixtures	32,590	-	32,590
Total Capital Assets, Being Depreciated	10,295,692	301,232	10,596,924
Less Accumulated Depreciation:			
Buildings, Structures and Improvements	2,723,222	179,217	2,902,439
Vehicles	1,644,152	302,273	1,946,425
Machinery & Equipment	398,697	44,896	443,593
Furniture & Fixtures	28,002	1,918	29,920
Total Accumulated Depreciation	4,794,073	528,304	5,322,377
Total Capital Assets, Being Depreciated, Net	5,501,619	(227,072)	5,274,547
Component Units Capital Assets, Net	\$7,655,208	\$1,864,741	\$9,519,949

Lorain County, Ohio

Notes to Financial Statements

For the Year Ended December 31, 2003

Activity for the Governmental Activities for the year ended December 31, 2003 are as follows:

	Beginning Balance	Accounting Change Adjustment	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities						
Capital Assets, Not Being Depreciated:						
Land	\$ 4,687,014	\$ (72)	\$ 4,686,942	\$ 10,823	\$ 2,503	\$ 4,695,262
Construction In Progress	14,125,179	(765,943)	13,359,236	24,922,155	1,051,486	37,229,905
Total Capital Assets, Not Being Depreciated	18,812,193	(766,015)	18,046,178	24,932,978	1,053,989	41,925,167
Capital Assets Being Depreciated:						
Buildings, structures and Improvements	49,029,375	(378,564)	48,650,811	1,331,404	1,333,004	48,649,211
Vehicles	5,953,067	(1,057,591)	4,895,476	445,094	315,883	5,024,687
Machinery & Equipment	7,026,768	(1,770,148)	5,256,620	134,813	324,525	5,066,908
Furniture & Fixtures	307,610	(197,440)	110,170	-	-	110,170
Infrastructure	89,522,688	-	89,522,688	420,432	-	89,943,120
Total Capital Assets, Being Depreciated	\$151,839,508	\$(3,403,743)	\$148,435,765	\$ 2,331,743	\$ 1,973,412	\$148,794,096
Less Accumulated Depreciation:						
Buildings, Structures and Improvements	\$ 14,662,454	\$ (49,759)	\$ 14,612,695	\$ 923,538	\$ 152,700	\$ 15,383,533
Vehicles	4,480,743	(705,947)	3,774,796	387,277	315,883	3,846,190
Machinery & Equipment	3,850,427	(1,258,756)	2,591,671	371,905	275,309	2,688,267
Furniture & Fixtures	168,885	(110,611)	58,274	15,739	-	74,013
Infrastructure	33,340,932	-	33,340,932	3,025,629	-	36,366,561
Total Accumulated Depreciation	56,503,441	(2,125,073)	54,378,368	4,724,088	743,892	58,358,564
Total Capital Assets, Being Depreciated, Net	95,336,067	(1,278,670)	94,057,397	(2,392,345)	1,229,520	90,435,532
Governmental Activities Capital Assets, Net	\$114,148,260	\$(2,044,685)	\$112,103,575	\$22,540,633	\$ 2,283,509	\$132,360,699

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Activity for the Business-Type Activities for the year ended December 31, 2003 are as follows:

	Beginning Balance	Accounting Change Adjustment	Beginning Balance	Increase	Decrease	Ending Balance
Business-type Activities:						
Capital Assets, Not Being Depreciated:						
Land	\$ 51,684	-	\$ 51,684	\$ -	\$ -	\$ 51,684
Construction in Progress	-	-	-	-	-	-
Total Capital Assets, Not Being Depreciated	51,684	-	51,684	-	-	51,684
Capital Assets Being Depreciated:						
Buildings, structures and Improvements	-	-	-	-	-	-
Vehicles	10,057	(10,057)	-	-	-	-
Machinery & Equipment	18,002	(18,002)	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-
Sewer Plants	222,829	-	222,829	-	-	222,829
Sewer Lines	12,281,672	-	12,281,672	-	-	12,281,672
Water Lines	1,862,800	-	1,862,800	-	-	1,862,800
Total Capital Assets, Being Depreciated	\$14,395,360	\$(28,059)	\$14,367,301	\$ -	\$ -	\$14,367,301
Less Accumulated Depreciation:						
Buildings, Structures and Improvements	\$ -	-	\$ -	-	-	-
Vehicles	10,057	(10,057)	-	-	-	-
Machinery & Equipment	16,802	(16,802)	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-
Sewer Plants	162,285	-	162,285	4,457	-	166,742
Sewer Lines	2,385,268	-	2,385,268	245,634	-	2,630,902
Water Lines	1,194,811	-	1,194,811	30,954	-	1,225,765
Total Accumulated Depreciation	3,769,223	(26,859)	3,742,364	281,045	-	4,023,409
Total Capital Assets, Being Depreciated, Net	10,626,137	(1,200)	10,624,937	(281,045)	-	10,343,892
Business-type Activities Capital Assets, Net	\$10,677,821	\$ (1,200)	\$10,676,621	\$(281,045)	\$ -	\$10,395,576

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 9 - RISK MANAGEMENT

The County 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.

The County entered into contracts with CORSA (see Note 10) for various insurance, which includes the following types of insurance, amount of coverage and the amount of deductible:

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Law Professional	\$ 1,000,000	\$5,000
Automobile Fleet Liability	1,000,000	5,000
Fire	229,449,480	5,000
Boiler and Machinery	100,000,000	5,000
Extra Expense	1,000,000	5,000
Valuable Papers	1,000,000	5,000
Electronic Data Processing	Replacement Cost	5,000
Miscellaneous Equipment	Actual Cash Value	5,000
Contractors' Equipment	Actual Cash Value	5,000
Umbrella Liability	5,000,000	-

All employees of the County are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

Settled claims have not exceeded commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

The County pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The County established a medical self-insurance fund (an internal service fund) to account for and finance uninsured risks of loss. The predominant participant is the County. Under this program, the medical self-insurance fund provides coverage for up to a maximum of \$250,000 for each individual claim. The County purchased commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss.

All funds of the County participate in the program and make payments to the medical self-insurance fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$2,258,042 reported in the fund at December 31, 2003, is estimated by the third-party administrator and is based on the requirements of GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount in 2001, 2002 and 2003 were:

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2001	\$1,406,242	\$7,587,481	\$7,658,173	\$1,335,550
2002	1,335,550	11,203,200	10,499,431	2,039,319
2003	2,039,319	12,043,129	11,824,406	2,258,042

NOTE 10 - RISK SHARING POOL

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

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County does not have an equity interest in CORSA. The County's payment for insurance to CORSA in 2003 was \$768,824.

NOTE 11 - JOINTLY GOVERNED ORGANIZATIONS

A. Lorain County Cluster

Lorain County Cluster provides services to multi-need youth in Lorain County. Members of the Cluster include Lorain County School Systems, Board of Mental Retardation and Developmental Disabilities, Lorain County Mental Health Board, Lorain County Children Services, Lorain County Addiction and Recovery Services Board, Lorain County Health District, and Ohio Department of Youth Services. The operation of the Cluster is controlled by an advisory committee, which consists of a representative from each agency. Funding comes from services provided by each of the participants.

B. Northeast Ohio Areawide Coordinating Agency

Northeast Ohio Areawide Coordinating Agency (NOACA) was created by the County Commissioners of Cuyahoga, Geauga, Lake, Lorain and Medina Counties and is responsible for transportation and environmental planning in the five county region. NOACA is controlled by 37 members including the three County Commissioners. The board exercises total control over the operation of the corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the board. During 2003, the County contributed \$46,053.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 12 - RELATED ORGANIZATIONS

A. Lorain County Metropolitan Park District

The three Park District Commissioners are appointed by the Probate Judge of the County. The Park District hires and fires its own staff and does not rely on the County to finance deficits. The County is not financially accountable for the Park District nor is the Park financially dependent on the County. The Park District serves as its own budgeting, taxing and debt issuance authority. The Park District did not receive any funding from the County during 2003.

B. Lorain County Community College

The County is responsible for appointing the trustees of the Lorain County Community College, but the County's accountability does not extend beyond making the appointments. The College did not receive any funding from the County during 2003.

C. Community Based Correctional Facility

The Community Based Correctional Facility Board is composed of four common pleas court judges from Lorain County and two common pleas court judges from neighboring Medina County. The County's accountability does not extend beyond serving as fiscal agent for pass-through grants. The Community Based Correctional Facility Board did not receive any funding from the County during 2003.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System (OPERS)

Lorain County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the 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 to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional 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 writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans were required to contribute 8.5% of their annual covered salaries. The County's contribution rate for pension benefits for 2003 was 13.55% for employees other than law enforcement. For law enforcement employees, the employee contribution is 10.1% and the employer contribution is 16.7%. The Ohio Revised Code provides statutory authority for member and employer contributions. The County's required contributions to OPERS for the years ended December 31, 2003, 2002 and 2001 were \$10,488,535, \$9,715,647, and \$9,044,903, respectively. The full amount has been contributed for 2002 and 2001. 92% has been contributed for 2003 with the remainder being reported as a liability.

Lorain County, Ohio
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For the Year Ended December 31, 2003

B. State Teacher's Retirement System (STRS)

Lorain County participates in the State Teacher's Retirement System of Ohio (STRS), a cost sharing, multiple-employer public employee retirement system. STRS is a statewide plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof.

Effective July 1, 2001, two new plan options were offered to selected members. New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan

DB Plan Benefits-Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional .10% is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contribution plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits- Benefits are established under Chapter 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members' account are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled on to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for a money-purchase benefit or a lump-sum payment in addition to the original retirement allowance.

Benefits are increased annually by 3% of the original base amount.

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For the Year Ended December 31, 2003

The Defined Benefit and Combined Plans offer access to health coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A Defined Benefit or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of those active members who die before retirement age may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary for each deceased retired member who participated in the Defined Benefit Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2003 were 9.3% of covered payroll for members and 14% for employers. Effective July 1, 2003, the member contribution rate increased to the statutory maximum of 10%. The Lorain County's contribution to STRS for the years ended December 31, 2003, 2002 and 2001 were \$195,922, \$171,839 and \$167,855 respectively. The full amount has been contributed for 2003, 2002 and 2001.

STRS Ohio issues a stand-alone financial report. Additional information or copies of STRS Ohio's 2003 *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, or by calling (614) 227-4090.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (OPERS)

In addition to the pension benefits described in Note 12, OPERS provides post retirement health care coverage, in accordance with the Ohio Revised Code, to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post employment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The OPERS law enforcement program is separated into two divisions, law enforcement and public safety with separate employee contribution rates and benefits. The 2003 employer contribution rate was 13.55% of covered payroll and 5% was used to fund health care for the year. For law enforcement employees, the employer contribution rate was 16.7% of which 5% was used to fund health care. The portion of the employer contributions used to fund health care was \$493,415 for employees not engaged in law enforcement and \$31,012 for law enforcement employees.

Benefits are advanced-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8%, an annual increase in active employee total payroll of 4% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.3% based on additional annual pay increases. Health care premiums were assumed to increase 4% annually.

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

The number of active contributing participants in the traditional and combined plans was 364,881. The County's actual contributions for 2003, which were used to fund post employment benefits, were \$3,827,101. The actual contribution

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of Health Care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

B. State Teacher's Retirement System (STRS)

State Teachers Retirement System of Ohio (STRS OHIO) provides access to health care coverage to retirees who participated in the Defined Benefit or Combined Plans and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the Revised Code (R.C), the State Teachers Retirement Board (the Board) has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. The R.C. grants authority to STRS Ohio to provide health care coverage to eligible benefit recipients, spouses and dependents. By Ohio law, health care benefits are not guaranteed and the cost of coverage paid from STRS Ohio funds shall be included in the employer contribution rate, currently 14% of covered payroll.

The Retirement Board allocates employer contributions to the Health Care Stabilization Fund from which health care benefits are paid. For the fiscal year ended June 30, 2003, the Board allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. For the fiscal year ended June 30, 2002, 4.5% of covered payroll was allocated to the fund. For Lorain County, this amount equaled \$13,989 during 2003. The balance in the Health Care Stabilization Fund was \$2.8 billion on June 30, 2003. For the fiscal year ended June 30, 2003, net health care costs paid by STRS Ohio were \$352,301,000. There were 108,294 eligible benefit recipients.

NOTE 15 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Vacation leave is earned at rates, which vary depending upon length of service and standard workweek. Current policy permits vacation leave to be carried forward with supervisory approval. County employees are paid for earned, unused vacation leave at the time of termination of employment. Vacation leave is recognized as a liability in the period in which it is earned.

Sick leave is earned at various rates for every eighty hours worked by various departments. Current policy permits sick leave to be accumulated without limit. At the time of separation with the County, the majority of employees who have five or more years of public service under OPERS, shall receive cash payment of sick leave not to exceed 1000 hours. The employee shall retain any remaining leave balance for credit upon re-employment in the public service. This sick leave conversion payment shall be based on the employee's rate of pay at the time of separation or death.

The estate of the deceased employee shall be eligible for 100% of the employee's sick leave balance as of the date of their death, providing they are otherwise qualified to receive such benefit (five years of service under OPERS). Such payment shall be made in accordance with 2113.04 of the Ohio Revised Code, or shall be paid to the employee's estate.

The entire compensated absences liability is reported on the government-wide financial statements.

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Notes to Financial Statements
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For governmental funds, the current portion of unpaid compensated absences is that amount expected to be paid using expendable available financial resources, and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid. The non-current portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences of \$70,199 is reported as a fund liability.

NOTE 16 - OUTSTANDING DEBT

A. Short-Term Debt

Short-term note debt activity for the year ended December 31, 2003, consisted of the following:

	<u>Balance 1/1/03</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance 12/31/03</u>
2002-2.58% Highway Improvements Due 4/14/03	\$ 2,000,000	\$ -	\$ (2,000,000)	\$ -
2003-1.54% Highway Improvements Due 4/08/04	-	2,000,000	-	2,000,000
Total Short-Term Notes	<u>\$2,000,000</u>	<u>\$2,000,000</u>	<u>\$(2,000,000)</u>	<u>\$2,000,000</u>

All of the above notes were backed by the full faith and credit of the County and mature within one year. The note liabilities were reflected in the funds, which received the proceeds. The notes were repaid from governmental fund revenues.

B. Bonded Long-Term Debt

Changes in long-term obligations of the County during 2003 were as follows:

	<u>Balance 1/1/03</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance 12/31/03</u>	<u>Amount Due In One Year</u>
General Obligation Bonds- Unvoted					
1996-3.80% to 5.50% Public Improvement	\$ 6,235,000	\$ -	\$ (315,000)	\$ 5,920,000	\$ 330,000
2002-3.00% to 5.50% Justice Center Bonds	21,000,000	-	(1,600,000)	19,400,000	695,000
Total General Obligation Bonds -Unvoted	<u>27,235,000</u>	<u>-</u>	<u>(1,915,000)</u>	<u>25,320,000</u>	<u>1,025,000</u>
Special Assessment Bonds- Governmental Commitment					
1987-7.875% Sanitary Sewer	500,000	-	(100,000)	400,000	100,000
2000-5.480% Allison Ditch Improvement	5,777	-	(595)	5,182	627
1997-6.50% Beechwood Waterline	3,031	-	(3,031)	-	-
2000-4.45% to 5.95% Sanitary Sewer	545,000	-	(20,000)	525,000	20,000
2001-2.50% to 5.00% Sewer System Improvement	4,405,000	-	(160,000)	4,245,000	165,000
Total Special Assessment Bonds	<u>5,458,808</u>	<u>-</u>	<u>(283,626)</u>	<u>5,175,182</u>	<u>285,627</u>
Total Bonded Long-Term Debt	<u>\$32,693,808</u>	<u>\$ -</u>	<u>\$(2,198,626)</u>	<u>\$30,495,182</u>	<u>\$1,310,627</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

C. Other Long-Term Debt

	<u>Balance 1/1/03</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance 12/31/03</u>	<u>Amount Due In One Year</u>
OWDA Loans					
Sewer Improvement 101 – 5.20%	\$ 428,149	\$ -	\$ (33,617)	\$ 394,532	\$ 35,388
Sewer Improvement 102 – 4.80%	835,828	-	(55,966)	779,862	58,685
Sewer Improvement 103 – 4.56%	283,038	-	(17,244)	265,794	18,039
Total OWDA Loan	<u>\$ 1,547,015</u>	<u>\$ -</u>	<u>\$(106,827)</u>	<u>\$1,440,188</u>	<u>\$112,112</u>

The Ohio Water Development Authority Loans (OWDA) will be repaid with special assessments. In the event that a property owner would fail to pay the assessment, payment would be made by the County.

The following is a summary of the future annual principal and interest debt service requirements for long-term obligations:

Year Ending	<u>GOVERNMENTAL ACTIVITIES</u>				<u>BUSINESS-TYPE ACTIVITIES</u> Ohio Water	
	<u>General Obligation</u>		<u>Special Assessments</u>		<u>Development Authority</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2004	\$ 1,025,000	\$ 1,241,600	\$ 285,627	\$ 252,599	\$ 112,112	\$ 68,717
2005	1,065,000	1,207,673	285,662	238,945	117,659	63,170
2006	1,100,000	1,169,065	295,698	224,691	123,481	57,347
2007	1,140,000	1,126,925	310,736	209,565	129,592	51,237
2008	1,190,000	1,080,565	215,776	193,345	136,005	44,824
2009-2013	6,790,000	4,554,935	1,201,683	821,950	731,763	116,932
2014-2018	7,330,000	2,712,050	1,520,000	509,433	89,576	3,071
2019-2022	<u>5,680,000</u>	<u>801,625</u>	<u>1,060,000</u>	<u>106,760</u>	-	-
Total	<u>\$25,320,000</u>	<u>\$13,894,438</u>	<u>\$5,175,182</u>	<u>\$2,557,288</u>	<u>\$1,440,188</u>	<u>\$405,298</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Change in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2003, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligations Bonds	\$ 27,235,000	\$ -	\$ 1,915,000	\$ 25,320,000	\$ 1,025,000
Special Assessment Debt					
With Government Commitment	5,458,808	-	283,626	5,175,182	285,627
Total Bonds Payable	32,693,808	-	2,198,626	30,495,182	1,310,627
Compensated Absences	8,395,827	5,575,698	4,437,403	9,534,122	3,441,617
Governmental Activity- Long Term Liabilities	<u>\$41,089,635</u>	<u>\$5,575,698</u>	<u>\$6,636,029</u>	<u>\$40,029,304</u>	<u>\$4,752,244</u>
Business-Type Activities:					
OWDA Loans	\$ 1,547,015	\$ -	\$ 106,827	\$ 1,440,188	\$ 112,112
Compensated Absences	54,065	25,020	8,886	70,199	28,845
Business-Type Activity - Long Term Liabilities	<u>\$ 1,601,080</u>	<u>\$ 25,020</u>	<u>\$ 115,713</u>	<u>\$ 1,510,387</u>	<u>\$ 140,957</u>

General obligation bonds are direct obligations of the County and will be paid from the general bond retirement debt service fund using property tax revenues. Special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the County. Compensated absences will be paid from the fund, which the employees' salaries are paid. Delinquent special assessments due the county at December 31, 2003 was \$212,980.

NOTE 17 - CONDUIT DEBT OBLIGATIONS

From time to time, the County has issued Healthcare Revenue Bonds to provide financial assistance to health care organizations and Economic Development Bonds for private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. Servicing these debts is the sole obligation of the entities, which received the debt proceeds. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2003, there were seventeen series of Healthcare Revenue Bonds and six Economic Development Bonds outstanding with aggregate principal amounts payable of \$1,037,325,000 and \$26,066,087, respectively.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

NOTE 18 - INTERFUND TRANSACTIONS

Due To/Due From other funds balances as of December 31, 2003 follow:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
Nonmajor Governmental Funds	General Fund	\$ 93,929
Enterprise Fund	General Fund	2,997
Job and Family Services	General Fund	490,441
Q Construction	General Fund	1,525,000
Nonmajor Governmental Funds	General Fund	1,056,419
Motor Vehicle Gasoline Tax	Nonmajor Governmental Funds	32,494
Job and Family Services	Debt Services	88,933
Enterprise Fund	General Fund	183,600
Agency Fund	Debt Services	315,540
Total - All Funds		<u>\$3,789,353</u>

Due To/Due From balances resulted from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Q Construction	\$ 11,461,786
	Nonmajor Governmental Funds	336,220
	Enterprise Fund	62,500
	Agency Fund	54,260
Community Mental Health	Community Mental Health Medicaid	200,000
		<u>\$12,114,766</u>

Inter Fund Transfers:

	<u>Transfers in:</u>			<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Internal Service Funds</u>	
Transfers Out:				
General Fund	\$ -	\$2,994,468	\$96,824	\$3,091,292
Nonmajor Governmental Funds	134,605	-	-	134,605
MRDD	-	3,967,475	-	3,967,475
Total Transfers In	<u>\$134,605</u>	<u>\$6,961,943</u>	<u>\$96,824</u>	<u>\$7,193,372</u>

Total Transfers In include a transfer of \$101,705 from the U-Trust, an agency fund.

NOTE 19 – BUDGETARY BASIS OF ACCOUNTING

A reconciliation for the major governmental funds at December 31, 2003 from the budget basis to a GAAP basis for excess

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

(deficiency) of revenues and other financing sources over (under) expenditures and other financing uses follows:

	<u>General Fund</u>	<u>Job and Family Services</u>	<u>Children Services</u>	<u>MRDD</u>	<u>Community Mental Health</u>
Budget Basis	\$(2,140,089)	\$(1,681,064)	\$1,239,896	\$642,086	\$1,566,717
Net Adjustment for Revenue Accruals	(1,189,725)	(1,407,509)	(979,770)	(593,925)	(16,089)
Net Adjustment for Expenditure Accruals	129,418	329,233	(281,002)	112,266	(485,776)
Net Adjustment for Encumbrances	847,377	1,850,799	-	317,685	68,377
Net Adjustments for Other Financing Sources (Uses) Accruals	<u>1,936,171</u>	<u>(490,441)</u>	<u>-</u>	<u>-</u>	<u>-</u>
GAAP Basis	<u>\$ (416,848)</u>	<u>\$(1,398,982)</u>	<u>\$ (20,876)</u>	<u>\$478,112</u>	<u>\$1,133,229</u>

NOTE 20 - FOOD STAMPS

The County's Department of Job and Family Services (Welfare) distributed, through contracting issuance centers, federal food stamps to entitled recipients within Lorain County. The receipt and issuance of these stamps have the characteristics of federal "grants"; however, Job and Family Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements as the only economic interest related to these stamps rests with the ultimate recipient. Food stamp activity in the County's Department of Job and Family Services for the year ended December 31, 2003, follows:

<u>Balance 1/1/03</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance 12/31/03</u>
\$47,276	\$ -	\$(3,061)	\$44,215

NOTE 21 – TRANSFER FROM PRIMARY GOVERNMENT

The component units received \$1,683,857 of operating transfers from The Primary Government. These transfers are included under Legislative and Executive miscellaneous allocations to component units in the General Fund.

NOTE 22 - CONTINGENT LIABILITIES

A. Grants

The County received financial assistance from Federal and State agencies in the forms of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other 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 the County at December 31, 2003.

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B. Litigation

As of December 31, 2003, the County was a party to various legal proceedings. The ultimate disposition of these proceedings is not presently determinable, but will not, in the opinion of the County, have a material adverse effect on the continued operation of the County.

NOTE 23 - RELATED PARTY TRANSACTIONS

During 2003 the County provided facilities, certain equipment, transportation and salaries for administration, implementation and supervision of its programs to Murray Ridge Production Center, Inc. Murray Ridge Production Center, Inc., a discretely presented component unit of Lorain County, disclosed \$141,254 for such contributions.

NOTE 24 - CONTRACTUAL COMMITMENTS

During 2003, the County entered into various contracts for building construction and renovations totaling \$1,674,807. The amount paid on the contracts were \$1,012,765 with \$18,796 unused as actual costs were less than the contracted amount, leaving an outstanding contractual commitment of \$643,246.

NOTE 25 - SUBSEQUENT EVENT

On April 1, 2004 the County issued \$3,870,000 General Obligation (Limited Tax) Various Purpose Improvement Bonds Series 2004, for the purchase, renovation and furnishings for the Board of Elections Building and the payment of Highway Improvement Note. The principle will be repaid in various amounts in the year 2005 thru 2024.

NOTE 26 - GUARANTEE

In a resolution dated August 15, 2002 the County has guaranteed (by the pledge of the lodging excise tax receipts and all of the non-tax revenue fund of the County) the principle and interest payments due on \$1,245,000 of bonds issued by the Lorain County Port Authority on behalf of the Lorain County Visitors Bureau, Inc. for the purpose of constructing a new Visitor's Center and Bureau Office. The principle will be repaid in various amounts in the years 2003 thru 2023.

NOTE 27 - LORAIN COUNTY REGIONAL AIRPORT AUTHORITY

1. Reporting Entity

The Lorain County Regional Airport Authority (Airport) was established pursuant to Ohio Revised Code Section 308.03 by resolution of the Lorain County Commissioners. The Airport is governed by a nine member Board of Trustees (Board), all of whom are appointed by the Lorain County Commissioners. The Board has the authority to exercise all of the powers and privileges provided under the law. These powers include the ability to sue or be sued in its corporate name, the power to establish and collect rates, rentals and other charges, the authority to acquire, construct, operate, manage and maintain airport facilities, the authority to buy and sell real and personal property, and the authority to issue debt for acquiring or constructing any facility or permanent improvement. Lorain County has contributed money to the airport to continue operations. Since the Airport imposes a financial burden on the County, the Airport is reported as a component unit of Lorain County.

The reporting entity for the Airport is comprised of all departments, boards and agencies that are not legally separate from the Airport, any component units of the Airport and any other organizations that would need to be included to ensure that the financial statements of the Airport are not misleading.

Component units are legally separate organizations for which the Airport is financially accountable. The Airport is financially accountable for an organization if the Airport appoints a voting majority of the organization's governing board

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and (1) the Airport is able to significantly influence the programs or services performed or provided by the organization; or (2) the Airport is legally entitled to or can otherwise access the organization's resources; the Airport is legally obligated or has otherwise assumed the responsibility to financed deficits of or provide financial support to the organization; or the Airport is obligated for the debt of the organization. Based on the application of these criteria, the Airport has no component units.

2. Summary of Significant Accounting Policies

The financial statements of the Airport have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Airport also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The more significant of the Airport's accounting policies are described below.

Basis of Presentation - The Airport's 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.

The Airport uses a single enterprise fund to maintain its financial records during the year. 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 - The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Airport 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 the Airport finances and meets the cash flow needs of its enterprise activity.

Basis of Accounting - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Airport's financial statements are prepared using the accrual basis of accounting.

Revenue is recorded on the accrual basis when the exchange takes place. Expenses are recognized at the time they are incurred.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents - For purposes of the statement of cash flows, the Airport considers all highly liquid investments with a maturity of three months or less (demand deposits with banks) to be cash equivalents. During 2003, Airport investments were limited to interest bearing deposit accounts.

Net Assets - Net assets represent the difference between assets and liabilities. New assets invested in capital assets, net or related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance 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 adopted by the Airport, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Airport's policy is to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. At year end the Airport had \$354,057 in restricted net assets for other purposes.

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Operating revenues and expenses - Operating revenues are those revenues that are generated directly from primary activities. For the Airport, these revenues are charges for services and other operating income. Operating expenses are the necessary costs incurred to provide the goods or service that are the primary activity of the Airport. Revenues and expenses not meeting these definitions are reported as non-operating.

Grants - Grants received for the acquisition or construction of capital assets, are recorded as contributions when earned. Grants are earned when costs relating to such capital assets, which are reimbursable under the terms of the grants, have been incurred.

Capital Assets - Capital Assets, including infrastructure assets, purchased or constructed by the Airport are recorded at original cost. Land improvements, buildings, equipment and vehicles are depreciated using the straight-line method over the estimated useful lives of the assets. A useful life of 40 years is used for land improvements and buildings, and 5 to 15 years is used for equipment and vehicles.

Cost and related accumulated depreciation of capital assets sold or otherwise retired are removed from the accounts, and gains or losses on disposition or credited to or charged against income.

Routine maintenance, repairs, renewals, and replacement costs are charged against income. Expenditures, which materially increase values or extend useful lives, are capitalized.

The Airport's policy is to capitalize net interest on the enterprise fund construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project, and the interest earned from temporary investments of the debt proceeds over the same period. Capitalized interest is amortized on a straight-line basis over the estimated useful life of the asset. For 2003 no interest costs were incurred on construction projects for the Airport.

3. Deposits

The Ohio Revised Code classifies monies held by the Airport into three categories.

- a) Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Airport treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
- b) Inactive deposits are public deposits that Board has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.
- c) Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including but not limited to passbook accounts.

Interim monies may be deposited or invested in the following securities:

- 1) U.S. Treasury Notes, Bills, Bonds, or any other obligation or security issued by the U.S Treasury or any other obligation guaranteed as to principal and interest to the U.S. Treasury;
- 2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limiting to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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- 3) Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement exceeds the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- 4) Bonds and other obligations of the State of Ohio;
- 5) No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
- 6) The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are prohibited. An issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Airport, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Payment for investments may be made only upon delivery of the securities representing the investments to the Airport or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian.

Protection of the Airport's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) and by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

At year-end, the carrying amount of the Airport's deposits was \$500,732 (which included petty cash of \$300) and the bank balance was \$491,649. Of the bank balance, \$100,000 was covered by federal depository insurance and \$391,649 was uncollateralized and uninsured. Although the securities were held by pledging financial institutions trust department or agent in the Airport's name and all Ohio Revised Code requirements for the investment of money had been followed, noncompliance with federal requirements could potentially subject the Airport to a successful claim by the FDIC.

GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" requires the Airport's investments to be categorized to give an indication of the level of risk assumed by the Airport at year-end. Category 1 includes investments that are insured or registered for which securities are held by the Airport or its agent in the Airport's name. Category 2 includes uninsured and unregistered investments, which are held by the counter-party's, trust department or agent in the Airport's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter-party, or by its trust department or agent but not in the Airport's name. The Airport had no investments at year-end.

4. Changes in Capital Assets

Capital asset activity for the year ended December 31, 2003 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$2,153,589	\$ -	\$ -	\$2,153,589
Construction In Progress	-	2,091,813	-	2,091,813
Total Capital Assets, Not Being Depreciated	2,153,589	2,091,813	-	4,245,402
Capital Assets, Being Depreciated:				
Land Improvements	5,568,798	30,284	(371,293)	5,227,789
Buildings	270,000	853,555	(31,971)	1,091,584
Equipment	453,125	39,465	(16,357)	476,233
Vehicles	408,309	-	(214,401)	193,908
Total Capital Assets, Being Depreciated	6,700,232	923,304	(634,022)	6,989,514

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Less Accumulated Depreciation:				
Land Improvements	(2,501,963)	(137,948)	-	(2,639,911)
Buildings	(98,042)	(23,959)	-	(122,001)
Equipment	(326,797)	(25,473)	5,702	(346,568)
Vehicles	(141,882)	(24,886)	52,871	(113,897)
Total Accumulated Depreciation	<u>(3,068,684)</u>	<u>(212,266)</u>	<u>58,573</u>	<u>(3,222,377)</u>
Capital Assets, Net	<u>\$5,785,137</u>	<u>\$2,802,851</u>	<u>\$(575,449)</u>	<u>\$8,012,539</u>

5. Receivables

In the normal course of operating the Airport, credit is granted to Airport tenants and customers. The Board believes no allowance for receivables doubtful of collection is necessary, and none has been provided.

6. Lease of Premises

Various lease agreements have been entered into for office, hanger and land rental through December 1, 2018, with options to extend the lease terms. Future base rental incomes for the leases as of December 31, 2003 are as follows:

2004	\$ 60,880
2005	45,834
2006	41,327
2007	41,327
2008	41,327
Thereafter	237,253

A 99 year lease agreement has also been entered into for land rental of three parcels of land totaling 2.7105 acres through the year 2078 and is renewable forever. The lease provides for a base ground rental use of \$7,289 per year to be adjusted upward by a function of the Consumer Price Index. For the year ended December 31, 2003 rental income was \$9,073.

Various lease agreements have been entered into for office and hangar space on a month-to-month basis. Rental income from these rentals was \$221,752 for the year ended December 31, 2003.

7. Compensated Absences

The Airport allows employees to accumulate unused sick leave. This policy provides that upon an employee's death or retirement, the employee shall receive cash payment of one third of the value of his or her legally accrued and unused sick leave, to a maximum of 333 1/3 hours. The sick leave conversion payment shall be based on the average of the employees base salary rates for the most recent three years. Sick leave benefits are accrued as a liability using the vested method. In December 2002, the Board signed a new employment contract with the Airport Executive Director, which granted him, upon termination, one-third of his accumulated sick leave hours, at his then-current hourly rate, or his accumulated sick leave hours pursuant to the Airport's policy, whichever is greater.

At December 31, 2003 the liability for accrued vacation leave and sick leave is approximately \$55,919.

8. Pension Plan

The Airport participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional 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 contribution (employer

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contributions vest over five years at 20% per year). Under the member directed plan, members accumulate retirement assets equal to the value of the 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 to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional 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 which may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans were required to contribute 8.5% of their annual covered salaries. The Airport's contribution rate for pension benefits for 2003 was 8.55%. The Ohio Revised Code provides statutory authority for member and employer contributions. The Airport's contribution to OPERS for the years ending December 31, 2003, 2002 and 2001 was \$61,054, \$70,676 and \$74,050 respectively, equal to the required contributions for those years.

9. Other Post Employment Benefits (OPEB)

In addition to the pension benefits described in Note 8. OPERS provides post retirement health care coverage, in accordance with the Ohio Revised Code, to age and service retirees with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post Employment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2003 local government employer contribution rate was 13.31% of covered payroll; 5% of covered payroll was the portion that was used. For the calendar year 2003, Airport contributions equal to 5% of covered payroll was used to fund health care expenses.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8.0%, an annual increase in active employee total payroll of 4% compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50% and 6.3% based on additional annual pay increases. Health care premiums were assumed to increase 4% annually.

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

The number of active contributing participants in the traditional and combined plans was 364,881. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of Health Care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

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The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

10. Risk Management

The Airport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injury to employees; and natural disasters. Through Lorain County, the Airport is covered under the County Risk Sharing Authority, Inc. (CORSA). CORSA is a risk sharing pool made up of thirty-nine counties in Ohio and was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group of primary and excess insurance/self-insurance and risk management program. CORSA insures the Airport for general liability, errors and omissions, property and automobile. The Airport has purchased commercial insurance for aviation and airport and hanger keepers liability. The Airport also carries employee health and accident insurance and a bond on key management positions. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

11. Contingent Liabilities

The Airport receives 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits may require refunding to the grantor agencies. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements included herein or on the overall financial position of the Airport as of December 31, 2003.

12. Non-Cash Contributions

For purposes of the statement of cash flows, the Airport received by way of transfer from Lorain County, Ohio, five buildings located at the Airport with a fair market value of \$852,560, and equipment valued at \$9,810.

13. Fixed Base Operations

During the year the Airport entered into a lease agreement, transferring the operations of the aircraft Fixed Base Operation (FBO) and hangar facility. The lease includes use of the premises for the purpose of providing service and accommodation to the air traveling public, aviation fuel sales and service. Existing hangar rental agreements and other related services. The lease has a ten-year base term with the option for two additional five-year terms. The base rental equals the greater of 4% of the leases annual gross revenues or a guaranteed minimum rent (\$30,000 per annum in 2003), plus a per gallon fee on fuel and oil sales, 4% of any aircraft sales and various other service charges.

At the time of the agreement, Johnston Aviation Company also agreed to purchase certain assets from the Airport, including but not limited to, two fuel trucks, office and maintenance equipment, and fuel inventory on hand. Proceeds from the sale of these assets (excluding the fuel inventory) were \$203,725.

NOTE 28 - LORAIN COUNTY TRANSIT

1. Organization and Significant Accounting Policies

Organization - Lorain County Transit (the "Transit") was created pursuant to Section 306.01 through 306.13 of the Ohio Revised Code for the purpose of providing public transportation in Lorain County, Ohio. As a political subdivision it is distinct from, and is not an agency of, the State of Ohio or any other local governmental unit. The Transit is not subject to federal or state income taxes.

The Transit is managed by a seven-member Board of Trustees and provides virtually all public transportation within Lorain County.

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Summary of Significant Accounting Policies - The financial statements of Lorain County Transit 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 Statement No. 20 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Transit has elected not to apply the provisions of the statements and interpretations of the Financial Accounting Standards Board issued after November 30, 1989. The Transit will continue applying all applicable pronouncements issued by the Governmental Accounting Standards Board. The more significant of the Transit's accounting policies are described below.

Reporting Entity - The Transit has adopted the provisions of Statement No. 14 of the Governmental Accounting Standards Board regarding the definition of the financial reporting entity. Accordingly, the accompanying financial statements include only the accounts and transactions of the Transit. Under the criteria specified in Statement No. 14, the Transit has no component units. The Transit is, however, considered to be a component unit of Lorain County (the "County") by virtue of the fact that the Transit's Board of Trustees is appointed by the Lorain County Board of Commissioners and the County's ability to impose its will on the Transit. These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Transit is not financially accountable for any other organizations.

Basis of Presentation - The Transit's basic financial statements consists of a statement of net assets, a statement of revenue, expenses, and changes in fund net assets, and a statement of cash flows.

The Transit uses a single enterprise fund to maintain its financial records during the year. 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 - The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Transit 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 the Transit finances and meets the cash flow needs of its enterprise activity.

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.

Cash, Cash Equivalents, and Investments - The Transit considers highly liquid investments, with an original maturity of three months or less, to be cash equivalents. Investments with an original maturity of three months or more are disclosed as investments.

As a governmental entity other than an external investment pool in accordance with GASB 31, the Transit's investments are stated at market value, except for interest-earnings investment contracts and money market investments that have maturity of one year or less at the time of purchase.

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

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Capital Assets and Depreciation – Capital assets are stated at historical cost. The costs of normal maintenance and repairs are charged to operations as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

<u>Description</u>	<u>Years</u>
Transportation Equipment	6-10
Other Equipment	10
Facilities	25

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. For 2003, there is no related debt of capital 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. For 2003, there are no restricted 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 the Transit 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.

Operations – Lorain County Transit has no dedicated local funding source. The Transit received local operating subsidies from Lorain County of \$1,040,004 for the year 2003. The Transit is dependant on Lorain County for operating subsidies. Annual subsidies from Lorain County will continue to be required until such time as a dedicated local funding source is obtained (e.g., sales tax levy).

Contributed Services - The Transit records the fair value of contributed services as both operating expense and nonoperating revenue in the statement of revenues and expenses.

Compensated Absences – In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, vacation time is accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and are not contingent on a specific event that is outside the control of the employer and the employee 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 probable that the conditions for compensation will be met in the future. 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.

2. Deposits and Investments

Ohio law requires the classification of funds held by the Transit into three categories. Category 1 consists of "active" funds – those funds required to be kept in a "cash" or "cash equivalent" status for immediate use by the Transit. Such funds must be maintained either as cash in the Transit treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

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Category 2 consists of “inactive” funds – those funds not required for use within the current two-year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds – those funds which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institution applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the Transit places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority, of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, “Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements,” collateral held in single financial collateral pools with securities being held by the pledging financial institutions’ agent in the pool’s name are classified as Category 3.

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits

- | | |
|------------|--|
| Category 1 | Insured or collateralized with securities held by the Transit or by its agent in the Transit’s name. |
| Category 2 | Collateralized with securities held by the pledging financial institution’s trust department or agent in the Transit’s name. |
| Category 3 | Uncollateralized or collateralized with securities held by the pledging financial institution’s trust department or agent but not in the Transit’s name. |

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Investments

- Category 1 Insured or registered, or securities held by the Transit or its agent in the Transit's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Transit's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Transit's name.

Deposits – All deposits are carried at cost. The carrying amount of the Transit's deposits were \$470,006 at December 31, 2003, with bank balances of \$477,512. Of the bank balances, \$145,781 was covered by Federal Depository Insurance. The remaining amount of \$331,731 was classified as risk category 3. In addition, the Transit had petty cash on hand at December 31, 2003 of \$140.

Investments – All investments are carried at fair value. The fair values of the Transit's short-term investments held with STAR Ohio were \$229,801 at December 31, 2003. These investments are uncategorized.

The Transit did not have any long-term investments during 2003.

3. Capital Assets

Capital assets consist of the following at December 31, 2003.

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Being Depreciated:				
Transportation Equipment	\$3,090,900	\$ -	\$ -	\$3,090,900
Facilities and Improvements	378,049	-	-	378,049
Office Furniture and Equipment	73,184	-	-	73,184
Total Capital Assets, Being Depreciated	<u>3,542,133</u>	<u>-</u>	<u>-</u>	<u>3,542,133</u>
Total Accumulated Depreciation	<u>1,725,389</u>	<u>355,101</u>	<u>-</u>	<u>2,080,490</u>
Total Capital Assets, Being Depreciated, Net	<u>\$1,816,744</u>	<u>\$(355,101)</u>	<u>\$ -</u>	<u>\$1,461,643</u>

4. Defined Benefit Pension Plan

Effective July 1, 1991, all employees of the Transit are required to be members of the Ohio Public Employees Retirement System (OPERS), a cost sharing, multiple-employer pension plan.

The following information was provided by OPERS to assist the Transit in complying with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*.

Lorain County Transit contributes to the Ohio Public Employees Retirement System (OPERS), a cost sharing multiple employer defined benefit pension plan. OPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. That report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The 2003 employer pension contribution rate for Lorain County Transit was 13.55% of covered payroll of

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

which 5% was the portion used to fund health care for the current year. Lorain County Transit's required contribution to OPERS for the years ended December 31, 2003 and 2002 were \$33,202, and \$34,272, respectively. The amounts contributed for 2003 and 2002, were 91.2% and 91.8%, respectively.

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor is available. The health care coverage provided by OPERS is considered an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2003 employer contribution used to fund health care was \$12,299.

The significant actuarial assumptions and calculations relating to post employment health care benefits were based on the System's latest actuarial review performed as of December 31, 2002. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2001 was 8%. An annual increase of 4% compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4% base increase, were assumed to range from .50% to 6.3%. Health care costs were assumed to increase 4% annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 364,881. The actuarial value of the OPERS' net assets available for OPEB at December 31, 2002 was \$10 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the OPERS Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The plan will also offer a spending account feature; enable the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

5. Grants, Reimbursements, and Special Fare Assistance

Grants, reimbursements, and special fare assistance included in the statement of revenues and expenses for the year ended December 31, 2003 consist of the following:

<u>Federal</u>	
FTA Operating Assistance	\$ 861,963
FTA Planning Grants	153,202
FTA Capital Grants	1,508,964
Total	<u>\$2,524,129</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

State

ODOT Operating Assistance and Reimbursement	\$ 276,226
ODOT Elderly Fare Assistance	65,658
ODOT Capital Assistance	194,961
Total	<u>\$ 536,845</u>

Local

Operating Assistance and Reimbursements	<u>\$1,259,787</u>
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6. Risk Management

The Transit is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. Commercial insurance has been obtained through Schlather Insurance Agency, Inc. to cover damage or destruction to the Transit's property and for public liability, personal injury, and third-party property damage claims.

Employee health care benefits are provided under a group insurance arrangement and the Transit is insured through the State of Ohio for workers' compensation benefits.

Settled claims have not exceeded the Transit's commercial insurance coverage for any of the past five years.

The Transit's umbrella liability is protected by State Auto Insurance Company with a \$1,000,000 single occurrence and \$2,000,000 in aggregate limit. Vehicles are covered by State Auto Insurance Company and have a \$100 deductible for comprehensive collision. Automobile liability has a \$1,000,000 combined single limit of liability.

7. Operational Contract

The Transit contracts its operational service to First Transit, Inc., a subsidiary of FirstGroup America, Inc. FirstGroup, founded in 1978, is a leading provider of public transit contracting and management services in the United States. First Transit, Inc. provides drivers, mechanics, schedulers, dispatchers, and operational management to Transit for which First Transit, Inc. charges an hourly rate. In accordance with Federal Transit Administration (FTA) Circular 9030.1C, the Transit splits the monthly First Transit, Inc. bill into 60% for purchased transportation and 40% for capitalization of maintenance. For 2003, the Transit received from FTA approximately 30% reimbursement for purchased transportation and 80% for capitalization of maintenance. The Transit owns the vehicle fleet but First Transit, Inc. provides liability and property damage insurance for the fleet. First Transit, Inc. also provides general liability insurance naming the Transit as additional insured. Amounts paid to First Transit, Inc. in 2003 were \$4,086,076.

Subsequent Event – On September 4, 2003, the Lorain County Board of Commissioners passed a resolution that transferred control of the Lorain County Transit Board to the Lorain County Board of Commissioners, effective March 1, 2004, in accordance with Ohio Revised Code Section 306.01B.

NOTE 29 - MURRAY RIDGE PRODUCTION CENTER, INC.

1. Summary of Significant Accounting Policies

- A. Equipment - These assets are stated at cost and depreciated on the straight-line and declining-balance methods over the estimated useful lives of the various assets.

Maintenance and repairs are charged against earnings when incurred. Additions and major renewals are capitalized.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

- B. Income Taxes - Murray Ridge Production Center, Inc., is a non-profit corporation and is exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.
- C. Donated Services - Donated services of management, direct supervision, rent, etc., have been provided by the Lorain County Board of Mental Retardation/Developmental Disabilities. During the year ended June 30, 2003 the value of these services was estimated to be \$141,254.
- D. Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Concentrations of Credit Risk

Financial instruments that potentially subject the organization to credit risk include cash on deposit with five financial institutions amounting to \$489,655 at June 30, 2003, which was insured for \$349,618 by the Federal Deposit Insurance Corporation. The organization had extended unsecured credit to regular customers amounting to \$183,867 at June 30, 2003.

3. Investments

Investments at June 30, 2003 consist of the bonds and funds, which are recorded at fair value.

4. Investment Income

Investment income for the year ended June 30, 2003, consisted of interest income, dividend income, and gains and losses, both realized and unrealized.

NOTE 30 - LORAIN COUNTY PORT AUTHORITY

1. Summary of Significant Accounting Policies

- A. Reporting Entity – The Lorain County Port Authority (the Authority) was created by the Lorain County Board of Commissioners in 2001 to enhance economic development in Lorain County. The Authority is created in accordance with Section 4582.22 of the Ohio Revised Code.

The Authority is governed by a five-member Board of Directors (the Board) appointed by the Lorain County Board of Commissioners. The initial Board is serving staggered terms. Each successor shall serve for a term of four years, except when a person is appointed to fill a vacancy, which is to be appointed to serve only the unexpired term. Members of the Board are eligible for re-appointment. The Board controls the employment of the Executive Director who is responsible for the day-to-day operations.

The Authority's financial reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 "The Reporting Entity". The financial statements include all divisions and operations for which the Authority is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefits to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organization other than the Authority itself is included in the financial reporting entity.

As of December 31, 2003, the Authority has a liability to the County in the amount of \$128,247 for past operating advances. Under GASB Statement No. 14, this is considered to be a financial burden on the County;

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

also the County can impose its will on the Authority through the appointment of the members of the Board of Directors. Therefore, the Authority is a component unit of the County whose financial statements are discretely presented in the County's financial statements.

- B. **Basis of Accounting** – The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund. The Authority applies all GASB pronouncements as well as Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless the pronouncements conflict with or contradict GASB pronouncements.

Operating revenues and expenses generally result from providing services in connection with principal ongoing operations of the Authority. Operating revenues consist of application fees and administrative fees. Operating expenses include professional services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Authority 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 the Authority finances and meets the cash flow needs of its enterprise activity.

- C. **Budgetary Process** – Ohio Revised Code Section 4582.39 requires the Authority to prepare a budget annually. This budget includes estimated receipts and appropriations and is prepared on the cash basis of accounting.
- D. **Cash, Cash Equivalents and Investments** – The Ohio Revised Code prescribes allowable deposits and investments. For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Investments are reported at fair value, which is based on quoted market prices.
- E. **Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those expected.

2. Restatement of Prior Year Net Assets

Net assets has been restated by \$45,000 from \$2,445,571 to \$2,400,571 resulting from startup costs incurred by Lorain County in 2001 that were not previously identified. The \$45,000 is included in the liability account Intergovernmental Payable.

3. Cash, Cash Equivalents and Investments

The provisions of the Ohio Revised Code govern the investments and deposits of Authority monies. In accordance with these statutes, only financial institutions located in Ohio are eligible to hold public deposits. The statutes also permit the Authority to invest its monies in certificate of deposit, savings accounts, money market accounts, the State Treasurer's Asset Reserve (STAR Ohio) investment pool and obligations of the United States government or certain agencies thereof. The Authority may also enter into repurchase agreements with any eligible depository for a period not exceeding thirty days.

Public depositories must give security for all public funds on deposit. These institutions may specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds or by a single collateral pool established by the financial institution to secure the repayment of all public money deposited with the institution.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

Deposits – At December 31, 2003, the carrying amount and the bank balance of the Authority's deposits was \$32,799. Federal Depository Insurance covered the entire bank balance.

Investments – The Bond Fund Program Reserves are invested in an open-end money market fund, which are not evidenced by securities and are not subject to custodial credit risk. The money market fund has a carrying value and fair value of \$2,525,284 at December 31, 2003.

4. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; injury and natural disasters. Through Lorain County, the Authority is covered under the County Risk Sharing Authority, Inc. (CORSA). CORSA is a risk sharing pool made up of thirty-nine counties in Ohio and was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group of primary and excess insurance/self-insurance and risk management programs. The Authority has not had any claims that exceeded insurance coverage.

A surety bond of \$25,000 through Ohio Casualty Insurance Group covers the Board Secretary.

5. Bond Fund Program

The Authority has established a Bond Fund Program to provide long-term, fixed interest rate financing for qualified industrial, commercial and public projects. The primary purpose of the Bond Fund Program is to further economic development efforts and investment in Lorain County through the retention and creation of quality, private sector jobs.

The State of Ohio Department of Development (ODOD) awarded the Authority a grant of \$1,000,000, received in April 2002, which was deposited into the Bond Fund Program Reserve account. The conditional grant from ODOD is for 20 years, with the interest earned on the fund remitted back to ODOD through December 2012. Beginning 2013 and continuing through December 2023, 50% of the interest earned is required to be remitted back to ODOD. On December 31, 2001, the Authority received a \$1,500,000 grant from Lorain County for the Bond Fund Program, which was also deposited into the Bond Fund Program Reserve account.

Under the Program, debt service requirements on each bond issue are to be secured by a pledge of amounts to be received under lease or loan agreements with borrowers who utilize the financial facilities. In addition, all borrowers are required to provide a letter of credit as additional security for the related bonds. Amounts in the Bond Fund Program Reserve may be used for debt service in the event the borrower is unable to make the required payments under the lease.

Amounts held in the Authority's Bond Fund Program Reserve was \$2,525,284 at December 31, 2003 and are reflected in Restricted Assets in the accompanying Balance Sheet.

6. RELATED PARTY TRANSACTIONS

The Authority utilizes certain Lorain County employees without reimbursement and the Director of the Authority is also a member of the Board.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2003

COMBINING FINANCIAL
STATEMENTS AND SCHEDULES

General Fund

The General Fund is used to account for all financial resources of the County except those required to be accounted for in another fund.

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Property and Other Taxes	\$ 8,614,846	\$ 8,875,035	\$ 8,914,552	\$ -	\$ 8,914,552	\$ 39,517
Sales Tax	12,800,000	13,529,309	13,529,309	-	13,529,309	-
Charges for Services	1,650,759	1,584,457	1,589,109	-	1,589,109	4,652
Licenses, Permits and Fees	7,358,680	10,577,705	10,745,563	-	10,745,563	167,858
Fines and Forfeitures	995,200	1,611,218	1,728,907	-	1,728,907	117,689
Intergovernmental	11,263,702	10,471,543	10,496,281	-	10,496,281	24,738
Interest	4,883,800	3,161,160	3,202,122	-	3,202,122	40,962
Other	1,327,939	1,654,086	1,665,190	-	1,665,190	11,104
Total Revenues	48,894,926	51,464,513	51,871,033	-	51,871,033	406,520
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Commissioners:						
Salaries and Wages	1,393,477	1,393,077	1,227,108	-	1,227,108	165,969
Fringe Benefits	209,720	209,720	202,233	-	202,233	7,487
Supplies and Materials	18,662	21,916	21,762	-	21,762	154
Contractual Services	15,956	15,956	9,276	-	9,276	6,680
Equipment	14,275	37,717	25,582	6,601	32,183	5,534
Other	30,044	28,848	21,627	3,625	25,252	3,596
Total Commissioners	1,682,134	1,707,234	1,507,588	10,226	1,517,814	189,420
Auditor:						
Salaries and Wages	1,351,379	1,351,380	1,350,266	-	1,350,266	1,114
Fringe Benefits	203,386	226,186	224,651	-	224,651	1,535
Supplies and Materials	38,785	45,926	31,237	3,980	35,217	10,709
Contractual Services	180,395	176,395	116,883	31,770	148,653	27,742
Equipment	1,250	1,250	205	-	205	1,045
Other	138,920	175,978	155,208	9,500	164,708	11,270
Total Auditor	1,914,115	1,977,115	1,878,450	45,250	1,923,700	53,415
Treasurer:						
Salaries and Wages	342,895	342,895	339,969	-	339,969	2,926
Fringe Benefits	51,607	56,607	56,551	-	56,551	56
Supplies and Materials	19,189	18,925	9,875	2,614	12,489	6,436
Contractual Services	9,669	9,669	3,215	929	4,144	5,525
Equipment	4,914	4,914	514	-	514	4,400
Other	11,675	11,675	6,992	-	6,992	4,683
Total Treasurer	439,949	444,685	417,116	3,543	420,659	24,026
Prosecuting Attorney:						
Salaries and Wages	2,857,548	2,910,603	2,819,991	-	2,819,991	90,612
Fringe Benefits	496,039	524,180	519,577	-	519,577	4,603
Supplies and Materials	27,693	37,113	30,976	4,936	35,912	1,201
Contractual Services	11,461	17,876	15,378	1,488	16,866	1,010
Equipment	48,969	126,778	71,338	50,545	121,883	4,895
Other	65,274	60,757	57,370	200	57,570	3,187
Total Prosecuting Attorney	3,506,984	3,677,307	3,514,630	57,169	3,571,799	105,508

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Records Center:						
Salaries and Wages	113,169	94,169	83,677	-	83,677	10,492
Fringe Benefits	17,033	17,033	14,048	-	14,048	2,985
Supplies and Materials	9,571	5,834	5,403	-	5,403	431
Contractual Services	40,518	35,752	26,835	5,371	32,206	3,546
Equipment	24,888	52,438	19,511	28,523	48,034	4,404
Other	875	325	180	-	180	145
Total Records Center	206,054	205,551	149,654	33,894	183,548	22,003
Board of Revisions:						
Salaries and Wages	77,175	77,275	77,244	-	77,244	31
Fringe Benefits	11,615	13,015	12,997	-	12,997	18
Supplies and Materials	975	932	903	-	903	29
Contractual Services	200	500	260	-	260	240
Equipment	1,959	1,959	1,584	-	1,584	375
Other	1,650	1,250	-	-	-	1,250
Total Board of Revisions	93,574	94,931	92,988	-	92,988	1,943
Board of Elections:						
Salaries and Wages	1,305,343	1,274,993	1,198,459	-	1,198,459	76,534
Fringe Benefits	154,616	163,916	162,869	-	162,869	1,047
Supplies and Materials	44,513	92,865	82,556	-	82,556	10,309
Contractual Services	183,185	163,496	133,818	-	133,818	29,678
Equipment	32,709	28,137	15,560	-	15,560	12,577
Other	59,929	65,239	58,050	-	58,050	7,189
Total Board of Elections	1,780,295	1,788,646	1,651,312	-	1,651,312	137,334
Community Maintenance:						
Salaries and Wages	1,267,621	1,267,621	1,170,269	-	1,170,269	97,352
Fringe Benefits	190,782	201,332	197,695	-	197,695	3,637
Supplies and Materials	700,453	703,088	522,380	24,832	547,212	155,876
Contractual Services	2,636,241	3,228,936	2,677,296	27,545	2,704,841	524,095
Equipment	169,541	196,161	102,686	8,038	110,724	85,437
Other	14,073	11,759	4,652	176	4,828	6,931
Total Community Maintenance	4,978,711	5,608,897	4,674,978	60,591	4,735,569	873,328
Community Development:						
Salaries and Wages	432,017	431,167	402,078	-	402,078	29,089
Fringe Benefits	65,020	66,270	65,779	-	65,779	491
Supplies and Materials	3,325	2,829	2,219	-	2,219	610
Contractual Services	321,800	695,150	296,368	278,522	574,890	120,260
Equipment	-	7,500	-	6,449	6,449	1,051
Other	110,365	212,600	171,146	17,975	189,121	23,479
Total Community Development	932,527	1,415,516	937,590	302,946	1,240,536	174,980

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Recorder:						
Salaries and Wages	624,264	649,283	640,761	-	640,761	8,522
Fringe Benefits	93,952	101,452	99,151	-	99,151	2,301
Supplies and Materials	8,160	14,569	14,380	-	14,380	189
Other	7,050	8,050	6,228	-	6,228	1,822
Total Recorder	733,426	773,354	760,520	-	760,520	12,834
Port Authority:						
Contractual Services	-	25,000	20,000	-	20,000	5,000
Total Port Authority	-	25,000	20,000	-	20,000	5,000
Building Inspection:						
Salaries and Wages	-	27,100	2,212	-	2,212	24,888
Fringe Benefits	-	3,675	219	-	219	3,456
Supplies and Materials	-	250	18	-	18	232
Contractual Services	-	300	-	-	-	300
Equipment	-	2,000	-	-	-	2,000
Other	-	3,000	87	-	87	2,913
Total Building Inspection	-	36,325	2,536	-	2,536	33,789
Insurance/Pensions/Taxes:						
Fringe Benefits	4,897,004	5,254,733	5,044,648	-	5,044,648	210,085
Other	286,420	140,579	91,583	-	91,583	48,996
Total Insurance/Pensions/Taxes	5,183,424	5,395,312	5,136,231	-	5,136,231	259,081
Miscellaneous:						
Fringe Benefits	10,033	10,033	10,033	-	10,033	-
Contractual Services	737,867	1,211,719	973,629	79,564	1,053,193	158,526
Other	499,555	1,444,313	1,256,113	-	1,256,113	188,200
Allocations to Component Units	157,598	1,683,857	1,683,857	-	1,683,857	-
Total Miscellaneous	1,405,053	4,349,922	3,923,632	79,564	4,003,196	346,726
Total General Government - Legislative and Executive	22,856,246	27,499,795	24,667,225	593,183	25,260,408	2,239,387
Judicial:						
Court of Appeals:						
Contractual Services	179,282	186,083	183,871	-	183,871	2,212
Total Court of Appeals	179,282	186,083	183,871	-	183,871	2,212
Common Pleas Court:						
Salaries and Wages	1,706,139	1,790,439	1,781,522	-	1,781,522	8,917
Fringe Benefits	256,776	300,476	296,560	-	296,560	3,916
Supplies and Materials	50,721	50,619	27,014	-	27,014	23,605
Contractual Services	1,182,844	1,060,512	959,417	6,919	966,336	94,176
Equipment	59,081	62,280	21,993	757	22,750	39,530
Other	31,650	43,150	24,396	-	24,396	18,754
Total Common Pleas Court	3,287,211	3,307,476	3,110,902	7,676	3,118,578	188,898
Domestic Relations-Domestic Relations:						
Salaries and Wages	1,983,772	2,126,069	2,111,947	-	2,111,947	14,122
Fringe Benefits	302,159	369,719	360,284	-	360,284	9,435
Supplies and Materials	26,687	31,225	28,900	2,000	30,900	325
Contractual Services	26,067	22,158	18,477	91	18,568	3,590
Equipment	19,314	34,533	33,654	730	34,384	149
Other	31,425	32,834	25,154	-	25,154	7,680
Total Domestic Relations - Domestic Relations	2,389,424	2,616,538	2,578,416	2,821	2,581,237	35,301

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Domestic Relations-Juvenile Probation:						
Salaries and Wages	1,437,734	1,438,617	1,410,014	-	1,410,014	28,603
Fringe Benefits	216,380	235,170	234,972	-	234,972	198
Supplies and Materials	41,672	46,839	41,830	3,143	44,973	1,866
Contractual Services	506,192	568,299	548,133	18,310	566,443	1,856
Equipment	125,705	143,659	139,637	1,440	141,077	2,582
Other	33,120	34,120	32,332	-	32,332	1,788
Total Domestic Relations - Juvenile Probation	2,360,803	2,466,704	2,406,918	22,893	2,429,811	36,893
Domestic Relations-Juvenile Detention Home:						
Salaries and Wages	1,218,523	1,222,470	1,208,100	-	1,208,100	14,370
Fringe Benefits	183,388	202,988	202,770	-	202,770	218
Supplies and Materials	92,504	90,418	80,795	4,135	84,930	5,488
Contractual Services	401,511	349,748	315,949	18,161	334,110	15,638
Equipment	13,409	10,959	10,860	-	10,860	99
Other	10,050	800	413	-	413	387
Total Domestic Relations-Juvenile Detention Home	1,919,385	1,877,383	1,818,887	22,296	1,841,183	36,200
Domestic Relations-Child Support:						
Salaries and Wages	399,128	256,128	251,363	-	251,363	4,765
Fringe Benefits	134,292	117,754	103,503	-	103,503	14,251
Supplies and Materials	26,077	20,649	17,625	200	17,825	2,824
Contractual Services	2,000	29,941	29,861	-	29,861	80
Equipment	3,241	1,011	916	-	916	95
Other	27,450	5,350	4,249	-	4,249	1,101
Total Domestic Relations-Child Support:	592,188	430,833	407,517	200	407,717	23,116
Domestic Relations-Hazel Webber Home:						
Salaries and Wages	505,282	511,071	500,652	-	500,652	10,419
Fringe Benefits	76,046	85,849	84,485	-	84,485	1,364
Supplies and Materials	10,853	17,611	13,063	1,000	14,063	3,548
Contractual Services	39,100	39,765	32,836	-	32,836	6,929
Equipment	14,880	5,820	5,820	-	5,820	-
Other	992	235	136	-	136	99
Total Domestic Relations-Hazel Webber Home	647,153	660,351	636,992	1,000	637,992	22,359
Probate Court:						
Salaries and Wages	419,981	486,381	486,062	-	486,062	319
Fringe Benefits	63,208	81,108	80,986	-	80,986	122
Supplies and Materials	17,256	18,545	17,551	600	18,151	394
Contractual Services	30,479	37,911	34,995	2,891	37,886	25
Equipment	14,897	16,757	4,479	10,539	15,018	1,739
Other	4,179	3,356	3,087	-	3,087	269
Total Probate Court	550,000	644,058	627,160	14,030	641,190	2,868

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Clerk of Courts:						
Salaries and Wages	1,024,662	1,069,787	1,065,244	-	1,065,244	4,543
Fringe Benefits	154,212	177,612	175,485	-	175,485	2,127
Supplies and Materials	33,593	39,155	30,887	655	31,542	7,613
Contractual Services	58,483	57,124	43,146	3,872	47,018	10,106
Equipment	22,500	12,500	503	9,664	10,167	2,333
Other	8,000	8,000	4,566	900	5,466	2,534
Total Clerk of Courts	1,301,450	1,364,178	1,319,831	15,091	1,334,922	29,256
Municipal Court:						
Salaries and Wages	617,556	617,556	430,383	-	430,383	187,173
Fringe Benefits	137,632	137,632	86,845	-	86,845	50,787
Contractual Services	240,583	315,869	289,793	-	289,793	26,076
Other	22,086	1,530	1,530	-	1,530	-
Total Municipal Courts	1,017,857	1,072,587	808,551	-	808,551	264,036
Education Law Libraries:						
Salaries and Wages	48,510	48,510	48,485	-	48,485	25
Fringe Benefits	7,302	8,302	8,028	-	8,028	274
Total Education Law Libraries	55,812	56,812	56,513	-	56,513	299
Total General Government - Judicial	14,300,565	14,683,003	13,955,558	86,007	14,041,565	641,438
Public Safety:						
Coroner:						
Salaries and Wages	317,621	317,682	317,681	-	317,681	1
Fringe Benefits	47,803	53,803	53,439	-	53,439	364
Supplies and Materials	3,840	1,054	1,023	-	1,023	31
Contractual Services	87,259	82,244	72,183	7,282	79,465	2,779
Other	11,788	13,168	12,564	-	12,564	604
Total Coroner	468,311	467,951	456,890	7,282	464,172	3,779
Sheriff:						
Salaries and Wages	4,501,093	4,597,672	4,481,525	-	4,481,525	116,147
Fringe Benefits	792,071	790,796	747,811	-	747,811	42,985
Supplies and Materials	203,567	204,477	154,333	22,611	176,944	27,533
Contractual Services	113,461	179,099	136,114	4,246	140,360	38,739
Equipment	238,610	206,467	183,365	10,213	193,578	12,889
Other	75,116	88,508	87,850	-	87,850	658
Total Sheriff	5,923,918	6,067,019	5,790,998	37,070	5,828,068	238,951
Hazardous Materials Coordination:						
Salaries and Wages	58,886	58,886	58,457	-	58,457	429
Fringe Benefits	8,864	10,064	9,809	-	9,809	255
Supplies and Materials	375	-	-	-	-	-
Equipment	642	-	-	-	-	-
Other	5,450	-	-	-	-	-
Total Hazardous Materials Coordination	74,217	68,950	68,266	-	68,266	684

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Community Disaster Services:						
Salaries and Wages	99,241	99,296	99,296	-	99,296	-
Fringe Benefits	14,937	16,837	16,625	-	16,625	212
Supplies and Materials	9,982	10,490	8,203	-	8,203	2,287
Contractual Services	25,250	27,450	21,970	1,764	23,734	3,716
Equipment	15,466	53,898	50,413	1,163	51,576	2,322
Other	5,650	8,862	6,798	-	6,798	2,064
Total Community Disaster Services	170,526	216,833	203,305	2,927	206,232	10,601
Total Public Safety	6,636,972	6,820,753	6,519,459	47,279	6,566,738	254,015
Public Works:						
Engineer:						
Salaries and Wages	219,363	218,363	209,897	-	209,897	8,466
Fringe Benefits	33,015	35,315	35,207	-	35,207	108
Supplies and Materials	3,433	3,402	2,876	-	2,876	526
Contractual Services	4,000	1,300	456	39	495	805
Equipment	25,069	22,129	19,701	1,307	21,008	1,121
Other	2,225	4,625	3,430	-	3,430	1,195
Total Public Works	287,105	285,134	271,567	1,346	272,913	12,221
Health:						
Registration of Vital Statistics:						
Contractual Services	4,971	4,971	3,890	-	3,890	1,081
Total Health	4,971	4,971	3,890	-	3,890	1,081
Human Services:						
Workforce Development Agency:						
Salaries and Wages	143,716	162,090	161,069	-	161,069	1,021
Fringe Benefits	56,702	70,392	61,606	-	61,606	8,786
Total Workforce Development Agency	200,418	232,482	222,675	-	222,675	9,807
Soldiers' Relief Commission Board:						
Salaries and Wages	244,350	245,710	244,893	-	244,893	817
Fringe Benefits	36,776	42,376	40,814	-	40,814	1,562
Supplies and Materials	21,032	23,228	20,512	641	21,153	2,075
Contractual Services	3,609	4,111	2,366	-	2,366	1,745
Equipment	7,150	9,350	3,617	1,673	5,290	4,060
Other	399,276	391,389	303,194	4,750	307,944	83,445
Total Soldiers' Relief Commission Board	712,193	716,164	615,396	7,064	622,460	93,704
Public Assistance:						
Other - Grants						
	1,322,932	1,322,932	1,322,932	-	1,322,932	-
Total Public Assistance	1,322,932	1,322,932	1,322,932	-	1,322,932	-
Total Human Services	2,235,543	2,271,578	2,161,003	7,064	2,168,067	103,511

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Capital Outlay:						
Capital Improvements	1,133,144	1,488,975	240,652	109,443	350,095	1,138,880
Total Capital Outlay	1,133,144	1,488,975	240,652	109,443	350,095	1,138,880
Intergovernmental:						
Contractual Services	5,529	3,718	345	3,055	3,400	318
Other - Grants	452,588	452,588	451,188	-	451,188	1,400
Total Intergovernmental	458,117	456,306	451,533	3,055	454,588	1,718
Total Expenditures	47,912,663	53,510,515	48,270,887	847,377	49,118,264	4,392,251
Excess (Deficiency) of Revenues Over (Under) Expenditures	982,263	(2,046,002)	3,600,146	(847,377)	2,752,769	4,798,771
Other Financing Sources (Uses)						
Advances - In	500,000	2,589,808	2,589,808	-	2,589,808	-
Advances - Out	-	(4,525,979)	(4,525,979)	-	(4,525,979)	-
Operating Transfers - In	-	134,605	134,605	-	134,605	-
Operating Transfers - Out	(19,054,607)	(15,672,326)	(3,091,292)	-	(3,091,292)	12,581,034
Total Other Financing Sources (Uses)	(18,554,607)	(17,473,892)	(4,892,858)	-	(4,892,858)	12,581,034
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(17,572,344)	(19,519,894)	(1,292,712)	\$ (847,377)	\$ (2,140,089)	\$ 17,379,805
Fund Balance at Beginning of Year	22,538,401	22,538,401	22,538,401			
Fund Balance at End of Year	\$ 4,966,057	\$ 3,018,507	\$ 21,245,689			

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Lorain County, Ohio
NonMajor Governmental Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of all special revenue funds:

Alcohol and Drug Service Board – To account for Federal and State grants used to pay the costs of contracts with local alcohol and drug agencies that provide services to the public at large.

T-Federal – To account for Federal and State grants used to pay costs of juvenile and senior citizens programs.

Community Development Block Grant - To account for revenue from the Federal government and expenditures as prescribed under the Community Block Grant program.

Lorain Area Microloan Program – To account for funds and technical assistance to small businesses that due to size or credit reasons do not qualify for bank financing.

Computerized Legal Research – To account for revenues derived from charges for services expended for computerizing the Legal Research Department.

Jail Facility Operation – To account for sales tax revenues used to operate the county's jail facilities.

Dog and Kennel – To account for the dog warden's operations, financed by the sale of dog tags and fine collections.

Recycle Ohio – To account for State and Local match grants used for promoting recycling in Lorain County.

Solid Waste – To account for fees received from Browning Ferris Inc. and State grants used for the operation of a solid waste management program.

Flood Plan – To account for Federal grants for the hydrologic and hydraulic analysis and flood plain mapping.

Substance Abuse/Mental Health- To account for State grants used to provide funding for programs for offenders with substance abuse and / or mental health needs.

Real Estate Assessment – To account for state mandated, countywide real estate appraisals that are funded by charges to the County's political subdivisions.

DRETAC – To account for five percent of all certified delinquent real estate taxes, personal property taxes and assessments used for the purpose of collecting delinquent property taxes and special assessments.

Certificate of Title – To account for revenues derived from charges for services expended for purchase of equipment and supplies for the clerk of courts certificate of title office.

Recorder's Equipment – To account for revenues derived from charges for services expended for purchase of equipment and supplies for the recorder's office.

Intensive Supervision – To account for various revenues used for supervision of criminal offenders.

Motor Vehicle Gasoline Tax – To account for revenue derived from motor vehicle license registrations and gasoline tax. Expenditures are restricted by State law to County road and bridge repair and improvement programs.

Lorain County, Ohio
NonMajor Governmental Funds

Drug Court – To account for State grants used to help rehabilitate juveniles that have drug addiction problems.

Bascule Bridge – To account for Federal grants used to maintain Bascule Bridge located in the County.

Community Housing Improvement – To account for Federal and State grants used for community housing improvement projects.

Youth Services – To account for State grants used for youth employment projects, group homes and juvenile delinquency prevention programs.

Reclaim Ohio – To account for State grants used for various delinquent juvenile programs.

Medically Handicapped Child – To account for expenditures to the Ohio Department of Health Bureau for Children with Medical Handicaps for treatment services provided to county residents.

Indigent Guardianship – To account for revenues used for Probate Court cases involving guardianship of indigent individuals.

County Probation Services – To account for adults on probation that pay supervision fees to Clerk of Courts.

TB Clinic – To account for a property tax levy used to operate a tuberculosis clinic.

Court Mediation – To account for fees for all civil cases in Common Pleas Court.

County Erosion Control – To account for repayment of funds advanced for the erosion control loan program.

Supportive Living – To account for the State grants used for housing disabled persons capable of living in a group home facility.

Community Mental Health Medicaid – To account for paid Medicaid claims with federal reimbursement for mental health services for Lorain County.

Golden Acres – To account for the receipt of State grants and property taxes as well as other monies to operate the County's nursing home and County home.

Metropolitan Enforcement Group – To account for the receipt of State grants used for the operation of a local drug enforcement program.

Crime Laboratory – To account for revenues used for operation of the crime laboratory.

911 System – To account for tax revenues expended for operations of a County 911 system.

Child Support Enforcement Agency – To account for the receipt of Federal and State grants used for processing and enforcing court ordered child support payments.

Drug Enforcement – To account for State grants and donations for the D.A.R.E. program.

Law Enforcement Trust – To account for fines and forfeitures, which are collected and subsequently allocated to various recipients.

Ditch Maintenance – To account for the maintenance of all County owned ditches.

Lorain County, Ohio
NonMajor Governmental Funds

Public Safety - To account for grants for the purpose of promoting Homeland Safety Awareness in Lorain County.

Litter Control – To account for State grants for the purpose of implementing a litter prevention program.

Linkages Plus/Bryne Memorial – To account for State grants to allow for counseling programs and treatment options for young offenders aged 17 – 23.

P.A.I.R. – To account for State grants for adolescents for intervention and rehabilitation for drug and alcohol issues for juveniles.

Local Law Enforcement Block Grant – To account for Federal grants for the purchase of equipment for the Lorain County Sheriff's office.

Violent Offender – To account for Local funds (Mental Health Board) used to assist juvenile delinquents.

Marriage Licenses – To account for fees for obtaining a marriage license in Probate Court.

Medicaid Outreach – To account for Federal and State grants related to welfare reform.

Court Security – Grant from Ohio Supreme Court to increase security measures for the Lorain County Court System.

Criminal History-Online – To account for Federal and State grants to allow the tracking of domestic violence cases throughout Lorain County.

MRDD-Medicaid – To account for Federal and State funds used for the mentally disabled eligible for Medicaid.

Prosecutor's Victim Witness – To account for State funds to pay salaries for victim advocates employed by the Lorain County Prosecutor.

Enforcement and Education – To account for DUI fines throughout Lorain County, which enables the County Sheriff to purchase equipment.

Juvenile Diversion Mediation – To account for federal grants for conflict resolution (counseling, anger management) for juveniles.

Juvenile School Liaison – To account for grants for juvenile justice and delinquency prevention.

Help America Vote Act – To account for monies spent on the upgrading the Board of Elections hardware and software to accommodate the statewide voter registration system.

MRDD – Capital – To account for the funding of construction projects related to the Board of Mental Retardation.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of financial resources for, and the payment of, long-term debt principal, interest, and related costs.

Jail Facility Construction – To account for the County sales tax used to construct a jail facility.

Lorain County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2003

Nonmajor Special Revenue Funds

	Alcohol and Drug Service Board	T-Federal	Community Development Block Grant	Lorain Area Microloan Program	Computerized Legal Research
Assets					
Cash and Cash Equivalents	\$ 971,566	\$ 52,780	\$ 494,547	\$ 187,824	\$ 408,552
Cash with Fiscal and Escrow	-	-	398,897	-	-
Cash in Segregated Accounts	5	-	-	-	-
Receivables, Net of Allowances	1,055,885	16,320	698,995	-	9,190
Notes Receivable	-	-	402,599	204,358	-
Due from Other Funds	-	-	-	-	-
Inventory	1,329	-	-	-	-
Total Assets	\$ 2,028,785	\$ 69,100	\$ 1,995,038	\$ 392,182	\$ 417,742
Liabilities					
Accounts Payable	\$ 12,034	\$ 7,503	\$ 28,247	\$ 204,358	\$ 3,375
Contracts Payable	1,003	-	-	-	18,972
Retainage Payable	-	-	912	-	-
Intergovernmental Payable	3,189	1,342	1,148	-	-
Advance from Other Funds	-	-	-	-	-
Due to Other Funds/Interfund Pay.	-	14,000	479,000	-	-
Deferred Revenue	878,131	-	698,995	-	-
Notes Payable	-	-	-	-	-
Total Liabilities	894,357	22,845	1,208,302	204,358	22,347
Fund Balances					
Reserved for:					
Encumbrances	-	2,970	20,156	-	37,846
Inventory	1,329	-	-	-	-
Notes Receivable	-	-	402,599	204,358	-
Debt Service	-	-	-	-	-
Unreserved	1,133,099	43,285	363,981	(16,534)	357,549
Total Fund Balances (Deficit)	1,134,428	46,255	786,736	187,824	395,395
Total Liabilities and Fund Balances	\$ 2,028,785	\$ 69,100	\$ 1,995,038	\$ 392,182	\$ 417,742

Nonmajor Special Revenue Funds

Jail Facility Operation	Dog and Kennel	Recycle Ohio	Solid Waste	Flood Plan	Substance Abuse/Mental Health
\$ 891,475	\$ 90,059	\$ 13,511	\$ 1,123,517	\$ -	\$ 8,793
-	-	-	-	-	-
-	1,117	-	-	-	-
1,159,608	-	38,512	442,005	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,051,083</u>	<u>\$ 91,176</u>	<u>\$ 52,023</u>	<u>\$ 1,565,522</u>	<u>\$ -</u>	<u>\$ 8,793</u>
\$ 433,150	\$ 12,117	\$ 2,400	\$ 35,309	\$ -	\$ -
55,691	-	-	-	-	-
-	-	-	-	-	-
109,064	3,003	-	2,542	-	51
-	30,000	-	-	-	-
-	-	1,570	-	-	-
-	-	38,512	-	-	-
-	-	-	-	-	-
<u>597,905</u>	<u>45,120</u>	<u>42,482</u>	<u>37,851</u>	<u>-</u>	<u>51</u>
26,951	2,480	1,606	171,914	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,426,227	43,576	7,935	1,355,757	-	8,742
<u>1,453,178</u>	<u>46,056</u>	<u>9,541</u>	<u>1,527,671</u>	<u>-</u>	<u>8,742</u>
<u>\$ 2,051,083</u>	<u>\$ 91,176</u>	<u>\$ 52,023</u>	<u>\$ 1,565,522</u>	<u>\$ -</u>	<u>\$ 8,793</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2003

Nonmajor Special Revenue Funds

	Real Estate Assessment	DRETAC	Certificate of Title	Recorder's Equipment	Intensive Supervision
Assets					
Cash and Cash Equivalents	\$ 3,587,176	\$ 682,307	\$ 227,079	\$ 277,897	\$ 98,546
Cash with Fiscal and Escrow	-	-	-	-	-
Cash in Segregated Accounts	1,875	-	-	-	-
Receivables, Net of Allowances	-	-	10,067	1,212	237,254
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	-	-	-	-
Total Assets	\$ 3,589,051	\$ 682,307	\$ 237,146	\$ 279,109	\$ 335,800
Liabilities					
Accounts Payable	\$ 165,664	\$ 31,566	\$ 46,351	\$ 8,927	\$ 18,637
Contracts Payable	60,804	-	-	-	-
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	14,074	5,507	11,979	-	5,199
Advance from Other Funds	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Deferred Revenue	-	-	-	-	118,627
Notes Payable	-	-	-	-	-
Total Liabilities	240,542	37,073	58,330	8,927	142,463
Fund Balances					
Reserved for:					
Encumbrances	253,764	55,172	4,556	129,675	-
Inventory	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	3,094,745	590,062	174,260	140,507	193,337
Total Fund Balances (Deficit)	3,348,509	645,234	178,816	270,182	193,337
Total Liabilities and Fund Balances	\$ 3,589,051	\$ 682,307	\$ 237,146	\$ 279,109	\$ 335,800

Nonmajor Special Revenue Funds

Motor Vehicle Gasoline Tax	Drug Court	Bascule Bridge	Community Housing Improvement	Youth Services	Reclaim Ohio
\$ 3,144,509	\$ 58,581	\$ 55,393	\$ 388,739	\$ 249,998	\$ 1,370,891
-	-	-	-	-	-
293,695	114,893	49,498	497,500	24,734	960,486
32,494	-	-	-	-	-
601,670	-	-	-	-	-
<u>\$ 4,072,368</u>	<u>\$ 173,474</u>	<u>\$ 104,891</u>	<u>\$ 886,239</u>	<u>\$ 274,732</u>	<u>\$ 2,331,377</u>
\$ 596,353	\$ 8,692	\$ 27,234	\$ -	\$ 30,812	\$ 66,098
84,507	-	-	-	1,359	2,265
-	-	-	-	-	-
54,574	1,239	5,561	-	6,376	17,944
-	-	130,000	156,220	-	-
-	-	-	227,500	-	-
24,633	99,928	-	497,500	18,323	481,205
-	-	-	-	-	-
<u>760,067</u>	<u>109,859</u>	<u>162,795</u>	<u>881,220</u>	<u>56,870</u>	<u>567,512</u>
547,352	-	3,074	-	7,764	4,240
601,670	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,163,279	63,615	(60,978)	5,019	210,098	1,759,625
<u>3,312,301</u>	<u>63,615</u>	<u>(57,904)</u>	<u>5,019</u>	<u>217,862</u>	<u>1,763,865</u>
<u>\$ 4,072,368</u>	<u>\$ 173,474</u>	<u>\$ 104,891</u>	<u>\$ 886,239</u>	<u>\$ 274,732</u>	<u>\$ 2,331,377</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2003

	Nonmajor Special Revenue Funds				
	Medically Handicapped Child Fund	Indigent Guardianship	County Probation Services	TB Clinic	Court Mediation
Assets					
Cash and Cash Equivalents	\$ 243,315	\$ 145,887	\$ 253,878	\$ 794,814	\$ 218,113
Cash with Fiscal and Escrow	-	-	-	-	-
Cash in Segregated Accounts	-	-	-	7,695	-
Receivables, Net of Allowances	-	1,375	10,681	451,532	14,250
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	-	-	4,589	-
Total Assets	<u>\$ 243,315</u>	<u>\$ 147,262</u>	<u>\$ 264,559</u>	<u>\$ 1,258,630</u>	<u>\$ 232,363</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ 8,142	\$ 17,992	\$ 4,620
Contracts Payable	-	-	-	-	-
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	67,543	21	1,900	4,651	1,323
Advance from Other Funds	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Deferred Revenue	-	-	-	451,532	-
Notes Payable	-	-	-	-	-
Total Liabilities	<u>67,543</u>	<u>21</u>	<u>10,042</u>	<u>474,175</u>	<u>5,943</u>
Fund Balances					
Reserved for:					
Encumbrances	-	-	-	-	215
Inventory	-	-	-	4,589	-
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	175,772	147,241	254,517	779,866	226,205
Total Fund Balances (Deficit)	<u>175,772</u>	<u>147,241</u>	<u>254,517</u>	<u>784,455</u>	<u>226,420</u>
Total Liabilities and Fund Balances	<u>\$ 243,315</u>	<u>\$ 147,262</u>	<u>\$ 264,559</u>	<u>\$ 1,258,630</u>	<u>\$ 232,363</u>

Nonmajor Special Revenue Funds

County Erosion Control	Supportive Living	Community Mental Health Medicaid	Golden Acres	Metropolitan Enforcement Group	Crime Laboratory
\$ 8,098	\$ 1,681,113	\$ 1,387,115	\$ 4,276,180	\$ 456,857	\$ 1,094,371
-	-	-	-	-	-
-	467,790	376,052	179,362	16,165	-
-	-	-	-	502,544	188,139
-	-	-	-	-	-
-	-	-	51,096	-	-
<u>\$ 8,098</u>	<u>\$ 2,148,903</u>	<u>\$ 1,763,167</u>	<u>\$ 4,506,638</u>	<u>\$ 975,566</u>	<u>\$ 1,282,510</u>
\$ -	\$ 170,511	\$ 959,434	\$ 222,983	\$ 26,916	\$ 2,186
-	-	-	7,848	-	-
-	39,222	-	43,032	6,875	362
-	-	200,000	-	-	-
24,403	-	-	-	1,187	-
-	-	-	-	433,239	188,139
-	-	-	-	-	-
<u>24,403</u>	<u>209,733</u>	<u>1,159,434</u>	<u>273,863</u>	<u>468,217</u>	<u>190,687</u>
-	74,658	4,212	69,742	800	-
-	-	-	51,096	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(16,305)	1,864,512	599,521	4,111,937	506,549	1,091,823
<u>(16,305)</u>	<u>1,939,170</u>	<u>603,733</u>	<u>4,232,775</u>	<u>507,349</u>	<u>1,091,823</u>
<u>\$ 8,098</u>	<u>\$ 2,148,903</u>	<u>\$ 1,763,167</u>	<u>\$ 4,506,638</u>	<u>\$ 975,566</u>	<u>\$ 1,282,510</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2003

Nonmajor Special Revenue Funds					
	911 System	Child Support Enforcement Agency	Drug Enforcement	Law Enforcement Trust	Ditch Maintenance
Assets					
Cash and Cash Equivalents	\$ 1,757,114	\$ 3,165,081	\$ 13,485	\$ 471,983	\$ 131,873
Cash with Fiscal and Escrow	-	-	-	-	-
Cash in Segregated Accounts	-	-	154,855	-	-
Receivables, Net of Allowances	1,781,878	95,843	-	-	36,752
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	1,140	1,602	-	-
Total Assets	\$ 3,538,992	\$ 3,262,064	\$ 169,942	\$ 471,983	\$ 168,625
Liabilities					
Accounts Payable	\$ 42,606	\$ 138,390	\$ -	\$ -	\$ -
Contracts Payable	-	-	-	-	39,795
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	10,539	39,456	-	-	-
Advance from Other Funds	-	-	-	-	-
Due to Other Funds	-	47,844	-	-	-
Deferred Revenue	1,781,878	-	-	-	36,752
Notes Payable	-	-	-	-	-
Total Liabilities	1,835,023	225,690	-	-	76,547
Fund Balances					
Reserved for:					
Encumbrances	375,844	129,615	-	-	2,592
Inventory	-	1,140	1,602	-	-
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	1,328,125	2,905,619	168,340	471,983	89,486
Total Fund Balances (Deficit)	1,703,969	3,036,374	169,942	471,983	92,078
Total Liabilities and Fund Balances	\$ 3,538,992	\$ 3,262,064	\$ 169,942	\$ 471,983	\$ 168,625

Nonmajor Special Revenue Funds

Public Safety	Litter Control	Linkages Plus/Byrne Memorial	P.A.I.R.	Local Law Enforcement Block Grant	Violent Offender
\$ 349,028	\$ 129	\$ 18	\$ 80,214	\$ 10,121	\$ 57,944
-	-	-	-	-	-
-	-	-	-	-	-
1,191,703	-	-	-	-	19,560
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,540,731</u>	<u>\$ 129</u>	<u>\$ 18</u>	<u>\$ 80,214</u>	<u>\$ 10,121</u>	<u>\$ 77,504</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,372
14,500	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	445
-	-	-	-	-	-
231,516	-	-	-	-	-
1,188,171	-	-	-	-	19,560
-	-	-	-	-	-
<u>1,434,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,377</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
106,544	129	18	80,214	10,121	56,127
<u>106,544</u>	<u>129</u>	<u>18</u>	<u>80,214</u>	<u>10,121</u>	<u>56,127</u>
<u>\$ 1,540,731</u>	<u>\$ 129</u>	<u>\$ 18</u>	<u>\$ 80,214</u>	<u>\$ 10,121</u>	<u>\$ 77,504</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2003

Nonmajor Special Revenue Funds

	<u>Marriage Licenses</u>	<u>Medicaid Outreach</u>	<u>Court Security</u>	<u>Criminal History - Online</u>	<u>MRDD-Medicaid</u>	<u>Prosecutor's Victim Witness</u>
Assets						
Cash and Cash Equivalents	\$ 69,449	\$ 1,115	\$ 8,682	\$ 8,506	\$ 2,019,246	\$ 65,112
Cash with Fiscal and Escrow	-	-	-	-	-	-
Cash in Segregated Accounts	-	-	-	-	-	-
Receivables, Net of Allowances	-	-	-	-	-	96,590
Notes Receivable	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total Assets	<u>\$ 69,449</u>	<u>\$ 1,115</u>	<u>\$ 8,682</u>	<u>\$ 8,506</u>	<u>\$ 2,019,246</u>	<u>\$ 161,702</u>
Liabilities						
Accounts Payable	\$ 35,660	\$ -	\$ -	\$ -	\$ 46,997	\$ 10,233
Contracts Payable	-	-	-	-	-	-
Retainage Payable	-	-	-	-	-	-
Intergovernmental Payable	-	594	-	-	11,388	1,335
Advance from Other Funds	-	-	-	-	-	20,000
Due to Other Funds	-	-	-	-	-	50,000
Deferred Revenue	-	-	-	-	-	73,659
Notes Payable	-	-	-	-	-	-
Total Liabilities	<u>35,660</u>	<u>594</u>	<u>-</u>	<u>-</u>	<u>58,385</u>	<u>155,227</u>
Fund Balances						
Reserved for:						
Encumbrances	-	-	-	-	40,203	3,817
Inventory	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Unreserved	33,789	521	8,682	8,506	1,920,658	2,658
Total Fund Balances (Deficit)	<u>33,789</u>	<u>521</u>	<u>8,682</u>	<u>8,506</u>	<u>1,960,861</u>	<u>6,475</u>
Total Liabilities and Fund Balances	<u>\$ 69,449</u>	<u>\$ 1,115</u>	<u>\$ 8,682</u>	<u>\$ 8,506</u>	<u>\$ 2,019,246</u>	<u>\$ 161,702</u>

Nonmajor Special Revenue Funds				Total Nonmajor Special Revenue Funds	Debt Service Fund	Capital Project	Total Nonmajor Governmental Funds
Enforcement and Education	Juvenile School Liaison	Help America Vote Act	MRDD- Capital			Jail Facility Construction	
\$ 11,774	\$ 1,600	\$ 79,632	\$ 867,475	\$ 34,113,062	\$ 4,330,749	\$ 2,071,226	\$ 40,515,037
-	-	-	-	398,897	-	-	398,897
-	-	-	-	181,712	-	-	181,712
-	18,000	-	-	11,041,905	5,291,875	-	16,333,780
-	-	-	-	606,957	-	-	606,957
-	-	-	-	32,494	404,473	-	436,967
-	-	-	-	661,426	-	-	661,426
<u>\$ 11,774</u>	<u>\$ 19,600</u>	<u>\$ 79,632</u>	<u>\$ 867,475</u>	<u>\$ 47,036,453</u>	<u>\$ 10,027,097</u>	<u>\$ 2,071,226</u>	<u>\$ 59,134,776</u>
\$ -	\$ 1,305	\$ 37,097	\$ -	\$ 3,465,271	\$ 2,821	\$ -	\$ 3,468,092
-	-	-	-	286,744	-	-	286,744
-	-	-	-	912	-	-	912
-	240	-	-	471,718	-	-	471,718
-	-	-	-	536,220	-	-	536,220
-	-	-	-	1,077,020	30,000	-	1,107,020
-	18,000	-	-	7,046,784	5,257,135	-	12,303,919
-	-	-	-	-	2,000,000	-	2,000,000
-	19,545	37,097	-	12,884,669	7,289,956	-	20,174,625
-	-	3,542	-	1,974,760	-	20,604	1,995,364
-	-	-	-	661,426	-	-	661,426
-	-	-	-	606,957	-	-	606,957
-	-	-	-	-	2,737,141	-	2,737,141
11,774	55	38,993	867,475	30,908,641	-	2,050,622	32,959,263
<u>11,774</u>	<u>55</u>	<u>42,535</u>	<u>867,475</u>	<u>34,151,784</u>	<u>2,737,141</u>	<u>2,071,226</u>	<u>38,960,151</u>
<u>\$ 11,774</u>	<u>\$ 19,600</u>	<u>\$ 79,632</u>	<u>\$ 867,475</u>	<u>\$ 47,036,453</u>	<u>\$ 10,027,097</u>	<u>\$ 2,071,226</u>	<u>\$ 59,134,776</u>

Lorain County, Ohio
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2003

Nonmajor Special Revenue Funds

	Alcohol and Drug Service Board	T-Federal	Community Development Block Grant	Lorain Area Microloan Program	Computerized Legal Research
Revenues					
Taxes					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	-	-
Charges for Services	-	-	-	-	268,077
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	4,178,307	135,274	555,997	-	-
Special Assessments	-	-	-	-	-
Interest Income	-	-	20,214	-	-
Other	11,563	52	15,432	13,623	-
Total Revenues	<u>4,189,870</u>	<u>135,326</u>	<u>591,643</u>	<u>13,623</u>	<u>268,077</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	183,197
Judicial	-	-	-	-	-
Public Safety	-	198,218	-	-	-
Public Works	-	-	-	-	-
Health	3,803,147	-	-	-	-
Human Services	-	-	-	-	-
Economic Development and Assistance	-	-	779,107	1,292	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>3,803,147</u>	<u>198,218</u>	<u>779,107</u>	<u>1,292</u>	<u>183,197</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>386,723</u>	<u>(62,892)</u>	<u>(187,464)</u>	<u>12,331</u>	<u>84,880</u>
Other Financing Sources (Uses)					
Transfers In	-	65,707	-	-	-
Transfers Out	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>65,707</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	386,723	2,815	(187,464)	12,331	84,880
Fund Balance (Deficit) at Beginning of Year	747,834	43,440	974,200	175,493	310,515
Increase (Decrease) in Reserve for Inventory	(129)	-	-	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 1,134,428</u>	<u>\$ 46,255</u>	<u>\$ 786,736</u>	<u>\$ 187,824</u>	<u>\$ 395,395</u>

Nonmajor Special Revenue Funds

<u>Jail Facility Operation</u>	<u>Dog and Kennel</u>	<u>Recycle Ohio</u>	<u>Solid Waste</u>	<u>Flood Plan</u>
\$ -	\$ -	\$ -	\$ -	\$ -
6,865,653	-	-	-	-
-	288,506	-	2,929,020	-
-	12,563	-	-	-
-	25,675	-	-	-
-	-	239,132	-	33,000
-	-	-	-	-
-	-	-	-	-
34,756	12,830	-	14,453	-
<u>6,900,409</u>	<u>339,574</u>	<u>239,132</u>	<u>2,943,473</u>	<u>33,000</u>
-	-	-	-	-
-	-	-	-	-
9,480,364	-	-	-	-
-	-	-	-	66,000
-	306,745	241,156	3,387,481	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>9,480,364</u>	<u>306,745</u>	<u>241,156</u>	<u>3,387,481</u>	<u>66,000</u>
<u>(2,579,955)</u>	<u>32,829</u>	<u>(2,024)</u>	<u>(444,008)</u>	<u>(33,000)</u>
2,890,652	-	-	-	-
-	-	-	-	-
<u>2,890,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
310,697	32,829	(2,024)	(444,008)	(33,000)
1,142,481	13,227	11,565	1,971,679	33,000
-	-	-	-	-
<u>\$ 1,453,178</u>	<u>\$ 46,056</u>	<u>\$ 9,541</u>	<u>\$ 1,527,671</u>	<u>\$ -</u>

(continued)

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (continued)
 For the Year Ended December 31, 2003

Nonmajor Special Revenue Funds

	Substance Abuse/Mental Health	Real Estate Assessment	DRETAC	Certificate of Title	Recorder's Equipment
Revenues					
Taxes					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	10,067	278,562
Charges for Services	-	2,473,317	507,110	1,094,325	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	-	-	-	-	-
Special Assessments	-	-	-	-	-
Interest Income	-	-	-	-	-
Other	54	-	-	-	25,236
Total Revenues	<u>54</u>	<u>2,473,317</u>	<u>507,110</u>	<u>1,104,392</u>	<u>303,798</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	2,031,596	411,006	1,063,766	246,944
Judicial	-	-	-	-	-
Public Safety	149	-	-	-	-
Public Works	-	-	-	-	-
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Economic Development and Assistance	-	-	-	-	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>149</u>	<u>2,031,596</u>	<u>411,006</u>	<u>1,063,766</u>	<u>246,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(95)</u>	<u>441,721</u>	<u>96,104</u>	<u>40,626</u>	<u>56,854</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(95)	441,721	96,104	40,626	56,854
Fund Balance (Deficit) at Beginning of Year	8,837	2,906,788	549,130	138,190	213,328
Increase (Decrease) in Reserve for Inventory	-	-	-	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 8,742</u>	<u>\$ 3,348,509</u>	<u>\$ 645,234</u>	<u>\$ 178,816</u>	<u>\$ 270,182</u>

Nonmajor Special Revenue Funds

Intensive Supervision	Motor Vehicle Gasoline Tax	Drug Court	Bascule Bridge	Community Housing Improvement	Youth Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	236,134	-	-	-	85,830
462,883	7,004,171	133,929	525,019	386,005	481,221
-	38,477	-	-	-	-
-	285,711	4,162	212	2,915	62,518
<u>462,883</u>	<u>7,564,493</u>	<u>138,091</u>	<u>525,231</u>	<u>388,920</u>	<u>629,569</u>
-	-	-	-	-	-
419,271	-	138,303	-	-	-
-	8,144,040	-	523,042	-	-
-	-	-	-	-	708,372
-	-	-	-	322,730	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>419,271</u>	<u>8,144,040</u>	<u>138,303</u>	<u>523,042</u>	<u>322,730</u>	<u>708,372</u>
<u>43,612</u>	<u>(579,547)</u>	<u>(212)</u>	<u>2,189</u>	<u>66,190</u>	<u>(78,803)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
43,612	(579,547)	(212)	2,189	66,190	(78,803)
149,725	3,958,744	63,827	(60,093)	(61,171)	296,665
-	(66,896)	-	-	-	-
<u>\$ 193,337</u>	<u>\$ 3,312,301</u>	<u>\$ 63,615</u>	<u>\$ (57,904)</u>	<u>\$ 5,019</u>	<u>\$ 217,862</u>

(continued)

Lorain County, Ohio
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2003

Nonmajor Special Revenue Funds

	Reclaim Ohio	Medically Handicapped Child Fund	Indigent Guardianship	County Probation Services	TB Clinic
Revenues					
Taxes					
Property	\$ -	\$ 522,812	\$ -	\$ -	\$ 501,653
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	144,514	-
Charges for Services	-	-	37,194	-	4,087
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	2,172,080	-	-	-	-
Special Assessments	-	-	-	-	-
Interest Income	-	-	-	-	-
Other	15,138	-	-	-	174
Total Revenues	<u>2,187,218</u>	<u>522,812</u>	<u>37,194</u>	<u>144,514</u>	<u>505,914</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial	-	-	19,936	1,369	-
Public Safety	-	-	-	150,031	-
Public Works	-	-	-	-	-
Health	-	-	-	-	500,574
Human Services	1,766,840	347,040	-	-	-
Economic Development and Assistance	-	-	-	-	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>1,766,840</u>	<u>347,040</u>	<u>19,936</u>	<u>151,400</u>	<u>500,574</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>420,378</u>	<u>175,772</u>	<u>17,258</u>	<u>(6,886)</u>	<u>5,340</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(32,900)	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(32,900)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	420,378	175,772	(15,642)	(6,886)	5,340
Fund Balance (Deficit) at Beginning of Year	1,343,487	-	162,883	261,403	781,660
Increase (Decrease) in Reserve for Inventory	-	-	-	-	(2,545)
Fund Balance (Deficit) at End of Year	<u>\$ 1,763,865</u>	<u>\$ 175,772</u>	<u>\$ 147,241</u>	<u>\$ 254,517</u>	<u>\$ 784,455</u>

Nonmajor Special Revenue Funds

Court Mediation	County Erosion Control	Supportive Living	Community Mental Health Medicaid	Golden Acres	Metropolitan Enforcement Group
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 417,864
-	-	-	-	-	-
178,049	-	-	-	-	-
-	-	-	-	3,557,335	-
-	284,714	4,151,614	5,453,637	-	382,001
-	-	-	-	-	-
-	-	-	-	-	-
53	44,064	86,687	-	11,166	528
<u>178,102</u>	<u>328,778</u>	<u>4,238,301</u>	<u>5,453,637</u>	<u>3,568,501</u>	<u>800,393</u>
-	-	-	-	-	-
-	-	-	-	-	-
109,456	-	-	-	-	997,396
-	397,463	-	-	-	-
-	-	4,119,355	8,276,280	4,375,087	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>109,456</u>	<u>397,463</u>	<u>4,119,355</u>	<u>8,276,280</u>	<u>4,375,087</u>	<u>997,396</u>
<u>68,646</u>	<u>(68,685)</u>	<u>118,946</u>	<u>(2,822,643)</u>	<u>(806,586)</u>	<u>(197,003)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
68,646	(68,685)	118,946	(2,822,643)	(806,586)	(197,003)
157,774	52,380	1,820,224	3,426,376	5,038,350	704,352
-	-	-	-	1,011	-
<u>\$ 226,420</u>	<u>\$ (16,305)</u>	<u>\$ 1,939,170</u>	<u>\$ 603,733</u>	<u>\$ 4,232,775</u>	<u>\$ 507,349</u>

(continued)

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (continued)
 For the Year Ended December 31, 2003

	Nonmajor Special Revenue Funds					
	Crime Laboratory	911 System	Child Support Enforcement Agency	Drug Enforcement	Law Enforcement Trust	Ditch Maintenance
Revenues						
Taxes						
Property	\$ 208,395	\$ 1,296,287	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	-	-	-
Charges for Services	-	-	991,865	-	-	30,381
Fines and Forfeitures	-	-	-	242,501	388,492	-
Intergovernmental Revenue	-	-	4,024,316	13,024	-	-
Special Assessments	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Other	-	3,722	1,331	2,022	-	-
Total Revenues	<u>208,395</u>	<u>1,300,009</u>	<u>5,017,512</u>	<u>257,547</u>	<u>388,492</u>	<u>30,381</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public Safety	160,180	1,048,269	-	240,777	538,496	-
Public Works	-	-	-	-	-	76,153
Health	-	-	-	-	-	-
Human Services	-	-	4,764,213	-	-	-
Economic Development and Assistance	-	-	-	-	-	-
Debt Service:						
Principal Repayments	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>160,180</u>	<u>1,048,269</u>	<u>4,764,213</u>	<u>240,777</u>	<u>538,496</u>	<u>76,153</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>48,215</u>	<u>251,740</u>	<u>253,299</u>	<u>16,770</u>	<u>(150,004)</u>	<u>(45,772)</u>
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	48,215	251,740	253,299	16,770	(150,004)	(45,772)
Fund Balance (Deficit) at Beginning of Year	1,043,608	1,452,229	2,784,167	151,570	621,987	137,850
Increase (Decrease) in Reserve for Inventory	-	-	(1,092)	1,602	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 1,091,823</u>	<u>\$ 1,703,969</u>	<u>\$ 3,036,374</u>	<u>\$ 169,942</u>	<u>\$ 471,983</u>	<u>\$ 92,078</u>

Nonmajor Special Revenue Funds

Public Safety	Litter Control	Linkages Plus/Byrne Memorial	P.A.I.R.	Local Law Enforcement Block Grant	Violent Offender
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
122,916	3,950	-	-	10,121	19,578
-	-	-	-	152	-
-	-	-	5,000	-	-
<u>122,916</u>	<u>3,950</u>	<u>-</u>	<u>5,000</u>	<u>10,273</u>	<u>19,578</u>
-	-	-	-	-	-
-	-	-	-	-	-
16,372	19,950	-	49	4,426	-
-	-	-	-	-	40,686
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,372</u>	<u>19,950</u>	<u>-</u>	<u>49</u>	<u>4,426</u>	<u>40,686</u>
<u>106,544</u>	<u>(16,000)</u>	<u>-</u>	<u>4,951</u>	<u>5,847</u>	<u>(21,108)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>106,544</u>	<u>(16,000)</u>	<u>-</u>	<u>4,951</u>	<u>5,847</u>	<u>(21,108)</u>
-	16,129	18	75,263	4,274	77,235
-	-	-	-	-	-
<u>\$ 106,544</u>	<u>\$ 129</u>	<u>\$ 18</u>	<u>\$ 80,214</u>	<u>\$ 10,121</u>	<u>\$ 56,127</u>

(continued)

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (continued)
 For the Year Ended December 31, 2003

Nonmajor Special Revenue Funds						
	Marriage Licenses	Medicaid Outreach	Court Security	Criminal History Online	MRDD Medicaid	Prosecutor's Victim Witness
Revenues						
Taxes						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	-	-	-
Charges for Services	64,042	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental Revenue	-	60,490	-	-	-	117,180
Special Assessments	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Other	2,861	-	5,576	-	-	-
Total Revenues	<u>66,903</u>	<u>60,490</u>	<u>5,576</u>	<u>-</u>	<u>-</u>	<u>117,180</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public Safety	-	-	202	-	-	142,036
Public Works	-	-	-	-	-	-
Health	-	54,064	-	-	1,104,257	-
Human Services	65,576	-	-	-	-	-
Economic Development and Assistance	-	-	-	-	-	-
Debt Service:						
Principal Repayments	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>65,576</u>	<u>54,064</u>	<u>202</u>	<u>-</u>	<u>1,104,257</u>	<u>142,036</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,327</u>	<u>6,426</u>	<u>5,374</u>	<u>-</u>	<u>(1,104,257)</u>	<u>(24,856)</u>
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	3,100,000	-
Transfers Out	-	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,100,000</u>	<u>-</u>
Net Change in Fund Balance	1,327	6,426	5,374	-	1,995,743	(24,856)
Fund Balance (Deficit) at Beginning of Year	32,462	(5,905)	3,308	8,506	(34,882)	31,331
Increase (Decrease) in Reserve for Inventory	-	-	-	-	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 33,789</u>	<u>\$ 521</u>	<u>\$ 8,682</u>	<u>\$ 8,506</u>	<u>\$ 1,960,861</u>	<u>\$ 6,475</u>

Nonmajor Special Revenue Funds

Nonmajor Special Revenue Funds				Capital Project			
Enforcement and Education	Juvenile School Liaison	Help America Vote Act	MRDD-Capital	Total Nonmajor Special Revenue Funds	Debt Service Fund	Jail Facility Construction	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 2,947,011	\$ -	\$ -	\$ 2,947,011
-	-	-	-	6,865,653	-	-	6,865,653
-	-	-	-	3,828,718	-	-	3,828,718
-	-	-	-	9,362,260	-	-	9,362,260
2,159	-	-	-	658,827	-	-	658,827
-	22,000	41,523	-	31,014,082	515,899	-	31,529,981
-	-	-	-	-	713,959	-	713,959
-	-	-	-	58,843	30,800	-	89,643
-	-	-	-	661,839	7,290	-	669,129
<u>2,159</u>	<u>22,000</u>	<u>41,523</u>	<u>-</u>	<u>55,397,233</u>	<u>1,267,948</u>	<u>-</u>	<u>56,665,181</u>
-	-	37,097	-	3,973,606	-	-	3,973,606
-	1,545	-	-	22,850	-	-	22,850
-	-	-	-	13,663,945	-	-	13,663,945
-	-	-	-	9,247,384	-	-	9,247,384
-	-	-	-	26,168,146	-	-	26,168,146
-	20,400	-	-	7,672,441	-	-	7,672,441
-	-	-	-	1,103,129	-	-	1,103,129
-	-	-	-	-	4,198,626	-	4,198,626
-	-	-	-	-	1,633,613	-	1,633,613
-	-	-	-	-	-	34,060	34,060
<u>-</u>	<u>21,945</u>	<u>37,097</u>	<u>-</u>	<u>61,851,501</u>	<u>5,832,239</u>	<u>34,060</u>	<u>67,717,800</u>
<u>2,159</u>	<u>55</u>	<u>4,426</u>	<u>-</u>	<u>(6,454,268)</u>	<u>(4,564,291)</u>	<u>(34,060)</u>	<u>(11,052,619)</u>
-	-	38,109	867,475	6,961,943	-	-	6,961,943
-	-	-	-	(32,900)	-	-	(32,900)
-	-	-	-	-	2,000,000	-	2,000,000
<u>-</u>	<u>-</u>	<u>38,109</u>	<u>867,475</u>	<u>6,929,043</u>	<u>2,000,000</u>	<u>-</u>	<u>8,929,043</u>
2,159	55	42,535	867,475	474,775	(2,564,291)	(34,060)	(2,123,576)
9,615	-	-	-	33,745,058	5,301,432	2,105,286	41,151,776
-	-	-	-	(68,049)	-	-	(68,049)
<u>\$ 11,774</u>	<u>\$ 55</u>	<u>\$ 42,535</u>	<u>\$ 867,475</u>	<u>\$ 34,151,784</u>	<u>\$ 2,737,141</u>	<u>\$ 2,071,226</u>	<u>\$ 38,960,151</u>

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Alcohol and Drug Service Board
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Intergovernmental	\$ 3,384,000	\$ 3,463,506	\$ 4,034,632	\$ -	\$ 4,034,632	\$ 571,126
Other	-	12,158	12,158	-	12,158	-
Total Revenues	3,384,000	3,475,664	4,046,790	-	4,046,790	571,126
Expenditures						
Current:						
Health:						
Salaries and Wages	197,234	192,734	190,452	-	190,452	2,282
Fringe Benefits	64,369	70,622	64,948	-	64,948	5,674
Supplies and Materials	7,075	10,705	9,883	-	9,883	822
Equipment	23,120	32,675	27,934	-	27,934	4,741
Contractual Services	3,430,681	4,050,661	3,679,689	-	3,679,689	370,972
Other	16,690	23,095	21,139	-	21,139	1,956
Total Expenditures	3,739,169	4,380,492	3,994,045	-	3,994,045	386,447
Excess(Deficiency) of Revenues Over (Under) Expenditures	(355,169)	(904,828)	52,745	-	52,745	957,573
Other Financing Sources (Uses)						
Advances - In	-	965,879	965,879	-	965,879	-
Advances - Out	-	(965,879)	(965,879)	-	(965,879)	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess(Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(355,169)	(904,828)	52,745	<u>\$ -</u>	<u>\$ 52,745</u>	<u>\$ 957,573</u>
Fund Balance at Beginning of Year	918,821	918,821	918,821			
Fund Balance at End of Year	\$ 563,652	\$ 13,993	\$ 971,566			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
T-Federal
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 178,406	\$ 118,954	\$ 118,954	\$ -	\$ 118,954	\$ -
Other	-	52	52	-	52	-
Total Revenues	178,406	119,006	119,006	-	119,006	-
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	81,315	81,100	80,956	-	80,956	144
Fringe Benefits	21,156	28,641	26,598	-	26,598	2,043
Supplies and Materials	500	400	-	-	-	400
Equipment	751	751	751	-	751	-
Contractual Services	99,531	115,998	109,520	6,410	115,930	68
Other	-	6,700	6,641	-	6,641	59
Total Expenditures	203,253	233,590	224,466	6,410	230,876	2,714
Deficiency of Revenues Over (Under) Expenditures	(24,847)	(114,584)	(105,460)	(6,410)	(111,870)	2,714
Other Financing Sources						
Advances - In	-	14,000	14,000	-	14,000	-
Operating Transfers - In	-	65,707	65,707	-	65,707	-
Total Other Financing Sources	-	79,707	79,707	-	79,707	-
(Deficiency)of Revenues and Other Financing Sources(Under) Expenditures	(24,847)	(34,877)	(25,753)	<u>\$ (6,410)</u>	<u>\$ (32,163)</u>	<u>\$ 2,714</u>
Fund Balance at Beginning of Year	78,533	78,533	78,533			
Fund Balance at End of Year	\$ 53,686	\$ 43,656	\$ 52,780			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Development Block Grant
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 766,216	\$ 725,931	\$ 725,931	\$ -	\$ 725,931	\$ -
Other	-	3,432	15,432	-	15,432	12,000
Total Revenues	766,216	729,363	741,363	-	741,363	12,000
Expenditures						
Current:						
Economic Development and Assistance:						
Supplies and Materials	17,178	4,557	261	-	261	4,296
Equipment	10,340	12,400	-	2,162	2,162	10,238
Contractual Services	485,126	907,612	573,047	39,626	612,673	294,939
Other	277,107	154,612	44,948	-	44,948	109,664
Total Expenditures	789,751	1,079,181	618,256	41,788	660,044	419,137
Excess(Deficiency) of Revenues Over (Under) Expenditures	(23,535)	(349,818)	123,107	(41,788)	81,319	431,137
Other Financing Sources (Uses)						
Advances - In	-	479,000	479,000	-	479,000	-
Advances - Out	-	(774,934)	(774,934)	-	(774,934)	-
Total Other Financing Sources (Uses)	-	(295,934)	(295,934)	-	(295,934)	-
Deficiency of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(23,535)	(645,752)	(172,827)	\$ (41,788)	\$ (214,615)	\$ 431,137
Fund Balance at Beginning of Year	667,374	667,374	667,374			
Fund Balance at End of Year	\$ 643,839	\$ 21,622	\$ 494,547			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Lorain Area Microloan Program
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	100,000	-	-	-	-	-
Other	295,470	14,127	14,127	-	14,127	-
Total Revenues	400,470	14,127	14,127	-	14,127	-
Expenditures						
Current:						
Economic Development and Assistance:						
Supplies and Materials	3,711	309	10	-	10	299
Equipment	1,000	-	-	-	-	-
Contractual Services	68,814	1,915	1,026	-	1,026	889
Other	320,926	55,630	256	-	256	55,374
Total Expenditures	394,451	57,854	1,292	-	1,292	56,562
Excess(Deficiency) of Revenues Over (Under) Expenditures	6,019	(43,727)	12,835	\$ -	\$ 12,835	\$ 56,562
Fund Balance at Beginning of Year	174,989	174,989	174,989			
Fund Balance at End of Year	\$ 181,008	\$ 131,262	\$ 187,824			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Computerized Legal Research
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 229,000	\$ 264,303	\$ 269,153	\$ -	\$ 269,153	\$ 4,850
Total Revenues	229,000	264,303	269,153	-	269,153	4,850
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Supplies and Materials	10,000	10,000	2,840	-	2,840	7,160
Equipment	222,768	183,324	78,755	44,018	122,773	60,551
Contractual Services	28,900	108,649	94,838	12,800	107,638	1,011
Other	32,231	25,500	-	-	-	25,500
Total Expenditures	293,899	327,473	176,433	56,818	233,251	94,222
Excess(Deficiency) of Revenues Over (Under) Expenditures	(64,899)	(63,170)	92,720	\$ (56,818)	\$ 35,902	\$ 99,072
Fund Balance at Beginning of Year	315,832	315,832	315,832			
Fund Balance at End of Year	\$ 250,933	\$ 252,662	\$ 408,552			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Jail Facility Operation
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Sales Tax	\$ 6,500,000	\$ 6,752,828	\$ 6,752,828	\$ -	\$ 6,752,828	\$ -
Other	-	32,556	34,756	-	34,756	2,200
Total Revenues	6,500,000	6,785,384	6,787,584	-	6,787,584	2,200
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	6,618,132	6,518,132	6,358,288	-	6,358,288	159,844
Fringe Benefits	1,814,687	2,214,687	2,137,151	-	2,137,151	77,536
Supplies and Materials	137,230	131,568	118,729	1,393	120,122	11,446
Equipment	120,466	91,283	44,746	7,559	52,305	38,978
Contractual Services	742,466	851,394	740,389	69,787	810,176	41,218
Capital Outlay	1,114	-	-	-	-	-
Fees	171,884	250,976	206,113	6,662	212,775	38,201
Other	11,000	11,000	2,085	-	2,085	8,915
Total Expenditures	9,616,979	10,069,040	9,607,501	85,401	9,692,902	376,138
(Deficiency) of Revenues (Under) Expenditures	(3,116,979)	(3,283,656)	(2,819,917)	(85,401)	(2,905,318)	378,338
Other Financing Sources						
Operating Transfers - In	2,023,175	2,890,652	2,890,652	-	2,890,652	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources	(1,093,804)	(393,004)	70,735	<u>\$ (85,401)</u>	<u>\$ (14,666)</u>	<u>\$ 378,338</u>
Fund Balance at Beginning of Year	820,740	820,740	820,740			
Fund Balance at End of Year	\$ (273,064)	\$ 427,736	\$ 891,475			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Dog and Kennel
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 2,000	\$ 3,390	\$ 3,460	\$ -	\$ 3,460	\$ 70
Licenses, Permits and Fees	280,000	292,844	303,587	-	303,587	10,743
Fines and Forfeitures	32,000	25,582	25,675	-	25,675	93
Other	8,100	12,810	12,830	-	12,830	20
Total Revenues	322,100	334,626	345,552	-	345,552	10,926
Expenditures						
Current:						
Health:						
Salaries and Wages	220,660	190,660	178,604	-	178,604	12,056
Fringe Benefits	49,000	73,898	71,580	-	71,580	2,318
Supplies and Materials	25,138	19,118	14,801	1,145	15,946	3,172
Equipment	10,700	5,000	1,658	1,335	2,993	2,007
Contractual Services	42,814	32,076	23,133	-	23,133	8,943
Fees	1,500	1,350	-	-	-	1,350
Other	16,100	17,550	14,252	-	14,252	3,298
Total Expenditures	365,912	339,652	304,028	2,480	306,508	33,144
Excess(Deficiency) of Revenues Over (Under) Expenditures	(43,812)	(5,026)	41,524	(2,480)	39,044	44,070
Other Financing (Uses)						
Advances - Out	(5,624)	(30,000)	(30,000)	-	(30,000)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	(49,436)	(35,026)	11,524	<u>\$ (2,480)</u>	<u>\$ 9,044</u>	<u>\$ 44,070</u>
Fund Balance at Beginning of Year	78,535	78,535	78,535			
Fund Balance at End of Year	\$ 29,099	\$ 43,509	\$ 90,059			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Recycle Ohio
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 244,600	\$ 239,132	\$ 239,132	\$ -	\$ 239,132	\$ -
Total Revenues	<u>244,600</u>	<u>239,132</u>	<u>239,132</u>	<u>-</u>	<u>239,132</u>	<u>-</u>
Expenditures						
Current:						
Health:						
Supplies and Materials	5,270	19,583	19,347	185	19,532	51
Equipment	21,000	16,102	16,102	-	16,102	-
Contractual Services	67,309	81,395	80,935	-	80,935	460
Other	156,455	132,402	126,228	5,391	131,619	783
Total Expenditures	<u>250,034</u>	<u>249,482</u>	<u>242,612</u>	<u>5,576</u>	<u>248,188</u>	<u>1,294</u>
(Deficiency) of Revenues (Under) Expenditures	(5,434)	(10,350)	(3,480)	<u>\$ (5,576)</u>	<u>\$ (9,056)</u>	<u>\$ 1,294</u>
Fund Balance at Beginning of Year	<u>16,991</u>	<u>16,991</u>	<u>16,991</u>			
Fund Balance at End of Year	<u>\$ 11,557</u>	<u>\$ 6,641</u>	<u>\$ 13,511</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Solid Waste
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits, and Fees	\$ 2,350,000	\$ 3,038,224	\$ 3,038,224	\$ -	\$ 3,038,224	\$ -
Other	15,035	14,274	14,274	-	14,274	-
Total Revenues	<u>2,365,035</u>	<u>3,052,498</u>	<u>3,052,498</u>	<u>-</u>	<u>3,052,498</u>	<u>-</u>
Expenditures						
Current:						
Health:						
Salaries and Wages	148,991	153,501	153,495	-	153,495	6
Fringe Benefits	40,435	58,068	47,285	-	47,285	10,783
Supplies and Materials	14,000	13,175	8,130	-	8,130	5,045
Equipment	6,300	5,720	1,708	1,161	2,869	2,851
Contractual Services	240,528	242,665	217,440	10,655	228,095	14,570
Capital Outlay	57,356	447,017	304,828	138,187	443,015	4,002
Other	1,893,937	2,895,205	2,664,602	45,863	2,710,465	184,740
Total Expenditures	<u>2,401,547</u>	<u>3,815,351</u>	<u>3,397,488</u>	<u>195,866</u>	<u>3,593,354</u>	<u>221,997</u>
(Deficiency) of Revenues						
(Under) Expenditures	(36,512)	(762,853)	(344,990)	<u>\$ (195,866)</u>	<u>\$ (540,856)</u>	<u>\$ 221,997</u>
Fund Balance at Beginning of Year	<u>1,468,507</u>	<u>1,468,507</u>	<u>1,468,507</u>			
Fund Balance at End of Year	<u>\$ 1,431,995</u>	<u>\$ 705,654</u>	<u>\$ 1,123,517</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Flood Plan
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 50,000	\$ 66,000	\$ 66,000	\$ -	\$ 66,000	\$ -
Total Revenues	<u>50,000</u>	<u>66,000</u>	<u>66,000</u>	<u>-</u>	<u>66,000</u>	<u>-</u>
Expenditures						
Current:						
Public Works						
Contractual Services	50,000	66,000	66,000	-	66,000	-
Total Expenditures	<u>50,000</u>	<u>66,000</u>	<u>66,000</u>	<u>-</u>	<u>66,000</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Substance Abuse/Mental Health
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	54	54	-	54	-
Total Revenues	120,000	54	54	-	54	-
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	74,605	3,013	3,013	-	3,013	-
Fringe Benefits	14,788	3,540	3,540	-	3,540	-
Supplies and Materials	27,807	39	39	-	39	-
Contractual Services	-	8,740	-	-	-	8,740
Other	2,800	-	-	-	-	-
Total Expenditures	120,000	15,332	6,592	-	6,592	8,740
(Deficiency) of Revenues (Under) Expenditures	-	(15,278)	(6,538)	\$ -	\$ (6,538)	\$ 8,740
Fund Balances at Beginning of Year	15,331	15,331	15,331			
Fund Balance at End of Year	\$ 15,331	\$ 53	\$ 8,793			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Real Estate Assessment
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 2,337,000	\$ 2,466,183	\$ 2,495,407	\$ -	\$ 2,495,407	\$ 29,224
Total Revenues	<u>2,337,000</u>	<u>2,466,183</u>	<u>2,495,407</u>	<u>-</u>	<u>2,495,407</u>	<u>29,224</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Salaries and Wages	948,000	970,157	847,512	-	847,512	122,645
Fringe Benefits	254,000	304,000	277,671	-	277,671	26,329
Supplies and Materials	80,000	80,000	31,606	-	31,606	48,394
Equipment	383,917	370,437	73,955	126,884	200,839	169,598
Contractual Services	1,285,912	1,200,310	681,585	292,130	973,715	226,595
Other	89,432	89,275	46,017	9,900	55,917	33,358
Total Expenditures	<u>3,041,261</u>	<u>3,014,179</u>	<u>1,958,346</u>	<u>428,914</u>	<u>2,387,260</u>	<u>626,919</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	(704,261)	(547,996)	537,061	<u>\$ (428,914)</u>	<u>\$ 108,147</u>	<u>\$ 656,143</u>
Fund Balance at Beginning of Year	<u>3,050,115</u>	<u>3,050,115</u>	<u>3,050,115</u>			
Fund Balance at End of Year	<u>\$ 2,345,854</u>	<u>\$ 2,502,119</u>	<u>\$ 3,587,176</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
DRETAC
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 393,500	\$ 508,745	\$ 508,745	\$ -	\$ 508,745	\$ -
Total Revenues	<u>393,500</u>	<u>508,745</u>	<u>508,745</u>	<u>-</u>	<u>508,745</u>	<u>-</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Salaries and Wages	285,320	290,413	277,077	-	277,077	13,336
Fringe Benefits	78,312	92,062	76,120	-	76,120	15,942
Supplies and Materials	21,200	21,200	6,128	1,047	7,175	14,025
Contractual Services	5,775	5,075	989	-	989	4,086
Equipment	30,750	32,750	5,256	8,049	13,305	19,445
Other	139,862	116,820	38,504	60,192	98,696	18,124
Total Expenditures	<u>561,219</u>	<u>558,320</u>	<u>404,074</u>	<u>69,288</u>	<u>473,362</u>	<u>84,958</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	(167,719)	(49,575)	104,671	\$ (69,288)	\$ 35,383	\$ 84,958
Fund Balance at Beginning of Year	<u>577,636</u>	<u>577,636</u>	<u>577,636</u>			
Fund Balance at End of Year	<u>\$ 409,917</u>	<u>\$ 528,061</u>	<u>\$ 682,307</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Certificate of Title
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,200,000	\$ 1,065,820	\$ 1,094,325	\$ -	\$ 1,094,325	\$ 28,505
Total Revenues	1,200,000	1,065,820	1,094,325	-	1,094,325	28,505
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Salaries and Wages	829,000	829,000	745,200	-	745,200	83,800
Fringe Benefits	202,000	260,100	245,642	-	245,642	14,458
Supplies and Materials	25,058	25,048	16,220	543	16,763	8,285
Equipment	47,000	35,600	8,556	-	8,556	27,044
Contractual Services	35,368	37,280	33,640	1,913	35,553	1,727
Other	26,910	29,310	22,744	2,100	24,844	4,466
Total Expenditures	1,165,336	1,216,338	1,072,002	4,556	1,076,558	139,780
Excess(Deficiency) of Revenues Over (Under) Expenditures	34,664	(150,518)	22,323	<u>\$ (4,556)</u>	<u>\$ 17,767</u>	<u>\$ 168,285</u>
Fund Balance at Beginning of Year	204,756	204,756	204,756			
Fund Balance at End of Year	\$ 239,420	\$ 54,238	\$ 227,079			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Recorders Equipment
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 250,000	\$ 274,401	\$ 278,463	\$ -	\$ 278,463	\$ 4,062
Other	-	25,236	25,236	-	25,236	-
Total Revenues	250,000	299,637	303,699	-	303,699	4,062
Expenditures						
Current:						
General Government						
Legislative and Executive:						
Equipment	95,390	234,879	55,702	119,086	174,788	60,091
Contractual Services	167,472	259,500	195,054	19,515	214,569	44,931
Total Expenditures	262,862	494,379	250,756	138,601	389,357	105,022
Excess(Deficiency) of Revenues Over (Under) Expenditures	(12,862)	(194,742)	52,943	<u>\$ (138,601)</u>	<u>\$ (85,658)</u>	<u>\$ 109,084</u>
Fund Balance at Beginning of Year	224,954	224,954	224,954			
Fund Balance at End of Year	\$ 212,092	\$ 30,212	\$ 277,897			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Intensive Supervision
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 474,508	\$ 462,883	\$ 462,883	\$ -	\$ 462,883	\$ -
Total Revenues	474,508	462,883	462,883	-	462,883	-
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	358,810	358,810	318,254	-	318,254	40,556
Fringe Benefits	110,667	116,599	109,076	-	109,076	7,523
Other	5,206	5,206	327	-	327	4,879
Total Expenditures	474,683	480,615	427,657	-	427,657	52,958
Excess(Deficiency) of Revenues Over (Under) Expenditures	(175)	(17,732)	35,226	\$ -	\$ 35,226	\$ 52,958
Fund Balance at Beginning of Year	63,320	63,320	63,320			
Fund Balance at End of Year	\$ 63,145	\$ 45,588	\$ 98,546			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Motor Vehicle Gasoline Tax
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 135,000	\$ 235,124	\$ 236,134	\$ -	\$ 236,134	\$ 1,010
Intergovernmental	6,470,000	6,980,970	7,273,550	-	7,273,550	292,580
Interest	120,000	39,758	39,758	-	39,758	-
Other	240,000	288,879	290,590	-	290,590	1,711
Total Revenues	6,965,000	7,544,731	7,840,032	-	7,840,032	295,301
Expenditures						
Current:						
Public Works:						
Salaries and Wages	3,374,824	3,381,824	3,213,538	-	3,213,538	168,286
Fringe Benefits	860,671	1,122,421	1,043,446	-	1,043,446	78,975
Supplies and Materials	1,976,632	2,033,339	1,490,926	309,598	1,800,524	232,815
Equipment	479,339	836,440	486,996	231,317	718,313	118,127
Contractual Services	2,043,980	2,774,381	1,596,476	389,969	1,986,445	787,936
Capital Outlay	5,000	5,000	-	-	-	5,000
Other	114,475	252,175	165,922	11,140	177,062	75,113
Total Expenditures	8,854,921	10,405,580	7,997,304	942,024	8,939,328	1,466,252
(Deficiency) of Revenues						
(Under) Expenditures	(1,889,921)	(2,860,849)	(157,272)	\$ (942,024)	\$ (1,099,296)	\$ 1,761,553
Fund Balance at Beginning of Year	3,301,781	3,301,781	3,301,781			
Fund Balance at End of Year	\$ 1,411,860	\$ 440,932	\$ 3,144,509			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Drug Court
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 202,000	\$ 118,964	\$ 118,964	\$ -	\$ 118,964	\$ -
Other	1,000	3,662	4,162	-	4,162	500
Total Revenues	203,000	122,626	123,126	-	123,126	500
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	76,000	75,920	75,916	-	75,916	4
Fringe Benefits	17,800	31,760	31,275	-	31,275	485
Contractual Services	105,135	29,235	27,355	-	27,355	1,880
Other	5,000	5,000	3,618	-	3,618	1,382
Total Expenditures	203,935	141,915	138,164	-	138,164	3,751
(Deficiency) of Revenues						
(Under) Expenditures	(935)	(19,289)	(15,038)	\$ -	\$ (15,038)	\$ 4,251
Fund Balance at Beginning of Year	73,619	73,619	73,619			
Fund Balance at End of Year	\$ 72,684	\$ 54,330	\$ 58,581			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Bascule Bridge
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 482,000	\$ 599,776	\$ 599,776	\$ -	\$ 599,776	\$ -
Other	-	212	212	-	212	-
Total Revenues	482,000	599,988	599,988	-	599,988	-
Expenditures						
Current:						
Public Works:						
Salaries and Wages	315,000	341,000	336,483	-	336,483	4,517
Fringe Benefits	95,717	123,458	120,294	-	120,294	3,164
Supplies and Materials	11,791	15,557	11,672	3,040	14,712	845
Equipment	-	2,959	1,969	-	1,969	990
Contractual Services	38,620	62,300	54,858	33	54,891	7,409
Other	300	800	552	-	552	248
Total Expenditures	461,428	546,074	525,828	3,073	528,901	17,173
Excess of Revenues Over (Under) Expenditures	20,572	53,914	74,160	(3,073)	71,087	17,173
Other Financing Sources (Uses)						
Advances - In	-	130,000	130,000	-	130,000	-
Advances - Out	(20,000)	(163,000)	(163,000)	-	(163,000)	-
Total Other Financing Sources (Uses)	(20,000)	(33,000)	(33,000)	-	(33,000)	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	572	20,914	41,160	<u>\$ (3,073)</u>	<u>\$ 38,087</u>	<u>\$ 17,173</u>
Fund Balance at Beginning of Year	14,233	14,233	14,233			
Fund Balance at End of Year	\$ 14,805	\$ 35,147	\$ 55,393			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Housing Improvement
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 161,100	\$ 386,005	\$ 386,005	\$ -	\$ 386,005	\$ -
Other	-	2,915	2,915	-	2,915	-
Total Revenues	161,100	388,920	388,920	-	388,920	-
Expenditures						
Current:						
Economic Development and Assistance:						
Supplies and Materials	1,800	4,500	200	-	200	4,300
Equipment	3,050	8,050	-	-	-	8,050
Contractual Services	183,815	521,560	293,054	-	293,054	228,506
Other	75,600	98,302	29,600	-	29,600	68,702
Total Expenditures	264,265	632,412	322,854	-	322,854	309,558
Excess (Deficiency) of Revenues Over (Under) Expenditures	(103,165)	(243,492)	66,066	-	66,066	309,558
Other Financing Sources(Uses)						
Advances - In	-	455,000	227,500	-	227,500	(227,500)
Advances - Out	-	(343,780)	(343,780)	-	(343,780)	-
Total Other Financing Sources (Uses)	-	111,220	(116,280)	-	(116,280)	(227,500)
(Deficiency) of Revenues and Other Financing Sources (Under)Expenditures and Other Financing Uses	(103,165)	(132,272)	(50,214)	\$ -	\$ (50,214)	\$ 82,058
Fund Balance at Beginning of Year	438,953	438,953	438,953			
Fund Balance at End of Year	\$ 335,788	\$ 306,681	\$ 388,739			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Youth Services
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Charges for Services	\$ 84,000	\$ 85,830	\$ 85,830	\$ -	\$ 85,830	\$ -
Intergovernmental	733,000	481,144	481,144	-	481,144	-
Other	105,000	61,270	62,518	-	62,518	1,248
Total Revenues	922,000	628,244	629,492	-	629,492	1,248
Expenditures						
Current:						
Human Services:						
Salaries and Wages	511,389	491,929	378,691	-	378,691	113,238
Fringe Benefits	158,920	164,095	127,632	-	127,632	36,463
Supplies and Materials	15,200	16,650	13,588	-	13,588	3,062
Equipment	9,500	13,100	6,439	624	7,063	6,037
Contractual Services	252,490	199,511	140,022	10,999	151,021	48,490
Other	71,100	77,424	55,107	-	55,107	22,317
Total Expenditures	1,018,599	962,709	721,479	11,623	733,102	229,607
Deficiency of Revenues (Under) Expenditures	(96,599)	(334,465)	(91,987)	(11,623)	(103,610)	230,855
Other Financing Sources(Uses)						
Advances - In	-	60,000	60,000	-	60,000	-
Advances - Out	-	(60,000)	(60,000)	-	(60,000)	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(96,599)	(334,465)	(91,987)	<u>\$ (11,623)</u>	<u>\$ (103,610)</u>	<u>\$ 230,855</u>
Fund Balance at Beginning of Year	341,985	341,985	341,985			
Fund Balance at End of Year	\$ 245,386	\$ 7,520	\$ 249,998			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Reclaim Ohio
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 1,877,900	\$ 2,043,380	\$ 2,043,380	\$ -	\$ 2,043,380	\$ -
Other	47,000	14,443	15,138	-	15,138	695
Total Revenues	<u>1,924,900</u>	<u>2,057,823</u>	<u>2,058,518</u>	<u>-</u>	<u>2,058,518</u>	<u>695</u>
Expenditures						
Current:						
Human Services:						
Salaries and Wages	1,116,901	1,158,781	1,077,507	-	1,077,507	81,274
Fringe Benefits	375,852	462,247	409,225	-	409,225	53,022
Supplies and Materials	34,500	23,500	11,839	-	11,839	11,661
Equipment	5,300	5,900	3,818	-	3,818	2,082
Contractual Services	181,575	199,080	140,832	6,505	147,337	51,743
Other	205,000	229,400	145,003	-	145,003	84,397
Total Expenditures	<u>1,919,128</u>	<u>2,078,908</u>	<u>1,788,224</u>	<u>6,505</u>	<u>1,794,729</u>	<u>284,179</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	5,772	(21,085)	270,294	<u>\$ (6,505)</u>	<u>\$ 263,789</u>	<u>\$ 284,874</u>
Fund Balance at Beginning of Year	<u>1,100,597</u>	<u>1,100,597</u>	<u>1,100,597</u>			
Fund Balance at End of Year	<u>\$ 1,106,369</u>	<u>\$ 1,079,512</u>	<u>\$ 1,370,891</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Medically Handicapped Child
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 522,812	\$ 522,812	\$ 522,812	\$ -	\$ 522,812	\$ -
Total Revenues	<u>522,812</u>	<u>522,812</u>	<u>522,812</u>	<u>-</u>	<u>522,812</u>	<u>-</u>
Expenditures						
Current:						
Human Services:						
Other	443,407	443,407	303,616	-	303,616	139,791
Total Expenditures	<u>443,407</u>	<u>443,407</u>	<u>303,616</u>	<u>-</u>	<u>303,616</u>	<u>139,791</u>
Excess of Revenues Over (Under) Expenditures	79,405	79,405	219,196	<u>\$ -</u>	<u>\$ 219,196</u>	<u>\$ 139,791</u>
Fund Balance at Beginning of Year	24,119	24,119	24,119			
Fund Balance at End of Year	<u>\$ 103,524</u>	<u>\$ 103,524</u>	<u>\$ 243,315</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Indigent Guardianship
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Charges for Services	\$ 37,000	\$ 37,419	\$ 37,419	\$ -	\$ 37,419	\$ -
Total Revenues	37,000	37,419	37,419	-	37,419	-
Expenditures						
Current:						
General Government:						
Judicial:						
Salaries and Wages	-	1,200	1,200	-	1,200	-
Fringe Benefits	-	255	227	-	227	28
Supplies and Materials	500	500	-	-	-	500
Equipment	1,500	1,500	-	-	-	1,500
Contractual Services	16,000	18,000	18,000	-	18,000	-
Other	19,000	15,545	552	-	552	14,993
Total Expenditures	37,000	37,000	19,979	-	19,979	17,021
Excess of Revenues Over (Under) Expenditures	-	419	17,440	-	17,440	17,021
Other Financing Uses						
Operating Transfers - Out	-	(32,900)	(32,900)	-	(32,900)	-
(Deficiency) of Revenues (Under) Expenditures and Other Financing Uses	-	(32,481)	(15,460)	\$ -	\$ (15,460)	\$ 17,021
Fund Balance at Beginning of Year	161,347	161,347	161,347			
Fund Balance at End of Year	\$ 161,347	\$ 128,866	\$ 145,887			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
County Probation Services
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 65,000	\$ 143,581	\$ 143,581	\$ -	\$ 143,581	\$ -
Total Revenues	65,000	143,581	143,581	-	143,581	-
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	-	122,435	113,190	-	113,190	9,245
Fringe Benefits	-	48,566	28,770	-	28,770	19,796
Supplies	-	27,210	-	-	-	27,210
Contractual Services	60,000	60,000	-	-	-	60,000
Total Expenditures	60,000	258,211	141,960	-	141,960	116,251
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,000	(114,630)	1,621	<u>\$ -</u>	<u>\$ 1,621</u>	<u>\$ 116,251</u>
Fund Balance at Beginning of Year	252,257	252,257	252,257			
Fund Balance at End of Year	<u>\$ 257,257</u>	<u>\$ 137,627</u>	<u>\$ 253,878</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
TB Clinic
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 478,980	\$ 499,708	\$ 504,647	\$ -	\$ 504,647	\$ 4,939
Charges for Services	8,000	11,292	11,292	-	11,292	-
Other	-	174	174	-	174	-
Total Revenues	486,980	511,174	516,113	-	516,113	4,939
Expenditures						
Current:						
Health:						
Salaries and Wages	279,600	279,600	277,440	-	277,440	2,160
Fringe Benefits	124,360	161,410	127,662	-	127,662	33,748
Supplies and Materials	33,300	33,900	24,015	-	24,015	9,885
Equipment	8,600	5,490	4,814	-	4,814	676
Contractual Services	59,000	60,523	53,991	-	53,991	6,532
Other	22,050	15,415	14,004	-	14,004	1,411
Total Expenditures	526,910	556,338	501,926	-	501,926	54,412
Excess(Deficiency) of Revenues Over (Under) Expenditures	(39,930)	(45,164)	14,187	\$ -	\$ 14,187	\$ 59,351
Fund Balance at Beginning of Year	769,750	769,750	769,750			
Fund Balance at End of Year	\$ 729,820	\$ 724,586	\$ 783,937			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Court Mediation
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 150,000	\$ 178,037	\$ 178,037	\$ -	\$ 178,037	\$ -
Other	-	53	53	-	53	-
Total Revenues	150,000	178,090	178,090	-	178,090	-
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	93,250	93,250	91,500	-	91,500	1,750
Fringe Benefits	16,700	18,700	16,538	-	16,538	2,162
Supplies and Materials	3,500	3,500	1,951	-	1,951	1,549
Equipment	12,000	10,000	402	-	402	9,598
Contractual Services	3,500	3,500	686	215	901	2,599
Other	8,500	8,500	810	-	810	7,690
Total Expenditures	137,450	137,450	111,887	215	112,102	25,348
Excess of Revenues Over (Under) Expenditures	12,550	40,640	66,203	<u>\$ (215)</u>	<u>\$ 65,988</u>	<u>\$ 25,348</u>
Fund Balance at Beginning of Year	151,910	151,910	151,910			
Fund Balance at End of Year	\$ 164,460	\$ 192,550	\$ 218,113			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
County Erosion Control
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	54,450	284,714	284,714	-	284,714	-
Other	7,000	44,064	47,456	-	47,456	3,392
Total Revenues	62,950	328,778	332,170	-	332,170	3,392
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	140	190	12	-	12	178
Contractual Services	61,200	284,914	284,714	-	284,714	200
Other	1,535	279,687	276,580	-	276,580	3,107
Total Expenditures	62,875	564,791	561,306	-	561,306	3,485
Excess(Deficiency) of Revenues Over (Under) Expenditures	75	(236,013)	(229,136)	-	(229,136)	6,877
Other Financing Sources(Uses)						
Advances - In	-	24,403	24,403	-	24,403	-
Advances - Out	-	(124,763)	(124,763)	-	(124,763)	-
Total Other Financing Sources (Uses)	-	(100,360)	(100,360)	-	(100,360)	-
Excess(Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	75	(336,373)	(329,496)	\$ -	\$ (329,496)	\$ 6,877
Fund Balance at Beginning of Year	337,594	337,594	337,594			
Fund Balance at End of Year	\$ 337,669	\$ 1,221	\$ 8,098			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Supportive Living
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 3,675,000	\$ 4,157,870	\$ 4,157,870	\$ -	\$ 4,157,870	\$ -
Other	23,500	86,687	86,687	-	86,687	-
Total Revenues	3,698,500	4,244,557	4,244,557	-	4,244,557	-
Expenditures						
Current:						
Health:						
Salaries and Wages	2,505,000	2,505,000	2,262,561	-	2,262,561	242,439
Fringe Benefits	1,073,800	1,111,800	956,281	-	956,281	155,519
Supplies and Materials	77,490	102,490	90,658	1,428	92,086	10,404
Equipment	83,964	91,339	81,676	1,080	82,756	8,583
Contractual Services	1,020,352	973,465	757,906	80,444	838,350	135,115
Capital Outlay	10,000	10,000	7,001	2,400	9,401	599
Other	31,988	686,330	16,473	300	16,773	669,557
Total Expenditures	4,802,594	5,480,424	4,172,556	85,652	4,258,208	1,222,216
Excess(Deficiency) of Revenues Over (Under) Expenditures	(1,104,094)	(1,235,867)	72,001	\$ (85,652)	\$ (13,651)	\$ 1,222,216
Fund Balance at Beginning of Year	1,609,112	1,609,112	1,609,112			
Fund Balance at End of Year	\$ 505,018	\$ 373,245	\$ 1,681,113			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Mental Health Medicaid
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 8,000,000	\$ 5,468,775	\$ 5,468,775	\$ -	\$ 5,468,775	\$ -
Total Revenues	8,000,000	5,468,775	5,468,775	-	5,468,775	-
Expenditures						
Current:						
Health:						
Contractual Services	8,000,000	8,000,000	7,317,165	4,212	7,321,377	678,623
Total Expenditures	8,000,000	8,000,000	7,317,165	4,212	7,321,377	678,623
(Deficiency) of Revenues (Under) Expenditures	-	(2,531,225)	(1,848,390)	<u>\$ (4,212)</u>	<u>\$ (1,852,602)</u>	<u>\$ 678,623</u>
Fund Balance at Beginning of Year	3,235,505	3,235,505	3,235,505			
Fund Balance at End of Year	\$ 3,235,505	\$ 704,280	\$ 1,387,115			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Golden Acres
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 3,950,000	\$ 3,290,354	\$ 3,565,088	\$ -	\$ 3,565,088	\$ 274,734
Intergovernmental	20,000	13,472	13,472	-	13,472	-
Other	1,000	11,045	11,166	-	11,166	121
Total Revenues	3,971,000	3,314,871	3,589,726	-	3,589,726	274,855
Expenditures						
Current:						
Health:						
Salaries and Wages	2,550,000	2,575,000	2,527,999	-	2,527,999	47,001
Fringe Benefits	827,000	1,005,000	944,095	-	944,095	60,905
Supplies and Materials	494,338	476,913	328,854	93,396	422,250	54,663
Equipment	67,963	66,133	42,433	857	43,290	22,843
Contractual Services	394,833	394,564	298,820	16,027	314,847	79,717
Capital Outlay	19,678	71,678	58,901	8,476	67,377	4,301
Other	73,165	232,020	190,873	2,409	193,282	38,738
Total Expenditures	4,426,977	4,821,308	4,391,975	121,165	4,513,140	308,168
(Deficiency) of Revenues						
(Under) Expenditures	(455,977)	(1,506,437)	(802,249)	\$ (121,165)	\$ (923,414)	\$ 583,023
Fund Balance at Beginning of Year	5,078,429	5,078,429	5,078,429			
Fund Balance at End of Year	\$ 4,622,452	\$ 3,571,992	\$ 4,276,180			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Metropolitan Enforcement Group
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 160,000	\$ 187,064	\$ 187,064	\$ -	\$ 187,064	\$ -
Property and Other Taxes	399,149	416,421	420,537	-	420,537	4,116
Other	-	528	528	-	528	-
Total Revenues	559,149	604,013	608,129	-	608,129	4,116
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	604,300	604,300	419,371	-	419,371	184,929
Fringe Benefits	145,540	159,069	127,143	-	127,143	31,926
Supplies and Materials	17,300	22,300	16,018	-	16,018	6,282
Equipment	18,200	21,500	11,519	-	11,519	9,981
Contractual Services	73,300	78,300	50,774	-	50,774	27,526
Other	132,758	125,675	108,833	2,400	111,233	14,442
Total Expenditures	991,398	1,011,144	733,658	2,400	736,058	275,086
(Deficiency) of Revenues (Under) Expenditures	(432,249)	(407,131)	(125,529)	<u>\$ (2,400)</u>	<u>\$ (127,929)</u>	<u>\$ 279,202</u>
Fund Balance at Beginning of Year	573,321	573,321	573,321			
Fund Balance at End of Year	\$ 141,072	\$ 166,190	\$ 447,792			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Crime Laboratory
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 199,574	\$ 208,211	\$ 210,269	\$ -	\$ 210,269	\$ 2,058
Total Revenues	199,574	208,211	210,269	-	210,269	2,058
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	44,000	44,000	21,809	-	21,809	22,191
Fringe Benefits	18,775	18,775	7,519	-	7,519	11,256
Equipment	15,525	10,000	5,000	-	5,000	5,000
Other	140,171	260,453	123,224	-	123,224	137,229
Total Expenditures	218,471	333,228	157,552	-	157,552	175,676
Excess(Deficiency) of Revenues Over (Under) Expenditures	(18,897)	(125,017)	52,717	\$ -	\$ 52,717	\$ 177,734
Fund Balance at Beginning of Year	1,037,122	1,037,122	1,037,122			
Fund Balance at End of Year	\$ 1,018,225	\$ 912,105	\$ 1,089,839			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
911 System
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Property and Other Taxes	\$ 1,216,981	\$ 1,271,445	\$ 1,280,089	\$ -	\$ 1,280,089	\$ 8,644
Other	2,000	3,722	3,722	-	3,722	-
Total Revenues	1,218,981	1,275,167	1,283,811	-	1,283,811	8,644
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	750,000	750,000	630,392	-	630,392	119,608
Fringe Benefits	209,500	239,500	206,749	-	206,749	32,751
Supplies and Materials	11,000	11,000	2,598	-	2,598	8,402
Equipment	108,030	498,030	37,131	378,327	415,458	82,572
Contractual Services	207,098	233,025	131,275	1,087	132,362	100,663
Other	97,100	93,767	42,010	-	42,010	51,757
Total Expenditures	1,382,728	1,825,322	1,050,155	379,414	1,429,569	395,753
Excess(Deficiency) of Revenues Over (Under) Expenditures	(163,747)	(550,155)	233,656	379,414	(145,758)	404,397
Other Financing Uses						
Advances - Out	(100,000)	-	-	-	-	-
Excess (Deficiency) of Revenue Over (Under)Expenditures and Other Financing Uses	(263,747)	(550,155)	233,656	<u>\$ (379,414)</u>	<u>\$ (145,758)</u>	<u>\$ 404,397</u>
Fund Balance at Beginning of Year	1,463,632	1,463,632	1,463,632			
Fund Balance at End of Year	\$ 1,199,885	\$ 913,477	\$ 1,697,288			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Child Support Enforcement Agency
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,500,000	\$ 969,239	\$ 969,450	\$ -	\$ 969,450	\$ 211
Intergovernmental	3,000,000	4,144,942	4,144,942	-	4,144,942	-
Other	1,080,000	1,331	1,331	-	1,331	-
Total Revenues	5,580,000	5,115,512	5,115,723	-	5,115,723	211
Expenditures						
Current:						
Human Services:						
Salaries and Wages	2,075,000	2,160,000	2,133,532	-	2,133,532	26,468
Fringe Benefits	684,305	830,305	773,220	-	773,220	57,085
Supplies and Materials	43,000	42,000	13,655	-	13,655	28,345
Equipment	13,000	96,000	748	73,513	74,261	21,739
Contractual Services	1,020,178	951,493	830,907	91,825	922,732	28,761
Other	1,351,924	1,241,000	986,049	13,470	999,519	241,481
Total Expenditures	5,187,407	5,320,798	4,738,111	178,808	4,916,919	403,879
Excess(Deficiency) of Revenues Over (Under) Expenditures	392,593	(205,286)	377,612	<u>\$ (178,808)</u>	<u>\$ 198,804</u>	<u>\$ 404,090</u>
Fund Balance at Beginning of Year	2,787,469	2,787,469	2,787,469			
Fund Balance at End of Year	\$ 3,180,062	\$ 2,582,183	\$ 3,165,081			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Drug Enforcement
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 11,000	\$ 13,024	\$ 13,024	\$ -	\$ 13,024	\$ -
Other	1,000	2,022	2,022	-	2,022	-
Total Revenues	12,000	15,046	15,046	-	15,046	-
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	2,000	2,259	2,259	-	2,259	-
Other	11,000	12,876	12,876	-	12,876	-
Total Expenditures	13,000	15,135	15,135	-	15,135	-
(Deficiency) of Revenues						
(Under) Expenditures	(1,000)	(89)	(89)	\$ -	\$ (89)	\$ -
Fund Balance at Beginning of Year	13,574	13,574	13,574			
Fund Balance at End of Year	\$ 12,574	\$ 13,485	\$ 13,485			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Ditch Maintenance
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Special Assessments	\$ 27,891	\$ 30,381	\$ 30,381	\$ -	\$ 30,381	\$ -
Total Revenues	<u>27,891</u>	<u>30,381</u>	<u>30,381</u>	<u>-</u>	<u>30,381</u>	<u>-</u>
Expenditures						
Current:						
Public Works:						
Other	2,806	153,424	36,358	42,387	78,745	74,679
Total Expenditures	<u>2,806</u>	<u>153,424</u>	<u>36,358</u>	<u>42,387</u>	<u>78,745</u>	<u>74,679</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	25,085	(123,043)	(5,977)	<u>\$ (42,387)</u>	<u>\$ (48,364)</u>	<u>\$ 74,679</u>
Fund Balance at Beginning of Year	<u>137,850</u>	<u>137,850</u>	<u>137,850</u>			
Fund Balance at End of Year	<u>\$ 162,935</u>	<u>\$ 14,807</u>	<u>\$ 131,873</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Public Safety
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 119,384	\$ 119,384	\$ -	\$ 119,384	\$ -
Total Revenues	-	119,384	119,384	-	119,384	-
Expenditures						
Current:						
Public Safety:						
Supplies	2,250	2,250	-	-	-	2,250
Equipment	226,241	226,241	-	-	-	226,241
Contractual Services	15,000	15,000	-	14,500	14,500	500
Other	33,727	33,727	1,872	-	1,872	31,855
Total Expenditures	277,218	277,218	1,872	14,500	16,372	260,846
Excess(Deficiency) of Revenues Over (Under) Expenditures	(277,218)	(157,834)	117,512	(14,500)	103,012	260,846
Other Financing Sources(Uses)						
Advances - In	281,218	281,218	281,218	-	281,218	-
Advances - Out	-	(49,702)	(49,702)	-	(49,702)	-
Total Other Financing Sources (Uses)	281,218	231,516	231,516	-	231,516	-
Excess of Revenues Over Expenditures	4,000	73,682	349,028	\$ (14,500)	\$ 334,528	\$ 260,846
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	\$ 4,000	\$ 73,682	\$ 349,028			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Litter Control
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 4,000	\$ 4,000	\$ -	\$ 4,000	\$ -
Total Revenues	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Equipment	-	14,841	14,841	-	14,841	-
Contractual Services	-	2,000	2,000	-	2,000	-
Other	-	3,109	3,109	-	3,109	-
Total Expenditures	<u>-</u>	<u>19,950</u>	<u>19,950</u>	<u>-</u>	<u>19,950</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	-	(15,950)	(15,950)	-	(15,950)	-
Other Financing Uses						
Advances - Out	-	(12,000)	(12,000)	-	(12,000)	-
(Deficiency) of Revenue and Other Financing Uses (Under) Expenditures	-	(27,950)	(27,950)	<u>\$ -</u>	<u>\$ (27,950)</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	<u>28,079</u>	<u>28,079</u>	<u>28,079</u>			
Fund Balance at End of Year	<u>\$ 28,079</u>	<u>\$ 129</u>	<u>\$ 129</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Linkages Plus/Byrne Memorial
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-
Contractual Services	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	<u>18</u>	<u>18</u>	<u>18</u>			
Fund Balance at End of Year	<u>\$ 18</u>	<u>\$ 18</u>	<u>\$ 18</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
P.A.I.R.
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Other	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ -
Total Revenues	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Contractual Services	-	1,000	-	-	-	1,000
Other	-	4,000	49	-	49	3,951
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>49</u>	<u>-</u>	<u>49</u>	<u>4,951</u>
Excess of Revenues Over Expenditures	-	-	4,951	<u>\$ -</u>	<u>\$ 4,951</u>	<u>\$ 4,951</u>
Fund Balance at Beginning of Year	<u>75,263</u>	<u>75,263</u>	<u>75,263</u>			
Fund Balance at End of Year	<u>\$ 75,263</u>	<u>\$ 75,263</u>	<u>\$ 80,214</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Local Law Enforcement Block Grant
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 10,121	\$ 10,121	\$ -	\$ 10,121	\$ -
Interest	-	152	152	-	152	-
Total Revenues	-	10,273	10,273	-	10,273	-
Expenditures						
Current:						
Public Safety:						
Supplies	-	156	156	-	156	-
Equipment	11,483	21,816	11,695	-	11,695	10,121
Total Expenditures	11,483	21,972	11,851	-	11,851	10,121
(Deficiency) of Revenues						
(Under) Expenditures	(11,483)	(11,699)	(1,578)	\$ -	\$ (1,578)	\$ 10,121
Fund Balance at Beginning of Year	11,699	11,699	11,699			
Fund Balance at End of Year	\$ 216	\$ -	\$ 10,121			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Violent Offender
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 19,578	\$ 19,578	\$ -	\$ 19,578	\$ -
Total Revenues	<u>-</u>	<u>19,578</u>	<u>19,578</u>	<u>-</u>	<u>19,578</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	-	27,350	27,330	-	27,330	20
Fringe Benefits	-	13,897	13,702	-	13,702	195
Other	-	403	225	-	225	178
Total Expenditures	<u>-</u>	<u>41,650</u>	<u>41,257</u>	<u>-</u>	<u>41,257</u>	<u>393</u>
(Deficiency) of Revenues						
(Under) Expenditures	-	(22,072)	(21,679)	<u>\$ -</u>	<u>\$ (21,679)</u>	<u>\$ 393</u>
Fund Balance at Beginning of Year	<u>79,623</u>	<u>79,623</u>	<u>79,623</u>			
Fund Balance at End of Year	<u>\$ 79,623</u>	<u>\$ 57,551</u>	<u>\$ 57,944</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Marriage Licenses
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 67,000	\$ 62,154	\$ 64,042	\$ -	\$ 64,042	\$ 1,888
Other	3,600	3,762	3,762	-	3,762	-
Total Revenues	70,600	65,916	67,804	-	67,804	1,888
Expenditures						
Current:						
Human Services:						
Supplies and Materials	1,000	1,000	-	-	-	1,000
Equipment	7,000	-	-	-	-	-
Other	62,600	69,600	67,280	-	67,280	2,320
Total Expenditures	70,600	70,600	67,280	-	67,280	3,320
Excess(Deficiency) of Revenues Over (Under) Expenditures	-	(4,684)	524	\$ -	\$ 524	\$ 5,208
Fund Balance at Beginning of Year	68,925	68,925	68,925			
Fund Balance at End of Year	\$ 68,925	\$ 64,241	\$ 69,449			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Medicaid Outreach
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 112,123	\$ 91,866	\$ 91,866	\$ -	\$ 91,866	\$ -
Total Revenues	112,123	91,866	91,866	-	91,866	-
Expenditures						
Current:						
Health:						
Salaries and Wages	80,850	36,065	36,065	-	36,065	-
Fringe Benefits	30,273	20,083	20,083	-	20,083	-
Other	1,000	5,377	4,292	-	4,292	1,085
Total Expenditures	112,123	61,525	60,440	-	60,440	1,085
Excess of Revenues Over (Under) Expenditures	-	30,341	31,426	-	31,426	1,085
Other Financing Uses						
Advances - In	-	8,000	8,000	-	8,000	-
Advances - Out	-	(40,750)	(40,750)	-	(40,750)	-
Total Other Financing Sources (Uses)	-	(32,750)	(32,750)	-	(32,750)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(2,409)	(1,324)	\$ -	\$ (1,324)	\$ 1,085
Fund Balance at Beginning of Year	2,439	2,439	2,439			
Fund Balance at End of Year	\$ 2,439	\$ 30	\$ 1,115			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Court Security
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Other	\$ -	\$ 5,236	\$ 5,576	\$ -	\$ 5,576	\$ 340
Total Revenues	<u>-</u>	<u>5,236</u>	<u>5,576</u>	<u>-</u>	<u>5,576</u>	<u>340</u>
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	1,000	1,000	202	-	202	798
Equipment	1,000	1,000	-	-	-	1,000
Other Expenses	500	500	-	-	-	500
Total Expenditures	<u>2,500</u>	<u>2,500</u>	<u>202</u>	<u>-</u>	<u>202</u>	<u>2,298</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	(2,500)	2,736	5,374	<u>\$ -</u>	<u>\$ 5,374</u>	<u>\$ 2,638</u>
Fund Balance at Beginning of Year	3,308	3,308	3,308			
Fund Balance at End of Year	<u>\$ 808</u>	<u>\$ 6,044</u>	<u>\$ 8,682</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Criminal History On-Line
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Contractual Services	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	8,506	8,506	8,506			
Fund Balance at End of Year	<u>\$ 8,506</u>	<u>\$ 8,506</u>	<u>\$ 8,506</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
MRDD-Medicaid
For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Health:						
Salaries and Wages	552,000	712,000	694,448	-	694,448	17,552
Fringe Benefits	202,695	305,695	236,188	-	236,188	69,507
Supplies and Materials	7,850	7,850	4,990	1,770	6,760	1,090
Equipment	22,800	57,800	8,053	40,067	48,120	9,680
Contractual Services	89,460	109,460	87,541	-	87,541	21,919
Capital Outlay	15,000	5,000	-	-	-	5,000
Other	9,025	1,902,025	49,534	-	49,534	1,852,491
Total Expenditures	<u>898,830</u>	<u>3,099,830</u>	<u>1,080,754</u>	<u>41,837</u>	<u>1,122,591</u>	<u>1,977,239</u>
(Deficiency) of Revenues Over (Under) Expenditures	(898,830)	(3,099,830)	(1,080,754)	(41,837)	(1,122,591)	1,977,239
Other Financing Sources						
Operating Transfers - In	900,000	3,100,000	3,100,000	-	3,100,000	-
Excess of Revenues and Other Financing Sources Over Expenditures	1,170	170	2,019,246	<u>\$ (41,837)</u>	<u>\$ 1,977,409</u>	<u>\$ 1,977,239</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ 1,170</u>	<u>\$ 170</u>	<u>\$ 2,019,246</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Prosecutor's Victim Witness
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 96,627	\$ 104,432	\$ 104,432	\$ -	\$ 104,432	\$ -
Total Revenues	<u>96,627</u>	<u>104,432</u>	<u>104,432</u>	<u>-</u>	<u>104,432</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	71,198	95,577	84,010	-	84,010	11,567
Fringe Benefits	37,175	47,572	39,550	-	39,550	8,022
Supplies and Materials	-	119	-	-	-	119
Equipment	-	1,514	1,479	-	1,479	35
Other	-	20,853	11,519	7,766	19,285	1,568
Total Expenditures	<u>108,373</u>	<u>165,635</u>	<u>136,558</u>	<u>7,766</u>	<u>144,324</u>	<u>21,311</u>
(Deficiency) of Revenues (Under) Expenditures	(11,746)	(61,203)	(32,126)	(7,766)	(39,892)	21,311
Other Financing Sources						
Advances - In	-	50,000	50,000	-	50,000	-
Excess(Deficiency) of Revenue and Other Financing Sources Over(Under) Expenditures	(11,746)	(11,203)	17,874	<u>\$ (7,766)</u>	<u>\$ 10,108</u>	<u>\$ 21,311</u>
Fund Balance at Beginning of Year	47,238	47,238	47,238			
Fund Balance at End of Year	<u>\$ 35,492</u>	<u>\$ 36,035</u>	<u>\$ 65,112</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Enforcement and Education
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Fines and Forfeitures	\$ 1,000	\$ 1,959	\$ 2,159	\$ -	\$ 2,159	\$ 200
Total Revenues	<u>1,000</u>	<u>1,959</u>	<u>2,159</u>	<u>-</u>	<u>2,159</u>	<u>200</u>
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	4,000	4,000	-	-	-	4,000
Equipment	2,500	2,500	-	-	-	2,500
Total Expenditures	<u>6,500</u>	<u>6,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,500</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	(5,500)	(4,541)	2,159	<u>\$ -</u>	<u>\$ 2,159</u>	<u>\$ 6,700</u>
Fund Balance at Beginning of Year	<u>9,615</u>	<u>9,615</u>	<u>9,615</u>			
Fund Balance at End of Year	<u>\$ 4,115</u>	<u>\$ 5,074</u>	<u>\$ 11,774</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Juvenile Diversion Mediation
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Other	65,000	-	-	-	-	-
Total Expenditures	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	-	-	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Juvenile School Liaison
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 35,000	\$ 22,000	\$ 22,000	\$ -	\$ 22,000	\$ -
Total Revenues	<u>35,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>	<u>22,000</u>	<u>-</u>
Expenditures						
Current:						
Human Services:						
Salaries and Wages	21,680	14,080	14,034	-	14,034	46
Fringe Benefits	1,320	3,520	1,966	-	1,966	1,554
Contractual Services	12,000	4,400	4,400	-	4,400	-
Total Expenditures	<u>35,000</u>	<u>22,000</u>	<u>20,400</u>	<u>-</u>	<u>20,400</u>	<u>1,600</u>
Excess of Revenues Over Expenditures	-	-	1,600	<u>\$ -</u>	<u>\$ 1,600</u>	<u>\$ 1,600</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,600</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Help America Vote Act
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 41,523	\$ 41,523	\$ -	\$ 41,523	\$ -
Total Revenues	<u>-</u>	<u>41,523</u>	<u>41,523</u>	<u>-</u>	<u>41,523</u>	<u>-</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Equipment	79,632	79,632	-	40,639	40,639	38,993
Total Expenditures	<u>79,632</u>	<u>79,632</u>	<u>-</u>	<u>40,639</u>	<u>40,639</u>	<u>38,993</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	(79,632)	(38,109)	41,523	(40,639)	884	38,993
Other Financing Sources						
Operating Transfers - In	79,632	38,109	38,109	-	38,109	-
Excess of Revenues and Other Financing Sources Over Expenditures	-	-	79,632	<u>\$ (40,639)</u>	<u>\$ 38,993</u>	<u>\$ 38,993</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,632</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
MRDD Capital
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Health:						
Capital Outlay	387,475	867,475	-	-	-	867,475
Total Expenditures	<u>387,475</u>	<u>867,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>867,475</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(387,475)	(867,475)	-	-	-	867,475
Other Financing Sources						
Operating Transfers - In	387,475	867,475	867,475	-	867,475	-
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	-	-	867,475	<u>\$ -</u>	<u>\$ 867,475</u>	<u>\$ 867,475</u>
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 867,475</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Debt Service Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 51,392	\$ 231	\$ 231	\$ -	\$ 231	\$ -
Intergovernmental	1,259,458	515,899	515,899	-	515,899	-
Special Assessments	550,000	394,252	398,419	-	398,419	4,167
Other	630	13,450	13,450	-	13,450	-
Total Revenues	1,861,480	923,832	927,999	-	927,999	4,167
Expenditures						
Note Principal Retirement	2,000,000	2,000,000	2,000,000	-	2,000,000	-
Note Interest	51,457	51,457	51,457	-	51,457	-
General Obligation Bond Principal Retirement	2,100,000	2,100,000	1,915,000	-	1,915,000	185,000
General Obligation Interest	1,448,543	1,448,543	1,304,090	-	1,304,090	144,453
Special Assessment Principal Retirement	300,000	293,000	283,626	-	283,626	9,374
Special Assessment Interest	225,000	266,000	265,653	-	265,653	347
Fiscal Charges	109,720	85,755	52,714	-	52,714	33,041
Total Expenditures	6,234,720	6,244,755	5,872,540	-	5,872,540	372,215
(Deficiency) of Revenues (Under) Expenditures	(4,373,240)	(5,320,923)	(4,944,541)	-	(4,944,541)	376,382
Other Financing Sources						
Proceeds of Notes	1,500,000	2,000,000	2,000,000	-	2,000,000	-
Advances - In	-	30,000	30,000	-	30,000	-
Total Other Financing Sources	1,500,000	2,030,000	2,030,000	-	2,030,000	-
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures	(2,873,240)	(3,290,923)	(2,914,541)	\$ -	\$ (2,914,541)	\$ 376,382
Fund Balance at Beginning of Year	7,473,290	7,473,290	7,473,290			
Fund Balance at End of Year	\$ 4,600,050	\$ 4,182,367	\$ 4,558,749			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Jail Facility Construction
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Capital Outlay:						
Jail Facility Construction	22,536	353,760	35,338	20,604	55,942	297,818
Total Expenditures	<u>22,536</u>	<u>353,760</u>	<u>35,338</u>	<u>20,604</u>	<u>55,942</u>	<u>297,818</u>
(Deficiency) of Revenues (Under) Expenditures	(22,536)	(353,760)	(35,338)	<u>\$ (20,604)</u>	<u>\$ (55,942)</u>	<u>\$ 297,818</u>
Fund Balance at Beginning of Year	<u>2,106,564</u>	<u>2,106,564</u>	<u>2,106,564</u>			
Fund Balance at End of Year	<u>\$ 2,084,028</u>	<u>\$ 1,752,804</u>	<u>\$ 2,071,226</u>			

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources restricted for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds.)

Q Construction – To account for monies used for acquisition and construction of various projects within the County.

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Q Construction
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 850,000	\$ 850,000	\$ 5,979,206	\$ -	\$ 5,979,206	\$ 5,129,206
Other	-	39,903	39,903	-	39,903	-
Total Revenues	850,000	889,903	6,019,109	-	6,019,109	5,129,206
Expenditures						
Capital Outlay:						
Justice Center	36,418,566	36,415,186	19,132,418	8,610,811	27,743,229	8,671,957
D.D. School	49,160	33,830	-	24,650	24,650	9,180
Adult Workshop	33,333	48,663	48,570	-	48,570	93
9-1-1 Phone System	113,118	111,810	15,230	5,530	20,760	91,050
Board of Elections	-	1,525,000	-	-	-	1,525,000
Agricultural Center	31,701	31,701	-	930	930	30,771
Adult Training Center	214,784	206,036	103,447	23,600	127,047	78,989
Highway Improvement	279,338	298,939	243,223	54,327	297,550	1,389
Issue II	850,000	850,000	807,524	-	807,524	42,476
ODOT Federal Awards	-	-	5,171,682	-	5,171,682	(5,171,682)
Ditches	51,047	51,047	4,973	-	4,973	46,074
Sewers	11,241	11,241	-	-	-	11,241
Waterlines	834	834	-	-	-	834
Total Expenditures	38,053,122	39,584,287	25,527,067	8,719,848	34,246,915	5,337,372
(Deficiency) of Revenues Over (Under) Expenditures	(37,203,122)	(38,694,384)	(19,507,958)	(8,719,848)	(28,227,806)	10,466,578
Other Financing Sources						
Advances - In	-	1,525,000	1,525,000	-	1,525,000	-
Total Other Financing Sources	-	1,525,000	1,525,000	-	1,525,000	-
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures	(37,203,122)	(37,169,384)	(17,982,958)	<u>\$ (8,719,848)</u>	<u>\$ (26,702,806)</u>	<u>\$ 10,466,578</u>
Fund Balance at Beginning of Year	37,203,122	37,203,122	37,203,122			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 33,738</u>	<u>\$ 19,220,164</u>			

Proprietary Funds

The Proprietary funds are used to account for the County's ongoing organizations and activities which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flows.

Enterprise Fund

The Sanitary Sewer enterprise fund is used to account for the County's sewer operations. This operation is financed and operated in a manner similar to a private business enterprise. The intent of the County is that the costs (expenses, including depreciation) of providing this service to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Fund

The Internal Service Fund is used to account for the activity of the County's self-funded insurance program.

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Enterprise Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,072,126	\$ 895,537	\$ 908,153	\$ -	\$ 908,153	\$ 12,616
Total Revenues	<u>1,072,126</u>	<u>895,537</u>	<u>908,153</u>	<u>-</u>	<u>908,153</u>	<u>12,616</u>
Expenses						
Current:						
Personal Services	360,000	333,000	332,394	-	332,394	606
Fringe Benefits	95,860	107,950	106,949	-	106,949	1,001
Contractual Services	239,848	438,798	303,835	129,893	433,728	5,070
Supplies and Materials	22,500	17,500	16,757	-	16,757	743
Equipment	54,666	74,571	40,864	24,834	65,698	8,873
OWDA Loan Principal Retirement	106,827	106,827	106,827	-	106,827	-
OWDA Loan Interest	74,001	74,001	74,001	-	74,001	-
Other	195,072	133,882	83,395	-	83,395	50,487
Total Expenses	<u>1,148,774</u>	<u>1,286,529</u>	<u>1,065,022</u>	<u>154,727</u>	<u>1,219,749</u>	<u>66,780</u>
(Deficiency) of Revenues (Under) Expenses	(76,648)	(390,992)	(156,869)	(154,727)	(311,596)	79,396
Other Financing Sources						
Advances - In	-	183,600	183,600	-	183,600	-
Excess(Deficiency) of Revenues Over (Under) Expenses and Other Financing Sources	(76,648)	(207,392)	26,731	<u>\$ (154,727)</u>	<u>\$ (127,996)</u>	<u>\$ 79,396</u>
Fund Balance at Beginning of Year	<u>224,182</u>	<u>224,182</u>	<u>224,182</u>			
Fund Balance at End of Year	<u>\$ 147,534</u>	<u>\$ 16,790</u>	<u>\$ 250,913</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Internal Service Fund
For the Year Ended December 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 12,785,000	\$ 13,560,233	\$ 13,655,771	\$ -	\$ 13,655,771	\$ 95,538
Total Revenues	12,785,000	13,560,233	13,655,771	-	13,655,771	95,538
Expenses						
Current:						
Contractual Services	1,425,500	1,425,500	1,216,123	3,500	1,219,623	205,877
Claims & Judgements	11,000,000	13,000,000	11,824,406	-	11,824,406	1,175,594
Other	3,600	5,600	5,064	-	5,064	536
Total Expenses	12,429,100	14,431,100	13,045,593	3,500	13,049,093	1,382,007
Excess (Deficiency) of Revenues Over (Under) Expenses	355,900	(870,867)	610,178	(3,500)	606,678	1,477,545
Other Financing Sources						
Operating Transfers - In	-	96,824	96,824	-	96,824	-
Excess of Revenues and Other Financing Sources Over (Under) Expenses	355,900	(774,043)	707,002	<u>\$ (3,500)</u>	<u>\$ 703,502</u>	<u>\$ 1,477,545</u>
Fund Balance at Beginning of Year	5,992,478	5,992,478	5,992,478			
Fund Balance at End of Year	\$ 6,348,378	\$ 5,218,435	\$ 6,699,480			

Lorain County, Ohio Agency Funds

These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations. The following are the County's agency funds:

Family and Children First Council – To account for revenues and expenditures for the Family and Children First Council for which the County serves as fiscal agent.

Undivided Tax – To account for the collection of real estate taxes and special assessments collected from real estate owners. These taxes and special assessments are periodically apportioned to local governments in the County (including Lorain County itself).

Real Estate Escrow – To account for the monies received for taxes before their due date.

Undivided Government – To account for the collection of shared revenues from the State of Ohio that represent a portion of state income taxes, state sales taxes, and corporate franchise taxes which are returned to the County. These monies are apportioned to local governments on a monthly basis, allocated according to a formula agreed upon by the recipients.

Board of Health – To account for revenues and expenditures for the Board of Health for which the County serves as fiscal agent.

Soil and Water – To account for revenues and expenditures of the soil and water conservation commission for which the County serves as fiscal agent.

Payroll – To account for the net payroll taxes and other related payroll deductions accumulated from the government, proprietary, and fiduciary funds for distribution to employees, other governmental units and private organizations.

Courts – To account for the receipt and expenditure of various court monies that do not run through the County's accounting system.

Sheriff – To account for the receipt and expenditure of moneys for inmates and the Sheriff's civil account that do not run through the County's accounting system.

Alimony and Child Support – To account for the collection of alimony and child support payments and distribution of such monies to the court-designated recipients.

Local Emergency Planning Commission – To account for revenues and expenditures of the Local Emergency Planning Commission for which the County serves as fiscal agent.

Community Based Correctional Facility – To account for the operation of the community based correctional facility for which the County serves as fiscal agent.

Sheriff's Inmate – To account for the moneys held for the sheriff's inmate account.

Golden Acres – To account for the moneys held on behalf of the County home residents.

Benefit America Flex Plan – To account for employee deductions under Internal Revenue Code Section 125 for medical and child care expenses.

U-Trust – To account for unclaimed and surplus funds held in trust by the county.

Ohio Trust Fund – To account for recording fees collected and due to the State of Ohio.

Lorain County, Ohio
 Combining Balance Sheet
All Agency Funds
 December 31, 2003

	<u>Family and Children First Council</u>	<u>Undivided Tax</u>	<u>Real Estate Escrow</u>	<u>Undivided Government</u>	<u>Board of Health</u>
ALL AGENCY FUNDS					
Assets					
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 132,211	\$ 7,677,694	\$ 2,465,294	\$ -	\$ 2,575,976
Cash and Cash Equivalents in Segregated Accounts	-	-	-	-	-
Receivables:					
Property and Other Taxes	-	307,351,706	-	13,089,726	-
Special Assessments	-	20,704,781	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Intergovernmental Receivable	-	12,904,147	-	-	-
Total Assets	<u>\$ 132,211</u>	<u>\$ 348,638,328</u>	<u>\$ 2,465,294</u>	<u>\$ 13,089,726</u>	<u>\$ 2,575,976</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	31,938	-	-	-	-
Due to Other Funds	-	-	-	-	-
Local Government Taxes Payable	-	1,694,749	-	11,398,351	-
Intergovernmental Payable	-	322,244,055	-	1,687,394	-
Advances from Other Funds	54,260	-	-	-	-
Undistributed Monies	46,013	24,699,524	2,465,294	3,981	2,575,976
Total Liabilities	<u>\$ 132,211</u>	<u>\$ 348,638,328</u>	<u>\$ 2,465,294</u>	<u>\$ 13,089,726</u>	<u>\$ 2,575,976</u>

<u>Soil and Water</u>	<u>Payroll</u>	<u>Courts</u>	<u>Sheriff</u>	<u>Alimony and Child Support</u>	<u>Local Emergency Planning Commission</u>
\$ 126,574	\$ 251,262	\$ -	\$ -	\$ -	\$ -
-	-	4,273,582	1,462,539	16,667	260,116
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 126,574</u>	<u>\$ 251,262</u>	<u>\$ 4,273,582</u>	<u>\$ 1,462,539</u>	<u>\$ 16,667</u>	<u>\$ 260,116</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
126,574	251,262	4,273,582	1,462,539	16,667	260,116
<u>\$ 126,574</u>	<u>\$ 251,262</u>	<u>\$ 4,273,582</u>	<u>\$ 1,462,539</u>	<u>\$ 16,667</u>	<u>\$ 260,116</u>

(continued)

Lorain County, Ohio
Combining Balance Sheet
All Agency Funds (continued)
December 31, 2003

	Community Based Correctional Facility	Sheriff's Inmate	Golden Acres	Benefit America Flex Plan	U-Trust	Ohio Trust Fund	Totals
Assets							
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 512,015	\$ -	\$ -	\$ 33,582	\$ 940,201	\$ 564,652	\$ 15,279,461
Cash and Cash Equivalents in Segregated Accounts	-	70,739	6,035	-	-	-	6,089,678
Receivables:							
Property and Other Taxes	-	-	-	-	-	-	320,441,432
Special Assessments	-	-	-	-	-	-	20,704,781
Accrued Interest Receivable	-	-	-	-	-	-	-
Intergovernmental Receivable	-	-	-	-	-	-	12,904,147
Total Assets	\$ 512,015	\$ 70,739	\$ 6,035	\$ 33,582	\$ 940,201	\$ 564,652	\$ 375,419,499
Liabilities							
Accounts Payable	-	-	-	-	-	-	-
Interfund Payable	-	-	-	-	-	-	31,938
Due to Other Funds	-	-	-	-	-	-	-
Local Government Taxes Payable	-	-	-	-	-	-	13,093,100
Intergovernmental Payable	-	-	-	-	-	-	323,931,449
Advances from Other Funds	-	-	-	-	-	-	54,260
Undistributed Monies	512,015	70,739	6,035	33,582	940,201	564,652	38,308,752
Total Liabilities	\$ 512,015	\$ 70,739	\$ 6,035	\$ 33,582	\$ 940,201	\$ 564,652	\$ 375,419,499

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2003

	Balance 1/1/03	Additions	Reductions	Balance 12/31/03
FAMILY AND CHILDREN FIRST COUNCIL				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 108,283	\$ 797,805	\$ 773,877	\$ 132,211
Total Assets	\$ 108,283	\$ 797,805	\$ 773,877	\$ 132,211
Liabilities				
Interfund Payable	\$ -	\$ 31,938	\$ -	\$ 31,938
Advances from Other Funds	54,260	-	-	54,260
Undistributed Monies	54,023	765,867	773,877	46,013
Total Liabilities	\$ 108,283	\$ 797,805	\$ 773,877	\$ 132,211
UNDIVIDED TAX				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 9,090,603	\$ 279,129,478	\$ 280,542,387	\$ 7,677,694
Receivables:				
Property and Other Taxes	283,253,209	307,351,706	283,253,209	307,351,706
Special Assessments	21,500,224	20,704,781	21,500,224	20,704,781
Intergovernment Receivable	11,910,683	12,904,147	11,910,683	12,904,147
Total Assets	\$ 325,754,719	\$ 620,090,112	\$ 597,206,503	\$ 348,638,328
Liabilities				
Due to County Funds:				
Property and Other Taxes	\$ -	\$ 43,926,275	\$ 43,926,275	\$ -
Special Assessments	-	5,365,017	5,365,017	-
Local Government Taxes Payable	2,118,436	1,694,749	2,118,436	1,694,749
Intergovernmental Payable	296,458,602	322,244,055	296,458,602	322,244,055
Undistributed Monies	27,177,681	246,860,016	249,338,173	24,699,524
Total Liabilities	\$ 325,754,719	\$ 620,090,112	\$ 597,206,503	\$ 348,638,328
REAL ESTATE ESCROW				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 2,025,059	\$ 4,902,043	\$ 4,461,808	\$ 2,465,294
Accrued interest receivable	2,477	-	2,477	-
Total Assets	\$ 2,027,536	\$ 4,902,043	\$ 4,464,285	\$ 2,465,294
Liabilities				
Undistributed Monies	\$ 2,027,536	\$ 4,902,043	\$ 4,464,285	\$ 2,465,294
Total Liabilities	\$ 2,027,536	\$ 4,902,043	\$ 4,464,285	\$ 2,465,294
UNDIVIDED GOVERNMENT				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ -	\$ 317,502,900	\$ 317,502,900	\$ -
Receivables:				
Property and Other Taxes	13,294,323	18,528,881	18,733,478	13,089,726
Total Assets	\$ 13,294,323	\$ 336,031,781	\$ 336,236,378	\$ 13,089,726
Liabilities				
Due to County Funds:				
Local Government	\$ -	\$ -	\$ -	\$ -
Local Government Taxes Payable	11,602,948	16,837,506	17,042,103	11,398,351
Intergovernmental Payable	1,687,394	1,687,394	1,687,394	1,687,394
Undistributed Monies	3,981	317,506,881	317,506,881	3,981
Total Liabilities	\$ 13,294,323	\$ 336,031,781	\$ 336,236,378	\$ 13,089,726

(continued)

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (continued)
For the Year Ended December 31, 2003

	<u>Balance 1/1/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
BOARD OF HEALTH				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 2,555,193	\$ 4,760,564	\$ 4,739,781	\$ 2,575,976
Total Assets	<u>\$ 2,555,193</u>	<u>\$ 4,760,564</u>	<u>\$ 4,739,781</u>	<u>\$ 2,575,976</u>
Liabilities				
Undistributed Monies	2,555,193	4,760,564	4,739,781	2,575,976
Total Liabilities	<u>\$ 2,555,193</u>	<u>\$ 4,760,564</u>	<u>\$ 4,739,781</u>	<u>\$ 2,575,976</u>
SOIL AND WATER				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 262,395	\$ 295,047	\$ 430,868	\$ 126,574
Total Assets	<u>\$ 262,395</u>	<u>\$ 295,047</u>	<u>\$ 430,868</u>	<u>\$ 126,574</u>
Liabilities				
Undistributed Monies	262,395	295,047	430,868	126,574
Total Liabilities	<u>\$ 262,395</u>	<u>\$ 295,047</u>	<u>\$ 430,868</u>	<u>\$ 126,574</u>
PAYROLL				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 244,260	\$ 64,051,346	\$ 64,044,344	\$ 251,262
Total Assets	<u>\$ 244,260</u>	<u>\$ 64,051,346</u>	<u>\$ 64,044,344</u>	<u>\$ 251,262</u>
Liabilities				
Undistributed Monies	\$ 244,260	\$ 64,051,346	\$ 64,044,344	\$ 251,262
Total Liabilities	<u>\$ 244,260</u>	<u>\$ 64,051,346</u>	<u>\$ 64,044,344</u>	<u>\$ 251,262</u>
COURTS				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 4,594,055	\$ -	\$ 320,473	\$ 4,273,582
Total Assets	<u>\$ 4,594,055</u>	<u>\$ -</u>	<u>\$ 320,473</u>	<u>\$ 4,273,582</u>
Liabilities				
Undistributed Monies	\$ 4,595,055	\$ -	\$ 320,473	\$ 4,274,582
Total Liabilities	<u>\$ 4,595,055</u>	<u>\$ -</u>	<u>\$ 320,473</u>	<u>\$ 4,274,582</u>
SHERIFF				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 668,737	\$ 793,802	\$ -	\$ 1,462,539
Total Assets	<u>\$ 668,737</u>	<u>\$ 793,802</u>	<u>\$ -</u>	<u>\$ 1,462,539</u>
Liabilities				
Undistributed Monies	\$ 668,737	\$ 793,802	\$ -	\$ 1,462,539
Total Liabilities	<u>\$ 668,737</u>	<u>\$ 793,802</u>	<u>\$ -</u>	<u>\$ 1,462,539</u>

(continued)

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (continued)
For the Year Ended December 31, 2003

	Balance 1/1/03	Additions	Reductions	Balance 12/31/03
ALIMONY AND CHILD SUPPORT				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 40,735	\$ -	\$ 24,068	\$ 16,667
Total Assets	\$ 40,735	\$ -	\$ 24,068	\$ 16,667
Liabilities				
Undistributed Monies	\$ 40,735	\$ -	\$ 24,068	\$ 16,667
Total Liabilities	\$ 40,735	\$ -	\$ 24,068	\$ 16,667
LOCAL EMERGENCY PLANNING COMMISSION				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 246,418	\$ 13,698	\$ -	\$ 260,116
Total Assets	\$ 246,418	\$ 13,698	\$ -	\$ 260,116
Liabilities				
Undistributed Monies	\$ 246,418	\$ 13,698	\$ -	\$ 260,116
Total Liabilities	\$ 246,418	\$ 13,698	\$ -	\$ 260,116
COMMUNITY BASED CORRECTIONAL FACILITY				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 462,923	\$ 1,618,251	\$ 1,569,159	\$ 512,015
Total Assets	\$ 462,923	\$ 1,618,251	\$ 1,569,159	\$ 512,015
Liabilities				
Undistributed Monies	462,923	1,618,251	1,569,159	512,015
Total Liabilities	\$ 462,923	\$ 1,618,251	\$ 1,569,159	\$ 512,015
SHERIFF'S INMATE				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 57,743	\$ 12,996	\$ -	\$ 70,739
Total Assets	\$ 57,743	\$ 12,996	\$ -	\$ 70,739
Liabilities				
Undistributed Monies	\$ 57,743	\$ 12,996	\$ -	\$ 70,739
Total Liabilities	\$ 57,743	\$ 12,996	\$ -	\$ 70,739
GOLDEN ACRES				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 112,967	\$ -	\$ 106,932	\$ 6,035
Total Assets	\$ 112,967	\$ -	\$ 106,932	\$ 6,035
Liabilities				
Undistributed Monies	\$ 112,967	\$ -	\$ 106,932	\$ 6,035
Total Liabilities	\$ 112,967	\$ -	\$ 106,932	\$ 6,035

(continued)

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (continued)
For the Year Ended December 31, 2003

	Balance 1/1/03	Additions	Reductions	Balance 12/31/03
BENEFIT AMERICA FLEX PLAN				
Assets				
Equity in Pooled Cash, Cash Equivalent and Investments	\$ 29,421	\$ 4,161	\$ -	\$ 33,582
Total Assets	\$ 29,421	\$ 4,161	\$ -	\$ 33,582
Liabilities				
Undistributed Monies	\$ 29,421	\$ 4,161	\$ -	\$ 33,582
Total Liabilities	\$ 29,421	\$ 4,161	\$ -	\$ 33,582
U-TRUST				
Assets				
Equity in Pooled Cash, Cash Equivalent and Investments	\$ 932,569	\$ 436,696	\$ 429,064	\$ 940,201
Accrued Interest Receivable	121	-	121	-
Intergovernmental Receivable	1,439	-	1,439	-
Total Assets	\$ 934,129	\$ 436,696	\$ 430,624	\$ 940,201
Liabilities				
Accounts Payable	\$ 2,146	\$ -	\$ 2,146	\$ -
Intergovernmental Payable	2,480	-	2,480	-
Undistributed Monies	929,503	436,696	425,998	940,201
Total Liabilities	\$ 934,129	\$ 436,696	\$ 430,624	\$ 940,201
OHIO TRUST FUND				
Assets				
Equity in Pooled Cash, Cash Equivalent and Investments	\$ -	\$ 1,013,478	\$ 448,826	\$ 564,652
Total Assets	\$ -	\$ 1,013,478	\$ 448,826	\$ 564,652
Liabilities				
Undistributed Monies	\$ -	\$ 1,013,478	\$ 448,826	\$ 564,652
Total Liabilities	\$ -	\$ 1,013,478	\$ 448,826	\$ 564,652
ALL AGENCY FUNDS				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 15,710,706	\$ 674,511,769	\$ 674,943,014	\$ 15,279,461
Cash and Cash Equivalents in Segregated Accounts	5,720,655	820,496	451,473	6,089,678
Accrued Interest Receivable	2,598	-	2,598	-
Receivables:				
Property and Other Taxes	296,547,532	325,880,587	301,986,687	320,441,432
Special Assessments	21,500,224	20,704,781	21,500,224	20,704,781
Intergovernmental Receivable	11,912,122	12,904,147	11,912,122	12,904,147
Total Assets	\$ 351,393,837	\$ 1,034,821,780	\$ 1,010,796,118	\$ 375,419,499
Liabilities				
Accounts Payable	\$ 2,146	\$ -	\$ 2,146	\$ -
Interfund Payable	-	31,938	-	31,938
Local Government Taxes Payable	13,721,384	18,532,255	19,160,539	13,093,100
Due to County Funds:				
Property and Other Taxes	-	43,926,275	43,926,275	-
Local Government	-	-	-	-
Special Assessments	-	5,365,017	5,365,017	-
Intergovernmental Payable	298,148,476	323,931,449	298,148,476	323,931,449
Advances from Other Funds	54,260	-	-	54,260
Undistributed Monies	39,467,571	643,034,846	644,193,665	38,308,752
Total Liabilities	\$ 351,393,837	\$ 1,034,821,780	\$ 1,010,796,118	\$ 375,419,499



STATISTICAL SECTION



**Amherst
Police
Station**



**Elyria
Police
Station**



**Vermilion
Police
Station**



**Lorain
County
Jail**

Lorain County, Ohio
General Fund Expenditures by Function
Last Ten Years

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
General Government:										
Legislative and Executive	\$ 10,225,144	\$ 11,373,408	\$ 13,161,123	\$ 15,590,631	\$ 15,192,194	\$ 15,225,931	\$ 17,728,092	\$ 19,558,832	\$ 23,099,838	\$ 24,578,893
Judicial	6,882,964	7,623,195	8,043,620	7,979,357	9,204,290	10,100,666	10,728,523	12,351,788	12,986,021	13,780,867
Public Safety	5,813,273	6,230,217	4,567,011	5,641,923	7,056,584	6,319,978	4,994,709	5,639,205	6,451,057	6,506,388
Public Works	236,977	116,387	183,065	208,317	185,901	198,899	226,674	225,991	246,522	265,608
Health	4,326	23,793	4,693	4,331	4,367	3,222	3,470	3,558	934	7,106
Human Services	413,415	434,086	446,625	462,463	1,233,855	1,219,880	1,287,142	1,435,903	1,966,094	2,206,427
Economic Development and Assistance	47,160	8,935	-	-	-	-	-	-	2,898	373
Capital Outlay	1,178,712	2,215,779	1,651,806	1,632,810	2,963,175	4,062,324	3,255,326	514,336	2,368,460	240,652
Intergovernmental	474,058	255,905	240,460	310,975	337,616	793,662	4,250,483	6,636,190	560,915	555,155
Debt Service:										
Principal Retirement	58,708	54,490	35,519	-	-	-	-	-	-	-
Interest and Fiscal Charges	15,254	10,680	22,639	109,694	-	-	-	-	-	-
Total Expenditures	\$ 25,349,991	\$ 28,346,875	\$ 28,356,561	\$ 31,940,501	\$ 36,177,982	\$ 37,924,562	\$ 42,474,419	\$ 46,365,803	\$ 47,682,739	\$ 48,141,469

Source: Lorain County Financial Statements

Lorain County, Ohio
General Fund Revenues by Source
Last Ten Years

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Taxes	\$ 11,275,006	\$ 12,027,821	\$ 14,134,766	\$ 15,387,349	\$ 16,096,392	\$ 17,182,846	\$ 17,799,856	\$ 19,136,238	\$ 19,987,761	\$ 22,616,126
Charges for Services	7,032,160	5,595,833	7,190,556	7,531,682	10,477,434	864,429	1,151,159	1,148,147	2,000,702	1,589,641
Licenses, Permits and Fees	115,599	263,425	153,783	112,234	318,554	8,227,481	7,656,441	8,642,316	9,503,698	10,780,064
Fines and Forfeitures	453,621	433,485	953,199	750,550	824,640	1,281,608	1,258,364	1,240,671	1,488,301	1,740,166
Intergovernmental	7,879,984	9,977,320	10,692,970	9,796,903	9,341,662	10,716,071	10,857,406	12,005,394	11,150,839	10,508,758
Interest	4,417,694	4,826,660	5,471,529	6,884,777	7,699,232	5,895,696	10,889,392	7,607,100	4,134,247	1,810,883
Other	348,038	236,392	503,696	375,767	433,409	1,059,950	1,700,438	1,583,656	1,552,169	1,635,670
Total Revenues	\$ 31,522,102	\$ 33,360,936	\$ 39,100,499	\$ 40,839,262	\$ 45,191,323	\$ 45,228,081	\$ 51,313,056	\$ 51,363,522	\$ 49,817,717	\$ 50,681,308

Source: Lorain County Financial Statements

Lorain County, Ohio
Property Tax Levies and Collections
Real and Public Utility Taxes
Last Ten Years

Collection Year	Current Tax Levy (1)	Current Tax Collections (2)	Percent Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections To Current Tax Levies	Outstanding Delinquent Taxes (3)	% of Outstanding Delinquent Taxes To Current Tax Levy
1994	\$ 23,285,824	\$ 22,831,140	98.05%	\$ 517,668	\$ 23,348,808	100.27%	\$ 1,015,989	4.36%
1995	\$ 23,907,260	\$ 23,482,798	98.22%	\$ 587,988	\$ 24,070,786	100.68%	\$ 788,411	3.30%
1996	\$ 25,443,443	\$ 25,075,179	98.55%	\$ 729,285	\$ 25,804,464	101.42%	\$ 704,121	2.77%
1997	\$ 27,047,030	\$ 26,372,756	97.51%	\$ 651,956	\$ 27,024,712	99.92%	\$ 742,790	2.75%
1998	* \$ 22,914,599	\$ 22,299,239	97.31%	\$ 565,321	\$ 22,864,560	99.78%	\$ 895,584	3.91%
1999	\$ 25,626,921	\$ 24,773,661	96.67%	\$ 873,114	\$ 25,646,775	99.30%	\$ 1,227,982	4.79%
2000	\$ 26,198,873	\$ 25,880,369	98.78%	\$ 716,083	\$ 26,596,452	101.33%	\$ 816,589	3.12%
2001	\$ 28,481,243	\$ 27,498,162	96.55%	\$ 767,037	\$ 28,265,199	99.24%	\$ 1,443,572	5.07%
2002	** \$ 37,092,280	\$ 35,760,033	96.41%	\$ 1,064,916	\$ 36,824,949	99.28%	\$ 2,041,587	5.50%
2003	\$ 38,514,110	\$ 37,308,869	96.87%	\$ 1,242,829	\$ 38,551,698	100.10%	\$ 2,008,749	5.22%

(1) Does not include the General Health District, a special district that is not a part of the County entity for reporting purposes.

(2) State reimbursements of Rollback and Homestead Exemptions are included.

(3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs. This amount cannot be calculated based on other information in this statistical table because of retroactive additions and deletions which are brought on in one lump sum.

* Current Tax Levy amount is lower due to two levies dropping Golden Acres .40 mills & Board of Mental Retardation 1.50 mills.

** Increase in current tax levy amount is due to Board of Mental Retardation passing an additional levy of 1.80 mills.

Lorain County, Ohio
Tangible Personal Property Tax Collections
Last Ten Years

<u>Year</u>	<u>Amount</u>
1994	\$ 3,770,308
1995	\$ 3,749,568
1996	\$ 4,400,811
1997	\$ 4,606,985
1998	\$ 3,716,845
1999	\$ 3,842,499
2000	\$ 3,867,772
2001	\$ 3,340,642
2002	\$ 4,809,748
2003	\$ 4,396,866

Source: Lorain County Auditor
Tax Settlement Department

Lorain County, Ohio
Assessed and Estimated Actual Value
Of Taxable Property
Last Ten Years

Collection Year	Real Property (1)		Personal Property		Tangible Personal Public Utility		Total		Ratio of Assessed Value To Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1994	\$ 2,362,495,180	\$ 6,749,986,229	\$ 461,324,739	\$ 1,845,299,036	\$ 373,355,140	\$ 424,267,205	\$ 3,197,175,079	\$ 9,019,552,470	35.45%
1995	\$ 2,739,951,970	\$ 7,828,434,200	\$ 440,427,598	\$ 1,761,710,392	\$ 382,707,920	\$ 434,895,364	\$ 3,563,087,488	\$ 10,025,039,956	35.54%
1996	\$ 2,810,204,100	\$ 8,029,154,571	\$ 447,285,567	\$ 1,789,142,268	\$ 376,347,400	\$ 427,667,500	\$ 3,633,837,067	\$ 10,245,964,339	35.47%
1997	\$ 2,900,417,820	\$ 8,286,908,057	\$ 512,223,720	\$ 2,048,894,880	\$ 360,460,820	\$ 409,614,568	\$ 3,773,102,360	\$ 10,745,417,505	35.11%
1998	\$ 3,438,435,120	\$ 9,824,100,343	\$ 536,990,029	\$ 2,147,960,116	\$ 359,097,660	\$ 408,065,523	\$ 4,334,522,809	\$ 12,380,125,982	35.01%
1999	\$ 3,558,102,020	\$ 10,166,005,771	\$ 550,710,302	\$ 2,202,841,208	\$ 350,502,690	\$ 398,298,511	\$ 4,459,315,012	\$ 12,767,145,490	34.93%
2000	\$ 3,670,290,540	\$ 10,486,544,400	\$ 558,408,070	\$ 2,233,632,280	\$ 358,221,040	\$ 407,069,364	\$ 4,586,919,650	\$ 13,127,246,044	34.94%
2001	\$ 4,334,583,960	\$ 12,384,525,600	\$ 564,842,468	\$ 2,259,369,872	\$ 355,073,190	\$ 403,492,261	\$ 5,254,499,618	\$ 15,047,387,733	34.92%
2002	\$ 4,447,591,090	\$ 12,707,403,114	\$ 592,165,760	\$ 2,467,357,333	\$ 270,952,300	\$ 404,231,415	\$ 5,310,709,150	\$ 15,578,991,862	34.09%
2003	\$ 4,615,358,230	\$ 13,186,737,800	\$ 596,275,920	\$ 2,484,483,000	\$ 311,488,890	\$ 403,272,888	\$ 5,523,123,040	\$ 16,074,493,688	31.30%

(1) Includes Public Utility Real Property and Mineral Lands and Rights.

(2) Ratio represents Total Assessed Value to Total Estimated Actual Value.

Source: Lorain County Auditor
Tax Settlement Department

Lorain County, Ohio

Property Tax Rates
Direct and Overlapping Governments
(Per \$1,000 of Assessed Value)
Last Ten Years

County Units	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
General Fund	\$ 0.70	\$ 0.70	\$ 1.15	\$ 1.45	\$ 1.30	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.60
Special Revenue Funds										
Golden Acres	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Children Services	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Mental Retardation	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.19	\$ 1.69	\$ 1.69	\$ 1.69	\$ 1.69	\$ 3.49	\$ 3.49
TB Clinic	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
Drug Enforcement	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
911 System	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35
Community Mental Health	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
Debt Service Fund	\$ 0.90	\$ 0.90	\$ 0.45	\$ 0.15	\$ 0.30	\$ 0.45	\$ 0.45	\$ 0.45	\$ 0.45	\$ -
Agency Funds										
Metropolitan Park	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Lorain Community College	\$ 1.20	\$ 1.20	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.70	\$ 2.70
Townships										
Amherst	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 5.90	\$ 5.90
Brighton	\$ 11.20	\$ 11.20	\$ 11.20	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45
Brownhelm	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43
Camden	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 10.58	\$ 10.58	\$ 10.58
Carlisle	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 6.28	\$ 6.28
Columbia	\$ 7.80	\$ 7.80	\$ 7.80	\$ 7.80	\$ 6.30	\$ 6.30	\$ 6.30	\$ 7.74	\$ 7.74	\$ 7.74
Eaton	\$ 5.30	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80
Elyria	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78
Grafton	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76
Henrietta	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 5.76	\$ 5.76	\$ 5.76	\$ 7.76	\$ 7.76	\$ 7.76
Huntington	\$ 10.30	\$ 10.30	\$ 10.30	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55
Lagrange	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28
Penfield	\$ 9.28	\$ 9.28	\$ 9.28	\$ 9.53	\$ 9.53	\$ 9.53	\$ 9.53	\$ 9.53	\$ 9.53	\$ 9.53
Pittsfield	\$ 7.03	\$ 7.03	\$ 7.03	\$ 7.78	\$ 7.78	\$ 7.78	\$ 7.78	\$ 10.78	\$ 10.78	\$ 10.78
Rochester	\$ 8.60	\$ 8.60	\$ 8.60	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10
New Russia	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 5.40	\$ 5.40	\$ 5.40
Sheffield	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63
Wellington	\$ 10.88	\$ 10.88	\$ 10.88	\$ 10.88	\$ 10.83	\$ 10.83	\$ 10.23	\$ 9.93	\$ 9.23	\$ 9.13
School Districts										
Amherst EVSD	\$ 53.08	\$ 53.08	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 62.42	\$ 62.41	\$ 60.88
Avon CSD	\$ 47.35	\$ 47.05	\$ 52.95	\$ 52.23	\$ 50.60	\$ 50.27	\$ 49.24	\$ 48.58	\$ 47.46	\$ 48.09
Avon Lake CSD	\$ 49.47	\$ 49.97	\$ 49.97	\$ 53.61	\$ 53.81	\$ 53.66	\$ 58.34	\$ 57.74	\$ 62.94	\$ 62.49
Columbia CSD	\$ 56.00	\$ 55.30	\$ 55.25	\$ 55.06	\$ 53.80	\$ 53.29	\$ 53.29	\$ 58.20	\$ 58.05	\$ 52.26
Elyria CSD	\$ 54.58	\$ 53.98	\$ 53.68	\$ 53.58	\$ 52.81	\$ 52.71	\$ 57.66	\$ 57.11	\$ 57.09	\$ 56.81
Fridlands LSD	\$ 51.55	\$ 50.70	\$ 50.60	\$ 56.35	\$ 53.90	\$ 53.10	\$ 52.70	\$ 51.30	\$ 51.25	\$ 51.09
Keystone LSD	\$ 48.40	\$ 54.90	\$ 54.90	\$ 54.90	\$ 53.90	\$ 52.60	\$ 52.60	\$ 52.60	\$ 52.60	\$ 44.60
Lorain CSD	\$ 59.49	\$ 57.49	\$ 57.49	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 62.45	\$ 62.45
Midview LSD	\$ 55.24	\$ 54.19	\$ 52.69	\$ 52.39	\$ 51.14	\$ 50.94	\$ 50.94	\$ 50.14	\$ 49.84	\$ 49.69
North Ridgeville CSD	\$ 44.64	\$ 43.89	\$ 53.54	\$ 53.19	\$ 50.19	\$ 49.44	\$ 48.95	\$ 47.25	\$ 46.47	\$ 45.90
Oberlin CSD	\$ 64.47	\$ 64.47	\$ 64.32	\$ 63.97	\$ 66.97	\$ 65.97	\$ 65.97	\$ 65.47	\$ 64.97	\$ 63.97
Sheffield-Clearview LSD	\$ 46.61	\$ 45.91	\$ 45.41	\$ 45.27	\$ 44.46	\$ 44.31	\$ 47.25	\$ 48.56	\$ 48.53	\$ 47.85
Sheffield Lake CSD	\$ 44.06	\$ 44.06	\$ 58.12	\$ 57.20	\$ 55.31	\$ 54.81	\$ 54.81	\$ 53.06	\$ 52.76	\$ 52.55
Wellington EVSD	\$ 28.00	\$ 34.02	\$ 33.55	\$ 33.10	\$ 32.10	\$ 28.00	\$ 28.00	\$ 28.00	\$ 28.00	\$ 28.00

(continued)

Lorain County, Ohio

Property Tax Rates
Direct and Overlapping Governments (continued)
(Per \$1,000 of Assessed Value)
Last Ten Years

County Units	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
Out of County School Districts										
Black River LSD	\$ 54.45	\$ 63.20	\$ 62.20	\$ 53.25	\$ 60.83	\$ 60.83	\$ 60.83	\$ 60.83	\$ 56.83	\$ 56.83
Mapleton LSD	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 49.80	\$ 49.80
New London LSD	\$ 33.70	\$ 33.00	\$ 33.00	\$ 32.70	\$ 32.10	\$ 36.19	\$ 36.19	\$ 35.60	\$ 35.60	\$ 35.60
Olmsted Falls CSD	\$ 68.50	\$ 74.90	\$ 78.10	\$ 80.10	\$ 79.90	\$ 79.90	\$ 91.70	\$ 90.30	\$ 90.00	\$ 90.00
Strongsville CSD	\$ 62.40	\$ 66.70	\$ 67.90	\$ 69.90	\$ 68.60	\$ 68.40	\$ 68.20	\$ 68.90	\$ 68.80	\$ 73.90
Vermillion LSD	\$ 60.35	\$ 60.35	\$ 64.30	\$ 60.35	\$ 59.55	\$ 59.55	\$ 67.54	\$ 66.85	\$ 66.85	\$ 65.10
Joint Vocational Schools										
Ashland JVS	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10
E.H.O.V.E.	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95
Lorain County JVS	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45
Medina County JVS	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05
Polaris JVS	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
Cities										
Amherst	\$ 5.77	\$ 5.77	\$ 5.77	\$ 5.77	\$ 6.77	\$ 5.30	\$ 5.20	\$ 5.13	\$ 5.10	\$ 4.80
Avon	\$ 8.60	\$ 9.32	\$ 9.32	\$ 9.52	\$ 9.17	\$ 9.50	\$ 9.36	\$ 9.45	\$ 9.40	\$ 9.35
Avon Lake	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24
Elyria	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20
Lorain	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96
North Ridgeville	\$ 10.55	\$ 12.25	\$ 11.75	\$ 11.75	\$ 11.45	\$ 11.25	\$ 12.71	\$ 12.56	\$ 12.41	\$ 12.41
Oberlin	\$ 15.47	\$ 15.47	\$ 15.47	\$ 14.32	\$ 12.23	\$ 11.23	\$ 11.10	\$ 14.13	\$ 14.15	\$ 14.33
Sheffield Lake	\$ 18.97	\$ 18.97	\$ 19.97	\$ 20.51	\$ 19.99	\$ 19.99	\$ 19.99	\$ 19.99	\$ 19.99	\$ 19.99
Beginning with 1999 tax year the Health portion of 1.00 was taken off as compared to prior years.										
Villages										
Grafton	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76
Kipton	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 20.20	\$ 20.20	\$ 20.20
Lagrange	\$ 12.18	\$ 11.98	\$ 11.88	\$ 11.88	\$ 11.78	\$ 11.78	\$ 11.78	\$ 11.78	\$ 11.78	\$ 11.68
Rochester	\$ 11.40	\$ 12.40	\$ 11.40	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90
Sheffield	\$ 4.64	\$ 4.64	\$ 4.64	\$ 4.64	\$ 4.64	\$ 3.64	\$ 3.64	\$ 3.64	\$ 3.64	\$ 3.64
South Amherst	\$ 5.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26
Wellington	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.60	\$ 12.25	\$ 12.25	\$ 11.85	\$ 11.55	\$ 10.85	\$ 10.75
Beginning with 1999 tax year the Health portion of 1.00 was taken off as compared to prior years.										
Special District										
General Health	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00

Source: Lorain County Auditor
Tax Settlement Dept.

Lorain County, Ohio
Special Assessment Collections
Last Ten Years

Collection Year	Current Assessments Due	Total Assessments Due	Current Assessments Collected (1)	Total Assessments Collected	Ratio of Assessments Collected to Total Assessments Due	Outstanding Delinquent Assessments (2)
1994	\$ 589,285	\$ 589,285	\$ 416,985	\$ 416,985	70.76%	\$ 37,659
1995	\$ 585,380	\$ 585,380	\$ 419,146	\$ 419,146	71.60%	\$ 43,860
1996	\$ 625,781	\$ 625,781	\$ 579,687	\$ 579,687	92.63%	\$ 46,094
1997	\$ 712,558	\$ 712,558	\$ 525,296	\$ 525,296	73.72%	\$ 187,262
1998	\$ 764,120	\$ 764,120	\$ 553,990	\$ 553,990	72.50%	\$ 210,130
1999	\$ 709,237	\$ 709,237	\$ 495,571	\$ 457,477	64.50%	\$ 213,666
2000	\$ 674,793	\$ 674,793	\$ 450,664	\$ 450,664	66.79%	\$ 224,129
2001	\$ 714,422	\$ 714,422	\$ 479,231	\$ 479,231	67.08%	\$ 235,191
2002	\$ 871,867	\$ 871,867	\$ 629,131	\$ 629,131	72.16%	\$ 242,736
2003	\$ 840,138	\$ 840,138	\$ 640,191	\$ 640,191	76.20%	\$ 219,099

(1) Include delinquent assessments due/collected.

(2) Outstanding delinquent assessments include accrued interest and are shown net of abatements.

Source: Lorain County Auditor
Real Estate Department

Lorain County, Ohio

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Years

Year	Population (1)	Assessed Value	Gross Bonded Debt (2)	Debt Service Monies Available (3)	Debt Payable From Enterprise Revenues	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita
1993/1994	279,405	\$ 3,197,175,079	\$ 4,752,545	\$ 1,706,773	\$ -	\$ 3,045,772	0.10	11
1994/1995	281,447	\$ 3,563,087,488	\$ 3,405,160	\$ 3,405,160	\$ -	\$ -	0.00	0
1995/1996	281,480	\$ 3,633,837,067	\$ 10,406,003	\$ 6,767,519	\$ -	\$ 3,638,484	0.10	13
1996/1997	281,231	\$ 3,773,102,360	\$ 9,256,479	\$ 4,079,708	\$ -	\$ 5,176,771	0.14	18
1997/1998	281,231	\$ 4,334,522,809	\$ 8,082,937	\$ 4,742,928	\$ -	\$ 3,340,009	0.08	12
1998/1999	281,231	\$ 4,459,315,012	\$ 7,350,000	\$ 1,642,032	\$ -	\$ 5,707,968	0.13	20
1999/2000	284,664	\$ 4,586,919,650	\$ 6,950,000	\$ 3,820,357	\$ -	\$ 3,129,643	0.07	11
2000/2001	284,664	\$ 5,254,499,618	\$ 6,540,000	\$ 6,540,000	\$ -	\$ -	0	0
2001/2002	284,664	\$ 5,310,709,150	\$ 27,235,000	\$ 5,473,290	\$ -	\$ 21,761,710	0.41	76
2002/2003	284,664	\$ 5,523,123,040	\$ 25,320,000	\$ 2,737,141	\$ -	\$ 22,582,859	0.41	80

(1) Information obtained from County Planning Commission.

(2) Includes all long-term general obligation debt (excludes special assessment obligations.)

(3) Represents equity in debt service fund related to general obligation debt and does not include equity related to special assessment obligations.

Source: Lorain County Auditor

Lorain County, Ohio
 Computation of Legal Debt Margin
 December 31, 2003

	Voted Total Debt Limit		Total Unvoted Debt Limit
Assessed Value of County, Collection Year 2003	\$ 5,523,123,040		\$ 5,523,123,040
Debt Limitation	136,578,076	(1)	55,231,230 (2)
Total Outstanding Debt			
Bond Anticipation Notes Payable	2,000,000		2,000,000
General Obligation Bonds	25,320,000		25,320,000
Special Assessment Bonds	5,175,182		5,175,182
OWDA Loans	1,440,188		1,440,188
	<u>33,935,370</u>		<u>33,935,370</u>
Total			
Exemptions			
Bond Anticipation Notes Payable	2,000,000		2,000,000
Special Assessment Bonds	5,175,182		5,175,182
OWDA Loans	1,440,188		1,440,188
Amount Available in Debt Service Fund for Retirement of General Obligations Bonds	2,737,141		2,737,141
	<u>11,352,511</u>		<u>11,352,511</u>
Total			
Net Debt	<u>22,582,859</u>		<u>22,582,859</u>
Total Legal Debt Margin (Debt Limitation Minus Net Debt)	<u>\$ 113,995,217</u>		<u>\$ 32,648,371</u>

(1) The Debt Limitation is calculated as follows:
 3% of first \$100,000,000 of assessed value
 1 1/2% of next \$200,000,000 of assessed value
 2 1/2% of amount of assessed value in excess
 of \$300,000,000

	\$ 3,000,000
	3,000,000
	<u>130,578,076</u>
Total	<u>\$ 136,578,076</u>

(2) The Debt Limitation equals one percent of the assessed value.

Source: Lorain County Auditor

Lorain County, Ohio
 Computation of Direct and Overlapping General Obligation Bonded Debt
 December 31, 2003

Political Subdivision	Net Debt	Percent Applicable	County Share (2)
County of Lorain	\$ 25,320,000	100%	\$ 25,320,000
Lorain County Cities, Villages and Townships	108,870,554	100	108,870,554
Lorain County School Districts (1)	<u>134,217,893</u>	100	<u>134,217,893</u>
Total Net District and Overlapping Debt	<u>\$ 268,408,447</u>		<u>\$ 268,408,447</u>

(1) Debt outstanding for School Districts is shown as of June 30, 2003

(2) Percent applicable to Lorain County by dividing the assessed valuation of the political subdivision located within the County by the total assessed valuation of the subdivision.

Source: Respective Political Subdivision.

Lorain County, Ohio
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Fund Expenditures
Last Ten Years

Year	Principal	Interest and Fiscal Charges	Total Debt Service (1)	Total General Fund Expenditures	Ratio of Debt Service To Total General Fund Expenditures
1994	\$ 1,337,505	\$ 416,374	\$ 1,753,879	\$ 25,349,991	6.92%
1995	\$ 1,347,385	\$ 321,385	\$ 1,668,770	\$ 28,346,875	5.89%
1996	\$ 884,157	\$ 420,109	\$ 1,304,266	\$ 28,356,561	4.60%
1997	\$ 1,149,524	\$ 564,585	\$ 1,714,109	\$ 31,940,501	5.37%
1998	\$ 1,173,542	\$ 494,968	\$ 1,668,510	\$ 36,177,982	4.61%
1999	\$ 732,937	\$ 423,020	\$ 1,155,957	\$ 37,924,562	3.05%
2000	\$ 400,000	\$ 384,160	\$ 784,160	\$ 42,474,419	1.84%
2001	\$ 410,000	\$ 368,895	\$ 778,895	\$ 46,365,803	1.68%
2002	\$ 4,305,000	\$ 1,030,388	\$ 5,335,388	\$ 47,682,739	11.19%
2003	\$ 1,915,000	\$ 1,304,090	\$ 3,219,090	\$ 48,141,469	6.69%

(1) Debt service related to special assessment obligations is excluded.

Source: Lorain County Auditor

Lorain County, Ohio
Demographic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Percentage Unemployment Rate (1)</u>
1994	279,405	10,863	5.8%
1995	281,447	10,989	6.3%
1996	281,480	11,198	6.8%
1997	281,231	10,878	5.6%
1998	281,231	11,367	3.8%
1999	281,231	11,551	4.8%
2000	284,664	11,740	5.0%
2001	284,664	11,826	5.4%
2002	284,664	12,010	6.8%
2003	284,664	12,323	7.3%

Sources: (1) County Planning Commission

(2) Lorain County Educational Service Center;
Represents six local school district enrollments only;
Other eight school districts within the County maintain
enrollment information separately.

Lorain County, Ohio
Construction, Bank Deposits and Property Value
Last Ten Years

Year	New Construction (1)			Bank Deposits (2)	Assessed Value (3)
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction		
1994/1995	\$ 39,531,600	\$ 9,247,660	\$ 48,779,260	\$ 1,254,166,000	\$ 3,563,087,488
1995/1996	\$ 61,186,200	\$ 11,090,650	\$ 72,276,850	\$ 1,237,991,000	\$ 3,633,837,067
1996/1997	\$ 64,553,250	\$ 23,895,470	\$ 88,448,720	\$ 1,329,795,000	\$ 3,773,102,360
1997/1998	\$ 68,501,260	\$ 26,762,600	\$ 95,263,860	\$ 920,050,000	\$ 4,334,522,809
1998/1999	\$ 75,997,140	\$ 28,616,060	\$ 104,613,200	\$ 444,974,000	\$ 4,459,315,012
1999/2000	\$ 74,500,930	\$ 30,104,070	\$ 104,605,000	\$ 463,971,000	\$ 4,586,919,650
2000/2001	\$ 88,072,110	\$ 42,189,670	\$ 130,261,780	\$ 513,102,000	\$ 5,254,499,618
2001/2002	\$ 85,839,240	\$ 33,359,580	\$ 119,198,820	\$ 555,591,000	\$ 5,310,709,150
2002/2003	\$ 114,663,220	\$ 26,611,290	\$ 141,274,510	\$ 614,592,000	\$ 5,523,123,040
2003/2004	\$ 114,893,750	\$ 34,651,810	\$ 149,545,560	\$ 649,005,000	\$ 5,959,347,790

Sources: (1) Lorain County Auditor
Tax Settlement Department

(2) Federal Reserve Bank of Cleveland, Ohio

(3) Lorain County Auditor

Lorain County, Ohio

Principal Taxpayers

December 31, 2003

REAL PROPERTY

<u>Name of Taxpayer</u>		<u>Assessed Valuation</u>
Ford Motor Company	\$	35,770,590
WEA Midway LLC		14,522,380
First Interstate Avon LTD		13,207,490
Republic Engineered		7,312,620
Aerc Avon LLC		6,919,500
Timber Lake Apartments		6,820,140
New Plan of Midway Inc.		6,803,200
First Interstate Elyria		6,018,100
Green Circle		5,225,900
Verizon North Inc.		5,103,230

PUBLIC UTILITY

<u>Name of Taxpayer</u>		<u>Assessed Valuation</u>
Orion Power Midwest LP	\$	89,212,430
Ohio Edison Co.		56,746,370
Firstenergy Generation		40,815,500
American Transmission		27,492,750
Cleveland Electric		19,204,430
Alltel Ohio		18,723,630
Centurytel of Ohio		17,700,040

TANGIBLE PERSONAL

<u>Name of Taxpayer</u>		<u>Assessed Valuation</u>
Ford Motor Company	\$	49,464,200
Republic Technologies		19,573,010
Noveon Inc.		18,890,890
United States Steel LLC		17,123,610
Polyone Corporation		15,157,020
Ridge Tool Company		11,178,120
Marconi Communications		10,639,300
Engelhard Corporation		9,296,700
Invacare Corporation		9,220,840
Nordson Corporation		7,339,290

Source: Lorain County Auditor
Tax Settlement Department

Lorain County, Ohio

Ten Largest Employers

December 31, 2003

<u>Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>
1 Lorain County	Government	2,200
2 Ford Motor Company	Truck and Van Manufacturing	1,759
3 Invacare Corp.	Surgical Supplies	1,660
4 Community Health Partners	Healthcare	1,443
5 Lorain City School District	Education	1,185
6 EMH Regional Medical Center	Healthcare	1,175
7 Republic Engineered Products	Steel Manufacturing	1,100
8 State of Ohio	Government	1,039
9 Oberlin College	Education	978
10 Elyria City School District	Education	850

Source: Lorain County Auditor
Chamber of Commerce

Lorain County, Ohio
 Miscellaneous Statistics
 December 31, 2003

Date of Incorporation	1822
Form of Government:	
Number of elected Board of County Commissioners with legislative and executive powers	3
Number of other elected officials with administrative powers	17
County Seat	Elyria, Ohio
Area - Square Miles	495
Number of Political Subdivisions Located in the County:	
Municipalities and Villages	15
Townships	18
School Districts	15
Number of Interstate Highways	2
Voter Statistics, Election of November 2003:	
Number of Registered Voters	172,771
Number of Voters, Last General Election	75,255
Percentage of Registered Voters Voting	43.56%

Sources: Voter statistics were supplied by the County Board of Elections.
 All other information was obtained from either the County Planning Commission,
 County Highway Engineer or Department of Highway Engineer.



**Auditor of State
Betty Montgomery**

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P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

LORAIN COUNTY FINANCIAL CONDITION

LORAIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 9, 2004**