



**Auditor of State
Betty Montgomery**

MARION COUNTY

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

<u>FEDERAL GRANTOR/ Pass Through Grantor Program Title</u>	Pass Through Entity Number	Federal CFDA Number	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education</i>				
Nutrition Cluster:				
Food Donation	N/A	10.550	\$0	\$73
School Breakfast Program	094375-05PU-04/05	10.553	12,990	0
	123745-06PU-04/05	10.553	8,406	0
	066126-05PU-04/05	10.553	340	0
			<u>21,736</u>	<u>0</u>
National School Lunch Program	094375-LLP4-04/05	10.555	18,868	0
	123745-LLP4-04/05	10.555	12,958	0
	066126-LLP4-04/05	10.555	529	0
			<u>32,355</u>	<u>0</u>
Total U.S. Department of Agriculture - Nutrition Cluster			<u>54,091</u>	<u>73</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed Through Ohio Department of Development</i>				
Community Development Block Grants - State's Program	B-F-02-047-1	14.228	21,902	0
	B-F-03-047-1	14.228	100,600	0
Total U.S. Department of Housing and Urban Development			<u>122,502</u>	<u>0</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Bulletproof Vest Partnership Program		16.607	5,585	0
<i>Passed Through State Office of Criminal Justice Services</i>				
Local Law Enforcement Block Grants Program	02-LBVX-6780	16.592	1,030	0
Byrne Formula Grant Program	2003-DG-C04-7010	16.579	42,165	0
Violence Against Women Formula Grants	2003-WF-VA2-8176	16.588	44,119	0
Crime Victim Assistance Grant	31-6400076W	16.582	40,038	0
Total U.S. Department of Justice			<u>132,937</u>	<u>0</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed Through Ohio Department of Public Safety</i>				
State Domestic Preparedness Equipment Support Program	2004-GE-T4-0025	97.004	169,375	0
	2003-TE-TX-0199	97.004	101,000	0
	2003-MUP-30015	97.004	158,374	0
	2002-TE-CX-0106	97.004	3,307	0
			<u>432,056</u>	<u>0</u>
Emergency Management Performance Grant	EMC-2004-GR-7007	97.042	25,766	0
	OH-03-013	97.042	20,409	0
			<u>46,175</u>	<u>0</u>
State and Local All Hazards Emergency Operations Planning	EMC-2003-GR-7026	97.051	12,000	0
Total U.S. Department of Homeland Security			<u>490,231</u>	<u>0</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education</i>				
Special Education Cluster:				
Special Education Grants to State	066126-6B-SF-2004	84.027	20,059	0
Special Education Preschool Grant	066126-PG-SI-2004	84.173	14,538	0
Special Education	066126-PG-D7-2004P	84.173A	5,700	0
Total Special Education Cluster			<u>40,297</u>	<u>0</u>
Innovative Education Program Strategies	066126-C2-S1-2004	84.298	499	0
Total U.S. Department of Education			<u>40,796</u>	<u>0</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Aging</i>				
Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers	31-6400076W	93.044	22,723	0
<i>Passed Through Ohio Department of Jobs and Family Services</i>				
Child Welfare Services State Grant	31-6400076W	93.645	123,412	0
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>				
Social Services Block Grant	31-6400076W	93.667	47,407	0
Medical Assistance Program	31-6400076W	93.778	425,773	0
CAFS Medicaid			95,545	0
Targeted Case Management			112,995	0
Enhanced Federal Medical Assistance Program			<u>634,313</u>	<u>0</u>
Total U.S. Department of Health and Human Services			<u>827,855</u>	<u>0</u>
<u>U.S. DEPARTMENT OF LABOR</u>				
<i>Passed Through Ohio Department of Jobs and Family Services</i>				
Workforce Investment Act Cluster:				
Workforce Investment Act - Adult	31-6400076W	17.258	144,447	0
Workforce Investment Act - Adult Administrative			4,260	0
			<u>148,707</u>	<u>0</u>
Workforce Investment Act - Youth	31-6400076W	17.259	88,349	0
Workforce Investment Act - Youth Administrative			3,002	0
			<u>91,351</u>	<u>0</u>
Workforce Investment Act - Dislocated Worker	31-6400076W	17.260	90,392	0
Workforce Investment Act - Dislocated Worker Administrative			2,421	0
			<u>92,813</u>	<u>0</u>
Total U.S. Department Labor - Workforce Investment Act Cluster			<u>332,871</u>	<u>0</u>
Total Federal Awards Expenditures			<u>\$2,001,283</u>	<u>\$73</u>

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

MARION COUNTY

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

NOTE 1--SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 2-- COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

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 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. The initial loan of this money was recorded as a disbursement in prior years and does not appear on the accompanying Federal Awards Expenditures Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property and by a secured interest on equipment and/or other assets. At December 31, 2004, the amount of loans outstanding under this agreement was \$72,229.

NOTE 3 -- MATCHING REQUIREMENTS

Certain Federal programs require 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*

Marion County
222 West Center Street
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion 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 July 22, 2005, in which we indicated the financial statements of MARCA Industries, Inc., the County's discretely presented component unit, were audited by 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*. Other auditors audited the financial statements of MARCA Industries, Inc., in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

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 July 22, 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the County's management dated July 22, 2005, we reported other matters related to noncompliance we deemed immaterial.

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Marion County
Independent Accountants' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Required by *Government Auditing Standards*
Page 2

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

July 22, 2005



Auditor of State Betty Montgomery

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

Marion County
222 West Center Street
Marion, Ohio 43302

To the Board of County Commissioners:

Compliance

We have audited the compliance of Marion County, Ohio, (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that 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 our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2004. In a separate letter to the County's management dated July 22, 2005, we reported an other matter related to federal noncompliance not requiring inclusion in this report.

Internal Control Over Compliance

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

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Federal Awards Expenditures Schedule

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2004, and have issued our report thereon dated July 22, 2005, wherein we noted the financial statements of MARCA Industries, Inc., the discretely presented component unit, were audited by 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, the 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

July 22, 2005

MARION COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2004

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

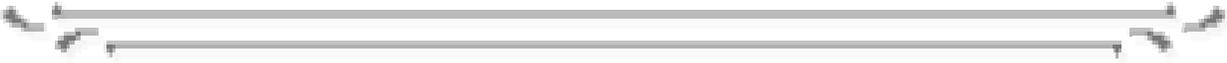
None



MARION COUNTY, OHIO

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2004**

ISSUED BY THE MARION COUNTY AUDITOR'S OFFICE
JOSEPH P. CAMPBELL
COUNTY AUDITOR



MARION COUNTY, OHIO
 Comprehensive Annual Financial Report
 For the Year Ended December 31, 2004
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Joseph P. Campbell

Marion County Auditor

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July 22, 2005

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Honorable David Columber
Honorable Kenneth C. Frayer Jr.
Honorable Paul Andrew Appelfeller

Citizens of Marion County:

It is a privilege to submit to you the 2004 Comprehensive Annual Financial Report (CAFR) for Marion County. I believe this report reflects both careful stewardship of the County's assets and dedicated service by the various departments to the citizens of Marion County. This report conforms to generally accepted accounting principles and provides full and complete disclosure of the financial position and operations of Marion County for the year ended December 31, 2004. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures, rests with the County Auditor's office.

This report is presented in three sections: introductory, financial, and statistical. The introductory section contains a table of contents, a letter of transmittal, a list of elected and appointed officials, an organizational chart, and a copy of the Certificate of Achievement for Excellence in Financial Reporting awarded to Marion County for its 2003 CAFR. The financial section contains the Auditor of State of Ohio's Independent Accountants' Report, Management's Discussion and Analysis, the basic financial statements and notes, and relevant supplemental financial statements and schedules for 2004. The statistical section presents social and economic data, financial trends, and the fiscal capacity of Marion County.

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

THE COUNTY

Formed by an Act of the Ohio General Assembly on May 1, 1824, the County was named for General Francis Marion of Revolutionary War fame. Marion County encompasses fifteen townships, seven villages, and one city; covers 409 square miles; and has a population of 66,217 according to the official count of the 2000 U. S. Census.

The County has only those powers conferred upon it by Ohio statutes. The elected three-member Board of County Commissioners functions as both the legislative and executive branch of the County. 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 the Treasurer, Recorder, Engineer, Clerk of Courts, Coroner, Prosecuting Attorney, and Sheriff. All of these officials serve four year terms. The Common Pleas Court Judges, the Family Court Judge, and the Juvenile/Probate Court Judge are elected on a county-wide basis to oversee the County's judicial system. Judges are elected to six year terms.

REPORTING ENTITY AND SERVICES

The County provides its citizens with a wide range of services that include human and social services, health and community assistance services, civil and criminal justice system services, road and bridge maintenance, and other general and administrative support services. The County also operates an enterprise fund which is the Sewer District fund. For financial reporting purposes, the County (the primary government) includes all agencies, departments, organizations, and component units in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity". The Children Services Board, Board of Mental Retardation and Developmental Disabilities, and the Job and Family Services Department are part of the primary government. MARCA Industries has been included as a discretely presented component unit.

The County serves as fiscal officer and custodian of funds for the Marion County Regional Planning Commission, the Marion County Soil and Water Conservation District, the Marion County General Health District, the Marion County Local Emergency Planning Commission, the Marion County Family and Children First Council, the Marion County Park District, the Delaware-Knox-Marion-Morrow Joint Solid Waste Management District, the Marion-Crawford Mental Health Board, and the Marion-Hardin Corrections Commission whose activities are included in this report as agency funds.

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

ECONOMIC CONDITION AND OUTLOOK

In 2004, the sale of County property spurred a flurry of activity and conversation on the expansion of commercial development on the east side of Marion. The preliminary study began on a northwest bypass for truck traffic around downtown city streets and paving the way for the start of new businesses and renovations to the downtown area. Plotted subdivisions and new home builds increased in and around Marion. While some businesses chose to leave the Marion market, other businesses made plans for major investments and/or renovations to their operations in the Marion area. Marion County is in the beginning phase of major growth that we have not seen for years thanks to the cooperation of the Marion county citizens, business leaders, economic development plans, and elected officials from the State, County, city, townships, and villages.

Whirlpool, Marion's largest employer, made plans for and started on an \$85 million investment in its Marion facility. This investment, for a state of the art assembly line, shows their commitment to the Marion area and their employees. This type of investment commitment leads us to believe Whirlpool will be a stable work place for years to come.

Defasco Marion, Inc., a tubular steel plant in the Dual Rail Industrial Park, began an \$8.7 million, 132,000 square foot expansion. Defasco is optimistic business will grow at this Marion facility and this will help them expand their employment in Marion. They are considering another expansion once the current expansion is completed to maximize the efficiency of their operation here in Marion.

Union Tank Car broke ground on a \$1.08 million expansion of its Marion facility. The company, which refurbishes rail tank cars, will add an exterior blast and painting system which includes a grit blast booth, painting and drying off booths, and preparation areas.

Sypris Technologies Marion, LLC is installing and operating a tool-and-die machining facility and state of the art axle machining center. The equipment and machinery for the expansion are worth more than \$8.8 million with a real estate and inventory investment worth \$850,000.

Marion County sold 25.688 acres of property, the former county home site, for \$3,540,548. The developer, The Phoenix Group, which purchased the property had until June 2, 2005, to make the final payment. Preliminary plans for the property include a road that will connect State Route 95 (Marion Mt. Gilead Road) and State Route 309 (Harding Highway East). The new road will be State Route 529. The new State Route 529 extension will eventually help alleviate traffic congestion in the area and will promote the expansion of commercial growth.

A 92-acre farm, just blocks away from the former county home site, is slated for more commercial development. Plans include a shopping center, big box-type stores, restaurant sites, and condos.

New businesses opened on short north on north Main Street of Marion including Froi De Veaux Salon, a full service salon, and The Jewelry Box, which offers jewelry from around the world. King Louie's opened down the street with a first floor nightclub and a second floor sports lounge/restaurant.

A fire destroyed the Carroll's Jewelers building two years ago in the downtown area. Lowell Thurston, owner of Carroll's Jewelers, cited his commitment to downtown by his investment in the renovation of an existing building. The new store has 1,800 square feet compared to 400 square feet at the original site. Other businesses displaced by the fire have also remained committed to the downtown area and have relocated to other locations.

Lutheran Social Services has broken ground on a \$3.8 million fifty-three unit affordable housing development for seniors. Chadwick Place, as the housing will be called, is located on Wellness Drive next to the new Marion Family YMCA just south of the City of Marion.

The Wal-Mart Super Center opened encompassing 192,000 square feet and may employ up to four hundred fifty people.

Dominion Homes made plans and began development on a 352-unit community living condominium site. The development features limited access, private streets, front porches, and back-accessed garages through the alleys. The condos sell for between \$130,000 to \$160,000 and six were competed with a few sold by the end of 2004.

The County has six new plotted subdivisions. Two of the new subdivisions contain over one hundred units and the remaining subdivisions have between fifteen to fifty units. The demand for new housing within the County continues to be strong with little sign of slowing.

The Mayor of the City of Marion announced on May 5, 2004, that Giant Eagle would locate a store in Marion in the old Ames store location. Giant Eagle is expected to employ at least two hundred fifty people. Later in the year, Giant Eagle said they would hold off on locating to Marion due to prior commitments and slower sales than expected.

Marion County did experience some losses in 2004. Exact Software North America moved its operation to Columbus resulting in a loss of one hundred fourteen jobs. Kable Fulfillment Services of Ohio, Inc. moved its letter shop to Colorado resulting in thirty-five jobs lost. Fairfield Engineering closed resulting in a loss of one hundred jobs in the County.

MARION COUNTY MAJOR INITIATIVES

Current Year Projects

The County Commissioners sold the old county home site with the requirement that the developer must build a road on the property within the road construction requirements stipulated by the Ohio Department of Transportation. The Ohio State Marion Branch has come to an agreement with the Ohio Department of Transportation to build a road on the East side of their campus. This road is the extension of State Route 529 to State Route 95 and State Route 309 which will alleviate traffic congestion on the East side.

Future Projects

The Northwest Industrial Connector Road preliminary study began which will link Marion-Williamsport Road around the north side of the City of Marion, to connect State Route 95, State Route 309, and US 23 to alleviate some of the downtown truck traffic. This connector road would afford the through and industry truck an alternative route and avoid downtown stop and go traffic. Work on this project slated to begin in late 2005.

DEPARTMENTAL HIGHLIGHTS

Selected for review in the 2004 CAFR is the Marion County Recorder.

First let me give you a little history concerning the Recorder's Office. In 1787, the Northwest Territory was formed and encompassed lands north and west of the Ohio River. In 1803, when Ohio became a state, the State Constitution did not provide for a Recorder's Office; however, the first state legislature mandated that the Judges of the Court of Common Pleas appoint a Recorder for each county. In 1829, the Recorder's Office became an elected position and in 1936 a four-year term was established.

Although the Recorder's Office is not a high profile department, it is very vital to the County. The Recorder records and maintains land records. The Recorder and the staff must abide by and operate the office by the Ohio Revised Code and with knowledge of more than a one thousand different statutes pertaining to the office.

The Recorder's Office must be proficient and accurate in recording, filing, and indexing more than sixty types of documents received regularly. The department must create a permanent record in archival form. The indexing and records must be easily accessible to anyone who needs or desires to utilize the office. The Recorder faces liability created not only by themselves, but also by their staff. Unlike many elected officials, this liability follows the Recorder for many years after they have left office.

The office records documents such as deeds, mortgages, releases and assignments of mortgages, powers of attorney which relate to real estate, federal tax liens, workers' compensation liens, personal property liens, financing statements, military records, mergers, partnerships, mechanics liens, etc. The office also has plats, condominiums, annexations, township zoning, and amendments. Many people such as attorneys, title researchers, real estate agents, bank officials, surveyors and, of course, the general public use the office to do title searches or obtain copies of vital documents. Records date back to the early 1800's. Currently the documents are scanned and imaged.

The Recorder must have accounting skills in order to maintain and record the fees received, deposit the revenue to the General Fund, and handle the budget for the office. On August 1, 2003, the Ohio Legislature doubled the fees and required 50 percent of the additional fee to be paid to the State for the Housing Trust Fund. This has made the Recorder's Office tax collectors for the State. Accounting records have many checks and balances and must meet the standards established by the Auditor of State.

The current Marion County Recorder is Mary Jo Osmun who has been employed in the Recorder's Office since June 1978. In 1978, Ms Osmun was a deputy under the prior Recorder, Viola Osmun, her mother-in-law. In 1985, Joanna Schmidt became Recorder and Mary Jo became her chief deputy. In December 2003, Mary Jo Osmun was appointed Recorder to fulfill Joanna's unexpired term and started serving her first elected term on January 3, 2005. Changes have been made to improve the office such as cross training employees and making the older indexes and records more accessible. In the near future, the indexing information from the computers will be on-line.

The Marion County Recorders Office and staff have been known for many years as a very conscientious, dedicated, and hardworking office. The office respects and wants to serve the public to the best of our ability.

As the County Recorder's Office goes about its work virtually unnoticed by most and needed by all, the County Recorder's duties may be summed up best by a guest speaker, Mr. Richard Hoffman, at an Ohio Recorders District Meeting.

I am the County Recorder.
The wheels of government turn better because I am here working in my office.
I represent your today, your yesterday, and your tomorrow.
Disputes will be settled.
Business will be conducted.
Mortgages will be filed and released.
Documents will be here whenever commerce may need them.
People will be located.
Veterans' benefits will be awarded.
All this based on the work I and my predecessors have done.
I am the County Recorder.
I am proud of what I do.
I do it well, and yesterday, today, and tomorrow are secure in my hands.
I am the County Recorder.

It is my honor and pleasure to serve the Marion County residents with respect and humility.

Mary Jo Osmun
Marion County Recorder

FINANCIAL INFORMATION

The County's accounting system is organized on a "fund basis". Each fund is a self-balancing set of accounts.

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

The County utilizes a fully automated accounting and payroll system. These systems, together with the manual auditing of each voucher prior to payment, ensure that the financial information generated is both reliable and accurate.

Under Ohio law, the Board of County Commissioners must adopt an appropriations budget by January 1 of a given year or adopt a temporary appropriation measure, with final passage of a permanent budget by April 1. No expenditure can be made from any budgetary account without a Certificate of the County Auditor certifying that funds are available or are being collected. When a purchase order is issued or a contract entered into by any County department or agency, the County Auditor encumbers the necessary funds to pay for the expenditure. Contracts or purchase orders are rejected and are invalid under Ohio law if sufficient appropriations are not available to permit the County Auditor to certify the transaction. A further discussion of the budgetary accounting system and its controls may be found in Note 2 of the notes to the basic financial statements.

The County Auditor issues a monthly budget report to the County Commissioners and all departments and agencies showing the month and year-to-date expenditures, encumbrances, and cash balances, as well as the unencumbered balance by fund and account. These reports are made public and are available to the news media. On a quarterly basis, the reports are sent to local lending institutions as well as to McDonald and Company (underwriter) and Squire, Sanders, & Dempsey (bond counsel).

Risk Management

The County insures all risk through private insurance carriers and maintains a variety of types of coverage including property, liability, and vehicle insurance. A more detailed description of the County's risk management may be found in Note 12 to the basic financial statements.

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

Cash Management

The County pools all idle cash to achieve maximum investment efficiency and to enhance accountability. The County Treasurer, as custodian of all County monies, is responsible for all investments. Investment policy is established by the Investment Advisory Board which consists of the County Treasurer, the Chair of the County Commissioners, one other Commissioner chosen by the Chair, and the Clerk of Courts. Ohio law requires the Board to meet every three months. Each year, the Board reviews its written investment policy. Money is deposited in the bank each day in interest bearing accounts by the County Treasurer. Cash surplus is calculated daily; excesses are invested in order to achieve the highest yields in the safest instruments possible. During 2004, the County's cash resources were divided among the following types of deposits and investments: nonnegotiable certificates of deposit, negotiable certificates of deposit, manuscript notes, mutual funds, and STAR Ohio, an investment pool operated by the Ohio State Treasurer. Although the majority of the County's deposits are defined as uninsured and uncollateralized, these deposits are covered by collateral in single institution collateral pools as specified by the Ohio Revised Code. Interest earned on investments is credited to the General Fund, except as stipulated by State statute, grant requirements, or debt related restrictions.

INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered by Betty Montgomery, Auditor of State, with respect to the basic financial statements of the County as of and for the year ended December 31, 2004. As part of the annual preparation of a CAFR, the County subjects all the financial statements to an annual independent audit. This annual audit arrangement serves to strengthen the County's accounting, budgetary, and internal control of financial and operational systems.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Marion County for its comprehensive annual financial report for the year ended December 31, 2003.

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

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

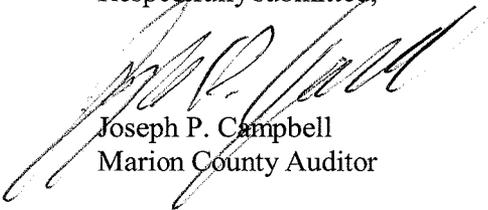
ACKNOWLEDGMENTS

The purpose of this report is to provide complete and reliable information as a basis for making management decisions, as a means for determining compliance with legal provisions, and as a means for determining responsible stewardship of the assets of Marion County. This report significantly increases the accountability of Marion County government to its taxpayers.

Preparation of this report would not have been possible without the cooperation of every County department and agency. I am grateful to the County Commissioners for their continued support through adequate funding of the CAFR.

Planning, coordinating, compiling, and finally, completing this report has been the responsibility of deputy auditor Jacqueline Tindley. I gratefully acknowledge her contributions as well as those of the other members of the Auditor's staff including Gina Beard and Angie Field.

Respectfully submitted,



Joseph P. Campbell
Marion County Auditor

MARION COUNTY, OHIO

Elected and Appointed Officials

December 31, 2004

COUNTY COMMISSIONERS

David A. Columber
Kenneth C. Frayer Jr.
Paul Andrew Appelfeller

COUNTY AUDITOR

Joseph P. Campbell

COUNTY TREASURER

Thomas J. Shesky

COUNTY PROSECUTING ATTORNEY

Jim Slagle

COMMON PLEAS JUDGE/GENERAL DIVISION

William Finnegan

COMMON PLEAS JUDGE/GENERAL DIVISION

Robert S. Davidson

COMMON PLEAS JUDGE/FAMILY COURT DIVISION

Deborah A. Alspach

PROBATE AND JUVENILE JUDGE

Thomas K. Jenkins

CLERK OF COURTS

Julie M. Kagel

CORONER

Marc Comianos M.D.

SHERIFF

Tim Bailey

RECORDER

Mary Jo Osmun

ENGINEER

Bradley K. Irons

AGENCY AND DEPARTMENTS HEADS

COUNTY ADMINISTRATOR

Lenora Mayes

BOARD OF ELECTIONS

Chris Smith

DOG WARDEN

Jane Watts

SANITARY ENGINEER

Roger L. Dietrich

CHILDREN SERVICES

F. Eric Bush

DEPARTMENT OF JOB AND FAMILY SERVICES

Roxane Somerlot

COMMUNITY MENTAL HEALTH

Jodi Demo-Hodgins

MENTAL DISABILITIES

Lee Wedemeyer

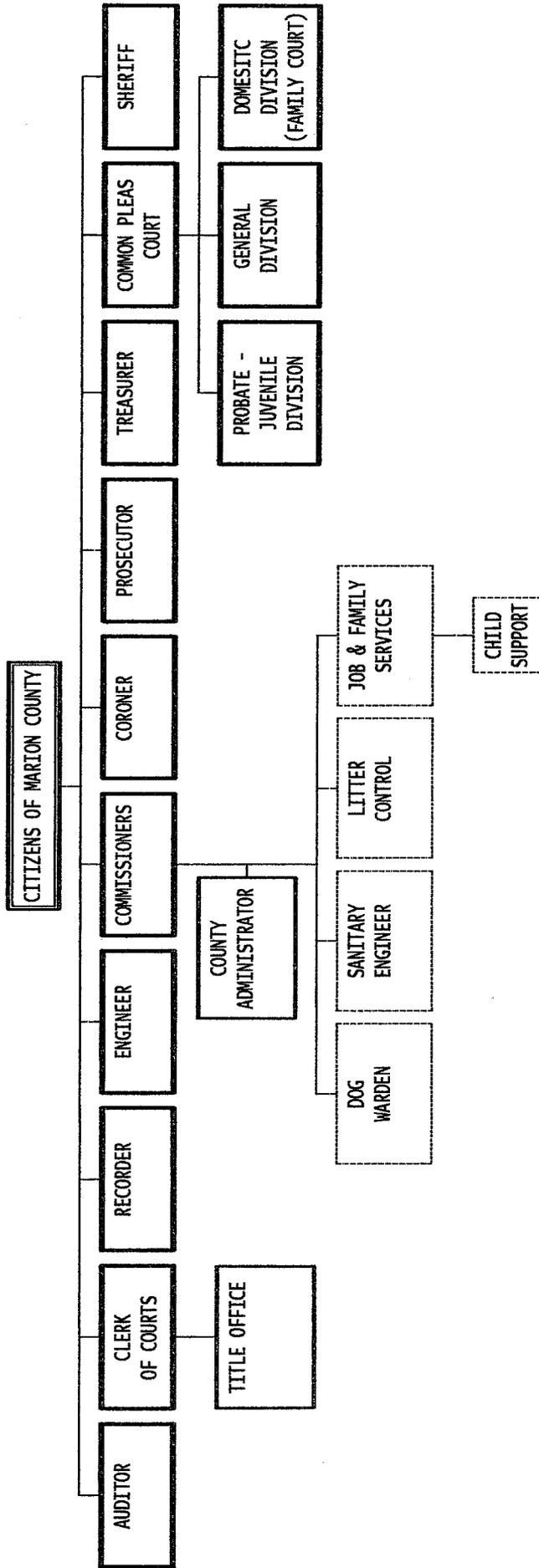
LITTER CONTROL

Don Zeisler

VETERANS SERVICE COMMISSION

Richard Reish

MARION COUNTY, OHIO ORGANIZATIONAL CHART



EX OFFICIO AND APPOINTED BOARDS

BUDGET COMMISSION BOARD OF REVISION BOARD OF ELECTIONS VETERANS SERVICE COMMISSION RECORDS COMMISSION

CHILDREN SERVICES BOARD BOARD OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES BOARD OF ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES

ELECTED OFFICIALS
COUNTY AGENCIES

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marion 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. Zielle

President

Jeffrey R. Enos

Executive Director



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Marion County
222 West Center
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion 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 MARCA Industries. 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 MARCA Industries, 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. The other auditors audited the financial statements of MARCA Industries in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion 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, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities 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 July 22, 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.

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 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 fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Betty Montgomery
Auditor of State

July 22, 2005

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

The discussion and analysis of Marion County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

HIGHLIGHTS

Key highlights for 2004 are as follows:

In total, the County's net assets increased \$3,452,918. In 2004, the County sold property but had only received \$150,000 in earnest money. A receivable was recorded for the remaining \$3,390,548 that was received in 2005. The transaction created a gain on the sale of capital assets of \$2,970,338. The excess of revenues over expenses prior to the special item was \$482,580.

Program expenses decreased by \$651,887. The majority of the decrease occurred in the human services program for job and family services. Total revenues increased by \$1,626,681 of which the majority pertained to operating grants in the public safety and human services programs.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand Marion County's financial position.

The statement of net assets and the statement of activities provide information about the activities of the County as a whole, presenting both an aggregate and a longer-term view of the County.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the County's most significant funds individually and the County's non-major funds in a single column. The County's major funds are the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, Mental Disabilities, and Sewer District funds.

REPORTING THE COUNTY AS A WHOLE

The statement of net assets and the statement of activities reflect how the County did financially during 2004. These statements include all assets and liabilities using the accrual basis of accounting similar to the basis used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the County's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the County as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the County's property tax base and the condition of the County's capital assets. These factors must be considered when assessing the overall health of the County.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

In the statement of net assets and the statement of activities, the County is divided into two types of activities:

- Governmental Activities - Most of the County's programs and services are reported here, including general government legislative and executive and judicial, public safety, public works, health, human services, and intergovernmental. These services are primarily funded by property and sales taxes and from intergovernmental revenues, including federal and state grants and other shared revenues.
- Business-Type Activity - These services are provided on a charge for services basis and are intended to recover all or most of the costs of the services provided. The County's sanitary sewer operations are reported here.

REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the County's major funds, the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, Mental Disabilities, and Sewer District funds. While the County uses many funds to account for its financial transactions, these are the most significant.

Governmental Funds - The County's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to help make this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Enterprise Fund - The County's enterprise fund uses the accrual basis of accounting, the same as that used for the business-type activity on the government-wide financial statements.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the County's programs. These funds also use the accrual basis of accounting.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the County's net assets for 2004 and 2003.

Table 1
Net Assets

	Governmental Activities		Business-Type Activity		Total	
	2004	2003	2004	2003	2004	2003
<u>Assets</u>						
Current and Other Assets	\$37,993,138	\$34,705,156	\$2,425,404	\$2,356,026	\$40,418,542	\$37,061,182
Capital Assets, Net	49,630,808	50,113,212	9,188,883	9,518,842	58,819,691	59,632,054
Total Assets	87,623,946	84,818,368	11,614,287	11,874,868	99,238,233	96,693,236
<u>Liabilities</u>						
Current and Other Liabilities	9,828,151	10,135,866	60,578	60,774	9,888,729	10,196,640
Long-Term Liabilities	11,799,778	12,280,036	3,292,487	3,412,239	15,092,265	15,692,275
Total Liabilities	21,627,929	22,415,902	3,353,065	3,473,013	24,980,994	25,888,915
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	42,907,872	42,957,957	5,926,439	6,143,077	48,834,311	49,101,034
Restricted	19,048,665	18,652,859	422,811	419,941	19,471,476	19,072,800
Unrestricted	4,039,480	791,650	1,911,972	1,838,837	5,952,452	2,630,487
Total Net Assets	\$65,996,017	\$62,402,466	\$8,261,222	\$8,401,855	\$74,257,239	\$70,804,321

Total assets increased \$2,544,997. This increase can be attributed to recording the remaining balance due from the sale of property. Total liabilities remained very comparable to the prior year.

The only change of note to net assets was for unrestricted net assets which increased as a result of the receivable recorded from the sale of capital assets.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Table 2 reflects the change in net assets for 2004 and 2003.

Table 2
Change in Net Assets

	Governmental Activities		Business-Type Activity		Total	
	2004	2003	2004	2003	2004	2003
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$4,746,076	\$5,228,601	\$1,066,299	\$1,021,108	\$5,812,375	\$6,249,709
Operating Grants, Contributions, and Interest	20,384,989	18,217,849	0	0	20,384,989	18,217,849
Capital Grants, Contributions, and Interest	359,042	276,307	170,559	79,844	529,601	356,151
Total Program Revenues	<u>25,490,107</u>	<u>23,722,757</u>	<u>1,236,858</u>	<u>1,100,952</u>	<u>26,726,965</u>	<u>24,823,709</u>
General Revenues						
Property Taxes	7,701,000	7,662,280	0	0	7,701,000	7,662,280
Sales Taxes	6,365,990	6,171,612	0	0	6,365,990	6,171,612
Grants and Entitlements not Restricted to Other Programs	1,611,835	1,677,185	0	0	1,611,835	1,677,185
Interest	535,797	827,799	6,213	7,020	542,010	834,819
Other	1,134,822	1,241,178	0	45,158	1,134,822	1,286,336
Total General Revenues	<u>17,349,444</u>	<u>17,580,054</u>	<u>6,213</u>	<u>52,178</u>	<u>17,355,657</u>	<u>17,632,232</u>
Total Revenues	<u>42,839,551</u>	<u>41,302,811</u>	<u>1,243,071</u>	<u>1,153,130</u>	<u>44,082,622</u>	<u>42,455,941</u>
<u>Program Expenses</u>						
General Government						
Legislative and Executive	6,391,895	6,801,821	0	0	6,391,895	6,801,821
Judicial	2,077,911	1,698,069	0	0	2,077,911	1,698,069
Public Safety	8,594,364	8,548,801	0	0	8,594,364	8,548,801
Public Works	4,008,867	4,270,667	0	0	4,008,867	4,270,667
Health	8,095,789	8,007,742	0	0	8,095,789	8,007,742
Human Services	11,560,376	12,122,494	0	0	11,560,376	12,122,494
Conservation and Recreation	12,000	15,000	0	0	12,000	15,000
Intergovernmental	957,447	903,239	0	0	957,447	903,239
Interest and Fiscal Charges	517,689	540,876	0	0	517,689	540,876
Sewer District	0	0	1,383,704	1,343,220	1,383,704	1,343,220
Total Expenses	<u>42,216,338</u>	<u>42,908,709</u>	<u>1,383,704</u>	<u>1,343,220</u>	<u>43,600,042</u>	<u>44,251,929</u>
Excess (Deficiency) Before Special Item	623,213	(1,605,898)	(140,633)	(190,090)	482,580	(1,795,988)
Gain on Sale of Capital Assets	2,970,338	0	0	0	2,970,338	0
Change in Net Assets	<u>\$3,593,551</u>	<u>(\$1,605,898)</u>	<u>(\$140,633)</u>	<u>(\$190,090)</u>	<u>\$3,452,918</u>	<u>(\$1,795,988)</u>

The most significant change to program revenues from the prior year was in operating grants, contributions, and interest. This increase is primarily reflected in public safety and human services.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

A review of the above table reflects that all other revenues and expenses for governmental activities as well as all activity for the business-type activity was very comparable to the prior year.

Table 3, indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2004	2003	2004	2003
General Government				
Legislative and Executive	\$6,391,895	\$6,801,821	\$3,914,412	\$4,487,179
Judicial	2,077,911	1,698,069	947,179	341,194
Public Safety	8,594,364	8,548,801	4,746,947	5,659,298
Public Works	4,008,867	4,270,667	(435,342)	123,382
Health	8,095,789	8,007,742	5,051,399	4,672,119
Human Services	11,560,376	12,122,494	1,014,500	2,443,665
Conservation and Recreation	12,000	15,000	12,000	15,000
Intergovernmental	957,447	903,239	957,447	903,239
Interest and Fiscal Charges	517,689	540,876	517,689	540,876
Total Expenses	\$42,216,338	\$42,908,709	\$16,726,231	\$19,185,952

A significant portion of expenses for legislative and executive, public safety, and health are significantly funded by property taxes, sales taxes, and intergovernmental revenues. Legislative and executive activities include costs associated with the general administration of County government. Administration consists of the County Commissioners, Auditor, Treasurer, Prosecutor, and Recorder. The majority of public safety activities pertains to the expenses of the Sheriff's department. Health activities pertains to mental health and mental disabilities expenses.

Judicial activities relates to the court systems operated by the County and are significantly supported by the fines and court costs. The majority of the expenses for public works is for the operation of the Engineer and is funded by gasoline tax and motor vehicle license fees. Human service activities include the expenses for job and family services and children services and is materially funded by grants; however, children services activities is also funded by property taxes.

Although the total cost of services maintained relatively the same, the amount received from program revenues increased somewhat due to additional grant moneys.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The County's major governmental funds are the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities funds. The fund balance of the General Fund continues to decrease. Although expenditures were reduced in 2004, in the amount of \$223,946, revenues decreased by a greater amount; primarily charges for services and interest.

Job and Family Services, Motor Vehicle Gasoline Tax, and Children Services special revenue funds reported a positive change in fund balance. The increase in the Job and Family Services and Motor Vehicle Gasoline Tax special revenue funds can be attributed to increased intergovernmental revenues received in 2004. The Children Services special revenue fund increase occurred from a reduction of expenditures.

The Mental Disabilities special revenue reflected a negative change in fund balance, in the amount of \$1,204,470, as compared to the negative change in fund balance in 2003, in the amount of \$936,136. Although revenues declined in operating grants, the fund maintained their level of service to their clients.

BUSINESS-TYPE ACTIVITY FINANCIAL ANALYSIS

The County's enterprise fund is the Sewer District fund. As can be seen on the statement of activities, program revenues have not been sufficient to cover the expenses of the Sewer District fund. The fund has consistently reported an operating loss for the last three years. The County has not increased their rates for service to cover the depreciation of their capital assets.

BUDGETARY HIGHLIGHTS

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations resolution which is effective the first day of January. The County's most significant budgeted fund is the General Fund. Changes from the original to final budget, as well as actual amounts for revenues and expenditures were not significant. The decrease in fund balance is the result of transfers to other funds to support their operation or make debt payments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The County's investment in capital assets for governmental and business-type activities as of December 31, 2004, was \$42,907,872 and \$5,926,439, respectively (net of accumulated depreciation and related debt). This investment in capital assets includes land; land improvements; buildings; improvements other than buildings; roads, bridges, culverts, and traffic signals; machinery and equipment; vehicles; and sewer lines. There was an insignificant change to both governmental and business-type activities capital assets for 2004. Note 10 to the basic financial statements provides further detail on the capital asset activity.

At December 31, 2004, the County had a number of long-term obligations outstanding. These obligations included \$11,514,314 in general obligation bonds, \$177,686 in special assessment bonds, \$623,206 in Issue II loans, \$1,301,100 in USDA revenue bonds, and \$89,074 in vehicle loans. Of this amount, \$3,262,444 will be repaid from business-type activities.

MARION COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

In addition to the debt outlined above, the County's long-term obligations also include compensated absences. Additional information on the County's long-term debt can be found in Note 17 to the basic financial statements.

CURRENT ISSUES

In 2005, the County refunded sewer improvement USDA revenue bonds, in the amount of \$1,301,100, and sewer improvement general obligation bonds, in the amount of \$1,437,000. The bonds were being paid through the County's Sewer District enterprise fund. The refunding general obligation bonds fully defeased the old debt. The County contributed \$239,699 towards the retirement of the old debt. The new bonds significantly reduced the repayment schedule from 2039 to 2024 and reduced the total debt service requirement by \$824,952.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those interested in our County's financial well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Joseph P. Campbell, Marion County Auditor, 222 West Center Street, Marion, Ohio 43302.

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Marion County, Ohio
Statement of Net Assets
Primary Government as of December 31, 2004
Component Unit as of June 30, 2004

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activity	Total	Marca Industries
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$19,568,876	\$2,166,013	\$21,734,889	\$0
Cash and Cash Equivalents in Segregated Accounts	22,887	0	22,887	29,426
Investments in Segregated Accounts	0	0	0	39,526
Accounts Receivable	3,403,640	258,014	3,661,654	91,848
Due from Primary Government	0	0	0	4,229
Sales Taxes Receivable	1,061,854	0	1,061,854	0
Accrued Interest Receivable	56,113	0	56,113	0
Due from Other Governments	5,451,711	0	5,451,711	0
Internal Balances	(1,377)	1,377	0	0
Prepaid Items	0	0	0	2,416
Materials and Supplies Inventory	0	0	0	27,773
Property Taxes Receivable	8,069,963	0	8,069,963	0
Loans Receivable	72,229	0	72,229	0
Special Assessments Receivable	287,242	0	287,242	0
Workers' Compensation Deposit	0	0	0	1,000
Nondepreciable Capital Assets	7,349,926	177,568	7,527,494	0
Depreciable Capital Assets, Net	42,280,882	9,011,315	51,292,197	100,522
Total Assets	87,623,946	11,614,287	99,238,233	296,740
<u>Liabilities</u>				
Accrued Wages Payable	318,353	6,759	325,112	32,908
Accounts Payable	828,806	22,181	850,987	24,125
Contracts Payable	422	0	422	0
Due to Component Unit	4,229	0	4,229	0
Due to Other Governments	514,236	5,805	520,041	0
Accrued Interest Payable	52,232	25,833	78,065	0
Notes Payable	397,089	0	397,089	0
Deferred Revenue	7,712,784	0	7,712,784	0
Long-Term Liabilities				
Due Within One Year	1,144,737	116,021	1,260,758	5,420
Due in More Than One Year	10,655,041	3,176,466	13,831,507	32,382
Total Liabilities	21,627,929	3,353,065	24,980,994	94,835
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	42,907,872	5,926,439	48,834,311	100,522
Restricted for:				
Debt Service	521,564	422,811	944,375	0
Capital Projects	2,339,795	0	2,339,795	0
Other Purposes	16,187,306	0	16,187,306	0
Unrestricted	4,039,480	1,911,972	5,951,452	101,383
Total Net Assets	\$65,996,017	\$8,261,222	\$74,257,239	\$201,905

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Activities
Primary Government For the Year Ended December 31, 2004
Component Unit For the Year Ended June 30, 2004

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
<u>Governmental Activities</u>				
General Government				
Legislative and Executive	\$6,391,895	\$2,340,550	\$107,025	\$29,908
Judicial	2,077,911	980,036	150,696	0
Public Safety	8,594,364	837,317	3,010,100	0
Public Works	4,008,867	128,649	4,024,430	291,130
Health	8,095,789	153,484	2,852,902	38,004
Human Services	11,560,376	306,040	10,239,836	0
Conservation and Recreation	12,000	0	0	0
Intergovernmental	957,447	0	0	0
Interest and Fiscal Charges	517,689	0	0	0
Total Governmental Activities	42,216,338	4,746,076	20,384,989	359,042
<u>Business-Type Activity</u>				
Sewer District	1,383,704	1,066,299	0	170,559
Total Primary Government	<u>\$43,600,042</u>	<u>\$5,812,375</u>	<u>\$20,384,989</u>	<u>\$529,601</u>
<u>Component Unit</u>				
Marca Industries	<u>\$845,573</u>	<u>\$600,677</u>	<u>\$139,536</u>	<u>\$0</u>

General Revenues

Property Taxes Levied for:
 General Operating
 Health-Mental Health
 Health-Mental Disabilities
 Human Services-Children Services
 Marca
 Coliseum
Sales Taxes
Grants and Entitlements not Restricted to Other Programs
Interest
Net Realized and Unrealized Gain on Investments
Other
Total General Revenues
Special Item - Gain on Sale of Capital Assets
Change in Net Assets
Net Assets at Beginning of Year - Restated (Note 3)
Net Assets at End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Change in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-Type Activity	Total	Marca Industries
(\$3,914,412)	\$0	(\$3,914,412)	\$0
(947,179)	0	(947,179)	0
(4,746,947)	0	(4,746,947)	0
435,342	0	435,342	0
(5,051,399)	0	(5,051,399)	0
(1,014,500)	0	(1,014,500)	0
(12,000)	0	(12,000)	0
(957,447)	0	(957,447)	0
(517,689)	0	(517,689)	0
<u>(16,726,231)</u>	<u>0</u>	<u>(16,726,231)</u>	<u>0</u>
<u>0</u>	<u>(146,846)</u>	<u>(146,846)</u>	<u>0</u>
<u>(16,726,231)</u>	<u>(146,846)</u>	<u>(16,873,077)</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>(105,360)</u>
2,134,707	0	2,134,707	0
598,559	0	598,559	0
2,882,714	0	2,882,714	0
1,535,336	0	1,535,336	0
307,698	0	307,698	0
241,986	0	241,986	0
6,365,990	0	6,365,990	0
1,611,835	0	1,611,835	0
535,797	6,213	542,010	2,070
0	0	0	5,520
<u>1,134,822</u>	<u>0</u>	<u>1,134,822</u>	<u>82</u>
17,349,444	6,213	17,355,657	7,672
<u>2,970,338</u>	<u>0</u>	<u>2,970,338</u>	<u>0</u>
3,593,551	(140,633)	3,452,918	(97,688)
<u>62,402,466</u>	<u>8,401,855</u>	<u>70,804,321</u>	<u>299,593</u>
<u>\$65,996,017</u>	<u>\$8,261,222</u>	<u>\$74,257,239</u>	<u>\$201,905</u>

Marion County, Ohio

Balance Sheet

Governmental Funds

December 31, 2004

	<u>General</u>	<u>Job and Family Services</u>	<u>Motor Vehicle Gasoline Tax</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$3,024,776	\$1,120,469	\$881,010
Cash and Cash Equivalents in Segregated Accounts	0	0	0
Accounts Receivable	3,392,157	0	0
Sales Taxes Receivable	1,061,854	0	0
Accrued Interest Receivable	56,113	0	0
Due from Other Governments	908,801	0	1,875,705
Interfund Receivable	392,742	483	0
Property Taxes Receivable	2,327,394	0	0
Loans Receivable	0	0	0
Special Assessments Receivable	0	0	0
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$11,163,837</u>	<u>\$1,120,952</u>	<u>\$2,756,715</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities</u>			
Accrued Wages Payable	\$110,378	\$48,360	\$33,163
Accounts Payable	151,968	86,183	3,290
Contracts Payable	0	0	0
Due to Component Unit	0	0	0
Due to Other Governments	162,985	58,001	117,772
Interfund Payable	561	450	0
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
Deferred Revenue	7,007,477	231,532	1,565,414
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>7,433,369</u>	<u>424,526</u>	<u>1,719,639</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	248,629	113,001	4,751
Reserved for Interfund Receivable	328,184	0	0
Reserved for Loans Receivable	0	0	0
Unreserved, Reported in			
General Fund	3,153,655	0	0
Special Revenue Funds	0	583,425	1,032,325
Debt Service Fund	0	0	0
Capital Projects Funds	0	0	0
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>3,730,468</u>	<u>696,426</u>	<u>1,037,076</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	<u>\$11,163,837</u>	<u>\$1,120,952</u>	<u>\$2,756,715</u>

See accompanying notes to the basic financial statements

Children Services	Mental Disabilities	Other Governmental	Total Governmental Funds
\$4,574,467	\$3,773,424	\$6,194,730	\$19,568,876
18,540	0	4,347	22,887
0	6,573	4,910	3,403,640
0	0	0	1,061,854
0	0	0	56,113
651,638	944,969	1,070,598	5,451,711
0	0	122,284	515,509
1,639,580	2,851,828	1,251,161	8,069,963
0	0	72,229	72,229
0	0	287,242	287,242
<u>\$6,884,225</u>	<u>\$7,576,794</u>	<u>\$9,007,501</u>	<u>\$38,510,024</u>

\$32,601	\$50,432	\$43,419	\$318,353
67,639	372,850	146,876	828,806
0	0	422	422
0	4,229	0	4,229
32,663	56,065	86,750	514,236
357	0	515,518	516,886
0	0	10,416	10,416
0	0	397,089	397,089
2,149,716	3,595,154	2,330,771	16,880,064
<u>2,282,976</u>	<u>4,078,730</u>	<u>3,531,261</u>	<u>19,470,501</u>

64,141	535,238	530,130	1,495,890
0	0	0	328,184
0	0	64,027	64,027
0	0	0	3,153,655
4,537,108	2,962,826	2,995,682	12,111,366
0	0	521,564	521,564
0	0	1,364,837	1,364,837
<u>4,601,249</u>	<u>3,498,064</u>	<u>5,476,240</u>	<u>19,039,523</u>
<u>\$6,884,225</u>	<u>\$7,576,794</u>	<u>\$9,007,501</u>	<u>\$38,510,024</u>

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Marion County, Ohio
 Reconciliation of Total Governmental Fund Balances
 to Net Assets of Governmental Activities
 December 31, 2004

Total Governmental Fund Balances	\$19,039,523
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Amounts reported for governmental activities on the statement of net assets are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	49,630,808
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:

Accounts Receivable	3,390,548	
Sales Taxes Receivable	523,631	
Accrued Interest Receivable	38,548	
Due from Other Governments	4,338,600	
Property Taxes Receivable	588,711	
Special Assessments Receivable	287,242	
		9,167,280

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued Interest Payable	(41,816)	
General Obligation Bonds Payable	(10,077,314)	
Special Assessment Bonds Payable	(177,686)	
Issue II Loans Payable	(98,862)	
Vehicle Loans Payable	(89,074)	
Compensated Absences Payable	(1,356,842)	
		(11,841,594)

Net Assets of Governmental Activities	<u><u>\$65,996,017</u></u>
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See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2004

	General	Job and Family Services	Motor Vehicle Gasoline Tax
<u>Revenues</u>			
Property Taxes	\$2,125,644	\$0	\$0
Sales Taxes	6,366,647	0	0
Special Assessments	0	0	0
Charges for Services	2,888,542	260,312	50,149
Licenses and Permits	6,009	0	0
Fines and Forfeitures	124,607	0	23,833
Intergovernmental	1,899,590	6,539,931	3,822,325
Interest	505,181	0	2,155
Other	204,761	25,897	215,782
Total Revenues	<u>14,120,981</u>	<u>6,826,140</u>	<u>4,114,244</u>
<u>Expenditures</u>			
Current			
General Government			
Legislative and Executive	4,946,153	0	0
Judicial	1,681,502	0	0
Public Safety	6,226,992	0	0
Public Works	11,754	0	3,776,720
Health	402,368	0	0
Human Services	250,289	6,168,780	0
Conservation and Recreation	12,000	0	0
Capital Outlay	0	0	0
Intergovernmental	287,172	0	0
Debt Service			
Principal Retirement	74,672	0	0
Interest and Fiscal Charges	5,475	0	0
Total Expenditures	<u>13,898,377</u>	<u>6,168,780</u>	<u>3,776,720</u>
Excess of Revenues Over (Under) Expenditures	<u>222,604</u>	<u>657,360</u>	<u>337,524</u>
<u>Other Financing Sources (Uses)</u>			
Sale of Capital Assets	150,000	0	0
Loans Issued	0	0	0
Transfers - In	8,612	267,840	0
Transfers - Out	<u>(1,022,872)</u>	<u>(283,450)</u>	<u>(108,814)</u>
Total Other Financing Sources (Uses)	<u>(864,260)</u>	<u>(15,610)</u>	<u>(108,814)</u>
Changes in Fund Balances	(641,656)	641,750	228,710
Fund Balances at Beginning of Year - Restated (Note 3)	<u>4,372,124</u>	<u>54,676</u>	<u>808,366</u>
Fund Balances at End of Year	<u><u>\$3,730,468</u></u>	<u><u>\$696,426</u></u>	<u><u>\$1,037,076</u></u>

See accompanying notes to the basic financial statements

Children Services	Mental Disabilities	Other Governmental	Total Governmental Funds
\$1,530,211	\$2,873,522	\$1,144,675	\$7,674,052
0	0	0	6,366,647
0	0	148,899	148,899
20,529	6,618	1,178,942	4,405,092
0	0	125,481	131,490
0	0	23,955	172,395
2,262,669	2,631,094	4,631,485	21,787,094
22	0	41,417	548,775
41,319	548,079	98,984	1,134,822
<u>3,854,750</u>	<u>6,059,313</u>	<u>7,393,838</u>	<u>42,369,266</u>
0	0	700,134	5,646,287
0	0	257,423	1,938,925
0	0	2,530,879	8,757,871
0	0	299,417	4,087,891
0	6,994,289	149,131	7,545,788
3,638,181	0	1,316,969	11,374,219
0	0	0	12,000
0	0	1,503,966	1,503,966
0	0	670,275	957,447
0	0	450,242	524,914
0	0	515,221	520,696
<u>3,638,181</u>	<u>6,994,289</u>	<u>8,393,657</u>	<u>42,870,004</u>
<u>216,569</u>	<u>(934,976)</u>	<u>(999,819)</u>	<u>(500,738)</u>
0	0	0	150,000
0	0	82,595	82,595
0	0	1,485,895	1,762,347
0	(269,494)	(77,717)	(1,762,347)
<u>0</u>	<u>(269,494)</u>	<u>1,490,773</u>	<u>232,595</u>
216,569	(1,204,470)	490,954	(268,143)
<u>4,384,680</u>	<u>4,702,534</u>	<u>4,985,286</u>	<u>19,307,666</u>
<u>\$4,601,249</u>	<u>\$3,498,064</u>	<u>\$5,476,240</u>	<u>\$19,039,523</u>

Marion County, Ohio
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2004

Changes in Fund Balances - Total Governmental Funds (\$268,143)

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

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

Capital Outlay - Nondepreciable Capital Assets	56,581	
Capital Outlay - Depreciable Capital Assets	1,878,122	
Depreciation	<u>(1,825,924)</u>	
		108,779

The book value of capital assets is removed from the capital asset account on the statement of net assets when sold or disposed of resulting in a gain or loss on disposal of capital assets on the statement of activities.

Sale of Capital Asset	(150,000)	
Loss on Disposal of Capital Assets	(20,973)	
Gain on Sale of Capital Assets	<u>2,970,338</u>	
		2,799,365

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

Property Taxes	26,948	
Sales Taxes	(657)	
Special Assessments	(101,956)	
Charges for Services	(9,844)	
Intergovernmental	525,200	
Interest	<u>30,594</u>	
		470,285

Loan proceeds are other financing sources in the governmental funds, but the issuance increases long-term liabilities on the statement of net assets. (82,595)

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

General Obligation Bonds Payable	374,366	
Special Assessment Bonds Payable	30,634	
Issue II Loans Payable	16,477	
Vehicle Loans Payable	<u>103,437</u>	
		524,914

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding obligations on the statement of net assets. 3,007

Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 37,939

Change in Net Assets of Governmental Activities \$3,593,551

See accompanying notes to the basic financial statements

Marion 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$2,139,000	\$2,139,000	\$2,147,091	\$8,091
Sales Taxes	6,125,000	6,125,000	6,274,573	149,573
Charges for Services	2,912,867	2,793,014	2,746,724	(46,290)
Licenses and Permits	4,750	4,750	6,084	1,334
Fines and Forfeitures	161,350	161,350	131,027	(30,323)
Intergovernmental	1,913,004	1,913,004	1,885,755	(27,249)
Interest	603,000	603,000	616,159	13,159
Other	163,826	173,576	211,735	38,159
Total Revenues	14,022,797	13,912,694	14,019,148	106,454
<u>Expenditures</u>				
Current				
General Government				
Legislative and Executive	4,553,968	4,903,433	4,640,114	263,319
Judicial	1,565,604	1,805,779	1,721,564	84,215
Public Safety	6,374,997	6,568,353	6,432,778	135,575
Public Works	12,183	12,183	11,754	429
Health	277,686	330,453	323,369	7,084
Human Services	261,874	264,988	257,338	7,650
Conservation and Recreation	12,000	12,000	12,000	0
Other	559,000	610,292	609,461	831
Capital Outlay	0	3,987	3,987	0
Intergovernmental	287,172	287,172	287,172	0
Total Expenditures	13,904,484	14,798,640	14,299,537	499,103
Excess of Revenues Over (Under) Expenditures	118,313	(885,946)	(280,389)	605,557
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	0	0	150,000	150,000
Advances - In	61,332	70,282	77,975	7,693
Advances - Out	0	(140,000)	(140,000)	0
Transfers - In	35,159	1,846	8,612	6,766
Transfers - Out	(1,230,971)	(1,154,076)	(1,026,039)	128,037
Total Other Financing Sources (Uses)	(1,134,480)	(1,221,948)	(929,452)	292,496
Changes in Fund Balance	(1,016,167)	(2,107,894)	(1,209,841)	898,053
Fund Balance at Beginning of Year	3,303,561	3,303,561	3,303,561	0
Prior Year Encumbrances Appropriated	413,005	413,005	413,005	0
Fund Balance at End of Year	\$2,700,399	\$1,608,672	\$2,506,725	\$898,053

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Job and Family Services Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$267,840	\$267,840	\$278,459	\$10,619
Intergovernmental	6,461,590	6,600,152	6,758,959	158,807
Other	15,000	15,000	27,503	12,503
Total Revenues	6,744,430	6,882,992	7,064,921	181,929
<u>Expenditures</u>				
Current				
Human Services	6,704,472	6,943,554	6,496,914	446,640
Excess of Revenues Over (Under) Expenditures	39,958	(60,562)	568,007	628,569
<u>Other Financing Sources (Uses)</u>				
Advances - Out	0	(5,658)	0	5,658
Transfers - In	243,492	243,492	267,840	24,348
Transfers - Out	(283,450)	(283,450)	(283,450)	0
Total Other Financing Sources (Uses)	(39,958)	(45,616)	(15,610)	30,006
Changes in Fund Balance	0	(106,178)	552,397	658,575
Fund Balance at Beginning of Year	205,319	205,319	205,319	0
Prior Year Encumbrances Appropriated	109,009	109,009	109,009	0
Fund Balance at End of Year	\$314,328	\$208,150	\$866,725	\$658,575

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Motor Vehicle Gasoline Tax Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$30,000	\$30,000	\$53,798	\$23,798
Fines and Forfeitures	25,000	25,000	24,367	(633)
Intergovernmental	3,520,000	3,520,000	3,748,973	228,973
Interest	1,500	1,500	1,948	448
Other	164,667	164,667	215,782	51,115
Total Revenues	3,741,167	3,741,167	4,044,868	303,701
<u>Expenditures</u>				
Current				
Public Works	4,047,943	4,117,824	3,811,071	306,753
Excess of Revenues Over (Under) Expenditures	(306,776)	(376,657)	233,797	610,454
<u>Other Financing Uses</u>				
Transfers - Out	(96,000)	(108,814)	(108,814)	0
Changes in Fund Balance	(402,776)	(485,471)	124,983	610,454
Fund Balance at Beginning of Year	661,973	661,973	661,973	0
Prior Year Encumbrances Appropriated	84,767	84,767	84,767	0
Fund Balance at End of Year	\$343,964	\$261,269	\$871,723	\$610,454

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Services Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$1,525,000	\$1,525,000	\$1,541,182	\$16,182
Charges for Services	42,500	42,500	20,158	(22,342)
Intergovernmental	1,995,060	1,995,060	2,124,723	129,663
Other	80,000	80,000	43,570	(36,430)
Total Revenues	3,642,560	3,642,560	3,729,633	87,073
<u>Expenditures</u>				
Current				
Human Services	4,203,056	4,291,673	3,825,721	465,952
Changes in Fund Balance	(560,496)	(649,113)	(96,088)	553,025
Fund Balance at Beginning of Year	4,362,505	4,362,505	4,362,505	0
Prior Year Encumbrances Appropriated	123,345	123,345	123,345	0
Fund Balance at End of Year	\$3,925,354	\$3,836,737	\$4,389,762	\$553,025

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Disabilities Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$2,825,750	\$2,825,750	\$2,904,093	\$78,343
Intergovernmental	2,598,650	2,598,650	2,652,955	54,305
Other	401,500	403,019	548,079	145,060
Total Revenues	5,825,900	5,827,419	6,105,127	277,708
<u>Expenditures</u>				
Current				
Health	9,792,500	9,853,540	7,928,220	1,925,320
Excess of Revenues Under Expenditures	(3,966,600)	(4,026,121)	(1,823,093)	2,203,028
<u>Other Financing Uses</u>				
Transfers - Out	(485,000)	(269,494)	(269,494)	0
Changes in Fund Balance	(4,451,600)	(4,295,615)	(2,092,587)	2,203,028
Fund Balance at Beginning of Year	3,487,123	3,487,123	3,487,123	0
Prior Year Encumbrances Appropriated	1,292,440	1,292,440	1,292,440	0
Fund Balance at End of Year	\$327,963	\$483,948	\$2,686,976	\$2,203,028

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Fund Net Assets
Enterprise Fund
December 31, 2004

	Sewer District
<u>Assets</u>	
<u>Current Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$1,717,369
Accounts Receivable	258,014
Interfund Receivable	1,377
Restricted Assets	
Equity in Pooled Cash and Cash Equivalents	448,644
Total Current Assets	2,425,404
<u>Noncurrent Assets</u>	
Capital Assets	
Nondepreciable Capital Assets	177,568
Depreciable Capital Assets, Net	9,011,315
Total Noncurrent Assets	9,188,883
Total Assets	11,614,287
<u>Liabilities</u>	
<u>Current Liabilities</u>	
Accrued Wages Payable	6,759
Accounts Payable	22,181
Due to Other Governments	5,805
Issue II Loans Payable	41,621
Liabilities Payable from Restricted Assets	
USDA Revenue Bonds Payable	16,400
General Obligation Bonds Payable	58,000
Accrued Interest Payable	25,833
Total Current Liabilities	176,599
<u>Noncurrent Liabilities</u>	
USDA Revenue Bonds Payable	1,284,700
General Obligation Bonds Payable	1,379,000
Issue II Loans Payable	482,723
Compensated Absences Payable	30,043
Total Long-Term Liabilities	3,176,466
Total Liabilities	3,353,065
<u>Net Assets</u>	
Invested in Capital Assets, Net of Related Debt	5,926,439
Restricted for Debt Service	422,811
Unrestricted	1,911,972
Total Net Assets	\$8,261,222

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Revenues, Expenses, and Change in Fund Net Assets
Enterprise Fund
For the Year Ended December 31, 2004

	<u>Sewer District</u>
<u>Operating Revenues</u>	
Charges for Services	\$1,065,181
Other	1,118
	<u>1,066,299</u>
<u>Operating Expenses</u>	
Personal Services	356,166
Fringe Benefits	51,909
Materials and Supplies	58,800
Contractual Services	374,769
Depreciation	329,959
Other	89,318
	<u>1,260,921</u>
Total Operating Expenses	<u>1,260,921</u>
Operating Loss	<u>(194,622)</u>
<u>Non-Operating Revenues (Expenses)</u>	
Interest Income	6,213
Interest Expense	(122,783)
	<u>(116,570)</u>
Total Non-Operating Revenues (Expenses)	<u>(116,570)</u>
Loss Before Contributions	(311,192)
Capital Contributions	<u>170,559</u>
Change in Net Assets	(140,633)
Net Assets at Beginning of Year	<u>8,401,855</u>
Net Assets at End of Year	<u><u>\$8,261,222</u></u>

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Cash Flows
Enterprise Fund
For the Year Ended December 31, 2004

	Sewer District
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	
<u>Cash Flows from Operating Activities</u>	
Cash Received from Customers	\$1,055,499
Cash Received from Other Revenues	1,118
Cash Payments for Personal Services	(372,748)
Cash Payments for Fringe Benefits	(53,842)
Cash Payments for Materials and Supplies	(46,160)
Cash Payments for Contractual Services	(374,769)
Cash Payments for Other Expenses	(89,318)
	119,780
Net Cash Provided by Operating Activities	119,780
<u>Cash Flows from Capital and Related</u>	
<u>Financing Activities</u>	
Cash Received from Contributed Capital	170,559
Cash Payments for Principal on USDA Revenue Bonds	(15,700)
Cash Payments for Interest on USDA Revenue Bonds	(57,610)
Cash Payments for Principal on General Obligation Bonds	(56,000)
Cash Payments for Interest on General Obligation Bonds	(65,925)
Cash Payments for Principal on Issue II Loans	(41,621)
	(66,297)
Net Cash Used for Capital and Related Financing Activities	(66,297)
<u>Cash Flows from Investing Activities</u>	
Interest Revenue	6,213
	6,213
Net Increase in Cash and Cash Equivalents	59,696
Cash and Cash Equivalents at Beginning of Year	2,106,317
Cash and Cash Equivalents at End of Year	\$2,166,013
<u>Reconciliation of Operating Loss</u>	
<u>to Net Cash Provided by Operating Activities</u>	
Operating Loss	(\$194,622)
<u>Adjustments to Reconcile Operating Loss</u>	
<u>to Net Cash Provided by Operating Activities</u>	
Depreciation	329,959
Changes in Assets and Liabilities	
Increase in Accounts Receivable	(9,176)
Increase in Interfund Receivable	(506)
Decrease in Accrued Wages Payable	(10,452)
Increase in Accounts Payable	12,640
Decrease in Due to Other Governments	(1,632)
Decrease in Compensated Absences Payable	(6,431)
	329,959
Net Cash Provided by Operating Activities	\$119,780

See accompanying notes to the basic financial statements

Marion County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2004

Assets

Equity in Pooled Cash and Cash Equivalents	\$7,193,904
Cash and Cash Equivalents in Segregated Accounts	1,058,890
Due from Other Governments	2,936,866
Property Taxes Receivable	39,803,751
Special Assessments Receivable	1,251,496

Total Assets \$52,244,907

Liabilities

Due to Employees	\$1,165
Due to Other Governments	46,084,293
Undistributed Assets	4,767,147
Deposits Held and Due to Others	1,058,890
Payroll Withholdings	333,412

Total Liabilities \$52,244,907

See accompanying notes to the basic financial statements

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 1 - DESCRIPTION OF MARION COUNTY AND THE REPORTING ENTITY

A. The County

Marion County, Ohio (County) was created in 1824. The County is governed by a board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, two Common Pleas Court Judges, a Family Court Judge, a Juvenile/Probate Court Judge, Engineer, Clerk of Courts, Coroner, Prosecuting Attorney, and Sheriff. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

B. Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Marion County, this includes the Children Services Board, Board of Mental Retardation and Developmental Disabilities, the Job and Family Services Department, and all departments and activities that are operated directly by the elected County officials.

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

The component unit column on the basic financial statements includes the financial data of the County's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.

Marion Area Retarded Children and Adults (MARCA) Industries - MARCA Industries is a legally separate not-for-profit corporation served by a board of trustees whose appointment is approved by the board of trustees and confirmed by the Marion County Board of Mental Retardation and Developmental Disabilities (MRDD). MARCA is under a contractual agreement with the Marion County Board of MRDD and provides sheltered employment for mentally retarded or handicapped adults in Marion County. The Marion County Board of MRDD provides MARCA with staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, and other funds as necessary for the operation of MARCA. Based on the significant services and resources provided by the County to MARCA and MARCA's sole purpose of providing assistance to the retarded and handicapped adults of Marion County, MARCA is presented as a component unit of Marion County. Separately issued financial statements can be obtained from MARCA Industries of Marion County, 2387 Harding Highway East, Marion, Ohio 43302.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

MARCA Industries is a non-governmental not-for-profit organization which prepares its financial statements on the accrual basis of accounting and has a June 30 fiscal year end; therefore, all information pertaining to MARCA is presented as of and for the fiscal year ended June 30, 2004.

Note disclosures for MARCA Industries are reflected in Notes 19 and 23 to the notes to the basic financial statements.

Jointly Governed Organizations - The County participates in three jointly governed organizations: the Marion County Regional Planning Commission, Marion County Family and Children First Council, and the Delaware-Knox-Marion-Morrow Joint Solid Waste Management District. (See Note 20)

Joint Ventures - The County participates in three joint ventures: the Marion-Crawford Mental Health Board, Marion-Hardin Corrections Commission, and Northland Homes and Properties Inc. (See Note 21)

Insurance Pool - The County participates in one insurance pool; the County Risk Sharing Authority, Inc. (CORSAs). (See Note 22)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Marion 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 enterprise fund provided they do not conflict with or contradict GASB pronouncements. The County has elected not to apply FASB Statements and Interpretations issued after November 30, 1989. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

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

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and 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. 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. The funds of the County are reported in three categories: governmental, proprietary, and fiduciary.

Governmental Funds

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

General Fund - The General Fund 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.

Job and Family Services Fund - This fund accounts for various state and federal grants as well as transfers from the General Fund used to provide public assistance to general relief recipients and to pay their providers of medical assistance, and for certain public social services.

Motor Vehicle Gasoline Tax Fund - This fund accounts for state gasoline tax and motor vehicle registration fees for maintenance and improvement of County roads.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Children Services Fund - This fund accounts for monies received from a tax levy, state and federal grants, support collection, and VA and Social Security. Major expenditures are for foster homes, emergency shelters, medical treatment, school supplies, counseling, and parental training.

Mental Disabilities Fund - This fund accounts for the operation of a school and the costs of administering a workshop for the developmentally disabled. Revenue sources are a county-wide property tax levy and state and federal grants.

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

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows.

Enterprise Fund - 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 the County's major enterprise fund:

Sewer District Fund - This fund accounts for the provision of wastewater treatment services to residential and commercial users within the County.

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 not available to support the County's own programs. The County did not have any trust funds in 2004. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise fund is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net assets. The statement of revenues, expenses, and changes in fund net assets presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise activity.

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Deferred Revenues

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

Property taxes for which there was an enforceable legal claim at December 31, 2004, but were levied to finance 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

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

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The 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 County Commissioners may appropriate. The appropriations resolution is the County Commissioners authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level for all funds.

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 of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriations 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.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

F. Cash and Investments

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through County records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

Cash and cash equivalents that are held separately within departments of the County, and not included in the county treasury, are recorded as “Cash and Cash Equivalents in Segregated Accounts”.

During 2004, the County invested in nonnegotiable certificates of deposit, negotiable certificates of deposit, manuscript notes, mutual funds, and STAR Ohio. Investments are reported at fair value, except nonnegotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer’s Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price, which is the price the investment could be sold for on December 31, 2004.

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2004 was \$505,181, which includes \$464,748 assigned from other County funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Loans Receivable

Loans receivable represent the right to receive repayment for certain loans made by the County. These loans are based upon written agreements between the County and the various loan recipients. Reported loans receivable is offset by a fund balance reserve in the governmental funds for the long-term portion which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets represent certain resources which are segregated from other resources of the County to comply with various covenants established by bond financing agreements.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

I. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements. Capital assets used by the enterprise fund are reported in both the business-type activity column on the government-wide statement of net assets and in the fund.

All capital assets are capitalized at cost (or estimated historical cost computed) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of ten 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. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activity Estimated Lives
Buildings	40-150 years	40 years
Improvements Other than Buildings	40-100 years	40 years
Roads, Bridges, Culverts, and Traffic Signals	50 years	N/A
Machinery and Equipment	7-10 years	7-10 years
Vehicles	7-10 years	7-10 years
Sewer Lines	N/A	50 years

The County's infrastructure consists of roads, bridges, culverts, traffic signals, and sewer lines. All existing infrastructure maintained by the County was recorded on the County's financial statements based on estimated historical costs at the date of original construction or improvement.

J. Interfund Receivables/Payables

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services provided are reported as "Interfund Receivables/Payables". Interfund balances are eliminated on the statement of net assets, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as "Internal Balances".

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable 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 time when earned for all employees with more than one year of service.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Sick leave benefits are accrued 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 employee wage rates at year end taking into consideration any limits specified in the County's union contracts or departmental personnel policies.

L. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. General obligation bonds, special assessment bonds, and long-term loans are recognized as liabilities on the fund financial statements when due.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include resources restricted for activities of the Engineer, Job and Family Services, Children Services, Mental Disabilities, and various law enforcement activities. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. As of December 31, 2004, the amount of net assets restricted for other purposes created by enabling legislation was \$4,757,614.

N. Fund Balance Reserves

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

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the County, these revenues are charges for services for sanitary sewer and storm water runoff. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

P. Capital Contributions

Capital contributions on the enterprise fund financial statements arise from tap in fees.

Q. Interfund Transactions

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

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

R. 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 management and are either unusual in nature or infrequent in occurrence.

S. Estimates

The preparation of the 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.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE/NET ASSETS

A. Change in Accounting Principles

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

GASB Statement No. 39 establishes additional guidance on the application of existing standards for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship to the primary government. The implementation of this statement did not result in any change to the County's financial statements.

GASB Statement No. 46 defines enabling legislation and specifies how net assets should be reported in the financial statements when there are changes in such legislation. The Statement also requires governments to disclose in the notes to the financial statements the amount of net assets restricted by enabling legislation.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

GASB Technical Bulletin 2004-2 clarifies the application of accounting for employers' contractually required contributions to cost-sharing multiple employer pension and other postemployment benefit (OPEB) plans. The implementation of this statement did not result in any change to the County's financial statements.

B. Restatement of Fund Balance/Net Assets

During 2004, it was determined that the Emergency Management Agency which had been reported as an agency fund on the County's financial statements in prior years should have been considered a special revenue fund. As a result of including the Emergency Management Agency as a special revenue fund, the fund balance for other governmental funds increased \$38,668. Total fund balance for all governmental funds increased from \$19,268,998 to \$19,307,666.

In addition, net assets for governmental activities increased \$38,610, from \$62,363,856 to \$62,402,466.

NOTE 4 - ACCOUNTABILITY

At December 31, 2004, the Dog and Kennel and Administration Building capital projects funds had deficit fund balances, in the amount of \$46,500, and \$72,601, respectively. The deficits resulted from advances from the General Fund and will be alleviated when revenues are received to repay the advances.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance 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 Fund, and the Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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 as a reservation of fund balance (GAAP basis).

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

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

	Change in Fund Balance		
	General	Job and Family Services	Motor Vehicle Gasoline Tax
GAAP Basis	(\$641,656)	\$641,750	\$228,710
<u>Increase (Decrease) Due To</u>			
Revenue Accruals:			
Accrued 2003, Received in Cash 2004	634,273	18,127	241,122
Accrued 2004, Not Yet Received in Cash	(779,848)	231,049	(310,291)
Expenditure Accruals:			
Accrued 2003, Paid in Cash 2004	(540,042)	(279,405)	(179,914)
Accrued 2004, Not Yet Paid in Cash	425,892	192,994	154,225
Cash Adjustments:			
Unrecorded Activity 2003	271,616	1,626	418
Unrecorded Activity 2004	(107,189)	(12,021)	(625)
Advances - In	77,975	0	0
Advances - Out	(140,000)	0	0
Encumbrances Outstanding at Year End (Budget Basis)	(410,862)	(241,723)	(8,662)
Budget Basis	<u>(\$1,209,841)</u>	<u>\$552,397</u>	<u>\$124,983</u>

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Change in Fund Balance
(continued)

	Children Services	Mental Disabilities
GAAP Basis	\$216,569	(\$1,204,470)
<u>Increase (Decrease) Due To</u>		
Revenue Accruals:		
Accrued 2003, Received in Cash 2004	6,993	317,018
Accrued 2004, Not Yet Received in Cash	(141,502)	(208,216)
Expenditure Accruals:		
Accrued 2003, Paid in Cash 2004	(189,256)	(516,584)
Accrued 2004, Not Yet Paid in Cash	133,260	483,576
Cash Adjustments:		
Unrecorded Activity 2003	62,810	122,537
Unrecorded Activity 2004	(52,579)	(185,525)
Nonbudgeted Activity	(257)	0
Encumbrances Outstanding at Year End (Budget Basis)	(132,126)	(900,923)
Budget Basis	(\$96,088)	(\$2,092,587)

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

1. United States Treasury bills, bonds, notes, 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;

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange similar securities, or cash, equal value for equal value;
9. Up to twenty-five percent of the County's average portfolio in either of the following:
 - a. commercial paper notes in entities incorporated under the laws of Ohio or any other State that have assets exceeding five hundred million dollars rated at the time of purchase, which are rated in the highest qualification established by two nationally recognized standard rating services, which do not exceed 10 percent of the value of the outstanding commercial paper of the issuing corporation, and which mature within two hundred seventy days after purchase;
 - b. bankers acceptances eligible for purchase by the federal reserve system and which mature within one hundred eighty days after purchase;
10. Up to 15 percent of the County's average portfolio in notes issued by United States corporations or by depository institutions that are doing business under authority granted by the United States provided that the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;
11. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency or instrumentality, and/or highly rated commercial paper; and

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

12. Up to 1 percent of the County's average portfolio in 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.

Protection of the County'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 moneys deposited with the institution.

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

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the County had \$68,322 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

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".

At year end, the carrying amount of the County's deposits was \$28,216,569 and the bank balance was \$28,588,697. Of the bank balance \$991,583 was covered by federal depository insurance. The remaining amounts were uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

The County's investments are 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 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. Mutual funds and STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category 1	Category 3	Fair Value
Negotiable Certificate of Deposit	\$0	\$1,000,000	\$1,000,000
Manuscript Notes	252,089	0	252,089
	\$252,089	\$1,000,000	1,252,089
Mutual Funds			7,911
STAR Ohio			465,679
			\$1,725,679

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

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

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$30,010,570	\$0
Cash on Hand	(68,322)	0
Investments of the Cash Management Pool		
Negotiable Certificate of Deposit	(1,000,000)	1,000,000
Manuscript Notes	(252,089)	252,089
Mutual Funds	(7,911)	7,911
STAR Ohio	(465,679)	465,679
GASB Statement No. 3	\$28,216,569	\$1,725,679

NOTE 7 - RECEIVABLES

Receivables at December 31, 2004, consisted of accounts (billings for user charged services); sales taxes; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; interfund; property taxes; loans; and special assessments. All receivables are considered collectible in full and within one year, except for interfund, loans and special assessments. Special assessments, in the amount of \$134,795, will not be received within one year. As of December 31, 2004, delinquent special assessments were \$72,763.

Loans receivable represent low interest loans for development projects granted to eligible County businesses under the Federal Community Block Grant program. The loans have an annual interest rate of 3 to 5 percent and are to be repaid over periods ranging from five to ten years. Principal, in the amount of \$33,852, was repaid during the year. Loans, in the amount of \$20,100, were written off during 2004 due to uncollectibility. Loans outstanding at December 31, 2004, were \$72,229. Loans receivable, in the amount of \$64,027, will not be received within one year.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Fines and Forfeitures	\$5,142
Local Government	661,976
Homestead and Rollback	126,498
Grants	47,482
Charges for Services	51,037
Personal Property Exemption	11,550
Other	5,116
Total General Fund	908,801
Motor Vehicle Gasoline Tax Fund	
Fines and Forfeitures	1,219
Motor Vehicle License Tax	940,628
Gasoline Tax	933,858
Total Motor Vehicle Gasoline Tax Fund	1,875,705
Children Services	
Homestead and Rollback	77,129
Grants	563,075
Charges for Services	300
Personal Property Exemption	11,134
Total Children Services	651,638
Mental Disabilities	
Homestead and Rollback	151,307
Grants	774,288
Personal Property Exemption	19,374
Total Mental Disabilities	944,969
Total Major Funds	4,381,113
	continued

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

	Amount
Nonmajor Funds	
CSEA - Charges for Services	\$17,230
Mental Health - Homestead and Rollback	29,951
Mental Health - Personal Property Exemption	4,454
North Central Ohio Rehabilitation Center - Grants	469,825
Prison Reduction - Grants	127,832
Felony Delinquent Care and Custody - Grants	358,501
Jail Reduction - Grants	18,553
Dog and Kennel - Fines and Forfeitures	280
Litter Control and Recycling - Grants	11,320
Marca - Homestead and Rollback	15,420
Marca - Personal Property Exemption	2,227
Coliseum Levy - Homestead and Rollback	13,694
Coliseum Levy - Personal Property Exemption	1,311
Total Nonmajor Funds	1,070,598
Total Governmental Activities	\$5,451,711
 Agency Funds	
Motor Vehicle License and Gasoline Tax	\$659,078
Library Local Government	1,216,444
Local Government	895,615
Municipal Permissive License Tax	165,729
Total Agency Funds	\$2,936,866

NOTE 8 - PERMISSIVE SALES AND USE TAX

The County Commissioners, by resolution, imposed a 1 percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles not subject to the sales tax. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies, to the State Auditor, the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The State Auditor then has five days in which to draw the warrant payable to the County.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 9 - PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. Real property tax revenues received in 2004 represent the collection of 2003 taxes. Real property taxes received in 2004 were levied after October 1, 2003, on the assessed values as of January 1, 2003, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in 2004 represent the collection of 2003 taxes. Public utility real and tangible personal property taxes received in 2004 became a lien on December 31, 2002, were levied after October 1, 2003, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in 2004 (other than public utility property) represent the collection of 2004 taxes. Tangible personal property taxes received in 2004 were levied after October 1, 2003, on the true value as of December 31, 2003. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 23 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through agency funds. The amount of the County's tax collections is accounted for within the applicable funds.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2004, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2004 operations. The portion of the receivable not levied to finance current year operations is offset by a credit to deferred revenue.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the revenue is deferred.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

The full tax rate for all County operations for the year ended December 31, 2004, was \$11.05 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2004 property tax receipts were based are as follows:

Category	Amount
Real Property	\$816,789,950
Public Utility Property	60,472,980
Tangible Personal Property	131,646,283
Total Assessed Value	\$1,008,909,213

NOTE 10 - CAPITAL ASSETS

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

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$621,637	\$0	(\$78)	\$621,559
Land Improvements	6,714,266	14,101	0	6,728,367
Construction in Progress	276,200	42,480	(318,680)	0
Total Nondepreciable Capital Assets	7,612,103	56,581	(318,758)	7,349,926
Depreciable Capital Assets				
Buildings	28,236,657	318,680	(1,824,591)	26,730,746
Improvements Other than Buildings	1,626,555	418,046	0	2,044,601
Roads, Bridges, Culverts, and Traffic Signals	28,505,524	755,852	(669)	29,260,707
Machinery and Equipment	2,945,130	144,719	0	3,089,849
Vehicles	2,714,038	559,505	(483,880)	2,789,663
Total Depreciable Capital Assets	64,027,904	2,196,802	(2,309,140)	63,915,566
Less Accumulated Depreciation for				
Buildings	(8,085,634)	(742,186)	1,249,462	(7,578,358)
Improvements Other than Buildings	(979,043)	(184,060)	0	(1,163,103)
Roads, Bridges, Culverts, and Traffic Signals	(8,808,343)	(433,524)	495	(9,241,372)
Machinery and Equipment	(1,734,753)	(179,374)	0	(1,914,127)
Vehicles	(1,919,022)	(286,780)	468,078	(1,737,724)
Total Accumulated Depreciation	(21,526,795)	(1,825,924)	1,718,035	(21,634,684)
Total Depreciable Capital Assets, Net	42,501,109	370,878	(591,105)	42,280,882
Governmental Activities Capital Assets, Net	\$50,113,212	\$427,459	(\$909,863)	\$49,630,808

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
Business-Type Activity				
Nondepreciable Capital Assets				
Land	\$177,568	\$0	\$0	\$177,568
Depreciable Capital Assets				
Buildings	11,111,885	0	0	11,111,885
Machinery and Equipment	131,947	0	0	131,947
Vehicles	178,692	0	0	178,692
Sewer Lines	2,924,633	0	0	2,924,633
Total Depreciable Capital Assets	14,347,157	0	0	14,347,157
Less Accumulated Depreciation for				
Buildings	(4,577,494)	(250,803)	0	(4,828,297)
Machinery and Equipment	(91,143)	(12,770)	0	(103,913)
Vehicles	(124,010)	(13,075)	0	(137,085)
Sewer Lines	(213,236)	(53,311)	0	(266,547)
Total Accumulated Depreciation	(5,005,883)	(329,959)	0	(5,335,842)
Total Depreciable Capital Assets, Net	9,341,274	(329,959)	0	9,011,315
Business-Type Activity Capital Assets, Net	<u>\$9,518,842</u>	<u>(\$329,959)</u>	<u>\$0</u>	<u>\$9,188,883</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General Government	
Legislative and Executive	\$490,199
Judicial	130,612
Public Safety	239,392
Public Works	580,891
Health	266,099
Human Services	118,731
Depreciation Expense - Governmental Activities	<u>\$1,825,924</u>

NOTE 11 - INTERFUND RECEIVABLES/PAYABLES

At December 31, 2004, the General Fund had an interfund receivable, in the amount of \$450 from Job and Family Services and \$392,292 from other governmental funds for services provided and to provide cash flow resources until the receipt of grant moneys.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

The Job and Family Services fund had an interfund receivable, in the amount of \$483, from other governmental funds for services provided.

Other governmental funds had an interfund receivable, in the amount of \$122,284, from other governmental funds to provide cash flow resources until the receipt of grant moneys.

The Sewer District fund had an interfund receivable, in the amount of \$1,377, for services provided to the General Fund, Children Services fund, and other governmental funds, in the amount of \$561, \$357, and \$459, respectively.

Interfund receivables in the General Fund, in the amount of \$328,184, will not be received within one year.

NOTE 12 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has contracted with the County Risk Sharing Authority (CORSA) and the Archer Meek Weiler Agency Inc. for the following coverage.

<u>CORSA</u>	
Property	\$83,175,818
General Liability	1,000,000
Commercial Crime	1,000,000
Food Stamp (Debit Card System)	1,000,000
Boiler and Machinery	5,000,000
Excess Liability	5,000,000
Automobile Liability	1,000,000
Police Professional Liability	1,000,000
<u>Archer-Meek Weiler Agency, Inc.</u>	
Helicopter Aviation and Liability	1,000,000

Settled claims have not exceeded this commercial coverage in any of the last three years.

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 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 earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS 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 publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

For the year ended December 31, 2004, 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 salary to fund pension obligations. 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 11.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2004, 2003, and 2002 was \$1,680,708, \$1,668,614, and \$1,647,384, respectively; 92 percent has been contributed for 2004 and 100 percent has been contributed for 2003 and 2002. The unpaid contribution for 2004 is recorded as a liability. Contributions to the member-directed plan for 2004 were \$41,458 made by the County and \$26,011 made by plan members.

B. State Teachers Retirement System

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

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

New members have a choice of three retirement plans, a Defined Benefit Plan (DBP), a Defined Contribution Plan (DCP), and a Combined Plan (CP). The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service or on an allowance based on member contributions and earned interest matched by STRS funds multiplied by an actuarially determined annuity factor. The DCP allows members to place all of 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 fifty and termination of employment. The CP offers features of both the DBP and DCP. In the CP, 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 DBP. DCP and CP members will transfer to the DBP during their fifth year of membership unless they permanently select the DCP or CP. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balance from the existing DBP into the DCP or CP. This option expired on December 31, 2001.

A DBP or CP member with five or more years of 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 DCP 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 year ended December 31, 2004, plan members were required to contribute 9.3 percent of their annual covered salary and the County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

The County's required contribution for pension obligations for the DBP for the years ended December 31, 2004, 2003, and 2002 was \$29,516, \$51,626 and \$36,744, respectively; 100 percent has been contributed for all three years. There were no contributions for the DCP and CP for the fiscal year ended June 30, 2004.

NOTE 14 - POSTEMPLOYMENT 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. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 employer contribution rate was 13.55 percent of covered payroll (16.7 percent for law enforcement and public safety); 4.00 percent was the portion used to fund health care.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

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 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.

All investments are carried at market value. 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 which were used to fund postemployment benefits was \$704,905. The actual contribution and the actuarial required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2003 (the latest information available), was \$10.5 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

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

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. All 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 funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 2004, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. For the County, this amount was \$4,496.

STRS pays health care benefits from the Health Care Stabilization Fund. The balance in the Fund was \$3.1 billion at June 30, 2004 (the latest information available). For the fiscal year ended June 30, 2004, net health care costs paid by STRS were \$268,739,000, and STRS had 111,853 eligible benefit recipients.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 15 - OTHER BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits is derived from negotiated agreements and State laws.

County employees earn and accumulate vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Accumulated vacation cannot exceed three times the annual accumulation rate for an employee. Employees are paid for 100 percent of earned unused vacation leave upon termination.

Sick leave is earned at various rates as defined by County policy and union contracts and accumulated without limit. Sick leave benefits are paid upon retirement based on various rates and maximums depending on the contract.

B. Health Care Benefits

The County provides medical/surgical benefits through United Health Care, a health maintenance organization. The employees share the cost of the monthly premium with the County. The premium varies with employee depending on marital and family status and on the union contract, where applicable.

NOTE 16 - NOTES PAYABLE

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

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004	Due Within One Year
Capital Projects Funds					
Harding Center 5.34%	\$262,777	\$0	\$10,688	\$252,089	\$11,273
Real Estate 4.90%	280,000	0	135,000	145,000	145,000
Total	<u>\$542,777</u>	<u>\$0</u>	<u>\$145,688</u>	<u>\$397,089</u>	<u>\$156,273</u>

All of the notes are backed by the full faith and credit of Marion County. The note liability is reflected in the fund which received the proceeds. The notes are issued for a period of years. The Harding Center notes are manuscript notes and were issued to renovate a building to provide housing to eligible senior citizens. The notes will be repaid from revenues received from the Harding Center, a not-for-profit organization. The real estate notes are tax anticipation notes and were issued for the renovations of the coliseum which will be repaid from a 0.3 mill tax levy that was passed in 2000.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

The principal and interest requirements for the outstanding notes payable are as follows:

Year	Principal	Interest
2005	\$156,273	\$20,293
2006	11,890	12,571
2007	12,540	11,920
2008	13,227	11,234
2009	13,951	10,511
2010 - 2014	82,076	40,230
2015 - 2019	107,132	15,173
Total	\$397,089	\$121,932

NOTE 17 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, and original issue amount for the County's long-term obligations are as follows:

	Original Issue Date	Interest Rate	Original Issue Amount
General Obligation Bonds			
Various Purpose	2001	3 - 5.05%	\$11,130,409
USDA Revenue	1999	4.375	1,377,000
Sewer Improvement	1996	4.50	1,820,000
 Special Assessment Bonds			
Qu Qua Ditch	2001	3 - 5.05	269,591
 Issue II Loans			
Sewer South	2000	0	165,964
Bridges	1996	0	247,155
Sewer Improvement	1996	0	666,453

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

The County's long-term obligations activity for the year ended December 31, 2004, was as follows:

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004	Due Within One Year
<u>Governmental Activities</u>					
General Obligation Bonds					
Various Purpose	\$10,451,680	\$0	\$374,366	\$10,077,314	\$391,301
Special Assessment Bonds					
Qu Qua Ditch	208,320	0	30,634	177,686	33,699
Issue II Loans	115,339	0	16,477	98,862	16,477
Other Long-Term Obligations					
Vehicle Loans	109,916	82,595	103,437	89,074	61,561
Compensated Absences	1,394,781	67,375	105,314	1,356,842	641,699
Total Governmental Activities	<u>\$12,280,036</u>	<u>\$149,970</u>	<u>\$630,228</u>	<u>\$11,799,778</u>	<u>\$1,144,737</u>
<u>Business-Type Activity</u>					
USDA Revenue Bonds					
Sewer Improvement	\$1,316,800	\$0	\$15,700	\$1,301,100	\$16,400
General Obligation Bonds					
Sewer Improvement	1,493,000	0	56,000	1,437,000	58,000
Issue II Loans	565,965	0	41,621	524,344	41,621
Compensated Absences	36,474	5,676	12,107	30,043	0
Total Business-Type Activity	<u>\$3,412,239</u>	<u>\$5,676</u>	<u>\$125,428</u>	<u>\$3,292,487</u>	<u>\$116,021</u>

Governmental Activities General Obligation Bonds and Special Assessment Bonds

In 2001, the County issued \$11,400,000 in various purpose general obligation bonds for constructing, equipping, and furnishing offices for Job and Family Services, the administration of County Justice Services, the Marion-Hardin Correctional Center, the County Administration Building, and the County Animal Shelter, as well as to pay the costs for improving the QuQua Ditch. The bond issue included both serial and term bonds, in the amount of \$4,250,000 and \$7,150,000, respectively.

The repayment of the bonds will be from transfers from the General Fund for all construction and improvements, except for the Job and Family Services offices, a portion of the QuQua Ditch improvements, and the county animal shelter. The portion of the bonds pertaining to the Job and Family Services offices will be paid from rental income from the Job and Family Services Department. A portion of the bonds pertaining to the QuQua Ditch improvements will be paid from special assessments which were levied against specific property owners who primarily benefited from the project. In the event that an assessed property owner fails to make payments or insufficient amounts are assessed to fund the debt, the County will be required to pay the related debt. The portion of the bonds related to the assessments collected for the QuQua Ditch improvements are being retired from the Ditch Drainage capital projects fund, the bonds related to the county animal shelter are being retired from the Dog and Kennel Construction capital projects fund, and the remaining bonds are being retired from the Bond Retirement debt service fund.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

The term bonds maturing on December 1, 2021, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2013 through 2020 (with the balance of \$435,000 to be paid at stated maturity on December 1, 2021), at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, according to the following schedule:

Year	Amount
2013	\$295,000
2014	310,000
2015	320,000
2016	345,000
2017	355,000
2018	375,000
2019	390,000
2020	410,000
	\$2,800,000

The term bonds maturing on December 1, 2031, are subject to mandatory sinking fund redemption, in part by lot, pursuant to the terms of the mandatory sinking fund redemption requirements of the County. The mandatory redemption is to occur on December 1, in each of the years 2022 through 2030 (with the balance of \$310,000 to be paid at stated maturity on December 1, 2031), at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date, according to the following schedule:

Year	Amount
2022	\$455,000
2023	475,000
2024	505,000
2025	525,000
2026	550,000
2027	255,000
2028	265,000
2029	280,000
2030	295,000
	\$3,605,000

Issue II Loans

The Issue II loans are for improvements to a bridge and the wastewater facility. The bridge improvement loan will be paid from transfers from the Motor Vehicle Gasoline Tax special revenue fund. The loans issued for wastewater facility improvements will be paid from the Sewer District enterprise fund.

Vehicle Loans

The vehicle loans are for the purchase of Sheriff cruisers and will be paid from the General Fund.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Business-Type Activity General Obligation Bonds

In 1996, the County issued \$1,820,000 in FMHA general obligation bonds for sewer improvements. The bonds will be paid from the Sewer District enterprise fund.

Revenue Bonds

In 1999, the County issued \$1,377,000 in USDA revenue bonds for the sewer south construction project. The bonds will be paid from the Sewer District enterprise fund.

Compensated Absences

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund; the Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, Mental Disabilities, Child Support Enforcement Agency, Real Estate Assessment, North Central Ohio Rehabilitation Center, Prison Reduction, Felony Delinquent Care and Custody, Jail Reduction, Dog and Kennel, Litter Control and Recycling, Delinquent Real Estate Tax Assessment Prosecutor, Delinquent Real Estate Tax Assessment Treasurer, Computerization, and Certificate of Title special revenue funds; and the Sewer District enterprise fund.

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 should not exceed 1 percent of the total assessed valuation of the County. The Revised Code further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to 3 percent of the first \$100,000,000, plus 1.5 percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.5 percent of such valuation in excess of \$300,000,000.

The effect of the debt limitations described above is an overall debt margin of \$17,391,029 at December 31, 2004.

The following is a summary of the County's future annual debt service requirements for governmental long-term obligations:

Year	General Obligation		Special Assessment		Issue II
	Principal	Interest	Principal	Interest	Principal
2005	\$391,301	\$470,043	\$33,699	\$6,502	\$16,477
2006	401,301	457,325	33,699	5,407	16,477
2007	383,237	443,280	36,762	4,228	16,477
2008	398,238	429,866	36,763	2,941	16,477
2009	408,237	413,937	36,763	1,471	16,477
2010-2014	1,550,000	1,854,388	0	0	16,477
2015-2019	1,785,000	1,476,038	0	0	0
2020-2024	2,280,000	982,595	0	0	0
2025-2029	1,875,000	397,687	0	0	0
2030-2031	605,000	46,208	0	0	0
	<u>\$10,077,314</u>	<u>\$6,971,367</u>	<u>\$177,686</u>	<u>\$20,549</u>	<u>\$98,862</u>

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Vehicle Loans		
Year	Principal	Interest
2005	\$61,561	\$4,317
2006	27,513	1,252
	\$89,074	\$5,569

The County's future annual debt service requirements, including mandatory sinking fund requirements, payable from the enterprise fund are as follows:

Year	USDA Revenue		General Obligation		Issue II
	Principal	Interest	Principal	Interest	Principal
2005	\$16,400	\$56,923	\$58,000	\$63,360	\$41,621
2006	17,100	56,206	61,000	60,683	41,621
2007	17,900	55,458	63,000	57,893	41,621
2008	18,600	54,674	67,000	54,968	41,621
2009	19,500	53,861	69,000	51,907	41,620
2010-2014	110,900	255,749	396,000	208,845	208,104
2015-2019	137,300	229,268	493,000	109,148	108,136
2020-2024	169,800	196,521	230,000	10,440	0
2025-2029	210,400	155,978	0	0	0
2030-2034	260,600	105,748	0	0	0
2035-2039	322,600	43,553	0	0	0
	\$1,301,100	\$1,263,939	\$1,437,000	\$617,244	\$524,344

Conduit Debt

Issue	Original Amount	Outstanding Balance 12/31/2004
Hospital Revenue Bonds		
Issued Prior to 1996	\$263,060,000	Not Known
1996 Hospital Revenue Bonds	29,715,000	\$17,255,000
Industrial Development Bonds		
Issued Prior to 1996	5,155,000	Not Known
Mortgage Revenue Bonds		
Hearthside Apartments	2,200,000	2,180,000

The proceeds were used to acquire, construct, improve, and equip facilities. The bonds do not constitute a general obligation debt or bonded indebtedness of the County. Neither is the full faith and credit or taxing authority of the County pledged to make repayment.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 18 - INTERFUND TRANSFERS

During 2004, the following transfers were made:

		Transfers Out					Total
		General	Job and Family Services	Motor Vehicle Gasoline Tax	Mental Disabilities	Other Governmental	
Transfers In	General	\$0	\$0	\$8,612	\$0	\$0	\$8,612
	Job and Family Services	267,840	0	0	0	0	267,840
	Other Governmental	755,032	283,450	100,202	269,494	77,717	1,485,895
	Total Governmental Funds	<u>\$1,022,872</u>	<u>\$283,450</u>	<u>\$108,814</u>	<u>\$269,494</u>	<u>\$77,717</u>	<u>\$1,762,347</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 19 - MARCA INDUSTRIES

As indicated in Note 1 to the basic financial statements, the following disclosures are made on behalf of MARCA Industries.

The financial statements are prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time the liabilities are incurred. The measurement focus is on the flow of economic resources basis. With this measurement focus, all assets and all liabilities associated with operations are included on the statement of net assets.

Budgetary Data

MARCA is not legally required to be budgeted and appropriated. Budgetary information for MARCA is not reported because it is not included in the entity for which the “appropriated budget” is adopted nor is separate budgetary information maintained.

Cash and Investments

MARCA's money is held in segregated accounts. MARCA considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. MARCA's investments as of June 30, 2004 included mutual funds and federal securities. The mutual funds and federal securities have been presented as “investments in segregated accounts” on the statement of net assets.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

MARCA had investments consisting of the following at June 30, 2004:

	<u>Fair Value</u>
Government Securities Income Fund	\$149
Growth and Income Funds	29,729
Federal Home Loan Mortgage Corporation Notes	7,886
Money Market Asset Funds	<u>1,762</u>
Total	<u><u>\$39,526</u></u>

Accounts Receivable

A significant portion of MARCA's annual revenues are generated from a limited number of customers located in the Marion area. Accounts receivable subject MARCA to a concentration of credit risk because approximately 82 percent of the accounts receivable at June 30, 2004, were represented by five Marion area business customers.

Contributions

MARCA has adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made". In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of any donor imposed restrictions.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

Inventory

Inventory consists of janitorial supplies and is valued at cost using the first-in, first-out method of valuation.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Capital Assets

Additions and improvements to property and equipment are recorded at the original purchase cost or at the fair market value for donated assets. Depreciation is computed using the straight-line method at rates expected to amortize the cost of the assets over their useful lives, which range from ten to twenty-five years for leasehold improvements; from three to five years for used furniture and equipment; three to ten years for new furniture and equipment, and five years for vehicles, computer equipment, and software. A summary of MARCA's capital assets at June 30, 2004, follows:

	Balance July 1, 2003	Additions	Reductions	Balance June 30, 2004
Depreciable Capital Assets				
Property, Plant, and Equipment	\$406,538	\$0	(\$18,844)	\$387,694
Improvements	187,915	0	0	187,915
Computer Equipment	13,764	6,865	(6,605)	14,024
Total Depreciable Capital Assets	<u>608,217</u>	<u>6,865</u>	<u>(25,449)</u>	<u>589,633</u>
Less Accumulated Depreciation for				
Property, Plant, and Equipment	(340,708)	(27,637)	24,210	(344,135)
Improvements	(125,988)	(7,904)	0	(133,892)
Computer Equipment	(9,424)	(2,549)	889	(11,084)
Total Accumulated Depreciation	<u>(476,120)</u>	<u>(38,090)</u>	<u>25,099</u>	<u>(489,111)</u>
Capital Assets, Net	<u>\$132,097</u>	<u>(\$31,225)</u>	<u>(\$350)</u>	<u>\$100,522</u>

Long-Term Obligations

MARCA has an outstanding note, in the amount of \$37,802, which has an interest rate of 3 percent per year. The note is being repaid monthly over twenty-five years, with the last payment due on February 25, 2010. The note is collateralized by MARCA's leasehold improvements, equipment, furniture, inventory, and accounts receivable.

Principal requirements to retire this note are as follows:

Year	Notes Payable
2005	\$5,420
2006	5,585
2007	5,755
2008	5,930
2009	6,111
2010	9,001
Total	<u>\$37,802</u>

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS

A. Marion County Regional Planning Commission

The County participates in the Marion County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among the County and the municipalities and townships within the County. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services within the County. In 2004, the County paid membership dues of \$58,000 toward the operation of the Commission. Information can be obtained from the Marion County Regional Planning Commission, Ken Lengieza, 222 West Center Street, Marion, Ohio 43302.

B. Marion County Family and Children First Council

The Marion County Family and Children First Council (Council) provides services to multi-need youth in Marion County. There are fifteen organizations which are members of the Council, including the County. The operation of the Council is controlled by a board consisting of representatives of the member organizations. Members refer cases to the Council who determines how the case is to be handled. In 2004, the County did not make any contributions to the Council.

C. Delaware-Knox-Marion-Morrow Joint Solid Waste Management District

The Delaware-Knox-Marion-Morrow Joint Solid Waste Management District (District) makes the disposal of waste in the four county area more comprehensive in terms of recycling, incinerating, and land filling. The Board of Directors consists of twelve members; the three county commissioners of each of the four counties. The Board exercises total control over the operation of the District including budgeting, appropriating, contracting, and designating management; however, the County has no ongoing financial interest or responsibility for the District. Most of the District's revenue was received from private haulers. Information can be obtained from the Delaware-Knox-Marion-Morrow Joint Solid Waste Management District, Keith Bailey, 222 West Center Street, Marion, Ohio 43302.

NOTE 21 - JOINT VENTURES

A. Marion-Crawford Mental Health Board

The Marion-Crawford Mental Health Board (ADAMH) is a two county political subdivision whose general purpose is to provide leadership in planning for and supporting community-based alcohol, drug addiction, and mental health services. This is in cooperation with public and private resources with emphasis on the development of prevention and early intervention programming, while respecting, protecting, and advocating for the rights of persons as consumers of alcohol, drug addiction, and mental health services. The Board of Trustees of ADAMH consists of sixteen members. Eight members are appointed by the Marion County Commissioners and eight members are appointed by the Crawford County Commissioners. Marion County serves as the fiscal agent for the ADAMH Board. The Board receives tax revenues from the two counties and receives federal and state funding through grant monies which are applied for and received by the Board of Trustees. The continued existence of the ADAMH is dependent on the continued participation of Marion County.

The ADAMH has not accumulated significant financial resources nor is the ADAMH experiencing fiscal stress that may cause additional financial benefit to or burden on the County in the future.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

The County cannot significantly influence the operations of the ADAMH Board. The Board has sole budgetary authority and controls surpluses and deficits, and the County is not legally or morally obligated for the Board's debt. In 2004, the County contributed tax revenues of \$670,275 which represents 8 percent of total revenues. Financial information can be obtained from the Marion County Auditor, Joseph P. Campbell, 222 West Center Street, Marion, Ohio 43302.

B. Marion-Hardin Corrections Commission

The Marion-Hardin Corrections Commission (Commission) is a joint venture between Marion and Hardin Counties. The purpose of the Commission is to provide additional jail space and to provide a correctional center for the inmates. The Commission was created in 1996 with construction beginning in 1997. The Commission is governed by a Board made up of six members; each county's President of the Board of County Commissioners, the Common Pleas Court Judge, and the Sheriff.

The Commission has no outstanding debt as of December 31, 2004. The Commission has not accumulated significant financial resources nor is the Commission experiencing fiscal stress that may cause an additional financial benefit to or burden on the County in the future. Financial information can be obtained from the Marion County Auditor, Joseph P. Campbell, 222 West Center Street, Marion, Ohio 43302.

C. Northland Homes and Properties, Inc.

The Marion County Board of Mental Retardation and Developmental Disabilities (MRDD) entered into a contract with three other local MRDD Boards to establish Northland Homes and Properties, Inc. This Corporation is a not-for-profit corporation which is responsible for developing dwellings, providing affordable housing, and managing a range of residential housing alternatives and support services to persons with disabilities. Each County appoints two trustees to a board of eight members.

The housing purchases are financed by State grants that are distributed to each MRDD Board and then to the Corporation. The MRDD Boards also fund the operational costs of the Corporation. The Corporation is not accumulating significant financial resources or experiencing fiscal stress which would cause additional benefit to or burden on the County. During 2004, \$14,000 in contributions was made by the Marion County Board of MRDD to Northland Homes and Properties, Inc. for operational costs.

The Corporation is a joint venture between the counties because of the potential liability of the housing loans upon the Corporation's default on the loans or dissolution. Upon dissolution of the Corporation, the Board of Trustees shall distribute all remaining assets of the operation to the participating County Boards of MRDD. Information can be obtained from Northland Homes and Properties, Inc., Mike Babcock, 602 South Corporate Drive West, Fostoria, Ohio 44830-9447.

NOTE 22 - INSURANCE POOL

The County Risk Sharing Authority, Inc., (CORSA) is an Ohio not-for-profit corporation established by forty-six counties for 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.

Marion County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board. No county may have more than one representative on the Board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

NOTE 23 - RELATED PARTY TRANSACTIONS

During 2004, Marion County provided facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of programs to MARCA Industries. MARCA, a discretely presented component unit of Marion County, reported, at fair value, \$137,662, for such contributions as unrestricted revenues and expenses relating to the vocational purposes of MARCA. Additional habilitative services provided directly to MARCA's clients by the County were \$3,179,769.

NOTE 24 - CONTINGENT LIABILITIES

A. Litigation

The County is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The County management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the County.

B. Federal and State Grants

For the period January 1, 2004, to December 31, 2004, the County received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowances, if any, would be immaterial.

NOTE 25 - SUBSEQUENT EVENT

On March 30, 2005, the County issued \$2,625,000 in general obligation refunding bonds, consisting of \$1,395,000 in serial bonds and \$1,230,000 in term bonds, with interest rates of 3 percent to 4.375 percent, to refund \$1,301,100 of the sewer improvement USDA revenue bonds and \$1,437,000 of the sewer improvement general obligation bonds. The net proceeds and County's contribution, in the amount of \$2,554,170 and \$239,699, respectively, (after payment of \$69,061 in underwriter fees, insurance, and other issuance costs) were delivered to the USDA/Rural Development office in Findlay, Ohio, to refund the bonds. As a result, the \$1,301,100 of the sewer improvement USDA revenue bonds and \$1,437,000 of the sewer improvement general obligation bonds were paid off in 2005 and the liability for those bonds will be removed from the County's long-term obligations.

Marion County, Ohio
Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Child Support Enforcement Fund - To account for State, Federal, and local revenue used to administer the County Bureau of Support.

Mental Health Fund - To account for a county-wide property tax levy that is paid to the Marion-Crawford ADAMH Board.

Real Estate Assessment Fund - To account for State mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

North Central Ohio Rehabilitation Center Fund - To account for grants used for the operation of the rehabilitation center.

Other Public Safety Fund - To account for State, Federal, and local revenues, along with other miscellaneous revenues used for public safety.

Drug Law Enforcement Fund	DWI Education Fund
Prison Reduction Fund	Jail Reduction Fund
Indigent Guardianship Fund	Electronic Monitoring Fund
County Probation Services Fund	Law Enforcement Fund
Felony Delinquent Care and Custody Fund	PEACE Program Fund
	Disaster Services Fund

Other Fund - To account for State, Federal, and local revenues used for other governmental expenditures.

Dog and Kennel Fund	GFM Recorder Equipment Fund
Ditch Maintenance Fund	Certificate of Title Fund
Community Development Block Grant Fund	Paternity Mediation Fund
Litter Control and Recycling Fund	Underground Storage Tank Fund
Delinquent Real Estate Tax Assessment Prosecutor Fund	Ohio Children's Trust Fund
Delinquent Real Estate Tax Assessment Treasurer Fund	Juvenile Drug Testing Fund
Prepayment Interest Fund	Family Services Fund
Computerization Fund	

continued

Marion County, Ohio
Combining Statements - Nonmajor Governmental Funds
(continued)
Nonmajor Debt Service Fund

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

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds).

Capital Improvement Fund - To account for transfers and other resources set aside for building capital improvements and for the acquisition of equipment.

Ditch Drainage Fund - To account for special assessment revenue which is used for capital improvements of existing ditches.

Children Home Fund - To account for money that was collected from a levy for capital improvements to the children's home. The levy is no longer in existence.

Marca Fund - To account for a property tax for capital improvements to the property of the Board of Mental Retardation and Developmental Disabilities.

Job and Family Fund - To account for the remaining debt proceeds that had not been used for building construction.

Issue II Fund - To account for moneys received from the Ohio Public Works Commission for infrastructure projects.

Justice Center Fund - To account for the bond proceeds to renovate the courthouse annex.

Dog and Kennel Fund - To account for transfers from the General Fund and debt proceeds to construct a new animal shelter facility.

Coliseum Levy Fund - To account for a .3 mill five-year fairgrounds improvement levy to repair and improve the coliseum.

Administration Building Fund - To account for debt proceeds and transfers from the Capital Improvement capital projects fund to renovate a building to house the County's administrative offices.

Road Capital Fund - To account for transfers from the Motor Vehicle Gasoline Tax special revenue fund to fund major road construction.

Marion County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,227,943	\$521,564	\$2,445,223	\$6,194,730
Cash and Cash Equivalents in Segregated Accounts	4,347	0	0	4,347
Accounts Receivable	4,910	0	0	4,910
Due from Other Governments	1,037,946	0	32,652	1,070,598
Interfund Receivable	0	0	122,284	122,284
Property Taxes Receivable	638,803	0	612,358	1,251,161
Loans Receivable	72,229	0	0	72,229
Special Assessments Receivable	49,943	0	237,299	287,242
Total Assets	<u>\$5,036,121</u>	<u>\$521,564</u>	<u>\$3,449,816</u>	<u>\$9,007,501</u>
<u>Liabilities</u>				
Accrued Wages Payable	\$43,419	\$0	\$0	\$43,419
Accounts Payable	56,348	0	90,528	146,876
Contracts Payable	0	0	422	422
Due to Other Governments	86,750	0	0	86,750
Interfund Payable	136,377	0	379,141	515,518
Accrued Interest Payable	0	0	10,416	10,416
Notes Payable	0	0	397,089	397,089
Deferred Revenue	1,452,000	0	878,771	2,330,771
Total Liabilities	<u>1,774,894</u>	<u>0</u>	<u>1,756,367</u>	<u>3,531,261</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	201,518	0	328,612	530,130
Reserved for Loans Receivable	64,027	0	0	64,027
Unreserved, Reported in:				
Special Revenue Funds	2,995,682	0	0	2,995,682
Debt Service Fund	0	521,564	0	521,564
Capital Projects Funds	0	0	1,364,837	1,364,837
Total Fund Balances	<u>3,261,227</u>	<u>521,564</u>	<u>1,693,449</u>	<u>5,476,240</u>
Total Liabilities and Fund Balances	<u>\$5,036,121</u>	<u>\$521,564</u>	<u>\$3,449,816</u>	<u>\$9,007,501</u>

Marion County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2004

	Child Support Enforcement	Mental Health	Real Estate Assessment	North Central Ohio Rehabilitation Center
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$830,479	\$20,345	\$322,780	\$138,256
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	0	0	0	0
Due from Other Governments	17,230	34,405	0	469,825
Property Taxes Receivable	0	638,803	0	0
Loans Receivable	0	0	0	0
Special Assessments Receivable	0	0	0	0
Total Assets	<u>\$847,709</u>	<u>\$693,553</u>	<u>\$322,780</u>	<u>\$608,081</u>
<u>Liabilities</u>				
Accrued Wages Payable	\$8,658	\$0	\$4,109	\$14,891
Accounts Payable	3,266	0	4,489	7,647
Due to Other Governments	7,340	4,602	3,583	12,425
Interfund Payable	47,517	0	0	459
Deferred Revenue	0	668,754	0	469,825
Total Liabilities	<u>66,781</u>	<u>673,356</u>	<u>12,181</u>	<u>505,247</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	94,735	0	55,363	3,392
Reserved for Loans Receivable	0	0	0	0
Unreserved	686,193	20,197	255,236	99,442
Total Fund Balances	<u>780,928</u>	<u>20,197</u>	<u>310,599</u>	<u>102,834</u>
Total Liabilities and Fund Balances	<u>\$847,709</u>	<u>\$693,553</u>	<u>\$322,780</u>	<u>\$608,081</u>

Other Public Safety	Other	Total
\$829,535	\$1,086,548	\$3,227,943
4,347	0	4,347
0	4,910	4,910
504,886	11,600	1,037,946
0	0	638,803
0	72,229	72,229
0	49,943	49,943
<u>\$1,338,768</u>	<u>\$1,225,230</u>	<u>\$5,036,121</u>
\$8,923	\$6,838	\$43,419
29,120	11,826	56,348
17,950	40,850	86,750
52,123	36,278	136,377
252,158	61,263	1,452,000
<u>360,274</u>	<u>157,055</u>	<u>1,774,894</u>
21,343	26,685	201,518
0	64,027	64,027
957,151	977,463	2,995,682
<u>978,494</u>	<u>1,068,175</u>	<u>3,261,227</u>
<u>\$1,338,768</u>	<u>\$1,225,230</u>	<u>\$5,036,121</u>

Marion County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2004

	Capital Improvement	Ditch Drainage	Children Home	MARCA
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$582,900	\$241,304	\$22,423	\$648,737
Due from Other Governments	0	0	0	17,647
Interfund Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	352,058
Special Assessments Receivable	0	237,299	0	0
Total Assets	<u>\$582,900</u>	<u>\$478,603</u>	<u>\$22,423</u>	<u>\$1,018,442</u>
<u>Liabilities</u>				
Accounts Payable	\$4,167	\$2,450	\$0	\$67,953
Contracts Payable	0	0	0	422
Interfund Payable	129,241	75,000	0	0
Accrued Interest Payable	9,824	0	0	0
Notes Payable	252,089	0	0	0
Deferred Revenue	0	237,299	0	367,478
Total Liabilities	<u>395,321</u>	<u>314,749</u>	<u>0</u>	<u>435,853</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	92,818	21,380	21,701	136,552
Unreserved (Deficit)	94,761	142,474	722	446,037
Total Fund Balances (Deficit)	<u>187,579</u>	<u>163,854</u>	<u>22,423</u>	<u>582,589</u>
Total Liabilities and Fund Balances	<u>\$582,900</u>	<u>\$478,603</u>	<u>\$22,423</u>	<u>\$1,018,442</u>

Job and Family	Issue II	Justice Center	Dog and Kennel	Coliseum Levy	Administration Building	Road Capital	Total
\$132,812	\$169,179	\$305,717	\$0	\$292,260	\$11,799	\$38,092	\$2,445,223
0	0	0	0	15,005	0	0	32,652
0	0	122,284	0	0	0	0	122,284
0	0	0	0	260,300	0	0	612,358
0	0	0	0	0	0	0	237,299
<u>\$132,812</u>	<u>\$169,179</u>	<u>\$428,001</u>	<u>\$0</u>	<u>\$567,565</u>	<u>\$11,799</u>	<u>\$38,092</u>	<u>\$3,449,816</u>
\$13,983	\$1,975	\$0	\$0	\$0	\$0	\$0	\$90,528
0	0	0	0	0	0	0	422
0	0	0	46,500	44,000	84,400	0	379,141
0	0	0	0	592	0	0	10,416
0	0	0	0	145,000	0	0	397,089
0	0	0	0	273,994	0	0	878,771
<u>13,983</u>	<u>1,975</u>	<u>0</u>	<u>46,500</u>	<u>463,586</u>	<u>84,400</u>	<u>0</u>	<u>1,756,367</u>
5,994	5,869	9,600	0	34,698	0	0	328,612
112,835	161,335	418,401	(46,500)	69,281	(72,601)	38,092	1,364,837
<u>118,829</u>	<u>167,204</u>	<u>428,001</u>	<u>(46,500)</u>	<u>103,979</u>	<u>(72,601)</u>	<u>38,092</u>	<u>1,693,449</u>
<u>\$132,812</u>	<u>\$169,179</u>	<u>\$428,001</u>	<u>\$0</u>	<u>\$567,565</u>	<u>\$11,799</u>	<u>\$38,092</u>	<u>\$3,449,816</u>

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$596,745	\$0	\$547,930	\$1,144,675
Special Assessments	129,597	0	19,302	148,899
Charges for Services	1,153,743	0	25,199	1,178,942
Licenses and Permits	125,481	0	0	125,481
Fines and Forfeitures	23,955	0	0	23,955
Intergovernmental	4,394,241	0	237,244	4,631,485
Interest	3,827	0	37,590	41,417
Other	90,166	0	8,818	98,984
Total Revenues	<u>6,517,755</u>	<u>0</u>	<u>876,083</u>	<u>7,393,838</u>
<u>Expenditures</u>				
Current				
General Government				
Legislative and Executive	700,134	0	0	700,134
Judicial	257,423	0	0	257,423
Public Safety	2,530,879	0	0	2,530,879
Public Works	299,417	0	0	299,417
Health	149,131	0	0	149,131
Human Services	1,316,969	0	0	1,316,969
Capital Outlay	0	0	1,503,966	1,503,966
Intergovernmental	670,275	0	0	670,275
Debt Service				
Principal Retirement	0	336,477	113,765	450,242
Interest and Fiscal Charges	0	473,170	42,051	515,221
Total Expenditures	<u>5,924,228</u>	<u>809,647</u>	<u>1,659,782</u>	<u>8,393,657</u>
Excess of Revenues Over (Under) Expenditures	<u>593,527</u>	<u>(809,647)</u>	<u>(783,699)</u>	<u>(999,819)</u>
<u>Other Financing Sources (Uses)</u>				
Loans Issued	0	0	82,595	82,595
Transfers - In	1,250	945,222	539,423	1,485,895
Transfers - Out	(77,717)	0	0	(77,717)
Total Other Financing Sources (Uses)	<u>(76,467)</u>	<u>945,222</u>	<u>622,018</u>	<u>1,490,773</u>
Changes in Fund Balances	517,060	135,575	(161,681)	490,954
Fund Balances at Beginning of Year	<u>2,744,167</u>	<u>385,989</u>	<u>1,855,130</u>	<u>4,985,286</u>
Fund Balances at End of Year	<u><u>\$3,261,227</u></u>	<u><u>\$521,564</u></u>	<u><u>\$1,693,449</u></u>	<u><u>\$5,476,240</u></u>

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2004

	Child Support Enforcement	Mental Health	Real Estate Assessment	North Central Ohio Rehabilitation Center
<u>Revenues</u>				
Property Taxes	\$0	\$596,745	\$0	\$0
Special Assessments	0	0	0	0
Charges for Services	0	0	482,632	0
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	1,449,712	69,273	0	1,097,738
Interest	0	0	0	0
Other	0	0	0	37,294
Total Revenues	<u>1,449,712</u>	<u>666,018</u>	<u>482,632</u>	<u>1,135,032</u>
<u>Expenditures</u>				
Current				
General Government				
Legislative and Executive	0	0	517,643	0
Judicial	0	0	0	0
Public Safety	0	0	0	1,122,780
Public Works	0	0	0	0
Health	0	0	0	0
Human Services	1,297,662	0	0	0
Intergovernmental	0	670,275	0	0
Total Expenditures	<u>1,297,662</u>	<u>670,275</u>	<u>517,643</u>	<u>1,122,780</u>
Excess of Revenues Over (Under) Expenditures	<u>152,050</u>	<u>(4,257)</u>	<u>(35,011)</u>	<u>12,252</u>
<u>Other Financing Sources (Uses)</u>				
Transfers - In	0	0	0	0
Transfers - Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Changes in Fund Balances	152,050	(4,257)	(35,011)	12,252
Fund Balances at Beginning of Year	<u>628,878</u>	<u>24,454</u>	<u>345,610</u>	<u>90,582</u>
Fund Balances at End of Year	<u>\$780,928</u>	<u>\$20,197</u>	<u>\$310,599</u>	<u>\$102,834</u>

continued

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2004

	Other Public Safety	Other	Total
<u>Revenues</u>			
Property Taxes	\$0	\$0	\$596,745
Special Assessments	0	129,597	129,597
Charges for Services	87,300	583,811	1,153,743
Licenses and Permits	0	125,481	125,481
Fines and Forfeitures	6,672	17,283	23,955
Intergovernmental	1,550,966	226,552	4,394,241
Interest	200	3,627	3,827
Other	41,234	11,638	90,166
Total Revenues	<u>1,686,372</u>	<u>1,097,989</u>	<u>6,517,755</u>
<u>Expenditures</u>			
Current			
General Government			
Legislative and Executive	0	182,491	700,134
Judicial	0	257,423	257,423
Public Safety	1,408,099	0	2,530,879
Public Works	0	299,417	299,417
Health	0	149,131	149,131
Human Services	0	19,307	1,316,969
Intergovernmental	0	0	670,275
Total Expenditures	<u>1,408,099</u>	<u>907,769</u>	<u>5,924,228</u>
Excess of Revenues Over (Under) Expenditures	<u>278,273</u>	<u>190,220</u>	<u>593,527</u>
<u>Other Financing Sources (Uses)</u>			
Transfers - In	0	1,250	1,250
Transfers - Out	0	(77,717)	(77,717)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(76,467)</u>	<u>(76,467)</u>
Changes in Fund Balances	278,273	113,753	517,060
Fund Balances at Beginning of Year	<u>700,221</u>	<u>954,422</u>	<u>2,744,167</u>
Fund Balances at End of Year	<u>\$978,494</u>	<u>\$1,068,175</u>	<u>\$3,261,227</u>

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2004

	Capital Improvement	Ditch Drainage	Children Home	MARCA
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$306,674
Special Assessments	0	19,302	0	0
Charges for Services	25,199	0	0	0
Intergovernmental	0	0	0	37,801
Interest	0	37,590	0	0
Other	0	0	0	8,818
Total Revenues	25,199	56,892	0	353,293
<u>Expenditures</u>				
Capital Outlay	309,434	85,086	22,299	585,930
Debt Service				
Principal Retirement	28,765	50,000	0	0
Interest and Fiscal Charges	13,356	12,113	0	0
Total Expenditures	351,555	147,199	22,299	585,930
Excess of Revenues Over (Under) Expenditures	(326,356)	(90,307)	(22,299)	(232,637)
<u>Other Financing Sources</u>				
Loans Issued	82,595	0	0	0
Transfers - In	122,178	0	0	269,494
Total Other Financing Sources	204,773	0	0	269,494
Changes in Fund Balances	(121,583)	(90,307)	(22,299)	36,857
Fund Balances (Deficit) at Beginning of Year	309,162	254,161	44,722	545,732
Fund Balances (Deficit) at End of Year	\$187,579	\$163,854	\$22,423	\$582,589

continued

Marion County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds (continued)
For the Year Ended December 31, 2004

	Job and Family	Issue II	Justice Center	Dog and Kennel
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$0
Special Assessments	0	0	0	0
Charges for Services	0	0	0	0
Intergovernmental	0	169,715	0	0
Interest	0	0	0	0
Other	0	0	0	0
Total Revenues	<u>0</u>	<u>169,715</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>				
Capital Outlay	59,377	255,426	162,217	0
Debt Service				
Principal Retirement	0	0	0	35,000
Interest and Fiscal Charges	0	0	0	3,413
Total Expenditures	<u>59,377</u>	<u>255,426</u>	<u>162,217</u>	<u>38,413</u>
Excess of Revenues Over (Under) Expenditures	<u>(59,377)</u>	<u>(85,711)</u>	<u>(162,217)</u>	<u>(38,413)</u>
<u>Other Financing Sources</u>				
Loans Issued	0	0	0	0
Transfers - In	0	109,338	0	38,413
Total Other Financing Sources	<u>0</u>	<u>109,338</u>	<u>0</u>	<u>38,413</u>
Changes in Fund Balances	(59,377)	23,627	(162,217)	0
Fund Balances (Deficit) at Beginning of Year	<u>178,206</u>	<u>143,577</u>	<u>590,218</u>	<u>(46,500)</u>
Fund Balances (Deficit) at End of Year	<u>\$118,829</u>	<u>\$167,204</u>	<u>\$428,001</u>	<u>(\$46,500)</u>

Coliseum Levy	Administration Building	Road Capital	Total
\$241,256	\$0	\$0	\$547,930
0	0	0	19,302
0	0	0	25,199
29,728	0	0	237,244
0	0	0	37,590
0	0	0	8,818
<u>270,984</u>	<u>0</u>	<u>0</u>	<u>876,083</u>
12,235	11,962	0	1,503,966
0	0	0	113,765
<u>13,169</u>	<u>0</u>	<u>0</u>	<u>42,051</u>
<u>25,404</u>	<u>11,962</u>	<u>0</u>	<u>1,659,782</u>
<u>245,580</u>	<u>(11,962)</u>	<u>0</u>	<u>(783,699)</u>
0	0	0	82,595
<u>0</u>	<u>0</u>	<u>0</u>	<u>539,423</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>622,018</u>
245,580	(11,962)	0	(161,681)
<u>(141,601)</u>	<u>(60,639)</u>	<u>38,092</u>	<u>1,855,130</u>
<u>\$103,979</u>	<u>(\$72,601)</u>	<u>\$38,092</u>	<u>\$1,693,449</u>

Marion County, Ohio
Combining Statements - Fiduciary Funds

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

Agency Funds

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

County Agency Fund - To account for the activity of the County Sheriff's civil account.

County Court Agency Fund - To account for the collection and distribution of court fees and fines.

Undivided Tax Fund - To account for the collection and distribution of various taxes.

Other Agency Funds

Marion County Rotary Fund
Marriage License Special Fund
Building Code Fund
Payroll Fund
Real Estate Escrow Prepayment Fund
Regional Planning Fund
Sewer District #7 Deferred Rotary Fund
Soil and Water Fund
Board of Health Fund
Emergency Planning Fund
Family and Children First Fund

County Park District Fund
DKMM Solid Waste District Fund
Employee Reimbursement Fund
RPC Enterprise Zone Fund
Marion-Crawford Mental Health Board Fund
Marion-Hardin Corrections Commission Fund
Caledonia Sewer Billing Fund
Ohio Elections Commission Fee Fund
Port Authority Fund
Housing Trust Fund
Annexation Fund

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2004

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
County Agency				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$156,899	\$3,121,088	\$3,149,931	\$128,056
Liabilities				
Deposits Held and Due to Others	\$156,899	\$3,121,088	\$3,149,931	\$128,056
County Court Agency				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$593,530	\$8,599,896	\$8,262,592	\$930,834
Liabilities				
Deposits Held and Due to Others	\$593,530	\$8,599,896	\$8,262,592	\$930,834
Undivided Tax				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,262,586	\$48,306,231	\$48,528,525	\$2,040,292
Due from Other Governments	2,844,727	2,936,866	2,844,727	2,936,866
Property Taxes Receivable	39,092,307	39,803,751	39,092,307	39,803,751
Special Assessments Receivable	1,220,809	1,251,496	1,220,809	1,251,496
Total Assets	\$45,420,429	\$92,298,344	\$91,686,368	\$46,032,405
Liabilities				
Due to Other Governments	\$45,420,429	\$92,298,344	\$91,686,368	\$46,032,405
Marion County Rotary				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,781	\$229,337	\$192,096	\$44,022
Liabilities				
Due to Other Governments	\$6,781	\$229,337	\$192,096	\$44,022
Marriage License Special				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$10,688	\$17,835	\$17,762	\$10,761
Liabilities				
Undistributed Assets	\$10,688	\$17,835	\$17,762	\$10,761
Building Code				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$5,322	\$0	\$0	\$5,322
Liabilities				
Due to Other Governments	\$5,322	\$0	\$0	\$5,322

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2004

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
Payroll				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$350,361	\$26,231,497	\$26,248,446	\$333,412
Liabilities				
Payroll Withholdings	\$350,361	\$26,231,497	\$26,248,446	\$333,412
Real Estate Escrow Prepayment				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$445,840	\$947,480	\$950,480	\$442,840
Liabilities				
Undistributed Assets	\$445,840	\$947,480	\$950,480	\$442,840
Regional Planning				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$58,786	\$274,769	\$306,417	\$27,138
Liabilities				
Undistributed Assets	\$58,786	\$274,769	\$306,417	\$27,138
Sewer District #7 Deferred Rotary				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$17,081	\$40,374	\$57,455	\$0
Liabilities				
Due to Other Governments	\$17,081	\$40,374	\$57,455	\$0
Soil and Water				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$29,126	\$105,450	\$106,198	\$28,378
Liabilities				
Undistributed Assets	\$29,126	\$105,450	\$106,198	\$28,378
Board of Health				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$512,909	\$1,085,168	\$1,131,700	\$466,377
Liabilities				
Undistributed Assets	\$512,909	\$1,085,168	\$1,131,700	\$466,377

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2004

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
Emergency Planning				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$25,827	\$19,692	\$21,031	\$24,488
Liabilities				
Undistributed Assets	\$25,827	\$19,692	\$21,031	\$24,488
Family and Children First				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$61,129	\$538,733	\$555,153	\$44,709
Liabilities				
Undistributed Assets	\$61,129	\$538,733	\$555,153	\$44,709
County Park District				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$141,974	\$20,000	\$30,781	\$131,193
Liabilities				
Undistributed Assets	\$141,974	\$20,000	\$30,781	\$131,193
DKMM Solid Waste District				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$648,118	\$1,249,070	\$1,348,320	\$548,868
Liabilities				
Undistributed Assets	\$648,118	\$1,249,070	\$1,348,320	\$548,868
Employee Reimbursement				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,445	\$76,547	\$76,827	\$1,165
Liabilities				
Due to Employees	\$1,445	\$76,547	\$76,827	\$1,165
RPC Enterprise Zone				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$12,101	\$15,400	\$1,600	\$25,901
Liabilities				
Undistributed Assets	\$12,101	\$15,400	\$1,600	\$25,901
Marion-Crawford Mental Health Board				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,825,330	\$8,365,146	\$8,389,428	\$2,801,048
Liabilities				
Undistributed Assets	\$2,825,330	\$8,365,146	\$8,389,428	\$2,801,048

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2004

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
Marion-Hardin Corrections Commission				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$218,744	\$3,120,031	\$3,218,704	\$120,071
Liabilities				
Undistributed Assets	\$218,744	\$3,120,031	\$3,218,704	\$120,071
Caledonia Sewer Billing				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,119	\$115,760	\$114,585	\$2,294
Liabilities				
Due to Other Governments	\$1,119	\$115,760	\$114,585	\$2,294
Ohio Elections Commission Fee				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$440	\$340	\$780	\$0
Liabilities				
Due to Other Governments	\$440	\$340	\$780	\$0
Port Authority				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$4,900	\$2,500	\$0	\$7,400
Liabilities				
Undistributed Assets	\$4,900	\$2,500	\$0	\$7,400
Housing Trust				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$106,078	\$369,205	\$387,308	\$87,975
Liabilities				
Undistributed Assets	\$106,078	\$369,205	\$387,308	\$87,975
Annexation Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$250	\$0	\$250
Liabilities				
Due to Other Governments	\$0	\$250	\$0	\$250

continued

Marion County, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds (continued)
For the Year Ended December 31, 2004

	Balance 12/31/2003	Additions	Reductions	Balance 12/31/2004
Total - All Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$7,746,685	\$91,130,815	\$91,683,596	\$7,193,904
Cash and Cash Equivalents in Segregated Accounts	750,429	11,720,984	11,412,523	1,058,890
Due from Other Governments	2,844,727	2,936,866	2,844,727	2,936,866
Property Taxes Receivable	39,092,307	39,803,751	39,092,307	39,803,751
Special Assessments Receivable	1,220,809	1,251,496	1,220,809	1,251,496
Total Assets	\$51,654,957	\$146,843,912	\$146,253,962	\$52,244,907
Liabilities				
Due to Employees	\$1,445	\$76,547	\$76,827	\$1,165
Due to Other Governments	45,451,172	92,684,405	92,051,284	46,084,293
Undistributed Assets	5,101,550	16,130,479	16,464,882	4,767,147
Deposits Held and Due to Others	750,429	11,720,984	11,412,523	1,058,890
Payroll Withholdings	350,361	26,231,497	26,248,446	333,412
Total Liabilities	\$51,654,957	\$146,843,912	\$146,253,962	\$52,244,907

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**Individual Fund Schedules of Revenues, Expenditures/Expenses,
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual**

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$2,139,000	\$2,139,000	\$2,147,091	\$8,091
Sales Taxes	6,125,000	6,125,000	6,274,573	149,573
Charges for Services	2,912,867	2,793,014	2,746,724	(46,290)
Licenses and Permits	4,750	4,750	6,084	1,334
Fines and Forfeitures	161,350	161,350	131,027	(30,323)
Intergovernmental	1,913,004	1,913,004	1,885,755	(27,249)
Interest	603,000	603,000	616,159	13,159
Other	163,826	173,576	211,735	38,159
Total Revenues	14,022,797	13,912,694	14,019,148	106,454
<u>Expenditures</u>				
Current				
General Government - Legislative and Executive				
County Commissioners				
Personal Services	274,120	274,120	272,452	1,668
Fringe Benefits	35,785	43,660	41,791	1,869
Materials and Supplies	2,800	3,860	2,546	1,314
Contractual Services	7,100	20,322	20,222	100
Other	9,600	13,609	13,554	55
Total County Commissioners	329,405	355,571	350,565	5,006
Auditor				
Personal Services	292,021	292,021	290,950	1,071
Fringe Benefits	43,804	46,472	44,407	2,065
Materials and Supplies	19,550	23,598	23,538	60
Contractual Services	61,817	79,894	78,469	1,425
Capital Outlay	1,200	10,303	10,070	233
Other	5,500	5,522	5,517	5
Total Auditor	423,892	457,810	452,951	4,859

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Treasurer				
Personal Services	\$121,393	\$121,393	\$121,299	\$94
Fringe Benefits	17,984	20,044	19,409	635
Materials and Supplies	761	8,731	8,731	0
Contractual Services	11,100	8,885	8,783	102
Other	2,934	2,911	2,907	4
Total Treasurer	154,172	161,964	161,129	835
Prosecuting Attorney				
Personal Services	535,436	535,436	535,427	9
Fringe Benefits	109,740	118,943	112,382	6,561
Materials and Supplies	1,380	1,651	1,651	0
Contractual Services	128,290	133,275	126,808	6,467
Capital Outlay	725	1,897	1,661	236
Other	30,090	30,140	29,588	552
Total Prosecuting Attorney	805,661	821,342	807,517	13,825
Personnel Department				
Contractual Services	0	2,944	35	2,909
Data Processing Board				
Personal Services	34,133	31,783	31,633	150
Fringe Benefits	4,625	4,888	4,737	151
Materials and Supplies	19,984	21,984	21,984	0
Contractual Services	65,781	68,599	66,740	1,859
Capital Outlay	0	19,245	18,385	860
Other	300	300	0	300
Total Data Processing Board	124,823	146,799	143,479	3,320
Board of Elections				
Personal Services	256,545	290,397	288,798	1,599
Fringe Benefits	26,468	35,761	30,163	5,598
Materials and Supplies	28,135	48,471	48,403	68
Contractual Services	23,600	33,828	33,300	528
Capital Outlay	0	12,622	12,622	0
Other	1,800	4,371	4,371	0
Total Board of Elections	336,548	425,450	417,657	7,793

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Maintenance and Operation				
Personal Services	\$131,914	\$131,914	\$129,074	\$2,840
Fringe Benefits	19,787	20,980	19,834	1,146
Materials and Supplies	23,000	28,753	27,450	1,303
Contractual Services	407,000	565,925	460,853	105,072
Other	0	1,950	1,950	0
Total Maintenance and Operation	581,701	749,522	639,161	110,361
Recorder				
Personal Services	162,607	160,976	160,279	697
Fringe Benefits	18,122	23,474	23,467	7
Materials and Supplies	4,500	5,346	5,142	204
Contractual Services	9,861	14,050	11,714	2,336
Capital Outlay	0	852	852	0
Other	800	907	907	0
Total Recorder	195,890	205,605	202,361	3,244
Postage				
Materials and Supplies	60,000	93,474	90,434	3,040
Insurance, Pensions, and Taxes				
Fringe Benefits	1,299,876	1,205,840	1,098,700	107,140
Contractual Services	237,000	259,709	258,722	987
Other	5,000	17,403	17,403	0
Total Insurance, Pensions, and Taxes	1,541,876	1,482,952	1,374,825	108,127
Total General Government - Legislative and Executive	4,553,968	4,903,433	4,640,114	263,319
General Government - Judicial				
Court of Appeals				
Other	19,710	19,710	19,285	425

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Common Pleas Court				
Personal Services	\$236,489	\$275,722	\$275,066	\$656
Fringe Benefits	35,473	43,649	41,987	1,662
Materials and Supplies	5,700	7,685	7,598	87
Contractual Services	42,250	59,133	56,189	2,944
Capital Outlay	0	325	325	0
Other	4,200	2,400	2,284	116
Total Common Pleas Court	324,112	388,914	383,449	5,465
Jury Commission				
Personal Services	1,641	2,471	2,471	0
Fringe Benefits	246	386	356	30
Materials and Supplies	8,165	8,671	7,907	764
Total Jury Commission	10,052	11,528	10,734	794
Domestic Relations Court				
Personal Services	180,432	384,399	329,175	55,224
Fringe Benefits	27,065	49,962	47,033	2,929
Materials and Supplies	3,296	11,080	11,080	0
Contractual Services	2,550	30,772	29,647	1,125
Capital Outlay	0	272	272	0
Other	2,800	11,690	10,866	824
Total Domestic Relations Court	216,143	488,175	428,073	60,102
Juvenile Court				
Personal Services	373,973	156,477	151,721	4,756
Fringe Benefits	39,953	10,604	10,604	0
Materials and Supplies	13,000	1,038	1,038	0
Contractual Services	32,681	7,578	7,578	0
Other	10,000	4,827	4,637	190
Total Juvenile Court	469,607	180,524	175,578	4,946

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Probate Court				
Personal Services	\$115,633	\$111,883	\$111,854	\$29
Fringe Benefits	16,469	17,350	16,291	1,059
Materials and Supplies	8,000	7,055	6,617	438
Contractual Services	17,400	26,039	25,716	323
Other	600	450	450	0
	<u>158,102</u>	<u>162,777</u>	<u>160,928</u>	<u>1,849</u>
 Clerk of Courts				
Personal Services	190,259	299,776	297,385	2,391
Fringe Benefits	29,000	55,757	54,391	1,366
Materials and Supplies	33,000	51,621	50,976	645
Contractual Services	26,600	47,867	46,156	1,711
Capital Outlay	0	3,000	2,070	930
Other	350	350	260	90
	<u>279,209</u>	<u>458,371</u>	<u>451,238</u>	<u>7,133</u>
 Municipal Court				
Personal Services	70,582	79,370	77,139	2,231
Fringe Benefits	10,587	11,210	10,417	793
Contractual Services	7,500	5,200	4,723	477
	<u>88,669</u>	<u>95,780</u>	<u>92,279</u>	<u>3,501</u>
 Total General Government - Judicial	<u>1,565,604</u>	<u>1,805,779</u>	<u>1,721,564</u>	<u>84,215</u>
 Total General Government	<u>6,119,572</u>	<u>6,709,212</u>	<u>6,361,678</u>	<u>347,534</u>
 Public Safety				
Adult Probation				
Personal Services	118,031	126,079	124,916	1,163
Fringe Benefits	17,705	25,679	24,632	1,047
Materials and Supplies	12,725	4,476	4,467	9
Contractual Services	2,500	5,500	5,484	16
Capital Outlay	0	1,840	1,840	0
Other	6,200	801	801	0
	<u>157,161</u>	<u>164,375</u>	<u>162,140</u>	<u>2,235</u>

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Juvenile Probation				
Fringe Benefits	\$16,143	\$17,206	\$17,198	\$8
Other	1,643	1,643	1,292	351
Total Juvenile Probation	17,786	18,849	18,490	359
Detention Home				
Personal Services	690,886	705,886	703,532	2,354
Fringe Benefits	103,633	109,420	105,881	3,539
Materials and Supplies	78,381	86,363	86,246	117
Contractual Services	71,865	63,188	63,138	50
Capital Outlay	0	400	400	0
Other	4,715	1,953	1,953	0
Total Detention Home	949,480	967,210	961,150	6,060
Coroner				
Personal Services	55,806	56,516	56,516	0
Fringe Benefits	1,654	8,712	8,404	308
Materials and Supplies	100	28	28	0
Contractual Services	23,017	35,212	35,212	0
Other	1,500	1,500	1,496	4
Total Coroner	82,077	101,968	101,656	312
Sheriff				
Personal Services	1,915,561	1,846,248	1,835,608	10,640
Fringe Benefits	313,220	361,743	340,603	21,140
Materials and Supplies	132,700	212,063	163,205	48,858
Contractual Services	259,559	303,451	261,043	42,408
Capital Outlay	80,147	99,091	97,191	1,900
Other	2,467,306	2,493,355	2,491,692	1,663
Total Sheriff	5,168,493	5,315,951	5,189,342	126,609
Total Public Safety	6,374,997	6,568,353	6,432,778	135,575

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Public Works				
Engineer				
Materials and Supplies	\$6,000	\$6,200	\$6,059	\$141
Contractual Services	2,600	2,600	2,364	236
Other	3,583	3,383	3,331	52
Total Public Works	12,183	12,183	11,754	429
Health				
Agriculture				
Contractual Services	168,980	172,480	172,480	0
Tuberculosis				
Contractual Services	3,000	3,996	2,754	1,242
Vital Statistics				
Contractual Services	105,206	136,938	131,371	5,567
Ditch Cleaning and Repair				
Other	500	9,369	9,094	275
Other Health				
Contractual Services	0	7,670	7,670	0
Total Health	277,686	330,453	323,369	7,084
Human Services				
Soldiers Relief				
Personal Services	26,226	26,226	26,226	0
Fringe Benefits	3,934	5,187	4,951	236
Materials and Supplies	7,000	7,648	7,634	14
Contractual Services	2,400	3,612	3,155	457
Capital Outlay	0	929	888	41
Other	70,300	70,484	65,773	4,711
Total Soldiers Relief	109,860	114,086	108,627	5,459

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Veteran Services				
Personal Services	\$123,925	\$123,925	\$123,723	\$202
Fringe Benefits	18,589	18,589	17,100	1,489
Materials and Supplies	2,000	888	888	0
Contractual Services	7,500	7,500	7,000	500
Total Veteran Services	152,014	150,902	148,711	2,191
Total Human Services	261,874	264,988	257,338	7,650
Conservation and Recreation				
Historical Society				
Contractual Services	12,000	12,000	12,000	0
Other				
Miscellaneous				
Contractual Services	557,000	590,211	589,899	312
Other	2,000	20,081	19,562	519
Total Other	559,000	610,292	609,461	831
Capital Outlay	0	3,987	3,987	0
Intergovernmental	287,172	287,172	287,172	0
Total Expenditures	13,904,484	14,798,640	14,299,537	499,103
Excess of Revenues Over (Under) Expenditures	118,313	(885,946)	(280,389)	605,557

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Sale of Capital Assets	\$0	\$0	\$150,000	\$150,000
Advances - In	61,332	70,282	77,975	7,693
Advances - Out	0	(140,000)	(140,000)	0
Transfers - In	35,159	1,846	8,612	6,766
Transfers - Out	(1,230,971)	(1,154,076)	(1,026,039)	128,037
Total Other Financing Sources (Uses)	<u>(1,134,480)</u>	<u>(1,221,948)</u>	<u>(929,452)</u>	<u>292,496</u>
Changes in Fund Balance	(1,016,167)	(2,107,894)	(1,209,841)	898,053
Fund Balance at Beginning of Year	3,303,561	3,303,561	3,303,561	0
Prior Year Encumbrances Appropriated	<u>413,005</u>	<u>413,005</u>	<u>413,005</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,700,399</u></u>	<u><u>\$1,608,672</u></u>	<u><u>\$2,506,725</u></u>	<u><u>\$898,053</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Job and Family Services Special Revenue Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$267,840	\$267,840	\$278,459	\$10,619
Intergovernmental	6,461,590	6,600,152	6,758,959	158,807
Other	15,000	15,000	27,503	12,503
Total Revenues	6,744,430	6,882,992	7,064,921	181,929
<u>Expenditures</u>				
Current				
Human Services				
Administrative				
Personal Services	2,276,725	2,172,025	2,096,031	75,994
Fringe Benefits	805,570	788,860	741,150	47,710
Materials and Supplies	64,000	99,191	95,909	3,282
Contractual Services	1,231,677	1,320,442	1,255,711	64,731
Capital Outlay	35,000	46,016	42,628	3,388
Other	70,433	71,303	69,209	2,094
Total Administrative	4,483,405	4,497,837	4,300,638	197,199
Public Assistance				
Personal Services	242,000	242,000	204,962	37,038
Fringe Benefits	98,000	99,910	80,745	19,165
Materials and Supplies	27,500	22,902	16,772	6,130
Contractual Services	1,832,000	2,033,871	1,857,899	175,972
Capital Outlay	0	15,900	15,895	5
Other	21,567	31,134	20,003	11,131
Total Public Assistance	2,221,067	2,445,717	2,196,276	249,441
Total Expenditures	6,704,472	6,943,554	6,496,914	446,640
Excess of Revenues Over (Under) Expenditures	39,958	(60,562)	568,007	628,569
<u>Other Financing Sources (Uses)</u>				
Advances - Out	0	(5,658)	0	5,658
Transfers - In	243,492	243,492	267,840	24,348
Transfers - Out	(283,450)	(283,450)	(283,450)	0
Total Other Financing Sources (Uses)	(39,958)	(45,616)	(15,610)	30,006

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Job and Family Services Special Revenue Fund (continued)
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Changes in Fund Balance	\$0	(\$106,178)	\$552,397	\$658,575
Fund Balance at Beginning of Year	205,319	205,319	205,319	0
Prior Year Encumbrances Appropriated	109,009	109,009	109,009	0
Fund Balance at End of Year	<u>\$314,328</u>	<u>\$208,150</u>	<u>\$866,725</u>	<u>\$658,575</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Motor Vehicle Gasoline Tax Special Revenue Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services	\$30,000	\$30,000	\$53,798	\$23,798
Fines and Forfeitures	25,000	25,000	24,367	(633)
Intergovernmental	3,520,000	3,520,000	3,748,973	228,973
Interest	1,500	1,500	1,948	448
Other	164,667	164,667	215,782	51,115
Total Revenues	3,741,167	3,741,167	4,044,868	303,701
<u>Expenditures</u>				
Current				
Public Works				
Personal Services	1,482,336	1,418,736	1,379,436	39,300
Fringe Benefits	705,000	656,923	597,584	59,339
Materials and Supplies	582,440	737,867	624,355	113,512
Contractual Services	962,167	911,742	827,060	84,682
Capital Outlay	260,000	328,761	320,145	8,616
Other	56,000	63,795	62,491	1,304
Total Expenditures	4,047,943	4,117,824	3,811,071	306,753
Excess of Revenues Over (Under) Expenditures	(306,776)	(376,657)	233,797	610,454
<u>Other Financing Uses</u>				
Transfers - Out	(96,000)	(108,814)	(108,814)	0
Changes in Fund Balance	(402,776)	(485,471)	124,983	610,454
Fund Balance at Beginning of Year	661,973	661,973	661,973	0
Prior Year Encumbrances Appropriated	84,767	84,767	84,767	0
Fund Balance at End of Year	\$343,964	\$261,269	\$871,723	\$610,454

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Services Special Revenue Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$1,525,000	\$1,525,000	\$1,541,182	\$16,182
Charges for Services	42,500	42,500	20,158	(22,342)
Intergovernmental	1,995,060	1,995,060	2,124,723	129,663
Other	80,000	80,000	43,570	(36,430)
Total Revenues	3,642,560	3,642,560	3,729,633	87,073
<u>Expenditures</u>				
Current				
Human Services				
Personal Services	1,774,905	1,774,975	1,731,819	43,156
Fringe Benefits	711,776	725,362	632,518	92,844
Materials and Supplies	85,975	89,112	78,176	10,936
Contractual Services	1,572,450	1,634,274	1,355,441	278,833
Capital Outlay	30,250	30,250	6,230	24,020
Other	27,700	37,700	21,537	16,163
Total Expenditures	4,203,056	4,291,673	3,825,721	465,952
Changes in Fund Balance	(560,496)	(649,113)	(96,088)	553,025
Fund Balance at Beginning of Year	4,362,505	4,362,505	4,362,505	0
Prior Year Encumbrances Appropriated	123,345	123,345	123,345	0
Fund Balance at End of Year	\$3,925,354	\$3,836,737	\$4,389,762	\$553,025

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Disabilities Special Revenue Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes	\$2,825,750	\$2,825,750	\$2,904,093	\$78,343
Intergovernmental	2,598,650	2,598,650	2,652,955	54,305
Other	401,500	403,019	548,079	145,060
Total Revenues	5,825,900	5,827,419	6,105,127	277,708
<u>Expenditures</u>				
Current				
Health				
Personal Services	3,165,000	3,165,000	3,055,997	109,003
Fringe Benefits	906,000	1,158,779	1,023,381	135,398
Materials and Supplies	314,000	350,129	335,552	14,577
Contractual Services	5,199,000	4,938,384	3,369,151	1,569,233
Capital Outlay	37,000	48,812	37,274	11,538
Other	171,500	192,436	106,865	85,571
Total Expenditures	9,792,500	9,853,540	7,928,220	1,925,320
Excess of Revenues Under Expenditures	(3,966,600)	(4,026,121)	(1,823,093)	2,203,028
<u>Other Financing Uses</u>				
Transfers - Out	(485,000)	(269,494)	(269,494)	0
Changes in Fund Balance	(4,451,600)	(4,295,615)	(2,092,587)	2,203,028
Fund Balance at Beginning of Year	3,487,123	3,487,123	3,487,123	0
Prior Year Encumbrances Appropriated	1,292,440	1,292,440	1,292,440	0
Fund Balance at End of Year	\$327,963	\$483,948	\$2,686,976	\$2,203,028

Marion County, Ohio
Schedule of Revenues, Expenses, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sewer District Enterprise Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,020,000	\$1,055,961	\$35,961
Tap In Fees	25,000	173,159	148,159
Interest	7,600	5,453	(2,147)
Other	53,000	1,118	(51,882)
Total Revenues	<u>1,105,600</u>	<u>1,235,691</u>	<u>130,091</u>
<u>Expenses</u>			
Personal Services	381,500	372,748	8,752
Fringe Benefits	62,400	53,842	8,558
Materials and Supplies	40,318	33,124	7,194
Contractual Services	445,365	414,984	30,381
Capital Outlay	19,500	13,289	6,211
Other	91,700	89,318	2,382
Debt Service:			
Principal Retirement	113,400	113,321	79
Interest Expense	124,600	123,535	1,065
Total Expenses	<u>1,278,783</u>	<u>1,214,161</u>	<u>64,622</u>
Excess of Revenues Over (Under) Expenses	(173,183)	21,530	65,469
Transfers - In	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>
Changes in Fund Balance	(163,183)	21,530	184,713
Fund Balance at Beginning of Year	2,075,003	2,075,003	0
Prior Year Encumbrances Appropriated	<u>27,400</u>	<u>27,400</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,939,220</u></u>	<u><u>\$2,123,933</u></u>	<u><u>\$184,713</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Child Support Enforcement Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$1,385,498	\$1,452,085	\$66,587
<u>Expenditures</u>			
Current			
Human Services			
Personal Services	442,500	440,342	2,158
Fringe Benefits	186,569	170,718	15,851
Materials and Supplies	2,000	1,415	585
Contractual Services	595,330	544,245	51,085
Other	303,365	293,992	9,373
Total Expenditures	1,529,764	1,450,712	79,052
Changes in Fund Balance	(144,266)	1,373	145,639
Fund Balance at Beginning of Year	605,948	605,948	0
Prior Year Encumbrances Appropriated	78,038	78,038	0
Fund Balance at End of Year	\$539,720	\$685,359	\$145,639

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Mental Health Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Property Taxes	\$603,156	\$601,002	(\$2,154)
Intergovernmental	67,194	69,273	2,079
Total Revenues	670,350	670,275	(75)
<u>Expenditures</u>			
Intergovernmental	670,275	670,275	0
Changes in Fund Balance	75	0	(75)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$75</u>	<u>\$0</u>	<u>(\$75)</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Real Estate Assessment Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$470,000	\$479,312	\$9,312
Other	4,300	3,320	(980)
Total Revenues	<u>474,300</u>	<u>482,632</u>	<u>8,332</u>
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Personal Services	250,000	208,889	41,111
Fringe Benefits	95,322	74,622	20,700
Materials and Supplies	20,000	17,638	2,362
Contractual Services	244,740	239,071	5,669
Capital Outlay	23,016	19,855	3,161
Other	30,101	19,437	10,664
Total Expenditures	<u>663,179</u>	<u>579,512</u>	<u>83,667</u>
Changes in Fund Balance	(188,879)	(96,880)	91,999
Fund Balance at Beginning of Year	285,224	285,224	0
Prior Year Encumbrances Appropriated	<u>74,584</u>	<u>74,584</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$170,929</u></u>	<u><u>\$262,928</u></u>	<u><u>\$91,999</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
North Central Ohio Rehabilitation Center Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$1,104,435	\$1,103,800	(\$635)
Other	50,154	37,321	(12,833)
Total Revenues	<u>1,154,589</u>	<u>1,141,121</u>	<u>(13,468)</u>
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	714,000	709,371	4,629
Fringe Benefits	261,400	233,439	27,961
Materials and Supplies	69,007	64,321	4,686
Contractual Services	127,328	116,237	11,091
Capital Outlay	28,000	26,246	1,754
Other	13,215	6,263	6,952
Total Expenditures	<u>1,212,950</u>	<u>1,155,877</u>	<u>57,073</u>
Excess of Revenues Under Expenditures	<u>(58,361)</u>	<u>(14,756)</u>	<u>43,605</u>
<u>Other Financing Sources (Uses)</u>			
Advances - In	0	30,000	30,000
Advances - Out	(30,000)	(30,000)	0
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>0</u>	<u>30,000</u>
Changes in Fund Balance	(88,361)	(14,756)	73,605
Fund Balance at Beginning of Year	128,873	128,873	0
Prior Year Encumbrances Appropriated	<u>12,586</u>	<u>12,586</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$53,098</u></u>	<u><u>\$126,703</u></u>	<u><u>\$73,605</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$3,000	\$4,237	\$1,237
Interest	500	166	(334)
Total Revenues	3,500	4,403	903
<u>Expenditures</u>			
Current			
Public Safety			
Materials and Supplies	73,974	29,203	44,771
Changes in Fund Balance	(70,474)	(24,800)	45,674
Fund Balance at Beginning of Year	70,688	70,688	0
Fund Balance at End of Year	\$214	\$45,888	\$45,674

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Prison Reduction Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$254,071	\$254,071	\$0
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	197,445	178,574	18,871
Fringe Benefits	91,142	79,555	11,587
Materials and Supplies	67	0	67
Total Expenditures	288,654	258,129	30,525
Excess of Revenues			
Under Expenditures	(34,583)	(4,058)	30,525
<u>Other Financing Sources (Uses)</u>			
Advances - In	30,000	30,000	0
Advances - Out	(30,000)	(30,000)	0
Total Other Financing Sources (Uses)	0	0	0
Changes in Fund Balance	(34,583)	(4,058)	30,525
Fund Balance at Beginning of Year	34,583	34,583	0
Fund Balance at End of Year	\$0	\$30,525	\$30,525

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Indigent Guardianship Special Revenue Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$11,000	\$12,244	\$1,244
<u>Expenditures</u>			
Current			
Public Safety			
Contractual Services	12,000	11,812	188
Changes in Fund Balance	(1,000)	432	1,432
Fund Balance at Beginning of Year	1,449	1,449	0
Fund Balance at End of Year	<u>\$449</u>	<u>\$1,881</u>	<u>\$1,432</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
County Probation Services Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$28,000	\$37,851	\$9,851
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	27,500	25,849	1,651
Fringe Benefits	4,450	2,971	1,479
Materials and Supplies	13,000	4,303	8,697
Contractual Services	10,000	8,252	1,748
Total Expenditures	54,950	41,375	13,575
Changes in Fund Balance	(26,950)	(3,524)	23,426
Fund Balance at Beginning of Year	60,079	60,079	0
Fund Balance at End of Year	\$33,129	\$56,555	\$23,426

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Felony Delinquent Care and Custody Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$613,335	\$725,967	\$112,632
Other	6,200	331	(5,869)
Total Revenues	<u>619,535</u>	<u>726,298</u>	<u>106,763</u>
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	315,000	259,544	55,456
Fringe Benefits	120,000	91,762	28,238
Materials and Supplies	14,166	6,670	7,496
Contractual Services	226,172	116,026	110,146
Capital Outlay	7,000	1,843	5,157
Other	26,051	11,514	14,537
Total Expenditures	<u>708,389</u>	<u>487,359</u>	<u>221,030</u>
Changes in Fund Balance	(88,854)	238,939	327,793
Fund Balance at Beginning of Year	288,820	288,820	0
Prior Year Encumbrances Appropriated	18,300	18,300	0
Fund Balance at End of Year	<u><u>\$218,266</u></u>	<u><u>\$546,059</u></u>	<u><u>\$327,793</u></u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
DWI Education Special Revenue Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$0	\$1,005	\$1,005
<u>Expenditures</u>			
Total Expenditures	0	0	0
Changes in Fund Balance	0	1,005	1,005
Fund Balance at Beginning of Year	10,390	10,390	0
Fund Balance at End of Year	<u>\$10,390</u>	<u>\$11,395</u>	<u>\$1,005</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Jail Reduction Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$42,265	\$42,265	\$0
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	27,000	26,119	881
Fringe Benefits	17,667	16,397	1,270
Materials and Supplies	300	300	0
Other	75	75	0
Total Expenditures	45,042	42,891	2,151
Excess of Revenues			
Under Expenditures	(2,777)	(626)	2,151
<u>Other Financing Sources (Uses)</u>			
Advances - In	5,000	5,000	0
Advances - Out	(4,975)	(4,975)	0
Total Other Financing Sources (Uses)	25	25	0
Changes in Fund Balance	(2,752)	(601)	2,151
Fund Balance at Beginning of Year	2,752	2,752	0
Fund Balance at End of Year	\$0	\$2,151	\$2,151

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Electronic Monitoring Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,500	\$2,370	\$870
<u>Expenditures</u>			
Current			
Public Safety			
Contractual Services	3,500	1,630	1,870
Changes in Fund Balance	(2,000)	740	2,740
Fund Balance at Beginning of Year	4,740	4,740	0
Fund Balance at End of Year	<u>\$2,740</u>	<u>\$5,480</u>	<u>\$2,740</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Law Enforcement Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$1,000	\$468	(\$532)
Interest	1,000	40	(960)
Other	9,639	12,250	2,611
Total Revenues	11,639	12,758	1,119
<u>Expenditures</u>			
Current			
Public Safety			
Materials and Supplies	50,155	31,880	18,275
Changes in Fund Balance	(38,516)	(19,122)	19,394
Fund Balance at Beginning of Year	38,012	38,012	0
Prior Year Encumbrances Appropriated	2,316	2,316	0
Fund Balance at End of Year	<u>\$1,812</u>	<u>\$21,206</u>	<u>\$19,394</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
PEACE Program Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$14,000	\$9,482	(\$4,518)
Other	0	16	16
Total Revenues	<u>14,000</u>	<u>9,498</u>	<u>(4,502)</u>
<u>Expenditures</u>			
Current			
Public Safety			
Materials and Supplies	4,000	2,035	1,965
Contractual Services	10,800	8,900	1,900
Total Expenditures	<u>14,800</u>	<u>10,935</u>	<u>3,865</u>
Changes in Fund Balance	(800)	(1,437)	(637)
Fund Balance at Beginning of Year	7,652	7,652	0
Prior Year Encumbrances Appropriated	<u>1,375</u>	<u>1,375</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$8,227</u></u>	<u><u>\$7,590</u></u>	<u><u>(\$637)</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Disaster Services Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$17,863	\$24,738	\$6,875
Intergovernmental	472,046	466,533	(5,513)
Other	22,000	20,637	(1,363)
Total Revenues	511,909	511,908	(1)
<u>Expenditures</u>			
Current			
Public Safety			
Personal Services	28,442	28,442	0
Fringe Benefits	7,925	7,919	6
Materials and Supplies	6,245	4,209	2,036
Contractual Services	6,798	6,132	666
Capital Outlay	470,119	467,765	2,354
Other	36,606	22,996	13,610
Total Expenditures	556,135	537,463	18,672
Changes in Fund Balance	(44,226)	(25,555)	18,671
Fund Balance at Beginning of Year	30,846	30,846	0
Prior Year Encumbrances Appropriated	13,760	13,760	0
Fund Balance at End of Year	\$380	\$19,051	\$18,671

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Dog and Kennel Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$3,500	\$4,102	\$602
Licenses and Permits	115,000	125,089	10,089
Fines and Forfeitures	19,500	17,169	(2,331)
Other	2,000	2,779	779
Total Revenues	<u>140,000</u>	<u>149,139</u>	<u>9,139</u>
<u>Expenditures</u>			
Current			
Health			
Personal Services	55,802	55,461	341
Fringe Benefits	81,972	81,946	26
Materials and Supplies	17,126	13,736	3,390
Contractual Services	17,008	9,306	7,702
Capital Outlay	15,153	14,354	799
Other	50	0	50
Total Expenditures	<u>187,111</u>	<u>174,803</u>	<u>12,308</u>
Changes in Fund Balance	(47,111)	(25,664)	21,447
Fund Balance at Beginning of Year	60,570	60,570	0
Prior Year Encumbrances Appropriated	<u>837</u>	<u>837</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$14,296</u></u>	<u><u>\$35,743</u></u>	<u><u>\$21,447</u></u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Ditch Maintenance Special Revenue Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Special Assessments	\$136,932	\$129,597	(\$7,335)
<u>Expenditures</u>			
Current			
Public Works			
Materials and Supplies	5,000	3,249	1,751
Contractual Services	159,476	75,596	83,880
Capital Outlay	33,250	0	33,250
Total Expenditures	197,726	78,845	118,881
Changes in Fund Balance	(60,794)	50,752	111,546
Fund Balance at Beginning of Year	59,017	59,017	0
Prior Year Encumbrances Appropriated	46,000	46,000	0
Fund Balance at End of Year	\$44,223	\$155,769	\$111,546

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$103,000	\$103,500	\$500
Interest	200	139	(61)
Other	24,523	36,648	12,125
Total Revenues	<u>127,723</u>	<u>140,287</u>	<u>12,564</u>
<u>Expenditures</u>			
Current			
Public Works			
Materials and Supplies	66,000	7,630	58,370
Capital Outlay	134,902	123,672	11,230
Total Expenditures	<u>200,902</u>	<u>131,302</u>	<u>69,600</u>
Changes in Fund Balance	(73,179)	8,985	82,164
Fund Balance at Beginning of Year	92,425	92,425	0
Prior Year Encumbrances Appropriated	<u>21,791</u>	<u>21,791</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$41,037</u></u>	<u><u>\$123,201</u></u>	<u><u>\$82,164</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Litter Control and Recycling Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$75	\$75	\$0
Intergovernmental	78,840	78,915	75
Other	150	289	139
Total Revenues	<u>79,065</u>	<u>79,279</u>	<u>214</u>
<u>Expenditures</u>			
Current			
Public Works			
Personal Services	56,537	56,532	5
Fringe Benefits	13,752	12,730	1,022
Materials and Supplies	500	492	8
Other	13,207	12,126	1,081
Total Expenditures	<u>83,996</u>	<u>81,880</u>	<u>2,116</u>
Changes in Fund Balance	(4,931)	(2,601)	2,330
Fund Balance at Beginning of Year	5,304	5,304	0
Prior Year Encumbrances Appropriated	447	447	0
Fund Balance at End of Year	<u><u>\$820</u></u>	<u><u>\$3,150</u></u>	<u><u>\$2,330</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Delinquent Real Estate Tax Assessment Prosecutor Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$71,400	\$59,903	(\$11,497)
Other	8,700	5,921	(2,779)
Total Revenues	<u>80,100</u>	<u>65,824</u>	<u>(14,276)</u>
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Personal Services	69,045	55,333	13,712
Fringe Benefits	22,597	12,447	10,150
Materials and Supplies	2,500	2,465	35
Contractual Services	14,075	13,719	356
Capital Outlay	750	79	671
Other	500	0	500
Total Expenditures	<u>109,467</u>	<u>84,043</u>	<u>25,424</u>
Changes in Fund Balance	(29,367)	(18,219)	11,148
Fund Balance at Beginning of Year	79,436	79,436	0
Prior Year Encumbrances Appropriated	<u>5,451</u>	<u>5,451</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$55,520</u></u>	<u><u>\$66,668</u></u>	<u><u>\$11,148</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Delinquent Real Estate Tax Assessment Treasurer Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$73,000	\$63,054	(\$9,946)
Other	\$0	\$2,507	\$2,507
Total Revenues	<u>73,000</u>	<u>65,561</u>	<u>(7,439)</u>
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Personal Services	50,000	43,511	6,489
Fringe Benefits	14,600	9,955	4,645
Materials and Supplies	10,000	8,687	1,313
Capital Outlay	3,000	2,961	39
Other	10,400	498	9,902
Total Expenditures	<u>88,000</u>	<u>65,612</u>	<u>22,388</u>
Excess of Revenues Under Expenditures	(15,000)	(51)	14,949
<u>Other Financing Uses</u>			
Transfers - Out	<u>(5,000)</u>	<u>0</u>	<u>5,000</u>
Changes in Fund Balance	(20,000)	(51)	19,949
Fund Balance at Beginning of Year	<u>139,990</u>	<u>139,990</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$119,990</u></u>	<u><u>\$139,939</u></u>	<u><u>\$19,949</u></u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Prepayment Interest Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Interest	\$2,000	\$711	(\$1,289)
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Capital Outlay	2,000	10	1,990
Changes in Fund Balance	0	701	701
Fund Balance at Beginning of Year	9,784	9,784	0
Fund Balance at End of Year	\$9,784	\$10,485	\$701

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Computerization Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$120,638	\$107,670	(\$12,968)
<u>Expenditures</u>			
Current			
General Government - Judicial			
Personal Services	51,923	32,692	19,231
Contractual Services	24,500	12,523	11,977
Capital Outlay	31,850	9,575	22,275
Total Expenditures	108,273	54,790	53,483
Excess of Revenues Over Expenditures	12,365	52,880	40,515
<u>Other Financing Uses</u>			
Transfers - Out	(83,484)	(77,717)	5,767
Changes in Fund Balance	(71,119)	(24,837)	46,282
Fund Balance at Beginning of Year	123,166	123,166	0
Fund Balance at End of Year	\$52,047	\$98,329	\$46,282

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
GFM Recorder Equipment Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$60,411	\$60,569	\$158
<u>Expenditures</u>			
Current			
General Government - Legislative and Executive			
Capital Outlay	64,063	52,593	11,470
Excess of Revenues Over (Under) Expenditures	(3,652)	7,976	11,628
<u>Other Financing Uses</u>			
Advances - Out	(13,000)	(13,000)	0
Changes in Fund Balance	(16,652)	(5,024)	11,628
Fund Balance at Beginning of Year	6,490	6,490	0
Prior Year Encumbrances Appropriated	10,162	10,162	0
Fund Balance at End of Year	\$0	\$11,628	\$11,628

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Certificate of Title Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$255,000	\$277,917	\$22,917
Other	186,000	0	(186,000)
Total Revenues	<u>441,000</u>	<u>277,917</u>	<u>(163,083)</u>
<u>Expenditures</u>			
Current			
General Government - Judicial			
Personal Services	135,000	131,486	3,514
Fringe Benefits	98,000	70,335	27,665
Material and Supplies	5,000	4,610	390
Contractual Services	3,801	344	3,457
Capital Outlay	699	699	0
Other	3,500	2,066	1,434
Total Expenditures	<u>246,000</u>	<u>209,540</u>	<u>36,460</u>
Excess of Revenues Over Expenditures	195,000	68,377	(126,623)
<u>Other Financing Uses</u>			
Transfers - Out	(37,500)	0	37,500
Changes in Fund Balance	157,500	68,377	(89,123)
Fund Balance at Beginning of Year	<u>252,752</u>	<u>252,752</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$410,252</u></u>	<u><u>\$321,129</u></u>	<u><u>(\$89,123)</u></u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Paternity Mediation Special Revenue Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$532	\$532	\$0
<u>Expenditures</u>			
Current			
General Government - Judicial			
Contractual Services	1,220	532	688
Changes in Fund Balance	(688)	0	688
Fund Balance at Beginning of Year	688	688	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$688</u>	<u>\$688</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Underground Storage Tank Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Current			
Health			
Contractual Services	650	650	0
Excess of Revenues Under Expenditures	(650)	(650)	0
<u>Other Financing Sources</u>			
Transfers-In	600	1,250	650
Changes in Fund Balance	(50)	600	650
Fund Balance at Beginning of Year	10,400	10,400	0
Fund Balance at End of Year	<u>\$10,350</u>	<u>\$11,000</u>	<u>\$650</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Ohio Children's Trust Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$20,427	\$39,227	\$18,800
<u>Expenditures</u>			
Current			
Human Services			
Contractual Services	26,133	22,007	4,126
Changes in Fund Balance	(5,706)	17,220	22,926
Fund Balance at Beginning of Year	6,605	6,605	0
Fund Balance at End of Year	<u>\$899</u>	<u>\$23,825</u>	<u>\$22,926</u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Juvenile Drug Testing Special Revenue Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Total Expenditures	0	0	0
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	20	20	0
Fund Balance at End of Year	\$20	\$20	\$0

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Family Services Special Revenue Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Services	\$2,000	\$10,125	\$8,125
<u>Expenditures</u>			
Current			
General Government - Judicial			
Materials and Supplies	1,500	0	1,500
Capital Outlay	500	0	500
Total Expenditures	2,000	0	2,000
Changes in Fund Balance	0	10,125	10,125
Fund Balance at Beginning of Year	8,919	8,919	0
Fund Balance at End of Year	\$8,919	\$19,044	\$10,125

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Bond Retirement Debt Service Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Debt Service			
General Obligation Bond Retirement			
Office Building Bonds			
Principal Retirement	90,000	90,000	0
Interest and Fiscal Charges	236,105	232,415	3,690
Job and Family Services Bonds			
Principal Retirement	115,000	115,000	0
Interest and Fiscal Charges	32,875	32,875	0
Regional Jail Bonds			
Principal Retirement	95,000	95,000	0
Interest and Fiscal Charges	171,445	171,445	0
Jail Bonds			
Principal Retirement	20,000	20,000	0
Interest and Fiscal Charges	36,435	36,435	0
Total General Obligation Bond Retirement	796,860	793,170	3,690
Note Retirement			
Real Estate Debt Retirement			
Principal Retirement	135,000	135,000	0
Interest and Fiscal Charges	13,720	13,720	0
Marion Senior Housing Debt Retirement			
Principal Retirement	10,688	10,688	0
Interest and Fiscal Charges	13,773	13,773	0
Total Note Retirement	173,181	173,181	0

continued

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Bond Retirement Debt Service Fund (continued)
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
Issue II Loans			
Engineer			
Principal Retirement	\$16,477	\$16,477	\$0
Total Expenditures	986,518	982,828	3,690
Excess of Revenues			
Under Expenditures	(986,518)	(982,828)	3,690
<u>Other Financing Sources</u>			
Transfers - In	989,108	1,117,183	128,075
Changes in Fund Balance	2,590	134,355	131,765
Fund Balance at Beginning of Year	390,899	390,899	0
Fund Balance at End of Year	<u>\$393,489</u>	<u>\$525,254</u>	<u>\$131,765</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Capital Improvement Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Charges for Service	\$25,199	\$25,199	\$0
<u>Expenditures</u>			
Capital Outlay	373,815	350,909	22,906
Excess of Revenues Under Expenditures	(348,616)	(325,710)	22,906
<u>Other Financing Sources</u>			
Advances - In	122,284	122,284	0
Transfers - In	77,717	97,717	20,000
Total Other Financing Sources	200,001	220,001	20,000
Changes in Fund Balance	(148,615)	(105,709)	42,906
Fund Balance at Beginning of Year	569,490	569,490	0
Prior Year Encumbrances Appropriated	22,134	22,134	0
Fund Balance at End of Year	<u>\$443,009</u>	<u>\$485,915</u>	<u>\$42,906</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Ditch Drainage Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Special Assessments	\$66,113	\$56,892	(\$9,221)
<u>Expenditures</u>			
Capital Outlay	144,466	106,466	38,000
Debt Service			
Principal Retirement	50,000	50,000	0
Interest and Fiscal Charges	12,113	12,113	0
Total Expenditures	206,579	168,579	38,000
Excess of Revenues			
Under Expenditures	(140,466)	(111,687)	28,779
<u>Other Financing Sources</u>			
Advances - In	75,000	75,000	0
Changes in Fund Balance	(65,466)	(36,687)	28,779
Fund Balance at Beginning of Year	185,860	185,860	0
Prior Year Encumbrances Appropriated	68,301	68,301	0
Fund Balance at End of Year	\$188,695	\$217,474	\$28,779

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Children Home Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	44,000	44,000	0
Changes in Fund Balance	(44,000)	(44,000)	0
Fund Balance at Beginning of Year	44,722	44,722	0
Fund Balance at End of Year	<u>\$722</u>	<u>\$722</u>	<u>\$0</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Marca Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Property Taxes	\$310,000	\$308,132	(\$1,868)
Intergovernmental	25,365	35,500	10,135
Other	0	8,818	8,818
Total Revenues	335,365	352,450	17,085
<u>Expenditures</u>			
Capital Outlay	1,151,743	736,190	415,553
Excess of Revenues Under Expenditures	(816,378)	(383,740)	432,638
<u>Other Financing Sources</u>			
Transfers - In	269,494	269,494	0
Changes in Fund Balance	(546,884)	(114,246)	432,638
Fund Balance at Beginning of Year	404,838	404,838	0
Prior Year Encumbrances Appropriated	142,046	142,046	0
Fund Balance at End of Year	\$0	\$432,638	\$432,638

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Job and Family Capital Projects Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	70,287	65,371	4,916
Changes in Fund Balance	(70,287)	(65,371)	4,916
Fund Balance at Beginning of Year	178,206	178,206	0
Fund Balance at End of Year	\$107,919	\$112,835	\$4,916

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Issue II Capital Projects Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Intergovernmental	\$183,984	\$169,715	(\$14,269)
<u>Expenditures</u>			
Capital Outlay	288,206	261,293	26,913
Excess of Revenues Under Expenditures	(104,222)	(91,578)	12,644
<u>Other Financing Sources</u>			
Transfers - In	86,818	109,338	22,520
Changes in Fund Balance	(17,404)	17,760	35,164
Fund Balance at Beginning of Year	143,575	143,575	0
Fund Balance at End of Year	<u>\$126,171</u>	<u>\$161,335</u>	<u>\$35,164</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Justice Center Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	173,866	173,305	561
Excess of Revenues Under Expenditures	(173,866)	(173,305)	561
<u>Other Financing Uses</u>			
Advances - Out	(122,284)	(122,284)	0
Changes in Fund Balance	(296,150)	(295,589)	561
Fund Balance at Beginning of Year	585,620	585,620	0
Prior Year Encumbrances Appropriated	6,086	6,086	0
Fund Balance at End of Year	<u>\$295,556</u>	<u>\$296,117</u>	<u>\$561</u>

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Dog and Kennel Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Debt Service			
Principal Retirement	35,000	35,000	0
Interest and Fiscal Charges	3,413	3,413	0
Total Expenditures	38,413	38,413	0
Excess of Revenues			
Under Expenditures	(38,413)	(38,413)	0
<u>Other Financing Sources</u>			
Transfers - In	38,413	38,413	0
Changes in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Coliseum Levy Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Property Taxes	\$239,100	\$243,410	\$4,310
Intergovernmental	31,409	28,363	(3,046)
Total Revenues	270,509	271,773	1,264
<u>Expenditures</u>			
Capital Outlay	46,933	46,933	0
Excess of Revenues Over Expenditures	223,576	224,840	1,264
<u>Other Financing Uses</u>			
Transfers - Out	(155,000)	(147,500)	7,500
Changes in Fund Balance	68,576	77,340	8,764
Fund Balance at Beginning of Year	129,296	129,296	0
Prior Year Encumbrances Appropriated	38,583	38,583	0
Fund Balance at End of Year	<u>\$236,455</u>	<u>\$245,219</u>	<u>\$8,764</u>

Marion County, Ohio
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
Administration Building Capital Projects Fund
 For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	11,962	11,962	0
Changes in Fund Balance	(11,962)	(11,962)	0
Fund Balance at Beginning of Year	23,761	23,761	0
Fund Balance at End of Year	\$11,799	\$11,799	\$0

Marion County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Road Capital Projects Fund
For the Year Ended December 31, 2004

	Final	Actual	Variance with Final Budget Over (Under)
<u>Revenues</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures</u>			
Capital Outlay	38,092	0	38,092
Changes in Fund Balance	(38,092)	0	38,092
Fund Balance at Beginning of Year	38,092	38,092	0
Fund Balance at End of Year	\$0	\$38,092	\$38,092

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

Marion County, Ohio
 Government-Wide Expenses
 Last Two Years

	<u>2004</u>	<u>2003</u>
General Government		
Legislative and Executive	\$6,391,895	\$6,801,821
Judicial	2,077,911	1,698,069
Public Safety	8,594,364	8,548,801
Public Works	4,008,867	4,270,667
Health	8,095,789	8,007,742
Human Services	11,560,376	12,122,494
Conservation and Recreation	12,000	15,000
Intergovernmental	957,447	903,239
Interest and Fiscal Charges	517,689	540,876
Sewer District	<u>1,383,704</u>	<u>1,343,220</u>
Total Expenses	<u><u>\$43,600,042</u></u>	<u><u>\$44,251,929</u></u>

Source: Marion County Auditor

Marion County, Ohio
 Government-Wide Revenues
 Last Two Years

	2004	2003
Program Revenues		
Charges for Services	\$5,812,375	\$6,249,709
Operating Grants, Contributions, and Interest	20,384,989	18,217,849
Capital Grants, Contributions, and Interest	529,601	356,151
General Revenues		
Property Taxes	7,701,000	7,662,280
Sales Taxes	6,365,990	6,171,612
Grants and Entitlements not Restricted to Other Programs	1,611,835	1,677,185
Interest	542,010	834,819
Other	1,134,822	1,286,336
Gain on Sale of Capital Assets	2,970,338	0
Total Revenues	\$47,052,960	\$42,455,941

Source: Marion County Auditor

Marion County, Ohio
 Governmental Fund Expenditures by Function (1)
 Last Ten Years

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General Government				
Legislative and Executive	\$5,646,287	\$5,273,196	\$5,433,049	\$4,943,276
Judicial	1,938,925	1,910,773	1,766,831	1,681,556
Public Safety	8,757,871	8,497,685	9,019,495	8,756,552
Public Works	4,087,891	3,638,147	4,061,097	3,494,913
Health	7,545,788	7,491,899	6,428,271	6,486,969
Human Services	11,374,219	12,111,553	12,072,592	12,930,943
Conservation and Recreation	12,000	15,000	16,920	11,612
Other	0	647,380	580,079	674,024
Capital Outlay	1,503,966	2,327,997	2,594,791	10,902,651
Intergovernmental	957,447	903,239	930,268	923,820
Debt Service	1,045,610	1,039,661	958,200	690,566
Total Expenditures	<u>\$42,870,004</u>	<u>\$43,856,530</u>	<u>\$43,861,593</u>	<u>\$51,496,882</u>

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Source: Marion County Auditor

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$4,492,319	\$4,176,132	\$4,073,408	\$3,769,209	\$3,839,988	\$3,563,022
1,591,109	1,548,493	1,564,884	1,353,637	1,350,196	1,290,746
8,859,829	8,128,168	6,299,186	5,958,299	5,568,802	4,797,645
3,622,122	3,591,100	3,104,836	3,075,415	3,092,037	3,133,735
5,922,844	5,105,371	5,019,847	4,922,924	4,207,192	7,409,221
12,215,789	10,139,899	9,241,909	8,760,729	8,713,808	8,206,062
16,938	16,425	9,025	6,000	0	2,000
414,971	430,796	368,308	494,413	539,694	393,870
2,591,313	2,550,828	1,005,387	1,979,493	1,422,878	3,029,738
878,351	1,213,382	863,815	3,545,616	1,681,949	112,308
497,210	270,621	353,185	115,309	175,883	269,515
<u>\$41,102,795</u>	<u>\$37,171,215</u>	<u>\$31,903,790</u>	<u>\$33,981,044</u>	<u>\$30,592,427</u>	<u>\$32,207,862</u>

Marion County, Ohio
 Governmental Fund Revenues by Source (1)
 Last Ten Years

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Property Taxes	\$7,674,052	\$7,641,243	\$7,548,234	\$7,305,808
Sales Taxes	6,366,647	6,173,346	6,251,522	6,017,820
Special Assessments	148,899	34,869	76,802	710,708
Charges for Services	4,405,092	4,785,221	4,239,632	4,013,918
Licenses and Permits	131,490	126,836	109,982	123,930
Fines and Forfeitures	172,395	219,576	252,552	243,905
Intergovernmental	21,787,094	19,701,683	21,199,178	21,689,707
Interest	548,775	836,672	1,022,085	2,265,133
Other	1,134,822	1,241,178	1,560,891	1,196,045
Total Revenues	<u>\$42,369,266</u>	<u>\$40,760,624</u>	<u>\$42,260,878</u>	<u>\$43,566,974</u>

(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

Source: Marion County Auditor

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$7,102,641	\$6,934,401	\$6,733,664	\$6,867,570	\$5,825,103	\$5,479,139
6,094,993	5,802,659	5,575,083	5,270,798	4,983,734	4,937,018
28,744	71,569	24,601	40,214	88,635	101,864
4,180,849	4,090,379	4,219,115	3,834,481	2,903,638	2,834,839
130,581	125,895	120,896	128,710	125,877	94,788
339,539	288,157	232,078	244,027	229,082	171,959
20,857,955	18,057,276	16,408,495	16,368,686	14,679,704	23,060,085
2,688,648	1,709,716	1,836,996	1,374,060	1,169,749	1,054,960
1,023,798	850,644	1,302,631	893,086	1,071,782	507,163
<u>\$42,447,748</u>	<u>\$37,930,696</u>	<u>\$36,453,559</u>	<u>\$35,021,632</u>	<u>\$31,077,304</u>	<u>\$38,241,815</u>

Marion County, Ohio
Property Tax Levies and Collections
Real and Public Utility Taxes
Last Ten Years

Collection Year	Current Tax Levy	Current Tax Collections	Percent Collected	Delinquent Taxes Collected
2004	\$7,213,305	\$6,868,169	95.22%	\$370,511
2003	7,132,391	6,772,019	94.95	341,110
2002	7,062,156	6,725,947	95.24	286,321
2001	6,644,567	6,466,871	97.33	241,786
2000	6,304,086	6,116,204	97.02	339,605
1999	6,251,552	6,095,644	97.51	218,095
1998	5,905,342	5,769,947	97.71	222,017
1997	5,896,125	5,646,048	95.76	228,761
1996	5,013,865	4,836,243	96.46	198,933
1995	4,810,322	4,550,716	94.60	214,129

(1) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and deletions which are in one lump sum.

Source: Marion County Auditor

<u>Total Taxes Collected</u>	<u>Percent of Total Taxes Collected to Current Tax Levy</u>	<u>Unpaid Taxes (1)</u>	<u>Ratio of Unpaid Taxes to Current Tax Levy</u>
\$7,238,680	100.35%	\$332,865	4.61%
7,113,129	99.73	358,240	5.02
7,012,268	99.29	338,978	4.80
6,708,657	100.96	289,090	4.35
6,455,809	102.41	353,180	5.60
6,313,739	100.99	504,903	8.08
5,991,964	101.47	567,090	9.60
5,874,809	99.64	653,712	11.09
5,035,176	100.43	632,396	12.61
4,764,845	99.05	653,707	13.59

Marion County, Ohio
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Years

Collection Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2004	\$816,789,950	\$2,333,685,571	\$60,472,980	\$68,719,295
2003	806,083,640	2,303,096,114	61,023,500	69,344,886
2002	802,586,490	2,293,104,257	59,668,560	67,805,182
2001	690,874,970	1,973,928,486	67,278,690	76,453,057
2000	672,919,880	1,922,628,229	68,847,820	78,236,159
1999	664,174,390	1,897,641,114	71,519,410	81,272,057
1998	548,351,910	1,566,719,743	72,086,840	81,916,864
1997	539,670,330	1,541,915,229	68,305,120	77,619,455
1996	533,728,300	1,524,938,000	68,540,590	77,887,034
1995	444,863,250	1,271,037,857	70,293,830	79,879,352

- (1) This amount is calculated for 2004, based on the following percentages:
 Real property is assessed at 35 percent of true value
 Public utility property is assessed at varying percentages of true value
 Tangible personal property is assessed at 25 percent of true value for equipment
 and 23 percent for inventory

Source: Marion County Auditor

Tangible Personal Property		Totals		
Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Ratio
\$131,646,283	\$526,585,132	\$1,008,909,213	\$2,928,989,998	34.4%
135,789,841	543,159,364	1,002,896,981	2,915,600,364	34.4
139,711,450	558,845,800	1,001,966,500	2,919,755,239	34.3
139,377,310	557,509,240	897,530,970	2,607,890,783	34.4
134,959,685	539,838,740	876,727,385	2,540,703,128	34.5
148,945,039	595,780,156	884,638,839	2,574,693,327	34.4
146,457,865	585,831,460	766,896,615	2,234,468,066	34.3
172,224,460	688,897,840	780,199,910	2,308,432,523	33.8
148,411,485	593,645,940	750,680,375	2,196,470,974	34.2
136,765,215	547,060,860	651,922,295	1,897,978,069	34.3

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Marion County, Ohio
Property Tax Rates
Direct and Overlapping Governments
(Per \$1,000 Assessed Value)
Last Ten Years

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
County Units:										
General Fund	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
Mental Retardation and Development Disabilities	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	3.85	3.85
Children Services	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
ADAMHS	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fairground Improvement	0.30	0.30	0.30	0.30	0.00	0.00	0.00	0.00	0.00	0.00
Total Rate	11.05	11.05	11.05	11.05	10.75	10.75	10.75	10.75	9.75	9.75
In County School Districts:										
Marion CSD	44.53	44.53	44.37	46.21	42.42	42.42	44.07	44.07	44.09	40.14
Pleasant LSD	48.09	48.32	48.32	49.01	49.64	49.64	51.45	51.76	46.86	48.81
Overlapping School Districts:										
Buckeye Valley LSD	33.20	33.80	34.15	34.40	35.71	35.71	35.74	35.63	36.55	30.50
Cardington-Lincoln LSD	33.19	33.82	32.39	32.39	33.39	33.39	33.39	34.39	34.39	34.39
Elgin LSD	37.85	37.85	37.85	38.30	38.10	38.10	39.17	39.17	39.40	40.80
Northmor LSD	27.40	27.40	27.40	27.40	27.40	27.40	27.40	27.40	27.40	27.40
Ridgedale LSD	47.39	47.39	47.52	48.15	48.10	48.10	49.65	49.84	51.71	53.56
River Valley LSD	44.37	45.88	45.88	46.51	39.44	39.44	40.31	40.42	40.42	37.37
Upper Sandusky EVSD	33.70	33.70	33.70	33.70	33.70	33.70	33.70	33.70	37.85	33.70
Corporations:										
Caledonia	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50
Green Camp	10.10	10.10	10.10	10.10	10.10	10.10	10.10	10.10	10.10	10.10
Larue	11.70	11.70	11.70	11.70	11.70	11.70	11.70	11.70	11.70	11.70
Marion (Elgin LSD)	2.60	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Marion (Marion CSD)	3.60	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Marion (Pleasant LSD)	0.90	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Marion (Ridgedale LSD)	1.40	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00	0.00
Marion (River Valley LSD)	2.70	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Morrall	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20	4.70
New Bloomington	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Prospect	10.10	10.10	10.10	10.10	10.10	10.10	10.10	10.10	10.10	10.10
Waldo	6.90	7.00	7.00	7.00	7.00	7.00	6.70	6.70	6.70	6.70
Townships:										
Big Island	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Bowling Green	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Claridon	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Grand	3.60	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10
Grand Prairie	3.45	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Green Camp	4.45	4.25	4.25	4.50	4.50	4.50	4.50	4.50	2.50	2.50
Marion	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Montgomery	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Pleasant	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Prospect	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80
Richland	1.20	1.20	1.20	1.20	1.60	1.60	1.60	1.60	1.60	1.60
Salt Rock	5.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Scott	2.10	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Tully	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Waldo	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90
Other Units:										
Battle Run Fire District	5.00	5.00	5.00	5.00	5.00	5.00	6.49	6.49	6.49	6.49
Cardington-Lincoln Joint Recreation Board	1.05	1.05	1.05	1.05	0.30	0.30	0.00	0.00	0.00	0.00
Delaware County District Library	0.09	0.15	0.18	0.19	0.29	0.29	0.31	0.29	0.37	0.40
Delaware County JVSD	3.20	3.20	3.20	3.40	3.40	3.40	3.40	4.40	2.50	2.50
First Consolidated Fire District	6.00	5.00	3.50	3.50	3.50	3.50	2.00	2.00	2.00	2.00
Fort Morrow Fire District	2.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	2.50
Pioneer JVSD	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Prospect Joint Park Commission	2.20	2.20	5.20	5.20	5.20	5.20	5.20	2.20	1.30	1.30
Scioto Valley Fire District	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Tri-Rivers JVSD	4.40	4.40	4.40	4.40	4.40	4.40	4.40	3.10	3.10	3.10
Vanguard JVSD	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Grandview Park District	0.10	0.10	0.10	0.10						
Waldo Park Commission	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: Marion County Auditor

Marion County, Ohio
Principal Property Taxpayers
December 31, 2004

Taxpayers	Type of Business	Real Estate Assessed Valuation	Public Utility Assessed Valuation
Whirlpool	Business	6,847,030	0
Ohio American Water Company	Utility	778,520	16,926,120
Ohio Edison	Utility	580,380	14,443,590
Marion Steel	Business	1,629,810	0
Bunge North America	Business	862,290	0
Verizon North, Inc.	Utility	0	6,854,410
General Mills	Business	1,937,700	0
Scott's Company	Business	0	0
Conagra, Inc.	Business	0	0
Southland Mall	Business	<u>3,399,880</u>	<u>0</u>
Totals		<u><u>\$16,035,610</u></u>	<u><u>\$38,224,120</u></u>

Source: Marion County Auditor

Tangible Personal Property Assessed Valuation	Total Assessed Valuation	Percent of Total County Assessed Valuation
22,838,530	29,685,560	2.942%
0	17,704,640	1.755
0	15,023,970	1.489
7,015,580	8,645,390	0.857
6,091,080	6,953,370	0.689
0	6,854,410	0.679
4,525,950	6,463,650	0.641
5,602,700	5,602,700	0.555
5,442,770	5,442,770	0.539
0	3,399,880	0.337
<u>\$51,516,610</u>	<u>\$105,776,340</u>	<u>10.484%</u>

Marion County, Ohio
Special Assessments Billed and Collected
Last Ten Years

Collection Year	Special Assessments Billed	Special Assessments Collections	Percent Collected
2004	\$133,070	\$148,899	111.90%
2003	48,287	34,869	72.21
2002	78,993	76,802	97.23
2001	990,466	710,708	71.75
2000	28,481	28,744	100.92
1999	82,891	71,569	86.34
1998	39,488	24,601	62.30
1997	74,839	40,214	53.73
1996	109,938	88,635	80.62
1995	108,332	101,730	93.91

Source: Marion County Auditor

Marion County, Ohio
 Computation of Legal Debt Margin
 December 31, 2004

	Total Debt Limit (1)	Total Unvoted Debt Limit (2)
Assessed Value of County, Collection Year 2004	\$1,008,909,213	\$1,008,909,213
Debt Limitation	23,722,730	10,089,092
Total Outstanding Debt		
General Obligation Notes	252,089	252,089
Tax Anticipation Notes	145,000	145,000
General Obligation Bonds	11,514,314	11,514,314
Special Assessment Bonds	177,686	177,686
Issue II Loans	623,206	623,206
USDA Revenue Bonds	1,301,100	1,301,100
Total	14,013,395	14,013,395
Exemptions		
Tax Anticipation Notes	145,000	145,000
Marion-Hardin Correctional Center Bond	3,575,000	3,575,000
Special Assessment Bonds	177,686	177,686
USDA Revenue Bonds payable from enterprise fund	1,301,100	1,301,100
General Obligation Bonds payable from enterprise fund	1,437,000	1,437,000
Issue II Loans payable from enterprise fund	524,344	524,344
Total	7,160,130	7,160,130
Less Balance in Debt Service	521,564	521,564
Net Debt	6,331,701	6,331,701
Total Legal Debt Margin (Debt Limitation Minus Net Debt)	\$17,391,029	\$3,757,391

(1) The Debt Limitation is calculated as follows:

Three percent of first \$100,000,000 of assessed value	\$3,000,000
1 1/2 percent of next \$200,000,000 of assessed value	3,000,000
2 1/2 percent of amount of assessed value in excess of \$300,000,000	17,722,730
	\$23,722,730

(2) The Debt Limitation equals one percent of the assessed value.

Source: Marion County Auditor

Marion County, Ohio
Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net Bonded Debt Per Capita
Last Four Years (2)

Year	Population	Assessed Value	Gross Bonded Debt (1)	Exempt Debt
2004	66,217	\$1,008,909,213	\$10,077,314	\$0
2003	66,217	1,002,896,981	10,451,680	0
2002	66,217	1,001,966,500	10,821,045	0
2001	66,217	897,530,970	11,130,409	0

(1) Includes only General Obligation Bonds payable from property taxes.

(2) The County issued general obligation bonds in 2001. Prior to that time, there were no general obligation bonds payable from property taxes outstanding.

Source: Marion County Auditor

<u>Debt Service Monies Available</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
\$521,564	\$9,555,750	0.95%	\$144.31
385,989	10,065,691	1.00	152.01
255,365	10,565,680	1.05	159.56
235,417	10,894,992	1.21	164.53

Marion County, Ohio

Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Governmental Expenditures (1)
Last Three Years (3)

<u>Year</u>	<u>Principal</u>	<u>Interest and Fiscal Charges</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures (2)</u>	<u>Ratio of Total Debt Service to Total General Governmental Expenditures</u>
2004	\$374,366	\$481,274	\$855,640	\$42,870,004	2.00%
2003	369,365	492,355	861,720	43,856,530	1.96
2002	260,000	531,288	791,288	43,861,593	1.80

(1) General governmental expenditures are shown to reflect ratio of debt to the fund ultimately responsible for the debt.

(2) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

(3) The County issued general obligation bonds in 2001. Prior to that time, there were no general obligation bonds payable from property taxes outstanding.

Source: Marion County Auditor

Marion County, Ohio
 Computation of Direct and Overlapping
 General Obligation Bonded Debt
 December 31, 2004

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to County (1)	Amount Applicable to County
Marion County	\$10,077,314	100.00%	\$10,077,314
Other Subdivisions			
All Cities Wholly Within the County	1,563,000	100.00	1,563,000
All School Districtes Wholly Within the County	17,130,000	100.00	17,130,000
Buckeye Valley Local School District	11,070,000	0.21	23,247
Cardington-Lincoln Local School District	5,664,998	5.39	305,343
River Valley Local School District	17,988,334	97.25	17,493,655
Tri-Rivers Joint Vocational School	220,000	66.63	146,586
Delaware County Library	1,623,405	0.02	325
Total Other Subdivisions	<u>55,259,737</u>		<u>36,662,156</u>
Total Direct and Overlapping Debt	<u><u>\$65,337,051</u></u>		<u><u>\$46,739,470</u></u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision within the County by the total assessed valuation of the subdivision.

Source: Fiscal Officer of the Subdivision

Marion County, Ohio

Demographic Statistics

December 31, 2004

Employment - 2004 Annual Average

Total Population	66,217
Total Civilian Labor Force	33,000
Total Employed	30,900
Total Unemployed	2,100
Unemployment Rate	6.39%

2004 Monthly Employment

<u>Month</u>	<u>County Employed</u>	<u>County Unemployed</u>	<u>County Unemployment Rate</u>
January	30,600	2,200	6.71%
February	30,600	2,100	6.42%
March	30,500	2,300	7.01%
April	30,800	2,000	6.10%
May	31,000	1,900	5.78%
June	31,000	2,300	6.91%
July	31,300	2,300	6.85%
August	31,000	2,000	6.06%
September	30,900	2,100	6.36%
October	31,100	2,100	6.33%
November	31,100	2,100	6.33%
December	31,000	1,900	5.78%

Source: Ohio Bureau of Employment Services

Marion County, Ohio
Property Value and Construction
Last Ten Years

Collection Year	Property Value (1)	Construction			Total
		Residential	Industrial	Commercial	
2004	\$2,333,685,571	\$7,036,740	\$487,070	\$1,525,110	\$9,048,920
2003	2,303,096,114	8,549,670	506,730	2,404,160	11,460,560
2002	2,293,104,257	6,705,520	562,310	1,131,380	8,399,210
2001	1,973,928,486	11,185,250	227,740	5,386,220	16,799,210
2000	1,922,628,229	9,334,850	123,700	2,196,290	11,654,840
1999	1,897,641,114	7,230,010	472,360	2,334,710	10,037,080
1998	1,566,719,743	7,982,520	250,500	2,630,200	10,863,220
1997	1,541,915,229	7,862,440	584,290	1,869,940	10,316,670
1996	1,524,938,000	4,357,550	1,422,220	3,461,220	9,240,990
1995	1,271,037,857	4,983,310	91,040	2,238,760	7,313,110

(1) Represents estimated real estate value

Source: Marion County Auditor

Marion County, Ohio

Ten Largest Employers

December 31, 2004

<u>Ten Largest Employers</u>	<u>Employees</u>
Whirlpool	2,823
Marion General Hospital	1,076
Verizon North, Inc.	866
Silver Line	730
Marion County Government	629
North Central Correctional Institute	491
Meijer	485
Marion Correctional Institute	484
Smith Clinic	450
Wyandot	425

Source: Marion Star

Marion County, Ohio

Miscellaneous Statistics

December 31, 2004

Date of Incorporation	1824
Form of Government: Three-member elected Board of County Commissioners with legislative and executive powers. Twelve other elected officials with administrative powers.	
County Seat	Marion
Area - Square Miles	409
Number of Political Subdivisions Located in the County:	29
Cities and Villages	8
Townships	15
School Districts	5
Vocational School District	1
Road Mileage (1)	
State Roads	179
County Roads	389
Township Roads	268
Communications	
Radio Stations - WMRN-FM&AM WDIF-FM	2
Television Station - Adelphia Cable	1
Daily Newspaper - Marion Star	1
Newspaper Circulation	18,384
Voter Statistics, Election of November 2004: (2)	
Number of Registered Voters	43,323
Number of Voters, Last General Election	29,656
Percentage of Registered Voters Voting	68.45%
Number of People Employed by the County	
Full-Time	573
Part-Time	56

(1) Marion County Engineer

(2) Marion County Board of Elections

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**Auditor of State
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

FINANCIAL CONDITION

MARION 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
AUGUST 23, 2005**