



**Auditor of State  
Betty Montgomery**



**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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FAIRFIELD COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2004

<u>Federal Grantor/</u> <i>Pass Through Grantor (if applicable)</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Nutrition Cluster			
Food Donation	-	10.550	\$2,471
National School Lunch Program	68890	10.555	9,075
Total Nutrition Cluster			<u>11,546</u>
<b>Total U.S. Department of Agriculture</b>			<b>11,546</b>
<b><u>U.S. DEPARTMENT OF COMMERCE</u></b>			
Economic Adjustment Assistance		11.307	<u>92,862</u>
<b>Total U.S. Department of Commerce</b>			<b>92,862</b>
<b><u>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</u></b>			
<i>Passed Through Ohio Department of Development:</i>			
Community Development Block Grant/State's Programs	B-F-01-022-1	14.228	73,767
	B-F-02-022-1		250,500
	B-F-03-022-1		171,000
	B-C-02-022-1		104,607
Total Community Development Block Grant			<u>599,874</u>
HOME Investment Partnerships Program	B-C-02-022-2	14.239	<u>161,209</u>
<b>Total U.S. Department of Housing &amp; Urban Development</b>			<b>761,083</b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
Local Law Enforcement Block Grant	02-LB-BX-21217	16.592	29,969
	03-LB-BX-0843		11,715
Total Local Law Enforcement Block Grant			<u>41,684</u>
<i>Passed Through Ohio Office of Criminal Justice:</i>			
Juvenile Accountability Incentive Block Grants	2003-JB-008-A019	16.523	\$20,698
Crime Victim Assistance	2003-VAGEN-346	16.575	55,693
	2005-VAGEN-346		14,343
Total Crime Victim Assistance			<u>70,036</u>
Byrne Formula Grant Program	2002-DG-A01-7208	16.579	14,419
	2003-DG-A01-7208		202,509
Total Byrne Formula Grant Program			<u>216,928</u>
<b>Total U.S. Department of Justice</b>			<b>349,346</b>

(Continued)

FAIRFIELD COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2004**

<u>Federal Grantor/ Pass Through Grantor (if applicable) Program Title</u>	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
<i>Passed Through Ohio Department of Jobs and Family Services:</i>			
Workforce Investment Act Cluster (WIA)			
WIA Adult Program	-	17.258	78,794
WIA Youth Activities	-	17.259	153,903
WIA Dislocated Workers	-	17.260	272,851
Total WIA Cluster			<u>505,548</u>
<b>Total U.S. Department of Labor</b>			<b>505,548</b>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
Airport Improvement Program	3-39-0044-1103	20.106	3,481
<i>Passed Through Ohio Department of Transportation:</i>			
Highway Planning & Construction	TE21E034	20.205	445,000
	DOT1E040		5,441
	TE21E035		354,126
Total Highway Planning & Construction			<u>804,567</u>
<b>Total U.S. Department Transportation</b>			<b>808,048</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Special Education Cluster			
Special Education_Grants to States	068890-6B-SF-04P	84.027	19,283
	068890-6B-SF-05P		4,187
Special Education_Preschool Grants	068890-PG-S1-04P	84.173	9,781
	068890-PG-S1-05P		1,461
	068890-PG-DG-04P		7,500
Total Special Education Cluster			<u>42,212</u>
Innovative Education Program Strategies	068890-C2-S1-04	84.298	387
	068890-C2-S1-05		154
Total Innovative Education Program Strategies			<u>541</u>
<b>Total U.S. Department of Education</b>			<b>42,753</b>

(Continued)

FAIRFIELD COUNTY

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2004**

<u>Federal Grantor/</u> <i>Pass Through Grantor (if applicable)</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
<i>Passed Through Ohio Department of MR/DD:</i>			
Social Services Block Grant	-	93.667	\$79,555
Medical Assistance Program	2300012	93.778	
Community Alternative Funding Source (CAFS)			1,110,863
Targeted Case Management (TCM)			255,096
Waiver Administration			35,464
Total Medical Assistance Program			<u>1,401,423</u>
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Block Grants for Prevention & Treatment of Substance Abuse	31-6400066	93.959	421,435
Medical Assistance Program	31-6400066	93.778	369,847
<i>Passed Through Ohio Department of Mental Health:</i>			
Block Grants for Community Mental Health Services	-	93.958	73,412
Social Services Block Grant	-	93.667	91,228
Medical Assistance Program	MC16	93.778	<u>2,225,429</u>
<b>Total U.S. Department of Health and Human Services</b>			<b><u>4,662,329</u></b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>Passed Through Ohio Department of Emergency Management Agency:</i>			
State Domestic Preparedness Equipment Support Program	2002-TE-CX-0106	97.004	48,849
	2003-MUP-30015		198,630
	2003-TE-TX-0199		121,602
	2004-GE-T4-0025		148,451
Total State Domestic Preparedness Equipment Support Program			<u>517,532</u>
Emergency Management Performance Grants	EMC-04-GR-7007	97.042	51,845
Citizen Corps	2004-GC-T4-0025	97.053	<u>4,633</u>
<b>Total U.S. Department of Homeland Security</b>			<b><u>574,010</u></b>
<b>Total Federal Awards Expenditures</b>			<b><u><u>\$7,807,525</u></u></b>

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

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**FAIRFIELD COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2004**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**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 other governments or not-for-profit agencies (subrecipients). As described in Note A, the County records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal 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.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grant	14.228	\$80,000
Medical Assistance Program	93.778	2,595,276
Block Grant for Prevention and Treatment of Substance Abuse	93.959	421,435
Social Services Block Grant	93.667	91,228
Block Grant for Community Mental Health Services	93.958	73,412

**NOTE C - FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At December 31, 2004, the County had no significant food commodities in inventory.

**NOTE D - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND ECONOMIC DEVELOPMENT  
REVOLVING LOAN PROGRAMS**

*CDBG* - The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons and to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County, passed through the Ohio Department of Development. No new loans were made during 2004. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD.

These loans are collateralized by mortgages on the property. At December 31, 2004, the gross amount of loans outstanding under this program was \$203,070.

**FAIRFIELD COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2004**

(Continued)

**NOTE D - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND ECONOMIC DEVELOPMENT  
REVOLVING LOAN PROGRAMS (Continued)**

*Economic Development* - The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households. The U.S. Department of Commerce grants money for these loans to the County. The initial loan of this money is recorded as a disbursement on the Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by the Department of Commerce.

These loans are collateralized by mortgages on the property. At December 31, 2004, the amount of loans outstanding under this program was \$468,952.

**NOTE E - MATCHING REQUIREMENTS**

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



## Auditor of State Betty Montgomery

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

Fairfield County  
210 East Main Street  
Lancaster, Ohio 43130

To the Board of County Commissioners:

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 Fairfield County, Ohio, (the County) as of and for the year ended December 31, 2004, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 21, 2005, wherein we noted the financial statements of Fairfield Industries, Incorporated, a discretely presented component unit, were audited by other auditors, and our opinion, insofar as it relates to the amounts included for the component unit, is based on the report of 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 the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the County's management dated June 21, 2005, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

#### **Compliance and Other Matters**

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2004-001. In a separate letter to the County's management dated June 21, 2005, we reported other matters related to noncompliance we deemed immaterial.

35 N. Fourth St. / Second Floor / Columbus, OH 43215  
Telephone: (614) 466-3402      (800) 443-9275      Fax: (614) 728-7199  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

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

**Betty Montgomery**  
Auditor of State

June 21, 2005



## Auditor of State Betty Montgomery

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

Fairfield County  
210 East Main Street  
Lancaster, Ohio 43130

To the Board of County Commissioners:

#### Compliance

We have audited the compliance of Fairfield County (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 apply to each of its major federal programs for the year ended December 31, 2004. The summary of auditor's results section of the accompanying schedule of findings identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing other procedures 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 items 2004-002 and 2004-003 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding Cash Management and Allowable Costs, respectively, applying to its Block Grant for Prevention & Treatment of Substance Abuse, CFDA #93.959. Compliance with those 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, Fairfield 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, 2004.

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### **Internal Control Over Compliance**

We noted certain matters involving the internal control over compliance and its operation that we consider reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2004-002 and 2004-003.

A material weakness is a reportable 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 caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. We do not believe the reportable conditions described above are material weaknesses. We reported an other matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the County's management in a separate letter dated June 21, 2005.

### **Federal Awards Expenditures Schedule**

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 Fairfield County as of and for the year ended December 31, 2004, and have issued our report thereon dated June 21, 2005 wherein we noted the financial statements of Fairfield Industries, Incorporated, a discretely presented component unit, were audited by other auditors, and our opinion, insofar as it relates to the amounts included for the component unit, is based on the report of other auditors. Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

June 21, 2005

**FAIRFIELD COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**OMB CIRCULAR A -133 § .505**  
**DECEMBER 31, 2004**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	Yes
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified – CFDA 14.228; CFDA 14.239; CFDA Cluster 17.258, 17.259, 17.260; CFDA 93.778; CFDA 97.004 Qualified –CFDA 93.959
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Community Development Block Grant – State's Program – 14.228 Home Investment Partnerships Program (HOME) – 14.239 Workforce Investment Act Cluster – 17.258, 17.259, 17.260 Medical Assistance Program – 93.778 Block Grant for Prevention & Treatment of Substance Abuse – 93.959 State Domestic Preparedness Equipment Program – 97.004
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2004  
(Continued)**

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

**FINDING NUMBER 2004-001**

**Health Insurance**

Ohio Rev. Code Section 9.833(A) defines the term "political subdivision" as a municipal corporation, township, county, school district, or other body corporate and politic responsible for governmental activities in a geographic area smaller than that of the state. Section 9.833(B)(3) allows a political subdivision (as defined in Section 9.833(A)) that provides health care benefits for their officers or employees to join in any combination with other political subdivisions to establish and maintain a joint self-insurance program to provide health care benefits pursuant to a written agreement.

The Fairfield County Board of Mental Retardation and Developmental Disabilities (MR/DD) is a member of the South Central Ohio Insurance Consortium (SCOIC), a joint self insurance pool.

The MR/DD does not meet the definition of a political subdivision according to Ohio Rev. Code Section 9.833(A) and, therefore, cannot provide health care benefits through self insurance.

We recommend MR/DD research other possibilities for providing health care benefits to their officers and employees and withdraw from the SCOIC immediately.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

<b>Finding Number</b>	2004-002
<b>CFDA Title and Number</b>	93.959 Block Grant for Prevention & Treatment of Substance Abuse
<b>Federal Agency</b>	U.S. Department of Health and Human Services
<b>Pass-Through Agency</b>	Ohio Department of Alcohol and Drug Addiction Services

Material Noncompliance Finding – Cash Management

According to the Instructions for Ohio Department of Alcohol and Drug Addictions Services (ODADAS) Federal Funding Request Form, the Board must request federal grant funds from ODADAS on a reimbursement basis and/or projected expenses not to exceed thirty (30) days in advance. Actual expenses should reflect actual expenses through the date of the request. The Board can also estimate expenses for the next 30 days and include those as projected expenses on the request form.

The Alcohol, Drug Addiction, and Mental Health Board (the Board) submitted three federal funding requests during 2004. The actual expenses reported on each of these funding requests did not agree with expenditures paid by the Board using these grant funds. In addition, the projected expenses did not represent anticipated actual expenses for the next 30 days. The amounts on the requests represented a percentage of the total award based on the date of the request (i.e. a request submitted in February which could include expenses through March was for 75% of the SFY 04 award).

We recommend the Board develop procedures to ensure all federal funding requests accurately reflect expenditures through the date of the request and that projected expenses are based on actual anticipated expenses. We also recommend the Board work with the County Auditor to improve the Board accounting system so the amount of expenditures paid with grant funds through a specific date is more easily obtained.

**FAIRFIELD COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2004  
(Continued)**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (CONTINUED)**

<b>Finding Number</b>	2004-003
<b>CFDA Title and Number</b>	93.959 Block Grant for Prevention & Treatment of Substance Abuse
<b>Federal Agency</b>	U.S. Department of Health and Human Services
<b>Pass-Through Agency</b>	Ohio Department of Alcohol and Drug Addiction Services

Questioned Costs and Material Noncompliance Finding– Allowable Costs

In order to qualify as allowable costs, Office of Management and Budget Circular A-87 requires that expenditures be supported by appropriate documentation and represent charges for actual costs, not budgeted or projected.

The Alcohol, Drug Addiction, and Mental Health Board (the Board) advanced grant funds to the Recovery Center, a treatment and prevention services provider, beginning in September 2003. These advances were not supported by appropriate documentation, i.e. invoices, and represented estimated, not actual, costs. The need for advances was a result of a software problem that prevented the Recovery Center from generating bills for prevention services through the MACSIS system. Services were being provided throughout 2004, but the Board did not receive invoices for these services in a timely manner. The Board advanced the Recovery Center \$250,000 during 2004 resulting in questioned costs of \$250,000.

In June 2005, the Board and Recovery Center were able to provide reconciliations that showed the amounts advanced had been fully utilized (services provided actually exceeded the amounts paid) by December 31, 2004. A schedule of the advances paid, services provided/billed, unbilled services, and advances balance follows:

Month	Advances Paid	Services Billed	Balance of Advances Paid	Services Provided, but not yet billed**	Revised Balance
December 2003			\$243,661.41	(\$56,382.51)	\$187,278.90
January 2004	\$45,000	\$0	288,661.41	(3,818.68)	228,460.22
February 2004	0	0	288,661.41	(5,381.05)	223,079.17
March 2004	50,000	(58,257.24)	280,404.17	(6,994.59)	207,827.34
April 2004	0	(174,827.47)	105,576.70	(6,371.14)	26,628.73
May 2004	0	(1,429.78)	104,146.92	(4,178.99)	21,019.96
June 2004	80,000	(50,890.65)	133,256.27	(39,807.51)	10,321.80
July 2004	0	(33,895.27)	99,361.00	(10,146.09)	(33,719.56)
August 2004	0	0	99,361.00	(9,706.79)	(43,426.35)
September 2004	0	0	99,361.00	(10,329.91)	(53,756.26)
October 2004	0	(21,025.24)	78,335.76	(17,701.56)	(92,483.15)
November 2004	0	0	78,335.76	(6,316.54)	(98,799.69)
December 2004	75,000	0	153,335.76	(3,693.59)	(27,493.28)

\*\* Based on information provided by Recovery Center in June 2005.

Processing payments for services prior to receiving detailed invoices could result in overpayments for services provided or payment for unallowable costs/activities.

We recommend the Board work with the Recovery Center to develop a system to ensure services are billed accurately in a timely manner. The Board and Recovery Center should develop alternative procedures for billing until the software problem is corrected.

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FAIRFIELD COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
 OMB CIRCULAR A -133 § .315 (b)  
 DECEMBER 31, 2004

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain</b>
2003-001	Ohio Rev. Code Section 9.833 (B) (3) – MR/DD Self Insurance	No	Not corrected – see finding number 2004-001
2003-002	28 CFR 66.36(b) and Ohio Rev. Code Section 307.86 – competitive bidding	Yes	



# FAIRFIELD COUNTY, OHIO

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## Comprehensive Annual Financial Report

For the Year Ended December 31, 2004



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Issued by Barbara Curtiss  
Fairfield County Auditor



Additional copies of this report may be obtained from:  
Fairfield County Auditor's Office  
210 E. Main Street  
Lancaster, Ohio 43130

Phone requests can be made at (740) 681-7160 or (740) 681-7225 (fax).

A .PDF version of this report is available online at:  
<http://www.co.fairfield.oh.us/AUDITOR/index.htm>

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# FAIRFIELD COUNTY, OHIO

## Comprehensive Annual Financial Report

For the Year Ended December 31, 2004



Prepared and Issued by the Fairfield County Auditor's Office

**BARBARA CURTISS**

County Auditor

<http://www.co.fairfield.oh.us/AUDITOR/index.htm>

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For the Year Ended December 31, 2004

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# Introductory Section



*Barbara Curtiss*

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FAIRFIELD COUNTY AUDITOR

210 East Main Street  
Lancaster, Ohio 43130-3882

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Fairfield County Commissioners:

Honorable Jon D. Myers, President  
Honorable Mike Kiger, Vice President  
Honorable Judith K. Shupe

### **CITIZENS OF FAIRFIELD COUNTY, OHIO**

As County Auditor, I am pleased to issue the Comprehensive Annual Financial Report (CAFR) of Fairfield County, Ohio for the year ended December 31, 2004. This report is prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The County Auditor's Office prepared this report, pursuant to Section 117-1-11, Ohio Administrative Code, which requires that an official report prepared on the GAAP basis be issued annually. The report includes the basic financial statements, which provide an overview of the County's financial position and the results of financial operations.

The County Auditor is responsible for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

#### **Internal Controls**

County managers have established a comprehensive internal control framework designed to compile sufficient reliable information for preparation of the Fairfield County financial statements, in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable

rather than absolute assurance that the financial statements will be free from material misstatement.

Furthermore, as a recipient of federal and state financial assistance, the County must ensure that adequate internal controls are in place to ensure compliance with applicable laws and regulations that relate to these programs. These internal controls are subject to periodic evaluation by management.

#### **Independent Audit**

In compliance with State statute, the basic financial statements have been audited by the Ohio Auditor of State's Office. The independent auditor concluded that Fairfield County's financial statements for the year ended December 31, 2004, are fairly presented in conformity with Generally Accepted Accounting Principles. The independent accountants' report is presented as the first component of the financial section of this report. In addition, the County coordinates the requirement for the "Single Audit" of all its federal funds received through the Auditor of State.

#### **Management's Discussion and Analysis**

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the management's discussion and analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A as they are designed to complement each other. Fairfield County's MD&A can be found immediately following the independent accountants' report.

## PROFILE OF THE GOVERNMENT

Fairfield County was organized into a separate political entity in December of 1800. The County encompasses thirteen townships, twelve villages, and two cities. According to 2004 population estimates, 136,300 people reside within the County's 505 square miles. The City of Lancaster, the County seat, has an estimated 35,914 residents.

A three-member Board of Commissioners, twelve other elected officials, and various department heads govern the County. As part of the "checks and balances" system, the elected officials and department heads manage the internal operations of their respective divisions with the Board of Commissioners authorizing expenditures and serving as the budget authority, the taxing authority, and the contracting body. Each Commissioner serves a term of four years.

In addition to the County Auditor, who serves as the Chief Fiscal Officer, there are seven elected administrative officials, each of whom operates independently as set forth by Ohio law. These officials are: Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, and Treasurer. All of these officials serve four-year terms. The following judges are elected on a countywide basis to oversee the County's judicial system: two Common Pleas Court Judges, a Probate/Juvenile Court Judge, and a Domestic Relations Court Judge. An organization chart of County government can be found on page 13.

Fairfield County employs 791 persons who provide citizens with a wide range of services, including the following: human and social services; health and community assistance services; civil and criminal justice system services; road, bridge, and building maintenance; water and sewer utility services; and general and administrative support services.

The County is required to have a balanced budget. The Board of County Commissioners adopts the Fairfield County budget annually, on or about the first day of January of a given year. The fiscal year begins on January 1 and ends on December 31. Budgets are controlled at the fund, program, department, and object level.

This report's basic financial statements include the County's component units, Fairfield Industries, Inc. and Fairfield County Transportation Improvement District. See Note 1 of the Notes to the Basic Financial Statements for further detail.

## ASSESSING ECONOMIC CONDITION

### Local Economy

Located in the south-central portion of Ohio, Fairfield County is adjacent to Licking, Perry, Hocking, Pickaway, and Franklin counties. The urban expansion of the Columbus metropolitan area has made significant contributions to the growth of Fairfield County, particularly in the northwest quadrant. Taylor Square, constructed in the late 1990s, is a 210-acre mixed-use development with integrated office, hotel, and residential components in addition to nearly 500,000 square feet of retail space. Wal-Mart Super Center and Sam's Club are the shopping center's anchor tenants for the more than 30 other retail stores. The complex also features two hotels. This growing development has contributed significantly to the Fairfield County tax base. Very importantly, Taylor Square has added approximately 1,300 new jobs to the local economy at this date and promises further employment growth with the ongoing construction of additional retail stores.

Population growth is a major indicator of economic activity. The U.S. Census Bureau shows Fairfield County as the 4th fastest growing county in Ohio. The County's 2000 population was 122,759 per the U.S. Census, representing an 18.7 percent increase over the 1990 total. The Violet Township area, which includes the City of Pickerington and a part of Columbus, experienced the greatest growth from 1990 to 2000, with a census count of 34,361 and a gain of 78.5 percent. The County's population was estimated to have grown to 136,300 in 2004, an increase of 11% since 2000.

Fairfield County's population growth has resulted in an increased personal income base and an increasing demand for goods and services. The 2004 average per capita income for County residents was \$34,863, a 19.8 percent increase over 2000 and a 57.5 percent gain since 1995.

At 4.6 percent, the 2004 seasonally adjusted unemployment rate of the County was significantly below both the State of Ohio (5.7 percent) and national (5.4 percent) rates. Table 12 in the statistical section compares the employment rates of Fairfield County, the State of Ohio, and the United States over the past ten years.

Anchor Hocking Glass Corporation, a major County employer, invested \$21 million in equipment in 2003 and 2004, with a minimum of \$9 million more slated for 2005-2006, expanding the current operation of its Lancaster facility.

## Fairfield County, Ohio

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Other economic indicators suggest that although the service sector is increasing in importance, the County is diversifying and expanding in various other sectors. Fairfield County is home to several large regional and national firms, including Anchor Hocking Glass, Ralston Foods Incorporated, and Babcock and Wilcox (Diamond Power). Additionally, many locally owned companies do business nationally and internationally, such as Cyril Scott, commercial printers of forms and envelopes for catalogs; Lancaster Bingo, which distributes bingo supplies; and the Westerman Companies, whose businesses range from manufacturing oil and gas drilling equipment, to producing marine products for the dry docking of ships. Westerman Companies is the largest manufacturer in the world of uranium transportation and storage cylinders.

The County has established an Economic Development department to encourage and assist business development leveraging the County's advantages such as favorable taxation rates, excellent utility services, impressive industrial parks, availability of land, a skilled workforce, and a proximity to metropolitan markets.

Although the economic activity in our County continues to expand, there is a need to exercise fiscal restraint in County spending patterns due to factors external to the County. The uncertainty of the general economy has resulted in the Ohio Legislature reducing funding to local governments, including the County. Therefore, the County cannot assume that future local government funding by the State will continue at present levels.

Several new fees being charged to the County by state government, changes in the way some state agencies are now paid, and a reduction in investment earnings have resulted in revenues lagging behind ever increasing expenditures.

Actual 2005 General Fund revenues through the month of May are on target with budgeted 2005 revenues. Sales tax collections have gradually risen as economic conditions improved. Investment earnings are also increasing, but are recovering from interest rates at historic low levels.

The 2004 expenditure budgets for all General Fund departments were carefully reviewed and lowered to reflect the change in expected revenue. Due to the uncertainty of the economic climate in the State of Ohio and its impact locally, Fairfield County will continue its vigilance on expenditures to help mitigate any future revenue shortfalls. The County has also partnered with Franklin and Pickaway counties for the purpose of pooling their resources

with a view toward promoting long-term stability of employee healthcare costs.

Moody's Investors' Service, one of the two major bond-rating services, evaluated the County's economic stability and awarded Fairfield County an Aa3 bond rating.

### Major Initiatives

As the County continues to grow, the need for services and facilities increases. The Commissioners have recognized the extraordinary opportunities that the Liberty Center County Service Complex (Liberty Center) provides. In 2003, the County completed renovations on the existing 30,000 square foot building at Liberty Center, at a cost of \$990,500. In 2004, the County completed land improvements totaling \$671,000. This undertaking provided modern, updated housing for the Fairfield County Board of Elections and for the Fairfield County Educational Service Center. This enabled the County to divest itself of other real estate and gave the court systems needed space.

The County opened a new Title office and Bureau of Motor Vehicles office at Liberty Center in July 2004 at a cost of \$1,214,499. This combined operation will offer "one-stop shopping" for county citizens. The satellite office of the Clerk of Court's Title office, opened in Pickerington in 1998, continues to provide services to citizens in the northwest corner of the County, the fastest growing segment of Fairfield County.

Joining with Licking, Hocking, and Perry counties, Fairfield County created the Multi-County Juvenile Detention Center, a joint venture, in 2000 to provide short-term care in a secure facility for juveniles who have entered the judicial system. The four counties received State funding to augment each individual county's contribution for the construction of the juvenile detention center. A joint governing body, made up of leaders appointed by each county, oversees the operations of the 52-bed facility. Construction of the juvenile detention center, located at Liberty Center in Lancaster, was completed in early 2004. Staff was hired (currently 46 individuals) and operations for the new center began in early winter 2004. These jobs will have a sizable economic impact on the County.

Fairfield County Utilities has been actively planning for growth in the rapidly expanding northwest section of the County. In 2004, the Tussing Road Water Treatment Facility construction project and the Liberty Township Sanitary Sewer project were

## Fairfield County, Ohio

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completed. The Tussing Road Water Reclamation Facility construction project is nearing completion. Other projects included the addition of over six miles of water lines and five miles of sewer lines. The department serves 5,290 water customers and 6,089 sewer customers, including 365 new customers in 2004.

The County continues to expand the usefulness of its website ([www.co.fairfield.oh.us](http://www.co.fairfield.oh.us)). Many elected officials have created departmental pages that offer information, including tax rates and fee schedules, and give the public the opportunity to download official forms. Working with a business partner, the County has created an internet auction operation on its website, giving members of the public an opportunity to bid on and purchase surplus property, such as automobiles, trucks, and other personal property. Internally, the County's intranet site has vastly opened the communication opportunities among the departments.

During the next year, the County Auditor plans to replace the financial and payroll accounting software that the County currently uses, with a comprehensive, state-of-the-art system. In a year long project evaluation, a County-wide software selection committee reviewed and evaluated several vendor proposals. Based on the committee's recommendation, the County is entering into contract negotiations with MUNIS, Inc. a software provider with a national presence in the small and medium sized governmental market. The County will begin implementation of this software in 2005.

The Ohio Department of Transportation has a multi-year project underway upgrading U.S. Route 33 to a limited access four-lane highway from Franklin County through Fairfield County and south to the West Virginia border, meeting Interstate 77 at the Ohio River. When completed, Columbus, Lancaster, and all of Fairfield County will be directly connected with Charleston, West Virginia, and all states southward on I-77. This near interstate-like transportation corridor will provide many economic opportunities to Fairfield County in the years to come. Phase 1 of the project, the Hill-Diley interchange in Violet Township, was completed in late 2004. The City of Pickerington, Violet Township, the Mid-Ohio Regional Planning Commission and the Ohio Department of Transportation have embarked on a plan to widen Diley Road between State Route 256 and U.S. Hwy 33 to five lanes. It is anticipated that this four mile stretch will experience continued growth. Phase 2 of the U.S Hwy 33 bypass around the City of Lancaster opened in early 2005. The final phase is expected to open in 2006. Once open, development in the southern half of the

County will accelerate. Taking advantage of the benefits of this proximity, the Village of Canal Winchester and Violet Township have entered into a cooperative economic development agreement (CEDA) covering an industrial park, Canal Pointe, which is under development near the interchange.

Future County priorities include major water and sewer projects serving the County's continuing growth.

### **Cash Management**

The Fairfield County Treasurer serves as the investing authority, according to State law. County cash is pooled for investment purposes. During the year ended December 31, 2004, the County's cash resources were divided among the following types of deposits and investments: nonparticipating certificates of deposit, daily repurchase agreements, STAR Ohio, money market mutual funds, federal agency securities, and demand deposit accounts. Interest income as reported on the governmental fund financial statements totaled \$862,565 and was credited to various accounts. Fairfield County Transportation Improvement District and Fairfield Industries, Inc., the County's component units, earned \$118 and \$31,548 respectively, in interest income for the current year.

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. Although the majority of the County's deposits are defined as uninsured and uncollateralized, it is important to note that all statutory requirements for the investment of money have been followed. More information about investments is available in Note 6 of the Notes to the Basic Financial Statements.

### **Risk Financing**

The County insures its risk through the County Risk Sharing Authority (CORSA) and with private insurance carriers, maintaining a variety of coverages for property, liability, and vehicle insurance. It also participates in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan, an insurance purchasing pool. See Note 11 of the Notes to the Basic Financial Statements for a more detailed description of the County's risk financing programs.

**AWARDS AND ACKNOWLEDGMENTS**

**Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fairfield County for its comprehensive annual financial report for the fiscal year ended December 31, 2003. This was the fifteenth consecutive year the County received this prestigious award.

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

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

In addition, the County received the Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the County's 2003 Citizens' Report, a condensed, more user-friendly financial report intended to provide highlights of the County's financial condition.

This was the third consecutive year the County has received this prestigious award.

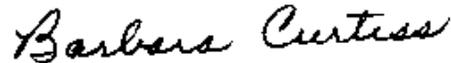
**Acknowledgments**

The publication of this report demonstrates the professionalism of the Fairfield County government. Preparation of this report was achieved through the cooperation of each elected official, each department head, and a large number of County employees. I am grateful for their assistance.

I would like to express a further note of appreciation to the Local Government Services division of State Auditor Betty Montgomery's Office for its guidance in preparing this financial report. Finally, the preparation of this report would not have been possible without the efficient and dedicated efforts of the entire staff of the County's Finance Office.

Most importantly, I am grateful to the citizens of Fairfield County for this opportunity to continue to improve the financial operations of the County.

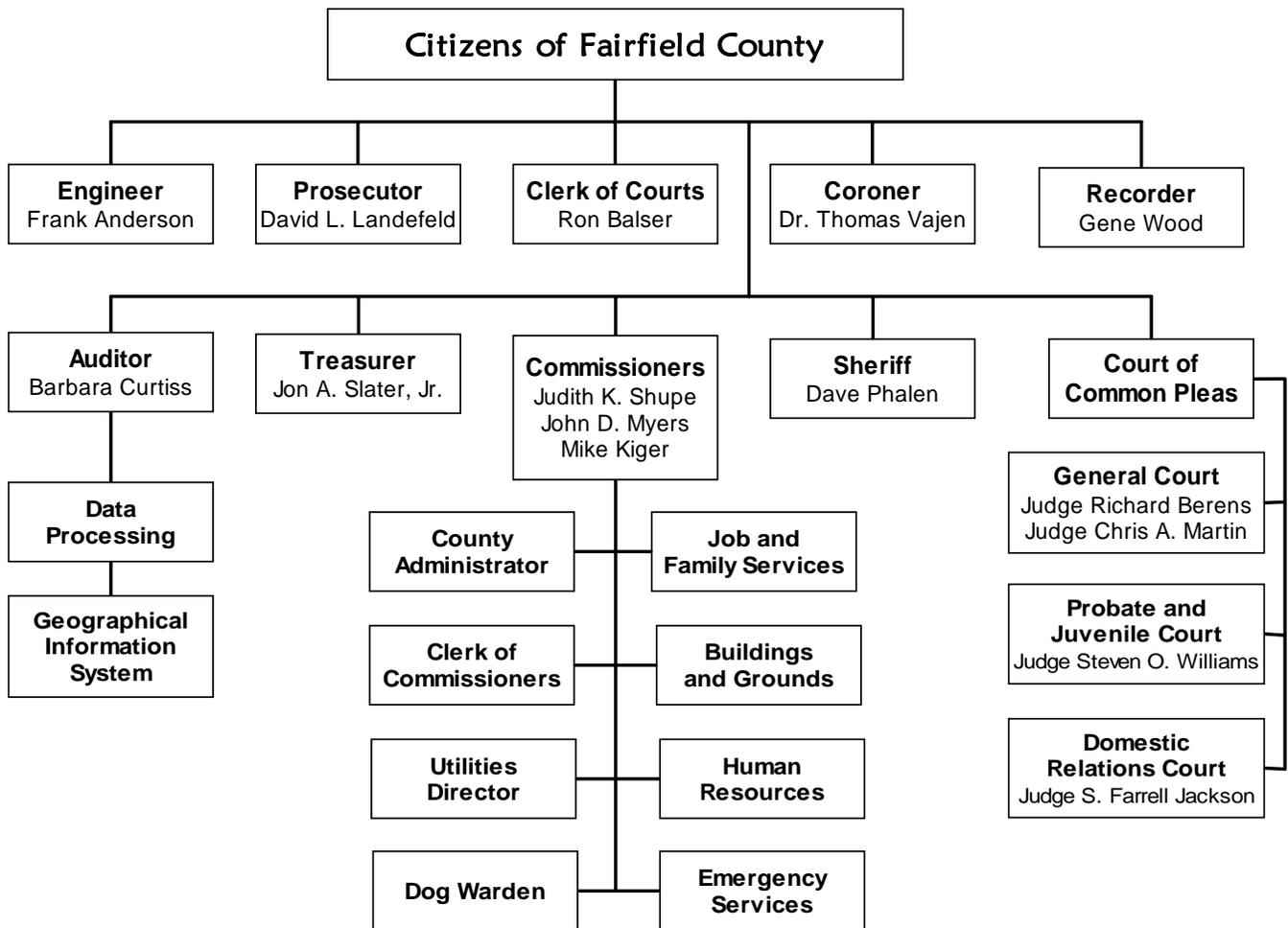
Respectfully submitted,



Barbara Curtiss  
Fairfield County Auditor

June 21, 2005

**COUNTY ORGANIZATION AND ELECTED OFFICIALS**  
December 31, 2004



**Ex Officio and Appointed Boards**



**PRINCIPAL APPOINTED OFFICIALS AND DEPARTMENT HEADS**  
December 31, 2004

<i>Clerk of Commissioners</i> .....	Jacqueline D. Long
<i>Human Resources</i> .....	Aundrea Cordle *
<i>Department of Job and Family Services, Director</i> .....	Michael Orlando
<i>Buildings and Grounds Superintendent</i> .....	Joseph Spybey
<i>Dog Warden</i> .....	Michael Miller
<i>Emergency Services Administrator</i> .....	Tom Moe
<i>Board of Elections, Director</i> .....	Alice Nicolia
<i>Sanitary Engineer</i> .....	Donald Rector **
<i>Alcohol, Drug Addiction, and Mental Health Board, Director</i> .....	Orman Hall
<i>Mental Retardation and Developmental Disabilities Board, Superintendent</i> .....	John Pekar
<i>Health Commissioner</i> .....	Franklin Hirsch
<i>Veteran Service Commission, Director</i> .....	Eddie Mohler
<i>Fairfield County Airport Authority, President</i> .....	David Scheffler ***

(\*) replaced Anita Hager in 2004

(\*\*) replaced Kerry Hogan in 2004

(\*\*\*) replaced Mike Brining in 2004

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairfield County,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Zjelke*

President

*Jeffrey R. Emer*

Executive Director

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# Financial Section

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Fairfield County  
210 East Main Street  
Lancaster, Ohio 43130

To the Board of County Commissioners:

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 Fairfield County, Ohio (the County), as of and for the year ended December 31, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Fairfield Industries, Incorporated, which represent 87% of assets, 87% of net assets, and 99.9% of revenues for the aggregate discretely presented component units. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for Fairfield Industries, Inc. on the report 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 reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the 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 Fairfield County, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General, Community Services, Motor Vehicle, Mental Retardation, and Alcohol, Drug Addiction, and Mental Health Board funds 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 21, 2005, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

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

**Betty Montgomery**  
Auditor of State

June 21, 2005

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

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**Introduction**

This section of Fairfield County's annual financial report presents management's discussion and analysis of the County's financial performance during the year ended December 31, 2004. The management's discussion and analysis section should be read in conjunction with the preceding transmittal letter and the County's financial statements, which follow.

**Financial Highlights**

Key financial highlights for 2004 are as follows:

- The assets of Fairfield County exceeded its liabilities at the close of the year ended December 31, 2004, by \$216,857,109 (net assets). Of this amount, \$17,301,237 was the unrestricted net assets portion which represents the amount that can be used at the discretion of the County Commissioners.
- The County's total net assets increased by 1.5 percent, or \$3,141,949, from the total net assets at the beginning of the year 2004.
- At the end of the current year, the County's governmental activities reported total net assets of \$179,960,264, a decrease of \$689,444 from the prior year. Of this amount, \$10,205,433 is unrestricted.
- At the end of the current year, unreserved fund balance for the General Fund was \$8,113,599, which represents a 15.3 percent decrease from the prior year, and represents 32.7 percent of total General Fund expenditures.
- Fairfield County's total long-term debt decreased by \$2,268,010, or 4.1 percent, during the current year.

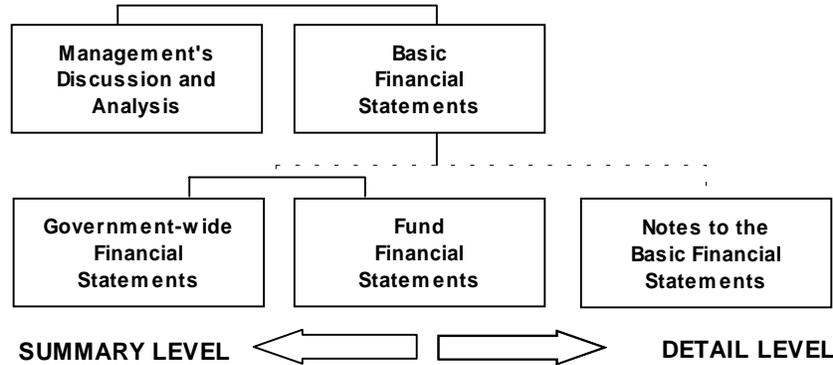
**Overview of the Financial Statements**

This annual report consists of management's discussion and analysis, basic financial statements, including the accompanying notes to the basic financial statements, and combining statements for the nonmajor governmental funds, and the fiduciary funds. The basic financial statements are composed of the government-wide financial statements and the fund financial statements.

Figure 1 illustrates how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, as explained later, this report includes an optional section that contains combining statements that provide details about the County's nonmajor governmental funds.

**Fairfield County, Ohio**  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2004  
 (Unaudited)

**Figure 1**  
**Required Components of**  
**Fairfield County's Annual Financial Report**



The *government-wide financial statements* provide financial information about the County as a whole, including its component units.

The *fund financial statements* focus on the County's operations in more detail than the government-wide financial statements. The financial statements presented for governmental funds report on the County's general government services. Proprietary fund statements report on the activities that the County operates like private-sector businesses. Fiduciary funds statements provide information about the financial relationships in which the County acts solely as a trustee or agent, for the benefit of others outside the government to whom the resources belong.

The basic financial statements section also includes *Notes to the Basic Financial Statements* that more fully explain the information in the government-wide and fund financial statements.

Figure 2 below summarizes the major features of the County's statements.

<b>Figure 2</b>				
<b>Major Features of Fairfield County's Government-wide and Fund Financial Statements</b>				
	<b>Government-wide Statements</b>	<b>Fund Financial Statements</b>		
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
<b>Scope</b>	Entire County government (except fiduciary funds) and the County's component units	The activities of the County that are not proprietary or fiduciary, such as public safety, public works, health, human services, and general government	Activities the County operates similar to private businesses, such as the sewer and water operations and the Self-Funded Health Insurance Fund	Instances in which the County is the trustee or agent for someone else's resources
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>• Statement of Net Assets</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fund Net Assets</li> <li>• Statement of Revenues, Expenses, and Changes in Fund Net Assets</li> <li>• Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Assets and Liabilities</li> </ul>

**Fairfield County, Ohio**  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2004  
 (Unaudited)

**Figure 2 (continued)**  
**Major Features of the Fairfield County's Government-wide and Fund Financial Statements**

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term
<b>Type of inflow/outflow information</b>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	Not applicable because the County only has agency funds

**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 the Statement 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 showing how the County's net assets changed during the current year. Both statements use the accrual basis of accounting, similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the County's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the County as a whole, the economic condition of the County has improved or diminished. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

The Statement of Net Assets and the Statement of Activities, which can be found on pages 34 through 37 of this report, are divided into three categories as follows.

*Governmental Activities* — Most of the County's basic services are reported under this category, such as public safety, public works, health, human services, administration, and all departments - with the exception of the sewer and water funds.

*Business-type Activities* — The County provides services and then charges a fee to customers, based upon the amount of usage, to recover the costs of the services provided, and to cover the capital expenses associated with the related facilities. It uses enterprise funds to account for its sewer and water operations.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

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*Component Units* — The County includes financial data of the Fairfield County Transportation Improvement District and Fairfield Industries, Inc. These component units are described in Note 1 of the Notes to the Basic Financial Statements. The component units are separate and each may buy, sell, lease, and mortgage property in their own names. They can also sue or be sued in their own names.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the County's most significant funds — not the County as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on the restriction on the use of monies, the County has established many funds that account for the multitude of services provided to its residents. However, these fund financial statements focus on the County's most significant funds. The County's major governmental funds are:

- General Fund
- Community Services Fund
- Motor Vehicle Fund
- Mental Retardation Fund
- Alcohol, Drug Addiction, and Mental Health Board Fund
- General Obligation Bond Retirement Fund

*Governmental Funds* — Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as balances of spendable resources available at the end of the year. Such information may be useful in evaluating the County'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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a number of individual governmental funds. Information for the major funds, identified earlier, is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 38 through 50 of this report.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

*Proprietary Funds* — The County maintains two different types of proprietary funds. It uses enterprise funds to account for its sewer and water operations. In these operations, the County charges a fee to customers, based upon the amount of usage, to recover the costs of the services provided, and to cover the capital expenses associated with the related facilities. The County uses an internal service fund to account for its Self-Funded Health Insurance Fund. Because the services of this fund predominately benefit governmental rather than business-type operations, it has been included with governmental activities in the government-wide financial statements. The proprietary fund financial statements can be found on pages 51 through 55 of this report.

*Fiduciary Funds* — The County accounts for resources held for the benefit of parties outside the government as fiduciary funds. These funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County uses accrual accounting for fiduciary funds, much like that of the proprietary funds. The fiduciary fund financial statement can be found on page 56 of this report.

*Notes to the Basic 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 Basic Financial Statements can be found on pages 57 through 114 of this report.

**Government-wide Financial Analysis**

During 2004, as shown in the table below, the combined net assets of the County's primary government increased \$3.1 million or 1.5 percent. Net assets reported for governmental activities decreased \$0.69 million or 0.38 percent and business-type activities increased \$3.8 million or 11.6 percent.

Condensed financial information derived from the Statement of Net Assets for the primary government follows:

**Primary Government  
Statement of Net Assets  
As of December 31, 2004, with comparatives as of December 31, 2003**

	Governmental Activities		Business-Type Activities		Totals	
	2004	2003	2004	2003	2004	2003
<b>Assets:</b>						
Current and other noncurrent assets .....	\$ 69,277,463	\$ 66,324,632	\$ 8,889,003	\$ 12,246,506	\$ 78,166,466	\$ 78,571,138
Capital assets .....	161,401,854	162,547,246	57,341,250	53,040,177	218,743,104	215,587,423
Total assets .....	<u>230,679,317</u>	<u>228,871,878</u>	<u>66,230,253</u>	<u>65,286,683</u>	<u>296,909,570</u>	<u>294,158,561</u>
<b>Liabilities:</b>						
Current and other liabilities .....	21,693,921	19,630,983	920,605	1,174,890	22,614,526	20,805,873
Noncurrent liabilities .....	29,025,132	28,591,187	28,412,803	31,046,341	57,437,935	59,637,528
Total liabilities .....	<u>50,719,053</u>	<u>48,222,170</u>	<u>29,333,408</u>	<u>32,221,231</u>	<u>80,052,461</u>	<u>80,443,401</u>
<b>Net Assets:</b>						
Invested in capital assets, net of related debt .....	139,382,284	139,467,457	29,801,041	26,716,331	169,183,325	166,183,788
Restricted .....	30,372,547	29,738,309	-	-	30,372,547	29,738,309
Unrestricted .....	10,205,433	11,443,942	7,095,804	6,349,121	17,301,237	17,793,063
Total net assets .....	<u>\$ 179,960,264</u>	<u>\$ 180,649,708</u>	<u>\$ 36,896,845</u>	<u>\$ 33,065,452</u>	<u>\$ 216,857,109</u>	<u>\$ 213,715,160</u>

At December 31, 2004, the primary government's investment in capital assets, net of depreciation, (i.e. land, buildings, improvements other than buildings, machinery and equipment, furniture and fixtures, infrastructures, vehicles, and construction in progress), less related outstanding debt, was \$169.2 million. The 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 capital assets is reported net of related debt, the reader should be aware that the resources needed to repay this debt must be provided from other sources. The capital assets themselves cannot be used to liquidate these liabilities.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

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Increases in liabilities for governmental funds are due primarily to increases in deferred revenue, accounts payable, and long-term liabilities. Decreases in liabilities for business type-funds are due primarily to the decrease in outstanding debt and a decrease in contracts payable.

Restricted net assets were approximately \$30.4 million, resulting in a \$17.3 million unrestricted net assets balance. Net assets are restricted when constraints on their use are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. Unrestricted net assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The County's net assets, when viewed over time, may provide the reader with a useful indicator of the County's economic condition.

The table below shows the condensed financial information derived from the Statement of Activities for the year ended December 31, 2004, and a comparative analysis with the year ended December 31, 2003. Since this is the second year the County has prepared financial statements following GASB Statement 34, comparative statements of government-wide are now available and will continue to be presented in future years.

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**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

**Primary Government**  
**Statement of Activities**  
**For the year ended December 31, 2004, with comparatives for the year ended December 31, 2003**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2004	2003	2004	2003	2004	2003
<b>Revenues:</b>						
Program revenues:						
Charges for services .....	\$ 11,552,298	\$ 11,098,862	\$ 4,651,013	\$ 4,308,988	\$ 16,203,311	\$ 15,407,850
Operating grants, contributions, and interest .....	32,888,932	31,068,560	-	-	32,888,932	31,068,560
Capital grants, contributions, and interest .....	3,687,365	3,909,515	2,581,294	2,753,473	6,268,659	6,662,988
General revenues:						
Property and other taxes .....	12,123,332	12,390,157	-	-	12,123,332	12,390,157
Sales taxes .....	10,339,538	9,978,566	-	-	10,339,538	9,978,566
Intergovernmental .....	3,342,887	3,669,640	-	-	3,342,887	3,669,640
Unrestricted interest earnings .....	774,154	810,108	128,949	190,508	903,103	1,000,616
Other .....	988,932	2,529,292	6,943	802	995,875	2,530,094
Total revenues .....	<u>75,697,438</u>	<u>75,454,700</u>	<u>7,368,199</u>	<u>7,253,771</u>	<u>83,065,637</u>	<u>82,708,471</u>
<b>Expenses:</b>						
General government:						
Legislative and executive .....	10,206,147	9,492,488	-	-	10,206,147	9,492,488
Judicial .....	4,444,334	5,015,660	-	-	4,444,334	5,015,660
Public safety .....	12,492,107	12,505,036	-	-	12,492,107	12,505,036
Public works .....	10,568,677	9,967,532	-	-	10,568,677	9,967,532
Health .....	17,762,238	16,332,991	-	-	17,762,238	16,332,991
Human services .....	15,358,784	17,112,675	-	-	15,358,784	17,112,675
Urban redevelopment and housing .....	480,921	118,036	-	-	480,921	118,036
Transportation .....	184,618	234,284	-	-	184,618	234,284
Intergovernmental .....	2,288,812	2,034,816	-	-	2,288,812	2,034,816
Interest and fiscal charges .....	1,118,473	998,291	-	-	1,118,473	998,291
Sewer system .....	-	-	2,788,141	2,713,123	2,788,141	2,713,123
Water system .....	-	-	2,230,436	2,224,401	2,230,436	2,224,401
Total expenses .....	<u>74,905,111</u>	<u>73,811,809</u>	<u>5,018,577</u>	<u>4,937,524</u>	<u>79,923,688</u>	<u>78,749,333</u>
Increase before transfers.....	792,327	1,642,891	2,349,622	2,316,247	3,141,949	3,959,138
Transfer in (out).....	<u>(1,481,771)</u>	<u>-</u>	<u>1,481,771</u>	<u>-</u>	<u>-</u>	<u>-</u>
Increase (decrease) after transfers.....	(689,444)	1,642,891	3,831,393	2,316,247	3,141,949	3,959,138
Net assets - beginning of year.....	180,649,708	179,006,817	33,065,452	30,749,205	213,715,160	209,756,022
Net assets - end of year.....	<u>\$179,960,264</u>	<u>\$180,649,708</u>	<u>\$36,896,845</u>	<u>\$33,065,452</u>	<u>\$216,857,109</u>	<u>\$213,715,160</u>

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

**Governmental Activities**

Grants, contributions, and restricted interest accounted for 48.3% of total governmental revenues, with taxes providing 29.7% of total governmental revenues. These revenue sources comprise the two largest components of County revenues. Property and other taxes revenues were \$12,123,332 (16.0% of total governmental revenues) while sales taxes were \$10,339,538 (13.7% of total governmental revenues). Grants, contributions, and restricted interest revenues in 2004 were \$36,576,297. Taxes, grants, contributions, and restricted interest combined together, provided 78.0% of the County's total governmental revenues.

The County received \$11,552,298, or 15.3%, of total governmental revenues, in charges for services. These direct charges to citizens include real estate transfer fees, property tax collection fees, judicial fines and forfeitures, and licenses and permits.

The County's human services activities accounted for \$15,358,784, or 20.5%, of total expenses. Health activities utilized \$17,762,238, or 23.7%, of total expenses.

The following table presents the total expenses and net cost of each of the County's governmental program activities. The net cost (total program activity expenses less revenues generated by the program) represents the financial burden that was placed on the County's taxpayers by each of these program activities. Costs not covered by program revenues are essentially funded with the County's general revenues, which are primarily composed of taxes, intergovernmental revenues, and unrestricted interest earnings. The net cost to the governmental activities was \$26,776,516.

**Program Expenses and Net Costs of Governmental Activities, by Program**  
**For the Year Ended December 31, 2004**

<u>Program Activity</u>	<u>Program Activity Expenses</u>	<u>Net Cost (Gain) of Program Activity</u>	<u>Net Cost (Gain) as Percentage of Total Expenses</u>	
			<u>Program Activity</u>	<u>All Program Activities</u>
General government:				
Legislative and executive .....	\$ 10,206,147	\$ 5,692,839	55.8%	7.6%
Judicial .....	4,444,334	1,993,584	44.9%	2.7%
Public safety .....	12,492,107	7,748,613	62.0%	10.3%
Public works .....	10,568,677	289,125	2.7%	0.4%
Health .....	17,762,238	5,425,034	30.5%	7.2%
Human services .....	15,358,784	2,823,432	18.4%	3.8%
Urban redevelopment and housing .....	480,921	458,275	95.3%	0.6%
Transportation .....	184,618	(808,818)	(438.1%)	(1.1%)
Intergovernmental .....	2,288,812	2,035,959	89.0%	2.7%
Interest and fiscal charges .....	1,118,473	1,118,473	100.0%	1.5%
Total expenses .....	<u>\$ 74,905,111</u>	<u>\$ 26,776,516</u>		<u>35.7%</u>

**Business-type Activities**

Net assets for business-type activities increased by \$3,831,393 or 11.6%, in 2004. The major revenue source was charges for services in the amount of \$4,651,013.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

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**Financial Analysis of the County's Funds**

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

*Governmental Funds* — The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in accessing 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 year.

**General Fund**

The General Fund is the primary operating fund of the County. At the end of 2004, unreserved fund balance was \$8,113,599, while total fund balance was \$8,951,278. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance, to total fund expenditures. Unreserved fund balance represents 32.7 percent to total General Fund expenditures, while total fund balance represents 36.0 percent of General Fund expenditures.

The fund balance of the County's General Fund decreased by \$2.0 million during the current fiscal year compared to a \$3.8 million decrease in the prior year. Key factors in this decrease are as follows:

- Total General Fund revenue was similar to the previous year, increasing \$195,891.
- While revenues increased modestly, General Fund expenditures decreased approximately \$1.5 million, or 5.7 percent. The largest decreases were in general governmental judicial of \$476,369, general governmental legislative and executive of \$284,549, human services of \$282,625, and public safety of \$259,492.
- Other financing sources (uses) decreased by \$157,222.

**Other Major Governmental Funds**

The Community Services Fund has a deficit fund balance of (\$1.6) million, in comparison with a deficit fund balance in 2003 of (\$1.8) million. This deficit was caused primarily by the State advancing too much cash to this fund during the year, and the resultant recording of \$1.1 million of deferred revenue at year end, and similarly recording \$1.4 million of deferred revenue in the previous year at the end of 2003.

The fund balance of the Motor Vehicle Fund at December 31, 2004 is \$4.7 million, an increase of approximately \$364,000 from the prior year. The increase in fund balance is due mainly to the decrease in capital asset purchases.

The fund balance of the Mental Retardation Fund at year end is \$5.7 million, a decrease of approximately \$722,000, or 11.3 percent, under the previous year. Expenditures exceeded revenues by approximately \$592,000 in the current year due primarily to the decrease in governmental revenues in 2004 for the mental retardation residential services program.

The fund balance of the Alcohol, Drug Addiction, and Mental Health Board Fund at December 31, 2004, is approximately \$1.1 million, an increase of approximately \$242,000 or a 29.4 percent change, from the prior year. The increase in fund balance is primarily due to an approximate \$1 million increase in revenues due to an increase of approximately \$684,000 in intergovernmental revenues, and an increase of approximately \$302,000 in charges for services.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

**Major Debt Service Fund**

The General Obligation Bond Retirement Fund has a fund balance of approximately \$518,000 at December 31, 2004. Because of new borrowings in 2004, this fund received approximately \$7 million in note, bond premium, and bond proceeds and approximately \$1.2 million in transfers in, while spending approximately \$9.2 million in debt service payments.

**Proprietary Funds**

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The County's major proprietary funds, the Sewer Fund and the Water Fund, both had increases in net assets; the Sewer Fund's net assets grew by \$2.9 million and the Water Fund's net assets increased \$0.9 million. These increases can be primarily attributed to the Utilities Department's growing customer base.

**General Fund Budgetary Highlights**

The County made numerous revisions to the original appropriations approved by the County Commissioners. Overall, these changes resulted in an increase from the original budget of 2.4 percent or \$634,573. Appropriations were increased for the following functions: general government judicial by \$395,858 and public safety by \$567,434 with corresponding appropriation offsets from the Commissioners' contingency fund. Actual expenditures were less than the final budgeted expenditures by \$1.5 million.

The County's budgeted revenue increased 5.6 percent and was primarily the result of an increase in sales taxes of \$1 million, an increase in property and other taxes of \$694,000, an increase of \$13,000 in charges for services, and a decrease of \$407,000 in interest earnings. Actual revenues exceeded the final budget by \$1.7 million.

Because of these factors, the County's economic condition in the General Fund based on actual results (on the budgetary basis) at December 31, 2004, the fund balance is \$5.4 million better than initially projected in the original budget.

**Capital Assets and Debt Administration**

**Capital Assets**

As of December 31, 2004, and December 31, 2003, the County had invested \$218.7 million and \$215.6 million, net of accumulated depreciation of \$77.2 million and \$71.2 million, respectively, in a broad range of capital assets, as follows:

**Capital Assets, Net of Depreciation**  
**As of December 31, 2004, with comparatives as of December 31, 2003**

	Governmental		Business-type		Totals	
	Activities		Activities			
	2004	2003	2004	2003	2004	2003
Land .....	\$ 4,577,255	\$ 4,648,459	\$ 1,889,374	\$ 1,864,374	\$ 6,466,629	\$ 6,512,833
Buildings .....	25,677,470	25,425,063	15,740,140	9,319,602	41,417,610	34,744,665
Improvements other than						
buildings .....	2,437,820	1,850,921	-	-	2,437,820	1,850,921
Equipment .....	3,191,348	2,906,181	48,302	53,804	3,239,650	2,959,985
Furniture and fixtures .....	523,060	547,618	-	-	523,060	547,618
Infrastructure .....	121,399,428	122,942,536	31,787,357	29,915,362	153,186,785	152,857,898
Vehicles .....	1,987,275	2,233,960	263,766	216,012	2,251,041	2,449,972
Construction in progress .....	1,608,198	1,992,508	7,612,311	11,671,023	9,220,509	13,663,531
Total capital assets, net ....	<u>\$ 161,401,854</u>	<u>\$ 162,547,246</u>	<u>\$ 57,341,250</u>	<u>\$ 53,040,177</u>	<u>\$ 218,743,104</u>	<u>\$ 215,587,423</u>

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

For additional information on capital assets, see Note 10 to the basic financial statements.

The total increase in the County's capital assets, net of accumulated depreciation, for the current year was \$3.2 million or 1.5 percent (a 0.7 percent decrease for governmental activities and an 8.1 percent increase for business-type activities). As further detailed in Note 16 of the notes to the basic financial statements, the County had \$3.4 million in major construction commitments.

**Debt – Bonds, Long-Term Notes, Loans, and Capital Leases Payable**

As of December 31, 2004, and December 31, 2003, the County had total debt of approximately \$54.0 million and approximately \$56.3 million, respectively, as follows:

**Bonds, Long-Term Notes, Loans, and Capital Leases Payable**  
**As of December 31, 2004, with comparatives for December 31, 2003**

	Governmental		Business-type		Totals	
	Activities		Activities			
	2004	2003	2004	2003	2004	2003
Bond anticipation notes.....	\$ -	\$ 3,600,000	\$ 10,300,000	\$ 12,200,000	\$ 10,300,000	\$ 15,800,000
General obligation bonds...	21,640,085	18,491,221	16,081,223	16,634,799	37,721,308	35,126,020
Special assessment bonds.....	3,181,433	1,847,000	-	-	3,181,433	1,847,000
Long-term loans.....	194,501	517,000	1,888,499	2,074,993	2,083,000	2,591,993
Capital leases.....	737,893	919,321	12,558	19,868	750,451	939,189
	<u>\$ 25,753,912</u>	<u>\$ 25,374,542</u>	<u>\$ 28,282,280</u>	<u>\$ 30,929,660</u>	<u>\$ 54,036,192</u>	<u>\$ 56,304,202</u>

For additional information on debt, see Note 17 to the basic financial statements.

During 2004, the County issued \$14.6 million and paid off \$20.1 million in bond anticipation notes, issued \$3.9 million and paid down \$1.4 million in general obligation bonds, issued \$1.54 million in special assessment bonds and paid off \$206,768, and incurred \$650,693 in long-term loans while reducing those balances by \$1,159,686. Capital lease balances decreased by \$188,738. The total decrease in the County's debt obligations for the current year was 4.0 percent (a 1.5 percent increase for governmental activities and an 8.6 percent decrease for business-type activities).

**Limitations on Debt**

State statutes limit the amount of total debt according to this formula: 3.0 percent of the first \$100 million of total assessed valuation; plus 1.5 percent of such valuation in excess of \$100 million and not in excess of \$300 million; plus 2.5 percent of such valuation in excess of \$300 million. By this calculation, the current total legal debt margin of Fairfield County is approximately \$52.9 million.

The County's total unvoted legal debt margin at December 31, 2004, is approximately \$15.7 million.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
(Unaudited)

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**Economic Factors**

Cash basis revenues of \$26.3 million for the General Fund in 2004 were \$1.7 million higher than the final budget. Corresponding expenditures and net other financing sources (uses), which includes transfers to other funds, of \$28.1 million were \$2.8 million less than the final budget. The ending cash basis fund balance in 2004 had a positive variance of \$4.5 million from the final budget. While the 2004 activity was moving in a forward direction, it was insufficient to stem a continued decline in fund balance.

At December 31, 2002 the Generally Accepted Accounting Principles basis fund balance of the General Fund was \$14.7 million. In the past two years, the fund balance has decreased \$5.8 million to a December 31, 2004 balance of \$9.0 million.

To remedy the above, the Commissioners took action in 2004 approving a special election in February 2005, placing on the ballot a proposal to the voters for a 0.5 percent increase in the County sales tax. The Commissioners also agreed to consider raising the real estate conveyance fee in 2005.

In February 2005, the special election was held and defeated by Fairfield County voters.

In April 2005, the Commissioners raised the real estate conveyance fee by \$3 per \$1,000 of property sales value. This increase from \$1 per \$1,000 to \$4 per \$1,000 of property sales value, is effective June 1, 2005. In 2004, the value of property sales for which fees were collected was \$691,504,000 which generated revenue of \$691,504 in 2004.

The County passed a temporary appropriation budget for first quarter 2005, frozen at 2004 expenditure levels. In March 2005, a permanent appropriation budget for 2005 was passed with departmental budgets being reduced by approximately 20 percent, relative to 2004. This was accomplished by elimination of vacant positions, employee layoffs, the modification or reduction of existing programs, and placing an indefinite hold on several new initiatives.

The County established an insurance committee for the purpose of conducting a comprehensive evaluation of the county health insurance plan design and associated costs. Based on the committee's recommendation, the Commissioners decided that effective March 1, 2005 the County would partner with Franklin and Pickaway Counties for the purpose of pooling their resources in a collaborative venture, with a view toward promoting long-term stability of employee healthcare costs. The 2005 monthly contribution rates charged to departmental budgets remained the same as the 2004 rates.

**Requests for Information**

This financial report is designed to provide the County's citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report, please contact the Fairfield County Auditor's Office by calling (740) 687-7020 or by writing the County Auditor at 210 E. Main Street, Lancaster, Ohio 43130. An electronic version of this report is available on the County's website at [www.co.fairfield.oh.us/AUDITOR/index.htm](http://www.co.fairfield.oh.us/AUDITOR/index.htm)

# Basic Financial Statements

# Fairfield County, Ohio

## STATEMENT OF NET ASSETS

December 31, 2004 - Primary Government and Fairfield County Transportation Improvement District

June 30, 2004 - Fairfield Industries, Incorporated

*Exhibit A-1*

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Fairfield County Transportation Improvement District	Fairfield Industries, Incorporated
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 31,972,372	\$ 7,252,798	\$ 39,225,170	\$ 64,173	\$ 56,036
Cash and cash equivalents in segregated accounts .....	474,111	386,505	860,616	-	-
Cash and cash equivalents with fiscal agents .....	646,929	-	646,929	-	-
Segregated investments.....	-	-	-	-	272,455
Sales taxes receivable .....	1,787,204	-	1,787,204	-	-
External party receivables .....	19,524	-	19,524	-	-
Internal balances.....	(31,835)	31,835	-	-	-
Materials and supplies inventory .....	465,242	19,588	484,830	-	2,227
Accrued interest receivable .....	204,928	13,229	218,157	-	-
Intergovernmental receivables .....	11,870,353	8,632	11,878,985	-	-
Prepaid items .....	232,502	40,436	272,938	825	1,952
Accounts receivable .....	366,724	758,434	1,125,158	-	57,740
Property and other taxes receivable .....	14,228,470	-	14,228,470	-	-
Loans receivable .....	672,022	-	672,022	-	-
Special assessments receivable .....	3,294,878	71,553	3,366,431	-	-
Deferred charges .....	315,341	305,993	621,334	-	-
Investment in joint venture .....	2,758,698	-	2,758,698	-	-
Capital assets not being depreciated .....	6,185,453	9,501,685	15,687,138	-	-
Capital assets being depreciated (net of accumulated depreciation) .....	155,216,401	47,839,565	203,055,966	-	47,590
Total assets .....	<u>\$ 230,679,317</u>	<u>\$ 66,230,253</u>	<u>\$ 296,909,570</u>	<u>\$ 64,998</u>	<u>\$ 438,000</u>

(continued)

# Fairfield County, Ohio

## STATEMENT OF NET ASSETS

(Continued)

December 31, 2004 - Primary Government and Fairfield County Transportation Improvement District

June 30, 2004 - Fairfield Industries, Incorporated

Exhibit A-1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Fairfield County Transportation Improvement District	Fairfield Industries, Incorporated
<b>LIABILITIES</b>					
Accrued wages and benefits payable .....	\$ 1,402,556	\$ 50,428	\$ 1,452,984	\$ -	\$ 10,894
Matured compensated absences payable.....	1,244	-	1,244	-	-
Matured capital leases payable.....	25,531	-	25,531	-	-
Matured interest payable.....	6,543	-	6,543	-	-
Intergovernmental payable.....	1,049,002	61,378	1,110,380	-	2,219
Accounts payable.....	2,000,118	187,521	2,187,639	35	4,688
External party payable.....	24,267	55	24,322	-	-
Contracts payable.....	662,884	156,550	819,434	-	-
Retainage payable.....	181,608	115,200	296,808	-	-
Accrued interest payable.....	90,601	210,253	300,854	-	-
Deferred revenue.....	15,138,469	-	15,138,469	-	-
Notes payable.....	520,000	-	520,000	-	-
Claims payable.....	591,098	-	591,098	-	-
Customer deposits payable.....	-	139,220	139,220	-	-
Long-term liabilities:					
Due within one year .....	2,849,967	830,362	3,680,329	-	-
Due within more than one year .....	26,175,165	27,582,441	53,757,606	-	-
Total liabilities .....	50,719,053	29,333,408	80,052,461	35	17,801
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt .....	139,382,284	29,801,041	169,183,325	-	47,590
Restricted for:					
Capital Projects.....	1,952,737	-	1,952,737	-	-
Debt Service.....	127,204	-	127,204	-	-
Other Purposes.....	28,292,606	-	28,292,606	-	3,423
Unrestricted.....	10,205,433	7,095,804	17,301,237	64,963	369,186
Total net assets .....	\$ 179,960,264	\$ 36,896,845	\$ 216,857,109	\$ 64,963	\$ 420,199

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

# Fairfield County, Ohio

## STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2004 - Primary Government

and Fairfield County Transportation Improvement District

For the Year Ended June 30, 2004 - Fairfield Industries, Incorporated

Exhibit A-2

	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	
<b>Primary Government:</b>					
Governmental activities:					
General government:					
Legislative and executive .....	\$ 10,206,147	\$ 3,530,671	\$ 909,531	\$ 73,106	\$ (5,692,839)
Judicial .....	4,444,334	2,001,258	449,492	-	(1,993,584)
Public safety .....	12,492,107	2,299,676	2,443,818	-	(7,748,613)
Public works .....	10,568,677	1,551,850	5,793,615	2,934,087	(289,125)
Health .....	17,762,238	953,486	10,903,718	480,000	(5,425,034)
Human services .....	15,358,784	422,093	12,113,259	-	(2,823,432)
Urban redevelopment and housing .....	480,921	-	22,646	-	(458,275)
Transportation .....	184,618	793,264	-	200,172	808,818
Intergovernmental .....	2,288,812	-	252,853	-	(2,035,959)
Interest and fiscal charges .....	1,118,473	-	-	-	(1,118,473)
Total governmental activities .....	<u>74,905,111</u>	<u>11,552,298</u>	<u>32,888,932</u>	<u>3,687,365</u>	<u>(26,776,516)</u>
Business-type activities:					
Sewer .....	2,788,141	2,609,247	-	1,517,252	1,338,358
Water .....	2,230,436	2,041,766	-	1,064,042	875,372
Total business-type activities .....	<u>5,018,577</u>	<u>4,651,013</u>	<u>-</u>	<u>2,581,294</u>	<u>2,213,730</u>
Total Primary Government.....	<u>\$ 79,923,688</u>	<u>\$ 16,203,311</u>	<u>\$ 32,888,932</u>	<u>\$ 6,268,659</u>	<u>\$ (24,562,786)</u>
<b>Component Units:</b>					
Fairfield County Transportation Improvement District .....					
	\$ 35,807	\$ -	\$ -	\$ -	\$ (35,807)
Fairfield Industries, Incorporated.....	487,104	370,878	6,814	-	(109,412)
Total Component Units.....	<u>\$ 522,911</u>	<u>\$ 370,878</u>	<u>\$ 6,814</u>	<u>\$ -</u>	<u>\$ (145,219)</u>

(continued)

# Fairfield County, Ohio

## STATEMENT OF ACTIVITIES

(Continued)

For the Year Ended December 31, 2004 - Primary Government

and Fairfield County Transportation Improvement District

For the Year Ended June 30, 2004 - Fairfield Industries, Incorporated

Exhibit A-2

	Primary Government			Component Units	
	Governmental	Business-type	Total	Fairfield County	Fairfield
	Activities	Activities		Transportation Improvement District	Industries, Incorporated
<b>Changes in Net Assets:</b>					
Net (expense) revenue .....	\$ (26,776,516)	\$ 2,213,730	\$ (24,562,786)	\$ (35,807)	\$ (109,412)
General revenues:					
Property and other taxes levied for:					
General purposes .....	\$ 6,355,180	\$ -	\$ 6,355,180	\$ -	\$ -
Public works .....	1,086,527	-	1,086,527	-	-
Health .....	4,672,387	-	4,672,387	-	-
Human services .....	9,238	-	9,238	-	-
Sales taxes levied for					
general purposes .....	10,339,538	-	10,339,538	-	-
Grants and entitlements not restricted to specific programs.....	3,342,887	-	3,342,887	-	-
Unrestricted interest .....	774,154	128,949	903,103	118	31,548
Unrestricted contributions .....	5,514	-	5,514	-	-
Gain on sale of capital assets .....	-	1,848	1,848	-	-
Increase in joint venture investment .....	132,944	-	132,944	-	-
In-kind contributions .....	-	-	-	-	145,755
Other .....	850,474	5,095	855,569	-	-
Total general revenues.....	<u>27,568,843</u>	<u>135,892</u>	<u>27,704,735</u>	<u>118</u>	<u>177,303</u>
Increase (decrease) before transfers.....	792,327	2,349,622	3,141,949	(35,689)	67,891
Transfer in (out).....	(1,481,771)	1,481,771	-	-	-
Increase (decrease) after transfers.....	(689,444)	3,831,393	3,141,949	(35,689)	67,891
Net assets - beginning of year.....	<u>180,649,708</u>	<u>33,065,452</u>	<u>213,715,160</u>	<u>100,652</u>	<u>352,308</u>
Net assets - end of year.....	<u>\$ 179,960,264</u>	<u>\$ 36,896,845</u>	<u>\$ 216,857,109</u>	<u>\$ 64,963</u>	<u>\$ 420,199</u>

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

# Fairfield County, Ohio

## BALANCE SHEET GOVERNMENTAL FUNDS

December 31, 2004

	General Fund	Community Services Fund	Motor Vehicle Fund
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 7,011,711	\$ 187,575	\$ 3,753,516
Cash and cash equivalents in segregated accounts.....	74,654	-	-
Cash and cash equivalents with fiscal agents.....	-	-	-
Receivables:			
Property and other taxes .....	6,666,714	-	75,411
Sales taxes .....	1,787,204	-	-
Accounts .....	260,942	4,620	996
Interfund .....	269,084	131,852	-
Special assessments .....	-	-	-
Accrued interest .....	192,916	-	-
Loans .....	-	-	-
Intergovernmental .....	2,170,770	18,229	3,226,519
Materials and supplies inventory.....	72,810	-	374,235
Prepaid items.....	354,140	91,203	66,008
Total assets.....	<u>\$ 18,860,945</u>	<u>\$ 433,479</u>	<u>\$ 7,496,685</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts payable.....	\$ 590,985	\$ 239,112	\$ 85,101
Contracts payable.....	21,255	-	28,665
Accrued wages and benefits payable.....	574,327	265,301	134,053
Matured compensated absences payable.....	1,244	-	-
Retainage payable.....	-	-	25,004
Interfund payable.....	18,642	48,065	-
Intergovernmental payable.....	414,175	277,224	76,315
Deferred revenue.....	8,289,039	1,141,699	2,436,074
Matured interest payable.....	-	6,543	-
Matured capital leases payable.....	-	25,531	-
Claims Payable.....	-	-	-
Accrued interest payable.....	-	-	-
Notes payable.....	-	-	-
Total liabilities.....	<u>9,909,667</u>	<u>2,003,475</u>	<u>2,785,212</u>
<b>FUND BALANCES (Deficit):</b>			
Reserved for encumbrances.....	697,927	-	297,415
Reserved for unclaimed monies.....	139,752	-	-
Reserved for loans.....	-	-	-
Unreserved, reported in:			
General fund .....	8,113,599	-	-
Special revenue funds .....	-	(1,569,996)	4,414,058
Debt service funds .....	-	-	-
Capital projects funds .....	-	-	-
Total fund balances (deficit) .....	<u>8,951,278</u>	<u>(1,569,996)</u>	<u>4,711,473</u>
Total liabilities and fund balances .....	<u>\$ 18,860,945</u>	<u>\$ 433,479</u>	<u>\$ 7,496,685</u>

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

<u>Mental Retardation Fund</u>	<u>Alcohol, Drug Addiction, and Mental Health Board Fund</u>	<u>General Obligation Bond Retirement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 5,999,994	\$ 919,036	\$ 470,041	\$ 12,173,974	\$ 30,515,847
-	-	-	399,457	474,111
-	-	-	22,401	22,401
4,599,337	491,100	-	2,395,908	14,228,470
-	-	-	-	1,787,204
18,677	891	8,610	71,988	366,724
19,062	-	39,296	3,876	463,170
-	-	-	3,294,878	3,294,878
-	-	-	5,320	198,236
-	-	-	672,022	672,022
886,197	2,357,038	-	3,211,600	11,870,353
14,256	-	-	3,941	465,242
56,467	15,454	-	83,381	666,653
<u>\$ 11,593,990</u>	<u>\$ 3,783,519</u>	<u>\$ 517,947</u>	<u>\$ 22,338,746</u>	<u>\$ 65,025,311</u>
\$ 209,342	\$ 255,351	\$ -	\$ 612,603	\$ 1,992,494
-	-	-	612,964	662,884
226,849	21,445	-	180,581	1,402,556
-	-	-	-	1,244
-	-	-	156,604	181,608
345	-	-	413,868	480,920
131,811	12,440	-	137,037	1,049,002
5,287,948	2,427,937	-	7,602,158	27,184,855
-	-	-	-	6,543
-	-	-	-	25,531
55,767	-	-	-	55,767
-	-	-	575	575
-	-	-	520,000	520,000
<u>5,912,062</u>	<u>2,717,173</u>	<u>-</u>	<u>10,236,390</u>	<u>33,563,979</u>
20,485	-	-	1,845,233	2,861,060
-	-	-	-	139,752
-	-	-	672,022	672,022
-	-	-	-	8,113,599
5,661,443	1,066,346	-	8,719,858	18,291,709
-	-	517,947	106,873	624,820
-	-	-	758,370	758,370
<u>5,681,928</u>	<u>1,066,346</u>	<u>517,947</u>	<u>12,102,356</u>	<u>31,461,332</u>
<u>\$ 11,593,990</u>	<u>\$ 3,783,519</u>	<u>\$ 517,947</u>	<u>\$ 22,338,746</u>	<u>\$ 65,025,311</u>

# Fairfield County, Ohio

## RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES

December 31, 2004

Exhibit B-1a

<b>Total fund balances for governmental funds.....</b>		<b>\$ 31,461,332</b>
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. ....		161,401,854
Investment in joint venture in the governmental activities is not a financial resource and therefore is not reported in the funds. ....		2,758,698
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property and other taxes .....	169,519	
Charges for services .....	336,564	
Licenses and permits .....	256	
Fines and forfeitures .....	17,979	
Reimbursements .....	110	
Special assessments .....	3,295,113	
Accrued Interest .....	59,470	
Intergovernmental .....	<u>8,216,906</u>	12,095,917
An internal service fund is used by management to charge costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. ....		1,065,815
An interfund receivable is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities. ....		(23,535)
Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds. ....		315,341
Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
Special assessment bonds payable .....	(3,181,433)	
General obligation bonds payable and unamortized premium .....	(21,640,085)	
Long-term loans payable .....	(194,501)	
Accrued interest payable .....	(90,026)	
Compensated absences payable .....	(3,253,847)	
Intergovernmental payable .....	(17,373)	
Capital leases payable .....	<u>(737,893)</u>	<u>(29,115,158)</u>
<b>Net assets of governmental activities .....</b>		<b><u>\$ 179,960,264</u></b>

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

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# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Year Ended December 31, 2004

	General Fund	Community Services Fund	Motor Vehicle Fund
<b>REVENUES</b>			
Property and other taxes.....	\$ 6,502,248	\$ -	\$ -
Sales taxes.....	10,339,538	-	-
Charges for services.....	4,090,297	1,914	185,279
Licenses and permits.....	10,816	-	-
Permissive motor vehicle license tax.....	-	-	1,029,050
Fines and forfeitures.....	264,484	-	55,078
Intergovernmental.....	3,934,436	7,301,729	5,191,397
Special assessments.....	-	-	-
Interest.....	740,558	-	-
Rent.....	152,347	-	-
Donations.....	5,514	-	6,100
Other.....	100,748	577,296	462
Total revenues.....	<u>26,140,986</u>	<u>7,880,939</u>	<u>6,467,366</u>
<b>EXPENDITURES</b>			
Current:			
General government:			
Legislative and executive .....	7,603,357	-	-
Judicial .....	3,772,929	-	-
Public safety .....	10,480,638	-	-
Public works .....	-	-	6,186,434
Health .....	633,390	-	-
Human services .....	587,651	7,903,939	-
Urban redevelopment and housing .....	-	-	-
Transportation .....	101,090	-	-
Other .....	8,345	-	-
Intergovernmental.....	1,408,706	-	-
Capital outlay.....	-	-	-
Debt service:			
Principal retirement .....	236,349	150,237	-
Interest and fiscal charges .....	9,393	44,953	-
Issuance costs .....	-	-	-
Total expenditures.....	<u>24,841,848</u>	<u>8,099,129</u>	<u>6,186,434</u>
Excess of revenues over (under) expenditures.....	<u>1,299,138</u>	<u>(218,190)</u>	<u>280,932</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Notes issued.....	-	-	-
Loans received.....	-	-	-
Special assessment bonds received.....	-	-	-
General obligation bonds issued.....	-	-	-
Premium on bonds.....	-	-	-
Discount on bonds.....	-	-	-
Sale of capital assets.....	61,519	-	11,425
Inception of capital lease.....	183,083	-	-
Transfers in.....	163,049	421,972	335,597
Transfers out.....	(3,665,635)	-	(264,130)
Total other financing sources (uses).....	<u>(3,257,984)</u>	<u>421,972</u>	<u>82,892</u>
Net change in fund balances.....	(1,958,846)	203,782	363,824
Fund balances (deficit) - beginning of year.....	10,910,124	(1,773,778)	4,347,649
Fund balances (deficit) - end of year.....	<u>\$ 8,951,278</u>	<u>\$ (1,569,996)</u>	<u>\$ 4,711,473</u>

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

<u>Mental Retardation Fund</u>	<u>Alcohol, Drug Addiction, and Mental Health Board Fund</u>	<u>General Obligation Bond Retirement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 4,323,468	\$ 461,033	\$ -	\$ 1,124,676	\$ 12,411,425
-	-	-	-	10,339,538
254,158	515,156	-	3,313,864	8,360,668
-	-	-	301,951	312,767
-	-	-	-	1,029,050
-	-	-	141,098	460,660
3,876,895	6,614,591	400,000	11,383,494	38,702,542
-	-	-	352,028	352,028
-	-	6,133	115,874	862,565
-	7,265	738,451	52,713	950,776
10,190	61,576	-	9,188	92,568
149,833	15,061	-	12,008	855,408
<u>8,614,544</u>	<u>7,674,682</u>	<u>1,144,584</u>	<u>16,806,894</u>	<u>74,729,995</u>
-	-	-	2,053,289	9,656,646
-	-	-	773,536	4,546,465
-	-	-	2,509,008	12,989,646
-	-	-	1,178,846	7,365,280
9,206,824	7,157,652	-	633,974	17,631,840
-	-	-	6,762,162	15,253,752
-	-	-	480,921	480,921
-	-	-	-	101,090
-	-	-	-	8,345
-	-	-	880,106	2,288,812
-	-	-	3,528,240	3,528,240
-	-	8,168,192	212,738	8,767,516
-	-	977,016	122,973	1,154,335
-	-	94,779	36,696	131,475
<u>9,206,824</u>	<u>7,157,652</u>	<u>9,239,987</u>	<u>19,172,489</u>	<u>83,904,363</u>
<u>(592,280)</u>	<u>517,030</u>	<u>(8,095,403)</u>	<u>(2,365,595)</u>	<u>(9,174,368)</u>
-	-	2,600,000	250,000	2,850,000
-	-	517,000	133,693	650,693
-	-	-	1,468,715	1,468,715
-	-	3,815,000	-	3,815,000
-	-	104,902	72,486	177,388
-	-	(7,065)	-	(7,065)
725	-	44,152	128,425	246,246
-	-	-	40,204	223,287
-	-	1,216,428	2,721,868	4,858,914
<u>(130,000)</u>	<u>(274,594)</u>	<u>(420)</u>	<u>(2,005,906)</u>	<u>(6,340,685)</u>
<u>(129,275)</u>	<u>(274,594)</u>	<u>8,289,997</u>	<u>2,809,485</u>	<u>7,942,493</u>
(721,555)	242,436	194,594	443,890	(1,231,875)
6,403,483	823,910	323,353	11,658,466	32,693,207
<u>\$ 5,681,928</u>	<u>\$ 1,066,346</u>	<u>\$ 517,947</u>	<u>\$ 12,102,356</u>	<u>\$ 31,461,332</u>

# Fairfield 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, 2004

Exhibit B-2a

Net change in fund balances - total governmental funds..... \$ (1,231,875)

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

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

Capital asset additions .....	5,718,232	
Current year depreciation .....	<u>(6,304,983)</u>	(586,751)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the proceeds, the forgiven lease, and the loss on disposal of assets:

Loss on disposal of capital assets .....	(312,395)	
Forgiven lease .....	10,391	
Proceeds from sale of capital assets .....	<u>(246,246)</u>	(548,250)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property and other taxes .....	(288,093)	
Charges for services .....	(74,168)	
Licenses and permits .....	256	
Fines and forfeitures .....	38,744	
Intergovernmental .....	(473,837)	
Special assessments .....	1,284,158	
Interest .....	(9,855)	
Other .....	<u>(10,391)</u>	466,814

Governmental funds had a investment in joint venture which showed an increase for the current year. The increase in joint venture is shown as a general revenue on the statement of activities ..... 132,944

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:

Special assessment bonds .....	205,000	
General Obligation bonds .....	745,000	
Long-term bond anticipation notes .....	6,450,000	
Long-term loans .....	973,192	
Capital leases .....	<u>394,324</u>	\$ 8,767,516

(continued)

Fairfield County, Ohio

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES** (Continued)  
 For the Year Ended December 31, 2004 Exhibit B-2a

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. Premiums and discounts are reported as revenues and expenditures when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.:

Accrued interest payable .....	\$ 28,916	
Amortization of issuance costs .....	(13,795)	
Amortization on premium of general obligation bonds .....	19,201	
Amortization on premium of special assessment bonds .....	1,768	
Amortization on discount of general obligation bonds .....	(228)	35,862

Long-term debt proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities. Governmental funds report the effect of premiums and discounts when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities:

Special assessment bonds .....	(1,468,715)	
General obligation bonds .....	(3,815,000)	
Long-term bond anticipation notes .....	(2,850,000)	
Long-term loans .....	(650,693)	
Bond premium .....	(177,388)	(8,961,796)

Bond discounts are reported as an expenditure in the governmental funds but are allocated as an expense over the life of the bonds on the statement of activities ..... 7,065

Inception of capital leases are reported as other financing sources in the governmental funds, but the inception increases long-term liabilities on the statement of activities ..... (223,287)

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

Intergovernmental payable .....	1,820	
Compensated absences payable .....	(56,395)	(54,575)

Issuance costs are reported as an expenditure when paid in the governmental funds, but is deferred and amortized on the statement of activities. This is the unamortized issuance costs on the bonds. .... 131,475

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year ..... 1,375,414

**Change in net assets of governmental activities..... \$ (689,444)**

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

# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL GENERAL FUND

For the Year Ended December 31, 2004

Exhibit B-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property and other taxes.....	\$ 6,291,744	\$ 6,985,744	\$ 6,633,987	\$ (351,757)
Sales taxes.....	9,000,000	10,000,000	10,250,052	250,052
Charges for services.....	3,140,859	3,153,426	4,090,960	937,534
Licenses and permits.....	9,875	9,750	10,816	1,066
Fines and forfeitures.....	260,000	260,000	267,164	7,164
Intergovernmental.....	3,073,458	3,073,458	3,898,270	824,812
Interest.....	1,200,000	792,821	853,963	61,142
Rent.....	176,500	176,500	171,195	(5,305)
Donations.....	-	-	5,514	5,514
Other.....	96,653	96,653	104,920	8,267
Total revenues.....	<u>23,249,089</u>	<u>24,548,352</u>	<u>26,286,841</u>	<u>1,738,489</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	8,857,266	8,753,687	8,041,399	712,288
Judicial .....	3,701,948	4,097,806	3,937,192	160,614
Public safety .....	10,340,469	10,907,903	10,707,607	200,296
Health .....	721,701	727,330	703,256	24,074
Human services .....	791,273	791,273	586,040	205,233
Transportation .....	212,968	212,968	175,324	37,644
Other .....	1,834,309	1,603,540	1,465,902	137,638
Total expenditures.....	<u>26,459,934</u>	<u>27,094,507</u>	<u>25,616,720</u>	<u>1,477,787</u>
Excess of revenues over (under) expenditures .....	<u>(3,210,845)</u>	<u>(2,546,155)</u>	<u>670,121</u>	<u>260,702</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	36,907	36,907
Advances in.....	-	-	1,098,999	1,098,999
Advances out.....	-	-	(150,000)	(150,000)
Operating transfers in.....	-	-	163,049	163,049
Operating transfers out.....	(4,042,211)	(3,800,080)	(3,665,635)	134,445
Total other financing sources (uses).....	<u>(4,042,211)</u>	<u>(3,800,080)</u>	<u>(2,516,680)</u>	<u>1,283,400</u>
Net change in fund balance .....	<u>(7,253,056)</u>	<u>(6,346,235)</u>	<u>(1,846,559)</u>	<u>4,499,676</u>
Fund balance - beginning of year .....	6,486,080	6,486,080	6,486,080	-
Prior year encumbrances appropriated.....	1,171,155	1,171,155	1,171,155	-
Fund balance - end of year .....	<u>\$ 404,179</u>	<u>\$ 1,311,000</u>	<u>\$ 5,810,676</u>	<u>\$ 4,499,676</u>

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

# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL COMMUNITY SERVICES FUND

For the Year Ended December 31, 2004

Exhibit B-4

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services.....	\$ 100	\$ 100	\$ 1,602	\$ 1,502
Intergovernmental.....	8,605,000	7,373,000	7,033,174	(339,826)
Other.....	575,000	575,000	575,470	470
Total revenues.....	<u>9,180,100</u>	<u>7,948,100</u>	<u>7,610,246</u>	<u>(337,854)</u>
<b>EXPENDITURES</b>				
Current:				
Human services:				
Community services:				
Personal services .....	4,430,000	4,606,893	4,588,371	18,522
Fringe benefits .....	2,209,700	1,940,367	1,917,118	23,249
Materials and supplies .....	156,955	148,955	129,796	19,159
Contractual services .....	4,917,554	3,782,694	3,696,384	86,310
Capital outlay .....	25,000	28,300	28,242	58
Total expenditures.....	<u>11,739,209</u>	<u>10,507,209</u>	<u>10,359,911</u>	<u>147,298</u>
Excess of revenues under expenditures.....	<u>(2,559,109)</u>	<u>(2,559,109)</u>	<u>(2,749,665)</u>	<u>(190,556)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Advances out.....	(467,000)	(467,000)	(467,000)	-
Operating transfers in.....	2,692,024	2,692,024	2,752,278	60,254
Total other financing sources (uses).....	<u>2,225,024</u>	<u>2,225,024</u>	<u>2,285,278</u>	<u>60,254</u>
Net change in fund balance.....	(334,085)	(334,085)	(464,387)	(130,302)
Fund balance - beginning of year.....	305,589	305,589	305,589	-
Prior year encumbrances appropriated.....	341,509	341,509	341,509	-
Fund balance - end of year.....	<u>\$ 313,013</u>	<u>\$ 313,013</u>	<u>\$ 182,711</u>	<u>\$ (130,302)</u>

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

# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL MOTOR VEHICLE FUND

For the Year Ended December 31, 2004

Exhibit B-5

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services.....	\$ 38,346	\$ 38,346	\$ 185,603	\$ 147,257
Permissive motor vehicle license tax.....	1,080,000	1,080,000	1,022,722	(57,278)
Fines and forfeitures.....	56,000	56,000	54,924	(1,076)
Intergovernmental.....	4,720,000	4,720,000	5,010,847	290,847
Donations.....	-	-	6,100	6,100
Other.....	3,000	3,000	462	(2,538)
Total revenues.....	<u>5,897,346</u>	<u>5,897,346</u>	<u>6,280,658</u>	<u>383,312</u>
<b>EXPENDITURES</b>				
Current:				
Public works:				
Motor vehicle:				
Personal services .....	2,845,035	2,447,098	2,246,815	200,283
Fringe benefits .....	1,262,103	1,277,103	1,141,399	135,704
Materials and supplies .....	718,500	926,500	897,845	28,655
Contractual services .....	1,074,000	1,366,287	1,090,138	276,149
Capital outlay .....	<u>1,548,686</u>	<u>1,773,068</u>	<u>1,281,297</u>	<u>491,771</u>
Total expenditures.....	<u>7,448,324</u>	<u>7,790,056</u>	<u>6,657,494</u>	<u>1,132,562</u>
Excess of revenues under expenditures.....	<u>(1,550,978)</u>	<u>(1,892,710)</u>	<u>(376,836)</u>	<u>1,515,874</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	11,425	11,425
Operating transfers in.....	396,599	396,599	335,597	(61,002)
Operating transfers out.....	<u>(250,000)</u>	<u>(264,130)</u>	<u>(264,130)</u>	<u>-</u>
Total other financing sources (uses).....	<u>146,599</u>	<u>132,469</u>	<u>82,892</u>	<u>(49,577)</u>
Net change in fund balances.....	(1,404,379)	(1,760,241)	(293,944)	1,466,297
Fund balance - beginning of year.....	3,114,356	3,114,356	3,114,356	-
Prior year encumbrances appropriated.....	<u>524,938</u>	<u>524,938</u>	<u>524,938</u>	<u>-</u>
Fund balance - end of year.....	<u>\$ 2,234,915</u>	<u>\$ 1,879,053</u>	<u>\$ 3,345,350</u>	<u>\$ 1,466,297</u>

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

# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL MENTAL RETARDATION FUND

For the Year Ended December 31, 2004

Exhibit B-6

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property and other taxes.....	\$ 4,185,000	\$ 4,385,757	\$ 4,422,145	\$ 36,388
Charges for services.....	179,979	179,979	250,800	70,821
Intergovernmental.....	3,967,428	3,647,175	4,059,357	412,182
Donations.....	-	-	10,190	10,190
Other.....	56,627	56,627	278,635	222,008
Total revenues.....	<u>8,389,034</u>	<u>8,269,538</u>	<u>9,021,127</u>	<u>751,589</u>
<b>EXPENDITURES</b>				
Current:				
Health:				
Mental retardation:				
Personal services .....	4,463,943	4,463,943	3,904,577	559,366
Fringe benefits .....	2,266,067	2,191,067	1,391,599	799,468
Materials and supplies .....	236,477	237,777	198,197	39,580
Contractual services .....	4,273,179	4,072,389	3,687,549	384,840
Capital outlay .....	155,398	155,393	80,581	74,812
Other .....	239,800	239,800	82,530	157,270
Total expenditures.....	<u>11,634,864</u>	<u>11,360,369</u>	<u>9,345,033</u>	<u>2,015,336</u>
Excess of revenues under expenditures.....	<u>(3,245,830)</u>	<u>(3,090,831)</u>	<u>(323,906)</u>	<u>2,766,925</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	725	725
Operating transfers out.....	-	(130,000)	(130,000)	-
Total other financing sources (uses).....	<u>-</u>	<u>(130,000)</u>	<u>(129,275)</u>	<u>725</u>
Net change in fund balance .....	(3,245,830)	(3,220,831)	(453,181)	2,767,650
Fund balance - beginning of year .....	5,603,527	5,603,527	5,603,527	-
Prior year encumbrances appropriated.....	546,308	546,308	546,308	-
Fund balance - end of year .....	<u>\$ 2,904,005</u>	<u>\$ 2,929,004</u>	<u>\$ 5,696,654</u>	<u>\$ 2,767,650</u>

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

# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH BOARD FUND

For the Year Ended December 31, 2004

Exhibit B-7

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property and other taxes.....	\$ 459,000	\$ 478,516	\$ 471,387	\$ (7,129)
Charges for services.....	153,000	153,000	514,810	361,810
Intergovernmental.....	6,411,200	6,649,684	6,638,894	(10,790)
Rent.....	21,600	21,600	7,265	(14,335)
Donations.....	-	-	61,576	61,576
Other.....	-	-	20,060	20,060
Total revenues.....	<u>7,044,800</u>	<u>7,302,800</u>	<u>7,713,992</u>	<u>411,192</u>
<b>EXPENDITURES</b>				
Current:				
Health:				
Alcohol, drug addiction, and mental health board:				
Personal services .....	391,500	373,500	371,170	2,330
Fringe benefits .....	150,770	146,670	135,289	11,381
Materials and supplies .....	21,300	17,000	15,595	1,405
Contractual services .....	6,370,700	6,972,400	6,564,816	407,584
Capital outlay .....	32,700	11,000	9,049	1,951
Other .....	10,450	10,750	9,487	1,263
Total expenditures.....	<u>6,977,420</u>	<u>7,531,320</u>	<u>7,105,406</u>	<u>425,914</u>
Excess of revenues over (under) expenditures.....	67,380	(228,520)	608,586	837,106
<b>OTHER FINANCING USES</b>				
Operating transfers out.....	-	(274,594)	(274,594)	-
Net change in fund balances.....	67,380	(503,114)	333,992	837,106
Fund balance - beginning of year.....	550,199	550,199	550,199	-
Fund balance - end of year.....	<u>\$ 617,579</u>	<u>\$ 47,085</u>	<u>\$ 884,191</u>	<u>\$ 837,106</u>

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

# Fairfield County, Ohio

## STATEMENT OF FUND NET ASSETS PROPRIETARY FUNDS

December 31, 2004

Exhibit B-8

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents.....	\$ 4,223,027	\$ 2,890,551	\$ 7,113,578	\$ 1,456,525
Cash and cash equivalents in segregated accounts .....	212,222	174,283	386,505	-
Cash and cash equivalents with fiscal agents .....	-	-	-	624,528
Receivables:				
Accounts .....	425,187	333,247	758,434	-
Interfund .....	5,998	3,306	9,304	4,707
Special assessments .....	38,467	33,086	71,553	-
Accrued interest .....	8,500	4,729	13,229	6,692
Intergovernmental .....	3,390	5,242	8,632	-
Materials and supplies inventory.....	10,510	9,078	19,588	-
Prepaid items.....	22,921	17,515	40,436	-
Total current assets.....	<u>4,950,222</u>	<u>3,471,037</u>	<u>8,421,259</u>	<u>2,092,452</u>
<b>Noncurrent assets:</b>				
Deferred charges.....	151,023	154,970	305,993	-
Restricted assets:				
Cash and cash equivalents .....	139,220	-	139,220	-
Capital assets not being depreciated .....	7,473,563	2,028,122	9,501,685	-
Capital assets being depreciated (net of accumulated depreciation) .....	23,001,073	24,838,492	47,839,565	-
Total noncurrent assets.....	<u>30,764,879</u>	<u>27,021,584</u>	<u>57,786,463</u>	<u>-</u>
Total assets.....	<u>\$ 35,715,101</u>	<u>\$ 30,492,621</u>	<u>\$ 66,207,722</u>	<u>\$ 2,092,452</u>

(Continued)

Fairfield County, Ohio

**STATEMENT OF FUND NET ASSETS  
PROPRIETARY FUNDS**

(Continued)

December 31, 2004

Exhibit B-8

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable .....	\$ 126,405	\$ 61,116	\$ 187,521	\$ 7,624
Contracts payable .....	147,722	8,828	156,550	-
Accrued wages and benefits payable .....	32,145	18,283	50,428	-
Retainage payable .....	115,200	-	115,200	-
Interfund payable .....	557	502	1,059	-
Intergovernmental payable .....	52,211	9,167	61,378	-
Deferred revenue .....	-	-	-	483,682
Accrued interest payable .....	130,191	80,062	210,253	-
Claims payable .....	-	-	-	535,331
Current portion of:				
Compensated absences payable .....	51,680	17,444	69,124	-
Capital leases .....	3,985	3,985	7,970	-
EPA loans payable .....	86,129	-	86,129	-
OPWC loans payable .....	2,139	-	2,139	-
General obligation bonds payable .....	297,500	367,500	665,000	-
Total current liabilities .....	<u>1,045,864</u>	<u>566,887</u>	<u>1,612,751</u>	<u>1,026,637</u>
<b>Noncurrent liabilities payable from restricted assets:</b>				
Customer deposits payable .....	139,220	-	139,220	-
<b>Long-term liabilities (net of current portion):</b>				
Compensated absences .....	41,979	19,420	61,399	-
Notes payable .....	7,100,000	3,200,000	10,300,000	-
Capital leases .....	2,294	2,294	4,588	-
EPA loans payable .....	1,721,073	-	1,721,073	-
OPWC loans payable .....	79,158	-	79,158	-
General obligation bonds payable .....	7,169,636	8,246,587	15,416,223	-
Total long-term liabilities .....	<u>16,114,140</u>	<u>11,468,301</u>	<u>27,582,441</u>	<u>-</u>
Total liabilities .....	<u>17,299,224</u>	<u>12,035,188</u>	<u>29,334,412</u>	<u>1,026,637</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt .....	14,473,236	15,327,805	29,801,041	-
Unrestricted.....	<u>3,942,641</u>	<u>3,129,628</u>	<u>7,072,269</u>	<u>1,065,815</u>
Total net assets .....	<u>\$ 18,415,877</u>	<u>\$ 18,457,433</u>	<u>36,873,310</u>	<u>\$ 1,065,815</u>

Some amounts reported for business-type activities in the statement of net assets are different because internal service fund assets and liabilities are included with business-type activities.

Net assets of business-type activities	23,535
	<u>\$ 36,896,845</u>

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

# Fairfield County, Ohio

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS PROPRIETARY FUNDS

For the Year Ended December 31, 2004

Exhibit B-9

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>OPERATING REVENUES:</b>				
Charges for services .....	\$ 2,609,247	\$ 2,041,766	\$ 4,651,013	\$ 6,607,291
<b>OPERATING EXPENSES:</b>				
Personal services .....	562,502	365,526	928,028	-
Fringe benefits .....	193,813	80,675	274,488	-
Contractual services .....	735,205	490,489	1,225,694	554,497
Claims .....	-	-	-	4,674,684
Materials and supplies .....	73,918	186,191	260,109	-
Other operating expenses .....	42,031	2,626	44,657	1,101
Depreciation .....	546,381	634,334	1,180,715	-
Total operating expenses .....	2,153,850	1,759,841	3,913,691	5,230,282
Operating income .....	455,397	281,925	737,322	1,377,009
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Interest income .....	66,918	62,031	128,949	24,143
Gain on sale of capital assets .....	-	1,848	1,848	-
Loss on disposal of capital assets .....	(45,327)	-	(45,327)	-
Interest and fiscal charges .....	(614,672)	(476,082)	(1,090,754)	-
Other non-operating revenues .....	582	4,513	5,095	5,457
Total non-operating revenues (expenses) .....	(592,499)	(407,690)	(1,000,189)	29,600
Income (loss) before capital contributions and transfers .....	(137,102)	(125,765)	(262,867)	1,406,609
Capital contributions .....	1,517,252	1,064,042	2,581,294	-
Transfer in .....	1,481,771	-	1,481,771	-
Change in net assets .....	2,861,921	938,277	3,800,198	1,406,609
Net assets (deficit) - beginning of year	15,553,956	17,519,156		(340,794)
Net assets - end of year	\$ 18,415,877	\$ 18,457,433		\$ 1,065,815

Some amounts reported for business-type activities in the statement of activities are different because a portion of the change in net assets of the internal service fund is reported with business-type activities.

Change in net assets of business-type activities	31,195
	<u>\$ 3,831,393</u>

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

# Fairfield County, Ohio

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Year Ended December 31, 2004

Exhibit B-10

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
<b>Cash flows from operating activities</b>				
Cash received from customers.....	\$ 2,632,530	\$ 2,053,324	\$ 4,685,854	\$ -
Cash received from interfund services provided.....	-	-	-	6,651,839
Cash payments for employee services and benefits .....	(735,289)	(442,428)	(1,177,717)	-
Cash payments for goods and services.....	(738,165)	(669,116)	(1,407,281)	(546,873)
Cash payments for claims.....	-	-	-	(4,760,876)
Other operating expenses.....	(42,000)	(2,626)	(44,626)	(1,101)
Other non-operating revenues.....	493	5,053	5,546	5,457
Customer deposits received.....	121,763	-	121,763	-
Customer deposits returned.....	(119,320)	-	(119,320)	-
Net cash provided by operating activities.....	<u>1,120,012</u>	<u>944,207</u>	<u>2,064,219</u>	<u>1,348,446</u>
<b>Cash flows from noncapital financing activities</b>				
Transfer in.....	1,481,771	-	1,481,771	-
Net cash provided by noncapital financing activities .....	<u>1,481,771</u>	<u>-</u>	<u>1,481,771</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>				
Tap-in fees.....	943,408	651,957	1,595,365	-
Sale of capital assets.....	2,788	-	2,788	-
Special assessments .....	2,339	2,849	5,188	-
Capital Grants.....	45,578	-	45,578	-
Acquisition of capital assets.....	(4,499,042)	(419,508)	(4,918,550)	-
Proceeds from sale of notes.....	8,568,715	3,200,000	11,768,715	-
Principal paid on capital leases payable.....	(3,655)	(3,655)	(7,310)	-
Principal paid on notes payable.....	(10,368,715)	(3,300,000)	(13,668,715)	-
Principal paid on EPA refunding loan.....	(167,791)	-	(167,791)	-
Principal paid on OPWC loan.....	(18,703)	-	(18,703)	-
Principal paid on general obligation bonds.....	(230,000)	(360,000)	(590,000)	-
Interest paid on capital leases payable .....	(717)	(717)	(1,434)	-
Interest paid on notes payable.....	(162,816)	(51,975)	(214,791)	-
Interest paid on EPA refunding loan.....	(68,442)	-	(68,442)	-
Interest paid on general obligation bonds.....	(342,308)	(420,086)	(762,394)	-
Net cash used for capital and related financing activities .....	<u>(6,299,361)</u>	<u>(701,135)</u>	<u>(7,000,496)</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Interest.....	96,477	60,048	156,525	17,626
Net cash provided by investing activities.....	<u>96,477</u>	<u>60,048</u>	<u>156,525</u>	<u>17,626</u>
Net increase (decrease) in cash and cash equivalents .....	(3,601,101)	303,120	(3,297,981)	1,366,072
Cash and cash equivalents - beginning of year .....	8,175,570	2,761,714	10,937,284	714,981
Cash and cash equivalents - end of year.....	<u>\$ 4,574,469</u>	<u>\$ 3,064,834</u>	<u>\$ 7,639,303</u>	<u>\$ 2,081,053</u>

(continued)

# Fairfield County, Ohio

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

(Continued)

For the Year Ended December 31, 2004

Exhibit B-10

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income.....	\$ 455,397	\$ 281,925	\$ 737,322	\$ 1,377,009
Adjustments to reconcile operating Income to net cash provided by operating activities:				
Other non-operating revenues .....	493	5,053	5,546	5,457
Depreciation expense .....	546,381	634,334	1,180,715	-
(Increases) decreases in assets:				
Accounts receivable .....	16,027	12,091	28,118	-
Intergovernmental receivable .....	(642)	(414)	(1,056)	-
Interfund receivable .....	7,898	(119)	7,779	-
Materials and supplies inventory .....	(5,178)	(4,497)	(9,675)	-
Prepays .....	379	(7,588)	(7,209)	-
Increases (decreases) in liabilities:				
Accounts payable .....	41,042	21,767	62,809	7,624
Contracts payable .....	10,880	(2,124)	8,756	-
Accrued wages and benefits payable .....	5,058	2,583	7,641	-
Compensated absences payable .....	13,488	354	13,842	-
Interfund payable .....	12	(43)	(31)	-
Intergovernmental payable .....	26,334	885	27,219	-
Deferred revenue .....	-	-	-	44,548
Claims payable .....	-	-	-	(86,192)
Customer deposits .....	2,443	-	2,443	-
Net cash provided by operating activities .....	<u>\$ 1,120,012</u>	<u>\$ 944,207</u>	<u>\$ 2,064,219</u>	<u>\$ 1,348,446</u>

Noncash capital financing activities:

Developers contributed \$559,420 and \$412,085 in the form of sewer lines and water lines, respectively, during 2004.

The Sewer Fund recorded a receivable of \$4,706 for an insurance claim for a vehicle that was damaged beyond repair in 2004.

In 2004, the Sewer Fund received \$31,154 in capital grants which were recognized as a receivable in 2003.

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

# Fairfield County, Ohio

## STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS

December 31, 2004

Exhibit B-11

### ASSETS

Cash and cash equivalents .....	\$ 6,358,839
Cash and cash equivalents in segregated accounts .....	2,089,900
Receivables:	
Property and other taxes .....	108,458,697
Accounts .....	1,823,876
Special assessments .....	2,146,755
Intergovernmental .....	11,945,771
External party receivable .....	24,322
Total assets .....	<u>\$ 132,848,160</u>

### LIABILITIES

Retainage payable .....	\$ 134,471
External party payable .....	19,524
Intergovernmental payable .....	126,655,308
Due to others .....	6,038,857
Total liabilities .....	<u>\$ 132,848,160</u>

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

# Fairfield County, Ohio

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# Fairfield County, Ohio

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**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

---

**NOTE 1 – REPORTING ENTITY**

Fairfield County, Ohio (The County), was created in 1800. A three-member Board of Commissioners, elected by the voters of the County, governs the County. Other officials elected by the voters of the County who manage various segments of the County's operations are the County Auditor, County Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecutor, Sheriff, two Common Pleas Court Judges, a Probate/Juvenile Court Judge, and a Domestic Relations Court Judge.

Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures and serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the County.

**Reporting Entity**

The reporting entity is composed 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 Fairfield County, this includes the Board of Mental Retardation and Developmental Disabilities, the Alcohol, Drug Addiction, and Mental Health Board, 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 program's governing board and (1) the County is able to significantly influence the programs of services performed or provided by the organization; or (2) the County is legally entitled to or can access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the levying of taxes, or the issuance of debt.

**Discretely Presented Component Units.** The component unit columns in the basic financial statements include the financial data of the County's component units, Fairfield County Transportation Improvement District and Fairfield Industries, Inc. The separate discrete columns labeled "Component Units" emphasize these organizations' separateness from the County's primary government.

**Fairfield County Transportation Improvement District.** Fairfield County Transportation Improvement District (Transportation Improvement District) operates under a board of seven members. Of the seven-member board, five members are appointed by the Fairfield County Commissioners. The sixth member, who is nonvoting, is appointed by the Speaker of the House of the General Assembly and the seventh member, also a nonvoting member, is appointed by the President of the Senate of the General Assembly. The Transportation Improvement District was created under section 5540.02(c)(2) of the Ohio Revised Code. The purpose of the Transportation Improvement District is to improve the transportation system in Fairfield County in order to contribute to the creation or preservation of jobs. The Transportation Improvement District generates revenues from interest and public and private contributions. The County may impose its will on the organization and the relationship between the primary government and the organization is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. For 2004, the revenues consisted of interest earnings of \$118. The County made no contributions to the Transportation Improvement District in 2004. The Transportation Improvement District has agreed that as outside revenues are received in the future the County's past contributions may be repaid. Financial information can be obtained from the Fairfield County Transportation Improvement District, 407 East Main Street, Lancaster, Ohio 43130.

**Fairfield Industries, Inc.** Fairfield Industries, Inc. is a legally separate, not-for-profit corporation, served by a self-appointing board of trustees. Fairfield Industries, Inc., under a contractual agreement with the Fairfield County Board of Mental Retardation and Developmental Disabilities, provides sheltered employment for mentally retarded or handicapped adults in Fairfield County. Based on the significant

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

---

services and resources provided by the County to Fairfield Industries, Inc. and their sole purpose of providing assistance to the retarded and handicapped adults of Fairfield County, Fairfield Industries, Inc. is reflected as a component unit of Fairfield County. The nature and significance of the relationship between the primary government and the organization is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Fairfield Industries, Inc. operates on a fiscal year ending June 30. The financial statements of Fairfield Industries, Inc. were prepared in accordance with Governmental Accounting Standards Board (GASB) Statement 29. The operating statement of Fairfield Industries, Inc. is presented at the object level. Fairfield Industries, Inc. is required only to report operating information at the program level; however, since it operates under a single program, object level information is presented to provide more comprehensive financial information. Separately issued financial statements can be obtained from the Fairfield Industries, Inc., 219 North Columbus Street, Lancaster, Ohio 43130.

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

**Fairfield Department of Health** is governed by a five-member board of health, which oversees the operation of the health department and is elected by a regional advisory council. The board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

**Fairfield County Soil and Water Conservation District** is statutorily created as a separate and distinct political subdivision of the State. The five supervisors of the Soil and Water Conservation District are 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.

**Jointly Governed and Other Related Organizations.** The County participates in certain organizations that are defined as Jointly Governed Organizations, Related Organizations, a Joint Venture, or Pools. These organizations are presented in Notes 20 through 23. The organizations are:

- |  |  |
|--|--|
| ▪ Coshocton-Fairfield-Licking-Perry Solid Waste District     | ▪ Fairfield-Hocking Major Crimes Investigation Unit                                    |
| ▪ Fairfield County Multi-System Youth Committee              | ▪ Heart of Ohio Resource Conservation and Development Council                          |
| ▪ Fairfield County Regional Planning Commission              | ▪ Perry Multi-County Juvenile Facility   |
| ▪ Fairfield County Visitors and Convention Bureau            | ▪ Lancaster-Fairfield Alternative School   |
| ▪ Mid Eastern Ohio Regional Council (MEORC)                  | ▪ Fairfield County District Library  |
| ▪ Fairfield County Family, Adult, and Children First Council | ▪ Fairfield County Historical Parks Commission   |
| ▪ Lancaster-Fairfield Community Action Agency                | ▪ Fairfield Metropolitan Housing Authority   |
| ▪ South Central Ohio Insurance Consortium                    | ▪ Fairfield, Hocking, Licking, and Perry County Multi-County Juvenile Detention System |
| ▪ Tri-County Workforce Development Policy Board              | ▪ County Risk Sharing Authority, Inc. (CORSA)  |
| ▪ Fairfield County Agency Transportation System, Inc.        | ▪ County Commissioners Association of Ohio Workers' Compensation Group Rating Plan     |

The Fairfield County Regional Planning Commission, Fairfield County Family, Adult, and Children First Council, Fairfield County Agency Transportation System, Inc., Fairfield-Hocking Major Crimes Investigation Unit, Fairfield County Historical Parks Commission, and the Fairfield, Hocking, Licking, and Perry County Multi-County Juvenile Detention System are presented as agency funds of the County because the County Auditor is the fiscal agent for these organizations.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

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

**A. Basis of Presentation**

The County's basic financial statements consist of government-wide 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 activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The 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 for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The policy of the County is to not allocate indirect expenses to functions in the statement of activities. 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 particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

**Fund Financial Statements.** 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 enterprise 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. The internal service fund is presented in a single column on the face of the proprietary fund statements. 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.

**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 purposes 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 County reports the following major governmental funds:

**Fairfield County, Ohio**  
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**General Fund.** The General Fund, the County's primary operating fund, accounts 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 the general laws of Ohio.

**Community Services Fund.** The Community Services Fund accounts for various federal and state grants, along with transfers from the general fund, to provide public assistance to general relief recipients, and to pay their providers of medical assistance and certain public social services.

**Motor Vehicle Fund.** The Motor Vehicle Fund accounts for revenues derived from motor vehicle licenses, gasoline taxes, grants, and permissive sales taxes. Ohio state law restricts expenditures in this fund to county road and bridge repair and improvement programs.

**Mental Retardation Fund.** The Mental Retardation Fund accounts for the operation of a school and provides assistance to a workshop for the mentally retarded and developmentally disabled. A county-wide property tax levy, along with federal and state grants, provides the revenues for this fund.

**Alcohol, Drug Addiction, and Mental Health Board Fund.** The Alcohol, Drug Addiction, and Mental Health Board Fund accounts for the proceeds of a county-wide property tax levy, along with federal and state grants, that are expended primarily to pay the costs of contracts with local mental health agencies providing services to the public.

**General Obligation Bond Retirement Fund.** The General Obligation Bond Retirement Fund accounts for the accumulation of resources for, and the payment of, bond principal, interest, and related costs.

The other governmental funds of the County account for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds.** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service. The County reports the following proprietary funds:

**Enterprise Funds.** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is a description of the County's major enterprise funds:

**Sewer Fund.** This enterprise fund accounts for sewer services provided to individuals and commercial users. The cost of providing these services are financed primarily through user charges.

**Water Fund.** This enterprise fund accounts for water services provided to individuals and commercial users. The cost of providing these services are financed primarily through user charges.

**Internal Service Fund.** The Internal Service Fund is used to account for operations that are financed on a cost-reimbursement basis for goods or services provided by one department to other departments within the County. The Internal Service Fund accounts for the limited risk health program which also includes dental and vision programs for employees.

**Fiduciary Funds.** Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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The County's fiduciary funds are all classified as agency funds. The agency funds account for assets held by the County as agent for the Board of Health and other districts and entities and for various taxes, assessments, and state-shared resources collected on behalf of other local governments.

**C. Measurement Focus**

**Government-Wide Financial Statements.** The County's government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total 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 generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on 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 for 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 statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on 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 fund 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 net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

**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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenues, and in the presentation of expenses versus expenditures.

**Revenues — Exchange and Non-exchange Transactions.** The County records revenue resulting from exchange transactions, where each party gives and receives essentially equal value, on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that 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 of year end.

Nonexchange transactions, where the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements, and donations. On the accrual basis, the County recognizes revenue from sales taxes in the period in which the taxable sales take place. The County recognizes revenue from property taxes in the year for which the taxes are levied. (See Note 7.) The County recognizes revenue from grants, entitlements, and donations in the year in which that revenue meets all eligibility requirements. Eligibility requirements include (1) timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, (2) matching requirements, where the County must provide local resources to be used for a specified purpose, and (3) expenditure requirements, where the resources are provided to the County on a reimbursement basis. On a 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 to be both measurable and available at year end: sales tax (see Note 8), interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees, and rentals.

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**Deferred Revenue.** Deferred revenue arises when the County recognizes assets before revenue recognition criteria have been satisfied.

The County has recorded property taxes for which there is an enforceable legal claim as of December 31, 2004, but which were levied to finance year 2005 operations, as deferred revenue. It also has recorded grants and entitlements received before the eligibility requirements are met as deferred revenue.

On governmental fund financial statements, the County has reported receivables that will not be collected within the available period as deferred revenue.

**Expenses/Expenditures.** Under the accrual basis of accounting, the County recognizes expenses at the time they are incurred.

The purpose of the measurement focus of governmental fund accounting is to report on the decrease in net financial resources (expenditures), rather than on expenses. The County generally recognizes expenditures 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 major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations 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 establishes a limit on the amount the Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on the expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, department, and object 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 on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate in effect when final appropriations for the year were adopted by the County Commissioners.

The appropriation resolution is subject to amendment throughout the year with the restriction that the 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.

Budgetary information for Fairfield Industries, Inc. (Component Unit) is not reported because it is not included in the entity for which "the appropriated budget" is adopted and does not itself maintain budgetary financial records. The Transportation Improvement District (Component Unit) was not required to follow Ohio Revised Code guidelines for budgeting; therefore, no budgetary statements are presented.

#### **F. Cash, Cash Equivalents, and Investments**

To improve cash management, cash received by the County is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "Cash and cash equivalents" on the financial statements.

During 2004, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), repurchase agreements, money market mutual funds, nonparticipating certificates of deposit, and federal agency securities.

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Except for nonparticipating investment contracts, the County reports investments at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

The County has invested funds in STAR Ohio during 2004. STAR Ohio is an investment pool managed by the State Treasurer's Office that 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, 2004.

Provisions of the Ohio Revised Code restrict investment procedures. Under existing Ohio statutes all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. During 2004, interest was distributed to the General Fund, certain special revenue funds, capital projects funds, debt service funds, enterprise funds, and the Internal Service Fund. Interest revenue credited to the General Fund during 2004 amounted to \$740,558, which includes \$636,994 assigned from other County funds.

The County has segregated bank accounts for monies held separate from the County's central bank account. These bank accounts are presented on the financial statements as "Cash and cash equivalents in segregated accounts" since these funds are not deposited into the County treasury.

The County reports "Cash and cash equivalents with fiscal agents" on the financial statements. This money is held by the City of Lancaster, which is the fiscal agent of the Community Corrections Special Revenue Fund grant and by Managed Care of America, Inc., which is the third party administrator of the medical and dental self insurance programs of the County which is included in the Self-Funded Health Insurance Internal Service Fund.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are considered to be cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

**G. Receivables and Payables**

Receivables and payables to be recorded on the County's financial statements are recorded to the extent that the amounts are determined material and substantiated not only by supporting documentation, but also, by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

Using this criteria, the County has elected to not record child support arrearages within the special revenue and agency fund types. This amount, while potentially significant, is not considered measurable, and because collection is often significantly in arrears, the County is unable to determine a reasonable value.

**H. Inventory of Supplies**

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used.

**I. Prepaid Items**

The County records payments made to vendors for services that will benefit periods beyond December 31, 2004, as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**J. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified and "interfund receivables/payables." The amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal

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balances. On the statement of net assets, receivables and payables between the primary government and the fiduciary funds, for which the County is the fiscal agent, for services rendered are presented as “External party receivables” and “External party payables”.

**K. Restricted Assets**

The County has set aside certain resources in the enterprise funds for the repayment of sewer deposits which are presented on the statement of fund net assets – proprietary funds.

**L. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities columns of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net assets and in the fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. 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.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful life 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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings and improvements	30 – 50 years	30 years
Improvements other than buildings	20 – 50 years	N/A
Equipment	4 – 10 years	5 – 10 years
Furniture and fixtures	5 – 12 years	N/A
Infrastructure	5 – 125 years	50 years
Vehicles	4 – 8 years	4 – 8 years

**M. Compensated Absences**

The County accrues vacation benefits and compensation time 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. The County records a liability for accumulated unused vacation and compensatory time when earned for all employees who have worked beyond their probation period.

The County accrues sick leave benefits as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees’ wage rates at year end, taking into consideration any limits specified in the County’s termination policy. The County records a liability for accumulated unused sick leave for employees of the Treasurer’s department after two years of service, after six years of service in the Water and Sewer departments, and after five years of service for the remaining departments.

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

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On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Mature compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not recorded. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

**N. Accrued Liabilities and Long-Term Obligations**

The County reports all payables, accrued liabilities, and long-term obligations in the government-wide financial statements, and it reports all payables, accrued liabilities, and long-term obligations payable from proprietary funds in the proprietary fund financial statements.

In general, the County reports governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, as obligations of the funds. However, it reports claims and judgments and compensated absences that will be paid from governmental funds as a liability in the fund financial statements only to the extent that these liabilities are due for payment during the current year. It recognizes bonds, capital leases, and long-term loans and notes as a liability in the governmental fund financial statements when due.

**O. Bond Premiums, Discounts, and Issuance Costs**

Bond premiums, discounts, and issuance costs are deferred and amortized over the term of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recorded as deferred charges and amortized over the term of the related debt.

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

**P. Fund Balance Reserves**

The County reserves those portions of fund balance which are legally segregated for specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, unclaimed monies, and loans. By law, the County may not appropriate unclaimed monies until five years have elapsed.

**Q. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the constitutional provisions or through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net assets reports \$30,715,633 of restricted net assets, of which \$3,992,816 is restricted by enabling legislation.

Net assets restricted for other purposes are primarily for net assets of the Real Estate Assessment, Motor Vehicle, Mental Retardation, and the Alcohol, Drug Addiction, and Mental Health Board Special Revenue Funds.

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

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**R. Contributions of Capital**

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources to capital acquisition or construction.

**S. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide 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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**T. 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.

**U. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for sewer and water utility services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting the definition are reported as nonoperating.

**V. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County and that are either unusual in nature or infrequent in occurrence. During 2004, no extraordinary or special items occurred.

**NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLE**

For 2004, the County has implemented GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Technical Bulletin No. 2004-2, "Recognition of Pension and Other Postemployment Benefit Expenditures/ Expenses and Liabilities by Cost Sharing Employers".

GASB Statement No. 39 states that entities for which a primary government is not financially accountable may still be reported as component units based on the nature and significance of their relationship with the primary government.

GASB Statement No. 46 clarifies how legal enforceability should be applied for determining restricted net assets.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as an expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple-employer pension and other postemployment benefit (OPEB) plans.

The implementation of GASB Statement No. 39, GASB Statement No. 46, and GASB Technical Bulletin No. 2004-2 did not affect the presentation of the financial statements of the County.

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Notes to the Basic Financial Statements  
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**NOTE 4 – BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for the general and each major special revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than a reservation of fund balance.
4. Unrecorded cash and interest, fair market value adjustments, segregated accounts, and prepaid items are reported on the balance sheet (GAAP basis), but not on the budgetary basis.
5. Cash that is held by the agency funds on behalf of County funds on a budget basis are allocated and reported (GAAP basis) in the appropriate County fund.

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

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	<u>General Fund</u>	<u>Community Services Fund</u>	<u>Motor Vehicle Fund</u>	<u>Mental Retardation Fund</u>	<u>Alcohol, Drug Addiction, and Mental Health Board Fund</u>
GAAP basis	(\$1,958,846)	\$203,782	\$363,824	(\$721,555)	\$242,436
Net adjustment for revenue accruals	(160,956)	(268,036)	(186,708)	308,451	18,294
Net adjustment for expenditure accruals	85,079	59,614	(58,150)	72,481	33,390
Expenditures removed and shown in the proper fund	-	(2,330,306)			
Beginning of year:					
Unreported cash and interest	101,990	2,207	-	-	38,142
GASB 31 adjustment	73,797	-	-	-	-
Segregated accounts	93,696	-	-	-	-
Agency cash allocation	219,370	-	-	163,258	17,719
Prepaid items	380,742	101,113	61,264	83,991	34,310
End of year:					
Unreported cash and interest	(95,766)	(4,864)	-	(545)	(27,480)
GASB 31 adjustment	55,745	-	-	-	-
Segregated accounts	(74,654)	-	-	-	-
Agency cash allocation	(91,979)	-	-	(64,581)	(7,365)
Prepaid items	(354,140)	(91,203)	(66,008)	(56,467)	(15,454)
Advances in	1,098,999	-	-	-	-
Advances out	(150,000)	(467,000)	-	-	-
Transfers in – removed and showed the activity in the proper funds	-	2,330,306	-	-	-
Encumbrances	(1,069,636)	-	(408,166)	(238,214)	-
Budget Basis	<u>(\$1,846,559)</u>	<u>(\$464,387)</u>	<u>(\$293,944)</u>	<u>(\$453,181)</u>	<u>\$333,992</u>

**NOTE 5 – ACCOUNTABILITY AND COMPLIANCE**

**A. Fund Deficits**

The following funds had a deficit fund balances as of December 31, 2004:

	<u>Deficit Fund Balances</u>
<b><u>Special Revenue Funds:</u></b>	
Community Services	(\$1,569,996)
Major Crimes Unit Grant	(36,019)
Workforce Investment Act	(51,323)
<b><u>Capital Projects Funds:</u></b>	
Ohio Department of Transportation Projects	(161,971)
Geographical Information System Equipment	(520,575)

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The deficits in the Special Revenue and Capital Projects Funds are the result of the recognition of payables in accordance with Generally Accepted Accounting Principles (GAAP). The General Fund provides transfers to cover deficit balances of special revenue and capital projects funds; however, this is done when cash is needed rather than when accruals occur.

**B. Legal Compliance**

The following accounts had expenditures plus encumbrances in excess of appropriations contrary to section 5705.41, Revised Code:

	<b>Excess</b>
<b><u>Debt Service Funds:</u></b>	
General Obligation Bond Retirement	
Debt Service – Principal Retirement	(\$572,444)
Debt Service – Bond Issuance Costs	(90,620)
Other Financing Uses – Discount on Bonds	(7,065)
Special Assessment Liberty Township Sewer Fund	
Debt Service–Bond Issuance Costs	(38,563)
<b><u>Capital Projects Fund:</u></b>	
Ohio Department of Transportation	
Public Works – Capital Outlay	(339,427)

The County will more closely monitor budgetary procedures pertaining to violations of this nature in the future.

**NOTE 6 – DEPOSITS AND INVESTMENTS**

Monies held by the County are classified by State statute into two categories, active and inactive. Active monies are public monies determined to be necessary to meet current demand upon the County treasury. Active monies 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.

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 monies deposited with the institution.

Monies held by the County which are not considered active are classified as inactive. Beginning June 15, 2004, inactive monies could be deposited or invested with certain limitations in the following securities provided the County has filed a written investment policy with the Ohio Auditor of State:

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 and interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase agreements in the securities listed above;
4. Bond and other obligations of the State of Ohio or its political subdivisions;
5. Time certificates of deposits or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds;
7. The State Treasurer's investment pool (STAR Ohio);

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8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange similar securities or cash, equal value for equal value;
9. Commercial paper notes, corporate notes, and banker's acceptances; and,
10. Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Bankers acceptances must mature within 180 days. Commercial paper and corporate notes must mature within 270 days. All other investments must mature within five years from the date of settlement unless matched to a specific obligation or debt of the County. Investments must be purchased with the expectation that they 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 treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Cash on Hand.** At year end, the County had \$543,404 in undeposited cash on hand which is included in the financial statements of the County as part of "Cash and cash equivalents."

**Cash with Fiscal Agents.** At year end, the County had \$646,929 in cash with fiscal agents, which is included in the financial statements of the County as "Cash and cash equivalents with fiscal agents." The \$22,401 was included in the Community Corrections Special Revenue Fund, which was held by the City of Lancaster, fiscal agent, in a pooled account of the City's monies and therefore cannot be classified by risk under GASB Statement No. 3. To obtain information about the City of Lancaster, write to City of Lancaster, 104 East Main Street, Lancaster, Ohio 43130. The remaining \$624,528 was included in the Self-Funded Health Insurance Internal Service Fund that was held by Managed Care of America, Inc. in a pooled account, which is representative of numerous entities and therefore cannot be classified by risk under GASB Statement No. 3. To obtain information about Managed Care of America, Inc., write to Managed Care of America, Inc., 5900 Rochs Drive, Columbus, Ohio 43229.

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 \$10,101,549 and the bank balance was \$11,285,292. Of the bank balance:

1. \$1,266,922 was covered by federal depository insurance; and
2. \$10,018,370 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

**Investments.** The County's investments are required to be categorized 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 for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the County's name. STAR Ohio and money market mutual funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

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	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Value</u>	<u>Fair Value</u>
STAR Ohio	\$ —	\$ —	\$ 4,564,487	\$ 4,564,487
Federal Home Loan Bank Notes	990,310	—	990,310	990,310
Federal National Mortgage Association Notes	5,935,020	—	5,935,020	5,935,020
Federal Home Loan Mortgage Corporation Notes	7,950,470	—	7,950,470	7,950,470
Federal Home Loan Mortgage Corporation Discount Notes	3,967,780	—	3,967,780	3,967,780
Federal National Mortgage Association Discount Notes	4,901,420	—	4,901,420	4,901,420
Money Market Mutual Funds	—	—	525	525
Repurchase Agreements	—	9,579,560	9,579,560	9,583,279
<b>Total</b>	<u>\$23,745,000</u>	<u>\$ 9,579,560</u>	<u>\$ 37,889,572</u>	<u>\$ 37,893,291</u>

The federal agency securities have maturities ranging from January 2005 to December 2006.

The classification of cash and cash equivalents, and investments in the 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 in the financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$ 49,181,454	\$ —
Undeposited Cash	(543,404)	—
Cash with Fiscal Agents	(646,929)	—
Investments:		
STAR Ohio	(4,564,487)	4,564,487
Federal National Mortgage Association Notes	(5,935,020)	5,935,020
Federal Home Loan Bank Notes	(990,310)	990,310
Federal Home Loan Mortgage Corporation Notes	(7,950,470)	7,950,470
Federal Home Loan Mortgage Corporation Discount Notes	(3,967,780)	3,967,780
Federal National Mortgage Association Discount Notes	(4,901,420)	4,901,420
Money Market Mutual Funds	(525)	525
Repurchase Agreements	(9,579,560)	9,579,560
<b>GASB Statement No. 3</b>	<u>\$ 10,101,549</u>	<u>\$ 37,889,572</u>

**NOTE 7 – PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the County. Property tax revenue received during 2004 for real and public utility property taxes represents collections of 2003 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) is for 2004 taxes.

2004 real property taxes are levied after October 1, 2004, on the assessed value as of January 1, 2004, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2004 real property taxes are collected in and intended to finance 2005.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
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Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2004 public utility property taxes became a lien December 31, 2003, are levied after October 1, 2004, and are collected in 2005 with real property taxes.

2004 tangible personal property taxes are levied after October 1, 2003, on the value as of December 31, 2003. Collections are made in 2004. Tangible personal property assessments are 25 percent of true value for machinery and equipment and 23 percent for inventory.

The full tax rate for all County operations for which 2004 property tax receipts were based upon was \$7.05 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2004 property tax receipts were based are as follows:

Real Property	\$2,335,579,490
Public Utility Personal Property	104,715,800
Tangible Personal Property	138,685,493
Total Assessed Property Value	<u>\$2,578,980,783</u>

On March 2, 2004, the residents of Fairfield County passed the older adult services levy for .5 mills making the new Fairfield County full tax rate \$7.55 per \$1,000 of assessed value for tax collections beginning in 2005.

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 later payment dates to be established. The due dates for 2004 were February 19 and July 15.

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 September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in 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. Property taxes receivable represents real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2004, and for which there is an enforceable legal claim. In the General Fund, Mental Retardation Fund, Alcohol, Drug Addiction, and Mental Health Board Fund, Bridges, Culverts, and County Road Levy Fund, and Older Adult Services Levy Special Revenue Funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2004 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**NOTE 8 – PERMISSIVE SALES TAX**

In 1981, the County Commissioners by resolution imposed a one-half of one percent tax on all retail sales made in the County and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. County voters approved an additional one-fourth of one percent tax in 1995. The County remits vendor collections of the tax 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 each month. The State Auditor then has five days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General Fund.

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**NOTE 9 - RECEIVABLES**

Receivables at December 31, 2004, consisted of taxes, accounts (billings for user charged services, including unbilled utility services), interfund, special assessments, accrued interest, outstanding court costs, loans, and intergovernmental receivables arising from grants, entitlements, and shared revenues. Loans receivable of \$468,952 and \$203,070 are reported in the Economic Development Assistance Grant and the Community Development Block Grant Special Revenue Funds, respectively, which represents low interest loans for development projects granted to eligible businesses under the Federal Economic Development Assistance and the Community Development Block Grant programs. Management believes all receivables are fully collectible. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment. A portion of the County's special assessments are not expected to be collected within one year. The amount not scheduled for collection during the subsequent year is \$2,744,183. The County has \$51,001 in delinquent special assessments at December 31, 2004.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>		<u>Amounts</u>
<b><u>Governmental Activities:</u></b>		<b><u>Governmental Activities:</u></b>	
Undivided Property Tax Replacement	\$ 51,044	Mental Health Women's Assistance Program	\$ 22,562
Local Government	1,440,608	Mental Health Children Adolescent Block Grant	9,889
Homestead and Rollback	826,921	Mental Health Community Plan Block Grant	26,817
Gasoline Tax	1,047,692	Mental Health Women's State Fund Allocation	12,062
Motor Vehicle License Tax	2,174,363	Mental Health Fast Money	35,466
Indigent Fee Reimbursement	149,365	Mental Health Per Capita	309,181
Municipal Court Fines	25,565	Mental Health Tanf Treatment	64,282
Child Support Enforcement		House Bill 484 Reimbursements	22,834
Agency Advancement	288,525	Children Services Child Protection Allocation	295,179
Reclaim Ohio Grant	246,320	Children Service Chaffee Allocation	10,172
Title V	15	Children Services Title VI-B	13,536
MR/DD Education Grants	45,975	Children Services ESSA Grants	7,887
Title XIX	994,600	Children Service IV-E Waiver	975,101
Mental Illness Costs Reimbursements	599	Children Service Adoption Grants	17,647
MR/DD Nursing Reimbursement	6,715	Workforce Investment Act	98,694
Title XX	46,581	ODP Citizen Corps Program Grant	787
School Lunch Payments	586	Recycle Ohio Grant	16,980
Mental Health State Subsidy	1,264,703	Community Correction Grants	79,081
Jail Diversion Grant	24,800	Victims of Crime Grant	55,991
Sheriff Services	72,561	Community Development Block Formula Grants	481,405
Election Expense	27,000	Ohio Department of Transportation	195,461
Social Security	17,523	Ohio Children Trust Grant	20,736
Wage Reimbursements	2,303	Community Corrections Act Subsidy Pass Through	34,768
MR/DD Waiver Administration Reimbursements	11,905	Alternative School Services	155,780
Access Visitation Grant	5,668	<b>Total Government Activities</b>	<u>11,870,353</u>
Job and Family Services Reimbursements	3,220	<b>Business-Type Activities:</b>	
Personal Property Exemption	61,288	Water Fees	5,242
House Bill 408 Reimbursements	2,516	Sewer Fees	3,390
Internal Revenue Service Adjustments	5,538	<b>Total Business-Type Activities</b>	<u>8,632</u>
Miscellaneous	14,003	<b>Total Intergovernmental Receivables</b>	<u>\$11,878,985</u>
Major Crimes Unit Grant	23,528		
Transportation Coordination Grant	4,978		
Federal Airport Grant	16,386		
State Airport Grant	3,661		
MR/DD RSC-CEO Reimbursement	\$ 1,000		

**Fairfield County, Ohio**  
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**NOTE 10 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2004, was as follows:

	<u>Balance 12/31/2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2004</u>
<b><u>Governmental Activities:</u></b>				
Non Depreciable Capital Assets:				
Land	\$ 4,648,459	\$ 5,000	\$ (76,204)	\$ 4,577,255
Construction in Progress	1,992,508	2,877,909	(3,262,219)	1,608,198
Total Non Depreciable Capital Assets	<u>6,640,967</u>	<u>2,882,909</u>	<u>(3,338,423)</u>	<u>6,185,453</u>
Depreciable Capital Assets:				
Buildings and Improvements	34,941,921	1,540,103	(356,556)	36,125,468
Improvements other than buildings	2,605,262	671,000	—	3,276,262
Equipment	5,447,399	926,614	(121,558)	6,252,455
Furniture and Fixtures	666,413	30,698	—	697,111
Infrastructure	169,133,146	2,440,660	(874,244)	170,699,562
Vehicles	6,185,887	488,467	(379,765)	6,294,589
Total Depreciable Capital Assets	<u>218,980,028</u>	<u>6,097,542</u>	<u>(1,732,123)</u>	<u>223,345,447</u>
Accumulated Depreciation:				
Buildings and Improvements	9,516,858	1,168,022	(236,882)	10,447,998
Improvements other than buildings	754,341	84,101	—	838,442
Equipment	2,541,218	616,346	(96,457)	3,061,107
Furniture and Fixtures	118,795	55,256	—	174,051
Infrastructure	46,190,610	3,711,127	(601,603)	49,300,134
Vehicles	3,951,927	670,131	(314,744)	4,307,314
Total Accumulated Depreciation	<u>63,073,749</u>	<u>6,304,983</u>	<u>(1,249,686)</u>	<u>68,129,046</u>
Total Depreciable Capital Assets, Net	<u>155,906,279</u>	<u>(207,441)</u>	<u>(482,437)</u>	<u>155,216,401</u>
Governmental Capital Assets, Net	<u>\$162,547,246</u>	<u>\$ 2,675,468</u>	<u>\$ (3,820,860)</u>	<u>\$161,401,854</u>

Depreciation expense was charged to governmental activities as follows:

<b><u>Governmental Activities:</u></b>	
General government:	
Legislative and executive	\$ 401,780
Judicial	97,847
Public safety	512,975
Public works	4,362,540
Health	376,804
Human services	451,350
Transportation	101,687
Total Depreciation Expense	<u>\$ 6,304,983</u>

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	<u>Balance 12/31/2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2004</u>
<b><u>Business-Type Activities:</u></b>				
Non Depreciable Capital Assets:				
Land	\$ 1,864,374	\$ 25,000	\$ —	\$ 1,889,374
Construction in Progress	<u>11,671,023</u>	<u>4,338,537</u>	<u>(8,397,249)</u>	<u>7,612,311</u>
Total Non Depreciable Capital Assets	<u>13,535,397</u>	<u>4,363,537</u>	<u>(8,397,249)</u>	<u>9,501,685</u>
Depreciable Capital Assets:				
Buildings and Improvements	10,577,157	6,807,794	(211,500)	17,173,451
Infrastructure	36,342,511	2,617,778	—	38,960,289
Equipment	185,560	9,650	—	195,210
Vehicles	<u>499,893</u>	<u>131,251</u>	<u>(37,168)</u>	<u>593,976</u>
Total Depreciable Capital Assets	<u>47,605,121</u>	<u>9,566,473</u>	<u>(248,668)</u>	<u>56,922,926</u>
Accumulated Depreciation:				
Buildings and Improvements	1,257,555	343,718	(167,962)	1,433,311
Infrastructure	6,427,149	745,783	-	7,172,932
Equipment	131,756	15,152	-	146,908
Vehicles	<u>283,881</u>	<u>76,062</u>	<u>(29,733)</u>	<u>330,210</u>
Total Accumulated Depreciation	<u>8,100,341</u>	<u>1,180,715</u>	<u>(197,695)</u>	<u>9,083,361</u>
Total Depreciable Capital Assets, Net	<u>39,504,780</u>	<u>8,385,758</u>	<u>(50,973)</u>	<u>47,839,565</u>
Business-Type Capital Assets, Net	<u>\$ 53,040,177</u>	<u>\$ 12,749,295</u>	<u>\$ (8,448,222)</u>	<u>\$ 57,341,250</u>

**NOTE 11 – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries, and natural disasters. By contracting with County Risk Sharing Authority (CORSA) for liability, property, and crime insurance, the County has addressed these various types of risk.

The CORSA program has a \$2,500 deductible which is applicable to all insured coverages, including property, general liability, and professional liability. General liability insurance is maintained in the amount of \$1,000,000 for each occurrence, no annual aggregate. Other liability insurance includes \$1,000,000 for Ohio Stop Gap, which provides additional coverage beyond the State's Workers' Compensation program, \$1,000,000 for employee benefit liability, \$5,000,000 in excess liability, \$1,000,000 for law enforcement professional liability, \$1,000,000 for public official's error and omission liability, \$1,000,000 for automobile liability, and \$250,000 for uninsured/under insured motorist liability.

In addition, the County maintains replacement cost insurance on buildings and contents in the amount of \$107,429,023, which includes data processing equipment. Other property insurance includes the following: \$1,000,000 for extra expenses and business interruption, \$1,710,451 for contractor's equipment, \$1,643,122 for miscellaneous equipment floaters, \$56,985 for coverage of the 'Fine Arts' at the Reese-Peters/Decorative Arts Center, \$1,000,000 for valuable papers and records, actual cash value for automobile physical damage, and \$100,000,000 for flood and earthquake damage. Comprehensive boiler and machinery coverage is carried in the amount of \$100,000,000.

The County also maintains crime insurance in the amount of \$1,000,000 on each of its food stamp program and monies and securities. Crime insurance for potential employee dishonesty is held in the amount of \$1,000,000.

All insurance is held with CORSA, with the exceptions of workers' compensation, health insurance, life insurance and long-term disability. Settled claims have not exceeded this coverage in any of the last three years. There has been no significant reduction in coverage from last year; however, there has been an increase in the property coverage as a result of the reappraisal of the County's property and a comprehensive review of the contractor's equipment and miscellaneous equipment for various departments that resulted in a

**Fairfield County, Ohio**  
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more accurate reflection of equipment owned by the County.

For 2004, the County participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. (See Note 23) The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating Counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate.

In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings that accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. For Fairfield County, a savings of approximately \$68,688 was realized on the annual premium cost. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The County has established a limited risk health insurance program that also includes dental and vision insurance for employees. Two programs are currently active. The majority of County employees are covered under the County's plan with Managed Care of America while the Board of Mental Retardation employees are covered under a separate plan with the South Central Ohio Insurance Consortium (SCOIC).

Premiums for the County plan are paid into the Self-Funded Health Insurance Internal Service Fund by other funds that are available to pay claims, claim reserves, and administrative costs. The Self-Funded Health Insurance Internal Service Fund makes monthly payments directly to the third party administrator, Managed Care of America, Inc. Managed Care of America, Inc. services all claims submitted to the County by employees. An excess coverage insurance policy covers individual claims in excess of \$100,000 and aggregate claims in excess of \$6,830,417 per year. A liability for unpaid claims costs of \$535,331 has been accrued based on an estimate by the third party administrator and the requirements of *Governmental Accounting Standards Board Statement No. 30* which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Interfund premiums are based primarily upon the insured funds' claims experience.

Changes in the county's fund claims liability in 2003 and 2004 were:

	<b>Balance at Beginning of Year</b>	<b>Current Year Claims</b>	<b>Claim Payments</b>	<b>Balance at End of Year</b>
2003	\$604,757	\$4,908,647	\$4,891,881	\$621,523
2004	621,523	4,674,684	4,760,876	535,331

The County, on behalf of the Board of Mental Retardation, joined the South Central Ohio Insurance Consortium (SCOIC) to self insure its medical and dental claims. SCOIC currently includes nine member school districts and governmental entities. The Liberty Union-Thurston Local School District serves as the fiscal agent for the consortium. Contributions are determined by the consortium's board of directors and are remitted monthly to the consortium's fiscal agent and incurred claims are paid. EV Benefits, a third party administrator, services all claims submitted by employees. An excess coverage insurance policy covers individual claims for the Board of Mental Retardation in excess of \$100,000 and \$3,000,000 lifetime maximum, per employee consortium wide. A liability for unpaid claims costs of \$55,767 has been accrued based on an

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estimate by the third party administrator and the requirements of *Governmental Accounting Standards Board Statement No. 30* which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the SCOIC fund claims liability in 2003 and 2004 were:

	<b>Balance at Beginning of Year</b>	<b>Current Year Claims</b>	<b>Claim Payments</b>	<b>Balance at End of Year</b>
2003	\$62,827	\$895,987	\$833,345	\$125,469
2004	125,469	991,773	1,061,475	55,767

The County pays all elected official bonds by State statute.

**NOTE 12 – RETIREMENT PLANS**

**A. Ohio Public Employees Retirement System**

The County participates in the Ohio Public Employee 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 percent 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 earning. The combined plan is a cost-sharing, multiple-employer defined benefit plan that has elements of both a defined benefit and 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 or (800) 222-7377.

For the year ended December 31, 2004, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The County's contribution rate for pension benefits for 2004 was 9.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the County's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the traditional and the combined plans for the years ended December 31, 2004, 2003, and 2002 were \$2,581,199, \$2,305,153, and \$2,176,809, respectively; 89.07 percent has been contributed for 2004, and 100 percent has been contributed for 2003 and 2002. Contributions to the member-directed plan for 2004 were \$27,014 made by the County and \$16,946 made by plan members.

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**B. State Teachers Retirement System**

Certified teachers, employed by the school for Mental Retardation and Developmental Disabilities, participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS Ohio issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (614) 227-4090, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

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

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

For the fiscal year ended June 30, 2004, plan members were required to contribute 9.3 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2003, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the DB Plan for the years ended December 31, 2004, 2003, and 2002 were \$52,681, \$56,286, and \$42,262 respectively; 94.97 percent has been contributed for year 2004 and 100 percent for years 2003 and 2002. Contributions to the DC and Combined plans for year 2004 were \$29 made by the County and \$2,791 made by the plan members.

**NOTE 13 – POST EMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

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 with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's

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contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The employer contribution rate for 2004 was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 4.0 percent was the portion that was used to fund health care.

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, 2003, include a rate of return on investments of 8.0 percent, an annual increase in active employee total payroll of 4.0 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between 1.0 and 6.0 percent annually for the next eight years and 4.0 percent annually after eight years.

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

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 that were used to fund postemployment benefits were \$1,043,559. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader 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.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

#### **B. State Teachers Retirement System**

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio). Benefits include hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The system is funded on a pay-as-you-go basis.

All STRS Ohio benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care cost will be absorbed by STRS Ohio. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium.

By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. The Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the County, this amount equaled \$4,052 for 2004.

STRS Ohio pays health care benefits from the Health Care Stability Fund. At June 30 2004, the balance in the fund was \$3.1 billion. For the year ended June 30, 2004, net health care costs paid by STRS Ohio were \$268,739,000 and there were 111,853 eligible benefit recipients.

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**NOTE 14 – OTHER EMPLOYER BENEFITS**

**A. Compensated Absences**

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. Accumulated, unused vacation time, accumulated, unused sick leave, and compensatory time is paid to a terminated employee at varying rates depending on length of service and department policy.

**B. Other Benefits**

The County provides life insurance, accidental death and dismemberment insurance, long-term disability, and the Employee Assistance Program (EAP), to most employees through various insurance companies.

**NOTE 15 – CAPITAL LEASES – LESSEE DISCLOSURE**

In the current and prior years, the County has entered into capitalized leases for vehicles and equipment. Each lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for governmental funds.

Equipment and vehicles acquired by lease have been capitalized in the government-wide statements governmental activities in the amount of \$1,232,669, and business-type activities in the amount of \$33,176, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide statements governmental activities and business-type activities, respectively. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$817,912. Business-type capitalized leases assets are reflected net of accumulated depreciation in the amount of \$5,536 in the Sewer Fund, and \$5,536 in the Water Fund. Principal payments toward all capital leases during 2004 totaled \$412,025, a reduction to principal outstanding of \$404,715 for governmental activities and \$7,310 for business-type activities. The County traded-in assets of the governmental activities obtained through a capital lease within the current year. The principal amount of \$10,391 was forgiven by the leasing company since the County reentered into new leases.

Future minimum lease payments through 2009 for the governmental activities are as follows:

Year	Governmental Activities	
	Principal	Interest
2005	\$ 293,124	\$ 43,103
2006	226,840	25,067
2007	159,502	10,703
2008	50,809	1,514
2009	7,618	222
Total	\$ 737,893	\$ 80,609

Future minimum lease payments for business-type activities through 2006 are as follows:

Year	Business-Type Activities	
	Principal	Interest
2005	\$ 7,970	\$ 691
2006	4,588	123
Total	\$ 12,558	\$ 814

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**NOTE 16 - CONTRACTUAL COMMITMENTS**

As of December 31, 2004, the County had contractual purchase commitments for fifty-three projects. The amount for each project is as follows:

Projects	Fund	Purchase Commitments	Amounts Paid as of 12/31/2004	Amounts Remaining on Contracts
Electronic Monitoring	Adult Community Based Corrections	\$ 25,000	\$ 4,888	\$ 20,112
Community Development Grant Admin.	Community Development Block Grant	77,153	53,770	23,383
Recycled Equipment	Litter Enforcement	12,972	7,114	5,858
Real Estate Software Support	Delinquent Real Estate Collection	15,800	12,544	3,256
Decon Shelter	Emergency Management And Homeland Security	20,374	422	19,952
Mower Vehicles	Emergency Management And Homeland Security	51,818	32,172	19,646
Real Estate Server	General	165,419	—	165,419
Runway Light Repair	General	16,000	—	16,000
West Apron Overlay	General	14,800	12,944	1,856
GPS Software Support	General	26,063	11,256	14,807
Ultrak Bldg – Electrical Alterations	Mental Retardation Facilities	81,637	43,017	38,620
Ultrak Bldg – Plumbing & Heating	Mental Retardation Facilities	139,548	53,988	85,560
Ultrak Bldg – Renovations	Mental Retardation Facilities	547,440	332,493	214,947
Ultrak Bldg – Boiler	Mental Health and Mental Retardation Complex	28,700	24,500	4,200
Aggregates Road Maintenance	Motor Vehicle	237,000	235,415	1,585
BER33 Bridge Replacement	Motor Vehicle	32,936	22,004	10,932
Bridge Replacement	Motor Vehicle	272,047	258,445	13,602
Carroll Northern Bridge	Motor Vehicle	84,122	58,125	25,997
Engineering Consulting	Motor Vehicle	182,655	119,527	63,128
Hornsmill Road Phase 2	Motor Vehicle	104,615	86,662	17,953
JD Batwing Mower	Motor Vehicle	13,379	—	13,379
Lithopolis Road	Motor Vehicle	297,426	296,862	564
Outdoor Signage-Liberty Center	Motor Vehicle	13,300	10,910	2,390
Pavement Marking Project	Motor Vehicle	38,993	36,792	2,201
Tanks and Dispensers	Motor Vehicle	112,456	—	112,456
Sugar Grove BER-20	Motor Vehicle	83,367	44,716	38,651
Bridge Replacement	Ohio Department of Transportation Projects	74,357	54,159	20,198
Clerk of Courts Title Office	Liberty Center County Services Complex	1,009,907	928,034	81,873
Facilities Master Plan	Liberty Center County Services Complex	4,384,337	4,116,908	267,429
GPS Center Line Project	Real Estate Assessment	160,000	152,052	7,948
Real Estate Reappraisal	Real Estate Assessment	1,215,000	8,550	1,206,450
Real Estate Software Support	Real Estate Assessment	121,500	75,000	46,500
Real Estate Web Design & Support	Real Estate Assessment	\$ 12,000	\$ 7,000	\$ 5,000

(continued)

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Projects	Fund	Purchase Commitments	Amounts Paid as of 12/31/2004	Amounts Remaining on Contracts
(continued)				
Recorder Software Support	Recorder Equipment	\$ 21,629	\$ —	\$ 21,629
Liberty Center Phase One	Permanent Improvement	134,500	125,881	8,619
Road Resurfacing	Bridges, Culverts, and County Road Levy	475,180	451,421	23,759
Reseal Taxiway B – Airport	State Funds – Airport	160,195	155,619	4,576
Inspections	Sewer	14,026	5,434	8,592
Knox Acres, Carpico, Peters	Sewer	136,130	16,296	119,834
NPDES Phase II	Sewer	20,000	18,800	1,200
Pleasant Lea & Lakeside	Sewer	61,800	58,506	3,294
Stormwater	Sewer	35,500	28,239	7,261
Tarlton project	Sewer	189,300	155,877	33,423
Tussing Road Improvements	Sewer	551,079	442,651	108,428
Utility GIS	Sewer	229,181	215,370	13,811
Violet East Interceptor	Sewer	158,000	20,375	137,625
Water Reclamation Facility	Sewer	5,760,000	5,683,151	76,849
Inspections	Water	11,002	3,764	7,238
Southwest Bloom TWP	Water	137,200	105,920	31,280
Vulnerability Assessment	Water	54,300	46,003	8,297
Wellhead Project	Water	10,000	6,488	3,512
Utilities Administration Building Liberty Center	Water/Sewer	130,000	—	130,000
Workforce Development	Workforce Investment Act	30,375	942	29,433
Total		<u>\$17,991,518</u>	<u>\$14,641,006</u>	<u>\$3,350,512</u>

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**NOTE 17 – LONG-TERM OBLIGATIONS**

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

	<u>Outstanding 12/31/2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2004</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities:</u></b>					
<b><u>Special Assessment Bonds:</u></b>					
Buckeye Lake Sanitary Sewer					
1986 – \$510,600					
Serial Bonds @ 5.00%	\$ 51,000	\$ —	\$ 25,000	\$ 26,000	\$ 26,000
Term Bonds @ 5.00%	26,000	—	—	26,000	—
Sanitary Sewer System Improv.					
1991 – Serial \$649,885 @ 6.85%					
	370,000	—	35,000	335,000	40,000
High Service Area					
2000 – Serial \$643,760 @ 5.35%					
	485,000	—	60,000	425,000	60,000
Little Walnut Area					
2002 – Serial \$983,367 @ 3.40%					
	915,000	—	85,000	830,000	90,000
Liberty Township Area					
2004 – Serial \$1,468,715					
Serial Bonds @ 2.00%	—	658,715	—	658,715	53,715
Term Bonds @ 5.25%	—	810,000	—	810,000	—
Bond Amortization of Premium	—	72,486	1,768	70,718	—
<b>Total Special Assessment Bonds</b>	<b>1,847,000</b>	<b>1,541,201</b>	<b>206,768</b>	<b>3,181,433</b>	<b>269,715</b>
<b><u>General Obligation Bonds:</u></b>					
<i>1996 Various Purpose Bonds:</i>					
Child Support Enforcement					
Agency Relocation - \$465,000					
Serial Bonds @ 5.00%	135,000	—	20,000	115,000	20,000
Term Bonds @ 5.75%	220,000	—	—	220,000	—
Laughlin Building - Land					
Purchase - \$200,000					
Serial Bonds @ 5.00%	60,000	—	10,000	50,000	10,000
Term Bonds @ 5.75%	95,000	—	—	95,000	—
Minimum Security Jail-\$2,565,000					
Serial Bonds @ 5.00%	740,000	—	110,000	630,000	115,000
Term Bonds @ 5.75%	1,200,000	—	—	1,200,000	—
Job and Family Services Building					
2001 - \$6,930,000					
Serial Bonds @ 3.70%	5,570,000	—	225,000	5,345,000	235,000
Term Bonds @ 5.00%	900,000	—	—	900,000	—
<b><u>Various Purpose Bonds</u></b>					
County Facility – West Campus					
2003 - \$7,775,000					
Serial Bonds @ 2.00%	5,070,000	—	290,000	4,780,000	295,000
Term Bonds @ 5.00%	2,705,000	—	—	2,705,000	—
Bond Amortization of Premium	264,583	—	13,925	250,658	—
Multi-County Juvenile Detention					
Center – County Share					
2003 - \$1,480,000					
Serial Bonds @ 2.00%	975,000	—	55,000	920,000	55,000
Term Bonds @ 5.00%	505,000	—	—	505,000	—
Bond Amortization of Premium	\$ 51,638	\$ —	\$ 2,718	\$ 48,920	\$ —

(continued)

**Amounts**

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	<u>Outstanding 12/31/2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2004</u>	<u>Due Within One Year</u>
(continued)					
<b><u>Governmental Activities:</u></b>					
One-Stop Shop – Clerk of Courts 2004 - \$600,000					
Serial Bonds @ 2.00%	\$ —	\$ 265,000	\$ —	\$ 265,000	\$ 20,000
Term Bonds @ 5.25%	—	335,000	—	335,000	—
Bond Amortization of Premium	—	22,241	542	21,699	—
Mental Retardation Facility 2004 - \$2,250,000					
Serial Bonds @ 2.00%	—	1,010,000	—	1,010,000	80,000
Term Bonds @ 5.25%	—	1,240,000	—	1,240,000	—
Bond Amortization of Premium	—	82,661	2,016	80,645	—
Airport 2004 - \$965,000					
Serial Bonds @ 2.00%	—	875,000	35,000	840,000	95,000
Term Bonds @ 4.60%	—	90,000	—	90,000	—
Bond Amortization of Discount	—	(7,065)	(228)	(6,837)	—
<b>Total General Obligation Bonds</b>	<b>18,491,221</b>	<b>3,912,837</b>	<b>763,973</b>	<b>21,640,085</b>	<b>925,000</b>
<b><u>Long-Term Bond</u></b>					
<b><u>Anticipation Notes:</u></b>					
One-Stop Shop – Clerk of Courts 2003 - \$600,000 @ 1.62%	600,000	—	600,000	—	—
One-Stop Shop – Clerk of Courts 2004 - \$600,000 @ 2.20%	—	600,000	600,000	—	—
Mental Retardation Facility 2003 - \$2,000,000 @ 1.52%	2,000,000	—	2,000,000	—	—
Mental Retardation Facility 2004 - \$2,250,000 @ 1.75%	—	2,250,000	2,250,000	—	—
Airport 2003 - \$1,000,000 @ 1.54%	1,000,000	—	1,000,000	—	—
<b>Total Long-Term Bond Anticipation Notes</b>	<b>3,600,000</b>	<b>2,850,000</b>	<b>6,450,000</b>	<b>—</b>	<b>—</b>
<b><u>Long-Term Loans:</u></b>					
Mental Health Facility Grant Loan \$450,000 @ 5.50%	450,000	450,000	900,000	—	—
Mental Health Facility 2003/2004 \$67,000 @ 5.50%	67,000	67,000	67,000	67,000	67,000
Co Engineer – Excavation Equipment 2004 - \$133,693 @ 4.13%	—	133,693	6,192	127,501	22,686
<b>Total Long-Term Loans</b>	<b>517,000</b>	<b>650,693</b>	<b>973,192</b>	<b>194,501</b>	<b>89,686</b>
<b><u>Other:</u></b>					
Compensated Absences	3,197,452	1,969,898	1,913,503	3,253,847	1,270,623
Intergovernmental Payable	19,193	—	1,820	17,373	1,819
Capital Leases	919,321	223,287	404,715	737,893	293,124
<b>Total Governmental Activities</b>	<b>\$ 28,591,187</b>	<b>\$11,147,916</b>	<b>\$10,713,971</b>	<b>\$29,025,132</b>	<b>\$ 2,849,967</b>
<b><u>Business-Type Activities:</u></b>					
<b><u>Long-Term Bond</u></b>					
<b><u>Anticipation Notes:</u></b>					
Tussing Road Water System	\$ 3,300,000	\$ —	\$ 3,300,000	\$ —	\$ —
Tussing Road Water System	—	3,200,000	—	3,200,000	—
Liberty Township Sanitary Sewer	\$ 3,100,000	\$ —	\$ 3,100,000	\$ —	\$ —

(continued)

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(continued)	Outstanding 12/31/2003	Additions	Reductions	Outstanding 12/31/2004	Amounts Due Within One Year
<b><u>Business-Type Activities:</u></b>					
<b><u>Long-Term Bond</u></b>					
<b><u>Anticipation Notes:</u></b>					
Liberty Township Sanitary Sewer	\$ —	\$ 1,468,715	\$ 1,468,715	\$ —	\$ —
Liberty Township Sanitary Sewer	—	1,300,000	—	1,300,000	—
Tussing Road Wastewater System	—	5,800,000	—	5,800,000	—
Tussing Road Wastewater System	5,800,000	—	5,800,000	—	—
Total Long-Term Bond	12,200,000	11,768,715	13,668,715	10,300,000	—
Anticipation Notes					
<b><u>General Obligation Bonds:</u></b>					
Water System Improvement					
1983 - \$300,000					
Serial Bond @ 10.00%	110,000	—	10,000	100,000	10,000
Water System Bonds					
1993 - \$920,000					
Serial Bond Varying 5.40 - 5.70%	870,000	—	10,000	860,000	10,000
Water System Refunding Bonds					
1993 - \$845,000					
Serial Bond Varying 5.15 - 5.40%	175,000	—	85,000	90,000	90,000
Water System Improvement					
2003 - \$3,900,000					
Serial Bonds @ 2.00%	2,545,000	—	145,000	2,400,000	145,000
Term Bonds @ 5.00%	1,355,000	—	—	1,355,000	—
Bond Amortization of Premium	133,620	—	7,033	126,587	—
Water Improvement Bond					
1999 - \$4,000,000					
Serial Bonds @ 4.10%	1,682,500	—	110,000	1,572,500	112,500
Term Bonds @ 5.25%	2,110,000	—	—	2,110,000	—
Sewer Improvement Bond					
1999 - \$4,000,000					
Serial Bonds @ 4.10%	1,682,500	—	110,000	1,572,500	112,500
Term Bonds @ 5.25%	2,110,000	—	—	2,110,000	—
Sanitary Sewer Improvement Bonds					
2003 - \$2,845,000					
Serial Bonds @ 2.00%	1,860,000	—	105,000	1,755,000	105,000
Term Bonds @ 5.00%	985,000	—	—	985,000	—
Bond Amortization of Premium	98,222	—	5,170	93,052	—
Sanitary Sewer Refunding Bonds					
2003 - \$940,000					
Serial Bonds @ 2-4.00% varying	940,000	—	15,000	925,000	80,000
Bond Amortization of Premium	29,383	—	2,799	26,584	—
Deferred Amount on Refunding	(51,426)	—	(51,426)	—	—
Total General Obligation Bonds	16,634,799	—	553,576	16,081,223	665,000
<b><u>EPA Loan:</u></b>					
Ohio EPA Refunding Sewer Loan					
1993 - 3,365,440 @ 3.54%					
	1,974,993	—	167,791	1,807,202	86,129
<b><u>OPWC Loan:</u></b>					
Ohio Public Works Commission					
Sewer Loan @ 0%					
	100,000	—	18,703	81,297	2,139
<b><u>Other:</u></b>					
Compensated Absences	116,681	67,779	53,937	130,523	69,124
Capital Leases	19,868	—	7,310	12,558	7,970
Total Business-Type Activities	\$31,046,341	\$11,836,494	\$14,470,032	\$28,412,803	\$ 830,362

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**Governmental Activities:**

***Special Assessments Bonds***

As of December 31, 2004, the County has \$3,110,715 in special assessment bonded debt outstanding. The special assessment bonds consist of the Buckeye Lake sanitary sewer, the sanitary sewer system improvement, the high service area, the Little Walnut area, and the Liberty Township area special assessment bonds that will be paid from the proceeds of special assessments levied against benefited property owners. The Buckeye Lake sanitary sewer special assessment bonds and the sanitary sewer system improvement special assessments bonds were issued for property owners to extend tap-in fees over time. The High Service area special assessment bonds were issued to pay for part of the cost of acquiring and constructing water supply and wastewater improvements in the Chevington Woods North, Chevington Woods South, Eastchester, and New England Acres areas. The Little Walnut area special assessment bonds were issued to pay for part of the cost of acquiring and constructing water supply and waterworks improvements in the High Service area and Little Walnut areas. The Liberty Township area special assessment bonds were issued to pay for part of the cost of acquiring and constructing sanitary sewer improvements in the Liberty Township area. In the event the property owners do not pay their assessment, the County would be responsible for the debt service payment on either issue.

The Buckeye Lake sanitary sewer special assessment bonds include both serial and term bonds originally issued in the amounts of \$484,600 and \$26,000, respectively. The term portion of the Buckeye Lake sanitary sewer special assessment bonds that remain outstanding are not subject to a mandatory sinking fund and mature November 1, 2006, in the amount of \$26,000. These bonds are subject to prior optional redemption at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date.

The 2004 Liberty Township sanitary sewer special assessment bonds include both serial and term bonds originally issued in the amounts of \$658,715 and \$810,000, respectively. The special assessment bonds were sold at a premium of \$72,486 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$36,696 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020, for \$400,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2016, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$90,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2016	\$ 70,000
2017	75,000
2018	80,000
2019	85,000
Total	\$ 310,000

Term bonds maturing December 1, 2024, for \$410,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$110,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2024):

Year Ending December 31	Principal Amount To be Redeemed
2021	\$ 95,000
2022	100,000
2023	105,000
Total	\$ 300,000

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Special assessment bonded debt service requirements to maturity are as follows:

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2005	\$ 269,715	\$ 145,508	\$ 415,223
2006	281,000	134,123	415,123
2007	265,000	122,133	387,133
2008	275,000	110,423	385,423
2009	285,000	97,728	382,728
2010-2014	855,000	310,004	1,165,004
2015-2019	380,000	192,324	572,324
2020-2024	500,000	81,375	581,375
<b>Total</b>	<b>\$ 3,110,715</b>	<b>\$ 1,193,618</b>	<b>\$ 4,304,333</b>

**General Obligation Bonds**

At December 31, 2004, the County had \$21,245,000 in governmental general obligation bonded debt principal outstanding. The child support enforcement agency relocation, the job and family services building, the One-Stop Shop, and the airport general obligation bonds will be repaid with rent revenues from the Child Support Enforcement Agency and Community Services Special Revenue Funds, the Ohio Bureau of Motor Vehicles, and airport hangers, respectively, and the Laughlin Building, the minimum security jail, county facility-west campus, the multi-county juvenile detention center, and the mental retardation facility general obligation bonds will be repaid with General Fund property tax revenues. Child support enforcement agency relocation general obligation bond was issued for building improvements and moving expenses. The job and family services building general obligation bond was issued for the purchase and renovation of a building to be used by the job and family services department. The Laughlin Building general obligation bond was issued for the purpose of acquiring and renovating a building for use by various departments within the County. The minimum security jail general obligation bond was issued for the purpose of acquiring, renovating and constructing a County jail facility. The county facility-west campus general obligation bond was issued for the purpose of acquiring and renovating a building for use by various departments within the County. The multi-county juvenile detention center general obligation bonds were issued for the purpose of acquiring, renovating, and construction a multi-county juvenile detention facility located within Fairfield County. The One-Stop Shop general obligation bond was issued for the purpose of constructing a building at the Liberty Center County Services Complex for the purpose of housing the county clerk of courts title department and the Ohio Bureau of Motor Vehicles. The mental retardation facility general obligation bond was issued for the purpose of acquiring and renovating a building to be used by the mental retardation department. The airport general obligation bond was issued for the purpose of paving and the construction of airplane hangers.

The 1996 various purpose general obligation bonds split between the child support enforcement agency relocation, the Laughlin Building land purchase, and the minimum security jail include both serial and term bonds originally issued in the amounts of \$1,715,000 and \$1,515,000, respectively. Bonds maturing after December 1, 2006, shall be subject to optional redemption, in whole or in part, at the option of the County, in inverse order of maturity, in integral multiples of \$5,000 and by lot within a maturity, on any date, commencing December 1, 2006, at the redemption prices (expressed as percentages of the principal amount to be redeemed) set forth below, plus accrued interest to the redemption date:

Redemption Dates (Dates Inclusive)	Redemption Prices
December 1, 2006, through November 30, 2007	101.0%
December 1, 2007, through November 30, 2008	100.5%
December 1, 2008, and thereafter	100.0%

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The term portion of the various purpose general obligation bonds that remain outstanding mature in the year 2016 and are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, in each of the years 2010 through 2015 (with the balance of \$250,000 to be paid at stated maturity on December 1, 2016), according to the following schedule:

Year Ending December 31	Principal Amount To be Redeemed
2010	\$ 180,000
2011	195,000
2012	205,000
2013	215,000
2014	230,000
2015	240,000
Total	\$ 1,265,000

The 2001 job and family services general obligation bonds include both serial and term bonds originally issued in the amounts of \$6,030,000 and \$900,000, respectively. The term portion of the job and family services general obligation bonds that remain outstanding mature in the year 2018 and are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on December 1, 2017, (with the balance of \$460,000 to be paid at stated maturity on December 1, 2018) at the redemption price of 100 percent of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates according to the following schedule:

Year Ending December 31	Principal Amount To be Redeemed
2017	\$ 440,000

The 2003 county facility-west campus general obligation bonds include both serial and term bonds originally issued in the amounts of \$5,070,000 and \$2,705,000, respectively. The general obligation bonds were sold at a premium of \$271,546 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$170,420 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020, for \$1,545,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2018, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$540,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2018	\$ 490,000
2019	515,000
Total	\$ 1,005,000

Term bonds maturing December 1, 2022, for \$1,160,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$595,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2022):

Year Ending December 31	Principal Amount To be Redeemed
2020	\$ 565,000

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The 2003 multi-county juvenile detention center general obligation bonds include both serial and term bonds were originally issued in the amounts of \$975,000 and \$505,000, respectively. The general obligation bonds were sold at a premium of \$52,997 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$32,443 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020, for \$300,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2018, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$100,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2018	\$ 100,000
2019	100,000
Total	\$ 200,000

Term bonds maturing December 1, 2022, for \$205,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$105,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2022):

Year Ending December 31	Principal Amount To be Redeemed
2021	\$ 100,000

The 2004 One-Stop Shop general obligation bonds include both serial and term bonds originally issued in the amounts of \$265,000 and \$335,000, respectively. The general obligation bonds were sold at a premium of \$22,241 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$14,939 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020 for \$165,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2016 at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$35,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2016	\$ 30,000
2017	30,000
2018	35,000
2019	35,000
Total	\$ 130,000

Term bonds maturing December 1, 2024, for \$170,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$45,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2024):

Year Ending December 31	Principal Amount To be Redeemed
2021	\$ 40,000
2022	40,000
2023	45,000
Total	\$ 125,000

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The 2004 mental retardation facility general obligation bonds include both serial and term bonds originally issued in the amounts of \$1,010,000 and \$1,240,000, respectively. The general obligation bonds were sold at a premium of \$82,661 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$56,291 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020 for \$615,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2016 at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$135,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2016	\$ 110,000
2017	115,000
2018	125,000
2019	130,000
Total	\$ 480,000

Term bonds maturing December 1, 2024, for \$625,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$170,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2024):

Year Ending December 31	Principal Amount To be Redeemed
2021	\$ 145,000
2022	150,000
2023	160,000
Total	\$ 455,000

The 2004 airport general obligation bonds include both serial and term bonds originally issued in the amounts of \$875,000 and \$90,000, respectively. The general obligation bonds were sold at a discount of \$7,065 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$23,549 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2019 for \$90,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2014 at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$15,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2019):

Year Ending December 31	Principal Amount To be Redeemed
2014	\$ 15,000
2015	15,000
2016	15,000
2017	15,000
2018	15,000
Total	\$ 75,000

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General obligation bonded debt service requirements to maturity are as follows:

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2005	\$ 925,000	\$ 964,076	\$ 1,889,076
2006	945,000	937,088	1,882,088
2007	995,000	908,597	1,903,597
2008	1,030,000	875,669	1,905,669
2009	1,065,000	834,115	1,899,115
2010-2014	5,930,000	3,426,769	9,356,769
2015-2019	6,360,000	1,965,388	8,325,388
2020-2024	3,995,000	438,756	4,433,756
<b>Total</b>	<b>\$ 21,245,000</b>	<b>\$ 10,350,458</b>	<b>\$31,595,458</b>

***Long-Term Bond Anticipation Notes***

As of December 31, 2004, the County had no governmental long-term bond anticipation notes outstanding.

The One-Stop Shop-clerk of courts bond anticipation notes issued on June 12, 2003, for \$600,000 matured on June 10, 2004. The \$600,000 was reissued for a \$600,000 note on June 10, 2004, which matured on September 24, 2004. On August 15, 2004, the County rolled the note into a general obligation bond for \$600,000. The debt was used for the purpose of constructing a building for the county clerk of courts office and the Ohio Bureau of Motor Vehicles.

The mental retardation facility bond anticipation notes issued on March 27, 2003, for \$2,000,000 matured on March 25, 2004. The \$2,000,000 was reissued for \$2,250,000 note on March 25, 2004, which matured on September 24, 2004. On August 15, 2004, the County rolled the note into a general obligation bond for \$2,250,000. The debt was used for the purpose of acquiring and renovating a building for use by the county's mental retardation department.

The airport bond anticipation notes issued on July 21, 2003 for \$1,000,000 matured on July 20, 2004. On July 15, 2004, the County rolled the note into a general obligation bond for \$965,000. The debt was used for the purpose of acquiring, constructing, and equipping airport facilities.

***Long-Term Loans***

As of December 31, 2004, the County had \$194,501 in long-term loans outstanding.

The two mental health facility loans were issued on March 4, 2003, for \$450,000 and \$67,000 and both matured on March 4, 2004. The \$450,000 and \$67,000 loans were renewed for \$450,000 and \$67,000 on July 6, 2004. The \$450,000 loan was retired on September 10, 2004. The \$67,000 loan will be retired from revenues of the Alcohol, Drug Addiction, and Mental Health Recovery Board Special Revenue Fund. The debt was issued for the purpose of acquiring and renovating a building for use by the Fairfield County Alcohol, Drug Addiction, and Mental Health Recovery Board.

The County engineer loan was issued on October 26, 2004, for \$133,693 and will mature on October 15, 2009. This loan was issued for the purpose of acquiring equipment for the County engineer's department.

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Engineer long-term loan debt service requirements to maturity are as follows:

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2005	\$ 22,686	\$ 4,486	\$ 27,172
2006	25,749	3,893	29,642
2007	26,846	2,795	29,641
2008	27,985	1,656	29,641
2009	24,235	466	24,701
<b>Total</b>	<b>\$ 127,501</b>	<b>\$ 13,296</b>	<b>\$ 140,797</b>

**Business-Type Activities:**

***Bond Anticipation Notes***

On December 31, 2004, the County had \$10,300,000 outstanding in long-term bond anticipation notes within the business-type activities. The long-term bond anticipation notes are reported at \$3,200,000 and \$7,100,000 in the Water and Sewer Enterprise Funds, respectively.

The Tussing Road Water System bond anticipation notes were issued on May 21, 2003, for \$3,300,000 which matured on April 14, 2004. On April 12, 2004, the notes rolled over into bond anticipation notes for \$3,200,000 which will mature on April 13, 2005. These bond anticipation notes were issued for the purpose of acquiring and constructing water supply and waterworks improvements for the Tussing Road water treatment plant. The notes will be retired from revenues derived by the County from the operation of the water system.

The Liberty Township Sanitary Sewer System bond anticipation notes were issued on May 21, 2003 for \$3,100,000 which matured on April 15, 2004. On April 12, 2004, the notes rolled over into bond anticipation notes for \$1,300,000 which will mature on April 13, 2005. On April 14, 2004, the remaining notes rolled over into bond anticipation notes for \$1,468,715 which matured on September 24, 2004. On September 24, 2004, the \$1,468,715 notes were repaid through a transfer from the governmental funds due to the issuance of a special assessment bond for \$1,468,715 in the Special Assessment Liberty Township Sewer Debt Service Fund. These notes were issued for the purpose of improving sanitary sewer services in Liberty Township. The outstanding notes will be retired from revenues derived by the County from the operation of the sanitary sewer system.

The Tussing Road Wastewater System bond anticipation notes issued on April 17, 2003, for \$5,800,000 matured on April 15, 2004. On April 12, 2004 the notes rolled over into bond anticipation notes for \$5,800,000 which will mature on April 13, 2005. These notes were issued for the purpose of improving sanitary sewer services on Tussing Road. The notes will be retired from revenues derived by the County from the operation of the sanitary sewer system.

***General Obligation Bonds***

As of December 31, 2004, the County had \$15,835,000 in business-type general obligation bonds principal outstanding. The 1999 sewer improvement general obligation bonds, the 2003 sanitary sewer improvement general obligation bonds, and 2003 the sanitary sewer refunding general obligation bonds will be paid from revenues derived by the County from the operation of the sewer system. The 1983 water system improvement general obligation bonds, the 1993 water system general obligation bonds, the 1993 water system refunding general obligation bonds, the 2003 water system improvement general obligation bonds, and the 1999 water improvements general obligation bonds will be paid from revenues derived by the County from the operation of the water system. All general obligation bonds are backed by the full faith and credit of the County. All general obligation bonds were issued for the purpose of improving sanitary sewer and water systems within the County.

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The 2003 water system improvements general obligation bonds include both serial and term bonds were originally issued in the amounts of \$2,545,000 and \$1,355,000, respectively. The general obligation bonds were sold at a premium of \$137,136 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$85,496 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020 for \$770,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2018 at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$270,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2018	\$ 245,000
2019	255,000
Total	\$ 500,000

Term bonds maturing December 1, 2022, for \$585,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$300,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2022):

Year Ending December 31	Principal Amount To be Redeemed
2021	\$ 285,000

The 1999 sewer and water improvements combined general obligation bonds include both serial and term bonds originally issued in the amounts of \$3,780,000 and \$4,220,000, respectively. Issuance costs associated with the bond issue in the amount of \$195,000 were deferred and will be amortized over the term of the bonds. Bonds maturing after June 1, 2009, shall be subject to optional redemption prior to maturity at the option of the County upon such terms, at such times, and at such prices set below, plus accrued interest to the redemption date.

Redemption Dates (Dates Inclusive)	Redemption Prices
June 1, 2009 through May 31, 2010	101.0%
June 1, 2010 and thereafter	100.0%

The term portion of the 1999 sewer and water improvements combined general obligation bonds that remain outstanding mature in the year 2024 and are subject to mandatory sinking fund redemption. The mandatory sinking fund redemption is to occur on June 1, in each of the years 2016 through 2023 (with the balance of \$575,000 to be paid at stated maturity on June 1, 2024), according to the following schedule:

Year Ending December 31	Principal Amount To be Redeemed
2016	\$ 375,000
2017	395,000
2018	420,000
2019	440,000
2020	465,000
2021-2023	1,550,000
Total	\$ 3,645,000

The 2003 sanitary sewer system improvements general obligation bonds include both serial and term bonds originally issued in the amounts of \$1,860,000 and \$985,000, respectively. The general obligation bonds were sold at a premium of \$100,807 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$62,370 are deferred and will be amortized over the term of

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the bonds. Term bonds maturing December 1, 2020, for \$565,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2018, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$195,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

Year Ending December 31	Principal Amount To be Redeemed
2018	\$ 180,000
2019	190,000
Total	\$ 370,000

Term bonds maturing December 1, 2022, for \$420,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2021 at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$215,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2022):

Year Ending December 31	Principal Amount To be Redeemed
2021	\$ 205,000

On November 1, 1993, the County issued \$1,445,000 of general obligation bonds. The bonds were issued for a 20 year period with final maturity at July 1, 2014. The bond issue was refunded during 2003. On April 15, 2003, the County issued \$940,000 of sanitary sewer refunding general obligation bonds which consisted of serial bonds with varying rates of 2.00% to 4.00%. The general obligation bonds were sold at a premium of \$30,782 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$20,146 are deferred and will be amortized over the term of the bonds. \$1,013,875 (after premium, underwriting fees, other issuance costs, and County contributions) was deposited in an irrevocable trust to provide for all future debt service payments on the refunded 1993 sanitary sewer system improvement general obligation bonds. As a result, \$960,000 of refunded bonds is considered defeased and the liability is removed from the statement of net assets. On January 2, 2004, the bond was called and paid in full and the escrow account was closed.

The refunding resulted in an advance refunding of the 1993 sanitary sewer system improvement general obligation bonds. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as an increase to bonds payable, was amortized to interest expense in 2004. The County completed its advance refunding to reduce its total debt service requirements over the next 11 years by \$70,535 in order to obtain an economic gain of \$58,298.

The following table lists the annual debt service requirements to maturity for general obligation bonds of the sewer and water funds:

<b>Year ending December 31</b>	<b>Sewer</b>		<b>Water</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2005	\$ 297,500	\$ 335,375	\$ 367,500	\$ 406,367	\$ 1,406,742
2006	312,500	326,902	377,500	392,172	1,409,074
2007	312,500	317,931	392,500	377,322	1,400,253
2008	330,000	307,878	410,000	360,911	1,408,789
2009	345,000	294,113	430,000	341,308	1,410,421
2010-2014	1,955,000	1,224,041	2,165,000	1,378,253	6,722,294
2015-2019	1,885,000	767,069	2,195,000	875,111	5,722,180
2020-2024	1,910,000	239,682	2,150,000	264,186	4,563,868
Total	\$7,347,500	\$3,812,991	\$8,487,500	\$4,395,630	\$24,043,621

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**EPA Loan**

The EPA Refunding Loan will be repaid with sewer revenues. Annual debt service requirements to maturity for the debt are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 86,129	\$ 31,988	\$ 118,117
2006	176,859	59,375	236,234
2007	183,175	53,058	236,233
2008	189,717	46,516	236,233
2009	196,493	39,741	236,234
2010-2014	974,829	88,224	1,063,053
Total	<u>\$ 1,807,202</u>	<u>\$ 318,902</u>	<u>\$ 2,126,104</u>

**OPWC Loan**

In 2003, the County entered into an interest free loan with the Ohio Public Works Commission for sanitary sewer improvements within Liberty Township. The OPWC Loan will be repaid with sewer revenues. Annual debt service requirements to maturity for the debt are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>
2005	\$ 2,139
2006	4,279
2007	4,279
2008	4,279
2009	4,279
2010-2014	21,395
2015-2019	21,395
2020-2024	19,252
Total	<u>\$ 81,297</u>

**Other Long-Term Items:**

***Compensated Absences***

The County will pay compensated absences from the General Fund, Community Services, Motor Vehicle, Mental Retardation, Alcohol, Drug Addiction, and Mental Health Board, Dog and Kennel, Child Support and Enforcement Agency, Real Estate Assessment, Youth Services, Emergency Management, Certificate of Title Administration, Adult Community Based Corrections, Crossroads Center, Victims of Crime, and the Drug Court Program Special Revenue Funds, and the Sewer and Water Enterprise Funds.

***Intergovernmental Payable***

The County owes special assessments to the City of Lancaster (Fairfield County seat) for sidewalk and street improvements in front of the County buildings.

***Capital Leases***

The County has issued capital lease obligations for various vehicles and equipment. These leases will be repaid from the General Fund, the Community Services, the County Recorder Equipment, and the Certificate of Title Administration special revenue funds, and Sewer and Water enterprise funds.

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**Legal Debt Margin**

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

The effects of the debt limitations described above at December 31, 2004, are a margin on unvoted debt of \$15,713,254, and an overall debt margin of \$52,897,966.

**Unspent Bond and Long-Term Note Proceeds**

At December 31, 2004, the County had unspent bond and long-term note proceeds of \$391,447 in the governmental activities and \$189,855 in the Sewer Fund of the business type activities.

**Defeased Debt**

In 1985 the County issued general obligation bonds to acquire the Pickerington Senior Citizens Center. The building was purchased by Violet Township with an agreement requiring the Township to pay the County the amount of the debt service requirements until the debt had been repaid. During 1993, specific securities were purchased in the amount of \$248,900 to be invested in an irrevocable trust to provide for all future debt service payments. The payment to the escrow agent resulted in an in-substance defeasance of the 1985 Series bonds. As a result, the liability for the 1985 Series bonds was removed from the County's financial statements. As of December 31, 2004, \$50 in cash and \$14,773 in investments remained with the escrow agent to retire outstanding bonds in the amount of \$30,000.

**Conduit Debt**

As authorized by State Statute, Fairfield County issued \$28,995,000 of Hospital Facilities Refunding Revenue Bonds for the Fairfield Medical Center in July, 1993. These bonds were issued for the purpose of advance refunding through an in-substance defeasance, two prior hospital debt issues. The Hospital is required to make payments to a trustee in amounts sufficient to pay principal and interest on the bonds. Substantially all gross receipts of the Hospital are pledged as collateral against retirement of the issue. Under Ohio law, these bonds do not represent an obligation of the County at December 31, 2004. The amount outstanding at December 31, 2004, is \$22,320,000.

As authorized by State Statute, Fairfield County issued \$34,710,000 of Hospital Facility Refunding Bonds for the Fairfield Medical Center on December 1, 2003. These bonds were issued for the purpose of financing the acquisition, construction, and equipping the hospitals' facilities. The Hospital is required to make payments to a trustee in amounts sufficient to pay principal and interest on the bonds. Substantially all gross receipts of the Hospital are pledged as collateral against retirement of the issue. Under Ohio law, these bonds do not represent an obligation of the County at December 31, 2003. The amount outstanding at December 31, 2004, is \$34,710,000.

**NOTE 18 – NOTES PAYABLE**

A summary of the note transactions for the year ended December 31, 2004, follows:

	<u>Outstanding 12/31/2003</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding 12/31/2004</u>
<i>Capital Projects Funds:</i>				
GIS Note 2004 – 2.70%	\$ —	\$ 520,000	\$ —	\$ 520,000
GIS Note 2003 – 1.65%	648,000	—	648,000	—
Total	<u>\$ 648,000</u>	<u>\$ 520,000</u>	<u>\$ 648,000</u>	<u>\$ 520,000</u>

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The capital projects funds notes are bond anticipation notes and are backed by the full faith and credit of Fairfield County. The outstanding note has a maturity of one year or less, and no long-term financing arrangements have been made for these notes. The outstanding note will be repaid from the Geographical Information System Equipment Capital Projects Fund with general revenues.

**NOTE 19 – INTERFUND TRANSACTIONS**

Interfund transfers during 2004, consisted of the following:

<u>Transfer from</u>	<u>Transfer to</u>						<u>Totals</u>
	<u>Major Funds</u>				<u>Major Fund</u>		
	<u>General</u>	<u>Community Services</u>	<u>Motor Vehicle</u>	<u>General Obligation Bond Retirement</u>	<u>Other Nonmajor Governmental</u>	<u>Sewer</u>	
Major Funds:							
General Fund	\$ -	\$ 421,972	\$ 335,597	\$ 825,970	\$ 2,082,096	\$ -	\$ 3,665,635
Motor Vehicle	-	-	-	254,190	9,940	-	264,130
Mental Retardation	-	-	-	-	130,000	-	130,000
Alcohol, Drug Addiction, and Mental Health Board	-	-	-	21,603	252,991	-	274,594
General Obligation Bond Retirement	-	-	-	-	420	-	420
Other Nonmajor Governmental	163,049	-	-	114,665	246,421	1,481,771	2,005,906
<b>Total All Funds</b>	<b>\$ 163,049</b>	<b>\$ 421,972</b>	<b>\$ 335,597</b>	<b>\$ 1,216,428</b>	<b>\$ 2,721,868</b>	<b>\$ 1,481,771</b>	<b>\$ 6,340,685</b>

The above mentioned transfer from/to were used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payment becomes due, to use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to move cash balances of funds to the General Fund due to the closure of grants and inactive funds, to move money into the capital project funds to be spent on capital related projects, and to move money to the Sewer Fund due to the issuance of special assessment bonds in the Special Assessment Liberty Township Sewer Debt Service Fund to pay off the Sewer Fund outstanding bond anticipation note for sewer lines.

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Interfund balances at December 31, 2004, consist of the following individual interfund receivables and payables:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>						
	<u>Major Funds</u>				<u>Major Funds</u>		
	General	Community Services	Mental Retardation	General Obligation Bond Retirement	Other Nonmajor Governmental	Sewer	Water
Major Funds:							
General Fund	\$ -	\$ -	\$ 390	\$ -	\$ 3,316	\$ 5,998	\$ 3,306
Community Services	8,472	-	-	39,296	-	-	-
Mental Retardation	-	-	-	-	-	-	-
Other Nonmajor Governmental	-	-	-	-	-	-	-
Governmental	259,608	131,560	-	-	-	-	-
Sewer	502	-	-	-	-	-	-
Water	502	-	-	-	-	-	-
Agency	-	292	18,672	-	560	-	-
Total All Funds	<u>\$ 269,084</u>	<u>\$ 131,852</u>	<u>\$ 19,062</u>	<u>\$ 39,296</u>	<u>\$ 3,876</u>	<u>\$ 5,998</u>	<u>\$ 3,306</u>

(continued)

<u>Interfund Payable</u>	<u>Interfund Receivable (continued)</u>		
	Internal Service	Agency	Totals
Major Funds:			
General Fund	\$ 4,707	\$ 925	\$ 18,642
Community Services	-	297	48,065
Mental Retardation	-	345	345
Other Nonmajor Governmental	-	22,700	413,868
Sewer	-	55	557
Water	-	-	502
Agency	-	-	19,524
Total All Funds	<u>\$ 4,707</u>	<u>\$ 24,322</u>	<u>\$ 501,503</u>

The interfund receivables/payables are due to lags between the dates interfund goods and services are provided, transactions recorded in the accounting system, and payments between funds are made. Also, short term interfund loans were advanced from the General Fund to the Community Development Block Grant, Home, Major Crimes Unit Grant, and Drug Court Special Revenues Funds. On the statement of net assets, receivables and payables between the primary government and the fiduciary funds, for which the County is the fiscal agent, for services rendered are presented as "External party receivables" and "External party payables".

**NOTE 20 – JOINTLY GOVERNED ORGANIZATIONS**

**A. Coshocton-Fairfield-Licking-Perry Solid Waste District**

The County is a member of the Coshocton-Fairfield-Licking-Perry Solid Waste District, which is a jointly governed organization. The District's purpose is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and land filling. The District was created in 1989, as required by the Ohio Revised Code.

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Three groups govern and operate the District. A twelve-member board of directors, made up of three commissioners from each county, is responsible for the District's financial matters. Financial records are maintained by the Licking County Auditor and Treasurer, and the Licking County Commissioners budget and finance the District with board approval. The District's sole revenue source is derived from a waste disposal fee for in-district and out-of-district waste. Although the County contributed amounts to the District at the time of its creation, no additional contributions by the County are anticipated. A twenty-one member policy committee, made up of five members from each county and one at-large member appointed by the board of directors, is responsible for preparing the solid waste management plan of the District in conjunction with a sixteen-member Technical Advisory Council (members appointed by the policy committee). The District's continuing existence does not depend on the County's continuing participation. The County has no equity interest and no debt is outstanding.

**B. Fairfield County Multi-System Youth Committee**

The Fairfield County Multi-System Youth Committee is a group of agencies that coordinate the provision of services to multi-need youth in the area. Members of the Committee include representatives of the Fairfield County Youth Services, Fairfield County Board of MR/DD, Fairfield County Alcohol, Drug Addiction, and Mental Health Board, Fairfield County Children Services, Fairfield Department of Health, New Horizons, the local office of the Rehabilitation Services Commission, Fairfield County Drug and Alcohol Recovery Services, and the Lancaster City Board of Education. The Committee received no additional monies during 2004. The previous existing balance that had accumulated from state and federal grants funded operations this year. No debt is currently outstanding. The Committee is not dependent upon the continued participation of the County and the County does not maintain an equity interest in or financial responsibility for the Committee.

**C. Fairfield County Regional Planning Commission**

The County participates in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. Fairfield County, its municipalities, and its townships jointly govern the Commission. All of the County Commissioners are member of the 48-member board, and the County appoints seven of the members of the board. Each member's control over the operation of the Commission is limited to its representation of the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. In 2004, the County contributed \$118,750 to the Commission. Continued existence of the Commission is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

**D. Fairfield County Visitors and Convention Bureau**

The Fairfield County Visitors and Convention Bureau has been established by a resolution of the County Commissioner's office and incorporated as a non-profit organization under the laws of the State of Ohio. A nine-member board operates the Bureau. Three of the board members are appointed by the County Commissioners, three by the Chamber of Commerce, and three by the Hotel/Motel Association. The Bureau operates as a branch of the local Chamber of Commerce and is principally funded by a three percent hotel/motel lodging tax. Although the County collects and distributes the excise tax, this function is strictly ministerial. In 2004, the County contributed \$10,000 to the Bureau. The Bureau is its own contracting and budgeting authority. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

**E. Mid Eastern Ohio Regional Council (MEORC)**

The Mid Eastern Ohio Regional Council of Governments (MEORC) is a jointly governed organization that services fourteen counties in Ohio. The Council provides services to the mentally retarded and developmentally disabled residents in the participating counties. Superintendents of each county's Board of Mental Retardation and Developmental Disabilities make up the Council. Fees and state grants generate its revenues. Although the County contributed to the Council upon its creation, the County made no contributions to the Council during 2004 and no future contributions by the County are anticipated. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists,

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and no debt is outstanding.

**F. Fairfield County Family, Adult, and Children First Council**

The Fairfield County Family, Adult, and Children First Council is a jointly governed organization created under Ohio Revised Code Section 121.37. The Council is made up of the following members: Director of the Fairfield County Alcohol, Drug Addiction, and Mental Health Board; Health Commissioner of the Fairfield Department of Health; Director of the Fairfield County Human Services; Director of the Children Services Department; Superintendent of the Fairfield County Mental Retardation and Development Disabilities; the Fairfield County Juvenile Court Judge; Superintendent of Lancaster City Schools; Superintendent of Fairfield County Board of Education; a representative of the City of Lancaster; Chair of the Fairfield County Commissioners; State Department of Youth Services regional representative; representative from the County Head Start Agencies; a representative of the County's early intervention collaboration established pursuant to the federal early intervention program operated under the "Education of the Handicapped Act Amendments of 1986;" and a least three individuals representing the interests of families in the County. When possible, the number of members representing families shall be equal to twenty percent of the Council's remaining membership. In 2004, the County made no contributions to the Council. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

**G. Lancaster-Fairfield Community Action Agency**

The Lancaster-Fairfield Community Action Agency is a non-profit corporation organized to plan, conduct, and coordinate programs designed to combat social and economic problems and to help eliminate conditions of poverty within Fairfield County. A fifteen-member board governs the Agency. This board is made up of five representatives from the public sector, five representatives from the private sector, and five representatives from the low-income sector. The Fairfield County Recorder, the Fairfield County Commissioners, and the Fairfield County Sheriff appoint three representatives from the public sector. The Lancaster City Auditor and a village clerk-treasurer appoint the remaining public sector representatives. The Agency administered the following grants on behalf of the County: Community Housing Improvement Program (CHIP), Ohio Department of Natural Resources, and the Coshocton-Fairfield-Licking-Perry Solid Waste District. In 2004, the County made payments to the Agency for administrative services of the County's CHIP grant in the amount of \$9,009. Continued existence of the Lancaster-Fairfield Community Action Agency is not dependent upon the County's continued participation, nor does the County have an equity interest in the Agency, and no debt is outstanding.

**H. South Central Ohio Insurance Consortium**

The South Central Ohio Insurance Consortium (SCOIC) is a region council of governments organized under Ohio Revised Code Chapter 167. The SCOIC's primary purpose and object is establishing and carrying out a cooperative health program for its member organizations. The governing board consists of the superintendent or other designee appointed by each of the members of the SCOIC. Members include the following school districts and governmental entities: Amanda Local School District, Berne Union Local School District, Bloom-Carroll Local School District, Canal Winchester Local School District, Fairfield Union Local School District, Fairfield County Board of Mental Retardation, City of Lancaster, Liberty Union-Thurston Local School District, and Miami Trace Local School District. The Liberty Union-Thurston Local School District serves as the fiscal agent for the SCOIC. The County does not have an ongoing financial interest in or ongoing financial responsibility for the SCOIC other than claims paid on behalf of the employees of the Board of Mental Retardation.

**I. Tri-County Workforce Development Policy Board**

The Tri-County Workforce Development Policy Board is a non-profit corporation, created on July 1, 2000, to develop a comprehensive workforce system pursuant to the House Bill 470 and the Federal Workforce Investment Act of 1998. Its purpose is to bring together business, education, and labor leaders to assess the workforce needs of employers and employment and training needs of job seekers. The Board is made up of nine representatives from each of the following counties: Fairfield, Hocking, and Perry. The County Commissioners of the respective counties make their Board appointments. In 2004, Fairfield County made no

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contributions to the Board. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

**J. Fairfield County Agency Transportation System, Inc.**

The Fairfield County Agency Transportation System is a non-profit corporation, created in 2001 under Ohio Revised Code Chapter 1702. Its purpose is to provide reliable, affordable, and accessible transportation in a co-operative and cost effective manner to Fairfield County residents who have limited transportation options. The System is governed by a twelve-member board, which is elected by member agencies. To be a member of the System, an annual \$500 membership fee is required. The current board consists of the following: two representatives from Fairfield County, four representatives from other government entities, and six representatives from non-government entities. The System's revenues will consist of membership fees, contributions, and an annual grant applied for by the Fairfield County Commissioners that is given to the System to maintain. In 2004, Fairfield County Agency Transportation System, Inc, received \$99,328 that consisted of \$55,948 in grant monies, \$36,102 in membership fees, \$7,150 in shuttle fees, and \$128 in miscellaneous revenues. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

**K. Fairfield-Hocking Major Crimes Investigation Unit**

The Fairfield-Hocking Major Crimes Investigation Unit is a regional council of governments, created in 2001 under Ohio Revised Code Section 167.01. Its stated purpose is to provide additional police protection to the citizens of Fairfield and Hocking counties to reduce the influence and effects of illegal drug trafficking activities, as well as other major crime activities. The Unit has a five-member Governing Board that consists of one County Commissioner or designee from each county, and the Mayor, City Manager, or designee from the cities of Lancaster, Pickerington, and Logan. The Unit also has a seven member Operating Board that handles the daily operations and reports to the Governing Board. The Operating Board is made up of the Fairfield and Hocking County Sheriffs and Prosecuting Attorneys, as well as the Chiefs of Police from the three cities listed above. The Unit's revenues will consist of an annual grant applied for by the Fairfield County Commissioners, which is in turn given to the Unit, along with local matches from each of the involved entities. In 2004, the County contributed \$231,254 in grant monies and \$120,285 for its share of the local match. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

**L. Heart of Ohio Resource Conservation and Development Council**

The Heart of Ohio Resource Conservation and Development Council is a jointly governed organization created to enhance the quality of life in central Ohio by facilitating the use of natural resources for a sustainable future. The Council is composed of twenty-seven members from the nine member counties. The nine member counties are as follows: Delaware, Fairfield, Franklin, Knox, Licking, Madison, Marion, Morrow, and Pickaway. The Council consists of one representative from each county's Board of Commissioners, one representative from each county's Soil and Water Conservation District, and one member-at-large representative from each county, jointly appointed by the Board of Commissioners and the Soil and Water Conservation District. In 2004, the County contributed \$200 to the Council. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

**M. Perry Multi-County Juvenile Facility**

The Perry Multi-County Juvenile Facility is a jointly governed organization created to rehabilitate juvenile offenders in lieu of commitment to the Ohio Department of Youth Services. The Facility has an eight member Governing Board that consists of one juvenile court judge, or designee, from the counties of Coshocton, Delaware, Fairfield, Knox, Licking, Morgan, Muskingum, and Perry. The Facility also has an Executive Committee that handles the daily operations of the Facility and reports to the Governing Board. The Executive Committee shall be composed of the officers of the Governing Board. The Facility's revenues will consist of an annual grant applied for by the Director of the Facility and charges for services from the participating counties. In 2004, the County made no payments to the Facility for housing of juvenile

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offenders. Continued existence of the Facility is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

**N. Lancaster - Fairfield Alternative School**

Lancaster - Fairfield Alternative School (the School) is a legally separate community school created under Ohio Revised Code Chapter 3314 and incorporated under Chapter 1702. The School's mission, under a contractual agreement with Lancaster City School District Board of Education (the School's Sponsor), is to help at-risk students. The School targets at-risk students aged 13 through 20 in grades seven through twelve who are experiencing problems at school ranging from truancy, chronic misbehavior, severe at-risk behavior, and/or statutory violations resulting in adjudication through Court. The School focuses on improving student attendance, helping students earn sufficient credits for grade promotion or graduation, preparing qualified students for their GED, and facilitating the successful return/transition of students to their former schools.

The Board of Directors is appointed as follows: three representatives of the Lancaster City School District Board of Education (the School's sponsor), one representative of a school district in Fairfield County other than the sponsor, and the judge of the Fairfield County Juvenile Court. The School's Sponsor is able to impose their will on the School. The School's Sponsor can suspend the School's operations for any of the following reasons: 1) The School's failure to meet student performance requirements stated in its contract with the Sponsor, 2) The School's failure to meet generally accepted standards of fiscal management, 3) The School's violation of any provisions of the contract with the Sponsor or applicable state or federal law, and 4) Other good cause. Continued existence of the School is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding. Separately issued financial statements can be obtained from Lancaster City School District, 111 South Broad Street, Lancaster, Ohio 43130.

**NOTE 21 – RELATED ORGANIZATIONS**

**A. Fairfield County District Library**

The Fairfield County District Library is statutorily created as a separate and distinct political subdivision of the State. Four trustees of the District Library are appointed by the County Commissioners, and the judges of the Common Pleas Court appoint three trustees. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the County for operational subsidies. Due process is required to remove board members. The County provides no subsidies.

**B. Fairfield County Historical Parks Commission**

The County Probate Judge is responsible for appointing the three-member board of the Fairfield County Historical Parks Commission. Board members can be removed only by due process. The County has no ability to impose its will on the organization nor is a burden/benefit relationship in existence. The District received \$40,000 from the County during 2004. The District is its own budgeting and taxing authority and has no outstanding debt. The County Auditor serves as the fiscal agent for the District; therefore, the financial activity is reflected in a County agency fund.

**C. Fairfield Metropolitan Housing Authority**

The Fairfield Metropolitan Housing Authority was created in 1980 and currently operates pursuant of Revised Code Section 3735.27. A five-member board operates the Authority. The County appoints three members and the City of Lancaster appoints two members. The board adopts their own appropriations, is their own contracting authority, hires and fires their own staff, authorizes all expenditures, and does not rely on the City or the County to finance deficits. The Authority receives funding from the federal government in the form of grants. All monies are received directly by the Authority in the Authority's name. Although the County appoints members to the board, the County is not financially accountable for the Authority, nor is the Authority fiscally dependent on the County. The Authority has no outstanding debt. Complete financial information can be obtained from the Fairfield Metropolitan Housing Authority, Lancaster, Ohio.

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**NOTE 22 – JOINT VENTURE**

**Fairfield, Hocking, Licking, and Perry County Multi-County Juvenile Detention System.** The Fairfield, Hocking, Licking, and Perry County Multi-County Juvenile Detention System (System) is a statutorily created political subdivision of the State. The System is a joint venture operated by Fairfield, Hocking, Licking, and Perry Counties for the purpose of providing short-term care in a secure facility for juveniles who are accused, pending court action, adjudicated, or awaiting transfer to another facility. The operation of the System is controlled by a joint board of commissioners consisting of three commissioners from each participating county. The joint board of commissioners exercises total control over the operation of the System, including budgeting, appropriation, contracting, and designating management. The joint board of commissioners appoints a board of twelve trustees to operate the System. The System's purpose is to not accumulate significant financial resources or experience fiscal stress that would cause additional financial benefit to, or burden on, the counties involved.

Each county will be contributing to the System in the form of a local share as a match for the grant revenues from the Ohio Department of Youth Services. The contribution will be based on the number of children from each county who are maintained in the home during the year. In addition to the initial contribution, there will be an annual contribution by each county for operational expenses. The counties are responsible for all major capital improvements based on population of each county. The System's continued existence is dependent upon the County's participation. The County has an ongoing financial responsibility and an equity interest exists. If the County would withdraw, upon the recommendation of the County Juvenile Court Judge, it may sell or lease their interest in the System to another participating county.

In 2004, the System received \$2,021,166 in contributions from member counties, for a five year total of \$5,397,769 from all member counties. Fairfield County contributed \$844,620 in 2004, for a five year total of \$2,284,428 being contributed by the County as of December 31, 2004. The County's total contributions represent 42 percent of total member contributions as of December 31, 2004. The County is the fiscal agent for the System; therefore, the financial activity is reflected in a County agency fund. In 2002, construction on the new juvenile detention center started, the center's site is within the County. Construction was completed in 2004 and the System opened its doors for business on February 9, 2004. The County's share of the joint venture is \$2,758,698 as of December 31, 2004. No debt has been incurred by the System. Complete financial information can be obtained from Fairfield County Auditor's Office, 210 East Main Street, Lancaster, Ohio 43130.

**NOTE 23 – POOLS**

**A. County Risk Sharing Authority, Inc. (CORSA)**

The County Risk Sharing Authority, Inc. (CORSA) is a shared risk pool among forty-one counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. The 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, which will be cast by a designated representative. An elected board of not more than nine trustees manage the affairs of the Corporation. 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 the certificates. The County does not have an equity interest in CORSA. The County's payment for insurance to CORSA in 2004 was \$375,095.

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**B. County Commissioners Association of Ohio Workers' Compensation Group Rating Plan**

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool.

A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at the meeting held in the month of December each year. No participant can have more than member of the group executive committee in any year, and each elected members shall be a County Commissioner.

**NOTE 24 – FOOD STAMPS**

The County's Department of Human Services (Welfare) distributes, through contracting issuance centers, federal food stamps to entitled recipients within Fairfield County. The receipt and issuance of these stamps have the characteristics of a federal grant. However, the Department of Human Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements as the only economic interest related to these stamps rests with the ultimate recipient.

The County's Department of Human Services had the following activity occur during 2004:

January 1, 2004 Beginning Inventory	\$ 1,107
Issued or Destroyed during 2004	(0)
December 31, 2004 Ending Inventory	<u>\$ 1,107</u>

**NOTE 25 – CONTINGENT LIABILITIES**

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

Several claims and lawsuits are pending against the County. In the opinion of the County Prosecutor, any potential liability would not have a material effect on the County's financial condition.

**NOTE 26 – RELATED PARTY TRANSACTIONS**

Fairfield Industries, Inc., a discretely presented component unit of Fairfield County, received contributions from the County for facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of its program. These contributions are reflected as operating revenues and operating expenses at cost or fair market value, as applicable, in the basic financial statements in the amount of \$145,755. Residential-based services provided directly to the component unit's clients by the County amounted to \$2,300,302.

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**NOTE 27 – TRANSPORTATION IMPROVEMENT DISTRICT COMPONENT UNIT**

**A. Reporting Entity**

The Fairfield County Transportation Improvement District (the "District") is a body politic and corporate established for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District was specifically formed under the auspices of House Bill 154 and Ohio Revised Code chapter 5540, as amended, and created by action of the Board of County Commissioners of Fairfield County on June 23, 1998, exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a component unit of Fairfield County and operates under an appointed five member board.

The Board of Trustees annually appoints the Chairman of the Board from the existing Board Members. The Chairman's responsibilities are to preside at all meetings of the Board; to be the chief officer of the District; perform all duties commonly incident to the position of presiding officer of a board, commission or business organization; and to exercise supervision over the business of the District, its officers and employees.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity", in that the basic financial statements include all organizations, activities and functions for which the District is financially accountable. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on the District. This report includes all activities considered by the management to which the District is financially accountable.

**B. Summary of Significant Accounting Policies**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation.** Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Interest associated with the current fiscal period is considered susceptible to accrual and has been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the District receives cash.

Government accounting standards also required government-wide financial statements to use the economic resources measurement focus and the accrual basis of accounting. For the District, however, there are no differences between the accrual and modified accrual basis of accounting.

**Prepaid Expenses.** Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid expenses using the consumption method. An asset for prepaid amount is recorded at the time of the purchase and an expense is reported in the fiscal year in which services are consumed.

**Fund Accounting.** The District uses a 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. The District only used a governmental fund, the General Fund.

**General Fund.** The General fund is used to account for all financial resources of the District and is available to the District for any purpose provided it is expended according to the general laws of Ohio and the bylaws of the District.

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**Revenues-Exchange and Non-Exchange Transactions.** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end. Under the modified accrual basis, only interest is considered to be both measurable and available at fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving value in return, includes donations. On an accrual basis, revenue from donations is recognized in the fiscal 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 fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

The District had no exchange transactions in 2004.

**Expenses/Expenditures.** On an accrual basis of accounting, 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.

**Cash and Cash Equivalents.** Cash received by the District is pooled. Monies for its fund are maintained in a ledger bank account. The cash is presented as "cash and cash equivalents" on the statement of net assets. During 2004, the District had no investments.

**Interest Revenue.** Following Ohio Statute, interest revenue earned on the District's bank account credited to the general fund during fiscal year 2004 amounted to \$118.

### **C. Deposits**

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdraw able on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits the District has identified as not required for use within the current 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.

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 accounts, including passbook accounts.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), 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 money deposited with the institution.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

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Interim monies may 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 and interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase agreements in the securities listed above;
4. Bond and other obligations of the State of Ohio or its political subdivisions;
5. No-load money market mutual funds;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at one time.

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 District, 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 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 bank balance was \$64,552 and the carrying amount of the District's deposit was \$64,173. Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

#### **D. Discretely Presented Component Unit**

Under Government Accounting Standards Board Statement No. 14, the District is also considered to be a discretely presented component unit of Fairfield County and is presented as such within Fairfield County's basic financial statements for the fiscal year ended December 31, 2004.

#### **E. Change in Accounting Pronouncement**

For 2004, the District has implemented GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Technical Bulletin No. 2004-2, "Recognition of Pension and Other Postemployment Benefit Expenditures/ Expenses and Liabilities by Cost Sharing Employers".

GASB Statement No. 39 states that entities for which a primary government is not financially accountable may still be reported as component units based on the nature and significance of their relationship with the primary government.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
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GASB Statement No. 46 clarifies how legal enforceability should be applied for determining restricted net assets.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as an expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple-employer pension and other postemployment benefit (OPEB) plans.

The implementation of GASB Statement No. 39, GASB Statement No. 46, and GASB Technical Bulletin No. 2004-2 did not affect the presentation of the financial statements of the District.

**F. Risk Management**

The District is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; error and omissions; and natural disasters. During the year 2004, the District contracted with Clark Insurance Agency, Inc. for general liability coverage as follows:

General Liability:	
Per Claim	\$1,000,000
Aggregate Limit	\$1,000,000

Settled claims have not exceeded coverage in any of the past three years. There have been no reductions in insurance coverage from last year.

**G. Contingencies**

The District is currently not party to any litigation.

**NOTE 28 – FAIRFIELD INDUSTRIES, INCORPORATED, COMPONENT UNIT NOTE**

**A. Nature of Activities**

Fairfield Industries, Inc. (the Agency) is a nonprofit corporation formed in 1975 under the laws of the State of Ohio for the purpose of promoting the general welfare of mentally retarded and developmentally disabled adults in Fairfield County and assisting them in pursuing training and work that will give them the opportunity to reach their potential. The Agency also was organized to assist Fairfield County Board of Mental Retardation and Developmental Disabilities (FCBMR/DD) in meeting this mission.

FCBMR/DD owns most of the Agency's operating assets, and by a contractual agreement (currently renewed through September 29, 2004) provides the Agency with in-kind support in the form of personnel salaries and benefits, and a building facility including maintenance costs.

The Agency attempts to be materially self-sustaining with its program services of contract sales, community employment services, and vending receipts and storage rental, yet promote awareness of the need for public support.

**B. Summary of Significant Accounting Policies**

**Basis of Accounting.** The financial statements of the organization have been prepared on the accrual basis of accounting. Revenue and expenses are identified with specific periods of time and are recorded as incurred, along with acquired assets, without regard to the date of receipt or the payment of cash.

**Financial Statement Presentation.** The Agency is a component unit of Fairfield County, Ohio, and the financial statements have been prepared in conformity with generally accepted accounting principles as applied to proprietary activities of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. All Financial Accounting Standards Board (FASB) pronouncements are applicable to the Agency except for those that conflict with or contradict GASB pronouncements.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

**Cash.** Cash includes all cash balances. No cash was paid for interest expense during the year ended June 30, 2004.

**Accounts Receivable.** Management considers all accounts receivable to be collectible at June 30, 2004. Therefore, no allowance for uncollectible accounts has been recorded. There were no write-offs to bad debt expense during the year 2004.

**Inventory.** Inventory is stated at cost on a first-in, first-out basis.

**Property and equipment, and depreciation.** Property and equipment are recorded at cost if purchased or at estimated fair market value at the date of donation. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method.

**Income Taxes.** The Agency is a not-for-profit organization exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code.

**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.

**C. Cash**

Cash consists of the following:

	<b>June 30, 2004</b>
Cash on hand	\$ 50
Unrestricted cash in bank	52,563
Restricted cash in bank	3,423
Total Cash	\$ 56,036

Cash in the bank was covered entirely by FDIC insurance.

Restricted cash is to be used to support any Fairfield County Board of MR/DD ballot issues, and was donated to Fairfield Industries, Inc. by The Citizens in Support of Mental Retardation Levy following the November 1999 election.

**D. Marketable Securities**

The Agency's investments are carried at market value. It is the Agency's policy that the investments are to be 75% invested in equities. There are no other legal or contractual provisions for these investments.

	<b>June 30, 2004</b>	
	<b>Cost</b>	<b>Market Value</b>
<u>Unrestricted Long-Term</u>		
<u>Investments:</u>		
Federal Home Loan Bank Notes	\$ 29,992	\$ 29,589
Money Market Mutual Fund	5,647	5,647
Corporate Bonds and Notes	44,945	46,221
Equity Mutual Funds	212,000	190,998
	\$ 292,584	\$ 272,455

The corporate bond and note maturities range from February 2005 to June 2008.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

**E. Investment Return**

Investment return, as stated in the statements of revenues, expenses, and changes in net assets for the year ended June 30, 2004, is as follows:

<u>Unrestricted</u>	<u>2004</u>
Interest	\$ 2,934
Dividends and capital gain distributions	2,718
Unrealized gains and (losses)	25,867
Total unrestricted investment return	<u>31,519</u>
<u>Restricted</u>	
Interest	<u>29</u>
Total Unrestricted and Restricted investment return	<u>\$ 31,548</u>

Investment fees totaled \$2,433 for 2004.

**F. Capital Assets**

Changes to property and equipment are as follows:

	<u>June 30, 2003</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2004</u>
Building improvements	\$ 37,014	\$ 1,900	\$ —	\$ 38,914
Shop equipment	304,335	12,040	—	316,375
Office furniture and equipment	55,932	789	—	56,721
Total property and equipment	397,281	14,729	—	412,010
Accumulated depreciation	(343,400)	(21,020)	—	(364,420)
Net property and equipment	<u>\$ 53,881</u>	<u>\$ (6,291)</u>	<u>\$ —</u>	<u>\$ 47,590</u>

**G. Related Party Transactions and In-Kind Contribution**

FCBMR/DD provides support through payment of the salaries of the director, office staff, direct care staff and administrative staff of the Agency. FCBMR/DD also provides the building and most of the maintenance costs on the building for the Agency work site. The value of these in-kind contributions to the Agency, as computed by FCBMR/DD is included in the Statement of Revenues, Expenses, and Changes in Net Assets in the amount of \$145,755 for the year ended June 30, 2004.

This computation was developed by the Ohio Department of Mental Retardation and Developmental Disabilities to be used by the 88 counties in Ohio and is computed on a calendar year. The calendar year worksheet ending within the fiscal year of the Agency is included in these financial statements.

The calculation considers the total adult program personnel, building costs, and administrative costs of FCBMR/DD and the number of clients served by the Agency reduced by their unproductive time. The calculated fair value of the donated property and services for the year ending June 30, 2004 is as follows:

	<u>2004</u>
Personnel	\$ 64,252
Fringe benefits	21,634
Building and administrative (included in "contractual services")	59,869
Total in-kind donation	<u>\$ 145,755</u>

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

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Related accounts receivable and payable for operations

Accounts receivable from FCBMR/DD to the Agency was \$569 at June 30, 2004; and accounts payable to FCBMR/DD from the Agency was \$2,416 at June 30, 2004.

Special event

The Agency also sponsors an annual special event golf outing in conjunction with FCBMR/DD for the Public Awareness Committee. Receipts and expense for the special event are as follows:

	<u>2004</u>
Gross receipts	\$ 3,637
Golf outing expenses	<u>2,925</u>
Net special event receipts	<u>\$ 712</u>

Account receivable – other

The Agency loaned a FCBMR/DD vendor \$7,000 during the year ended June 30, 2004 per the FCBMR/DD's request. This loan is shown on the Statement of Net Assets as an Account Receivable – Other.

**H. Concentrations in Sales**

During 2004, the three largest customers accounted for 39%, 37%, and 9% of sales, for a total of 85% of the total sales.

**I. Risks and Uncertainties**

Privatization

Privatization of the services of the Agency is being discussed, whereby the Agency would become a vendor of FCBMR/DD, and would bill FCBMR/DD for services provided. The director, office staff, direct care staff and administrative staff that are now employees of FCBMR/DD would become employees of the Agency, and the Agency would no longer be a component unit of Fairfield County, Ohio. The one year operating contract with FCBMR/DD expired on September 29, 2003, and was renewed for another year, until September 29, 2004. At this time it is expected that the operating contract will continue to be renewed until this issue is resolved. Such a change would have an impact on the Agency's receipts, expenses and organization which at this time can not be determined.

Renovation of new facility

The building where the Agency is housed is under option to be sold by the owner, the FCBMR/DD board, and a building has been purchased by Fairfield County which is to house the Agency in the future. Fairfield County has requested that the Agency contribute a sum of money to the renovation of the new facility. At this time it has not been determined the costs associated with the renovation and move to the new facility.

**J. Reclassifications**

Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operations or retained earnings.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2004

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**NOTE 29 – SUBSEQUENT EVENTS**

On March 1, 2005, the County changed employee health and dental insurances to UnitedHealthcare through the Franklin County Cooperative Health Benefit Program which includes Pickaway County and Franklin County.

On February 8, 2005, the County placed a .5 percent sales tax levy on the ballot to help reduce the County's budget concerns. The Fairfield County voters defeated the proposed levy. Due to the defeat of the .5 percent sales tax levy, on March 25, 2005 the County passed the 2005 permanent appropriations budget, at approximately a 20 percent cut from the 2004 budget. This resulted in laying-off several employees, programs being cut, a reduced appropriation for existing programs, and the delay of the implementation of several new initiatives. There are no plans at this time to return to the ballot again for the sales tax levy.

On April 1, 2005 the County issued \$10,880,000 in various purpose utility bonds. These new bonds retired the Water Tussing Road bond anticipation notes of \$3,200,000, the Sewer Liberty Township bond anticipation notes of \$1,300,000, Sewer Tussing Road bond anticipation notes of \$5,800,000, and refunded the Water System Series 1993B bonds dated as of September 1, 1993.

On April 28, 2005, the County Commissioners passed a resolution to increase the real estate conveyance fee from \$1/thousand to \$4/thousand to help reduce some of the near-term budgetary pressures.

Combining  
Financial  
Statements  
and  
Schedules

# General Fund

The General Fund accounts for all financial resources received and used for services traditionally provided by a county government and not required to be accounted for in other funds.

# Fairfield County, Ohio

## SCHEDULE OF EXPENDITURES — BUDGET (NON-GAAP BASIS) AND ACTUAL GENERAL FUND

For the Year Ended December 31, 2004

Exhibit C-1

EXPENDITURES	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Current:</b>				
<b>General government - legislative and executive</b>				
Commissioners:				
Personal services .....	\$ 465,530	\$ 462,997	\$ 406,940	\$ 56,057
Fringe benefits .....	157,262	144,975	125,415	19,560
Materials and supplies .....	23,480	25,480	23,583	1,897
Contractual services .....	50,027	118,762	111,900	6,862
Capital outlay .....	183,655	225,655	225,076	579
Other .....	173,992	219,992	218,782	1,210
<b>Total commissioners .....</b>	<b>1,053,946</b>	<b>1,197,861</b>	<b>1,111,696</b>	<b>86,165</b>
Auditor:				
Personal services .....	700,413	700,413	664,545	35,868
Fringe benefits .....	291,605	249,992	237,068	12,924
Materials and supplies .....	25,326	36,980	33,993	2,987
Contractual services .....	145,448	200,718	172,949	27,769
Capital outlay .....	5,142	2,142	-	2,142
<b>Total auditor .....</b>	<b>1,167,934</b>	<b>1,190,245</b>	<b>1,108,555</b>	<b>81,690</b>
Assessing personal property:				
Personal services .....	62,554	62,554	49,848	12,706
Fringe benefits .....	24,082	22,318	19,929	2,389
Materials and supplies .....	8,466	5,516	4,014	1,502
Contractual services .....	-	2,950	2,950	-
<b>Total assessing personal property .....</b>	<b>95,102</b>	<b>93,338</b>	<b>76,741</b>	<b>16,597</b>
Treasurer:				
Personal services .....	195,144	195,144	195,112	32
Fringe benefits .....	112,975	109,656	108,858	798
Materials and supplies .....	6,175	6,175	5,840	335
Contractual services .....	25,300	25,300	25,291	9
<b>Total treasurer .....</b>	<b>339,594</b>	<b>336,275</b>	<b>335,101</b>	<b>1,174</b>
Prosecuting attorney:				
Personal services .....	769,930	774,530	772,283	2,247
Fringe benefits .....	272,898	251,369	234,258	17,111
Materials and supplies .....	10,000	10,000	9,818	182
Contractual services .....	35,241	30,641	30,510	131
Other .....	52,465	52,465	52,465	-
<b>Total prosecuting attorney .....</b>	<b>1,140,534</b>	<b>1,119,005</b>	<b>1,099,334</b>	<b>19,671</b>
Geographical information system:				
Personal services .....	77,002	77,002	73,719	3,283
Fringe benefits .....	35,827	34,554	33,754	800
Materials and supplies .....	6,050	6,050	5,020	1,030
Contractual services .....	63,487	66,560	51,042	15,518
Capital outlay .....	10,576	16,206	11,233	4,973
<b>Total geographical information system .....</b>	<b>\$ 192,942</b>	<b>\$ 200,372</b>	<b>\$ 174,768</b>	<b>\$ 25,604</b>

(Continued)

Fairfield County, Ohio

**SCHEDULE OF EXPENDITURES — BUDGET  
(NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND**

(Continued)

For the Year Ended December 31, 2004

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Bureau of inspection:				
Contractual services .....	\$ 99,101	\$ 99,101	\$ 99,101	\$ -
Data processing:				
Personal services .....	172,125	176,125	172,363	3,762
Fringe benefits .....	82,766	78,197	74,137	4,060
Materials and supplies .....	40,365	50,365	42,256	8,109
Contractual services .....	53,719	63,719	33,423	30,296
Capital outlay .....	289,862	265,842	80,467	185,375
Total data processing .....	638,837	634,248	402,646	231,602
Board of elections:				
Personal services .....	315,799	312,799	311,639	1,160
Fringe benefits .....	167,830	160,592	157,367	3,225
Materials and supplies .....	12,611	23,611	21,897	1,714
Contractual services .....	146,054	222,540	215,263	7,277
Total board of elections .....	642,294	719,542	706,166	13,376
Maintenance and operation:				
Personal services .....	567,433	490,646	454,669	35,977
Fringe benefits .....	271,701	264,643	232,495	32,148
Materials and supplies .....	416,696	376,696	328,770	47,926
Contractual services .....	1,070,392	1,008,149	938,774	69,375
Capital outlay .....	74,023	82,023	69,701	12,322
Total maintenance and operation .....	2,400,245	2,222,157	2,024,409	197,748
Recorder:				
Personal services .....	229,476	229,476	223,921	5,555
Fringe benefits .....	132,058	125,801	116,001	9,800
Materials and supplies .....	5,200	5,200	2,379	2,821
Contractual services .....	7,991	7,991	5,954	2,037
Total recorder .....	374,725	368,468	348,255	20,213
Human resources:				
Personal services .....	111,487	103,509	99,551	3,958
Fringe benefits .....	32,175	41,952	31,735	10,217
Contractual services .....	-	8,600	8,600	-
Total human resources .....	143,662	154,061	139,886	14,175
Budget commission:				
Contractual services .....	1,900	1,900	-	1,900
Insurance on property and persons:				
Contractual services .....	417,450	264,746	263,973	773
Levy and assessment:				
Contractual services .....	149,000	152,368	150,768	1,600
Total general government - legislative and executive .....	\$ 8,857,266	\$ 8,753,687	\$ 8,041,399	\$ 712,288

(Continued)

Fairfield County, Ohio

**SCHEDULE OF EXPENDITURES — BUDGET  
(NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND**

(Continued)

For the Year Ended December 31, 2004

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>General government - judicial</b>				
Domestic relations:				
Personal services .....	\$ 351,968	\$ 351,968	\$ 350,808	\$ 1,160
Fringe benefits .....	132,659	123,144	116,636	6,508
Materials and supplies .....	2,300	2,300	1,672	628
Contractual services .....	6,100	6,100	3,103	2,997
Capital outlay .....	3,575	3,575	3,484	91
Total domestic relations .....	496,602	487,087	475,703	11,384
Court of appeals:				
Contractual services .....	23,000	21,804	21,804	-
Common pleas probation:				
Personal services .....	141,968	141,968	131,323	10,645
Fringe benefits .....	80,986	65,381	63,249	2,132
Contractual services .....	7,435	7,555	7,555	-
Total common pleas probation .....	230,389	214,904	202,127	12,777
Common pleas court:				
Personal services .....	388,368	388,368	366,282	22,086
Fringe benefits .....	157,981	159,621	158,761	860
Materials and supplies .....	3,000	6,896	6,896	-
Contractual services .....	92,898	108,987	100,263	8,724
Capital outlay .....	15,229	17,477	17,477	-
Total common pleas court .....	657,476	681,349	649,679	31,670
Jury commission:				
Personal services .....	1,485	1,485	1,483	2
Fringe benefits .....	345	306	233	73
Materials and supplies .....	3,473	2,779	1,434	1,345
Total jury commission .....	5,303	4,570	3,150	1,420
Juvenile court:				
Contractual services .....	326,321	277,321	277,093	228
Probate court:				
Personal services .....	230,640	230,640	228,343	2,297
Fringe benefits .....	134,892	128,687	103,428	25,259
Materials and supplies .....	2,012	2,012	2,010	2
Contractual services .....	10,022	10,022	5,856	4,166
Capital outlay .....	884	884	884	-
Total probate court .....	378,450	372,245	340,521	31,724
Clerk of courts:				
Personal services .....	371,044	371,044	371,004	40
Fringe benefits .....	168,502	158,371	156,697	1,674
Materials and supplies .....	15,405	22,405	21,684	721
Contractual services .....	29,476	59,336	58,776	560
Capital outlay .....	1,500	12,358	12,334	24
Total clerk of courts .....	\$ 585,927	\$ 623,514	\$ 620,495	\$ 3,019

(Continued)

Fairfield County, Ohio

**SCHEDULE OF EXPENDITURES — BUDGET  
(NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND**

(Continued)

For the Year Ended December 31, 2004

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Municipal court:				
Personal services .....	\$ 212,343	\$ 207,149	\$ 204,761	\$ 2,388
Fringe benefits .....	74,921	69,786	67,119	2,667
Contractual services .....	23,600	50,461	44,914	5,547
Total municipal court .....	310,864	327,396	316,794	10,602
Law library:				
Other .....	74,315	74,315	69,517	4,798
Notary public fees:				
Materials and supplies .....	2,000	2,000	1,063	937
Capital outlay .....	5,000	5,000	-	5,000
Total notary public fees .....	7,000	7,000	1,063	5,937
Public defender:				
Contractual services .....	606,301	1,006,301	959,246	47,055
Total general government - judicial .....	3,701,948	4,097,806	3,937,192	160,614
<b>Public safety</b>				
Probation department:				
Personal services .....	504,986	495,740	474,366	21,374
Fringe benefits .....	200,686	212,040	206,302	5,738
Materials and supplies .....	22,165	22,165	22,165	-
Contractual services .....	286,429	506,429	506,429	-
Capital outlay .....	20,833	29,833	28,903	930
Other .....	3,000	3,000	-	3,000
Total probation department .....	1,038,099	1,269,207	1,238,165	31,042
Coroner:				
Personal services .....	72,193	70,961	70,961	-
Fringe benefits .....	18,257	15,561	11,904	3,657
Materials and supplies .....	3,756	1,922	1,892	30
Contractual services .....	62,250	65,316	59,390	5,926
Capital outlay .....	8,000	8,521	8,520	1
Total coroner .....	164,456	162,281	152,667	9,614
Sheriff:				
Personal services .....	5,627,427	5,472,329	5,392,907	79,422
Fringe benefits .....	2,426,761	2,239,491	2,208,908	30,583
Materials and supplies .....	566,413	722,927	720,957	1,970
Contractual services .....	442,393	937,893	897,843	40,050
Capital outlay .....	30,852	58,207	50,592	7,615
Other .....	44,068	45,568	45,568	-
Total sheriff .....	9,137,914	9,476,415	9,316,775	159,640
Total public safety .....	10,340,469	10,907,903	10,707,607	200,296
<b>Health</b>				
Agriculture:				
Contractual services .....	449,154	454,154	449,654	4,500
TB clinics:				
Contractual services .....	2,500	4,550	4,193	357
Regular and vital statistics:				
Contractual services .....	\$ 3,500	\$ 2,079	\$ 2,079	\$ -

(Continued)

Fairfield County, Ohio

**SCHEDULE OF EXPENDITURES — BUDGET  
(NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND**

(Continued)

For the Year Ended December 31, 2004

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Crippled children:				
Contractual services .....	\$ 266,547	\$ 266,547	\$ 247,330	\$ 19,217
Total health .....	721,701	727,330	703,256	24,074
<b>Human services</b>				
Veterans service commission:				
Personal services .....	181,825	181,825	167,292	14,533
Fringe benefits .....	76,448	81,293	71,972	9,321
Materials and supplies .....	21,000	21,000	20,799	201
Contractual services .....	512,000	507,155	325,977	181,178
Total human services .....	791,273	791,273	586,040	205,233
<b>Transportation</b>				
Airport:				
Materials and supplies .....	4,000	4,000	2,855	1,145
Contractual services .....	174,867	171,867	146,876	24,991
Capital outlay .....	34,101	37,101	25,593	11,508
Total transportation .....	212,968	212,968	175,324	37,644
<b>Other</b>				
Commissioners share - costs:				
Contractual services .....	1,073,109	1,408,706	1,408,706	-
Unanticipated emergency:				
Other .....	300,000	46,180	-	46,180
Miscellaneous:				
Contractual services.....	456,100	143,527	55,020	88,507
Other.....	5,100	5,127	2,176	2,951
Total miscellaneous .....	461,200	148,654	57,196	91,458
Total other .....	1,834,309	1,603,540	1,465,902	137,638
Total expenditures.....	<u>\$ 26,459,934</u>	<u>\$ 27,094,507</u>	<u>\$ 25,616,720</u>	<u>\$ 1,477,787</u>

## Nonmajor Governmental Funds

### **Special Revenue Funds**

The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the County.

### **Debt Service Funds**

The debt service funds are maintained to account for the accumulation of resources for, and the payment of, principal, interest, and related costs, on general long-term obligations and special assessment long-term obligations.

### **Capital Projects Funds**

The capital projects funds are maintained to account for those financial resources received and used for the acquisition, construction, or improvement of major capital facilities (other than those financed by proprietary funds).

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

December 31, 2004

Exhibit D-1

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 9,872,065	\$ 104,575	\$ 2,197,334	\$ 12,173,974
Cash and cash equivalents in segregated accounts .....	332,457	-	67,000	399,457
Cash and cash equivalents with fiscal agents.....	22,401	-	-	22,401
Receivables:				
Property and other taxes .....	2,395,908	-	-	2,395,908
Accounts .....	69,736	1,867	385	71,988
Interfund .....	2,926	173	777	3,876
Special assessments .....	155,036	3,139,842	-	3,294,878
Accrued interest .....	3,755	380	1,185	5,320
Loans .....	672,022	-	-	672,022
Intergovernmental .....	2,996,092	-	215,508	3,211,600
Materials and supplies inventory.....	3,941	-	-	3,941
Prepaid items.....	83,381	-	-	83,381
Total assets.....	<u>\$ 16,609,720</u>	<u>\$ 3,246,837</u>	<u>\$ 2,482,189</u>	<u>\$ 22,338,746</u>
<b>LIABILITIES</b>				
Accounts payable.....	\$ 612,551	\$ -	\$ 52	\$ 612,603
Contracts payable.....	85,388	-	527,576	612,964
Accrued wages and benefits payable.....	180,581	-	-	180,581
Retainage payable.....	26,227	-	130,377	156,604
Interfund payable.....	413,868	-	-	413,868
Intergovernmental payable.....	137,037	-	-	137,037
Deferred revenue.....	4,248,690	3,139,964	213,504	7,602,158
Accrued interest payable.....	-	-	575	575
Notes payable.....	-	-	520,000	520,000
Total liabilities.....	<u>5,704,342</u>	<u>3,139,964</u>	<u>1,392,084</u>	<u>10,236,390</u>
<b>FUND BALANCES</b>				
Reserved for encumbrances .....	1,513,498	-	331,735	1,845,233
Reserved for loans .....	672,022	-	-	672,022
Unreserved:				
Undesignated, Reported in:				
Special Revenue Funds .....	8,719,858	-	-	8,719,858
Debt Service Funds .....	-	106,873	-	106,873
Capital Projects Funds .....	-	-	758,370	758,370
Total fund balances.....	<u>10,905,378</u>	<u>106,873</u>	<u>1,090,105</u>	<u>12,102,356</u>
Total liabilities and fund balances.....	<u>\$ 16,609,720</u>	<u>\$ 3,246,837</u>	<u>\$ 2,482,189</u>	<u>\$ 22,338,746</u>

# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2004

Exhibit D-2

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<b>REVENUES</b>				
Property and other taxes.....	\$ 1,124,676	\$ -	\$ -	\$ 1,124,676
Charges for services.....	3,312,134	-	1,730	3,313,864
Licenses and permits.....	301,951	-	-	301,951
Fines and forfeitures.....	141,098	-	-	141,098
Intergovernmental.....	9,137,951	-	2,245,543	11,383,494
Special assessments.....	103,977	248,051	-	352,028
Interest.....	42,304	69,050	4,520	115,874
Rent.....	-	-	52,713	52,713
Donations.....	9,188	-	-	9,188
Other.....	8,418	-	3,590	12,008
Total revenues.....	<u>14,181,697</u>	<u>317,101</u>	<u>2,308,096</u>	<u>16,806,894</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	2,053,289	-	-	2,053,289
Judicial .....	773,536	-	-	773,536
Public safety .....	2,509,008	-	-	2,509,008
Public works .....	1,178,846	-	-	1,178,846
Health .....	633,974	-	-	633,974
Human services .....	6,762,162	-	-	6,762,162
Urban redevelopment and housing .....	480,921	-	-	480,921
Intergovernmental.....	880,106	-	-	880,106
Capital outlay.....	-	-	3,528,240	3,528,240
Debt service:				
Principal retirement .....	7,738	205,000	-	212,738
Interest and fiscal charges .....	1,655	110,492	10,826	122,973
Issuance costs .....	-	36,696	-	36,696
Total expenditures.....	<u>15,281,235</u>	<u>352,188</u>	<u>3,539,066</u>	<u>19,172,489</u>
Excess of revenues under expenditures.....	<u>(1,099,538)</u>	<u>(35,087)</u>	<u>(1,230,970)</u>	<u>(2,365,595)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Notes issued.....	-	-	250,000	250,000
Loans received.....	-	-	133,693	133,693
Special assessment bonds received.....	-	1,468,715	-	1,468,715
Premium on bonds.....	-	72,486	-	72,486
Sale of capital assets.....	128,425	-	-	128,425
Inception of capital lease.....	40,204	-	-	40,204
Transfers in.....	2,079,228	2,868	639,772	2,721,868
Transfers out.....	(396,775)	(1,481,771)	(127,360)	(2,005,906)
Total other financing sources (uses).....	<u>1,851,082</u>	<u>62,298</u>	<u>896,105</u>	<u>2,809,485</u>
Net changes in fund balances.....	751,544	27,211	(334,865)	443,890
Fund balances - beginning of year.....	10,153,834	79,662	1,424,970	11,658,466
Fund balances - end of year.....	<u>\$ 10,905,378</u>	<u>\$ 106,873</u>	<u>\$ 1,090,105</u>	<u>\$ 12,102,356</u>

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## Nonmajor Special Revenue Funds

The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the County.

The following are included in nonmajor special revenue funds:

Dog and Kennel Fund	To account for the dog warden's operations, financed by sales of dog tags, kennel permits, and collections of fines.
Child Support Enforcement Agency Fund	To account for state, federal, and local revenue used to administer the County Bureau of Support.
Computerized Legal Research Fund	To account for fees used to make available computerized legal research services.
Real Estate Assessment Fund	To account for state-mandated countywide real estate reappraisals that are funded by charges to the political subdivisions located within the County.
Treasurer's Prepayment Fund	To account for real property taxes paid on a prepayment schedule designed by the County Treasurer.
Road and Bridge Fund	To account for revenues received from fines from the Lancaster, Ohio, Municipal Court for weight limit violations. Expenditures administer the Weight Limit Program.
Youth Services Fund	To account for grant monies received from the State Department of Youth Services and used for foster care placement, diversion programs, juvenile delinquency prevention, and other related youth services activities.
Enforcement and Education Fund	To account for monies received from fines from convictions in alcohol-related cases; used for education of the community and for the purchase of law enforcement equipment.
Ditch Maintenance Fund	To account for revenue used to build irrigation ditches and to maintain existing ditches within the County.
Delinquent Real Estate Collection Fund	To account for five percent of all delinquent real estate taxes, personal property taxes, and manufactured home taxes used for the purpose of collecting delinquent real estate taxes.
Commissary Fund	To account for revenue generated through the Sheriff's office from commissary sales.
Children Services Fund	To account for monies received from federal and state grants, support collections, the Veterans' Administration, and the Social Security Administration. The fund makes expenditures to support foster homes, emergency shelters, medical treatment, school supplies, counseling, and parental training.

(Continued)

## Nonmajor Special Revenue Funds (continued)

Indigent Guardianship Fund	To account for probate fees used for court-appointed guardians for indigents.
Emergency Management and Homeland Security Fund	To account for fees, grant monies, and donations used for maintaining an emergency services department.
Emergency Planning Fund	To account for grant monies received from the State, donation, and fees used to plan for toxic waste spill emergencies.
Marriage License Fund	To account for monies collected by the courts to computerize the court system.
Bateson Beach Fund	To account for special assessments and clerk of court fees; used for bridge maintenance.
Computer Fund	To account for fines collected by the courts; used to computerize the court system.
Certificate of Title Administration Fund	To account for fees collected; used by Clerk of Courts for costs incurred in processing titles.
County Recorder Equipment Fund	To account for fees collected from each deed and/or instrument filed in the Recorder's Office. The County Recorder uses these fees to acquire and maintain equipment and to purchase contractual services.
Parent Education Fund	To account for fees collected by the Clerk of Courts; used to provide parent education seminars for persons seeking divorce, dissolution, or legal separation when minor children are involved.
Indigent Children Drivers Fund	To account for driver's license reinstatement fines; used to provide alcohol and drug treatment for indigent drivers.
Environmental Affairs Grant Fund	To account for grant monies received from the Ohio Department of Natural Resources and the Coshocton-Fairfield-Licking-Perry Solid Waste District; used to fund the costs of the Environmental Affairs Office and approved special projects.
Adult Community Based Corrections Fund	To account for a state grant funding an adult community-based corrections program.
Bridges, Culverts, and County Road Levy Fund	To account for a half-mill levy for the maintenance and construction of county bridges, culverts, and roads.
County Probation Services Community Based Corrections Fund	To account for fees used in the operation for a community-based corrections program.

(Continued)

## Nonmajor Special Revenue Funds (continued)

Community Corrections Fund	To account for a grant from the Ohio Department of Rehabilitation and Corrections; used for a jail reduction program and is associated with the Lancaster Municipal Court.
Litter Enforcement Fund	To account for a state grant to enforce litter laws and to educate citizens.
Ohio Seat Belt Fund	To account for fine monies collected; used to educate the public about using seat belts.
Crossroads Center Fund	To account for a grant donation from the Fairfield Foundation and for court-assessed fees; used for the operations of the Fairfield County Crossroads Center.
Economic Development Assistance Grant Fund	To account for revenue from the federal government; used to fund a revolving loan program. This fund receives monthly loan payments with interest from local business in the revolving loan program. This fund is not required to be budgeted; therefore, no budgetary basis statement is presented.
Community Development Block Grant Fund	To account for revenue from the federal government; used to fund a revolving loan program, improvement of targeted areas within the County, and home improvement assistance for low income households.
Drug Abuse Resistance Education Fund	To account for donations and state grants; used in a Sheriff's office educational program encouraging children to resist drug abuse.
Select Traffic Enforcement Program Fund	To account for a federal grant, passed through the Ohio Department of Public Safety, providing additional law enforcement services during holiday and other heavy traffic periods.
Highway Safety Program Fund	To account for a federal grant, passed through the Ohio Department of Public Safety, surveying guardrail inventories and studying highway safety issues. This fund was not budgeted because the County did not anticipate any activity and none occurred.
Victims of Crime Fund	To account for state and federal grants for a victim's advocacy program.
Drug Court Program Fund	To account for Juvenile Court-assessed fees used for operating a Drug Court.
Dispute Resolution and Mediation Fund	To account for mediation fees used for the purchase of equipment and payment of salaries.
Reese-Peters Home Lodge Tax Fund	To account for a 1.5 percent lodging excise tax; used to renovate a County-owned home that will be used as a cultural arts facility.
Local Law Enforcement Grant Fund	To account for a federal grant and local matching funds; used for the purchase of equipment and payment of salaries.

(Continued)

## Nonmajor Special Revenue Funds (continued)

Cops Universal Hiring Fund	To account for a federal grant and County matching funds; used for a program designed to improve law enforcement visibility and services.
Accountability Grant Fund	To account for a federal grant and local matching funds; used for the salary and benefits of a Juvenile Court Counselor.
Sanction Costs Reimbursements Fund	To account for inmate reimbursements to the County, authorized by the Board of County Commissioners. Inmates pay for the costs of their confinement if offenses are greater than minor misdemeanors. A hearing is held to determine the inmate's ability to pay.
Juvenile Recovery Fund	To account for collection of various fees and costs associated with Juvenile Court activities not specific to the Drug Court or the Crossroads Center School.
Home Fund	To account for a federal grant which provides home rehabilitation and down payment assistance for low income households.
Major Crimes Unit Grant Fund	To account for a federal grant designed to improve the functioning of the criminal justice system, with emphasis on drugs, violent crime, and serious offenders, and to enforce State and local laws
Transportation Coordination Grant Fund	To account for a grant from the Ohio Department of Transportation with a purpose to improve special needs transportation.
Clean Ohio Easement Program Fund	To account for a pass-through grant awarded to Steven and Deborah Miller Farm to help save agricultural land.
Concealed Handgun License Fund	To account for revenue and expenditure activity related to the issuance of concealed handgun licenses established by House Bill 12A.
Workforce Investment Act Fund	To account for revenue and expenditure activity of the Workforce Investment Act (WIA) established by Senate Bill 189.
Older Adult Services Levy Fund	To account for revenue and expenditure activity from the Older Adult Services Levy. The purpose of the levy was to provide services for older adult Fairfield County residents. This fund was not budgeted because the County did not anticipate any activity and none occurred.
Special Projects Domestic Relations Fund	To account for a grant from the US Department of Justice for the purpose of maintaining efficient operations of the Domestic Relations Court. This fund was not budgeted because the County did not anticipate any activity and none occurred.
Ohio Children's Trust Fund	To account for a grant designed to provide funding for child abuse and neglect prevention programs.

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2004

	Dog and Kennel Fund	Child Support Enforcement Agency Fund	Computerized Legal Research Fund	Real Estate Assessment Fund	Treasurer's Prepayment Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 93,610	\$ 670,434	\$ 111,853	\$ 2,162,859	\$ 3,872
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	-	-	-
Receivables:					
Property and other taxes .....	-	-	-	-	-
Accounts .....	-	29,871	3,499	-	-
Interfund .....	-	-	-	-	369
Special assessments .....	-	-	-	-	-
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	165	299,731	-	-	-
Materials and supplies inventory.....	903	-	-	-	-
Prepaid items.....	3,953	32,986	-	8,162	-
Total assets.....	<u>\$ 98,631</u>	<u>\$ 1,033,022</u>	<u>\$ 115,352</u>	<u>\$ 2,171,021</u>	<u>\$ 4,241</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ 1,472	\$ 7,937	\$ -	\$ 1,066	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	9,157	72,440	-	20,723	288
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	50,694	-	-	-
Intergovernmental payable.....	8,323	35,308	-	9,553	138
Deferred revenue.....	-	-	384	-	-
Total liabilities.....	<u>18,952</u>	<u>166,379</u>	<u>384</u>	<u>31,342</u>	<u>426</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	4,151	75,404	-	1,251,721	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficits) .....	<u>75,528</u>	<u>791,239</u>	<u>114,968</u>	<u>887,958</u>	<u>3,815</u>
Total fund balances (deficits).....	<u>79,679</u>	<u>866,643</u>	<u>114,968</u>	<u>2,139,679</u>	<u>3,815</u>
Total liabilities and fund balances....	<u>\$ 98,631</u>	<u>\$ 1,033,022</u>	<u>\$ 115,352</u>	<u>\$ 2,171,021</u>	<u>\$ 4,241</u>

Exhibit E-1

Road and Bridge Fund	Youth Services Fund	Enforcement and Education Fund	Ditch Maintenance Fund	Delinquent Real Estate Collection Fund	Commissary Fund	Children Services Fund
\$ 6,585	\$ 398,715	\$ 22,977	\$ 599,010	\$ 380,109	\$ 16,863	\$ 236,530
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	531
-	-	-	-	-	-	560
-	-	-	148,456	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,599	246,320	289	-	-	-	1,321,636
-	-	-	-	-	-	-
-	9,726	-	-	3,205	-	-
<u>\$ 9,184</u>	<u>\$ 654,761</u>	<u>\$ 23,266</u>	<u>\$ 747,466</u>	<u>\$ 383,314</u>	<u>\$ 16,863</u>	<u>\$ 1,559,257</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,497	\$ 10,110	\$ 172,119
-	-	-	-	-	-	-
-	29,542	-	-	4,121	380	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
521	13,512	-	-	2,510	383	721
-	123,017	-	148,456	-	-	823,661
<u>521</u>	<u>166,071</u>	<u>-</u>	<u>148,456</u>	<u>8,128</u>	<u>10,873</u>	<u>996,501</u>
-	-	-	-	5,033	2,028	115,290
-	-	-	-	-	-	-
<u>8,663</u>	<u>488,690</u>	<u>23,266</u>	<u>599,010</u>	<u>370,153</u>	<u>3,962</u>	<u>447,466</u>
<u>8,663</u>	<u>488,690</u>	<u>23,266</u>	<u>599,010</u>	<u>375,186</u>	<u>5,990</u>	<u>562,756</u>
<u>\$ 9,184</u>	<u>\$ 654,761</u>	<u>\$ 23,266</u>	<u>\$ 747,466</u>	<u>\$ 383,314</u>	<u>\$ 16,863</u>	<u>\$ 1,559,257</u>

(Continued)

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2004

	Indigent Guardianship Fund	Emergency Management and Homeland Security Fund	Emergency Planning Fund	Marriage License Fund	Bateson Beach Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 4,551	\$ 277,577	\$ 37,489	\$ 18,668	\$ 2,502
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	-	-	-
Receivables:					
Property and other taxes .....	-	-	-	-	-
Accounts .....	-	-	-	557	-
Interfund .....	-	-	-	-	-
Special assessments .....	-	-	-	-	6,580
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	-	787	-	-	-
Materials and supplies inventory.....	-	-	-	-	-
Prepaid items.....	-	1,423	-	-	-
Total assets.....	<u>\$ 4,551</u>	<u>\$ 279,787</u>	<u>\$ 37,489</u>	<u>\$ 19,225</u>	<u>\$ 9,082</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ 500	\$ 261,790	\$ -	\$ 16,485	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	-	4,160	296	-	-
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	-	-	-	-
Intergovernmental payable.....	-	2,273	135	-	-
Deferred revenue.....	-	-	-	256	6,580
Total liabilities.....	<u>500</u>	<u>268,223</u>	<u>431</u>	<u>16,741</u>	<u>6,580</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	-	20,657	-	-	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficits) .....	<u>4,051</u>	<u>(9,093)</u>	<u>37,058</u>	<u>2,484</u>	<u>2,502</u>
Total fund balances (deficits).....	<u>4,051</u>	<u>11,564</u>	<u>37,058</u>	<u>2,484</u>	<u>2,502</u>
Total liabilities and fund balances....	<u>\$ 4,551</u>	<u>\$ 279,787</u>	<u>\$ 37,489</u>	<u>\$ 19,225</u>	<u>\$ 9,082</u>

(Continued)

Exhibit E-1

Computer Fund	Certificate of Title Administration Fund	County Recorder Equipment Fund	Parent Education Fund	Indigent Children Drivers Fund	Environmental Affairs Grant Fund	Adult Community Based Corrections Fund
\$ 262,563	\$ 930,211	\$ 282,653	\$ 19,328	\$ 1,903	\$ 16,703	\$ 3,639
-	-	11,012	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,905	-	-	1,833	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	16,980	79,081
-	-	-	-	-	-	-
-	9,150	985	-	-	-	2,414
<u>\$ 274,468</u>	<u>\$ 939,361</u>	<u>\$ 294,650</u>	<u>\$ 21,161</u>	<u>\$ 1,903</u>	<u>\$ 33,683</u>	<u>\$ 85,134</u>
\$ -	\$ 365	\$ 20,536	\$ 1,696	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	16,848	-	-	-	-	6,649
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	7,876	-	-	-	-	3,060
1,273	-	-	475	-	16,980	39,540
<u>1,273</u>	<u>25,089</u>	<u>20,536</u>	<u>2,171</u>	<u>-</u>	<u>16,980</u>	<u>49,249</u>
-	260	1,828	-	-	-	-
-	-	-	-	-	-	-
<u>273,195</u>	<u>914,012</u>	<u>272,286</u>	<u>18,990</u>	<u>1,903</u>	<u>16,703</u>	<u>35,885</u>
<u>273,195</u>	<u>914,272</u>	<u>274,114</u>	<u>18,990</u>	<u>1,903</u>	<u>16,703</u>	<u>35,885</u>
<u>\$ 274,468</u>	<u>\$ 939,361</u>	<u>\$ 294,650</u>	<u>\$ 21,161</u>	<u>\$ 1,903</u>	<u>\$ 33,683</u>	<u>\$ 85,134</u>

(Continued)

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2004

	Bridges, Culverts, and County Road Levy Fund	County Probation Services Com- munity Based Corrections Fund	Community Corrections Fund	Litter Enforcement Fund	Ohio Seat Belt Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 1,000,197	\$ 165,426	\$ -	\$ 45,425	\$ 7,672
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	22,401	-	-
Receivables:					
Property and other taxes .....	1,185,585	-	-	-	-
Accounts .....	-	17,157	-	-	-
Interfund .....	-	-	-	-	-
Special assessments .....	-	-	-	-	-
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	79,731	-	34,768	-	-
Materials and supplies inventory.....	-	-	-	-	-
Prepaid items.....	-	1,067	-	1,002	-
Total assets.....	<u>\$ 2,265,513</u>	<u>\$ 183,650</u>	<u>\$ 57,169</u>	<u>\$ 46,427</u>	<u>\$ 7,672</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ -	\$ 1,467	\$ -	\$ -	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	-	-	-	1,957	-
Retainage payable.....	23,759	-	-	-	-
Interfund payable.....	-	-	-	-	-
Intergovernmental payable.....	-	-	-	6,924	-
Deferred revenue.....	1,260,899	8,734	17,384	-	-
Total liabilities.....	<u>1,284,658</u>	<u>10,201</u>	<u>17,384</u>	<u>8,881</u>	<u>-</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	-	20,469	-	-	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficits) .....	980,855	152,980	39,785	37,546	7,672
Total fund balances (deficits).....	<u>980,855</u>	<u>173,449</u>	<u>39,785</u>	<u>37,546</u>	<u>7,672</u>
Total liabilities and fund balances....	<u>\$ 2,265,513</u>	<u>\$ 183,650</u>	<u>\$ 57,169</u>	<u>\$ 46,427</u>	<u>\$ 7,672</u>

(Continued)

Exhibit E-1

<u>Crossroads Center Fund</u>	<u>Economic Development Assistance Grant Fund</u>	<u>Community Development Block Grant Fund</u>	<u>Drug Abuse Resistance Education Fund</u>	<u>Highway Safety Program Fund</u>	<u>Victims of Crime Fund</u>	<u>Drug Court Program Fund</u>
\$ 562,194	\$ -	\$ 96,684	\$ 37,013	\$ 34	\$ 65,454	\$ 123,578
-	225,424	96,021	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
147	-	-	-	-	-	-
-	-	-	-	-	-	-
-	520	184	-	-	-	-
-	468,952	203,070	-	-	-	-
155,780	-	425,219	-	-	55,991	-
-	-	-	-	-	3,038	-
8,141	-	-	99	-	456	612
<u>\$ 726,262</u>	<u>\$ 694,896</u>	<u>\$ 821,178</u>	<u>\$ 37,112</u>	<u>\$ 34</u>	<u>\$ 124,939</u>	<u>\$ 124,190</u>
\$ 3,500	\$ -	\$ 2,380	\$ 400	\$ -	\$ -	\$ 18
-	-	41,620	-	-	-	-
9,290	-	-	-	-	4,505	-
-	-	-	-	-	-	-
-	-	101,614	-	-	-	30,000
3,896	-	24,536	-	-	2,112	-
118,098	-	311,598	-	-	43,549	-
<u>134,784</u>	<u>-</u>	<u>481,748</u>	<u>400</u>	<u>-</u>	<u>50,166</u>	<u>30,018</u>
3,695	-	-	-	-	-	-
-	468,952	203,070	-	-	-	-
<u>587,783</u>	<u>225,944</u>	<u>136,360</u>	<u>36,712</u>	<u>34</u>	<u>74,773</u>	<u>94,172</u>
<u>591,478</u>	<u>694,896</u>	<u>339,430</u>	<u>36,712</u>	<u>34</u>	<u>74,773</u>	<u>94,172</u>
<u>\$ 726,262</u>	<u>\$ 694,896</u>	<u>\$ 821,178</u>	<u>\$ 37,112</u>	<u>\$ 34</u>	<u>\$ 124,939</u>	<u>\$ 124,190</u>

(Continued)

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2004

	Dispute Resolution and Mediation Fund	Reese- Peters Home Lodge Tax Fund	Local Law Enforcement Grant Fund	Account- ability Grant Fund	Sanction Costs Reim- bursements Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 125,188	\$ -	\$ 20,706	\$ 8,590	\$ 36,249
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	-	-	-
Receivables:					
Property and other taxes .....	-	37,589	-	-	-
Accounts .....	3,976	-	-	-	-
Interfund .....	-	-	-	-	-
Special assessments .....	-	-	-	-	-
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	-	-	-	-	-
Materials and supplies inventory.....	-	-	-	-	-
Prepaid items.....	-	-	-	-	-
Total assets.....	<u>\$ 129,164</u>	<u>\$ 37,589</u>	<u>\$ 20,706</u>	<u>\$ 8,590</u>	<u>\$ 36,249</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ 5,224	\$ 34,691	\$ 6,378	\$ -	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	-	-	-	-	-
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	-	-	-	-
Intergovernmental payable.....	-	-	-	276	-
Deferred revenue.....	1,772	2,898	-	-	-
Total liabilities.....	<u>6,996</u>	<u>37,589</u>	<u>6,378</u>	<u>276</u>	<u>-</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	976	-	3,000	-	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficits) .....	121,192	-	11,328	8,314	36,249
Total fund balances (deficits).....	<u>122,168</u>	<u>-</u>	<u>14,328</u>	<u>8,314</u>	<u>36,249</u>
Total liabilities and fund balances....	<u>\$ 129,164</u>	<u>\$ 37,589</u>	<u>\$ 20,706</u>	<u>\$ 8,590</u>	<u>\$ 36,249</u>

(Continued)

Exhibit E-1

Juvenile Recovery Fund	Home Fund	Major Crimes Unit Grant Fund	Transportation Coordination Grant Fund	Clean Ohio Easement Program Fund	Concealed Handgun License Fund	Workforce Investment Act Fund
\$ 199,767	\$ 93,211	\$ -	\$ -	\$ 664,000	\$ 940	\$ 49,295
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	1,997	-	-
-	-	-	-	3,051	-	-
-	-	-	-	-	-	-
-	56,186	23,528	4,978	-	-	99,894
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 199,767</u>	<u>\$ 149,397</u>	<u>\$ 23,528</u>	<u>\$ 4,978</u>	<u>\$ 669,048</u>	<u>\$ 940</u>	<u>\$ 149,189</u>
\$ 5,245	\$ 1,211	\$ -	\$ -	\$ 1,419	\$ -	\$ 55,045
-	43,768	-	-	-	-	-
225	-	-	-	-	-	-
-	2,468	-	-	-	-	-
-	50,000	50,000	-	-	-	131,560
143	-	-	-	-	930	13,907
-	47,330	9,547	-	976	-	-
<u>5,613</u>	<u>144,777</u>	<u>59,547</u>	<u>-</u>	<u>2,395</u>	<u>930</u>	<u>200,512</u>
882	-	-	-	-	-	8,104
-	-	-	-	-	-	-
<u>193,272</u>	<u>4,620</u>	<u>(36,019)</u>	<u>4,978</u>	<u>666,653</u>	<u>10</u>	<u>(59,427)</u>
<u>194,154</u>	<u>4,620</u>	<u>(36,019)</u>	<u>4,978</u>	<u>666,653</u>	<u>10</u>	<u>(51,323)</u>
<u>\$ 199,767</u>	<u>\$ 149,397</u>	<u>\$ 23,528</u>	<u>\$ 4,978</u>	<u>\$ 669,048</u>	<u>\$ 940</u>	<u>\$ 149,189</u>

(Continued)

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS**

(Continued)

December 31, 2004

Exhibit E-1

	Older Adult Services Levy Fund	Special Pro- jects Domestic Relations Fund	Ohio Children's Trust Fund	Totals
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 9,238	\$ -	\$ -	\$ 9,872,065
Cash and cash equivalents in segregated accounts .....	-	-	-	332,457
Cash and cash equivalents with fiscal agents .....	-	-	-	22,401
Receivables:				
Property and other taxes .....	1,172,734	-	-	2,395,908
Accounts .....	-	260	-	69,736
Interfund .....	-	-	-	2,926
Special assessments .....	-	-	-	155,036
Accrued interest .....	-	-	-	3,755
Loans .....	-	-	-	672,022
Intergovernmental .....	71,693	-	20,736	2,996,092
Materials and supplies inventory.....	-	-	-	3,941
Prepaid items.....	-	-	-	83,381
Total assets.....	<u>\$ 1,253,665</u>	<u>\$ 260</u>	<u>\$ 20,736</u>	<u>\$ 16,609,720</u>
<b>LIABILITIES</b>				
Accounts payable.....	\$ -	\$ -	\$ -	612,551
Contracts payable.....	-	-	-	85,388
Accrued wages and benefits payable.....	-	-	-	180,581
Retainage payable.....	-	-	-	26,227
Interfund payable.....	-	-	-	413,868
Intergovernmental payable.....	-	-	-	137,037
Deferred revenue.....	<u>1,244,427</u>	<u>120</u>	<u>20,736</u>	<u>4,248,690</u>
Total liabilities.....	<u>1,244,427</u>	<u>120</u>	<u>20,736</u>	<u>5,704,342</u>
<b>FUND BALANCES:</b>				
Reserved for encumbrances .....	-	-	-	1,513,498
Reserved for loans .....	-	-	-	672,022
Unreserved:				
Undesignated (deficits) .....	<u>9,238</u>	<u>140</u>	<u>-</u>	<u>8,719,858</u>
Total fund balances (deficits).....	<u>9,238</u>	<u>140</u>	<u>-</u>	<u>10,905,378</u>
Total liabilities and fund balances....	<u>\$ 1,253,665</u>	<u>\$ 260</u>	<u>\$ 20,736</u>	<u>\$ 16,609,720</u>

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# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2004

	Dog and Kennel Fund	Child Support Enforcement Agency Fund	Computerized Legal Research Fund	Real Estate Assessment Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	26,814	350,679	20,463	1,053,352
Licenses and permits.....	228,228	-	-	-
Fines and forfeitures.....	19,730	-	-	-
Intergovernmental.....	3,500	2,164,488	-	-
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	1,031	-	-	-
Other.....	42	69	-	32
Total revenues.....	<u>279,345</u>	<u>2,515,236</u>	<u>20,463</u>	<u>1,053,384</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	585,201
Judicial .....	-	-	2,780	-
Public safety .....	-	-	-	-
Public works .....	-	-	-	-
Health .....	291,071	-	-	-
Human services .....	-	3,133,944	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>291,071</u>	<u>3,133,944</u>	<u>2,780</u>	<u>585,201</u>
Excess of revenues over (under) expenditures .....	<u>(11,726)</u>	<u>(618,708)</u>	<u>17,683</u>	<u>468,183</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	-	-
Inception of capital lease.....	-	-	-	-
Transfers in.....	-	830,119	-	-
Transfers out.....	-	-	-	(138,212)
Total other financing sources (uses).....	<u>-</u>	<u>830,119</u>	<u>-</u>	<u>(138,212)</u>
Net changes in fund balances.....	(11,726)	211,411	17,683	329,971
Fund balances - beginning of year.....	91,405	655,232	97,285	1,809,708
Fund balances (deficits) - end of year.....	<u>\$ 79,679</u>	<u>\$ 866,643</u>	<u>\$ 114,968</u>	<u>\$ 2,139,679</u>

Exhibit E-2

Treasurer's Prepayment Fund	Road and Bridge Fund	Youth Services Fund	Enforcement and Education Fund	Ditch Maintenance Fund	Delinquent Real Estate Collection Fund	Commissary Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	198,651	109,641
-	38,865	-	2,700	-	-	-
-	-	657,454	-	-	-	-
-	-	-	-	103,434	-	-
2,581	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,581</u>	<u>38,865</u>	<u>657,454</u>	<u>2,700</u>	<u>103,434</u>	<u>198,651</u>	<u>109,641</u>
7,057	-	-	-	-	188,345	-
-	-	-	-	-	-	-
-	-	731,957	1,893	-	-	105,489
-	44,499	-	-	3,252	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>7,057</u>	<u>44,499</u>	<u>731,957</u>	<u>1,893</u>	<u>3,252</u>	<u>188,345</u>	<u>105,489</u>
<u>(4,476)</u>	<u>(5,634)</u>	<u>(74,503)</u>	<u>807</u>	<u>100,182</u>	<u>10,306</u>	<u>4,152</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(4,476)</u>	<u>(5,634)</u>	<u>(74,503)</u>	<u>807</u>	<u>100,182</u>	<u>10,306</u>	<u>4,152</u>
8,291	14,297	563,193	22,459	498,828	364,880	1,838
<u>\$ 3,815</u>	<u>\$ 8,663</u>	<u>\$ 488,690</u>	<u>\$ 23,266</u>	<u>\$ 599,010</u>	<u>\$ 375,186</u>	<u>\$ 5,990</u>

(Continued)

# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2004

	Children Services Fund	Indigent Guardianship Fund	Emergency Management and Homeland Security Fund	Emergency Planning Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	45,844	16,620	7,658	-
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	2,155,613	-	822,560	18,549
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	1,458	-	253	-
Other.....	1,214	-	-	-
Total revenues.....	<u>2,204,129</u>	<u>16,620</u>	<u>830,471</u>	<u>18,549</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	-
Judicial .....	-	18,443	-	-
Public safety .....	-	-	889,106	10,557
Public works .....	-	-	-	-
Health .....	-	-	-	-
Human services .....	3,257,773	-	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>3,257,773</u>	<u>18,443</u>	<u>889,106</u>	<u>10,557</u>
Excess of revenues over (under) expenditures .....	<u>(1,053,644)</u>	<u>(1,823)</u>	<u>(58,635)</u>	<u>7,992</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital asset.....	-	-	-	-
Inception of capital lease.....	-	-	-	-
Transfers in.....	1,170,477	-	51,845	-
Transfers out.....	-	-	-	-
Total other financing sources (uses).....	<u>1,170,477</u>	<u>-</u>	<u>51,845</u>	<u>-</u>
Net changes in fund balances.....	116,833	(1,823)	(6,790)	7,992
Fund balances - beginning of year.....	445,923	5,874	18,354	29,066
Fund balances (deficits) - end of year.....	<u>\$ 562,756</u>	<u>\$ 4,051</u>	<u>\$ 11,564</u>	<u>\$ 37,058</u>

(Continued)

Exhibit E-2

<b>Marriage License Fund</b>	<b>Bateson Beach Fund</b>	<b>Computer Fund</b>	<b>Certificate of Title Administration Fund</b>	<b>County Recorder Equipment Fund</b>	<b>Parent Education Fund</b>	<b>Indigent Children Drivers Fund</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	663,284	146,820	13,505	-
31,654	-	-	-	-	-	-
-	-	78,451	-	-	-	303
-	-	-	-	-	-	-
-	543	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>31,654</u>	<u>543</u>	<u>78,451</u>	<u>663,284</u>	<u>146,820</u>	<u>13,505</u>	<u>303</u>
-	-	-	-	196,199	-	-
-	-	73,533	546,918	-	22,715	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
32,034	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,227	6,511	-	-
-	-	-	454	1,201	-	-
<u>32,034</u>	<u>-</u>	<u>73,533</u>	<u>548,599</u>	<u>203,911</u>	<u>22,715</u>	<u>-</u>
<u>(380)</u>	<u>543</u>	<u>4,918</u>	<u>114,685</u>	<u>(57,091)</u>	<u>(9,210)</u>	<u>303</u>
-	-	-	-	2,800	-	-
-	-	-	6,982	33,222	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	6,982	36,022	-	-
<u>(380)</u>	<u>543</u>	<u>4,918</u>	<u>121,667</u>	<u>(21,069)</u>	<u>(9,210)</u>	<u>303</u>
2,864	1,959	268,277	792,605	295,183	28,200	1,600
<u>\$ 2,484</u>	<u>\$ 2,502</u>	<u>\$ 273,195</u>	<u>\$ 914,272</u>	<u>\$ 274,114</u>	<u>\$ 18,990</u>	<u>\$ 1,903</u>

(Continued)

# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2004

	Environmental Affairs Grant Fund	Adult Com- munity Based Corrections Fund	Bridges, Culverts, and County Road Levy Fund	County Probation Services Com- munity Based Corrections Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ 958,371	\$ -
Charges for services.....	-	-	-	59,485
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	-	157,214	130,092	-
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	-	-	-	-
Other.....	-	-	-	372
Total revenues.....	<u>-</u>	<u>157,214</u>	<u>1,088,463</u>	<u>59,857</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	-
Judicial .....	-	-	-	-
Public safety .....	-	187,999	-	69,821
Public works .....	-	-	933,364	-
Health .....	-	-	-	-
Human services .....	-	-	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>-</u>	<u>187,999</u>	<u>933,364</u>	<u>69,821</u>
Excess of revenues over (under) expenditures .....	-	(30,785)	155,099	(9,964)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	125,625	-
Inception of capital lease.....	-	-	-	-
Transfers in.....	-	-	-	-
Transfers out.....	-	-	(108,209)	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>17,416</u>	<u>-</u>
Net changes in fund balances.....	-	(30,785)	172,515	(9,964)
Fund balances - beginning of year.....	16,703	66,670	808,340	183,413
Fund balances (deficits) - end of year.....	<u>\$ 16,703</u>	<u>\$ 35,885</u>	<u>\$ 980,855</u>	<u>\$ 173,449</u>

(Continued)

Exhibit E-2

Community Corrections Fund	Litter Enforcement Fund	Ohio Seat Belt Fund	Crossroads Center Fund	Economic Development Assistance Grant Fund	Community Development Block Grant Fund	Drug Abuse Resistance Education Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	328,690	-	-	16,667
-	-	-	-	-	-	-
-	-	1,049	-	-	-	-
69,322	325,560	-	-	-	480,928	36,252
-	-	-	-	-	-	-
-	-	-	-	22,646	6,128	-
-	-	-	120	-	-	6,326
-	-	-	-	-	968	50
<u>69,322</u>	<u>325,560</u>	<u>1,049</u>	<u>328,810</u>	<u>22,646</u>	<u>488,024</u>	<u>59,295</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	265,550	-	-	52,395
-	-	-	-	-	-	-
-	310,869	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	9,100	279,661	-
69,122	-	-	-	-	111,382	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>69,122</u>	<u>310,869</u>	<u>-</u>	<u>265,550</u>	<u>9,100</u>	<u>391,043</u>	<u>52,395</u>
<u>200</u>	<u>14,691</u>	<u>1,049</u>	<u>63,260</u>	<u>13,546</u>	<u>96,981</u>	<u>6,900</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(392)	-
-	-	-	-	-	(392)	-
200	14,691	1,049	63,260	13,546	96,589	6,900
39,585	22,855	6,623	528,218	681,350	242,841	29,812
<u>\$ 39,785</u>	<u>\$ 37,546</u>	<u>\$ 7,672</u>	<u>\$ 591,478</u>	<u>\$ 694,896</u>	<u>\$ 339,430</u>	<u>\$ 36,712</u>

(Continued)

# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2004

	Select Traffic Enforcement Program Fund	Highway Safety Program Fund	Victims of Crime Fund	Drug Court Program Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	-	-	-	26,604
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	-	-	68,433	-
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	-	-	-	-
Other.....	-	-	-	-
Total revenues.....	-	-	68,433	26,604
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	-
Judicial .....	-	-	-	11,482
Public safety .....	-	-	100,790	-
Public works .....	-	-	-	-
Health .....	-	-	-	-
Human services .....	-	-	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	-	-	100,790	11,482
Excess of revenues over (under) expenditures .....	-	-	(32,357)	15,122
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	-	-
Inception of capital lease.....	-	-	-	-
Transfers in.....	-	-	26,787	-
Transfers out.....	(2,181)	-	-	-
Total other financing sources (uses).....	(2,181)	-	26,787	-
Net changes in fund balances.....	(2,181)	-	(5,570)	15,122
Fund balances - beginning of year.....	2,181	34	80,343	79,050
Fund balances (deficits) - end of year.....	\$ -	\$ 34	\$ 74,773	\$ 94,172

(Continued)

Exhibit E-2

Dispute Resolution and Mediation Fund	Reese-Peters Home Lodge Tax Fund	Local Law Enforcement Grant Fund	Cops Universal Hiring Fund	Accountability Grant Fund	Sanction Costs Reimbursements Fund	Juvenile Recovery Fund
\$ -	\$ 157,067	\$ -	\$ -	\$ -	\$ -	\$ -
34,554	-	-	-	-	294	192,369
-	-	-	-	-	-	-
-	-	6,246	-	17,341	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>34,554</u>	<u>157,067</u>	<u>6,246</u>	<u>-</u>	<u>17,341</u>	<u>294</u>	<u>192,369</u>
-	-	-	-	-	-	-
5,224	-	-	-	29,862	-	62,579
-	-	51,392	-	-	-	-
-	197,731	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,224</u>	<u>197,731</u>	<u>51,392</u>	<u>-</u>	<u>29,862</u>	<u>-</u>	<u>62,579</u>
<u>29,330</u>	<u>(40,664)</u>	<u>(45,146)</u>	<u>-</u>	<u>(12,521)</u>	<u>294</u>	<u>129,790</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(2,415)	(1,243)	(44,123)	-	-	(100,000)
-	(2,415)	(1,243)	(44,123)	-	-	(100,000)
29,330	(43,079)	(46,389)	(44,123)	(12,521)	294	29,790
92,838	43,079	60,717	44,123	20,835	35,955	164,364
<u>\$ 122,168</u>	<u>\$ -</u>	<u>\$ 14,328</u>	<u>\$ -</u>	<u>\$ 8,314</u>	<u>\$ 36,249</u>	<u>\$ 194,154</u>

(Continued)

# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2004

	Home Fund	Major Crimes Unit Grant Fund	Transportation Coordination Grant Fund	Clean Ohio Easement Program Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	-	-	-	-
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	185,825	544,442	97,028	898,718
Special assessments.....	-	-	-	-
Interest.....	61	-	-	10,888
Donations.....	-	-	-	-
Other.....	5,671	-	-	-
Total revenues.....	<u>191,557</u>	<u>544,442</u>	<u>97,028</u>	<u>909,606</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	1,076,487
Judicial .....	-	-	-	-
Public safety .....	-	-	-	-
Public works .....	-	-	-	-
Health .....	-	-	-	-
Human services .....	-	-	-	-
Urban redevelopment and housing .....	192,160	-	-	-
Intergovernmental.....	-	607,552	92,050	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>192,160</u>	<u>607,552</u>	<u>92,050</u>	<u>1,076,487</u>
Excess of revenues over (under) expenditures .....	(603)	(63,110)	4,978	(166,881)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	-	-
Inception of capital lease.....	-	-	-	-
Transfers in.....	-	-	-	-
Transfers out.....	-	-	-	-
Total other financing sources (uses).....	-	-	-	-
Net changes in fund balances.....	(603)	(63,110)	4,978	(166,881)
Fund balances - beginning of year.....	5,223	27,091	-	833,534
Fund balances (deficits) - end of year.....	<u>\$ 4,620</u>	<u>\$ (36,019)</u>	<u>\$ 4,978</u>	<u>\$ 666,653</u>

(Continued)

Exhibit E-2

<b>Concealed Handgun License Fund</b>	<b>Workforce Investment Act Fund</b>	<b>Older Adult Services Levy Fund</b>	<b>Special Pro- jects Domestic Relations Fund</b>	<b>Ohio Children's Trust Fund</b>	<b>Totals</b>
\$ -	\$ -	\$ 9,238	\$ -	\$ -	\$ 1,124,676
-	-	-	140	-	3,312,134
42,069	-	-	-	-	301,951
-	-	-	-	-	141,098
-	277,650	-	-	20,736	9,137,951
-	-	-	-	-	103,977
-	-	-	-	-	42,304
-	-	-	-	-	9,188
-	-	-	-	-	8,418
<u>42,069</u>	<u>277,650</u>	<u>9,238</u>	<u>140</u>	<u>20,736</u>	<u>14,181,697</u>
-	-	-	-	-	2,053,289
-	-	-	-	-	773,536
42,059	-	-	-	-	2,509,008
-	-	-	-	-	1,178,846
-	-	-	-	-	633,974
-	328,973	-	-	41,472	6,762,162
-	-	-	-	-	480,921
-	-	-	-	-	880,106
-	-	-	-	-	7,738
-	-	-	-	-	1,655
<u>42,059</u>	<u>328,973</u>	<u>-</u>	<u>-</u>	<u>41,472</u>	<u>15,281,235</u>
<u>10</u>	<u>(51,323)</u>	<u>9,238</u>	<u>140</u>	<u>(20,736)</u>	<u>(1,099,538)</u>
-	-	-	-	-	128,425
-	-	-	-	-	40,204
-	-	-	-	-	2,079,228
-	-	-	-	-	(396,775)
-	-	-	-	-	1,851,082
<u>10</u>	<u>(51,323)</u>	<u>9,238</u>	<u>140</u>	<u>(20,736)</u>	<u>751,544</u>
-	-	-	-	20,736	10,153,834
<u>\$ 10</u>	<u>\$ (51,323)</u>	<u>\$ 9,238</u>	<u>\$ 140</u>	<u>\$ -</u>	<u>\$ 10,905,378</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
DOG AND KENNEL FUND**

For the Year Ended December 31, 2004

Exhibit E-3

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 24,500	\$ 26,723	\$ 2,223
Licenses and permits.....	195,000	225,744	30,744
Fines and forfeitures.....	12,500	19,920	7,420
Intergovernmental.....	3,500	3,500	-
Donations.....	400	1,031	631
Other.....	-	42	42
Total revenues.....	<u>235,900</u>	<u>276,960</u>	<u>41,060</u>
<b>EXPENDITURES</b>			
Current:			
Health:			
Dog and kennel:			
Personal services .....	171,019	165,699	5,320
Fringe benefits .....	74,726	73,222	1,504
Materials and supplies .....	38,036	29,558	8,478
Contractual services .....	35,837	27,889	7,948
Capital outlay .....	9,250	-	9,250
Total expenditures.....	<u>328,868</u>	<u>296,368</u>	<u>32,500</u>
Net change in fund balance.....	(92,968)	(19,408)	73,560
Fund balance - beginning of year .....	92,024	92,024	-
Prior year encumbrances appropriated.....	8,873	8,873	-
Fund balance - end of year .....	<u>\$ 7,929</u>	<u>\$ 81,489</u>	<u>\$ 73,560</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
CHILD SUPPORT ENFORCEMENT AGENCY FUND**

For the Year Ended December 31, 2004

Exhibit E-4

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 312,000	\$ 352,966	\$ 40,966
Intergovernmental.....	1,880,000	2,066,033	186,033
Other.....	500	69	(431)
Total revenues.....	<u>2,192,500</u>	<u>2,419,068</u>	<u>226,568</u>
<b>EXPENDITURES</b>			
Current:			
Human services:			
Child support enforcement agency:			
Personal services .....	1,320,000	1,315,996	4,004
Fringe benefits .....	610,140	598,187	11,953
Materials and supplies .....	7,000	5,903	1,097
Contractual services .....	556,671	432,959	123,712
Total expenditures.....	<u>2,493,811</u>	<u>2,353,045</u>	<u>140,766</u>
Excess of revenues over (under) expenditures.....	<u>(301,311)</u>	<u>66,023</u>	<u>367,334</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in.....	1,057,067	830,119	(226,948)
Operating transfers out.....	(870,360)	(868,613)	1,747
Total other financing sources (uses).....	<u>186,707</u>	<u>(38,494)</u>	<u>(225,201)</u>
Net change in fund balance.....	(114,604)	27,529	142,133
Fund balance - beginning of year .....	363,573	363,573	-
Prior year encumbrances appropriated.....	146,571	146,571	-
Fund balance - end of year .....	<u>\$ 395,540</u>	<u>\$ 537,673</u>	<u>\$ 142,133</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COMPUTERIZED LEGAL RESEARCH FUND**

For the Year Ended December 31, 2004

*Exhibit E-5*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services.....	\$ 18,200	\$ 19,495	\$ 1,295
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Computerized legal research:			
Materials and supplies .....	2,000	-	2,000
Contractual services .....	3,000	-	3,000
Capital outlay .....	8,900	2,780	6,120
Total expenditures.....	<u>13,900</u>	<u>2,780</u>	<u>11,120</u>
Net change in fund balance.....	4,300	16,715	12,415
Fund balance - beginning of year .....	93,964	93,964	-
Fund balance - end of year .....	<u>\$ 98,264</u>	<u>\$ 110,679</u>	<u>\$ 12,415</u>

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL REAL ESTATE ASSESSMENT FUND

For the Year Ended December 31, 2004

Exhibit E-6

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 800,000	\$ 1,053,352	\$ 253,352
Other.....	-	32	32
Total revenues.....	<u>800,000</u>	<u>1,053,384</u>	<u>253,384</u>
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Real estate assessment:			
Personal services .....	371,006	350,983	20,023
Fringe benefits .....	151,466	140,601	10,865
Materials and supplies .....	18,000	15,610	2,390
Contractual services .....	1,415,723	1,346,051	69,672
Capital outlay .....	2,389	2,376	13
Total expenditures.....	<u>1,958,584</u>	<u>1,855,621</u>	<u>102,963</u>
Excess of revenues under expenditures.....	(1,158,584)	(802,237)	356,347
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(138,212)	(138,212)	-
Net change in fund balance.....	(1,296,796)	(940,449)	356,347
Fund balance - beginning of year .....	1,760,073	1,760,073	-
Prior year encumbrances appropriated.....	90,535	90,535	-
Fund balance - end of year .....	<u>\$ 553,812</u>	<u>\$ 910,159</u>	<u>\$ 356,347</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
TREASURER'S PREPAYMENT FUND**

For the Year Ended December 31, 2004

*Exhibit E-7*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Interest.....	\$ 3,000	\$ 2,464	\$ (536)
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Treasurer's prepayment:			
Personal services .....	5,000	4,996	4
Fringe benefits .....	1,340	711	629
Materials and supplies .....	1,000	802	198
Contractual services .....	1,100	478	622
Capital outlay .....	1,000	-	1,000
Total expenditures.....	9,440	6,987	2,453
Net change in fund balance.....	(6,440)	(4,523)	1,917
Fund balance - beginning of year .....	7,995	7,995	-
Prior year encumbrances appropriated.....	400	400	-
Fund balance - end of year .....	\$ 1,955	\$ 3,872	\$ 1,917

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
ROAD AND BRIDGE FUND**

For the Year Ended December 31, 2004

*Exhibit E-8*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 45,000	\$ 40,542	\$ (4,458)
<b>EXPENDITURES</b>			
Current:			
Public works:			
Road and bridge:			
Personal services .....	37,256	37,256	-
Fringe benefits .....	7,125	7,125	-
Total expenditures.....	44,381	44,381	-
Net change in fund balance.....	619	(3,839)	(4,458)
Fund balance - beginning of year .....	10,424	10,424	-
Fund balance - end of year .....	<u>\$ 11,043</u>	<u>\$ 6,585</u>	<u>\$ (4,458)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
YOUTH SERVICES FUND**

For the Year Ended December 31, 2004

*Exhibit E-9*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 528,212	\$ 616,251	\$ 88,039
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Youth services:			
Personal services .....	538,499	512,730	25,769
Fringe benefits .....	<u>272,787</u>	<u>212,976</u>	<u>59,811</u>
Total expenditures.....	<u>811,286</u>	<u>725,706</u>	<u>85,580</u>
Net change in fund balance.....	(283,074)	(109,455)	173,619
Fund balance - beginning of year .....	<u>508,170</u>	<u>508,170</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 225,096</u>	<u>\$ 398,715</u>	<u>\$ 173,619</u>

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL ENFORCEMENT AND EDUCATION FUND

For the Year Ended December 31, 2004

Exhibit E-10

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 3,200	\$ 2,758	\$ (442)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Enforcement and education:			
Capital outlay .....	3,200	1,893	1,307
Net change in fund balance.....	-	865	865
Fund balance - beginning of year .....	22,112	22,112	-
Fund balance - end of year.....	<u>\$ 22,112</u>	<u>\$ 22,977</u>	<u>\$ 865</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
DITCH MAINTENANCE FUND**

For the Year Ended December 31, 2004

Exhibit E-11

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Special assessments.....	\$ 2,194	\$ 103,434	\$ 101,240
<b>EXPENDITURES</b>			
Current:			
Public works:			
Ditch maintenance:			
Capital outlay .....	26,253	5,772	20,481
Net change in fund balance.....	(24,059)	97,662	121,721
Fund balance - beginning of year .....	497,808	497,808	-
Prior year encumbrances appropriated.....	3,540	3,540	-
Fund balance - end of year .....	<u>\$ 477,289</u>	<u>\$ 599,010</u>	<u>\$ 121,721</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
DELINQUENT REAL ESTATE COLLECTION FUND**

For the Year Ended December 31, 2004

Exhibit E-12

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 167,000	\$ 198,651	\$ 31,651
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Delinquent real estate collection:			
Personal services .....	119,000	109,667	9,333
Fringe benefits .....	65,595	55,552	10,043
Materials and supplies .....	9,600	3,180	6,420
Contractual services .....	55,256	29,107	26,149
Capital outlay .....	23,000	4,790	18,210
Total expenditures.....	272,451	202,296	70,155
Net change in fund balance.....	(105,451)	(3,645)	101,806
Fund balance - beginning of year .....	368,568	368,568	-
Prior year encumbrances appropriated.....	8,656	8,656	-
Fund balance - end of year .....	<u>\$ 271,773</u>	<u>\$ 373,579</u>	<u>\$ 101,806</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COMMISSARY FUND**

For the Year Ended December 31, 2004

Exhibit E-13

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 99,509	\$ 109,725	\$ 10,216
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Commissary:			
Personal services .....	4,057	4,053	4
Materials and supplies .....	96,310	96,200	110
Capital outlay .....	4,365	3,905	460
Other .....	1,000	584	416
Total expenditures.....	105,732	104,742	990
Net change in fund balance.....	(6,223)	4,983	11,206
Fund balance - beginning of year .....	4,161	4,161	-
Prior year encumbrances appropriated.....	2,291	2,291	-
Fund balance - end of year .....	\$ 229	\$ 11,435	\$ 11,206

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
CHILDREN SERVICES FUND**

For the Year Ended December 31, 2004

Exhibit E-14

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services .....	\$ 69,844	\$ 45,844	\$ (24,000)
Intergovernmental .....	1,970,006	1,730,979	(239,027)
Donations .....	2,000	1,458	(542)
Other .....	150	123	(27)
Total revenues .....	<u>2,042,000</u>	<u>1,778,404</u>	<u>(263,596)</u>
<b>EXPENDITURES</b>			
Current:			
Human services:			
Children services:			
Contractual services .....	1,967,625	1,874,834	92,791
Excess of revenues over (under) expenditures .....	<u>74,375</u>	<u>(96,430)</u>	<u>(170,805)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in .....	973,479	1,170,477	196,998
Operating transfers out .....	<u>(1,462,000)</u>	<u>(1,461,693)</u>	<u>307</u>
Total other financing sources (uses) .....	<u>(488,521)</u>	<u>(291,216)</u>	<u>197,305</u>
Net change in fund balance .....	(414,146)	(387,646)	26,500
Fund balance - beginning of year .....	332,327	332,327	-
Prior year encumbrances appropriated .....	<u>157,625</u>	<u>157,625</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 75,806</u>	<u>\$ 102,306</u>	<u>\$ 26,500</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
INDIGENT GUARDIANSHIP FUND**

For the Year Ended December 31, 2004

Exhibit E-15

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services.....	\$ 19,000	\$ 16,950	\$ (2,050)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Indigent guardianship:			
Contractual services .....	19,000	17,943	1,057
Net change in fund balance.....	-	(993)	(993)
Fund balance - beginning of year .....	4,474	4,474	-
Fund balance - end of year .....	<u>\$ 4,474</u>	<u>\$ 3,481</u>	<u>\$ (993)</u>

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL EMERGENCY MANAGEMENT AND HOMELAND SECURITY FUND

For the Year Ended December 31, 2004

Exhibit E-16

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charge for Services.....	\$ 25,080	\$ 8,569	\$ (16,511)
Intergovernmental.....	897,117	710,544	(186,573)
Donations.....	-	253	253
Total revenues.....	<u>922,197</u>	<u>719,366</u>	<u>(202,831)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Emergency management:			
Personal services .....	70,000	69,373	627
Fringe benefits .....	30,181	28,565	1,616
Materials and supplies .....	9,165	8,193	972
Contractual services .....	55,901	50,016	5,885
Capital outlay .....	528,736	524,504	4,232
Total expenditures.....	<u>693,983</u>	<u>680,651</u>	<u>13,332</u>
Excess of revenues over expenditures.....	<u>228,214</u>	<u>38,715</u>	<u>(189,499)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in .....	-	5,000	5,000
Advances out .....	(20,000)	(25,000)	(5,000)
Operating transfers in.....	51,845	51,845	-
Total other financing sources (uses).....	<u>31,845</u>	<u>31,845</u>	<u>-</u>
Net change in fund balance.....	260,059	70,560	(189,499)
Fund balance - beginning of year .....	23,063	23,063	-
Prior year encumbrances appropriated.....	989	989	-
Fund balance - end of year .....	<u>\$ 284,111</u>	<u>\$ 94,612</u>	<u>\$ (189,499)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
EMERGENCY PLANNING FUND**

For the Year Ended December 31, 2004

Exhibit E-17

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 30,250	\$ 18,549	\$ (11,701)
Other.....	1,000	-	(1,000)
Total revenues.....	<u>31,250</u>	<u>18,549</u>	<u>(12,701)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Emergency planning:			
Personal services .....	5,000	4,584	416
Fringe benefits .....	900	746	154
Materials and supplies .....	1,000	239	761
Contractual services .....	11,170	4,777	6,393
Total expenditures.....	<u>18,070</u>	<u>10,346</u>	<u>7,724</u>
Net change in fund balance.....	13,180	8,203	(4,977)
Fund balance - beginning of year .....	29,286	29,286	-
Fund balance - end of year .....	<u>\$ 42,466</u>	<u>\$ 37,489</u>	<u>\$ (4,977)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
MARRIAGE LICENSE FUND**

For the Year Ended December 31, 2004

*Exhibit E-18*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Licenses and permits.....	\$ 42,000	\$ 32,034	\$ (9,966)
<b>EXPENDITURES</b>			
Current:			
Health:			
Marriage license:			
Contractual services .....	<u>47,920</u>	<u>47,920</u>	<u>-</u>
Net change in fund balance.....	(5,920)	(15,886)	(9,966)
Fund balance - beginning of year .....	-	-	-
Prior year encumbrances appropriated.....	<u>18,199</u>	<u>18,199</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 12,279</u>	<u>\$ 2,313</u>	<u>\$ (9,966)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
BATESON BEACH FUND**

For the Year Ended December 31, 2004

*Exhibit E-19*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ -	\$ 543	\$ 543
Fund balance - beginning of year .....	1,959	1,959	-
Fund balance - end of year .....	<u>\$ 1,959</u>	<u>\$ 2,502</u>	<u>\$ 543</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COMPUTER FUND**

For the Year Ended December 31, 2004

Exhibit E-20

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 69,000	\$ 73,414	\$ 4,414
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Computer:			
Materials and supplies .....	1,000	-	1,000
Contractual services .....	44,000	22,002	21,998
Capital outlay .....	73,718	51,531	22,187
Total expenditures.....	118,718	73,533	45,185
Net change in fund balance.....	(49,718)	(119)	49,599
Fund balance - beginning of year .....	242,291	242,291	-
Prior year encumbrances appropriated.....	16,000	16,000	-
Fund balance - end of year .....	<u>\$ 208,573</u>	<u>\$ 258,172</u>	<u>\$ 49,599</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
CERTIFICATE OF TITLE ADMINISTRATION FUND**

For the Year Ended December 31, 2004

Exhibit E-21

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 690,000	\$ 668,305	\$ (21,695)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Certificate of title administration:			
Personal services .....	319,899	302,590	17,309
Fringe benefits .....	215,946	149,755	66,191
Materials and supplies .....	24,525	11,253	13,272
Contractual services .....	33,342	23,993	9,349
Capital outlay .....	69,000	52,652	16,348
Total expenditures.....	662,712	540,243	122,469
Excess of revenues over expenditures.....	27,288	128,062	100,774
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(357,750)	-	357,750
Net change in fund balance.....	(330,462)	128,062	458,524
Fund balance - beginning of year .....	755,442	755,442	-
Prior year encumbrances appropriated.....	803	803	-
Fund balance - end of year .....	<u>\$ 425,783</u>	<u>\$ 884,307</u>	<u>\$ 458,524</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COUNTY RECORDER EQUIPMENT FUND**

For the Year Ended December 31, 2004

Exhibit E-22

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services .....	\$ 195,000	\$ 149,556	\$ (45,444)
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
County recorder equipment:			
Contractual services .....	204,070	165,661	38,409
Capital outlay .....	17,468	16,047	1,421
Total expenditures .....	221,538	181,708	39,830
Net change in fund balance .....	(26,538)	(32,152)	(5,614)
Fund balance - beginning of year .....	265,903	265,903	-
Prior year encumbrances appropriated .....	26,538	26,538	-
Fund balance - end of year .....	\$ 265,903	\$ 260,289	\$ (5,614)

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
PARENT EDUCATION FUND**

For the Year Ended December 31, 2004

Exhibit E-23

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 16,000	\$ 13,134	\$ (2,866)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Parent education:			
Materials and supplies .....	1,500	808	692
Contractual services .....	21,730	20,941	789
Total expenditures.....	23,230	21,749	1,481
Net change in fund balance.....	(7,230)	(8,615)	(1,385)
Fund balance - beginning of year .....	26,925	26,925	-
Prior year encumbrances appropriated.....	230	230	-
Fund balance - end of year .....	\$ 19,925	\$ 18,540	\$ (1,385)

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
INDIGENT CHILDREN DRIVERS FUND**

For the Year Ended December 31, 2004

*Exhibit E-24*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 175	\$ 303	\$ 128
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Indigent children drivers:			
Other .....	175	-	175
Net change in fund balance.....	-	303	303
Fund balance - beginning of year .....	1,600	1,600	-
Fund balance - end of year .....	\$ 1,600	\$ 1,903	\$ 303

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
ENVIRONMENTAL AFFAIRS GRANT FUND**

For the Year Ended December 31, 2004

Exhibit E-25

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 69,980	\$ -	\$ (69,980)
<b>EXPENDITURES</b>			
Current:			
Public works:			
Environmental affairs grant:			
Materials and supplies .....	11,930	11,930	-
Contractual services .....	68,488	61,396	7,092
Capital outlay .....	654	654	-
Total expenditures.....	81,072	73,980	7,092
Net change in fund balance.....	(11,092)	(73,980)	(62,888)
Fund balance - beginning of year .....	79,591	79,591	-
Prior year encumbrances appropriated.....	11,092	11,092	-
Fund balance - end of year .....	\$ 79,591	\$ 16,703	\$ (62,888)

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
ADULT COMMUNITY BASED CORRECTIONS FUND**

For the Year Ended December 31, 2004

Exhibit E-26

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 157,176	\$ 157,176	\$ -
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Adult community based corrections:			
Personal services .....	107,105	107,105	-
Fringe benefits .....	49,961	49,960	1
Contractual services .....	29,404	28,974	430
Total expenditures.....	186,470	186,039	431
Net change in fund balance.....	(29,294)	(28,863)	431
Fund balance - beginning of year .....	32,287	32,287	-
Prior Year Encumbrances Appropriated.....	215	215	-
Fund balance - end of year .....	<u>\$ 3,208</u>	<u>\$ 3,639</u>	<u>\$ 431</u>

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL BRIDGES, CULVERTS, AND COUNTY ROAD LEVY FUND

For the Year Ended December 31, 2004

Exhibit E-27

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Property and other taxes.....	\$ 1,077,009	\$ 979,106	\$ (97,903)
Intergovernmental.....	73,491	130,559	57,068
Total revenues.....	<u>1,150,500</u>	<u>1,109,665</u>	<u>(40,835)</u>
<b>EXPENDITURES</b>			
Current:			
Public works:			
Bridges, culverts, and county road levy:			
Contractual services .....	85,854	83,303	2,551
Capital outlay .....	1,527,217	848,966	678,251
Other .....	27,385	24,766	2,619
Total expenditures.....	<u>1,640,456</u>	<u>957,035</u>	<u>683,421</u>
Excess of revenues over (under) expenditures.....	<u>(489,956)</u>	<u>152,630</u>	<u>642,586</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of capital assets.....	-	125,625	125,625
Operating transfers out.....	(108,209)	(108,209)	-
Total other financing sources (uses).....	<u>(108,209)</u>	<u>17,416</u>	<u>125,625</u>
Net change in fund balance.....	(598,165)	170,046	768,211
Fund balance - beginning of year .....	668,867	668,867	-
Prior year encumbrances appropriated.....	122,280	122,280	-
Fund balance - end of year .....	<u>\$ 192,982</u>	<u>\$ 961,193</u>	<u>\$ 768,211</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COUNTY PROBATION SERVICES COMMUNITY BASED CORRECTIONS FUND**

For the Year Ended December 31, 2004

Exhibit E-28

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 87,300	\$ 56,160	\$ (31,140)
Other.....	-	1,047	1,047
Total revenues.....	<u>87,300</u>	<u>57,207</u>	<u>(30,093)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
County probation services community based corrections:			
Fringe benefits .....	1,800	36	1,764
Materials and supplies .....	8,200	7,598	602
Contractual services .....	82,951	52,232	30,719
Capital outlay .....	27,000	25,614	1,386
Total expenditures.....	<u>119,951</u>	<u>85,480</u>	<u>34,471</u>
Net change in fund balance.....	(32,651)	(28,273)	4,378
Fund balance - beginning of year .....	156,405	156,405	-
Prior year encumbrances appropriated.....	12,651	12,651	-
Fund balance - end of year .....	<u>\$ 136,405</u>	<u>\$ 140,783</u>	<u>\$ 4,378</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COMMUNITY CORRECTIONS FUND**

For the Year Ended December 31, 2004

*Exhibit E-29*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 69,108	\$ 69,108	\$ -
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Community corrections:			
Other .....	69,108	69,108	-
Net change in fund balance.....	-	-	-
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
LITTER ENFORCEMENT FUND**

For the Year Ended December 31, 2004

Exhibit E-30

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental .....	\$ 353,147	\$ 325,560	\$ (27,587)
<b>EXPENDITURES</b>			
Current:			
Health:			
Litter enforcement:			
Personal services .....	36,208	35,505	703
Fringe benefits .....	20,901	18,846	2,055
Materials and supplies .....	11,442	1,758	9,684
Contractual services .....	261,446	241,426	20,020
Capital outlay .....	12,973	12,972	1
Other .....	5,434	5,434	-
Total expenditures .....	348,404	315,941	32,463
Net change in fund balance .....	4,743	9,619	4,876
Fund balance - beginning of year .....	29,948	29,948	-
Fund balance - end of year .....	\$ 34,691	\$ 39,567	\$ 4,876

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL OHIO SEAT BELT FUND

For the Year Ended December 31, 2004

Exhibit E-31

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 2,400	\$ 1,049	\$ (1,351)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Ohio seat belt:			
Contractual services .....	2,400	-	2,400
Net change in fund balance.....	-	1,049	1,049
Fund balance - beginning of year .....	6,623	6,623	-
Fund balance - end of year .....	\$ 6,623	\$ 7,672	\$ 1,049

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
CROSSROADS CENTER FUND**

For the Year Ended December 31, 2004

Exhibit E-32

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 215,000	\$ 342,531	\$ 127,531
Donations.....	1,000	120	(880)
Total revenues.....	<u>216,000</u>	<u>342,651</u>	<u>126,651</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Crossroads center:			
Personal services .....	132,000	109,923	22,077
Fringe benefits .....	64,969	35,214	29,755
Materials and supplies .....	16,317	8,805	7,512
Contractual services .....	280,806	112,356	168,450
Capital outlay .....	1,850	1,850	-
Total expenditures.....	<u>495,942</u>	<u>268,148</u>	<u>227,794</u>
Net change in fund balance.....	(279,942)	74,503	354,445
Fund balance - beginning of year .....	468,019	468,019	-
Prior year encumbrances appropriated.....	2,642	2,642	-
Fund balance - end of year .....	<u>\$ 190,719</u>	<u>\$ 545,164</u>	<u>\$ 354,445</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

For the Year Ended December 31, 2004

Exhibit E-33

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 980,537	\$ 621,053	\$ (359,484)
Other.....	-	968	968
Total revenues.....	<u>980,537</u>	<u>622,021</u>	<u>(358,516)</u>
<b>EXPENDITURES</b>			
Current:			
Urban development and housing:			
Community development block grant:			
Contractual services .....	627,293	602,875	24,418
Excess of revenues over expenditures.....	<u>353,244</u>	<u>19,146</u>	<u>(334,098)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in.....	-	15,000	15,000
Advances out.....	(550,299)	(486,999)	63,300
Operating transfers out.....	(392)	(392)	-
Total other financing sources (uses).....	<u>(550,691)</u>	<u>(472,391)</u>	<u>78,300</u>
Net change in fund balance.....	(197,447)	(453,245)	(255,798)
Fund balance - beginning of year .....	76,291	76,291	-
Prior year encumbrances appropriated.....	433,826	433,826	-
Fund balance - end of year .....	<u>\$ 312,670</u>	<u>\$ 56,872</u>	<u>\$ (255,798)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
DRUG ABUSE RESISTANCE EDUCATION FUND**

For the Year Ended December 31, 2004

Exhibit E-34

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 15,000	\$ 16,667	\$ 1,667
Intergovernmental.....	25,652	36,252	10,600
Donations.....	6,000	6,326	326
Other.....	-	50	50
Total revenues.....	<u>46,652</u>	<u>59,295</u>	<u>12,643</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Drug abuse resistance education:			
Personal services .....	40,081	32,901	7,180
Fringe benefits .....	2,457	788	1,669
Materials and supplies .....	1,500	540	960
Contractual services .....	19,024	18,415	609
Total expenditures.....	<u>63,062</u>	<u>52,644</u>	<u>10,418</u>
Net change in fund balance.....	(16,410)	6,651	23,061
Fund balance - beginning of year .....	29,962	29,962	-
Fund balance - end of year .....	<u>\$ 13,552</u>	<u>\$ 36,613</u>	<u>\$ 23,061</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SELECT TRAFFIC ENFORCEMENT PROGRAM FUND**

For the Year Ended December 31, 2004

*Exhibit E-35*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Total expenditures.....	-	-	-
Excess of revenues over expenditures.....	-	-	-
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(2,181)	(2,181)	-
Net change in fund balance.....	(2,181)	(2,181)	-
Fund balance - beginning of year .....	2,181	2,181	-
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
VICTIMS OF CRIME FUND**

For the Year Ended December 31, 2004

Exhibit E-36

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 74,652	\$ 74,654	\$ 2
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Victims of crime:			
Personal services .....	82,360	77,379	4,981
Fringe benefits .....	21,286	17,806	3,480
Materials and supplies .....	715	650	65
Contractual services .....	2,232	1,804	428
Capital outlay .....	3,600	2,957	643
Total expenditures.....	110,193	100,596	9,597
Excess of revenues under expenditures.....	(35,541)	(25,942)	9,599
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	32,655	26,787	(5,868)
Net change in fund balance.....	(2,886)	845	3,731
Fund balance - beginning of year .....	64,609	64,609	-
Fund balance - end of year .....	<u>\$ 61,723</u>	<u>\$ 65,454</u>	<u>\$ 3,731</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
DRUG COURT PROGRAM FUND**

For the Year Ended December 31, 2004

Exhibit E-37

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services.....	\$ 32,000	\$ 26,949	\$ (5,051)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Drug court program:			
Materials and supplies .....	6,000	2,808	3,192
Contractual services .....	20,000	7,236	12,764
Capital outlay .....	6,000	2,050	3,950
Total expenditures.....	<u>32,000</u>	<u>12,094</u>	<u>19,906</u>
Excess of revenues over expenditures.....	-	14,855	14,855
<b>OTHER FINANCING SOURCES</b>			
Advances in.....	-	30,000	30,000
Net change in fund balance.....	-	44,855	44,855
Fund balance - beginning of year .....	<u>76,770</u>	<u>76,770</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 76,770</u>	<u>\$ 121,625</u>	<u>\$ 44,855</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
DISPUTE RESOLUTION AND MEDIATION FUND**

For the Year Ended December 31, 2004

Exhibit E-38

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 31,000	\$ 32,639	\$ 1,639
<b>EXPENDITURES</b>			
Current:			
General governmental - judicial:			
Dispute resolution and mediation:			
Materials and supplies .....	2,000	-	2,000
Capital outlay .....	7,000	6,200	800
Total expenditures.....	9,000	6,200	2,800
Net change in fund balance.....	22,000	26,439	4,439
Fund balance - beginning of year .....	89,125	89,125	-
Fund balance - end of year .....	\$ 111,125	\$ 115,564	\$ 4,439

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
REESE-PETERS HOME LODGE TAX FUND**

For the Year Ended December 31, 2004

Exhibit E-39

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Property and other taxes.....	\$ 170,000	\$ 152,118	\$ (17,882)
<b>EXPENDITURES</b>			
Current:			
Public works:			
Reese-peters home lodge tax:			
Other .....	192,780	192,780	-
Excess of revenues under expenditures.....	(22,780)	(40,662)	(17,882)
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(2,415)	(2,415)	-
Net change in fund balance.....	(25,195)	(43,077)	(17,882)
Fund balance - beginning of year .....	43,077	43,077	-
Fund balance - end of year .....	\$ 17,882	\$ -	\$ (17,882)

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
LOCAL LAW ENFORCEMENT GRANT FUND**

For the Year Ended December 31, 2004

Exhibit E-40

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 6,246	\$ 6,246	\$ -
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Local law enforcement grant:			
Capital outlay .....	65,720	54,392	11,328
Excess of revenues under expenditures.....	(59,474)	(48,146)	11,328
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(1,243)	(1,243)	-
Net change in fund balance.....	(60,717)	(49,389)	11,328
Fund balance - beginning of year .....	60,717	60,717	-
Fund balance - end of year .....	\$ -	\$ 11,328	\$ 11,328

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
COPS UNIVERSAL HIRING FUND**

For the Year Ended December 31, 2004

*Exhibit E-41*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Total expenditures.....	-	-	-
Excess of revenues over expenditures.....	-	-	-
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(44,123)	(44,123)	-
Net change in fund balance.....	(44,123)	(44,123)	-
Fund balance - beginning of year .....	44,123	44,123	-
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
ACCOUNTABILITY GRANT FUND**

For the Year Ended December 31, 2004

Exhibit E-42

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 17,341	\$ 17,341	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Accountability grant:			
Personal services .....	21,549	20,697	852
Contractual services .....	9,891	9,891	-
Total expenditures.....	31,440	30,588	852
Excess of revenues under expenditures.....	(14,099)	(13,247)	852
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	4,208	-	(4,208)
Net change in fund balance.....	(9,891)	(13,247)	(3,356)
Fund balance - beginning of year .....	21,837	21,837	-
Fund balance - end of year .....	<u>\$ 11,946</u>	<u>\$ 8,590</u>	<u>\$ (3,356)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SANCTION COSTS REIMBURSEMENTS FUND**

For the Year Ended December 31, 2004

*Exhibit E-43*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services.....	\$ -	\$ 369	\$ 369
<b>EXPENDITURES</b>			
Total expenditures.....	-	-	-
Net change in fund balance.....	-	369	369
Fund balance - beginning of year .....	<u>35,855</u>	<u>35,855</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 35,855</u>	<u>\$ 36,224</u>	<u>\$ 369</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
JUVENILE RECOVERY FUND**

For the Year Ended December 31, 2004

Exhibit E-44

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 224,600	\$ 194,805	\$ (29,795)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Juvenile recovery:			
Personal services .....	7,000	6,382	618
Fringe benefits .....	1,450	991	459
Contractual services .....	141,150	55,900	85,250
Total expenditures.....	149,600	63,273	86,327
Excess of revenues over expenditures.....	75,000	131,532	56,532
<b>OTHER FINANCING USES</b>			
Transfer out.....	(100,000)	(100,000)	-
Net change in fund balance.....	(25,000)	31,532	56,532
Fund balance - beginning of year .....	149,139	149,139	-
Fund balance - end of year .....	<u>\$ 124,139</u>	<u>\$ 180,671</u>	<u>\$ 56,532</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
HOME FUND**

For the Year Ended December 31, 2004

Exhibit E-45

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 277,155	\$ 138,681	\$ (138,474)
Interest.....	-	61	61
Other.....	5,671	5,671	-
Total revenues.....	282,826	144,413	(138,413)
<b>EXPENDITURES</b>			
Current:			
Urban development and housing:			
Home:			
Contractual services .....	254,075	161,209	92,866
Excess of revenues over (under) expenditures.....	28,751	(16,796)	(45,547)
<b>OTHER FINANCING USES</b>			
Advances out.....	(100,000)	(50,000)	50,000
Net change in fund balance.....	(71,249)	(66,796)	4,453
Fund balance - beginning of year .....	55,670	55,670	-
Prior year encumbrances appropriated.....	17,565	17,565	-
Fund balance - end of year .....	<u>\$ 1,986</u>	<u>\$ 6,439</u>	<u>\$ 4,453</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
MAJOR CRIMES UNIT GRANT FUND**

For the Year Ended December 31, 2004

Exhibit E-46

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 577,552	\$ 577,552	\$ -
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Major crimes unit grant:			
Contractual services .....	607,552	607,552	-
Excess of revenues under expenditures.....	(30,000)	(30,000)	-
<b>Other Financing Sources (Uses)</b>			
Advances in.....	100,000	100,000	-
Advances out.....	(70,000)	(70,000)	-
Total other financing sources (uses).....	30,000	30,000	-
Net change in fund balance.....	-	-	-
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	\$ -	\$ -	\$ -

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
TRANSPORTATION COORDINATION GRANT FUND**

For the Year Ended December 31, 2004

*Exhibit E-47*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 92,050	\$ 92,050	\$ -
<b>EXPENDITURES</b>			
Current:			
Health:			
Transportation coordination grant:			
Contractual services .....	<u>92,050</u>	<u>92,050</u>	<u>-</u>
Net change in fund balance.....	-	-	-
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
CLEAN OHIO EASEMENT PROGRAM FUND**

For the Year Ended December 31, 2004

Exhibit E-48

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 898,718	\$ 898,718	\$ -
Interest.....	55,000	11,648	(43,352)
Total revenues.....	953,718	910,366	(43,352)
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Clean Ohio easement program :			
Contractual services .....	1,740,366	1,076,366	664,000
Net change in fund balance.....	(786,648)	(166,000)	620,648
Fund balance - beginning of year .....	-	-	-
Prior year encumbrances appropriated.....	830,000	830,000	-
Fund balance - end of year .....	\$ 43,352	\$ 664,000	\$ 620,648

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
CONCEALED HANDGUN LICENSE FUND**

For the Year Ended December 31, 2004

Exhibit E-49

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Lincenses and permits.....	\$ 41,685	\$ 42,069	\$ 384
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Concealed handgun license:			
Personal services .....	17,501	17,501	-
Fringe benefits .....	5,822	5,822	-
Materials and supplies .....	1,315	1,315	-
Contractual services .....	17,000	16,491	509
Total expenditures.....	41,638	41,129	509
Net change in fund balance.....	47	940	893
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	\$ 47	\$ 940	\$ 893

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
WORKFORCE INVESTMENT ACT FUND**

For the Year Ended December 31, 2004

*Exhibit E-50*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 167,275	\$ 169,666	\$ 2,391
<b>EXPENDITURES</b>			
Current:			
Human services:			
Workforce development:			
Contractual services .....	<u>165,310</u>	<u>157,894</u>	<u>7,416</u>
Net change in fund balance.....	1,965	11,772	9,807
Fund balance - beginning of year .....	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 1,965</u>	<u>\$ 11,772</u>	<u>\$ 9,807</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
OHIO CHILDREN'S TRUST FUND**

For the Year Ended December 31, 2004

*Exhibit E-51*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 41,472	\$ 41,472	\$ -
<b>EXPENDITURES</b>			
Current:			
Human services:			
Ohio children's trust :			
Contractual services .....	<u>41,472</u>	<u>41,472</u>	<u>-</u>
Net change in fund balance.....	-	-	-
Fund balance - beginning of year .....	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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## Debt Service Funds

The debt service funds are maintained to account for the accumulation of resources for, and the payment of, principal, interest, and related costs, on general long-term obligations and special assessment long-term obligations.

The following are included in debt service funds:

### Major Debt Service Fund

General Obligation Bond Retirement Fund	To account for revenue used to retire principal, interest, and related costs for general obligation bonds and for general obligation bond anticipation notes.
--	---

### Nonmajor Debt Service Funds

Special Assessment Buckeye Lake Sewer Fund	To account for special assessment revenue used to retire the special assessment long-term principal, interest, and related costs for the Buckeye Lake Sewer project.
--	--

Special Assessment Sanitary Sewer Fund	To account for special assessment revenue used to retire the special assessment long-term principal, interest, and related costs for the Sanitary Sewer System Improvement project.
---	---

Special Assessment 2000 High Service Area Fund	To account for special assessment revenue that is used to retire the water debt associated with the 2000 High Service Area project.
---	---

Special Assessment High Service Area and Little Walnut Water Fund	To account for special assessment revenue that is used to retire the water debt associated with the 2002 High Service Area and Little Walnut Water projects.
---	--

Special Assessment Liberty Township Sewer Fund	To account for special assessment revenue that is used to retire the sewer debt associated with the Liberty Township Sewer. For GAAP reporting purposes, this fund contains some of the activity reported in the Sewer Debt Service Fund.
---	---

Sewer Debt Service Fund	To account for sewer revenue that is used to retire note and bond principal, interest, and related costs for sewer construction projects. For GAAP reporting purposes, this fund was split and reported in the following funds: Special Assessment Liberty Township Sewer Debt Service Fund and Sewer Enterprise Fund.
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Water Debt Service Fund	To account for water revenue that is used to retire note and bond principal, interest, and related costs for water construction projects. For GAAP reporting purposes, this fund was combined and reported in the enterprise funds as a part of the Water Fund.
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Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
GENERAL OBLIGATION BOND RETIREMENT FUND**

For the Year Ended December 31, 2004

Exhibit F-1

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 400,000	\$ 400,000	\$ -
Interest.....	764	6,133	5,369
Rent.....	838,473	695,372	(143,101)
Total Revenues.....	<u>1,239,237</u>	<u>1,101,505</u>	<u>(137,732)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	8,243,748	8,816,192	(572,444)
Interest and fiscal charges .....	987,648	987,648	-
Bond issuance costs .....	9,526	100,146	(90,620)
Total expenditures.....	<u>9,240,922</u>	<u>9,903,986</u>	<u>(663,064)</u>
Excess of revenues under expenditures.....	<u>(8,001,685)</u>	<u>(8,802,481)</u>	<u>(800,796)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of bonds.....	3,819,172	3,815,000	(4,172)
Proceeds of notes.....	3,120,000	3,120,000	-
Proceeds of loans.....	-	517,000	517,000
Premium on bonds.....	-	104,902	104,902
Discount on bonds.....	-	(7,065)	(7,065)
Sale of capital assets.....	-	44,152	44,152
Operating transfers in.....	1,305,610	1,354,640	49,030
Total other financing sources (uses).....	<u>8,244,782</u>	<u>8,948,629</u>	<u>703,847</u>
Net change in fund balance.....	243,097	146,148	(96,949)
Fund balance - beginning of year.....	323,893	323,893	-
Fund balance - end of year.....	<u>\$ 566,990</u>	<u>\$ 470,041</u>	<u>\$ (96,949)</u>

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS**

December 31, 2004

	Special Assessment Buckeye Lake Sewer Fund	Special Assessment Sanitary Sewer Fund	Special Assessment 2000 High Service Area Fund	Special Assessment High Service Area and Little Walnut Water Fund
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 16,968	\$ 42,578	\$ 31,551	\$ 8,505
Accounts receivable.....	-	-	-	-
Interfund receivable.....	-	91	64	18
Special assessments receivable....	72,369	396,863	387,993	781,891
Accrued interest receivable.....	-	196	-	184
Total assets.....	<u>\$ 89,337</u>	<u>\$ 439,728</u>	<u>\$ 419,608</u>	<u>\$ 790,598</u>
<b>LIABILITIES</b>				
Deferred revenue.....	\$ 72,369	\$ 396,926	\$ 387,993	\$ 781,950
Total liabilities.....	<u>72,369</u>	<u>396,926</u>	<u>387,993</u>	<u>781,950</u>
<b>FUND BALANCES</b>				
Unreserved:				
Undesignated .....	<u>16,968</u>	<u>42,802</u>	<u>31,615</u>	<u>8,648</u>
Total fund balances.....	<u>16,968</u>	<u>42,802</u>	<u>31,615</u>	<u>8,648</u>
Total liabilities and fund balances...	<u>\$ 89,337</u>	<u>\$ 439,728</u>	<u>\$ 419,608</u>	<u>\$ 790,598</u>

<b>Special Assessment Liberty Township Sewer Fund</b>	<b>Totals</b>
\$ 4,973	\$ 104,575
1,867	1,867
-	173
1,500,726	3,139,842
-	380
<u>\$ 1,507,566</u>	<u>\$ 3,246,837</u>
\$ 1,500,726	\$ 3,139,964
<u>1,500,726</u>	<u>3,139,964</u>
<u>6,840</u>	<u>106,873</u>
<u>6,840</u>	<u>106,873</u>
<u>\$ 1,507,566</u>	<u>\$ 3,246,837</u>

Fairfield County, Ohio

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS**

For the Year Ended December 31, 2004

	Special Assessment Buckeye Lake Sewer Fund	Special Assessment Sanitary Sewer Fund	Special Assessment 2000 High Service Area Fund
<b>REVENUES</b>			
Special assessments.....	\$ 26,886	\$ 60,627	\$ 66,290
Interest.....	868	299	36,845
Total revenues.....	<u>27,754</u>	<u>60,926</u>	<u>103,135</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	25,000	35,000	60,000
Interest and fiscal charges .....	3,850	25,345	26,097
Issuance costs .....	-	-	-
Total expenditures.....	<u>28,850</u>	<u>60,345</u>	<u>86,097</u>
Excess of revenues over (under) expenditures.....	<u>(1,096)</u>	<u>581</u>	<u>17,038</u>
<b>OTHER FINANCING SOURCES</b>			
Special assessment bonds received.....	-	-	-
Premium on bonds.....	-	-	-
Transfers in.....	-	-	-
Transfers out.....	-	-	-
Total other financing sources.....	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances.....	(1,096)	581	17,038
Fund balance - beginning of year.....	18,064	42,221	14,577
Fund balance - end of year.....	<u>\$ 16,968</u>	<u>\$ 42,802</u>	<u>\$ 31,615</u>

Special Assessment High Service Area and Little Walnut Water Fund	Special Assessment Liberty Township Sewer Fund	Totals
\$ 94,248	\$ -	\$ 248,051
28,305	2,733	69,050
<u>122,553</u>	<u>2,733</u>	<u>317,101</u>
85,000	-	205,000
36,573	18,627	110,492
-	36,696	36,696
<u>121,573</u>	<u>55,323</u>	<u>352,188</u>
<u>980</u>	<u>(52,590)</u>	<u>(35,087)</u>
-	1,468,715	1,468,715
-	72,486	72,486
2,868	-	2,868
-	(1,481,771)	(1,481,771)
<u>2,868</u>	<u>59,430</u>	<u>62,298</u>
3,848	6,840	27,211
4,800	-	79,662
<u>\$ 8,648</u>	<u>\$ 6,840</u>	<u>\$ 106,873</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT BUCKEYE LAKE SEWER FUND**

For the Year Ended December 31, 2004

*Exhibit F-4*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special Assessments.....	\$ 29,110	\$ 26,886	\$ (2,224)
Interest.....	940	868	(72)
Total revenues.....	<u>30,050</u>	<u>27,754</u>	<u>(2,296)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	25,000	25,000	-
Interest and fiscal charges .....	3,850	3,850	-
Total expenditures.....	<u>28,850</u>	<u>28,850</u>	<u>-</u>
Net change in fund balance.....	1,200	(1,096)	(2,296)
Fund balance - beginning of year.....	18,064	18,064	-
Fund balance - end of year.....	<u>\$ 19,264</u>	<u>\$ 16,968</u>	<u>\$ (2,296)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT SANITARY SEWER FUND**

For the Year Ended December 31, 2004

*Exhibit F-5*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special Assessments.....	\$ 60,500	\$ 60,627	\$ 127
Interest.....	500	336	(164)
Total revenues.....	<u>61,000</u>	<u>60,963</u>	<u>(37)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	35,000	35,000	-
Interest and fiscal charges .....	25,345	25,345	-
Total expenditures.....	<u>60,345</u>	<u>60,345</u>	<u>-</u>
Net change in fund balance.....	655	618	(37)
Fund balance - beginning of year.....	41,960	41,960	-
Fund balance - end of year.....	<u>\$ 42,615</u>	<u>\$ 42,578</u>	<u>\$ (37)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT 2000 HIGH SERVICE AREA FUND**

For the Year Ended December 31, 2004

Exhibit F-6

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ 55,435	\$ 66,290	\$ 10,855
Interest.....	30,665	36,948	6,283
Total revenues.....	<u>86,100</u>	<u>103,238</u>	<u>17,138</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	60,000	60,000	-
Interest and fiscal charges .....	26,097	26,097	-
Total expenditures.....	<u>86,097</u>	<u>86,097</u>	<u>-</u>
Net change in fund balance.....	3	17,141	17,138
Fund balance - beginning of year.....	14,410	14,410	-
Fund balance - end of year.....	<u>\$ 14,413</u>	<u>\$ 31,551</u>	<u>\$ 17,138</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT HIGH SERVICE AREA AND LITTLE WALNUT WATER FUND**

For the Year Ended December 31, 2004

Exhibit F-7

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ 93,698	\$ 94,248	\$ 550
Interest.....	28,302	28,244	(58)
Total revenues.....	<u>122,000</u>	<u>122,492</u>	<u>492</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	85,000	85,000	-
Interest and fiscal charges .....	36,573	36,573	-
Total expenditures.....	<u>121,573</u>	<u>121,573</u>	<u>-</u>
Excess of revenues over expenditures.....	427	919	492
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	-	2,868	2,868
Net change in fund balance.....	427	3,787	3,360
Fund balance - beginning of year.....	4,718	4,718	-
Fund balance - end of year.....	<u>\$ 5,145</u>	<u>\$ 8,505</u>	<u>\$ 3,360</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT LIBERTY TOWNSHIP SEWER FUND**

For the Year Ended December 31, 2004

Exhibit F-8

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Interest.....	\$ -	\$ 2,733	\$ 2,733
<b>EXPENDITURES</b>			
Debt service:			
Interest and fiscal charges .....	23,503	18,627	4,876
Bond issuance costs .....	-	38,563	(38,563)
Total expenditures.....	23,503	57,190	(33,687)
Excess of revenues under expenditures.....	(23,503)	(54,457)	(30,954)
<b>OTHER FINANCING SOURCES</b>			
Premium on bonds.....	23,503	59,430	35,927
Net change in fund balance.....	-	4,973	4,973
Fund balance - beginning of year.....	-	-	-
Fund balance - end of year.....	\$ -	\$ 4,973	\$ 4,973

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SEWER DEBT SERVICE FUND**

For the Year Ended December 31, 2004

Exhibit F-9

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Tap in fees.....	\$ 194,746	\$ 194,746	\$ -
Interest.....	30,331	55,625	25,294
Total revenues.....	<u>225,077</u>	<u>250,371</u>	<u>25,294</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	10,785,209	10,785,209	-
Interest and fiscal charges .....	573,566	573,566	-
Total expenditures.....	<u>11,358,775</u>	<u>11,358,775</u>	<u>-</u>
Excess of revenues under expenditures.....	<u>(11,133,698)</u>	<u>(11,108,404)</u>	<u>25,294</u>
<b>OTHER FINANCING SOURCES</b>			
Proceeds of bonds.....	1,468,715	1,468,715	-
Proceeds of notes.....	8,568,715	8,568,715	-
Premium on bonds.....	13,056	13,056	-
Operating transfers in.....	1,074,751	1,067,698	(7,053)
Total other financing sources.....	<u>11,125,237</u>	<u>11,118,184</u>	<u>(7,053)</u>
Net change in fund balance.....	(8,461)	9,780	18,241
Fund balance - beginning of year.....	907,773	907,773	-
Fund balance - end of year.....	<u>\$ 899,312</u>	<u>\$ 917,553</u>	<u>\$ 18,241</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
WATER DEBT SERVICE FUND**

For the Year Ended December 31, 2004

Exhibit F-10

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Tap in fees.....	\$ -	\$ 43,869	\$ 43,869
Interest.....	19,100	31,122	12,022
Total revenues.....	<u>19,100</u>	<u>74,991</u>	<u>55,891</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	3,660,000	3,660,000	-
Interest and fiscal charges .....	472,061	472,061	-
Total expenditures.....	<u>4,132,061</u>	<u>4,132,061</u>	<u>-</u>
Excess of revenues under expenditures.....	<u>(4,112,961)</u>	<u>(4,057,070)</u>	<u>55,891</u>
<b>OTHER FINANCING SOURCES</b>			
Proceeds of notes.....	3,200,000	3,200,000	-
Operating transfers in.....	1,188,200	1,225,840	37,640
Total other financing sources.....	<u>4,388,200</u>	<u>4,425,840</u>	<u>37,640</u>
Net change in fund balance.....	275,239	368,770	93,531
Fund balance - beginning of year.....	499,437	499,437	-
Fund balance - end of year.....	<u>\$ 774,676</u>	<u>\$ 868,207</u>	<u>\$ 93,531</u>

## Nonmajor Capital Projects Funds

The capital projects funds are maintained to account for those financial resources received and used for the acquisition, construction, or improvement of major capital facilities (other than those financed by proprietary funds). The following are included in capital projects funds:

Federal Funds – Airport Fund	To account for federal grant revenues; to be used for construction purposes at the Fairfield County Airport.
State Funds – Airport Fund	To account for state grant revenues; to be used for construction purposes at the Fairfield County Airport.
Mental Retardation Facilities Fund	To account for revenue received from a state grant for major renovation work at the Adult Program Center.
Mental Health and Mental Retardation Complex Fund	To account for fees collected for the use of the rooms within the complex to pay for improvements to the complex.
Airport Hangar Construction Fund	To account for hangar rents; used for the construction of new hangars at the Fairfield County Airport.
State Capital Improvements Program Fund	To account for the state portion of revenues and expenditures for improvements to a road.
Permanent Improvement Fund	To account for transfers from the General Fund and various expenditures relating to various permanent improvement projects.
Ohio Department of Transportation Projects Fund	To account for a federal grant and local matches to improve targeted road areas of the county.
Job and Family Services Relocation Fund	To account for the relocation and renovation costs associated with the purchase of property to house the new Family and Jobs Services department.
Liberty Center County Services Complex Fund	To account for the renovation and construction costs associated with the purchase of property on the west side of Lancaster for the purpose of the Liberty Center County Services Complex.
Voter Registration System Fund	To account for grant monies administered by the Ohio Secretary of State awarded to the Board of Elections for replacement of the County's voter registration equipment.
Geographical Information System Equipment Fund	To account for the retirement of a geographical information system equipment general obligation note. This fund was created on a GAAP level basis to report the short-term bond anticipation notes payable liability for the geographical information system equipment.
Mental Health Facility – Our Place II Fund	To account for the purchase and renovation of the mental health facility called Our Place II.
Engineer Equipment Fund	To account for the purchase of equipment in the engineer department.

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

December 31, 2004

	<b>Federal Funds - Airport Fund</b>	<b>State Funds - Airport Fund</b>	<b>Mental Retardation Facilities Fund</b>	<b>Mental Health and Mental Retardation Complex Fund</b>
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 177,551	\$ 145,454	\$ 775,055	\$ 49,447
Cash and cash equivalents in segregated accounts.....	-	-	-	-
Receivables:				
Accounts receivable .....	-	-	-	385
Interfund .....	-	-	-	-
Accrued interest .....	-	-	-	-
Intergovernmental .....	16,386	3,661	-	-
Total assets.....	<u>\$ 193,937</u>	<u>\$ 149,115</u>	<u>\$ 775,055</u>	<u>\$ 49,832</u>
<b>LIABILITIES</b>				
Accounts payable.....	\$ -	\$ -	\$ -	\$ 52
Contracts payable.....	60,255	-	221,657	24,500
Retainage payable.....	4,447	-	18,951	-
Deferred revenue.....	16,386	3,661	-	-
Accrued interest payable.....	-	-	-	-
Notes payable.....	-	-	-	-
Total liabilities.....	<u>81,088</u>	<u>3,661</u>	<u>240,608</u>	<u>24,552</u>
<b>FUND BALANCES</b>				
Reserved for encumbrances .....	-	-	324,234	7,501
Unreserved:				
Undesignated (deficits) .....	112,849	145,454	210,213	17,779
Total fund balances (deficits).....	<u>112,849</u>	<u>145,454</u>	<u>534,447</u>	<u>25,280</u>
Total liabilities and fund balances.....	<u>\$ 193,937</u>	<u>\$ 149,115</u>	<u>\$ 775,055</u>	<u>\$ 49,832</u>

Exhibit G-1

Airport Hangar Construction Fund	State Capital Improvements Program Fund	Permanent Improvement Fund	Ohio Department of Transportation Projects Fund	Liberty Center County Services Complex Fund
\$ 24,831	\$ 26,976	\$ 263,996	\$ 51,305	\$ 524,662
-	-	-	-	-
-	-	-	-	-
-	-	-	-	777
-	-	-	-	1,185
-	-	-	195,461	-
<u>\$ 24,831</u>	<u>\$ 26,976</u>	<u>\$ 263,996</u>	<u>\$ 246,766</u>	<u>\$ 526,624</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	195,461	11,770
-	-	-	20,198	69,188
-	-	-	193,078	379
-	-	-	-	-
-	-	-	-	-
-	-	-	408,737	81,337
-	-	-	-	-
24,831	26,976	263,996	(161,971)	445,287
24,831	26,976	263,996	(161,971)	445,287
<u>\$ 24,831</u>	<u>\$ 26,976</u>	<u>\$ 263,996</u>	<u>\$ 246,766</u>	<u>\$ 526,624</u>

(Continued)

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

(Continued)

December 31, 2004

Exhibit G-1

	Voter Registration System Fund	Geographical Information System Equipment Fund	Mental Health Facility - Our Place II Fund	Totals
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 73,106	\$ -	\$ 84,951	\$ 2,197,334
Cash and cash equivalents in segregated accounts.....	-	-	67,000	67,000
Receivables:				
Accounts receivable .....	-	-	-	385
Interfund .....	-	-	-	777
Accrued interest .....	-	-	-	1,185
Intergovernmental .....	-	-	-	215,508
Total assets.....	<u>\$ 73,106</u>	<u>\$ -</u>	<u>\$ 151,951</u>	<u>\$ 2,482,189</u>
<b>LIABILITIES</b>				
Accounts payable.....	\$ -	\$ -	\$ -	\$ 52
Contracts payable.....	-	-	13,933	527,576
Retainage payable.....	-	-	17,593	130,377
Deferred revenue.....	-	-	-	213,504
Accrued interest payable.....	-	575	-	575
Notes payable.....	-	520,000	-	520,000
Total liabilities.....	<u>-</u>	<u>520,575</u>	<u>31,526</u>	<u>1,392,084</u>
<b>FUND BALANCES</b>				
Reserved for encumbrances .....	-	-	-	331,735
Unreserved:				
Undesignated (deficits) .....	73,106	(520,575)	120,425	758,370
Total fund balances (deficits).....	<u>73,106</u>	<u>(520,575)</u>	<u>120,425</u>	<u>1,090,105</u>
Total liabilities and fund balances.....	<u>\$ 73,106</u>	<u>\$ -</u>	<u>\$ 151,951</u>	<u>\$ 2,482,189</u>

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# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2004

	Federal Funds - Airport Fund	State Funds - Airport Fund	Mental Retardation Facilities Fund	Mental Health and Mental Retardation Complex Fund
<b>REVENUES</b>				
Charges for services.....	\$ -	\$ -	\$ -	\$ 1,730
Intergovernmental.....	158,408	-	80,000	-
Interest.....	-	-	-	-
Rent.....	-	-	-	-
Other.....	-	-	-	2,472
Total revenues.....	<u>158,408</u>	<u>-</u>	<u>80,000</u>	<u>4,202</u>
<b>EXPENDITURES</b>				
Capital outlay.....	68,183	-	433,922	37,454
Debt service:				
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>68,183</u>	<u>-</u>	<u>433,922</u>	<u>37,454</u>
Excess of revenues over (under) expenditures .....	<u>90,225</u>	<u>-</u>	<u>(353,922)</u>	<u>(33,252)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Notes issued .....	-	-	250,000	-
Loans received .....	-	-	-	-
Transfers in .....	-	-	130,000	-
Transfers out .....	-	-	-	-
Total other financing sources (uses) .....	<u>-</u>	<u>-</u>	<u>380,000</u>	<u>-</u>
Net changes in fund balances.....	90,225	-	26,078	(33,252)
Fund balances (deficits) - beginning of year .....	<u>22,624</u>	<u>145,454</u>	<u>508,369</u>	<u>58,532</u>
Fund balances (deficits) - end of year .....	<u>\$ 112,849</u>	<u>\$ 145,454</u>	<u>\$ 534,447</u>	<u>\$ 25,280</u>

Airport Hangar Construction Fund	State Capital Improvements Program Fund	Permanent Improvement Fund	Ohio Department of Transportation Projects Fund	Job and Family Services Relocation Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	553,889	-	1,380,140	-
-	-	-	-	-
52,713	-	-	-	-
-	-	-	-	-
<u>52,713</u>	<u>553,889</u>	<u>-</u>	<u>1,380,140</u>	<u>-</u>
-	382,380	116,581	1,560,093	-
-	-	-	-	-
-	<u>382,380</u>	<u>116,581</u>	<u>1,560,093</u>	<u>-</u>
<u>52,713</u>	<u>171,509</u>	<u>(116,581)</u>	<u>(179,953)</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	34,209	-	83,940	-
(114,665)	-	-	-	(12,695)
<u>(114,665)</u>	<u>34,209</u>	<u>-</u>	<u>83,940</u>	<u>(12,695)</u>
(61,952)	205,718	(116,581)	(96,013)	(12,695)
86,783	(178,742)	380,577	(65,958)	12,695
<u>\$ 24,831</u>	<u>\$ 26,976</u>	<u>\$ 263,996</u>	<u>\$ (161,971)</u>	<u>\$ -</u>

(Continued)

# Fairfield County, Ohio

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2004

	Liberty Center County Services Complex Fund	Voter Registration System Fund	Geographical Information System Equipment Fund	Mental Health Facility - Our Place II Fund
<b>REVENUES</b>				
Charges for services.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	-	73,106	-	-
Interest.....	4,520	-	-	-
Rent.....	-	-	-	-
Other.....	1,118	-	-	-
Total revenues.....	<u>5,638</u>	<u>73,106</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Capital outlay.....	540,924	-	-	255,010
Debt service				
Interest and fiscal charges .....	-	-	10,826	-
Total expenditures.....	<u>540,924</u>	<u>-</u>	<u>10,826</u>	<u>255,010</u>
Excess of revenues over (under) expenditures .....	<u>(535,286)</u>	<u>73,106</u>	<u>(10,826)</u>	<u>(255,010)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Notes issued .....	-	-	-	-
Loans received .....	-	-	-	-
Transfers in .....	-	-	138,632	252,991
Transfers out .....	-	-	-	-
Total other financing sources (uses) .....	<u>-</u>	<u>-</u>	<u>138,632</u>	<u>252,991</u>
Net changes in fund balances.....	(535,286)	73,106	127,806	(2,019)
Fund balances (deficits) - beginning of year .....	980,573	-	(648,381)	122,444
Fund balances (deficits) - end of year .....	<u>\$ 445,287</u>	<u>\$ 73,106</u>	<u>\$ (520,575)</u>	<u>\$ 120,425</u>

<b>Engineer Equipment Fund</b>	<b>Totals</b>
\$ -	\$ 1,730
-	2,245,543
-	4,520
-	52,713
-	3,590
<hr/>	<hr/>
-	2,308,096
<hr/>	<hr/>
133,693	3,528,240
-	10,826
<hr/>	<hr/>
133,693	3,539,066
<hr/>	<hr/>
(133,693)	(1,230,970)
<hr/>	<hr/>
-	250,000
133,693	133,693
-	639,772
-	(127,360)
<hr/>	<hr/>
133,693	896,105
-	(334,865)
-	1,424,970
<hr/>	<hr/>
\$ -	\$ 1,090,105
<hr/>	<hr/>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
FEDERAL FUNDS - AIRPORT FUND**

For the Year Ended December 31, 2004

*Exhibit G-3*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 11,672	\$ 11,672	\$ -
<b>EXPENDITURES</b>			
Current:			
Conservation and recreation:			
Federal funds - airport:			
Capital outlay .....	34,296	3,481	30,815
Net change in fund balance.....	(22,624)	8,191	30,815
Fund balance - beginning of year.....	22,624	22,624	-
Fund balance - end of year.....	<u>\$ -</u>	<u>\$ 30,815</u>	<u>\$ 30,815</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
STATE FUNDS - AIRPORT FUND**

For the Year Ended December 31, 2004

*Exhibit G-4*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
Conservation and recreation:			
State funds - airport:			
Contractual services .....	4,576	-	4,576
Net change in fund balance.....	(4,576)	-	4,576
Fund balance - beginning of year.....	140,878	140,878	-
Prior year encumbrances appropriated.....	4,576	4,576	-
Fund balance - end of year.....	<u>\$ 140,878</u>	<u>\$ 145,454</u>	<u>\$ 4,576</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
MENTAL RETARDATION FACILITIES FUND**

For the Year Ended December 31, 2004

Exhibit G-5

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Donations.....	\$ -	\$ 80,000	\$ 80,000
<b>EXPENDITURES</b>			
Current:			
Health			
Mental retardation facilities			
Capital outlay .....	888,369	695,831	192,538
Excess of revenues under expenditures.....	(888,369)	(615,831)	272,538
<b>OTHER FINANCING SOURCES</b>			
Proceeds of notes.....	250,000	250,000	-
Operating transfers in.....	130,000	130,000	-
Total other financing sources .....	380,000	380,000	-
Net change in fund balance.....	(508,369)	(235,831)	272,538
Fund balance - beginning of year.....	508,369	508,369	-
Fund balance - end of year.....	<u>\$ -</u>	<u>\$ 272,538</u>	<u>\$ 272,538</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
MENTAL HEALTH AND MENTAL RETARDATION COMPLEX FUND**

For the Year Ended December 31, 2004

Exhibit G-6

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 1,000	\$ 1,345	\$ 345
Donations.....	2,472	2,472	-
Total revenues.....	<u>3,472</u>	<u>3,817</u>	<u>345</u>
<b>EXPENDITURES</b>			
Current:			
Health:			
Mental health and mental retardation complex:			
Materials and supplies .....	1,000	-	1,000
Contractual services .....	15,555	12,955	2,600
Capital outlay .....	32,000	32,000	-
Total expenditures.....	<u>48,555</u>	<u>44,955</u>	<u>3,600</u>
Net change in fund balance.....	(45,083)	(41,138)	3,945
Fund balance - beginning of year.....	58,477	58,477	-
Prior year encumbrances appropriated.....	55	55	-
Fund balance - end of year.....	<u>\$ 13,449</u>	<u>\$ 17,394</u>	<u>\$ 3,945</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
AIRPORT HANGAR CONSTRUCTION FUND**

For the Year Ended December 31, 2004

*Exhibit G-7*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Rent.....	\$ 55,933	\$ 55,933	\$ -
<b>EXPENDITURES</b>			
Total expenditures.....	-	-	-
Excess of revenues over expenditures.....	55,933	55,933	-
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(114,665)	(114,665)	-
Net change in fund balance.....	(58,732)	(58,732)	-
Fund balance - beginning of year.....	83,563	83,563	-
Fund balance - end of year.....	<u>\$ 24,831</u>	<u>\$ 24,831</u>	<u>\$ -</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
STATE CAPITAL IMPROVEMENTS PROGRAM FUND**

For the Year Ended December 31, 2004

*Exhibit G-8*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 553,889	\$ 553,889	\$ -
<b>EXPENDITURES</b>			
Current:			
Public works:			
State capital improvements program:			
Capital outlay .....	666,776	655,577	11,199
Excess of revenues under expenditures.....	(112,887)	(101,688)	11,199
<b>OTHER FINANCING SOURCES</b>			
Operating Transfers In.....	34,209	34,209	-
Net change in fund balance.....	(78,678)	(67,479)	11,199
Fund balance - beginning of year.....	15,777	15,777	-
Prior year encumbrances appropriated.....	78,678	78,678	-
Fund balance - end of year.....	<u>\$ 15,777</u>	<u>\$ 26,976</u>	<u>\$ 11,199</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
PERMANENT IMPROVEMENT FUND**

For the Year Ended December 31, 2004

*Exhibit G-9*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Permanent improvement:			
Capital outlay .....	309,600	139,985	169,615
Net change in fund balance.....	(309,600)	(139,985)	169,615
Fund balance - beginning of year.....	394,381	394,381	-
Prior year encumbrances appropriated.....	9,600	9,600	-
Fund balance - end of year.....	<u>\$ 94,381</u>	<u>\$ 263,996</u>	<u>\$ 169,615</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
OHIO DEPARTMENT OF TRANSPORTATION PROJECTS FUND**

For the Year Ended December 31, 2004

*Exhibit G-10*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 1,021,439	\$ 1,377,757	\$ 356,318
<b>EXPENDITURES</b>			
Current:			
Public works:			
Ohio department of transportation projects:			
Capital outlay .....	<u>1,118,700</u>	<u>1,458,127</u>	<u>(339,427)</u>
Excess of revenues under expenditures.....	(97,261)	(80,370)	16,891
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	<u>83,940</u>	<u>83,940</u>	<u>-</u>
Net change in fund balance.....	(13,321)	3,570	16,891
Fund balance - beginning of year.....	20,014	20,014	-
Prior year encumbrances appropriated.....	<u>7,523</u>	<u>7,523</u>	<u>-</u>
Fund balance - end of year .....	<u><u>\$ 14,216</u></u>	<u><u>\$ 31,107</u></u>	<u><u>\$ 16,891</u></u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
JOB AND FAMILY SERVICES RELOCATION FUND**

For the Year Ended December 31, 2004

*Exhibit G-11*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Total expenditures .....	-	-	-
Excess of revenues over expenditures.....	-	-	-
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(12,695)	(12,695)	-
Net change in fund balance.....	(12,695)	(12,695)	-
Fund balance - beginning of year.....	12,695	12,695	-
Fund balance - end of year.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
LIBERTY CENTER COUNTY SERVICES COMPLEX FUND**

For the Year Ended December 31, 2004

Exhibit G-12

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Interest.....	\$ 1,023	\$ 5,019	\$ 3,996
Other.....	1,118	1,118	-
Total revenues.....	2,141	6,137	3,996
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Liberty center county services complex:			
Capital outlay .....	1,269,777	919,410	350,367
Net change in fund balance.....	(1,267,636)	(913,273)	354,363
Fund balance - beginning of year.....	427,023	427,023	-
Prior Year Encumbrances Appropriated.....	986,589	986,589	-
Fund balance - end of year.....	<u>\$ 145,976</u>	<u>\$ 500,339</u>	<u>\$ 354,363</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
VOTER REGISTRATION SYSTEM FUND**

For the Year Ended December 31, 2004

*Exhibit G-13*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 73,106	\$ 73,106	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Voter registration system:			
Capital outlay .....	<u>73,106</u>	<u>-</u>	<u>73,106</u>
Net change in fund balance.....	-	73,106	73,106
Fund balance - beginning of year.....	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year.....	<u>\$ -</u>	<u>\$ 73,106</u>	<u>\$ 73,106</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
MENTAL HEALTH FACILITY - OUR PLACE II FUND**

For the Year Ended December 31, 2004

Exhibit G-14

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Total revenues .....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
Health			
Mental health facility - our place II:			
Capital outlay .....	308,435	223,484	84,951
Excess of revenues under expenditures .....	(308,435)	(223,484)	(84,951)
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in .....	252,991	252,991	-
Net change in fund balance .....	(55,444)	29,507	84,951
Fund balance - beginning of year .....	122,444	122,444	-
Fund balance - end of year .....	<u>\$ 67,000</u>	<u>\$ 151,951</u>	<u>\$ 84,951</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
ENGINEER EQUIPMENT FUND**

For the Year Ended December 31, 2004

Exhibit G-15

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Total revenues .....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
Public works:			
Engineer equipment:			
Capital outlay .....	133,693	133,693	-
Excess of revenues under expenditures .....	(133,693)	(133,693)	-
<b>OTHER FINANCING SOURCES</b>			
Proceeds of loans .....	133,693	133,693	-
Net change in fund balance .....	-	-	-
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	\$ -	\$ -	\$ -

## Enterprise Funds

The enterprise funds are maintained to account for the operations of County government that provide goods or services to the general public in a manner similar to private business enterprises. The costs of providing these goods or services are financed through user charges.

The following are included in enterprise funds:

Sewer Fund                      To account for sewer services provided to individuals and commercial users. For GAAP reporting purposes, a portion of the Sewer Debt Service Fund was combined and reported as a part of this fund.

Water Fund                      To account for water services provided to individuals and commercial users. For GAAP reporting purposes, the Water Debt Service Fund was combined and reported as a part of this fund.

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY — BUDGET (NON-GAAP BASIS) AND ACTUAL SEWER FUND

For the Year Ended December 31, 2004

Exhibit H-1

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 3,000,746	\$ 2,573,574	\$ (427,172)
Tap-in fees.....	750,000	748,662	(1,338)
Penalties.....	25,254	25,254	-
Deposits.....	126,000	121,763	(4,237)
Special assessments.....	-	2,339	2,339
Grants.....	87,001	45,578	(41,423)
Sales of capital assets.....	-	2,788	2,788
Other non-operating revenues.....	1,000	493	(507)
Interest.....	41,100	53,933	12,833
Total revenues.....	<u>4,031,101</u>	<u>3,574,384</u>	<u>(456,717)</u>
<b>EXPENSES</b>			
Personal services.....	572,500	543,956	28,544
Fringe benefits.....	208,182	191,333	16,849
Contractual services.....	1,524,816	1,334,260	190,556
Materials and supplies.....	93,000	86,031	6,969
Deposits.....	162,500	126,820	35,680
Other operating expenses.....	43,600	42,000	1,600
Capital outlay.....	4,895,530	4,244,984	650,546
Total expenses.....	<u>7,500,128</u>	<u>6,569,384</u>	<u>930,744</u>
Excess of revenues under expenses.....	(3,469,027)	(2,995,000)	474,027
Operating transfers in.....	36,762	-	(36,762)
Operating transfers out.....	(1,068,215)	(1,067,698)	517
Excess of revenues under expenses and operating transfers .....	(4,500,480)	(4,062,698)	437,782
Fund equity - beginning of year.....	2,203,835	2,203,835	-
Prior year encumbrances appropriated.....	4,872,361	4,872,361	-
Fund equity - end of year.....	<u>\$ 2,575,716</u>	<u>\$ 3,013,498</u>	<u>\$ 437,782</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY —  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
WATER FUND**

For the Year Ended December 31, 2004

Exhibit H-2

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 1,809,000	\$ 1,989,346	\$ 180,346
Tap-in fees.....	710,000	608,088	(101,912)
Penalties.....	30,000	31,238	1,238
Special assessments.....	-	2,849	2,849
Proceeds of notes.....	700,000	-	(700,000)
Other non-operating revenues.....	1,000	5,053	4,053
Interest.....	10,600	33,370	22,770
Total revenues.....	<u>3,260,600</u>	<u>2,669,944</u>	<u>(590,656)</u>
<b>EXPENSES</b>			
Personal services.....	389,500	362,589	26,911
Fringe benefits.....	86,300	79,839	6,461
Contractual services.....	687,863	645,402	42,461
Materials and supplies.....	221,700	202,624	19,076
Other operating expenses.....	5,000	2,626	2,374
Capital outlay.....	434,448	419,457	14,991
Total expenses.....	<u>1,824,811</u>	<u>1,712,537</u>	<u>112,274</u>
Excess of revenues over expenses.....	1,435,789	957,407	(478,382)
Operating transfers in.....	105,717	-	(105,717)
Operating transfers out.....	<u>(1,254,985)</u>	<u>(1,225,840)</u>	<u>29,145</u>
Excess of revenues over (under) expenses and operating transfers .....	286,521	(268,433)	(554,954)
Fund equity - beginning of year.....	1,787,329	1,787,329	-
Prior year encumbrances appropriated.....	<u>328,961</u>	<u>328,961</u>	<u>-</u>
Fund equity - end of year.....	<u>\$ 2,402,811</u>	<u>\$ 1,847,857</u>	<u>\$ (554,954)</u>

## Internal Service Fund

The internal service fund is maintained to account for the operations of County activities that provide services to other County departments and funds.

The following is the County's internal service fund:

Self-Funded Health  
Insurance Fund

The County is self-insured for employee health care benefits. This fund accounts for claims and administration of the self-insurance program. The fund's budgetary information is the only financial statement presented in this section.

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY —  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
SELF-FUNDED HEALTH INSURANCE FUND**

For the Year Ended December 31, 2004

Exhibit I-1

	<b>Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Charges for services.....	\$ 6,805,000	\$ 6,651,839	\$ (153,161)
Other non-operating revenues.....	6,100	5,457	(643)
Interest.....	17,000	17,626	626
Total revenues.....	<u>6,828,100</u>	<u>6,674,922</u>	<u>(153,178)</u>
<b>EXPENSES</b>			
Contractual services.....	640,512	546,873	93,639
Claims.....	6,608,440	6,060,876	547,564
Other operating expenses.....	1,200	1,101	99
Total expenses.....	<u>7,250,152</u>	<u>6,608,850</u>	<u>641,302</u>
Net change in fund equity.....	(422,052)	66,072	488,124
Fund equity - beginning of year.....	106,541	106,541	-
Prior year encumbrances appropriated.....	608,440	608,440	-
Fund equity - end of year.....	<u>\$ 292,929</u>	<u>\$ 781,053</u>	<u>\$ 488,124</u>

## Agency Funds

The agency funds account for resources the County holds in a purely custodial capacity (assets equal liabilities) for individuals, private organizations, other County funds, or other governments.

The following are included in agency funds:

Fairfield Department of Health Fund	To account for the funds of the Department of Health. The County Auditor is the <i>ex officio</i> fiscal agent for the Department.
County Hotel Lodging Fund	To account for a three percent hotel tax collected and then forwarded to the Fairfield County Visitors and Convention Bureau.
Soil and Water Fund	To account for the fund activities of the Fairfield County Soil and Water Conservation District, a statutorily created separate political subdivision of the State. The County Auditor is the fiscal agent for the District.
Regional Planning Fund	To account for the fund activities of the Fairfield County Regional Planning Commission, a statutorily created separate political subdivision of the State. The County Auditor is the fiscal agent for the Commission.
Undivided Inheritance Tax Fund	To account for the collection of estate taxes which are then distributed to the State and to certain local governments.
Undivided Real Estate and Tangible Tax Fund	To account for the collection of real estate taxes from real estate owners, the collection of special assessments, and the undivided tangible tax revenues that are distributed to cities, villages, townships, and the County itself, as prescribed by State Statute.
Undivided Automobile Tax Fund	To account for the collection of State automobile registration fees which are then distributed to municipal corporations and townships.
Undivided Tax Fund	To account for the collection of various special assessments and local taxes.
Ohio Elections Commission Fund	To account for the fees collected from individuals filing a declaration of candidacy with the Board of Elections. These funds are then forwarded to the State of Ohio Elections Commission.
Undivided Local Tax Fund	To account for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes, state sales taxes, and corporate franchise taxes that are returned to the County. These monies are apportioned to local governments on a monthly basis.
Township Gasoline Tax Fund	To account for the collection of State gasoline tax revenues which are then apportioned equally to the thirteen townships in the County.

(Continued)

## Agency Funds (continued)

Library and Local Government Support Fund	To account for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes that are returned to the County for use by district libraries and park districts. These monies are apportioned to the libraries on a monthly basis.
Law Enforcement Fund	To account for fines from the County Courts and used by the Sheriff and Prosecuting Attorney for investigations, prosecution, and training for law enforcement.
Undivided Local Government Revenue Assistance Fund	To account for the collection of shared revenues from the State of Ohio that are apportioned to local governments on a monthly basis.
Fairfield County Historical Parks Commission Fund	To account for donations and grant revenue received and expenditures made for the operations of a three-member County-appointed Board of the Park District.
Payroll Agency Fund	To account for payroll taxes and other payroll-related deductions that are accumulated for distribution to other governments and private organizations.
County Court Agency Fund	To account for Clerk of Court's auto title fees and other court receipts.
Sheriff Agency Fund	To account for the activity of the Sheriff's civil account.
Inmate Agency Fund	To account for funds collected and returned to inmates held in the Fairfield County jail.
Fairfield County Family, Adult, and Children First Fund	To account for state grant revenues and expenditures of the Fairfield County Family, Adult, and Children First Council. The County Commissioners serve as administrative agent and the County Auditor serves as fiscal agent of the Council.
Alimony and Child Support Fund	To account for the collection of alimony and child support payments and the distribution of such monies to the court-designated recipients.
Multi-County Juvenile Detention System Fund	To account for the system's construction costs of a multi-county juvenile detention center.
Fairfield-Hocking Major Crimes Investigation Unit Fund	To account for the funds of the Fairfield-Hocking Major Crimes Investigation Unit. The County Auditor is the fiscal agent for the Unit.
Fairfield County Agency Transportation System Fund	To account for the funds of the Fairfield County Agency Transportation System, Inc. The County Auditor is the fiscal agent for the System.
Recorder Housing Trust Fund	To account for the collection of county recorder fees mandated by HB 95 to be remitted quarterly to the state.

# Fairfield County, Ohio

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>FAIRFIELD DEPARTMENT OF HEALTH FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 515,077	\$ 3,508,812	\$ 3,662,836	\$ 361,053
Accounts receivable .....	454,412	471,106	454,412	471,106
External party receivable .....	1,622	572	1,622	572
Total assets .....	<u>\$ 971,111</u>	<u>\$ 3,980,490</u>	<u>\$ 4,118,870</u>	<u>\$ 832,731</u>
<b>Liabilities</b>				
Due to others .....	971,111	3,980,490	4,118,870	832,731
Total liabilities .....	<u>\$ 971,111</u>	<u>\$ 3,980,490</u>	<u>\$ 4,118,870</u>	<u>\$ 832,731</u>
<b>COUNTY HOTEL LODGING FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 209,704	\$ 209,704	\$ -
Property and other taxes receivable .....	56,874	51,889	56,874	51,889
Total assets .....	<u>\$ 56,874</u>	<u>\$ 261,593</u>	<u>\$ 266,578</u>	<u>\$ 51,889</u>
<b>Liabilities</b>				
Due to others .....	\$ 56,874	\$ 261,593	\$ 266,578	\$ 51,889
Total liabilities .....	<u>\$ 56,874</u>	<u>\$ 261,593</u>	<u>\$ 266,578</u>	<u>\$ 51,889</u>
<b>SOIL AND WATER FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 101,166	\$ 552,199	\$ 549,087	\$ 104,278
Total assets .....	<u>\$ 101,166</u>	<u>\$ 552,199</u>	<u>\$ 549,087</u>	<u>\$ 104,278</u>
<b>Liabilities</b>				
Due to others .....	\$ 101,166	\$ 552,199	\$ 549,087	\$ 104,278
Total liabilities .....	<u>\$ 101,166</u>	<u>\$ 552,199</u>	<u>\$ 549,087</u>	<u>\$ 104,278</u>
<b>REGIONAL PLANNING FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 346,495	\$ 678,011	\$ 621,504	\$ 403,002
External party receivable .....	43,200	22,700	43,200	22,700
Total assets .....	<u>\$ 389,695</u>	<u>\$ 700,711</u>	<u>\$ 664,704</u>	<u>\$ 425,702</u>
<b>Liabilities</b>				
Due to others .....	\$ 389,695	\$ 700,711	\$ 664,704	\$ 425,702
Total liabilities .....	<u>\$ 389,695</u>	<u>\$ 700,711</u>	<u>\$ 664,704</u>	<u>\$ 425,702</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>UNDIVIDED INHERITANCE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 428,396	\$ 1,680,102	\$ 1,729,301	\$ 379,197
Total assets .....	<u>\$ 428,396</u>	<u>\$ 1,680,102</u>	<u>\$ 1,729,301</u>	<u>\$ 379,197</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 428,396	\$ 1,680,102	\$ 1,729,301	\$ 379,197
Total liabilities .....	<u>\$ 428,396</u>	<u>\$ 1,680,102</u>	<u>\$ 1,729,301</u>	<u>\$ 379,197</u>
<b>UNDIVIDED REAL ESTATE AND TANGIBLE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 3,168,216	\$ 101,087,017	\$ 101,088,338	\$ 3,166,895
Property and other taxes receivable .....	99,265,366	108,406,808	99,265,366	108,406,808
Intergovernmental receivable .....	5,505,998	6,170,350	5,505,998	6,170,350
Total assets .....	<u>\$ 107,939,580</u>	<u>\$ 215,664,175</u>	<u>\$ 205,859,702</u>	<u>\$ 117,744,053</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 107,939,580	\$ 215,664,175	\$ 205,859,702	\$ 117,744,053
Total liabilities .....	<u>\$ 107,939,580</u>	<u>\$ 215,664,175</u>	<u>\$ 205,859,702</u>	<u>\$ 117,744,053</u>
<b>UNDIVIDED AUTOMOBILE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 1,212,039	\$ 1,212,039	\$ -
Intergovernmental receivable .....	406,395	535,741	406,395	535,741
Total assets .....	<u>\$ 406,395</u>	<u>\$ 1,747,780</u>	<u>\$ 1,618,434</u>	<u>\$ 535,741</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 406,395	\$ 1,747,780	\$ 1,618,434	\$ 535,741
Total liabilities .....	<u>\$ 406,395</u>	<u>\$ 1,747,780</u>	<u>\$ 1,618,434</u>	<u>\$ 535,741</u>
<b>UNDIVIDED TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 23,277	\$ 107,274,222	\$ 107,283,609	\$ 13,890
Accounts receivable .....	137,397	144,773	137,397	144,773
Special assessments receivable .....	2,271,166	2,146,755	2,271,166	2,146,755
Intergovernmental receivable .....	630,734	573,691	630,734	573,691
Total assets .....	<u>\$ 3,062,574</u>	<u>\$ 110,139,441</u>	<u>\$ 110,322,906</u>	<u>\$ 2,879,109</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 3,062,574	\$ 110,139,441	\$ 110,322,906	\$ 2,879,109
Total liabilities .....	<u>\$ 3,062,574</u>	<u>\$ 110,139,441</u>	<u>\$ 110,322,906</u>	<u>\$ 2,879,109</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>OHIO ELECTIONS COMMISSION FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 310	\$ 445	\$ 730	\$ 25
Total assets .....	<u>\$ 310</u>	<u>\$ 445</u>	<u>\$ 730</u>	<u>\$ 25</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 310	\$ 445	\$ 730	\$ 25
Total liabilities .....	<u>\$ 310</u>	<u>\$ 445</u>	<u>\$ 730</u>	<u>\$ 25</u>
<b>UNDIVIDED LOCAL TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 2,633,579	\$ 2,633,579	\$ -
Intergovernmental receivable .....	1,509,760	1,411,010	1,509,760	1,411,010
Total assets .....	<u>\$ 1,509,760</u>	<u>\$ 4,044,589</u>	<u>\$ 4,143,339</u>	<u>\$ 1,411,010</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 1,509,760	\$ 4,044,589	\$ 4,143,339	\$ 1,411,010
Total liabilities .....	<u>\$ 1,509,760</u>	<u>\$ 4,044,589</u>	<u>\$ 4,143,339</u>	<u>\$ 1,411,010</u>
<b>TOWNSHIP GASOLINE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 37,983	\$ 955,845	\$ 940,653	\$ 53,175
Intergovernmental receivable .....	415,238	548,897	415,238	548,897
Total assets .....	<u>\$ 453,221</u>	<u>\$ 1,504,742</u>	<u>\$ 1,355,891</u>	<u>\$ 602,072</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 453,221	\$ 1,504,742	\$ 1,355,891	\$ 602,072
Total liabilities .....	<u>\$ 453,221</u>	<u>\$ 1,504,742</u>	<u>\$ 1,355,891</u>	<u>\$ 602,072</u>
<b>LIBRARY AND LOCAL GOVERNMENT SUPPORT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 4,251,059	\$ 4,251,059	\$ -
Intergovernmental receivable .....	2,639,300	2,356,348	2,639,300	2,356,348
Total assets .....	<u>\$ 2,639,300</u>	<u>\$ 6,607,407</u>	<u>\$ 6,890,359</u>	<u>\$ 2,356,348</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 2,639,300	\$ 6,607,407	\$ 6,890,359	\$ 2,356,348
Total liabilities .....	<u>\$ 2,639,300</u>	<u>\$ 6,607,407</u>	<u>\$ 6,890,359</u>	<u>\$ 2,356,348</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>LAW ENFORCEMENT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents				
in segregated accounts .....	\$ 195,581	\$ 147,247	\$ 136,236	\$ 206,592
External party receivable .....	-	350	-	350
Total assets .....	<u>\$ 195,581</u>	<u>\$ 147,597</u>	<u>\$ 136,236</u>	<u>\$ 206,942</u>
<b>Liabilities</b>				
Due to others .....	\$ 195,581	\$ 147,597	\$ 136,236	\$ 206,942
Total liabilities .....	<u>\$ 195,581</u>	<u>\$ 147,597</u>	<u>\$ 136,236</u>	<u>\$ 206,942</u>
<b>UNDIVIDED LOCAL GOVERNMENT REVENUE ASSISTANCE FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 581,547	\$ 581,547	\$ -
Intergovernmental receivable .....	339,525	317,720	339,525	317,720
Total assets .....	<u>\$ 339,525</u>	<u>\$ 899,267</u>	<u>\$ 921,072</u>	<u>\$ 317,720</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 339,525	\$ 899,267	\$ 921,072	\$ 317,720
Total liabilities .....	<u>\$ 339,525</u>	<u>\$ 899,267</u>	<u>\$ 921,072</u>	<u>\$ 317,720</u>
<b>FAIRFIELD COUNTY HISTORICAL PARKS COMMISSION FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 28,744	\$ 124,688	\$ 127,295	\$ 26,137
Intergovernmental receivable .....	34,247	32,014	34,247	32,014
Total assets .....	<u>\$ 62,991</u>	<u>\$ 156,702</u>	<u>\$ 161,542</u>	<u>\$ 58,151</u>
<b>Liabilities</b>				
Due to others .....	\$ 62,991	\$ 156,702	\$ 161,542	\$ 58,151
Total liabilities .....	<u>\$ 62,991</u>	<u>\$ 156,702</u>	<u>\$ 161,542</u>	<u>\$ 58,151</u>
<b>PAYROLL AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 152,434	\$ 24,145,238	\$ 24,212,676	\$ 84,996
Cash and cash equivalents in segregated accounts .....	96,733	101,558	96,733	101,558
Total assets .....	<u>\$ 249,167</u>	<u>\$ 24,246,796</u>	<u>\$ 24,309,409</u>	<u>\$ 186,554</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 96,733	\$ 101,558	\$ 96,733	\$ 101,558
Due to others .....	152,434	24,145,238	24,212,676	84,996
Total liabilities .....	<u>\$ 249,167</u>	<u>\$ 24,246,796</u>	<u>\$ 24,309,409</u>	<u>\$ 186,554</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>COUNTY COURT AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents				
in segregated accounts .....	\$ 2,147,798	\$ 31,958,507	\$ 32,458,609	\$ 1,647,696
Accounts receivable .....	978,629	1,207,082	978,629	1,207,082
Total assets .....	<u>\$ 3,126,427</u>	<u>\$ 33,165,589</u>	<u>\$ 33,437,238</u>	<u>\$ 2,854,778</u>
<b>Liabilities</b>				
Due to others .....	\$ 3,126,427	\$ 33,165,589	\$ 33,437,238	\$ 2,854,778
Total liabilities .....	<u>\$ 3,126,427</u>	<u>\$ 33,165,589</u>	<u>\$ 33,437,238</u>	<u>\$ 2,854,778</u>
<b>SHERIFF AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 8,236,349	\$ 7,737,486	\$ 498,863
Cash and cash equivalents				
in segregated accounts .....	133,077	-	133,077	-
Total assets .....	<u>\$ 133,077</u>	<u>\$ 8,236,349</u>	<u>\$ 7,870,563</u>	<u>\$ 498,863</u>
<b>Liabilities</b>				
Due to others .....	\$ 133,077	\$ 8,236,349	\$ 7,870,563	\$ 498,863
Total liabilities .....	<u>\$ 133,077</u>	<u>\$ 8,236,349</u>	<u>\$ 7,870,563</u>	<u>\$ 498,863</u>
<b>INMATE AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents				
in segregated accounts .....	\$ 3,184	\$ 215,997	\$ 217,603	\$ 1,578
Total assets .....	<u>\$ 3,184</u>	<u>\$ 215,997</u>	<u>\$ 217,603</u>	<u>\$ 1,578</u>
<b>Liabilities</b>				
Due to others .....	\$ 3,184	\$ 215,997	\$ 217,603	\$ 1,578
Total liabilities .....	<u>\$ 3,184</u>	<u>\$ 215,997</u>	<u>\$ 217,603</u>	<u>\$ 1,578</u>
<b>FAIRFIELD COUNTY FAMILY, ADULT, AND CHILDREN FIRST FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 306,168	\$ 1,098,084	\$ 1,195,137	\$ 209,115
Total assets .....	<u>\$ 306,168</u>	<u>\$ 1,098,084</u>	<u>\$ 1,195,137</u>	<u>\$ 209,115</u>
<b>Liabilities</b>				
External party payable .....	\$ 115,349	\$ 15,286	\$ 115,349	\$ 15,286
Due to others .....	190,819	1,082,798	1,079,788	193,829
Total liabilities .....	<u>\$ 306,168</u>	<u>\$ 1,098,084</u>	<u>\$ 1,195,137</u>	<u>\$ 209,115</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>ALIMONY AND CHILD SUPPORT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 1,212	\$ -	\$ -	\$ 1,212
Cash and cash equivalents in segregated accounts .....	28,211	808,330	795,827	40,714
Total assets .....	<u>\$ 29,423</u>	<u>\$ 808,330</u>	<u>\$ 795,827</u>	<u>\$ 41,926</u>
<b>Liabilities</b>				
Due to others .....	\$ 29,423	\$ 808,330	\$ 795,827	\$ 41,926
Total liabilities .....	<u>\$ 29,423</u>	<u>\$ 808,330</u>	<u>\$ 795,827</u>	<u>\$ 41,926</u>
<b>MULTI-COUNTY JUVENILE DETENTION SYSTEM FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 609,774	\$ 2,360,577	\$ 2,277,092	\$ 693,259
Accounts receivable .....	3,301	915	3,301	915
Total assets .....	<u>\$ 613,075</u>	<u>\$ 2,361,492</u>	<u>\$ 2,280,393</u>	<u>\$ 694,174</u>
<b>Liabilities</b>				
Contracts payable .....	\$ 34,786	\$ -	\$ 34,786	\$ -
Retainage payable .....	189,476	-	55,005	134,471
Due to others .....	388,813	2,361,492	2,190,602	559,703
Total liabilities .....	<u>\$ 613,075</u>	<u>\$ 2,361,492</u>	<u>\$ 2,280,393</u>	<u>\$ 694,174</u>
<b>FAIRFIELD - HOCKING MAJOR CRIMES INVESTIGATIONS UNIT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 37,258	\$ 819,451	\$ 753,039	\$ 103,670
Cash and cash equivalents in segregated accounts .....	5,925	10,748	5,925	10,748
External party receivable .....	-	575	-	575
Total assets .....	<u>\$ 43,183</u>	<u>\$ 830,774</u>	<u>\$ 758,964</u>	<u>\$ 114,993</u>
<b>Liabilities</b>				
Due to others .....	\$ 43,183	\$ 830,774	\$ 758,964	\$ 114,993
Total liabilities .....	<u>\$ 43,183</u>	<u>\$ 830,774</u>	<u>\$ 758,964</u>	<u>\$ 114,993</u>
<b>FAIRFIELD COUNTY AGENCY TRANSPORTATION SYSTEM FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 18,812	\$ 99,328	\$ 105,529	\$ 12,611
External party receivable .....	82	125	82	125
Total assets .....	<u>\$ 18,894</u>	<u>\$ 99,453</u>	<u>\$ 105,611</u>	<u>\$ 12,736</u>
<b>Liabilities</b>				
External party payable .....	\$ -	\$ 4,238	\$ -	\$ 4,238
Due to others .....	18,894	95,215	105,611	8,498
Total liabilities .....	<u>\$ 18,894</u>	<u>\$ 99,453</u>	<u>\$ 105,611</u>	<u>\$ 12,736</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2004

Exhibit J-1

	<i>Balance January 1, 2004</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2004</i>
<b>RECORDER HOUSING TRUST</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 201,691	\$ 1,083,526	\$ 1,037,756	\$ 247,461
Cash and cash equivalents in segregated accounts .....	99,465	81,014	99,465	81,014
Total assets .....	<u>\$ 301,156</u>	<u>\$ 1,164,540</u>	<u>\$ 1,137,221</u>	<u>\$ 328,475</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 301,156	\$ 1,164,540	\$ 1,137,221	\$ 328,475
Total liabilities .....	<u>\$ 301,156</u>	<u>\$ 1,164,540</u>	<u>\$ 1,137,221</u>	<u>\$ 328,475</u>
<b>TOTAL - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 5,977,013	\$ 262,591,822	\$ 262,209,996	\$ 6,358,839
Cash and cash equivalents in segregated accounts .....	2,709,974	33,323,401	33,943,475	2,089,900
Receivables:				
Property and other taxes .....	99,322,240	108,458,697	99,322,240	108,458,697
Accounts .....	1,573,739	1,823,876	1,573,739	1,823,876
Special assessments .....	2,271,166	2,146,755	2,271,166	2,146,755
Intergovernmental .....	11,481,197	11,945,771	11,481,197	11,945,771
External party receivable .....	44,904	24,322	44,904	24,322
Total assets .....	<u>\$ 123,380,233</u>	<u>\$ 420,314,644</u>	<u>\$ 410,846,717</u>	<u>\$ 132,848,160</u>
<b>Liabilities</b>				
Contracts payable .....	\$ 34,786	\$ -	\$ 34,786	\$ -
Retainage payable .....	189,476	-	55,005	134,471
External party payable .....	115,349	19,524	115,349	19,524
Intergovernmental payable .....	117,176,950	343,554,046	334,075,688	126,655,308
Due to others .....	5,863,672	76,741,074	76,565,889	6,038,857
Total liabilities .....	<u>\$ 123,380,233</u>	<u>\$ 420,314,644</u>	<u>\$ 410,846,717</u>	<u>\$ 132,848,160</u>

# Statistical Section

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# Fairfield County, Ohio

## GOVERNMENTAL ACTIVITIES REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION LAST TWO YEARS

Table 1

	<u>2004</u>	<u>2003 (1)</u>
<b><u>Program Revenues</u></b>		
Charges for services.....	\$ 11,552,298	\$ 11,098,862
Operating grants, contributions, and interest.....	32,888,932	31,068,560
Capital grants, contributions, and interest.....	3,687,365	3,909,515
<b><u>General Revenues</u></b>		
Property and other taxes levied for:		
General purposes.....	6,355,180	6,437,678
Public works.....	1,086,527	1,114,672
Health.....	4,672,387	4,837,807
Human services.....	9,238	-
Sales taxes levied for general purposes.....	10,339,538	9,978,566
Grants and entitlements not restricted to specific programs.....	3,342,887	3,669,640
Unrestricted interest.....	774,154	810,108
Unrestricted contributions.....	5,514	590,000
Increase in joint venture investment.....	132,944	1,185,946
Other.....	850,474	753,346
Total revenues.....	<u>\$ 75,697,438</u>	<u>\$ 75,454,700</u>
<b><u>Expenses</u></b>		
General government:		
Legislative and executive.....	\$ 10,206,147	\$ 9,492,488
Judicial.....	4,444,334	5,015,660
Public safety.....	12,492,107	12,505,036
Public works.....	10,568,677	9,967,532
Health.....	17,762,238	16,332,991
Human services.....	15,358,784	17,112,675
Urban redevelopment and housing.....	480,921	118,036
Transportation.....	184,618	234,284
Intergovernmental.....	2,288,812	2,034,816
Interest and fiscal charges.....	1,118,473	998,291
Total expenditures.....	<u>\$ 74,905,111</u>	<u>\$ 73,811,809</u>

(1) 2003 was the first year for full accrual reporting.

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## GOVERNMENTAL FUND REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION (1) LAST TEN YEARS

	<u>2004 (3)</u>	<u>2003 (3)</u>	<u>2002</u>	<u>2001</u>
<b><u>Revenues — By Source</u></b>				
Property and other taxes.....	\$ 12,411,425	\$ 12,368,893	\$ 11,959,100	\$ 10,924,773
Sales taxes (2).....	10,339,538	9,978,566	9,988,804	9,328,600
Charges For services.....	8,360,668	8,007,923	7,212,334	6,365,459
Licenses and permits.....	312,767	266,537	238,861	241,904
Permissive motor vehicle license tax (3).....	1,029,050	996,516	984,484	953,827
Fines and forfeitures.....	460,660	480,196	638,224	437,874
Intergovernmental.....	38,702,542	37,730,470	33,572,302	33,556,563
Special assessments.....	352,028	344,343	299,684	255,356
Interest.....	862,565	988,185	1,932,138	2,621,837
Rent.....	950,776	950,953	764,661	628,140
Donations.....	92,568	33,745	16,310	15,543
Other.....	855,408	742,845	727,655	1,023,400
Total revenues.....	<u>\$ 74,729,995</u>	<u>\$ 72,889,172</u>	<u>\$ 68,334,557</u>	<u>\$ 66,353,276</u>
<b><u>Expenditures — By Function</u></b>				
General government:				
Legislative and executive.....	\$ 9,656,646	\$ 9,159,276	\$ 8,068,177	\$ 8,080,505
Judicial.....	4,546,465	5,015,337	4,162,547	4,057,006
Public safety.....	12,989,646	12,431,906	9,656,234	9,008,325
Public works.....	7,365,280	7,695,997	4,073,333	6,610,518
Health.....	17,631,840	16,364,307	14,975,129	12,388,713
Human services.....	15,253,752	17,235,756	17,096,811	18,128,151
Urban redevelopment and housing.....	480,921	118,036	383,772	99,143
Transportation.....	101,090	147,818	129,908	77,635
Other.....	8,345	230,384	708,833	766,785
Refund of taxes (2).....	-	-	-	-
Intergovernmental.....	2,288,812	2,520,483	1,742,673	511,524
Capital outlay.....	3,528,240	11,146,471	8,678,238	10,290,080
Debt service.....	10,053,326	13,566,054	2,561,546	2,558,950
Total expenditures.....	<u>\$ 83,904,363</u>	<u>\$ 95,631,825</u>	<u>\$ 72,237,201</u>	<u>\$ 72,577,335</u>

(1) These tables include the general, special revenue, debt service, and capital projects funds.

(2) For 1997 and 1998, the County repaid Texas Eastern Transmission Corporation, a public utility company, a refund for tax years 1991 through 1996.

(3) Includes modified accrual information only. For government-wide statements see table 1.

Source: Fairfield County Auditor's Office

Table 2

<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
\$ 10,394,945	\$ 9,890,341	\$ 8,093,269	\$ 7,569,889	\$ 7,591,999	\$ 6,612,836
9,341,568	9,043,396	7,941,611	7,211,971	6,843,590	5,040,290
5,015,090	4,633,477	4,504,542	3,752,246	3,673,302	3,496,426
239,172	233,495	238,819	238,502	232,161	222,055
933,178	907,294	886,809	860,967	840,435	821,492
439,785	500,711	537,057	532,549	467,051	422,755
29,387,506	26,628,251	22,947,950	20,852,204	20,966,376	25,855,809
156,021	145,638	148,445	132,630	157,147	119,570
3,464,320	1,758,350	2,180,463	1,708,331	1,413,851	1,407,965
317,926	264,484	271,475	280,042	231,897	182,136
21,925	13,895	29,868	17,762	8,721	39,002
470,668	422,679	678,921	640,489	577,762	338,515
<u>\$ 60,182,104</u>	<u>\$ 54,442,011</u>	<u>\$ 48,459,229</u>	<u>\$ 43,797,582</u>	<u>\$ 43,004,292</u>	<u>\$ 44,558,851</u>
\$ 7,726,082	\$ 6,983,240	\$ 6,137,601	\$ 5,473,620	\$ 5,348,068	\$ 4,808,106
3,404,191	3,121,418	2,910,636	2,467,274	2,110,622	2,062,663
7,993,534	7,448,140	6,710,482	6,352,932	5,903,967	4,672,309
5,825,236	4,753,145	6,072,479	5,483,939	4,878,874	4,221,021
11,038,046	10,511,281	10,755,878	10,042,429	9,712,305	9,109,644
13,448,054	9,600,074	9,272,532	8,393,120	8,083,269	7,496,603
862	2,240	511,334	182,701	30,938	32,590
142,919	65,348	74,228	65,574	88,079	14,031
576,717	526,004	479,685	403,002	524,727	457,304
-	-	67,031	21,472	-	-
172,679	291,318	344,158	153,252	282,352	724,303
9,515,386	5,389,100	2,470,589	1,650,312	2,496,190	3,488,502
938,900	618,376	647,568	577,377	363,617	412,682
<u>\$ 60,782,606</u>	<u>\$ 49,309,684</u>	<u>\$ 46,454,201</u>	<u>\$ 41,267,004</u>	<u>\$ 39,823,008</u>	<u>\$ 37,499,758</u>

# Fairfield County, Ohio

## PROPERTY TAX LEVIES AND COLLECTIONS REAL AND PUBLIC UTILITY, AND TANGIBLE PERSONAL PROPERTY LAST TEN YEARS

		<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b><u>Real and Public Utility Property</u></b>					
Tax Levy.....	(1)	\$ 13,071,260	\$ 12,088,256	\$ 11,886,806	\$ 10,937,192
Current Tax Collections.....	(1)	11,857,308	11,470,595	11,178,974	10,308,937
Percent of Current Collections to Levy.....		90.71%	94.89%	94.05%	94.26%
Delinquent Tax Collections.....	(2)	378,163	379,356	293,114	268,290
Total Tax Collections.....		12,235,471	11,849,951	11,472,088	10,577,227
Ratio of Total Collections to Levy.....		93.61%	98.03%	96.51%	96.71%
Outstanding Delinquent Taxes.....	(3)	266,656	440,337	650,784	598,139
Ratio of Outstanding Delinquent Taxes to Tax Levy.....		2.04%	3.64%	5.47%	5.47%
<b><u>Tangible Personal Property</u></b>					
Tax Levy.....		\$ 923,956	\$ 932,940	\$ 969,153	\$ 928,624
Current Tax Collections.....		734,668	823,653	934,310	830,427
Percent of Current Collections to Levy.....		79.51%	88.29%	96.40%	89.43%
Delinquent Tax Collections.....	(2)	3,851	11,259	116,490	14,496
Total Tax Collections.....		738,519	834,912	1,050,800	844,923
Ratio of Total Collections to Levy.....		79.93%	89.49%	108.42%	90.99%
Outstanding Delinquent Taxes.....	(3)	74,678	26,972	88,039	54,292
Ratio of Outstanding Delinquent Taxes to Tax Levy.....		8.08%	2.89%	9.08%	5.85%

(1) Tax Levy and Current Tax Collections do not include Rollback and Homestead for the year 1995.

(2) Delinquent Tax Collections include amounts collected from penalties, interest, and other delinquent collections.

(3) Outstanding Delinquent Taxes exclude penalties, interest, and other additional delinquent charges.

Source: *Fairfield County Auditor's Office*

Table 3

2000	1999	1998	1997	1996	1995
\$ 10,485,370	\$ 9,978,626	\$ 7,824,908	\$ 7,422,511	\$ 7,564,384	\$ 5,653,579
9,958,037	9,451,561	7,475,645	7,105,067	7,269,101	5,483,253
94.97%	94.72%	95.54%	95.72%	96.10%	96.99%
277,866	215,496	150,738	172,961	141,213	161,126
10,235,903	9,667,057	7,626,383	7,278,028	7,410,314	5,644,379
97.62%	96.88%	97.46%	98.05%	97.96%	99.84%
524,307	463,210	308,930	261,681	269,050	236,687
5.00%	4.64%	3.95%	3.53%	3.56%	4.19%
\$ 935,347	\$ 847,380	\$ 849,643	\$ 911,217	\$ 863,275	\$ 782,348
914,210	839,344	756,360	873,333	725,849	690,583
97.74%	99.05%	89.02%	95.84%	84.08%	88.27%
59,349	52,694	4,342	103,912	53,261	42,684
973,559	892,038	760,702	977,245	779,110	733,267
104.09%	105.27%	89.53%	107.25%	90.25%	93.73%
17,409	75,408	111,471	74,722	84,165	69,426
1.86%	8.90%	13.12%	8.20%	9.75%	8.87%

# Fairfield County, Ohio

## ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY LAST TEN YEARS

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b><u>Real Property (1)</u></b>				
Assessed Value.....	\$ 2,335,579,490	\$ 2,255,291,320	\$ 2,189,802,220	\$ 1,829,849,530
Estimated Actual Value.....	6,673,084,257	6,443,689,486	6,256,577,771	5,228,141,514
<b><u>Tangible Personal Property</u></b>				
Assessed Value.....	138,685,493	146,455,872	152,059,287	147,791,871
Estimated Actual Value.....	554,741,972	585,823,488	608,237,148	591,167,484
<b><u>Public Utilities</u></b>				
<b><u>Tangible Personal Property</u></b>				
Assessed Value.....	104,715,800	99,663,470	95,192,990	91,473,470
Estimated Actual Value.....	104,715,800	99,663,470	95,192,990	91,473,470
<b><u>Total</u></b>				
Assessed Value.....	2,578,980,783	2,501,410,662	2,437,054,497	2,069,114,871
Estimated Actual Value.....	7,332,542,029	7,129,176,444	6,960,007,909	5,910,782,468
Assessed Value Ratio.....	35.17%	35.09%	35.02%	35.01%

(1) Real Property values include Public Utility Real Property.

Source: *Fairfield County Auditor's Office*

Table 4

<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
\$ 1,768,125,080	\$ 1,699,225,800	\$ 1,500,297,580	\$ 1,451,165,210	\$ 1,404,190,590	\$ 1,056,041,290
5,051,785,943	4,854,930,857	4,286,564,514	4,146,186,314	4,011,973,114	3,017,260,829
147,061,622	134,346,667	134,348,689	134,698,303	125,415,284	112,155,669
588,246,488	537,386,668	537,394,756	538,793,212	501,661,136	448,622,676
105,431,000	105,671,740	111,108,850	110,469,490	111,312,600	111,732,550
105,431,000	105,671,740	111,108,850	110,469,490	111,312,600	111,732,550
2,020,617,702	1,939,244,207	1,745,755,119	1,696,333,003	1,640,918,474	1,279,929,509
5,745,463,431	5,497,989,265	4,935,068,120	4,795,449,016	4,624,946,850	3,577,616,055
35.17%	35.27%	35.37%	35.37%	35.48%	35.78%

# Fairfield County, Ohio

## PROPERTY TAX RATES — DIRECT AND OVERLAPPING GOVERNMENTS (PER THOUSAND DOLLARS OF ASSESSED VALUE) (3) LAST TEN YEARS

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<b><u>County Units</u></b>						
General Fund.....	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60
Mental Health.....	0.75	0.75	0.75	0.75	0.75	0.75
Mental Retardation.....	3.20	3.20	3.20	3.20	3.20	3.20
Bridges, Culverts, and County Road Levy.....	0.50	0.50	0.50	0.50	0.50	0.50
Children Services Levy.....	0.00	0.00	0.00	0.00	0.00	0.00
Total County.....	7.05	7.05	7.05	7.05	7.05	7.05
<b><u>School Districts Wholly Within County</u></b>						
Amanda Clearcreek LSD..... (1)	39.30	42.30	42.30	42.50	42.30	38.00
Berne Union LSD..... (1)	48.80	48.80	49.00	50.00	50.90	50.90
Bloom-Carroll LSD.....	42.30	42.30	42.30	42.30	42.30	42.30
Fairfield Union LSD..... (1)	43.00	43.00	43.00	43.10	43.10	43.10
Lancaster City SD.....	64.60	64.60	64.60	64.60	64.60	64.60
Liberty Union-Thurston LSD..... (1)	44.00	45.20	41.10	41.40	41.60	41.60
Pickerington LSD..... (1)	78.00	70.10	70.10	70.30	66.36	66.36
Walnut Township LSD..... (1)	37.70	37.70	38.00	40.00	40.50	40.70
<b><u>School Districts Partially Within County</u></b>						
Canal Winchester..... (1)	60.95	61.10	62.70	55.81	55.81	55.76
Northern LSD..... (1)	35.72	35.72	35.72	35.72	32.80	32.80
Reynoldsburg City SD..... (1)	57.11	57.10	54.18	54.29	54.39	54.20
Southwest Licking LSD..... (1)	31.70	31.90	42.88	43.15	43.15	45.16
Teays Valley LSD..... (1)	31.60	31.60	31.60	31.60	31.60	25.00
<b><u>Joint Vocational School Districts</u></b>						
Eastland JVS..... (1)	2.00	2.00	2.00	2.00	2.00	2.00
Licking County JVS..... (1)	2.80	3.00	2.00	2.00	2.00	2.00
Mid-East Ohio JVS..... (2)	3.20	3.20	3.20	3.20	3.20	3.20

(1) Includes bond rates

(2) Formerly Muskingum Joint Vocational School

(3) Property tax rates shown are based on the year of collection.

Table 5

<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
\$2.60	\$2.60	\$2.60	\$2.60
0.75	0.75	0.75	0.75
3.20	3.20	3.20	3.20
0.50	0.50	0.50	0.50
0.00	0.00	0.00	0.00
7.05	7.05	7.05	7.05
37.00	37.75	37.75	38.30
51.40	51.70	51.70	52.00
42.30	43.30	43.40	44.00
43.40	43.40	43.40	43.40
64.60	56.70	56.70	56.70
41.70	41.70	41.70	41.70
68.96	65.00	65.00	66.76
42.65	42.65	42.65	42.02
56.36	51.00	44.89	45.76
32.80	32.80	32.80	32.80
54.20	49.35	50.03	50.24
40.38	40.38	41.28	41.28
25.00	28.00	28.50	28.50
1.20	1.20	1.20	1.20
2.00	2.00	2.00	2.00
3.20	3.20	3.20	3.20

(Continued)

# Fairfield County, Ohio

## PROPERTY TAX RATES — DIRECT AND OVERLAPPING GOVERNMENTS (PER THOUSAND DOLLARS OF ASSESSED VALUE) LAST TEN YEARS

(3)

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<b><u>Corporations</u></b>						
Amanda Village.....	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40
Baltimore Village.....	1.90	1.90	1.90	1.90	1.90	1.90
Bremen Village.....	2.20	2.20	2.20	2.20	2.20	2.20
Buckeye Lake Village.....	11.00	11.00	11.00	16.00	13.00	13.00
Canal Winchester Village.....	1.90	1.90	1.90	1.90	1.90	1.90
Carroll Village.....	4.90	4.90	4.90	4.90	4.90	4.90
Columbus City.....	2.30	2.30	2.30	2.30	2.30	2.30
Lancaster City.....	3.40	3.40	3.40	3.40	3.40	3.40
Lithopolis Village.....	5.90	5.90	5.90	5.90	5.90	5.90
Millersport Village.....	9.90	9.90	9.90	9.90	9.90	9.90
Pickerington City.....	7.80	7.80	7.80	7.80	7.80	7.80
Pleasantville Village.....	10.30	10.30	10.30	10.30	9.30	9.30
Reynoldsburg City.....	0.70	0.70	0.70	0.76	0.76	0.77
Rushville Village.....	2.10	2.10	2.10	2.10	2.10	2.10
Stoutsville Village.....	4.70	4.70	4.70	4.70	4.70	4.70
Sugar Grove Village.....	5.80	5.80	5.80	5.80	5.80	5.80
Thurston Village.....	4.70	4.70	4.70	4.70	4.70	4.70
West Rushville Village.....	2.10	2.10	2.10	2.10	2.10	2.10
<b><u>Townships</u></b>						
Amanda.....	2.70	2.70	2.70	2.70	2.70	2.70
Berne.....	7.70	7.70	7.70	7.70	7.70	7.70
Bloom.....	15.30	15.30	15.30	15.30	15.30	15.30
Clearcreek.....	8.25	8.25	8.25	8.25	8.25	8.25
Greenfield.....	12.20	12.20	12.20	12.20	8.20	8.20
Hocking.....	4.70	4.70	4.70	4.20	4.20	4.20
Liberty.....	2.30	2.30	2.30	2.30	2.30	2.30
Madison.....	4.70	4.70	4.70	4.70	4.70	4.70
Pleasant.....	9.10	9.10	9.10	9.10	6.60	6.60
Richland.....	6.00	6.00	6.00	6.00	6.00	6.00
Rushcreek.....	15.20	15.20	15.20	15.20	15.20	13.20
Violet.....	13.65	13.65	9.80	9.80	9.80	10.05
Walnut.....	5.60	5.60	5.60	5.60	5.60	5.60
<b><u>Other Units</u></b>						
Basil Joint Fire District.....	5.27	5.27	5.27	5.27	5.27	5.27

(3) Property tax rates shown are based on the year of collection.

Source: Fairfield County Auditor's Office

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(Continued)

Table 5

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<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$5.40	\$5.40	\$5.40	\$5.40
1.90	1.90	1.90	1.90
2.20	2.20	2.20	2.20
13.00	0.00	0.00	0.00
1.90	1.90	1.90	1.90
4.90	4.90	4.90	4.90
2.30	2.30	2.30	2.30
3.40	3.40	3.40	3.40
5.90	5.90	5.90	5.90
9.90	9.90	9.90	9.90
7.80	7.80	7.80	7.80
9.30	9.30	9.30	9.30
0.78	0.79	2.90	2.91
2.10	2.10	2.10	2.10
4.70	4.70	4.70	4.70
5.80	5.80	5.80	8.00
4.70	6.70	6.70	6.70
2.10	2.10	2.10	2.10
2.70	2.70	2.70	2.70
7.70	7.70	7.70	7.70
15.30	11.30	11.30	11.30
8.25	8.25	5.25	5.25
8.20	8.20	8.20	8.20
4.20	4.20	4.20	4.20
2.30	2.30	2.30	2.30
4.70	4.70	4.70	4.70
6.60	6.60	6.60	5.10
6.00	6.00	6.00	6.00
13.95	13.95	11.95	10.95
10.05	10.05	9.80	7.20
5.60	5.60	5.60	5.60
5.27	5.27	5.27	5.27

# Fairfield County, Ohio

## SPECIAL ASSESSMENTS BILLED AND COLLECTED LAST TEN YEARS

Table 6

<u>Year</u>	<u>Total Assessments Billed</u>	<u>Total Amount Collected</u>	<u>Percent Collected</u>
2004	\$426,142	\$352,028	82.61%
2003	365,990	344,343	94.09%
2002	330,927	299,684	90.56%
2001	403,878	255,356	63.23%
2000	202,468	156,021	77.06%
1999	180,224	145,638	80.81%
1998	180,508	148,445	82.24%
1997	171,246	132,630	77.45%
1996	186,972	157,147	84.05%
1995	155,688	119,570	76.80%

This table only includes governmental activity special assessments.

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## COMPUTATION OF LEGAL DEBT MARGIN DECEMBER 31, 2004

Table 7

	(1) Total Debt Limit	(2) Total Unvoted Limit
Total assessed property value.....	\$ 2,578,980,783	\$ 2,578,980,783
Debt limitation of assessed value.....	62,974,520	25,789,808
<b>Total outstanding debt - December 31, 2004</b>		
General obligation bonds payable.....	37,080,000	37,080,000
Notes payable.....	10,820,000	10,820,000
Loans payable.....	194,501	194,501
Special assessment bonds payable.....	3,110,715	3,110,715
OPWC sewer loan payable.....	81,297	81,297
EPA refunding loan payable.....	1,807,202	1,807,202
Total outstanding debt.....	<u>53,093,715</u>	<u>53,093,715</u>
<b>Less:</b>		
General obligation bonds payable from Enterprise Fund revenues.....	(15,835,000)	(15,835,000)
Notes payable from Enterprise Fund revenues.....	(10,300,000)	(10,300,000)
OPWC sewer loan.....	(81,297)	(81,297)
EPA Refunding Loan.....	(1,807,202)	(1,807,202)
Bonds payable from Child Support Enforcement rent.....	(335,000)	(335,000)
Bonds payable from Job and Family Services rent.....	(6,245,000)	(6,245,000)
Bonds payable from One Stop Shop - Clerk of Courts rent.....	(600,000)	(600,000)
Bonds payable from Airport rent.....	(930,000)	(930,000)
Bonds payable related to the Jail.....	(1,830,000)	(1,830,000)
Bonds payable related to the Juvenile Detention Center.....	(1,425,000)	(1,425,000)
Bonds payable from special assessments.....	(3,110,715)	(3,110,715)
Amount available in the Debt Service Fund for general obligations.....	<u>(517,947)</u>	<u>(517,947)</u>
Total.....	<u>(43,017,161)</u>	<u>(43,017,161)</u>
Net debt applicable to debt limitation.....	<u>10,076,554</u>	<u>10,076,554</u>
Total Legal Debt Margin.....	<u>\$ 52,897,966</u>	<u>\$ 15,713,254</u>

(1) Debt limit is a total of a sum equal to three percent of the first \$100 million of the assessed valuation plus one and one-half percent of such valuation in excess of \$100 million and not in excess of \$300 million, plus two and one-half percent of such valuation in excess of \$300 million.

(2) Debt limit is one percent of total assessed valuation.

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

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

Table 8

Year	Population (in 1,000s)	Assessed Value of County	(1) Gross General Obligation Bonded Debt	Debt Service Funds	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2004	136.30	\$ 2,578,980,783	\$ 13,135,000	\$ 517,947	\$ 12,617,053	0.489%	\$92.57
2003	132.50	2,501,410,662	11,350,000	323,353	11,026,647	0.441%	83.22
2002	128.80	2,437,054,497	2,210,000	212,033	1,997,967	0.082%	15.51
2001	127.40	2,069,114,871	2,320,000	338,596	1,981,404	0.096%	15.55
2000	122.76	2,020,617,702	2,420,000	86,838	2,333,162	0.115%	19.01
1999	126.72	1,939,244,207	2,515,000	60,801	2,454,199	0.127%	19.37
1998	124.00	1,745,755,119	2,605,000	81,930	2,523,070	0.145%	20.35
1997	121.46	1,696,333,003	2,695,000	57,160	2,637,840	0.156%	21.72
1996	119.18	1,640,918,474	2,765,000	70,485	2,694,515	0.164%	22.61
1995	114.74	1,279,929,509	n/a	n/a	n/a	0.000%	0.00

(1) Includes only general obligation bonds payable from property taxes

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## COMPUTATION OF DIRECT AND OVERLAPPING DEBT DECEMBER 31, 2004

Table 9

Jurisdiction	(1) Debt Outstanding	(2) Percentage Applicable to Fairfield County	Amount Applicable to Fairfield County
<b>DIRECT DEBT</b>			
Fairfield County.....	\$ 13,135,000	100.000%	\$ 13,135,000
Total Direct Debt.....	13,135,000		13,135,000
<b>OVERLAPPING DEBT</b>			
<b>Entities Wholly Within the County</b>			
City of Pickerington.....	13,230,000	100.000%	13,230,000
School Districts.....	16,227,000	100.000%	16,227,000
Villages.....	907,535	100.000%	907,535
Townships.....	602,307	100.000%	602,307
Total - Entities Wholly Within the County.....	30,966,842		30,966,842
<b>Entities Not Wholly Within the County</b>			
City of Columbus.....	1,359,670,000	0.848%	11,530,002
City of Reynoldsburg.....	12,447,674	3.117%	387,994
Village of Canal Winchester.....	6,674,999	8.401%	560,767
Canal Winchester Local School District.....	30,313,223	23.286%	7,058,737
Berne Union Local School District.....	3,315,000	99.150%	3,286,822
Fairfield Union Local School District.....	1,022,000	100.000%	1,022,000
Northern Local School District.....	5,549,000	1.260%	69,917
Pickerington Local School District.....	114,754,219	97.990%	112,447,659
Reynoldsburg City School District.....	43,261,500	0.370%	160,068
Southwest Licking Local School District.....	20,954,987	5.949%	1,246,612
Teays Valley Local School District.....	21,110,286	4.791%	1,011,394
Eastland Joint Vocational School District.....	1,260,000	28.250%	355,950
Licking County Joint Vocational School District.....	32,483,000	0.814%	264,412
Total - Entities Not Wholly Within the County.....	1,652,815,888		139,402,334
Total Overlapping Debt.....	1,683,782,730		170,369,176
Total - Direct and Overlapping Debt.....	\$ 1,696,917,730		\$ 183,504,176

(1) Outstanding Debt only includes general obligation bonds payable from property taxes.

(2) The percentage of gross indebtedness of the County's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the County by its total assessed valuation.

Source: Fairfield County Auditor's Office

Fairfield County, Ohio

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES LAST TEN YEARS**

Table 10

Year	Debt Service Expenditures			Total General Governmental Expenditures (from Table 2)	Ratio of General Long-Term Debt Expenditures to Total General Governmental Expenditures
	Principal	Interest and Fiscal Charges	(1) Total Interest and Principal		
2004	\$ 465,000	\$ 543,580	\$ 1,008,580	\$ 83,904,363	1.20%
2003	115,000	372,023	487,023	95,631,825	0.51%
2002	110,000	126,762	236,762	72,237,201	0.33%
2001	100,000	131,313	231,313	72,577,335	0.32%
2000	95,000	135,540	230,540	60,782,606	0.38%
1999	90,000	139,410	229,410	49,309,684	0.47%
1998	90,000	143,145	233,145	46,454,201	0.50%
1997	70,000	164,554	234,554	41,267,004	0.57%
1996	-	-	-	39,823,008	0.00%
1995	-	-	-	37,499,758	0.00%

(1) Includes only general obligation bonds payable from property taxes

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## REVENUE BOND COVERAGE ENTERPRISE FUNDS LAST TEN YEARS

Table 11

Year	(1) Gross Revenue	Expenses, Net of Depreciation and Interest	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
<b>Sewer Fund</b>							
2004	\$ 2,676,165	\$ 1,607,469	\$ 1,068,696	\$ -	\$ -	\$ -	n/a
2003	2,588,111	1,528,066	1,060,045	-	-	-	n/a
2002	2,377,423	1,315,128	1,062,295	-	-	-	n/a
2001	1,931,099	1,355,087	576,012	-	-	-	n/a
2000	2,323,681	1,363,053	960,628	-	-	-	n/a
1999	2,108,061	1,166,695	941,366	-	-	-	n/a
1998	1,746,922	957,356	789,566	-	-	-	n/a
1997	1,637,813	1,128,411	509,402	-	-	-	n/a
1996	1,573,217	1,035,092	538,125	-	-	-	n/a
1995	1,441,953	1,260,362	181,591	-	-	-	n/a
<b>Water Fund</b>							
2004	\$ 2,103,797	\$ 1,125,507	\$ 978,290	\$ -	\$ -	\$ -	n/a
2003	1,911,385	1,107,031	804,354	-	-	-	n/a
2002	2,153,585	1,010,303	1,143,282	-	-	-	n/a
2001	2,433,948	1,042,236	1,391,712	-	-	-	n/a
2000	2,196,118	631,531	1,564,587	-	-	-	n/a
1999	2,113,828	793,441	1,320,387	-	-	-	n/a
1998	1,197,856	604,489	593,367	-	-	-	n/a
1997	1,112,381	519,670	592,711	-	-	-	n/a
1996	1,063,010	567,516	495,494	-	-	-	n/a
1995	1,002,356	661,450	340,906	-	-	-	n/a

(1) Includes operating revenues and investment income

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## DEMOGRAPHIC STATISTICS LAST TEN YEARS

Table 12

Year	Population (in 1000s)	Per Capita Income	Unemployment		
			Fairfield County	State of Ohio	United States
2004	136.30	\$ 34,863	4.60%	5.70%	5.40%
2003	132.50	33,323	4.50%	5.70%	5.70%
2002	128.80	31,852	4.20%	5.30%	6.00%
2001	127.40	30,445	3.00%	4.80%	5.80%
2000	122.76	29,101	2.30%	3.60%	4.50%
1999	126.72	27,816	3.00%	4.30%	4.10%
1998	124.00	27,260	3.00%	4.30%	4.50%
1997	121.46	25,415	3.20%	4.60%	4.90%
1996	119.18	23,709	3.60%	4.90%	5.40%
1995	114.74	22,130	3.70%	4.80%	5.60%

Population figure for 2000 is actual - from U.S. Census.

Population figures for 1994-1999 and 2001-2003 are based upon U.S. Census estimates.

Sources: U.S. Census  
Ohio Bureau of Employment Services  
Lancaster-Fairfield Chamber of Commerce

# Fairfield County, Ohio

## NEW CONSTRUCTION, BANK DEPOSITS, AND REAL PROPERTY VALUES LAST TEN YEARS

Table 13

Year	New Construction			(1) Bank Deposits (in 1000s)
	Agricultural/ Residential	Commercial/ Industrial	Total	
2004	\$ 58,909,640	\$ 8,542,990	\$ 67,452,630	\$ 399,752
2003	45,832,610	15,644,760	61,477,370	387,312
2002	47,852,620	14,659,830	62,512,450	370,588
2001	48,576,650	9,100,370	57,677,020	329,912
2000	44,760,060	13,063,300	57,823,360	286,562
1999	35,028,660	13,307,220	48,335,880	247,807
1998	35,600,420	9,589,130	45,189,550	190,113
1997	33,681,170	11,791,230	45,472,400	172,771
1996	31,207,210	5,983,130	37,190,340	163,183
1995	28,005,340	2,191,470	30,196,810	149,434

Year	Real Property Values			
	Agricultural/ Residential	Commercial/ Industrial	Public Utility	Total
2004	\$ 1,953,415,780	\$ 381,926,220	\$ 237,490	\$ 2,335,579,490
2003	1,875,365,030	379,695,140	231,150	2,255,291,320
2002	1,820,786,570	368,769,990	245,660	2,189,802,220
2001	1,540,112,430	289,474,220	262,880	1,829,849,530
2000	1,484,420,430	283,434,320	270,330	1,768,125,080
1999	1,431,657,300	267,331,280	237,220	1,699,225,800
1998	1,266,832,250	233,017,870	447,460	1,500,297,580
1997	1,224,215,680	226,758,250	191,280	1,451,165,210
1996	1,188,590,810	215,314,210	285,570	1,404,190,590
1995	878,053,310	177,714,320	273,660	1,056,041,290

(1) Bank Deposits data includes banks headquartered in Fairfield County

Sources: *Fairfield County Auditor's Office*  
*Federal Reserve Bank of Cleveland*

# Fairfield County, Ohio

## COUNTY EMPLOYEES BY GOVERNMENTAL FUNCTION LAST TEN YEARS

Table 14

Year	FUNCTION							Total Employees
	Legislative and Executive	Judicial	Public Safety	Public Works	Health	Human Services	Utilities	
2004	107	75	192	63	141	189	24	791
2003	116	77	199	64	140	189	24	809
2002	113	76	189	55	135	209	21	798
2001	113	71	181	55	125	207	23	775
2000	110	73	170	55	145	184	24	761
1999	107	52	150	57	143	159	22	690
1998	94	61	145	54	143	155	19	671
1997	92	65	140	58	157	143	17	672
1996	92	61	132	54	155	149	20	663
1995	91	62	111	53	153	147	22	639

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## PRINCIPAL TAXPAYERS DECEMBER 31, 2004

Table 15

<b>Taxpayer</b>	<b>Type</b>	<b>Real Estate Assessed Valuation</b>	<b>Tangible Personal and Public Utility Property Assessed Valuation</b>	<b>Total Assessed Valuation</b>	<b>Percent of Total Assessed Valuation</b>
Columbia Gas Transmission	Natural gas utility	\$ -	\$ 26,721,540	\$ 26,721,540	1.04%
Ohio Power	Electric utility	316,990	25,252,710	25,569,700	0.99%
Glimcher Holdings (includes Glimcher Centers LTD)	Real estate partnership	20,792,840	-	20,792,840	0.81%
South Central Power	Electric utility	22,680	17,970,720	17,993,400	0.70%
Anchor Hocking Glass	Glass Manufacturer	5,786,560	10,887,620	16,674,180	0.65%
Ohio Bell Telephone	Telephone utility	685,630	11,083,140	11,768,770	0.46%
Meijer Inc	Retail sales	7,537,780	1,951,780	9,489,560	0.37%
Ralston Food Inc	Food processor	2,522,780	6,736,060	9,258,840	0.36%
Anyi Apartments LLC	Residential	7,568,750	-	7,568,750	0.29%
Dominion Homes Inc	Real estate	7,422,440	-	7,422,440	0.29%
<b>Total</b>		<b>\$ 52,656,450</b>	<b>\$ 100,603,570</b>	<b>\$ 153,260,020</b>	<b>5.96%</b>
<b>Total Countywide Valuations</b>		<b>\$ 2,335,579,490</b>	<b>\$ 243,401,293</b>	<b>\$ 2,578,980,783</b>	

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## MISCELLANEOUS STATISTICS

Table 16

<i>Date created</i> .....	December, 1800
<i>County seat</i> .....	Lancaster, Ohio
<i>2004 Census population estimate</i> .....	136,300
<i>2000 Census population</i> .....	122,759
<i>Number of municipalities</i> .....	14
<i>Number of townships</i> .....	13
<i>Area</i> .....	505 square miles; ranked 23rd of the 88 Ohio counties
<i>Water lines</i> .....	562,848 feet - 5,290 customer accounts
<i>Sewer lines</i> .....	734,492 feet - 6,089 customer accounts
<i>County roads</i> .....	350.99 miles
<i>Township roads</i> .....	576.29 miles
<i>State routes</i> .....	195.63 miles
<i>Number of licensed drivers</i> .....	92,790
<i>Number of County employees</i> .....	791
<b>Health Care</b>	
<i>Hospitals, outpatient medical centers</i> .....	Fairfield Medical Center, River View Surgery Center
<i>Hospital beds</i> .....	235
<i>Nursing homes</i> .....	10
<i>Nursing home beds</i> .....	899
<b>Public Education</b>	
<i>Public schools</i> .....	44
<i>Students</i> .....	17,561
<i>Average Number of Students Per Teacher</i> .....	16.4
<i>School districts</i> .....	13
<i>Institutions of higher education</i> .....	Ohio University - Lancaster (4,200 students yearly) Southeastern Business College (150 students)
<b>Recreation and Travel</b>	
<i>Municipal parks</i> .....	24 parks - 650 acres
<i>Public tennis courts</i> .....	17
<i>Health clubs/fitness centers</i> .....	8
<i>Day and night baseball diamonds</i> .....	25
<i>Golf courses</i> .....	8
<i>Museums</i> .....	15
<i>Libraries</i> .....	7
<i>County fairgrounds</i> .....	1, with 68 acres
<i>Hotels/motels</i> .....	13, with 850 rooms
<i>Bed &amp; Breakfast Inns</i> .....	9
<i>Campgrounds</i> .....	5
<i>Radio stations</i> .....	4
<i>Newspapers - daily</i> .....	Lancaster Eagle Gazette - daily circulation of 15,500
<i>Newspapers - weekly</i> .....	2
<b>Voting Statistics (2004) General Election</b>	
<i>Registered voters</i> .....	91,498
<i>Actual voters</i> .....	68,742
<i>Percentage of actual voters to registered voters</i> .....	75.13%

Sources: Lancaster-Fairfield Chamber of Commerce, US Census Bureau/County and City Data Book, Ohio Department of Public Safety, and various offices of the Fairfield County government.



**Auditor of State  
Betty Montgomery**

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## **FINANCIAL CONDITION**

### **FAIRFIELD 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  
JULY 12, 2005**