



**Auditor of State  
Betty Montgomery**



**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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**FAIRFIELD COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Education:</i>			
Nutrition Cluster			
Food Donation	-	10.550	\$2,950
National School Lunch Program	68890	10.555	14,384
Total Nutrition Cluster			<u>17,334</u>
<b>Total U.S. Department of Agriculture</b>			<b>17,334</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Passed Through Ohio Department of Education:</i>			
Special Education Cluster			
Special Education_Grants to States	068890-6B-SF-03P	84.027	17,243
	068890-6B-SF-04P		6,559
Special Education_Preschool Grants	068890-PG-S1-03P	84.173	9,577
	068890-PG-SY-03P		14,858
	068890-PG-S1-04P		<u>3,260</u>
Total Special Education Cluster			51,497
Even Start_State Educational Agencies	068890-EV-AI-02	84.213	4,085
Innovative Education Program Strategies	068890-C2-S1-03	84.298	<u>421</u>
<b>Total U.S. Department of Education</b>			<b>56,003</b>
<b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>			
<i>Passed Through Ohio Department of Development:</i>			
Community Development Block Grant/State's Programs	B-F-00-022-1	14.228	36,126
	B-F-01-022-1		168,556
	B-F-02-022-1		32,500
	B-W-01-022-1		82,493
	B-C-00-022-1		39,441
	B-C-02-022-1		<u>64,509</u>
Total Community Development Block Grant			423,625
HOME Investment Partnerships Program	B-C-00-022-2	14.239	19,375
	B-C-02-022-2		<u>50,826</u>
Total HOME Investment Partnerships Program			70,201
<b>Total U.S. Department of Housing &amp; Urban Development</b>			<b>493,826</b>

FAIRFIELD COUNTY

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures <b>(Continued)</b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Passed Through Ohio Office of Criminal Justice:</i>			
Juvenile Accountability Incentive Block Grants	2002-JB-009-A019	16.523	27,278
Crime Victim Assistance	2003-VAGEN-346 2004-VAGEN-346	16.575	64,612 12,794
Total Crime Victim Assistance			<u>77,406</u>
Byrne Formula Grant Program	2001-DG-A01-7208 2002-DG-A01-7208	16.579	31,590 216,223
Total Byrne Formula Grant Program			<u>247,813</u>
<b>Total U.S. Department of Justice</b>			<b>352,497</b>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
<i>Passed Through Ohio Department of Jobs and Family Services:</i>			
Workforce Investment Act Cluster (WIA)			
WIA Adult Program	-	17.258	85,694
WIA Adult Administrative			15,911
Total WIA Adult			<u>101,605</u>
WIA Youth Activities	-	17.259	279,289
WIA Youth Activities Administrative			23,635
Total WIA Youth Activities			<u>302,924</u>
WIA Dislocated Workers	-	17.260	322,553
WIA Dislocated Workers Administrative			17,078
Total WIA Dislocated Workers			<u>339,631</u>
Total WIA Cluster			<u>744,160</u>
<b>Total U.S. Department of Labor</b>			<b>744,160</b>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>Passed Through Ohio Department of Transportation:</i>			
Highway Planning & Construction	TE21E034 TE21E036 TE21G020	20.205	122,265 96,203 214,259
Total Highway Planning & Construction			<u>432,727</u>
<i>Passed Through Ohio Department of Emergency Management Agency:</i>			
Interagency Hazardness Materials Public Sector Training and Planning Grants	-	20.703	4,314
<b>Total U.S. Department Transportation</b>			<b>437,041</b>

FAIRFIELD COUNTY

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

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures <b>(Continued)</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>Passed Through Ohio Department of MR/DD:</i>			
Social Services Block Grant	-	93.667	80,799
Medical Assistance Program	-	93.778	1,163,831
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Block Grants for Prevention & Treatment of Substance Abuse	-	93.959	453,417
Medical Assistance Program	-	93.778	173,482
<i>Passed Through Ohio Department of Mental Health:</i>			
Block Grants for Community Mental Health Services	-	93.958	73,412
Social Services Block Grant	-	93.667	93,942
Medical Assistance Program	-	93.778	<u>2,006,739</u>
<b>Total U.S. Department of Health and Human Services</b>			<b>4,045,622</b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>Passed Through Ohio Department of Emergency Management Agency:</i>			
State Domestic Preparedness Equipment Support Program	2001-TE-CX-0016	97.004	50,000
	2002-TE-CX-0049		51,248
	2002-TE-CX-0106		<u>71,201</u>
Total State Domestic Preparedness Equipment Support Program			172,449
Emergency Management Performance Grants	EMC-2003-GR-7006	97.042	49,762
Pre-Disaster Mitigation	EMC-2002-GR-7037	97.047	6,209
State and Local All Hazards Emergency Operations Planning	EMC-2003-GR-7026	97.051	<u>45,830</u>
<b>Total U.S. Department of Homeland Security</b>			<b><u>274,250</u></b>
<b>Total Federal Awards Expenditures</b>			<b><u><u>\$6,420,733</u></u></b>

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

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**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - SUBRECIPIENTS**

The County passes-through certain Federal assistance received from the Ohio Department of Alcohol and Drug Addiction Services and the Ohio Department of Mental Health to other governments or not-for-profit agencies (subrecipients). As described in Note A, the County records expenditures of Federal awards to subrecipients when paid in cash.

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

Of the federal expenditures presented in the Schedule, the County provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grant/State's Program	14.228	\$248,675
Social Services Block Grant	93.667	174,741
Block Grants for Community Mental Health Services	93.958	73,412
Block Grants for Prevention & Treatment of Substantive Abuse	93.959	453,417
Medical Assistance Program	93.778	2,180,221

**NOTE C - FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At December 31, 2003, the County had no significant food commodities in inventory.

**NOTE D - 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 and to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County, passed through the Ohio Department of Development. The initial loan of this money was recorded as a disbursement on the Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2003, the gross amount of loans outstanding under this program was \$233,645.

**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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

(Continued)

**NOTE D - CDBG REVOLVING LOAN PROGRAMS** (Continued)

**Economic Development:** The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households. The U.S. Department of Commerce grants money for these loans to the County. The initial loan of this money was recorded as a disbursement on the Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by the Department of Commerce, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2003, the amount of loans outstanding under this program was \$524,846.

**NOTE E - MATCHING REQUIREMENTS**

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

**NOTE F - U.S. DEPARTMENT OF HOMELAND SECURITY FEDERAL AWARDS**

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

Previous Federal Agency	CFDA No. Used In 2002	Homeland Security CFDA No. Used In 2003
U.S. Department of Justice	16.007	97.004
U.S. Department of Federal Emergency Management Agency	83.552	97.042
U.S. Department of Federal Emergency Management Agency	83.557	97.047



## **Auditor of State Betty Montgomery**

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

Board of County Commissioners  
Fairfield County  
210 East Main Street  
Lancaster, Ohio 43130

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Fairfield County, Ohio, (the County), as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 25, 2004, wherein we noted the County restated fund balances as of January 1, 2003, for the implementation Governmental Accounting Standards Board Statement No. 34 and correction of certain errors. We also noted the financial statements of Fairfield Industries, Incorporated, a discretely presented component unit were audited by other auditors, and our opinion, insofar as it relates to the amounts included for the component unit, is based on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Compliance**

As part of obtaining reasonable assurance about whether the County's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as items 2003-001. We noted certain immaterial instances of noncompliance that we have reported to the County's management in a separate letter dated August 25, 2004.

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

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

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However, we noted other matters involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to the County's management in a separate letter dated August 25, 2004.

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

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

**Betty Montgomery**  
**Auditor of State**

August 25, 2004





**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  
SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

Board of County Commissioners  
Fairfield County  
210 East Main Street  
Lancaster, Ohio 43130

To the Board of County Commissioners:

**Compliance**

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

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

As described in item 2003-002 in the accompanying schedule of findings, the County did not comply with requirements regarding procurement that are applicable to its State Preparedness Equipment Support Program grant. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003. We also noted certain instances of noncompliance that do not require inclusion in this report that we have reported to the management of the County in a separate letter dated August 25, 2004.

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### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the County in a separate letter dated August 25, 2004.

### **Schedule of Federal Awards Expenditures**

We have audited the basic financial statements of the County as of and for the year ended December 31, 2003, and have issued our report thereon dated August 25, 2004, wherein we noted the County restated fund balances as of January 1, 2003, for the implementation of Governmental Accounting Standards Board Statement No. 34 and correction of certain errors. We also noted the financial statements of Fairfield Industries, Incorporated, a discretely presented component unit were audited by other auditors, and our opinion, insofar as it relates to the amounts included for the component unit, is based on the report of other auditors. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
**Auditor of State**

August 25, 2004

**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified – CFDA # 93.778 Unqualified – CFDA #20.205 Qualified – CFDA #97.004
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Medical Assistance Program – 93.778 Highway Planning and Construction Grant - 20.205 State Preparedness Equipment Support Program - 97.004
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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

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

**Finding Number 2003-001**

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

The Fairfield County Board of Mental Retardation and Developmental Disabilities (MRDD) became a member of the South Central Ohio Insurance Consortium (SCOIC), a joint self insurance pool, on January 1, 2002.

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

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

In addition, the MRDD paid \$126,042 to the SCOIC at the end of 2003 for reserve funds for future claims in excess of premiums. Ohio Rev. Code Section 5705.13 (A)(3) states that a subdivision that participates in a risk-sharing pool, by which governments pool risks and funds and share in the costs of losses, shall not establish a reserve balance account to provide self-insurance for the subdivision. MRDD, therefore, did not have the legal authority to establish this reserve. The \$126,042 should, therefore, be returned to the MRDD special revenue fund.

**3. FINDINGS FOR FEDERAL AWARDS**

Finding Number	2003-002
CFDA Title and Number	CFDA #97.004 – State Preparedness Equipment Program
Federal Agency	Department of Homeland Security
Pass Through Entity	Ohio Department of Emergency Management Agency

28 CFR 66.36(b) states that grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations. Ohio Rev. Code Section 307.86 states in part that anything to be purchased, leased, leased with an option or agreement to purchase, or constructed, including, but not limited to, any product, structure, construction, reconstruction, improvement, maintenance, and repair or service at a cost in excess of twenty-five thousand dollars, shall be obtained through competitive bidding.

The County remodeled and upgraded the Sheriff's office communication room computer aided dispatch equipment with State Preparedness Equipment Support Program funds. The cost of this project was \$157,462 and the upgrade was not obtained through competitive bid.

**FINANCIAL CONDITION  
FAIRFIELD COUNTY**

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

**3. FINDINGS FOR FEDERAL AWARDS (Continued)**

It is management's responsibility to establish policies and procedures in order to comply with the grant requirements. The lack of complying with competitive bid procedures could result in unallowed Federal expenditures.

We recommend the County develop procedures to ensure all projects, including Federal, are obtained through competitive bid when the cost is expected to exceed \$25,000. In addition, we recommend the County ensure all such purchases have a written agreement or contract.



# FAIRFIELD COUNTY, OHIO

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## Comprehensive Annual Financial Report

For the Year Ended December 31, 2003



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Issued by Barbara Curtiss  
Fairfield County Auditor





# FAIRFIELD COUNTY, OHIO

## Comprehensive Annual Financial Report

For the Year Ended December 31, 2003



Prepared and Issued by the Fairfield County Auditor's Office

**BARBARA CURTISS**

County Auditor

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

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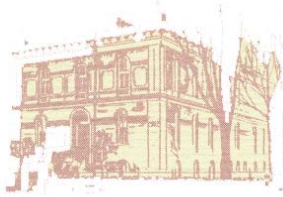
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# Introductory Section



*Barbara Curtiss*

FAIRFIELD COUNTY AUDITOR

210 East Main Street  
Lancaster, Ohio 43130-3882

Voice (740) 687-7021  
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Fairfield County Commissioners:

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

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

As County Auditor, I am pleased to issue the Comprehensive Annual Financial Report (CAFR) of Fairfield County, Ohio for the year ended December 31, 2003. This report is prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

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

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

### **Internal Controls**

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

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

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

### **Independent Audit**

In compliance with State statute, the basic financial statements have been audited by the Ohio Auditor of State's Office. The independent auditor concluded that Fairfield County's financial statements for the year ended December 31, 2003, are presented in conformity with Generally Accepted Accounting Principles. The independent accountants' report is presented as the first component of the financial section of this report. In addition, the County coordinates the requirement for the "Single Audit" of all its federal funds received through the Auditor of State.

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

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

## PROFILE OF THE GOVERNMENT

Fairfield County was organized into a separate political entity in December of 1800. The County encompasses thirteen townships, twelve villages, and two cities. According to the 2000 U.S. census, 122,759 people reside within the County's 505 square miles. The City of Lancaster, the County seat, had a 2000 U.S. census population of 35,335.

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

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

Fairfield County employs 809 persons who provide citizens with a wide range of services, including the following: human and social services; health and community assistance services; civil and criminal justice system services; road, bridge, and building maintenance; water and sewer utility services; and general and administrative support services.

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

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

## ASSESSING ECONOMIC CONDITION

### Local Economy

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

Population growth is a major indicator of economic activity. The U.S. Census Bureau shows Fairfield County as the 7th fastest growing county in Ohio. The County's 2000 population was 122,759 according to the U.S. Census, representing an 18.7 percent increase over the 1990 total. The County's population was estimated to have grown to 132,549 by July 1, 2003. The Violet Township area, which includes the City of Pickerington and a part of Columbus, experienced the greatest growth from 1990 to 2000, with a census count of 34,361 and a gain of 78.5 percent.

Fairfield County's population growth has resulted in an increased personal income base and an increasing demand for goods and services. The 2003 average per capita income for residents of Fairfield County was \$33,323, a 14.5 percent increase over 2000 and a 50.6 percent gain since 1995.

At 4.5 percent, the 2003 unemployment rate of the County was significantly below both the State of Ohio (5.7 percent) and national (5.7 percent) rates. Table 11 in the statistical section compares the employment rates of Fairfield County, the State of Ohio, and the United States over the past ten years.

Anchor Hocking Glass Corporation, a major County employer, will invest \$30 million locally over the years of 2003-2006, expanding the current operations of its Lancaster facility.

## Fairfield County, Ohio

---

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

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

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

Several new fees being charged to the County by state government, changes in the way some state agencies are now paid, and a significant reduction in investment earnings due to lowered interest rates have resulted in lower than expected revenues for 2003.

Actual 2004 General Fund revenues through the month of July are on target with budgeted 2004 revenues. Sales tax collections in the second quarter of 2004 have begun to rise as economic conditions improve. Investment earnings are also increasing, but are recovering from interest rates at historic low rates of return.

The 2004 expenditure budgets for all General Fund departments were carefully reviewed and lowered to reflect the change in expected revenue. The County has also re-bid the County employee healthcare plan, and increased the 2004 employee contributions and co-payments.

Moody's Investors' Service, one of the two major bond-rating services, evaluated the County's economic stability and awarded Fairfield County an Aa3 bond rating. This favorable bond rating also reflects the County's well-managed finances, an adequate reserve level, a favorable debt position and indicates a predictability for the responsible management of future borrowing needs.

### Major Initiatives

As the County continues to grow, the need for services and facilities increases. The Commissioners have recognized the extraordinary opportunities that the Liberty Center County Service Complex (Liberty Center) provides. The County completed renovations on the existing 30,000 square foot building at Liberty Center, at a cost of \$990,500. This undertaking provided modern, updated housing for the Fairfield County Board of Elections and for the Fairfield County Educational Service Center.

The County began construction of a combined Title office and Bureau of Motor Vehicles office at Liberty Center in 2003, and opened the facility in July, 2004. This combined operation will offer "one-stop shopping" for county citizens. The satellite office of the Clerk of Court's Title office, opened in Pickerington in 1998, continues to provide services to citizens in the northwest corner of the County, the fastest growing segment of Fairfield County.

The County completed construction of the County Engineer's Complex at Liberty Center in July 2003, at a cost of approximately \$6.4 million. This project, which began in the Spring of 2002, consolidated the operations of the Engineer's office under one roof, housing the engineering, administrative, maintenance, and road functions into this single building.

Joining with Licking, Hocking, and Perry counties, Fairfield County created the Multi-County Juvenile Detention Center, a joint venture, in 2000 to provide short-term care in a secure facility for juveniles who have entered the judicial system. The four counties received State funding to augment each individual county's contribution for the construction of the juvenile detention center. A joint governing body, made up of leaders appointed by each county, oversees the operations of the 52-bed facility. Construction of the juvenile detention center, located at Liberty Center in Lancaster, was completed in the fall of 2003. Staff was hired (currently 42 individuals) and operations for the new center began in early winter 2004. These jobs will have a sizable economic impact on the County.

## Fairfield County, Ohio

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Fairfield County Utilities has been actively planning for growth in the rapidly expanding northwest section of the County. In 2003, the Tussing Road Water Treatment Facility construction project was nearly completed, along with the demolition of the old facility. The Tussing Road Water Reclamation Facility construction project began and will continue through 2004, as was the Liberty Township Sanitary Sewer Project. Other projects included the addition of nearly four miles of water lines and eleven miles of sewer lines. The department serves 5,114 water customers and 5,900 sewer customers, including 400 new customers in 2003.

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

During the next year, the County Auditor plans to replace the financial and payroll accounting software it currently uses, with a comprehensive, state-of-the-art system. In a yearlong project during 2003, a government-wide software selection committee reviewed and evaluated a number of vendors' systems. Based upon the committee's recommendation, the County has selected a software system from MUNIS, Inc. After negotiations with MUNIS, Inc. are completed, the County intends to implement this software in calendar years 2004 and 2005.

The Ohio Department of Transportation has a multi-year project underway upgrading U.S. Route 33 to a limited access four-lane highway from Franklin County through Fairfield County and south to the West Virginia border, meeting Interstate 77 at the Ohio River. When completed, Columbus, Lancaster, and all of Fairfield County will be directly connected with Charleston, West Virginia, and all states southward on I-77. This near interstate-like transportation corridor will provide many economic opportunities to Fairfield County in the years to come. The construction of the Hill-Diley interchange in Violet Township, an integral part of the U.S. 33 project, will be finished in the summer of 2004. Taking advantage of the benefits of this proximity, the Village of Canal Winchester and Violet Township have entered into a cooperative

economic development agreement (CEDA) covering an industrial park, Canal Pointe, which is being developed near the interchange.

Other future County priorities include major water and sewer projects to serve the County's continuing growth, and consideration of records storage options for the County's diverse storage requirements.

### **Cash Management**

The Fairfield County Treasurer serves as the investing authority, according to State law. County cash is pooled for investment purposes. During the year ended December 31, 2003, the County's cash resources were divided among the following types of deposits and investments: short-term certificates of deposit, daily repurchase agreements, STAR Ohio, money market mutual funds, federal agency securities, and demand deposit accounts. Interest income as reported on the governmental fund financial statements totaled \$988,185 and was credited to various accounts. Fairfield County Transportation Improvement District and Fairfield Industries, Inc., the County's component units, earned \$221 and \$6,825 respectively, in interest income for the current year.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution. Although the majority of the County's deposits are defined as uninsured and uncollateralized, it is important to note that all statutory requirements for the investment of money have been followed. More information about investments is available in Note 6 of the Notes to the Basic Financial Statements.

### **Risk Financing**

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

**AWARDS AND ACKNOWLEDGMENTS**

**Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fairfield County for its comprehensive annual financial report for the fiscal year ended December 31, 2002. This was the fourteenth consecutive year that the government has received this prestigious award.

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

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

In addition, the County received the Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for the County's 2002 Citizens' Report, a condensed, more user-friendly financial report intended to provide highlights of the primary government's financial condition. This was the second consecutive year that the County has received this prestigious award.

**Acknowledgments**

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

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

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

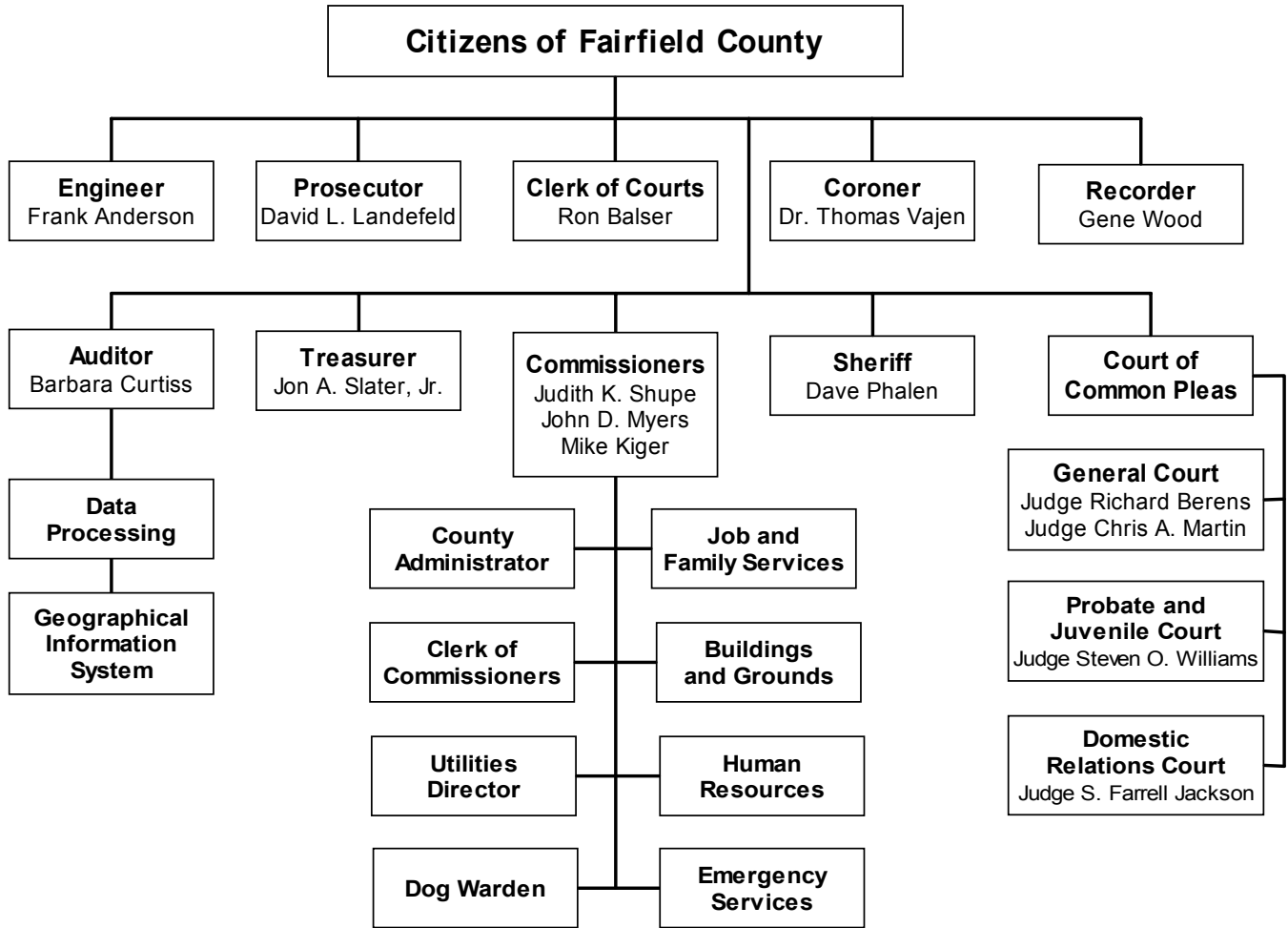
Respectfully submitted,



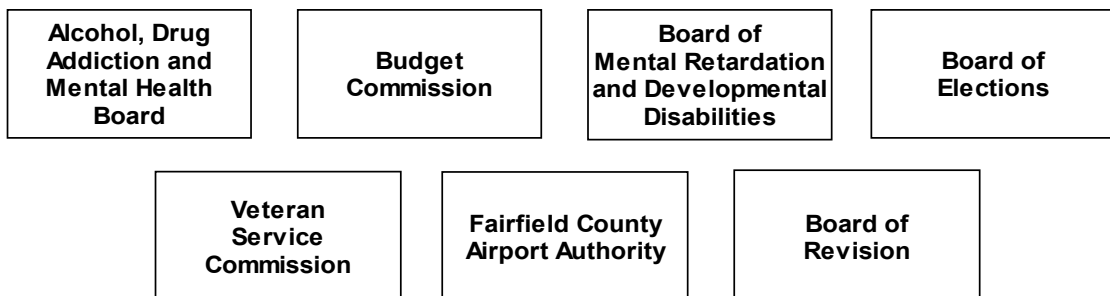
Barbara Curtiss  
Fairfield County Auditor

August 25, 2004

**COUNTY ORGANIZATION AND ELECTED OFFICIALS**  
December 31, 2003



**Ex Officio and Appointed Boards**



**PRINCIPAL APPOINTED OFFICIALS AND DEPARTMENT HEADS**  
December 31, 2003

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



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairfield County,  
Ohio

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

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



President

Executive Director

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# Financial Section

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Fairfield County  
210 East Main Street  
Lancaster, Ohio 43130

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Fairfield County, Ohio, (the County), as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Fairfield Industries, Inc., which represent seventy-eight percent and ninety-nine percent, respectively, of the assets and revenues of the component units. Other auditors audited those financial statements. They have furnished their report thereon to us, and we base our opinion, insofar as it relates to the amounts included for Fairfield Industries, Inc. on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, 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, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Fairfield County, Ohio, as of December 31, 2003, and the respective changes in financial position and the cash flows, where applicable, and the respective budgetary comparisons for the General, Community Services, Motor Vehicle, Mental Retardation, and Alcohol, Drug Addiction and Mental Health Board funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the County restated fund balances as of January 1, 2003, for the correction of accrual balances and the allocation of agency fund cash. As also described in Note 3, during the year ended December 31, 2003, the County implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2004, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor 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**

August 25, 2004

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
(Unaudited)

---

**Introduction**

This section of Fairfield County's annual financial report presents management's discussion and analysis of the County's financial performance during the year ended December 31, 2003. The management's discussion and analysis section should be read in conjunction with the preceding transmittal letter and the County's financial statements, which follow.

December 31, 2003, was the first year for Fairfield County to implement the new reporting provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. The County has calculated the prior year net assets, for purposes of providing comparative data in the management's discussion and analysis. In future years, as prior-year information becomes available in the revised format, an expanded comparative analysis of government-wide data will be presented.

**Financial Highlights**

Key financial highlights for 2003 are as follows:

- The assets of Fairfield County exceeded its liabilities at the close of the year ended December 31, 2003, by \$213,715,160 (net assets). Of this amount, \$17,531,838 was the unrestricted net assets portion which represents the amount that can be used at the discretion of the County Commissioners.
- The County's total net assets increased by 1.9 percent, or \$3,959,138, from the total net assets at the beginning of the year 2003.
- At the end of the current year, the County's governmental activities reported total net assets of \$180,649,708, an increase of \$1,642,891 from the prior year. Of this amount, \$11,443,942 is unrestricted.
- At the end of the current year, unreserved fund balance for the General Fund was \$9,574,256, which represents a 28.9 percent decrease from the prior year, and represents 36.3 percent of total General Fund expenditures.
- Fairfield County's total long-term debt increased by \$8,200,954, or 17.5 percent, during the current year.

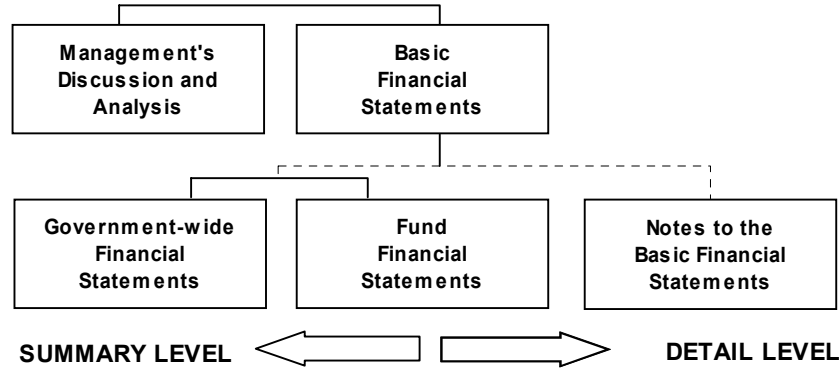
**Overview of the Financial Statements**

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

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

**Fairfield County, Ohio**  
 Management's Discussion and Analysis  
 For the Year Ended December 31, 2003  
 (Unaudited)

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



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

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

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

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

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



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

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term
<b>Type of inflow/outflow information</b>	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

**Government-wide Financial Statements**

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

**Statement of Net Assets and the Statement of Activities**

The *Statement of Net Assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The *Statement of Activities* presents information showing how the County's net assets changed during the current year. Both statements use the accrual basis of accounting, similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

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

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

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the County's most significant funds — not the County as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on the restriction on the use of monies, the County has established many funds that account for the multitude of services provided to its residents. However, these fund financial statements focus on the County's most significant funds. The County's major governmental funds are:

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

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

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

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

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

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

*Notes to the Basic Financial Statements* — The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Basic Financial Statements can be found on pages 57 through 113 of this report.

**Government-wide Financial Analysis**

During 2003, as shown in the table below, the combined net assets of the County's primary government increased \$3.9 million or 1.9 percent. Net assets reported for governmental activities increased \$1.6 million or 0.9 percent and business-type activities increased \$2.3 million or 7.5 percent.

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

**Primary Government  
Statement of Net Assets  
As of December 31, 2003, with comparatives as of December 31, 2002**

	<u>Govern- mental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>	<u>Govern- mental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>
<b>Assets:</b>						
Current and other						
noncurrent assets .....	\$ 63,698,878	\$ 12,246,506	\$ 75,945,384	\$ 69,939,686	\$ 11,778,890	\$ 81,718,576
Capital assets .....	165,173,000	53,040,177	218,213,177	154,478,569	47,049,655	201,528,224
Total assets .....	<u>228,871,878</u>	<u>65,286,683</u>	<u>294,158,561</u>	<u>224,418,255</u>	<u>58,828,545</u>	<u>283,246,800</u>
<b>Liabilities:</b>						
Current and other liabilities ..	19,630,983	1,174,890	20,805,873	21,242,950	1,847,654	23,090,604
Noncurrent liabilities .....	28,591,187	31,046,341	59,637,528	24,168,488	26,231,686	50,400,174
Total liabilities .....	<u>48,222,170</u>	<u>32,221,231</u>	<u>80,443,401</u>	<u>45,411,438</u>	<u>28,079,340</u>	<u>73,490,778</u>
<b>Net Assets:</b>						
Invested in capital assets,						
net of related debt .....	139,467,457	26,716,331	166,183,788	134,882,100	24,766,244	159,648,344
Restricted .....	29,738,309	261,225	29,999,534	29,919,919	-	29,919,919
Unrestricted .....	11,443,942	6,087,896	17,531,838	14,204,798	5,982,961	20,187,759
Total net assets .....	<u>\$ 180,649,708</u>	<u>\$ 33,065,452</u>	<u>\$ 213,715,160</u>	<u>\$ 179,006,817</u>	<u>\$ 30,749,205</u>	<u>\$ 209,756,022</u>

At December 31, 2003, the primary government's investment in capital assets, net of depreciation, (i.e., investment in joint venture, land, buildings, improvements other than buildings, machinery and equipment, furniture and fixtures, infrastructures, vehicles, and construction in progress), less related outstanding debt, was \$166.2 million. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, the reader should be aware that the resources needed to repay this debt must be provided from other sources. The capital assets themselves cannot be used to liquidate these liabilities.

Increases in liabilities for governmental activities reflect borrowing needs for the County West Campus facilities and the Mental Retardation facility. Increases in liabilities for business type activities reflect water and sewer system improvements. Favorable interest rates have allowed the County to convert short-term notes, and lock in low interest rates for general obligation bonds.

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Restricted net assets were approximately \$30.0 million, resulting in a \$17.5 million unrestricted net assets balance. Net assets are restricted when constraints on their use are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. Unrestricted net assets consist of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

The table below shows the condensed financial information derived from the Statement of Activities for the year ended December 31, 2003. Since this is the first year the County has prepared financial statements following GASB Statement 34, revenue and expense comparisons to 2002 are not available. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>
<b>Revenues:</b>			
Program revenues:			
Charges for services .....	\$ 11,098,862	\$ 4,308,988	\$ 15,407,850
Operating grants, contributions, and interest .....	31,068,560	-	31,068,560
Capital grants, contributions, and interest .....	3,909,515	2,753,473	6,662,988
General revenues:			
Property and other taxes .....	12,390,157	-	12,390,157
Sales taxes .....	9,978,566	-	9,978,566
Intergovernmental .....	3,669,640	-	3,669,640
Unrestricted interest earnings .....	810,108	190,508	1,000,616
Other .....	2,529,292	802	2,530,094
Total revenues .....	<u>75,454,700</u>	<u>7,253,771</u>	<u>82,708,471</u>
<b>Expenses:</b>			
General government:			
Legislative and executive .....	10,332,298	-	10,332,298
Judicial .....	5,015,660	-	5,015,660
Public safety .....	12,505,036	-	12,505,036
Public works .....	9,967,532	-	9,967,532
Health .....	16,332,991	-	16,332,991
Human services .....	17,112,675	-	17,112,675
Urban redevelopment and housing .....	118,036	-	118,036
Transportation .....	234,284	-	234,284
Intergovernmental .....	1,195,006	-	1,195,006
Interest and fiscal charges .....	998,291	-	998,291
Sewer system .....	-	2,713,123	2,713,123
Water system .....	-	2,224,401	2,224,401
Total expenses .....	<u>73,811,809</u>	<u>4,937,524</u>	<u>78,749,333</u>
Increase in net assets.....	1,642,891	2,316,247	3,959,138
Net assets, beginning of year.....	179,006,817	30,749,205	209,756,022
Net assets, end of year.....	<u>\$ 180,649,708</u>	<u>\$ 33,065,452</u>	<u>\$ 213,715,160</u>

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
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**Governmental Activities**

Taxes, along with grants, contributions, and restricted interest comprise the two largest components of County revenues. They accounted for 29.6% and 46.4% respectively, of total governmental revenues. Property and other taxes revenues were \$12,390,157 (16.4% of total governmental revenues) while sales taxes were \$9,978,566 (13.2% of total governmental revenues). Grants, contributions, and restricted interest revenues in 2003 were \$34,978,075. Taxes, grants, contributions, and restricted interest combined together, provided 76.0% of the County's total governmental revenues.

The County received \$11,098,862, or 14.7%, of total governmental revenues, in charges for services. These direct charges to citizens include real estate transfer fees, property tax collection fees, judicial fines and forfeitures, and licenses and permits.

The County's human services activities accounted for \$17,112,675, or 23.2%, of total expenses. Health activities utilized \$16,332,991, or 22.1%, of total expenses.

The following table presents the total expenses and net cost of each of the County's governmental program activities. The net cost (total program activity expenses less revenues generated by the program) represents the financial burden that was placed on the County's taxpayers by each of these program activities. Costs not covered by program revenues are essentially funded with the County's general revenues, which are primarily composed of taxes, intergovernmental revenues, and unrestricted interest earnings. The net cost to the governmental activities was \$27,734,872.

**Program Expenses and Net Costs of Governmental Activities, by Program**  
**For the Year Ended December 31, 2003**

Program Activity	Program Activity Expenses	Net Cost (Gain) of Program Activity	Net Cost (Gain) as Percentage of Total Expenses	
			Program Activity	All Program Activities
General government:				
Legislative and executive .....	\$ 10,332,298	\$ 4,603,217	44.6%	6.2%
Judicial .....	5,015,660	2,702,881	53.9%	3.7%
Public safety .....	12,505,036	10,014,966	80.1%	13.6%
Public works .....	9,967,532	(185,807)	(1.9%)	(0.3%)
Health .....	16,332,991	4,247,931	26.0%	5.8%
Human services .....	17,112,675	4,934,708	28.8%	6.7%
Urban redevelopment and housing .....	118,036	(228,836)	(193.9%)	(0.3%)
Transportation .....	234,284	(29,872)	(12.8%)	(0.0%)
Intergovernmental .....	1,195,006	677,393	56.7%	0.9%
Interest and fiscal charges .....	998,291	998,291	100.0%	1.4%
Total expenses .....	<u>\$ 73,811,809</u>	<u>\$ 27,734,872</u>		<u>37.6%</u>

**Business-type Activities**

Net assets for business-type activities increased by \$2,316,247, or 7.5%, in 2003. The major revenue source was charges for services in the amount of \$4,308,988.

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
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**Financial Analysis of the County's Funds**

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

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

**General Fund**

The General Fund is the primary operating fund of the County. At the end of 2003, unreserved fund balance was \$9,574,256, while total fund balance was \$10,910,124. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance, to total fund expenditures. Unreserved fund balance represents 36.3 percent to total General Fund expenditures, while total fund balance represents 41.4 percent of General Fund expenditures.

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

- Total General Fund revenue was similar, decreasing approximately \$145,000 from the previous year.
- While revenues decreased modestly, General Fund expenditures increased approximately \$2.8 million, or 11.7 percent. The major component of this increase was public safety by \$2.2 million, reflecting the increased responsibilities and new personnel in the Sheriff's Department.
- Other financing sources (uses) decreased by \$1.1 million. The major component was the receipt of \$1.5 million in note proceeds in the prior year, compared to none in the current year.

**Other Major Governmental Funds**

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

The fund balance of the Motor Vehicle Fund at December 31, 2003 is \$4.3 million, a decrease of approximately \$753,000 from the prior year. The decrease in fund balance is due mainly to the increase in capital asset purchases.

The fund balance of the Mental Retardation Fund at year end is \$6.4 million, an increase of approximately \$640,000, or 11.2 percent, over the previous year. Revenues exceeded expenditures by approximately \$650,000 in the current year due to the increase in governmental revenues in 2003 for the mental retardation residential services program.

The fund balance of the Alcohol, Drug Addiction, and Mental Health Board Fund at December 31, 2003, is approximately \$823,000, an increase of approximately \$66,000 or an 8.8 percent change, from the prior year. The increase fund balance is due to fiscal restraints in spending due to the uncertainty of economic conditions.

**Major Debt Service Fund**

The General Obligation Bond Retirement Fund has a fund balance of approximately \$323,000 at December 31, 2003. Because of new borrowings in 2003, this fund received approximately \$11.1 million in note, bond premium, and bond proceeds and approximately \$1.1 million in transfers in, while spending approximately \$12.8 million in debt service payments.

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**Proprietary Funds**

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

The County's major proprietary funds, the Sewer Fund and the Water Fund, both had increases in net assets; the Sewer Fund's net assets grew by \$1.4 million and the Water Fund's net assets increased \$0.9 million. These increases can be primarily attributed to the Utilities Department's growing customer base.

**General Fund Budgetary Highlights**

The County made numerous revisions to the original appropriations approved by the County Commissioners. Overall, these changes resulted in a decrease from the original budget of 0.08 percent or \$23,662. Appropriations were increased for the following functions: Legislative and executive by \$492,000, Judicial by \$296,000, and Public Safety by \$874,000, with corresponding appropriation offsets from the Commissioners' contingency fund. Actual expenditures were less than the final budgeted expenditures by \$1.2 million.

The County's budgeted revenue decreased 1.6 percent and was the result of a reduction in interest income (\$900,000) and an increase in charges for services of \$685,000. Actual revenues exceeded the final budget by \$4.57 million.

Because of these factors, the County's economic condition in the General Fund (on the budgetary basis) at December 31, 2003, is \$5.2 million better than originally projected.

**Capital Assets and Debt Administration**

**Capital Assets**

As of December 31, 2003, and December 31, 2002, the County had invested \$218.2 million and \$201.5 million, net of accumulated depreciation of \$71.2 million and \$65.5 million, respectively, in a broad range of capital assets, as follows:

**Capital Assets, Net of Depreciation**  
**As of December 31, 2003, with comparatives as of December 31, 2002**

	December 31, 2003			December 31, 2002		
	Govern- mental Activities	Business- type Activities	Total	Govern- mental Activities	Business- type Activities	Total
Investment in joint venture ....	\$ 2,625,754	\$ -	\$ 2,625,754	\$ 954,141	\$ -	\$ 954,141
Land .....	4,648,459	1,864,374	6,512,833	4,175,939	1,520,787	5,696,726
Buildings .....	25,425,063	9,319,602	34,744,665	16,894,512	9,775,479	26,669,991
Improvements other than buildings .....	1,850,921	29,915,362	31,766,283	1,712,904	29,793,933	31,506,837
Equipment .....	2,906,181	53,804	2,959,985	2,587,446	71,490	2,658,936
Furniture and fixtures .....	547,618	-	547,618	339,360	-	339,360
Infrastructure .....	122,828,824	-	122,828,824	119,476,322	-	119,476,322
Vehicles .....	2,233,960	216,012	2,449,972	2,138,187	241,566	2,379,753
Construction in progress .....	2,106,220	11,671,023	13,777,243	6,199,758	5,646,400	11,846,158
Total capital assets, net ....	<u>\$ 165,173,000</u>	<u>\$ 53,040,177</u>	<u>\$ 218,213,177</u>	<u>\$ 154,478,569</u>	<u>\$ 47,049,655</u>	<u>\$ 201,528,224</u>

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As a result of the implementation of GASB 34's new reporting requirements for fiscal year 2003, the County, for the first time, included infrastructure assets in its capital assets balances and recognized \$2.76 million in annual depreciation expense relative to its other general governmental capital assets.

The total increase in the County's capital assets, net of accumulated depreciation, for the current year was \$16.7 million or 8.3 percent (a 6.9 percent increase for governmental activities and a 12.7 percent for business-type activities). As further detailed in Note 16 of the notes to the basic financial statements, the County had \$6.8 million in major construction commitments.

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

As of December 31, 2003, and December 31, 2002, the County had total debt of approximately \$56.3 million and approximately \$48.1 million, respectively, as follows:

**Bonds, Long-Term Notes, Loans, and Capital Leases Payable**  
**As of December 31, 2003, with comparatives for December 31, 2002**

	<u>December 31, 2003</u>			<u>December 31, 2002</u>		
	Govern- mental	Business- type	Total	Govern- mental	Business- type	Total
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Bond anticipation notes.....	\$ 3,600,000	\$ 12,200,000	\$ 15,800,000	\$ 9,875,000	\$ 13,996,632	\$ 23,871,632
General obligation bonds...	18,491,221	16,634,799	35,126,020	9,265,000	10,005,000	19,270,000
Special assessment bonds.....	1,847,000	-	1,847,000	2,031,367	-	2,031,367
Long-term loans.....	517,000	2,074,993	2,591,993	-	2,136,998	2,136,998
Capital leases.....	919,321	19,868	939,189	766,675	26,576	793,251
	<u>\$ 25,374,542</u>	<u>\$ 30,929,660</u>	<u>\$ 56,304,202</u>	<u>\$ 21,938,042</u>	<u>\$ 26,165,206</u>	<u>\$ 48,103,248</u>

During 2003, the County issued \$17.3 million and paid off \$25.4 million in bond anticipation notes, issued \$17.5 million and paid down \$1.6 million in general obligation bonds, reduced special assessment bonds by \$184,367, and incurred \$617,000 in long-term loans while reducing those balances by \$162,005. Capital lease balances increased by \$145,938. The total increase in the County's debt obligations for the current year was 17.0 percent (an 18.2 percent increase for governmental activities and a 16.2 percent increase for business-type activities).

**Credit Ratings**

Moody's Investors' Service evaluated the County's economic stability, and the County has achieved an Aa3 bond rating for general obligation debt. This bond rating reflects the County's well-managed finances, an adequate reserve level, an availability of land, the proximity to the Columbus metropolitan area, and the County's ability to attract diverse development. The bond rating also demonstrates a favorable debt position and shows a predictability for the successful management of future borrowing needs.

**Limitations on Debt**

State statutes limit the amount of total debt according to this formula: 3.0 percent of the first \$100 million of total assessed valuation; plus 1.5 percent of such valuation in excess of \$100 million and not in excess of \$300 million; plus 2.5 percent of such valuation in excess of \$300 million. By this calculation, the current total legal debt margin of Fairfield County is approximately \$49.7 million.

The County's total unvoted legal debt margin at December 31, 2003, is approximately \$13.6 million.



**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
(Unaudited)

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**Requests for Information**

This financial report is designed to provide the County's citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report, please contact the Fairfield County Auditor's Office by calling (740) 687-7020 or by writing the County Auditor at 201 E. Main Street, Lancaster, Ohio 43130. An electronic version of this report is available on the County's website at [www.co.fairfield.oh.us/AUDITOR/index.htm](http://www.co.fairfield.oh.us/AUDITOR/index.htm)

**Fairfield County, Ohio**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
(Unaudited)

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# Basic Financial Statements

# Fairfield County, Ohio

## STATEMENT OF NET ASSETS

December 31, 2003 - Primary Government and Fairfield County Transportation Improvement District

June 30, 2003 - Fairfield Industries, Incorporated

*Exhibit A-1*

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Fairfield County Transportation Improvement District	Fairfield Industries, Incorporated
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 32,699,157	\$ 10,599,696	\$ 43,298,853	\$ 100,903	\$ 53,127
Cash and cash equivalents in segregated accounts .....	497,864	337,588	835,452	-	-
Cash and cash equivalents with fiscal agents .....	105,256	-	105,256	-	-
Segregated investments.....	-	-	-	-	208,424
Sales taxes receivable .....	1,697,718	-	1,697,718	-	-
External party receivables .....	115,349	-	115,349	-	-
Internal balances.....	(13,903)	13,903	-	-	-
Materials and supplies inventory .....	419,632	9,913	429,545	-	2,888
Accrued interest receivable .....	228,555	35,235	263,790	-	-
Prepaid items .....	311,627	33,227	344,854	645	2,807
Intergovernmental receivables .....	12,003,514	38,730	12,042,244	-	-
Accounts receivable .....	305,970	778,268	1,084,238	-	45,504
Property and other taxes receivable .....	12,320,823	-	12,320,823	-	-
Loans receivable .....	798,935	-	798,935	-	-
Special assessments receivable .....	2,010,720	76,741	2,087,461	-	-
Deferred charges .....	197,661	323,205	520,866	-	-
Investment in joint venture .....	2,625,754	-	2,625,754	-	-
Capital assets not being depreciated .....	6,754,679	13,535,397	20,290,076	-	-
Capital assets being depreciated (net of accumulated depreciation) .....	155,792,567	39,504,780	195,297,347	-	53,881
Total assets .....	<u>\$ 228,871,878</u>	<u>\$ 65,286,683</u>	<u>\$ 294,158,561</u>	<u>\$ 101,548</u>	<u>\$ 366,631</u>

(continued)

# Fairfield County, Ohio

## STATEMENT OF NET ASSETS

(Continued)

December 31, 2003 - Primary Government and Fairfield County Transportation Improvement District

June 30, 2003 - Fairfield Industries, Incorporated

Exhibit A-1

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Fairfield County Transportation Improvement District	Fairfield Industries, Incorporated
<b>LIABILITIES</b>					
Accrued wages and benefits payable .....	\$ 1,229,075	\$ 42,787	\$ 1,271,862	\$ -	\$ 6,974
Matured compensated absences payable.....	3,770	-	3,770	-	-
Matured capital leases payable.....	22,548	-	22,548	-	-
Matured interest payable.....	7,996	-	7,996	-	-
Intergovernmental payable.....	1,101,091	34,159	1,135,250	-	1,628
Accounts payable.....	1,433,849	74,597	1,508,446	896	5,721
External party payable.....	44,904	-	44,904	-	-
Contracts payable.....	817,220	528,455	1,345,675	-	-
Retainage payable.....	297,574	141,948	439,522	-	-
Deferred revenue.....	13,284,110	-	13,284,110	-	-
Accrued interest payable.....	119,323	216,167	335,490	-	-
Notes payable.....	648,000	-	648,000	-	-
Claims payable.....	621,523	-	621,523	-	-
Customer deposits payable.....	-	136,777	136,777	-	-
Long-term liabilities:					
Due within one year .....	2,457,316	1,158,055	3,615,371	-	-
Due within more than one year .....	26,133,871	29,888,286	56,022,157	-	-
Total liabilities .....	<u>48,222,170</u>	<u>32,221,231</u>	<u>80,443,401</u>	<u>896</u>	<u>14,323</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt .....	139,467,457	26,716,331	166,183,788	-	53,881
Restricted for:					
Capital Projects.....	2,258,728	-	2,258,728	-	-
Debt Service.....	119,953	261,225	381,178	-	-
Other Purposes.....	27,359,628	-	27,359,628	-	3,367
Unrestricted.....	11,443,942	6,087,896	17,531,838	100,652	295,060
Total net assets .....	<u>\$ 180,649,708</u>	<u>\$ 33,065,452</u>	<u>\$ 213,715,160</u>	<u>\$ 100,652</u>	<u>\$ 352,308</u>

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

# Fairfield County, Ohio

## STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2003 - Primary Government

and Fairfield County Transportation Improvement District

For the Year Ended June 30, 2003 - Fairfield Industries, Incorporated

Exhibit A-2

	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	
<b>Primary Government:</b>					
Governmental activities:					
General government:					
Legislative and executive .....	\$ 10,332,298	\$ 4,590,635	\$ 1,017,063	\$ 121,383	\$ (4,603,217)
Judicial .....	5,015,660	1,878,737	434,042	-	(2,702,881)
Public safety .....	12,505,036	1,365,752	1,089,318	35,000	(10,014,966)
Public works .....	9,967,532	1,434,052	5,130,861	3,588,426	185,807
Health .....	16,332,991	1,009,623	11,058,800	16,637	(4,247,931)
Human services .....	17,112,675	703,976	11,473,991	-	(4,934,708)
Urban redevelopment and housing .....	118,036	-	346,872	-	228,836
Transportation .....	234,284	116,087	-	148,069	29,872
Intergovernmental .....	1,195,006	-	517,613	-	(677,393)
Interest and fiscal charges .....	998,291	-	-	-	(998,291)
Total governmental activities .....	<u>73,811,809</u>	<u>11,098,862</u>	<u>31,068,560</u>	<u>3,909,515</u>	<u>(27,734,872)</u>
Business-type activities:					
Sewer .....	2,713,123	2,439,518	-	1,548,309	1,274,704
Water .....	2,224,401	1,869,470	-	1,205,164	850,233
Total business-type activities .....	<u>4,937,524</u>	<u>4,308,988</u>	<u>-</u>	<u>2,753,473</u>	<u>2,124,937</u>
Total Primary Government.....	<u>\$ 78,749,333</u>	<u>\$ 15,407,850</u>	<u>\$ 31,068,560</u>	<u>\$ 6,662,988</u>	<u>\$ (25,609,935)</u>
<b>Component Units:</b>					
Fairfield County Transportation Improvement District .....					
	\$ 14,355	\$ -	\$ -	\$ -	\$ (14,355)
Fairfield Industries, Incorporated.....	<u>492,647</u>	<u>315,412</u>	<u>15,212</u>	<u>-</u>	<u>(162,023)</u>
Total Component Units.....	<u>\$ 507,002</u>	<u>\$ 315,412</u>	<u>\$ 15,212</u>	<u>\$ -</u>	<u>\$ (176,378)</u>

(continued)

# Fairfield County, Ohio

## STATEMENT OF ACTIVITIES

(Continued)

For the Year Ended December 31, 2003 - Primary Government

and Fairfield County Transportation Improvement District

For the Year Ended June 30, 2003 - Fairfield Industries, Incorporated

Exhibit A-2

	Primary Government			Component Units	
	Governmental	Business-type	Total	Fairfield County	Fairfield
	Activities	Activities		Transportation Improvement District	Industries, Incorporated
<b>Changes in Net Assets:</b>					
Net (expense) revenue .....	\$ (27,734,872)	\$ 2,124,937	\$ (25,609,935)	\$ (14,355)	\$ (162,023)
General revenues:					
Property taxes levied for:					
General purposes .....	\$ 6,437,678	\$ -	\$ 6,437,678	\$ -	\$ -
Public works .....	1,114,672	-	1,114,672	-	-
Health .....	4,837,807	-	4,837,807	-	-
Sales taxes levied for					
general purposes .....	9,978,566	-	9,978,566	-	-
Grants and entitlements not					
restricted to specific programs.....	3,669,640	-	3,669,640	-	-
Unrestricted interest .....	810,108	190,508	1,000,616	221	6,825
Unrestricted contributions .....	590,000	-	590,000	-	-
Increase in joint venture					
investment .....	1,185,946	-	1,185,946	-	-
In-kind contributions .....	-	-	-	-	174,767
Other .....	753,346	802	754,148	-	-
Total general revenues.....	29,377,763	191,310	29,569,073	221	181,592
Changes in net assets.....	1,642,891	2,316,247	3,959,138	(14,134)	19,569
Net assets - beginning of year - see Note 3.....	179,006,817	30,749,205	209,756,022	114,786	332,739
Net assets - end of year.....	\$ 180,649,708	\$ 33,065,452	\$ 213,715,160	\$ 100,652	\$ 352,308

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

# Fairfield County, Ohio

## BALANCE SHEET GOVERNMENTAL FUNDS

December 31, 2003

	General Fund	Community Services Fund	Motor Vehicle Fund
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 8,052,392	\$ 649,305	\$ 3,639,294
Cash and cash equivalents in segregated accounts.....	93,696	-	-
Cash and cash equivalents with fiscal agents.....	-	-	-
Receivables:			
Property and other taxes .....	6,142,578	-	69,083
Sales taxes .....	1,697,718	-	-
Accounts .....	218,371	4,900	1,311
Interfund .....	1,187,866	-	-
Special assessments .....	-	-	-
Accrued interest .....	217,251	-	-
Loans .....	-	-	-
Intergovernmental .....	2,332,905	76,855	2,608,985
Materials and supplies inventory.....	79,114	7,777	318,754
Prepaid items.....	380,742	101,113	61,264
Total assets.....	<u>\$ 20,402,633</u>	<u>\$ 839,950</u>	<u>\$ 6,698,691</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts payable.....	\$ 629,919	\$ 250,593	\$ 43,140
Contracts payable.....	23,025	-	83,914
Accrued wages and benefits payable.....	530,987	229,103	116,775
Matured compensated absences payable.....	3,770	-	-
Retainage payable.....	-	-	-
Interfund payable.....	19,561	478,241	-
Intergovernmental payable.....	372,314	157,173	107,978
Deferred revenue.....	7,912,658	1,468,349	1,999,235
Matured interest payable.....	23	7,973	-
Matured capital leases payable.....	252	22,296	-
Accrued interest payable.....	-	-	-
Notes payable.....	-	-	-
Total liabilities.....	<u>9,492,509</u>	<u>2,613,728</u>	<u>2,351,042</u>
<b>FUND BALANCES (Deficit):</b>			
Reserved for encumbrances.....	1,236,142	243,764	414,498
Reserved for unclaimed monies.....	99,726	-	-
Reserved for loans.....	-	-	-
Unreserved, reported in:			
General fund .....	9,574,256	-	-
Special revenue funds .....	-	(2,017,542)	3,933,151
Debt service funds .....	-	-	-
Capital projects funds .....	-	-	-
Total fund balances (deficit) .....	<u>10,910,124</u>	<u>(1,773,778)</u>	<u>4,347,649</u>
Total liabilities and fund balances .....	<u>\$ 20,402,633</u>	<u>\$ 839,950</u>	<u>\$ 6,698,691</u>

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



<u>Mental Retardation Fund</u>	<u>Alcohol, Drug Addiction, and Mental Health Board Fund</u>	<u>General Obligation Bond Retirement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 6,313,093	\$ 606,060	\$ 323,893	\$ 12,482,980	\$ 32,067,017
-	-	-	404,168	497,864
-	-	-	22,415	22,415
4,572,407	487,711	-	1,049,044	12,320,823
-	-	-	-	1,697,718
15,425	15,057	-	50,906	305,970
-	65,349	-	53,354	1,306,569
-	-	-	2,010,720	2,010,720
-	-	-	7,876	225,127
-	-	40,444	758,491	798,935
999,060	2,606,950	-	3,378,759	12,003,514
9,425	-	-	4,562	419,632
83,991	34,310	-	78,410	739,830
<u>\$ 11,993,401</u>	<u>\$ 3,815,437</u>	<u>\$ 364,337</u>	<u>\$ 20,301,685</u>	<u>\$ 64,416,134</u>
\$ 116,351	\$ 133,787	\$ -	\$ 260,059	\$ 1,433,849
-	-	-	710,281	817,220
184,298	18,585	-	149,327	1,229,075
-	-	-	-	3,770
-	-	-	297,574	297,574
500	-	540	760,299	1,259,141
115,601	103,474	-	244,551	1,101,091
5,173,168	2,735,681	40,444	5,572,747	24,902,282
-	-	-	-	7,996
-	-	-	-	22,548
-	-	-	381	381
-	-	-	648,000	648,000
<u>5,589,918</u>	<u>2,991,527</u>	<u>40,984</u>	<u>8,643,219</u>	<u>31,722,927</u>
443,394	-	-	2,259,477	4,597,275
-	-	-	-	99,726
-	-	-	758,491	758,491
-	-	-	-	9,574,256
5,960,089	823,910	-	7,959,447	16,659,055
-	-	323,353	79,662	403,015
-	-	-	601,389	601,389
<u>6,403,483</u>	<u>823,910</u>	<u>323,353</u>	<u>11,658,466</u>	<u>32,693,207</u>
<u>\$ 11,993,401</u>	<u>\$ 3,815,437</u>	<u>\$ 364,337</u>	<u>\$ 20,301,685</u>	<u>\$ 64,416,134</u>

# Fairfield County, Ohio

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

December 31, 2003

Exhibit B-1a

<b>Total fund balances for governmental funds.....</b>		<b>\$ 32,693,207</b>
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. ....		165,173,000
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes .....	450,290	
Charges for services .....	75,515	
Fines and forfeitures .....	101,703	
Reimbursements .....	10,000	
Special assessments .....	2,010,946	
Accrued Interest .....	69,325	
Intergovernmental .....	<u>8,911,324</u>	11,629,103
An internal service fund is used by management to charge costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. ....		(340,794)
An interfund receivable is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities. ....		7,660
Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds. ....		197,661
Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
Special assessment bonds payable .....	(1,847,000)	
General obligation bonds payable and unamortized premium .....	(18,491,221)	
Long-term bond anticipation notes payable .....	(3,600,000)	
Long-term loans payable .....	(517,000)	
Accrued interest payable .....	(118,942)	
Compensated absences payable .....	(3,197,452)	
Intergovernmental payable .....	(19,193)	
Capital leases payable .....	<u>(919,321)</u>	<u>(28,710,129)</u>
<b>Net assets of governmental activities .....</b>		<b>\$ 180,649,708</b>

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

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# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	General Fund	Community Services Fund	Motor Vehicle Fund
<b>REVENUES</b>			
Property and other taxes.....	\$ 6,432,882	\$ -	\$ -
Sales taxes.....	9,978,566	-	-
Charges for services.....	4,026,862	1,994	252,125
Licenses and permits.....	13,039	-	-
Permissive motor vehicle license tax.....	-	-	996,516
Fines and forfeitures.....	297,362	-	49,972
Intergovernmental.....	4,082,932	7,656,833	4,653,845
Special assessments.....	-	-	-
Interest.....	848,139	-	-
Rent.....	172,243	-	-
Donations.....	-	-	-
Other.....	93,070	584,515	29,367
Total revenues.....	<u>25,945,095</u>	<u>8,243,342</u>	<u>5,981,825</u>
<b>EXPENDITURES</b>			
Current:			
General government:			
Legislative and executive .....	7,887,906	-	-
Judicial .....	4,249,298	-	-
Public safety .....	10,740,130	-	-
Public works .....	-	-	6,517,642
Health .....	629,956	-	-
Human services .....	870,276	12,587,618	-
Urban redevelopment and housing .....	-	-	-
Transportation .....	147,818	-	-
Other .....	1,070,194	-	-
Intergovernmental.....	485,667	-	-
Capital outlay.....	-	-	-
Debt service:			
Principal retirement .....	259,595	142,282	-
Interest and fiscal charges .....	10,424	48,827	-
Issuance costs .....	-	-	-
Total expenditures.....	<u>26,351,264</u>	<u>12,778,727</u>	<u>6,517,642</u>
Excess of revenues over (under) expenditures.....	<u>(406,169)</u>	<u>(4,535,385)</u>	<u>(535,817)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Notes issued.....	-	-	-
Loans received.....	-	-	-
General obligation bonds issued.....	-	-	-
Premium on bonds.....	-	-	-
Sale of capital assets.....	33,105	-	2,010
Inception of capital lease.....	200,155	638,561	-
Transfers in.....	9,475	2,977,385	455,171
Transfers out.....	(3,657,941)	-	(674,531)
Total other financing sources (uses).....	<u>(3,415,206)</u>	<u>3,615,946</u>	<u>(217,350)</u>
Net change in fund balances.....	(3,821,375)	(919,439)	(753,167)
Fund balances (deficit) - beginning of year, .....	14,731,499	(854,339)	5,100,816
as restated (Note 3).....	<u>\$ 10,910,124</u>	<u>\$ (1,773,778)</u>	<u>\$ 4,347,649</u>

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

<u>Mental Retardation Fund</u>	<u>Alcohol, Drug Addiction, and Mental Health Board Fund</u>	<u>General Obligation Bond Retirement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
\$ 4,358,695	\$ 470,863	\$ -	\$ 1,106,453	\$ 12,368,893
-	-	-	-	9,978,566
288,926	213,278	-	3,224,738	8,007,923
-	-	-	253,498	266,537
-	-	-	-	996,516
-	-	-	132,862	480,196
4,744,319	5,930,781	-	10,661,760	37,730,470
-	-	-	344,343	344,343
-	-	6,431	133,615	988,185
-	-	673,073	105,637	950,953
20	150	-	33,575	33,745
8,289	20,070	854	6,680	742,845
<u>9,400,249</u>	<u>6,635,142</u>	<u>680,358</u>	<u>16,003,161</u>	<u>72,889,172</u>
-	-	-	1,271,370	9,159,276
-	-	-	766,039	5,015,337
-	-	-	1,691,776	12,431,906
-	-	-	1,178,355	7,695,997
8,755,573	6,514,009	-	464,769	16,364,307
-	-	-	3,777,862	17,235,756
-	-	-	118,036	118,036
-	-	-	-	147,818
-	-	-	-	1,070,194
-	-	-	1,195,006	1,680,673
-	-	-	11,146,471	11,146,471
-	-	11,720,000	187,832	12,309,709
-	-	851,400	142,831	1,053,482
-	-	202,863	-	202,863
<u>8,755,573</u>	<u>6,514,009</u>	<u>12,774,263</u>	<u>21,940,347</u>	<u>95,631,825</u>
<u>644,676</u>	<u>121,133</u>	<u>(12,093,905)</u>	<u>(5,937,186)</u>	<u>(22,742,653)</u>
-	-	1,500,000	3,600,000	5,100,000
-	-	-	517,000	517,000
-	-	9,255,000	-	9,255,000
-	-	324,543	-	324,543
-	-	-	-	35,115
-	-	-	-	838,716
-	-	1,125,682	4,241,843	8,809,556
-	(54,736)	-	(4,422,348)	(8,809,556)
<u>-</u>	<u>(54,736)</u>	<u>12,205,225</u>	<u>3,936,495</u>	<u>16,070,374</u>
644,676	66,397	111,320	(2,000,691)	(6,672,279)
5,758,807	757,513	212,033	13,659,157	39,365,486
<u>\$ 6,403,483</u>	<u>\$ 823,910</u>	<u>\$ 323,353</u>	<u>\$ 11,658,466</u>	<u>\$ 32,693,207</u>

# Fairfield County, Ohio

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2003

Exhibit B-2a

**Net change in fund balances - total governmental funds.....** \$ (6,672,279)

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

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

Capital asset additions .....	15,664,141	
Capital contributions .....	654,217	
Increase in joint venture investment .....	1,185,946	
Current year depreciation .....	<u>(5,940,014)</u>	11,564,290

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

Loss on disposal of capital assets .....	(834,744)	
Proceeds from sale of capital assets .....	<u>(35,115)</u>	(869,859)

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

Property and other taxes .....	21,264	
Charges for services .....	285,617	
Fines and forfeitures .....	9,232	
Intergovernmental .....	696,886	
Special assessments .....	(242,455)	
Interest .....	(68,412)	
Other .....	<u>10,501</u>	712,633

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

Special assessment bonds .....	184,367	
General Obligation bonds .....	345,000	
Long-term bond anticipation notes .....	11,375,000	
Capital leases .....	<u>686,070</u>	12,590,437

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

Accrued interest payable .....	52,071	
Amortization of issuance costs .....	(5,202)	
Amortization on premium of general obligation bonds .....	<u>8,322</u>	\$ 55,191

(continued)

Fairfield County, Ohio

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES** (Continued)  
 For the Year Ended December 31, 2003 Exhibit B-2a

<p>Long-term debt proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities. Governmental funds report the effect of premiums and discounts when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities:</p>		
General obligation bonds .....	\$ (9,255,000)	
Long-term bond anticipation notes .....	(5,100,000)	
Long-term loans .....	(517,000)	
Bond premium .....	<u>(324,543)</u>	(15,196,543)
<p>Inception of capital leases are reported as other financing sources in the governmental funds, but the inception increases long-term liabilities on the statement of activities .....</p>		
		(838,716)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</p>		
Intergovernmental payable .....	917,988	
Compensated absences payable .....	<u>(988,018)</u>	(70,030)
<p>Issuance costs are reported as an expenditure when paid in the governmental funds, but is deferred and amortized on the statement of activities. This is the unamortized issuance costs on the bonds. ....</p>		
		202,863
<p>The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The change for governmental funds is reported for the year .....</p>		
		<u>164,904</u>
<b>Change in net assets of governmental activities.....</b>		<u><u>\$ 1,642,891</u></u>

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

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit B-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property and other taxes.....	\$ 5,670,842	\$ 5,670,842	\$ 6,408,802	\$ 737,960
Sales taxes.....	8,700,000	8,700,000	9,876,203	1,176,203
Charges for services.....	2,113,336	2,797,837	4,103,275	1,305,438
Licenses and permits.....	9,850	9,850	13,039	3,189
Fines and forfeitures.....	255,000	255,000	303,375	48,375
Intergovernmental.....	2,706,972	2,758,698	4,011,359	1,252,661
Interest.....	1,800,000	900,000	968,270	68,270
Rent.....	141,500	141,500	161,503	20,003
Other.....	290,000	116,381	78,731	(37,650)
Total revenues.....	<u>21,687,500</u>	<u>21,350,108</u>	<u>25,924,557</u>	<u>4,574,449</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	9,398,983	9,891,117	9,331,849	559,268
Judicial .....	3,982,685	4,279,106	4,109,477	169,629
Public safety .....	10,022,372	10,896,812	10,612,906	283,906
Health .....	647,748	698,885	689,409	9,476
Human services .....	950,451	949,947	877,807	72,140
Transportation .....	246,093	246,093	217,476	28,617
Other .....	2,674,482	1,231,302	1,173,960	57,342
Total expenditures.....	<u>27,922,814</u>	<u>28,193,262</u>	<u>27,012,884</u>	<u>1,180,378</u>
Excess of revenues under expenditures .....	<u>(6,235,314)</u>	<u>(6,843,154)</u>	<u>(1,088,327)</u>	<u>3,394,071</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	21,105	21,105
Advances in.....	-	-	628,215	628,215
Advances out.....	-	-	(1,293,397)	(1,293,397)
Operating transfers in.....	-	-	9,475	9,475
Operating transfers out.....	(4,318,125)	(3,733,947)	(3,688,451)	45,496
Total other financing sources (uses).....	<u>(4,318,125)</u>	<u>(3,733,947)</u>	<u>(4,323,053)</u>	<u>(589,106)</u>
Net change in fund balance .....	(10,553,439)	(10,577,101)	(5,411,380)	5,165,721
Fund balance - beginning of year .....	9,925,470	9,925,470	9,925,470	-
Prior year encumbrances appropriated.....	1,594,073	1,594,073	1,594,073	-
Fund balance - end of year .....	<u>\$ 966,104</u>	<u>\$ 942,442</u>	<u>\$ 6,108,163</u>	<u>\$ 5,165,721</u>

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



# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit B-4

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services.....	\$ -	\$ -	\$ 1,994	\$ 1,994
Intergovernmental.....	11,610,000	10,020,000	8,394,525	(1,625,475)
Other.....	451,000	451,000	601,564	150,564
Total revenues.....	<u>12,061,000</u>	<u>10,471,000</u>	<u>8,998,083</u>	<u>(1,472,917)</u>
<b>EXPENDITURES</b>				
Current:				
Human services:				
Community services:				
Personal services .....	5,094,444	5,112,844	5,069,010	43,834
Fringe benefits .....	2,222,183	2,209,283	2,145,073	64,210
Materials and supplies .....	207,425	182,425	174,197	8,228
Contractual services .....	5,681,366	5,280,867	5,111,978	168,889
Capital outlay .....	100,800	20,799	20,449	350
Total expenditures.....	<u>13,306,218</u>	<u>12,806,218</u>	<u>12,520,707</u>	<u>285,511</u>
Excess of revenues under expenditures.....	<u>(1,245,218)</u>	<u>(2,335,218)</u>	<u>(3,522,624)</u>	<u>(1,187,406)</u>
<b>OTHER FINANCING SOURCES</b>				
Advances in.....	-	-	467,000	467,000
Operating transfers in.....	1,191,096	2,191,096	2,977,385	786,289
Total other financing sources .....	<u>1,191,096</u>	<u>2,191,096</u>	<u>3,444,385</u>	<u>1,253,289</u>
Net change in fund balance.....	(54,122)	(144,122)	(78,239)	65,883
Fund balance - beginning of year.....	116,237	116,237	116,237	-
Prior year encumbrances appropriated.....	267,591	267,591	267,591	-
Fund balance - end of year.....	<u>\$ 329,706</u>	<u>\$ 239,706</u>	<u>\$ 305,589</u>	<u>\$ 65,883</u>

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

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit B-5

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services.....	\$ 153,416	\$ 153,416	\$ 252,125	\$ 98,709
Permissive Motor Vehicle License tax.....	870,000	870,000	995,716	125,716
Fines and forfeitures.....	40,000	40,000	49,896	9,896
Intergovernmental.....	4,100,000	4,100,000	4,594,646	494,646
Other.....	8,000	8,000	28,282	20,282
Total revenues.....	<u>5,171,416</u>	<u>5,171,416</u>	<u>5,920,665</u>	<u>749,249</u>
<b>EXPENDITURES</b>				
Current:				
Public Works:				
Motor Vehicle:				
Personal services .....	2,553,791	2,522,428	2,090,987	431,441
Fringe benefits .....	1,107,031	1,210,411	999,991	210,420
Materials and supplies .....	869,443	919,443	806,066	113,377
Contractual services .....	1,272,644	1,217,351	1,082,298	135,053
Capital outlay .....	1,621,265	2,188,582	1,946,907	241,675
Total expenditures.....	<u>7,424,174</u>	<u>8,058,215</u>	<u>6,926,249</u>	<u>1,131,966</u>
Excess of revenues under expenditures.....	<u>(2,252,758)</u>	<u>(2,886,799)</u>	<u>(1,005,584)</u>	<u>1,881,215</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets.....	-	-	2,010	2,010
Operating transfers in.....	396,599	455,171	455,171	-
Operating transfers out.....	-	(674,531)	(674,531)	-
Total other financing sources (uses).....	<u>396,599</u>	<u>(219,360)</u>	<u>(217,350)</u>	<u>2,010</u>
Net change in fund balances.....	(1,856,159)	(3,106,159)	(1,222,934)	1,883,225
Fund balance - beginning of year.....	3,855,988	3,855,988	3,855,988	-
Prior year encumbrances appropriated.....	481,302	481,302	481,302	-
Fund balance - end of year.....	<u>\$ 2,481,131</u>	<u>\$ 1,231,131</u>	<u>\$ 3,114,356</u>	<u>\$ 1,883,225</u>

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

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit B-6

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property and other taxes.....	\$ 4,710,000	\$ 4,663,256	\$ 4,338,331	\$ (324,925)
Charges for services.....	184,746	184,746	263,682	78,936
Intergovernmental.....	3,938,743	3,778,487	4,704,952	926,465
Donations.....	-	-	20	20
Other.....	45,000	45,000	8,451	(36,549)
Total revenues.....	<u>8,878,489</u>	<u>8,671,489</u>	<u>9,315,436</u>	<u>643,947</u>
<b>EXPENDITURES</b>				
Current:				
Health:				
Mental retardation:				
Personal services .....	4,199,415	4,149,415	3,696,287	453,128
Fringe benefits .....	1,983,717	1,970,588	1,631,445	339,143
Materials and supplies .....	239,741	238,491	186,382	52,109
Contractual services .....	3,414,254	3,951,371	3,435,109	516,262
Capital outlay .....	184,750	186,001	136,986	49,015
Other .....	389,800	329,799	78,804	250,995
Total expenditures.....	<u>10,411,677</u>	<u>10,825,665</u>	<u>9,165,013</u>	<u>1,660,652</u>
Net change in fund balance.....	(1,533,188)	(2,154,176)	150,423	2,304,599
Fund balance - beginning of year.....	4,812,137	4,812,137	4,812,137	-
Prior year encumbrances appropriated.....	<u>629,794</u>	<u>629,794</u>	<u>629,794</u>	<u>-</u>
Fund balance - end of year.....	<u>\$ 3,908,743</u>	<u>\$ 3,287,755</u>	<u>\$ 5,592,354</u>	<u>\$ 2,304,599</u>

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

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit B-7

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property and other taxes.....	\$ 480,000	\$ 468,864	\$ 467,140	\$ (1,724)
Charges for services.....	175,300	175,300	212,791	37,491
Intergovernmental.....	5,562,502	5,573,638	5,903,006	329,368
Donations.....	-	-	150	150
Other.....	1,085	1,085	15,213	14,128
Total revenues.....	<u>6,218,887</u>	<u>6,218,887</u>	<u>6,598,300</u>	<u>379,413</u>
<b>EXPENDITURES</b>				
Current:				
Health:				
Alcohol, Drug Addiction, and Mental Health Board:				
Personal services .....	435,000	399,140	370,224	28,916
Fringe benefits .....	166,960	167,820	134,987	32,833
Materials and supplies .....	42,000	42,000	10,670	31,330
Contractual services .....	5,552,255	6,386,118	6,335,627	50,491
Capital outlay .....	7,920	6,636	2,220	4,416
Other .....	12,550	14,745	10,715	4,030
Total expenditures.....	<u>6,216,685</u>	<u>7,016,459</u>	<u>6,864,443</u>	<u>152,016</u>
Excess of revenues over (under) expenditures.....	2,202	(797,572)	(266,143)	531,429
<b>OTHER FINANCING USES</b>				
Operating transfers out.....	-	(54,736)	(54,736)	-
Net change in fund balances.....	2,202	(852,308)	(320,879)	531,429
Fund balance - beginning of year.....	864,903	864,903	864,903	-
Prior year encumbrances appropriated.....	6,175	6,175	6,175	-
Fund balance - end of year.....	<u>\$ 873,280</u>	<u>\$ 18,770</u>	<u>\$ 550,199</u>	<u>\$ 531,429</u>

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

# Fairfield County, Ohio

## STATEMENT OF FUND NET ASSETS PROPRIETARY FUNDS

December 31, 2003

Exhibit B-8

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents.....	\$ 7,847,192	\$ 2,615,727	\$ 10,462,919	\$ 632,140
Cash and cash equivalents in segregated accounts .....	191,601	145,987	337,588	82,841
Receivables:				
Accounts .....	438,348	339,920	778,268	-
Interfund .....	20,857	1,796	22,653	1,454
Special assessments .....	40,806	35,935	76,741	-
Accrued interest .....	31,098	4,137	35,235	3,428
Intergovernmental .....	33,902	4,828	38,730	-
Materials and supplies inventory.....	5,332	4,581	9,913	-
Prepaid items.....	23,300	9,927	33,227	-
Total current assets.....	<u>8,632,436</u>	<u>3,162,838</u>	<u>11,795,274</u>	<u>719,863</u>
<b>Noncurrent assets:</b>				
Deferred charges.....	159,951	163,254	323,205	-
Restricted assets:				
Cash and cash equivalents .....	136,777	-	136,777	-
Capital assets not being depreciated .....	7,446,288	6,089,109	13,535,397	-
Capital assets being depreciated (net of accumulated depreciation) .....	18,925,435	20,579,345	39,504,780	-
Total noncurrent assets.....	<u>26,668,451</u>	<u>26,831,708</u>	<u>53,500,159</u>	<u>-</u>
Total assets.....	<u>\$ 35,300,887</u>	<u>\$ 29,994,546</u>	<u>\$ 65,295,433</u>	<u>\$ 719,863</u>

(Continued)

Fairfield County, Ohio

STATEMENT OF FUND NET ASSETS  
 PROPRIETARY FUNDS

(Continued)

December 31, 2003

Exhibit B-8

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable .....	\$ 39,623	\$ 34,974	\$ 74,597	\$ -
Contracts payable .....	516,887	11,568	528,455	-
Accrued wages and benefits payable .....	27,087	15,700	42,787	-
Retainage payable .....	141,948	-	141,948	-
Interfund payable .....	545	545	1,090	-
Intergovernmental payable .....	25,877	8,282	34,159	-
Deferred revenue .....	-	-	-	439,134
Accrued interest payable .....	139,410	76,757	216,167	-
Claims payable .....	-	-	-	621,523
Current portion of:				
Compensated absences payable .....	24,917	18,294	43,211	-
Notes payable .....	331,285	100,000	431,285	-
Capital leases .....	3,950	3,950	7,900	-
EPA loans payable .....	83,159	-	83,159	-
OPWC loans payable .....	2,500	-	2,500	-
General obligation bonds payable .....	230,000	360,000	590,000	-
Total current liabilities .....	<u>1,567,188</u>	<u>630,070</u>	<u>2,197,258</u>	<u>1,060,657</u>
<b>Noncurrent liabilities payable from restricted assets:</b>				
Customer deposits payable .....	<u>136,777</u>	<u>-</u>	<u>136,777</u>	<u>-</u>
<b>Long-term liabilities (net of current portion):</b>				
Compensated absences .....	55,254	18,216	73,470	-
Notes payable .....	8,568,715	3,200,000	11,768,715	-
Capital leases .....	5,984	5,984	11,968	-
EPA loans payable .....	1,891,834	-	1,891,834	-
OPWC loans payable .....	97,500	-	97,500	-
General obligation bonds payable .....	<u>7,423,679</u>	<u>8,621,120</u>	<u>16,044,799</u>	<u>-</u>
Total long-term liabilities .....	<u>18,042,966</u>	<u>11,845,320</u>	<u>29,888,286</u>	<u>-</u>
Total liabilities .....	<u>19,746,931</u>	<u>12,475,390</u>	<u>32,222,321</u>	<u>1,060,657</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt .....	12,042,057	14,674,274	26,716,331	-
Restricted for debt service.....	127,605	133,620	261,225	-
Unrestricted (deficit).....	<u>3,384,294</u>	<u>2,711,262</u>	<u>6,095,556</u>	<u>(340,794)</u>
Total net assets (deficit) .....	<u>\$ 15,553,956</u>	<u>\$ 17,519,156</u>	<u>33,073,112</u>	<u>\$ (340,794)</u>

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

Net assets of business-type activities (7,660)  
\$ 33,065,452

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

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit B-9

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>OPERATING REVENUES:</b>				
Charges for services .....	\$ 2,439,518	\$ 1,869,470	\$ 4,308,988	\$ 5,638,046
<b>OPERATING EXPENSES:</b>				
Personal services .....	527,606	332,267	859,873	-
Fringe benefits .....	167,855	73,813	241,668	-
Contractual services .....	680,758	556,695	1,237,453	573,417
Claims .....	-	-	-	4,908,647
Materials and supplies .....	68,847	140,213	209,060	-
Other operating expenses .....	83,000	4,043	87,043	17
Depreciation .....	543,518	626,961	1,170,479	-
Total operating expenses .....	2,071,584	1,733,992	3,805,576	5,482,081
Operating income .....	367,934	135,478	503,412	155,965
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Interest income .....	148,593	41,915	190,508	12,732
Loss on disposal of fixed assets .....	(102,812)	(4,534)	(107,346)	-
Interest and fiscal charges .....	(541,720)	(486,675)	(1,028,395)	-
Other non-operating revenues .....	-	802	802	-
Total non-operating revenues (expenses) .....	(495,939)	(448,492)	(944,431)	12,732
Loss before capital contributions .....	(128,005)	(313,014)	(441,019)	168,697
Capital contributions .....	1,548,309	1,205,164	2,753,473	-
Change in net assets .....	1,420,304	892,150	2,312,454	168,697
Net assets (deficit) - beginning of year, as restated (Note 3) .....	14,133,652	16,627,006		(509,491)
Net assets (deficit) - end of year .....	\$ 15,553,956	\$ 17,519,156		\$ (340,794)

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

Change in net assets of business-type activities	3,793
	<u>\$ 2,316,247</u>

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

# Fairfield County, Ohio

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Year Ended December 31, 2003

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
<b>Cash flows from operating activities</b>				
Cash received from customers.....	\$ 2,365,858	\$ 1,844,737	\$ 4,210,595	\$ -
Cash received from transactions with other funds.....	-	-	-	5,733,576
Cash payments for employee services and benefits .....	(664,901)	(396,613)	(1,061,514)	-
Cash payments for goods and services.....	(821,191)	(702,539)	(1,523,730)	(573,417)
Cash payments for claims.....	-	-	-	(4,891,881)
Other operating expenses.....	(83,000)	(4,043)	(87,043)	(17)
Other non-operating revenues.....	-	133	133	-
Customer deposits received.....	151,082	-	151,082	-
Customer deposits returned.....	(101,829)	-	(101,829)	-
Net cash provided by operating activities.....	<u>846,019</u>	<u>741,675</u>	<u>1,587,694</u>	<u>268,261</u>
<b>Cash flows from capital and related financing activities</b>				
Tap-in fees.....	1,021,127	829,604	1,850,731	-
Special assessments .....	577	-	577	-
Capital Grants.....	209,144	-	209,144	-
Acquisition of capital Assets.....	(3,914,864)	(3,269,805)	(7,184,669)	-
Proceeds from sale of bonds.....	2,845,000	3,900,000	6,745,000	-
Proceeds from loans.....	100,000	-	100,000	-
Proceeds from sale of notes.....	8,900,000	3,300,000	12,200,000	-
Premium on bonds.....	131,589	137,136	268,725	-
Proceeds from sale of refunding bonds.....	940,000	-	940,000	-
Principal paid on capital leases payable.....	(3,354)	(3,354)	(6,708)	-
Principal paid on notes payable.....	(6,280,000)	(7,716,632)	(13,996,632)	-
Principal paid on EPA refunding loan.....	(162,005)	-	(162,005)	-
Principal paid on general obligation bonds.....	(105,000)	(200,000)	(305,000)	-
Payment to refunded bond escrow agent.....	(1,013,875)	-	(1,013,875)	-
Bond issuance costs.....	(82,516)	(85,496)	(168,012)	-
Interest paid on capital leases payable .....	(1,020)	(1,020)	(2,040)	-
Interest paid on notes payable.....	(139,295)	(168,939)	(308,234)	-
Interest paid on EPA refunding loan.....	(74,229)	-	(74,229)	-
Interest paid on general obligation bonds.....	(288,003)	(367,648)	(655,651)	-
Net cash provided by (used for) capital and related financing activities .....	<u>2,083,276</u>	<u>(3,646,154)</u>	<u>(1,562,878)</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Interest.....	<u>129,505</u>	<u>69,741</u>	<u>199,246</u>	<u>12,184</u>
Net increase (decrease) in cash and cash equivalents .....	3,058,800	(2,834,738)	224,062	280,445
Cash and cash equivalents - beginning of year .....	5,116,770	5,596,452	10,713,222	434,536
Cash and cash equivalents - end of year.....	<u>\$ 8,175,570</u>	<u>\$ 2,761,714</u>	<u>\$ 10,937,284</u>	<u>\$ 714,981</u>

(continued)



# Fairfield County, Ohio

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

(Continued)

For the Year Ended December 31, 2003

Exhibit B-10

	Business-type Activities - Enterprise Funds			Governmental
	Sewer Fund	Water Fund	Totals	Activities - Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income.....	\$ 367,934	\$ 135,478	\$ 503,412	\$ 155,965
Adjustments to reconcile operating Income to net cash provided by operating activities:				
Other non-operating revenues .....	-	133	133	-
Depreciation expense .....	543,518	626,961	1,170,479	-
(Increases) decreases in assets:				
Accounts receivable .....	(64,681)	(29,759)	(94,440)	-
Intergovernmental receivable .....	(953)	5,053	4,100	-
Interfund receivable .....	(8,026)	(27)	(8,053)	-
Materials and supplies inventory .....	(3,306)	(1,436)	(4,742)	-
Prepays .....	(16,669)	(5,246)	(21,915)	-
Increases (decreases) in liabilities:				
Accounts payable .....	(7,816)	12,694	4,878	-
Contracts payable .....	(50,292)	(11,763)	(62,055)	-
Accrued wages and benefits payable .....	6,492	1,981	8,473	-
Compensated absences payable .....	36,323	13,878	50,201	-
Interfund payable .....	(475)	84	(391)	-
Intergovernmental payable .....	(5,283)	(6,356)	(11,639)	-
Deferred revenue .....	-	-	-	95,530
Claims payable .....	-	-	-	16,766
Customer deposits .....	49,253	-	49,253	-
Net cash provided by operating activities .....	<u>\$ 846,019</u>	<u>\$ 741,675</u>	<u>\$ 1,587,694</u>	<u>\$ 268,261</u>

Noncash capital financing activities:

Developers contributed \$386,512 and \$339,625 in the form of sewer lines and water lines, respectively, during 2003. Special assessment contributions were reported at \$25,060 and \$35,935 for the Little Walnut area assessments in the sewer and water funds, respectively, during 2003.

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

# Fairfield County, Ohio

## STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS

December 31, 2003

Exhibit B-11

### ASSETS

Cash and cash equivalents .....	\$ 5,977,013
Cash and cash equivalents in segregated accounts .....	2,709,974
Receivables:	
Property and other taxes .....	99,322,240
Accounts .....	1,573,739
Special assessments .....	2,271,166
Intergovernmental .....	11,481,197
External party receivable .....	44,904
Total assets .....	<u>\$ 123,380,233</u>

### LIABILITIES

Contracts payable .....	\$ 34,786
Retainage payable .....	189,476
External party payable .....	115,349
Intergovernmental payable .....	117,176,950
Due to others .....	5,863,672
Total liabilities .....	<u>\$ 123,380,233</u>

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

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**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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**NOTE 1 – REPORTING ENTITY**

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

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

**Reporting Entity**

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

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Fairfield County, this includes the Board of Mental Retardation and Developmental Disabilities, the Alcohol, Drug Addiction, and Mental Health Board, and all departments and activities that are directly operated by the elected County officials.

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

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

**Fairfield County Transportation Improvement District.** Fairfield County Transportation Improvement District (Transportation Improvement District) operates under a board of seven members. Of the seven-member board, five members are appointed by the Fairfield County Commissioners. The sixth member, who is nonvoting, is appointed by the Speaker of the House of the General Assembly and the seventh member, also a nonvoting member, is appointed by the President of the Senate of the General Assembly. The Transportation Improvement District was created under section 5540.02(c)(2) of the Ohio Revised Code. The purpose of the Transportation Improvement District is to improve the transportation system in Fairfield County in order to contribute to the creation or preservation of jobs. The Transportation Improvement District generates revenues from public and private contributions. For 2003, the revenues consisted of interest earnings of \$221. The County made no contributions to the Transportation Improvement District in 2003. The Transportation Improvement District has agreed that as outside revenues are received in the future the County's past contributions may be repaid. Financial information can be obtained from the Fairfield County Transportation Improvement District, 407 East Main Street, Lancaster, Ohio 43130.

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

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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

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

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

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

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

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

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

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements, and has elected not to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its enterprise funds and business-type activities. The most significant of the County's accounting policies are described below.

**A. Basis of Presentation**

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

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

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

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

**B. Fund Accounting**

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

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

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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**General Fund.** The General Fund, the County's primary operating fund, accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

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

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

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

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

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

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

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

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

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

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

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



**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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

**C. Measurement Focus**

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

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

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

**D. Basis of Accounting**

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

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

Nonexchange transactions, where the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements, and donations. On the accrual basis, the County recognizes revenue from sales taxes in the period in which the taxable sales take place. The County recognizes revenue from property taxes in the year for which the taxes are levied. (See Note 7.) The County recognizes revenue from grants, entitlements, and donations in the year in which that revenue meets all eligibility requirements. Eligibility requirements include (1) timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, (2) matching requirements, where the County must provide local resources to be used for a specified purpose, and (3) expenditure requirements, where the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: sales tax (see Note 8), interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees, and rentals.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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

The County has recorded property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance year 2004 operations, as deferred revenue. It also has recorded grants and entitlements received before the eligibility requirements are met as deferred revenue.

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

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

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

#### **E. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on the expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, department, and object level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate in effect when final appropriations for the year were adopted by the County Commissioners.

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

The Economic Development Assistance Grant Special Revenue Fund and the segregated bank account included in the Community Development Block Grant Special Revenue Fund are not required to be budgeted; therefore, the budgetary schedules do not include the Economic Development Assistance Grant Special Revenue Fund and the segregated bank account included in the Community Development Block Grant Special Revenue Fund.

The Select Traffic Enforcement Program, Highway Safety Program, and Cops Universal Hiring Special Revenue Funds and the Job and Family Services Relocation and Geographical Information System Equipment Capital Project Funds were not budgeted because the County did not anticipate any financial activity within these funds and none occurred. The Mental Health Facility – Our Place II Capital Project Fund was not budgeted because the County did not anticipate any activity but activity did occur.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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

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

During 2003, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), repurchase agreements, money market mutual funds, nonparticipating certificates of deposit, and federal agency securities.

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

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

Provisions of the Ohio Revised Code restrict investment procedures. Under existing Ohio statutes all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. During 2003, interest was distributed to the General Fund, certain special revenue funds, capital projects funds, debt service funds, enterprise funds, and the Internal Service Fund. Interest revenue credited to the General Fund during 2003 amounted to \$848,139, which includes \$694,673 assigned from other County funds.

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

The County reports "Cash and cash equivalents with fiscal agents" on the financial statements. This money is held by the City of Lancaster, which is the fiscal agent of the Community Corrections Special Revenue Fund grant.

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

**G. Receivables and Payables**

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

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

**H. Inventory of Supplies**

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

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**I. Prepaid Items**

The County records payments made to vendors for services that will benefit periods beyond December 31, 2003, as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**J. Interfund Balances**

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

**K. Restricted Assets**

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

**L. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

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

**M. Compensated Absences**

The County accrues vacation benefits and compensation time as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation and compensatory time when earned for all employees who have worked beyond their probation period.

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

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

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

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

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

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

**O. Bond Premiums and Issuance Costs**

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

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

**P. Fund Balance Reserves**

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

**Q. Net Assets**

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

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

Net assets restricted for debt service in the business-type activities consists of bond premiums for the Sewer and Water Enterprise Funds. Due to Ohio law, bond premiums are restricted for the payment of future debt obligations.

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

**R. Contributions of Capital**

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

**S. Interfund Activity**

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

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

**T. Estimates**

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

**U. Operating Revenues and Expenses**

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

**V. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County and that are either unusual in nature or infrequent in occurrence. During 2003, no extraordinary or special items occurred.

**NOTE 3 – CHANGES IN FUND BALANCE/RETAINED EARNINGS AND ACCOUNTING PRINCIPLES**

**Changes in Accounting Principles.** For 2003, the County has implemented GASB Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures", GASB Statement No. 41, "Budgetary Comparison Schedules – Perspective Differences," and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements." At December 31, 2002, there was no effect on fund balances as a result of implementing GASB Statements 37 and 38.

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

The government-wide financial statements split the County's programs between business-type activities and governmental activities. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at December 31, 2002, caused by the conversion to the accrual basis of accounting.

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the MD&A, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes and rescinds certain financial statement note disclosures.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information based on the fund, organization, or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the County not being able to present budgetary comparisons for the general and each major special revenue fund. The implementation of this statement did not have any effect on the presentation of the County's budgetary financial statements for 2003.

**Restatement of Fund Balance.** During 2003, there were also restatements of fund equity for corrections of prior year accrual balances and the allocation of agency fund cash associated County activities. These restatements and the implementation of Interpretation No. 6 had the following effect on fund balance of the major and nonmajor funds of the County as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

	<u>General</u>	<u>Community Services</u>	<u>Motor Vehicle</u>	<u>Mental Retardation</u>
Fund Balances (Deficit)				
December 31, 2002	\$ 14,571,383	\$ (859,534)	\$ 5,088,511	\$ 5,597,857
Agency Fund Cash Allocation	199,459	-	-	142,894
Understated Deferred Revenue	(92,471)	-	-	-
Interpretation 6:				
Compensated Absences	64,825	30,715	12,305	18,056
Matured Capital Leases Payable	(10,548)	(19,745)	-	-
Matured Accrued Interest Payable	(1,149)	(5,775)	-	-
Understated Notes Payable	-	-	-	-
Accrued Interest Payable	-	-	-	-
Restated Fund Balances, (Deficit)				
January 1, 2003	<u>\$ 14,731,499</u>	<u>\$ (854,339)</u>	<u>\$ 5,100,816</u>	<u>\$ 5,758,807</u>

**Fairfield County, Ohio**  
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The transition from governmental fund balance to net assets of the governmental activities continued:

	<b>Alcohol, Drug Addiction, and Mental Health Board</b>	<b>General Obligation Bond Retirement</b>	<b>Nonmajor Governmental Funds</b>	<b>Totals</b>
Fund Balances December 31, 2002	\$ 741,122	\$ 212,033	\$ 14,352,493	\$ 39,703,865
Agency Fund Cash Allocation	13,996	-	32,261	388,610
Understated Deferred Revenue	-	-	-	(92,471)
Interpretation 6:				
Compensated Absences	2,395	-	19,847	148,143
Matured Capital Leases Payable	-	-	(553)	(30,846)
Matured Accrued Interest Payable	-	-	(248)	(7,172)
Understated Notes Payable	-	-	(730,000)	(730,000)
Accrued Interest Payable	-	-	(14,643)	(14,643)
Restated Fund Balances January 1, 2003	<u>\$ 757,513</u>	<u>\$ 212,033</u>	<u>\$ 13,659,157</u>	39,365,486
GASB 34 Adjustments:				
Capital Assets				154,478,569
Intergovernmental Payable				(937,181)
Compensated Absences				(2,209,434)
Internal Service Fund				(509,491)
Internal Balance				11,453
Accrued Interest Payable				(171,013)
Capital Leases Payable				(766,675)
Long-Term Liabilities				(21,171,367)
Long-Term (Deferred) Assets				<u>10,916,470</u>
Governmental Activities Net Assets, January 1, 2003				<u>\$ 179,006,817</u>

The transition from proprietary fund equity to net assets of the business-type activities and internal service fund is as follows:

	<b>Sewer</b>	<b>Water</b>	<b>Totals</b>	<b>Internal Service</b>
Fund Equity, December 31, 2002	\$ 14,226,361	\$ 16,626,620	\$ 30,852,981	\$ (519,370)
Overstatement of Construction in Progress	(93,473)	-	(93,473)	-
Overstatement in Deferred Revenue	-	-	-	9,879
Interpretation 6:				
Compensated Absences Payable	764	386	1,150	-
Adjusted Net Assets January 1, 2003	<u>\$ 14,133,652</u>	<u>\$ 16,627,006</u>	<u>\$ 30,760,658</u>	<u>\$ (509,491)</u>
Internal Service Fund Allocation			(11,453)	
Net Assets of Business-type Activities, January 1, 2003			<u>\$ 30,749,205</u>	

**NOTE 4 – BUDGETARY BASIS OF ACCOUNTING**

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



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1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than a reservation of fund balance.
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. Unrecorded cash and unrecorded interest are reported on the balance sheet (GAAP basis), but not on the budgetary basis. The reconciled difference is reflected in the following tables as unrecorded cash.
6. Cash that is held by the agency funds on behalf of County funds on a budget basis are allocated and reported (GAAP basis) in the appropriate County fund.

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

	<b>General Fund</b>	<b>Community Services Fund</b>	<b>Motor Vehicle Fund</b>	<b>Mental Retardation Fund</b>	<b>Alcohol, Drug Addiction, and Mental Health Board Fund</b>
GAAP Basis	\$(3,821,375)	\$(919,439)	\$(753,167)	\$644,676	\$66,397
Net Adjustment for					
Revenue Accruals	(184,628)	502,147	(61,160)	(64,449)	(152,087)
Net Adjustment for					
Expenditure Accruals	754,466	(44,830)	135,723	115,851	(355,476)
Beginning of Year:					
Unreported Cash and Interest	80,922	254,801	—	—	157,110
GASB 31 Adjustment	230,718	—	—	—	—
Segregated Accounts	129,844	—	—	—	—
Agency Cash					
Allocation	199,459	—	—	142,894	13,996
Prepaid Items	313,573	106,911	41,872	116,181	39,352
End of Year:					
Unreported Cash and Interest	(101,990)	(2,207)	—	—	(38,142)
GASB 31 Adjustment	(73,797)	—	—	—	—
Segregated Accounts	(93,696)	—	—	—	—
Agency Cash					
Allocation	(219,370)	—	—	(163,258)	(17,719)
Prepaid Items	(380,742)	(101,113)	(61,264)	(83,991)	(34,310)
Advances In	628,215	467,000	—	—	—
Advances Out	(1,293,397)	—	—	—	—
Transfers Out	(30,510)	—	—	—	—
Encumbrances	(1,549,072)	(341,509)	(524,938)	(557,481)	—
Budget Basis	<u>\$ (5,411,380)</u>	<u>\$ (78,239)</u>	<u>\$ (1,222,934)</u>	<u>\$ 150,423</u>	<u>\$ (320,879)</u>

**Fairfield County, Ohio**  
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**NOTE 5 – ACCOUNTABILITY AND COMPLIANCE**

**A. Fund Deficits**

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

	<b>Deficit Fund Balance/Net Assets</b>
<b><u>Special Revenue Fund:</u></b>	
Community Services	(\$1,773,778)
<b><u>Capital Projects Funds:</u></b>	
State Capital Improvements Program	(178,742)
Ohio Department of Transportation Projects	(65,958)
Geographical Information System Equipment	(648,381)
<b><u>Internal Service Fund:</u></b>	
Self Funded Insurance	(340,794)

The deficits in the Special Revenue, Capital Projects, and the Internal Service Funds are the result of the recognition of payables in accordance with Generally Accepted Accounting Principles (GAAP). The General Fund provides transfers to cover deficit balances of special revenue and capital projects funds; however, this is done when cash is needed rather than when accruals occur. In order to alleviate the deficit in the Self Insurance Fund, the County Commissioners have increased monthly premium charges and made changes to the plan guidelines. See the subsequent event Note 29 for further details.

**B. Legal Compliance**

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

	<b>Excess</b>
<b><u>Debt Service Fund:</u></b>	
General Obligation Bond Retirement	
Debt Service – Interest and Fiscal Charges	(\$13,123)
<b><u>Capital Projects Fund:</u></b>	
Ohio Department of Transportation	
Public Works – Capital Outlay	(171,495)
Mental Health Facility – Our Place II	
Health – Capital Outlay	(43,498)
Health – Other	(400,000)

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

**NOTE 6 – DEPOSITS AND INVESTMENTS**

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

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

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

**Fairfield County, Ohio**  
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1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, 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 that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio 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) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
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 either securities described in division (1) or (2) of this section or cash or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed five percent of the County's total average portfolio; and,
10. Bankers acceptances for a period not to exceed 270 days and in an amount not to exceed ten percent of the County's total average portfolio.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Cash on Hand.** At year end, the County had \$554,273 in undeposited cash on hand which is included in the financial statements of the County as part of "Cash and cash equivalents."

**Cash with Fiscal Agents.** At year end, the County had \$105,256 in cash with fiscal agents, which is included in the financial statements of the County as "Cash and cash equivalents with fiscal agents." The \$22,415 was included in the Community Corrections Special Revenue Fund, which was held by the City of Lancaster, fiscal agent, in a pooled account of the City's monies and therefore cannot be classified by risk under GASB Statement No. 3. To obtain information about the City of Lancaster, write to City of Lancaster, 104 East Main Street, Lancaster, Ohio 43130. The remaining \$82,841 was included in the Self-Funded Health Insurance Internal Service Fund that was held by Managed Care of America, Inc. in a pooled account, which is representative of numerous entities and therefore cannot be classified by risk under GASB Statement No. 3. To obtain information about Managed Care of America, Inc., write to Managed Care of America, Inc., 5900 Rochs Drive, Columbus, Ohio 43229.

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

**Deposits.** At year end, the carrying amount of the County's deposits was \$13,251,079 and the bank balance was \$14,233,412. Of the bank balance:

1. \$1,317,195 was covered by federal depository insurance; and
2. \$12,916,217 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

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

	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Value</u>	<u>Fair Value</u>
STAR Ohio	\$ —	\$ —	\$ 19,711,795	\$ 19,711,795
Federal Home Loan Bank Notes	3,034,963	—	3,034,963	3,034,963
Federal National Mortgage Association Notes	2,006,260	—	2,006,260	2,006,260
Federal Home Loan Mortgage Corporation Notes	7,997,869	—	7,997,869	7,997,869
Federal Home Loan Mortgage Corporation Discount Notes	991,410	—	991,410	991,410
Federal Farm Credit Bank	2,005,128	—	2,005,128	2,005,128
Money Market Mutual Funds	—	—	524	524
Repurchase Agreements	—	3,267,991	3,267,991	3,269,273
Total	<u>\$16,035,630</u>	<u>\$3,267,991</u>	<u>\$ 39,015,940</u>	<u>\$ 39,017,222</u>

The federal agency securities have maturities ranging from February 2004 to November 2005.

The classification of cash and cash equivalents, and investments in the financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

A reconciliation between the classifications of cash and cash equivalents and investments in the financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

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	<b>Cash and Cash Equivalents/Deposits</b>	<b>Investments</b>
GASB Statement No. 9	\$ 52,926,548	\$ —
Undeposited Cash	(554,273)	—
Cash with Fiscal Agents	(105,256)	—
Investments:		
STAR Ohio	(19,711,795)	19,711,795
Federal National Mortgage Association Notes	(2,006,260)	2,006,260
Federal Home Loan Bank Notes	(3,034,963)	3,034,963
Federal Home Loan Mortgage Corporation Notes	(7,997,869)	7,997,869
Federal Home Loan Mortgage Corporation Discount Notes	(991,410)	991,410
Federal Farm Credit Bank	(2,005,128)	2,005,128
Money Market Mutual Funds	(524)	524
Repurchase Agreements	(3,267,991)	3,267,991
GASB Statement No. 3	<u>\$ 13,251,079</u>	<u>\$ 39,015,940</u>

**NOTE 7 – PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the County. Property tax revenue received during 2003 for real and public utility property taxes represents collections of 2002 taxes. Property tax payments received during 2003 for tangible personal property (other than public utility property) is for 2003 taxes.

2003 real property taxes are levied after October 1, 2003, on the assessed value as of January 1, 2003, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2003 real property taxes are collected in and intended to finance 2004.

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

2003 tangible personal property taxes are levied after October 1, 2002, on the value as of December 31, 2002. Collections are made in 2003. Tangible personal property assessments are 25 percent of true value for machinery and equipment and 23 percent for inventory.

The full tax rate for all County operations for the year ended December 31, 2003, was \$7.05 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

Real Property	\$ 2,255,291,320
Public Utility Personal Property	99,663,470
Tangible Personal Property	146,455,872
Total Assessed Property Value	<u>\$ 2,501,410,662</u>

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. The due dates for 2003 were February 19 and July 15.

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

**Fairfield County, Ohio**  
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The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County. Property taxes receivable represents real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2003, and for which there is an enforceable legal claim. In the General Fund, Mental Retardation Fund, Alcohol, Drug Addiction, and Mental Health Board Fund, and Bridges, Culverts, and County Road Special Revenue Funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2003 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**NOTE 8 – PERMISSIVE SALES AND USE TAX**

In 1981, the County Commissioners by resolution imposed a one-half of one percent tax on all retail sales made in the County and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. County voters approved an additional one-fourth of one percent tax in 1995. The County remits vendor collections of the tax to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The State Auditor then has five days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General Fund. Sales and use tax revenue for 2003 amounted to \$9,978,566.

**NOTE 9 - RECEIVABLES**

Receivables at December 31, 2003, consisted of taxes, accounts (billings for user charged services, including unbilled utility services), interfund, special assessments, accrued interest, outstanding court costs, loans, and intergovernmental receivables arising from grants, entitlements, and shared revenues. Loans receivable of \$524,846 and \$233,645 are reported in the Economic Development Assistance Grant and the Community Development Block Grant Special Revenue Funds, respectively, which represents low interest loans for development projects granted to eligible businesses under the Federal Economic Development Assistance and the Community Development Block Grant programs. Additional loans receivable of \$40,444 are reported in the General Obligation Bond Retirement Debt Service Fund for the short-term loan to the Fairfield County Visitors and Convention Bureau from the purchase of a County property. Management believes all receivables are fully collectible. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment. A portion of the County's special assessments are not expected to be collected within one year. The amount not scheduled for collection during the subsequent year is \$1,614,329. The County has \$34,148 in delinquent special assessments at December 31, 2003.

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A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>		<u>Amounts</u>
<b><u>Governmental Activities:</u></b>		<b><u>Governmental Activities:</u></b>	
Undivided Property Tax Replacement	\$ 51,044	Mental Health Women's Assistance Program	\$ 22,562
Local Government	1,541,071	Mental Health Children Adolescent Block Grant	9,889
Homestead and Rollback	762,423	Mental Health Community Plan Block Grant	26,817
Gasoline Tax	827,635	Mental Health Women's State Fund Allocation	16,309
Motor Vehicle License Tax	1,777,040	Mental Health Community Prevention School Violence	20,000
Indigent Fee Reimbursement	152,448	Mental Health Per Capita	295,218
Municipal Court Fines	30,045	Mental Health Tanf Treatment	3,531
Criminal Justice Automation Grant	4,814	House Bill 484 Reimbursements	34,339
Child Support Enforcement Agency Advancement	263,105	Children Services Child Protection Allocation	162,256
Reclaim Ohio Grant	163,997	Children Service Chaffee Allocation	1,030
Title V	317	Children Services Title VI-B	24,282
MR/DD Education Grants	31,814	Children Services ESSA Grants	14,819
Title XIX	1,073,596	Children Service IV-E Waiver	477,304
MR/DD Bus Purchase Allowance	53,000	Children Service Child Abuse and Neglect Grant	500
MR/DD Pass Through Grant	147,159	Homeland Security Grants	20,250
Title XX	66,131	Emergency Management Grant	8,814
School Lunch Payments	799	Recycle Ohio Grant	6,803
Mental Health State Subsidy	1,263,166	Community Correction Grants	112,435
Jail Diversion Grant	24,800	Victims of Crime Grant	55,991
Sheriff Services	17,902	Community Development Block Formula Grants	1,097,999
Election Expense	153,924	Ohio Public Works Commission	553,889
Social Security	11,607	Ohio Children Trust Grant	20,736
Wage Reimbursements	15,495	Ohio Department of Transportation	207,649
MR/DD Transportation Reimbursements	810	<b>Total Government Activities</b>	<u>12,003,514</u>
MR/DD Excess Cost Reimbursements	12,078	<b>Business-Type Activities:</b>	
Adoption Reimbursements	48,921	Ohio Public Works Commission	31,154
Job and Family Services Reimbursements	6,796	Water Fees	4,828
Public Private Solutions Subsidies	66,156	Sewer Fees	2,748
House Bill 408 Reimbursements	2,488	<b>Total Business-Type Activities</b>	<u>38,730</u>
Internal Revenue Service Adjustments	7,263		
Miscellaneous	25,896	<b>Total Intergovernmental Receivables</b>	<u>\$ 12,042,244</u>
Major Crimes Unit Grant	47,091		
Transportation Coordination Grant	4,889		
Federal Airport Grant	1,422		
State Airport Grant	3,661		
Mental Health Block Grant	83,801		
Public Assistance Subsidy	64,888		
MR/DD RSC-CEO Reimbursement	\$ 600		

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**NOTE 10 – CAPITAL ASSETS**

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

	<u>Balance 12/31/2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2003</u>
<b><u>Governmental Activities:</u></b>				
Investment in Joint Venture	\$954,141	\$1,671,613	\$—	\$2,625,754
Non Depreciable Capital Assets:				
Land	4,175,939	498,710	(26,190)	4,648,459
Construction in Progress	6,199,758	8,055,786	(12,149,324)	2,106,220
Total Non Depreciable Capital Assets	<u>10,375,697</u>	<u>8,554,496</u>	<u>(12,175,514)</u>	<u>6,754,679</u>
Depreciable Capital Assets:				
Buildings and Improvements	25,682,782	9,763,041	(503,902)	34,941,921
Improvements other than buildings	2,396,325	208,937	—	2,605,262
Equipment	4,972,257	1,175,061	(699,919)	5,447,399
Furniture and Fixtures	414,674	251,739	—	666,413
Infrastructure	162,207,447	7,210,073	(398,086)	169,019,434
Vehicles	5,801,725	818,668	(434,506)	6,185,887
Total Depreciable Capital Assets	<u>201,475,210</u>	<u>19,427,519</u>	<u>(2,036,413)</u>	<u>218,866,316</u>
Accumulated Depreciation:				
Buildings and Improvements	8,788,270	916,674	(188,086)	9,516,858
Improvements other than buildings	683,421	70,920	—	754,341
Equipment	2,384,811	592,672	(436,265)	2,541,218
Furniture and Fixtures	75,314	43,481	—	118,795
Infrastructure	42,731,125	3,627,366	(167,881)	46,190,610
Vehicles	3,663,538	688,901	(400,512)	3,951,927
Total Accumulated Depreciation	<u>58,326,479</u>	<u>5,940,014</u> *	<u>(1,192,744)</u>	<u>63,073,749</u>
Total Depreciable Capital Assets, Net	<u>143,148,731</u>	<u>13,487,505</u>	<u>(843,669)</u>	<u>155,792,567</u>
Governmental Capital Assets, Net	<u>\$154,478,569</u>	<u>\$23,713,614</u>	<u>\$(13,019,183)</u>	<u>\$165,173,000</u>

\* Depreciation expense was charged to governmental activities as follows:

**Governmental Activities:**

General government:

Legislative and executive	\$ 398,857
Judicial	85,433
Public safety	475,115
Public works	4,099,227
Health	319,419
Human services	465,328
Transportation	96,635
Total Depreciation Expense	<u>\$ 5,940,014</u>



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	<u>Balance 12/31/2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2003</u>
<b><u>Business-Type Activities:</u></b>				
Non Depreciable Capital Assets:				
Land	\$ 1,520,787	\$ 343,587	\$ —	\$ 1,864,374
Construction in Progress	5,646,400	6,148,658	(124,035)	11,671,023
Total Non Depreciable Capital Assets	<u>7,167,187</u>	<u>6,492,245</u>	<u>(124,035)</u>	<u>13,535,397</u>
Depreciable Capital Assets:				
Buildings and Improvements	10,832,487	—	(255,330)	10,577,157
Infrastructure	35,492,339	850,172	—	36,342,511
Furniture and Equipment	209,696	—	(24,136)	185,560
Vehicles	486,829	49,965	(36,901)	499,893
Total Depreciable Capital Assets	<u>47,021,351</u>	<u>900,137</u>	<u>(316,367)</u>	<u>47,605,121</u>
Accumulated Depreciation:				
Buildings and Improvements	1,057,008	355,479	(154,932)	1,257,555
Infrastructure	5,698,406	728,743	—	6,427,149
Furniture and Equipment	138,206	15,272	(21,722)	131,756
Vehicles	245,263	70,985	(32,367)	283,881
Total Accumulated Depreciation	<u>7,138,883</u>	<u>1,170,479</u>	<u>(209,021)</u>	<u>8,100,341</u>
Total Depreciable Capital Assets, Net	<u>39,882,468</u>	<u>(270,342)</u>	<u>(107,346)</u>	<u>39,504,780</u>
Business-Type Capital Assets, Net	<u>\$ 47,049,655</u>	<u>\$ 6,221,903</u>	<u>\$ (231,381)</u>	<u>\$ 53,040,177</u>

**NOTE 11 – RISK MANAGEMENT**

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

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

In addition, the County maintains replacement cost insurance on buildings and contents in the amount of \$106,687,274, which includes data processing equipment. Other property insurance includes the following: \$1,000,000 for extra expenses and business interruption, \$1,710,451 for contractor's equipment, \$1,643,122 for miscellaneous equipment floaters, \$56,985 for coverage of the 'Fine Arts' at the Reese-Peters/Decorative Arts Center, \$1,000,000 for valuable papers and records, actual cash value for automobile physical damage, and \$100,000,000 for flood and earthquake damage. Comprehensive boiler and machinery coverage is carried in the amount of \$100,000,000.

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

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

For 2003, the County participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. (See Note 23) The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating Counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate.

In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings that accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. For Fairfield County, a savings of approximately \$79,396 was realized on the annual premium cost. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

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

The County has established a limited risk health insurance program that also includes dental and vision insurance for employees. Premiums are paid into the Self-Funded Health Insurance Internal Service Fund by other funds that are available to pay claims, claim reserves, and administrative costs. The Self-Funded Health Insurance Internal Service Fund makes monthly payments directly to the third party administrator, Managed Care of America, Inc. Managed Care of America, Inc. services all claims submitted to the County by employees. An excess coverage insurance policy covers individual claims in excess of \$100,000 and aggregate claims in excess of \$6,189,823 per year. A liability for unpaid claims costs of \$621,523 has been accrued based on an estimate by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Interfund premiums are based primarily upon the insured funds' claims experience.

Changes in the fund's claims liability in 2002 and 2003 were:

	<b>Balance at Beginning of Year</b>	<b>Current Year Claims</b>	<b>Claim Payments</b>	<b>Balance at End of Year</b>
2002	\$446,427	\$4,048,369	\$3,890,039	\$604,757
2003	604,757	4,908,647	4,891,881	621,523

The County pays all elected official bonds by State statute.

**Fairfield County, Ohio**  
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**NOTE 12 – RETIREMENT PLANS**

**A. Ohio Public Employees Retirement System**

The County participates in the Ohio Public Employee Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earning. The combined plan is a cost-sharing, multiple-employer defined benefit plan that has elements of both a defined benefit and a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705.

For the year ended December 31, 2003, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The County's contribution rate for pension benefits for 2003 was 8.55 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 contributions for pension obligations to the traditional and the combined plans for the years ended December 31, 2003, 2002, and 2001 were \$2,305,153, \$2,176,809, and \$2,300,720, respectively; 91.5 percent has been contributed for 2003, and 100 percent has been contributed for 2002 and 2001. Contributions to the member-directed plan for 2003 were \$20,548 made by the County and \$12,890 made by plan members.

**B. State Teachers Retirement System**

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

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

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

For the fiscal year ended June 30, 2003, plan members were required to contribute 9.3 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the DB Plan for the years ended December 31, 2003, 2002, and 2001 were \$56,286, \$42,262 and \$43,705 respectively; 96.6 percent has been contributed for year 2003 and 100 percent for years 2002 and 2001. Contributions to the DC and Combined plans for year 2003 were \$0 made by the County and \$2,347 made by the plan members.

**NOTE 13 – POST EMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The employer contribution rate for 2003 was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 5.0 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2002, include a rate of return on investments of 8.0 percent, an annual increase in active employee total payroll of 4.0 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.0 percent annually.

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

At year end, the number of active contributing participants was 364,881. Actual employer contributions for 2003 that were used to fund postemployment benefits were \$1,299,481. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2002, (the latest information available) were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

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

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

**B. State Teachers Retirement System**

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

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

By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. The Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the County, this amount equaled \$4,327 for 2003.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30 2002, (the latest information available) the balance in the fund was \$30.11 billion. For the year ended June 30, 2002, net health care costs paid by STRS were \$354,697,000 and there were 105,300 eligible benefit recipients.

**NOTE 14 – OTHER EMPLOYER BENEFITS**

**A. Compensated Absences**

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

**B. Other Benefits**

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

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

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

Equipment and vehicles acquired by lease have been capitalized in the government-wide statements governmental activities in the amount of \$1,381,099, and business-type activities in the amount of \$33,176, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide statements governmental activities and business-type activities, respectively. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$1,045,751. Business-type capitalized leases assets are reflected net of accumulated depreciation in the amount of \$8,848 in the Sewer Fund, and \$8,848 in the Water Fund. Principal payments toward all capital leases during 2003 totaled \$412,050, a reduction to principal outstanding of \$405,342 for governmental activities and \$6,708 for business-type activities. The County traded-in assets of the governmental activities funds obtained through a capital lease within the current year. The principal amount of \$280,728 was forgiven by the leasing company since the County reentered into new leases.

Future minimum lease payments through 2008 for the governmental activities are as follows:

Year	<b>Governmental Activities</b>	
	Principal	Interest
2004	\$ 329,625	\$ 54,520
2005	233,614	36,689
2006	164,408	21,089
2007	152,504	9,056
2008	39,170	506
Total	\$ 919,321	\$ 121,860

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

Year	<b>Business-Type Activities</b>	
	Principal	Interest
2004	\$ 7,900	\$ 1,518
2005	7,381	691
2006	4,587	123
Total	\$ 19,868	\$ 2,332

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**NOTE 16 - CONTRACTUAL COMMITMENTS**

As of December 31, 2003, the County had contractual purchase commitments for forty-seven projects. The amount for each project is as follows:

Projects	Fund	Purchase Commitments	Amounts Paid as of 12/31/2003	Amounts Remaining on Contracts
Electronic Monitoring	Adult, Community Based Corrections	\$ 25,000	\$ —	\$ 25,000
Administration Facility Elevator Project	Community Development Block Grant	138,500	—	138,500
Administration Facility Elevator Project	General	8,000	2,327	5,673
Administration Facility Elevator Project	Permanent Improvement	80,900	—	80,900
Small Cities Improvements	Community Development Block Grant	429,108	64,854	364,254
Violet TWP Curb Upgrade	Community Development Block Grant	92,164	26,620	65,544
Pleasantville Municipal Handicap Accessible Improvements	Community Development Block Grant	4,982	4,000	982
Airport Projects Consulting	General	101,300	47,892	53,408
Common Pleas Office Improvements	General	13,330	—	13,330
Facilities Master Plan – Liberty Center	General	106,000	105,608	392
Financial Information Management				
Software Study	General	5,000	—	5,000
Insurance Consulting Service	General	21,000	—	21,000
Insurance Cost Saving Study	General	14,400	630	13,770
Salary Study	General	23,500	9,489	14,011
Server, Networking Improvements	General	125,419	4,820	120,599
Liberty Center Phase One	Liberty Center Site Improvements	671,000	513,390	157,610
2003 Chip and Seal Project	Motor Vehicle	181,052	172,000	9,052
BER-33 – Bauman Hill Bridge Replacement	Motor Vehicle	103,925	46,964	56,961
BLO-12 - Carroll Northern Bridge	Motor Vehicle	78,122	44,941	33,181
BLO-12 - Carroll Northern Bridge	State Capital Improvements Program	98,986	76,692	22,294
BER 37 - Ewing Street Bridge Rehab	Motor Vehicle	69,638	48,747	20,891
Horns Mill Road Phase 2	Motor Vehicle	104,615	34,969	69,646
Lithopolis Road-Professional Services	Motor Vehicle	297,426	260,574	36,852
BER-21 - Sharp Road Bridge	Motor Vehicle	98,210	19,318	78,892
PLE-27 – Rainbow Drive Bridge	Motor Vehicle	24,500	15,085	9,415
RUS-08 - Jerusalem Road Bridge	Motor Vehicle	75,895	72,263	3,632
BER-39 - Duffy Road Bridge	Motor Vehicle	317,035	107,928	209,107
One Stop Shop- Clerk of Courts	One Stop Shop	1,176,739	865,667	311,072
GPS Centerline Project	Real Estate Assessment	160,000	136,847	23,153
Real Estate Appraisal	Real Estate Assessment	40,000	23,367	16,633
Real Estate Software Support	Real Estate Assessment	81,500	38,625	42,875
Real Estate Web Design and Support	Real Estate Assessment	12,000	—	12,000
Inspections	Sewer	14,026	5,434	8,592
Liberty Township Pressure Sewer	Sewer	913,700	897,460	16,240
Liberty Township Sewer Improvements	Sewer	\$ 47,952	\$ 45,934	\$ 2,018

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Projects	Fund	Purchase Commitments	Amounts Paid as of 12/31/2003	Amounts Remaining on Contracts
NPDES Phase II Application	Sewer	\$ 20,000	\$ 18,800	\$ 1,200
Pleasant Lea and Lakeside	Sewer	61,800	48,784	13,016
Southwest Bloom TWP	Sewer	101,300	93,893	7,407
Sycamore Creek Project	Sewer	1,962,000	1,900,525	61,475
Tarlton Project	Sewer	189,300	155,877	33,423
Tussing Road Improvements	Sewer	551,079	200,863	350,216
Tussing Road Improvements	Water	3,516,944	3,329,948	186,996
Liberty Center Building Design	Sewer	11,000	4,321	6,679
Liberty Center Building Design	Water	11,000	4,321	6,679
Utility Geographical Information System	Sewer	226,200	208,603	17,597
Tussing Road Water Reclamation Facility	Sewer	5,760,000	1,774,353	3,985,647
PLE-19 Wheeling Road Project	State Capital Improvements Program	1,371,155	1,314,771	56,384
Inspections	Water	11,002	3,764	7,238
Vulnerability Assessment	Water	54,300	31,921	22,379
Water Treatment Plant	Water	10,000	8,123	1,877
Wellhead Project	Water	10,000	—	10,000
Facilities Master Plan-Engineer Facility	West Campus Engineer	4,186,028	4,178,428	7,600
Total		<u>\$ 23,808,032</u>	<u>\$16,969,740</u>	<u>\$6,838,292</u>



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**NOTE 17 – LONG-TERM OBLIGATIONS**

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

	<u>Outstanding 12/31/2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2003</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities:</u></b>					
<b><u>Special Assessment Bonds:</u></b>					
Buckeye Lake Sanitary Sewer					
1986 – \$510,600					
Serial Bonds @5.00%	\$ 77,000	\$ —	\$ 26,000	\$ 51,000	\$ 25,000
Term Bonds @ 5.00%	26,000	—	—	26,000	—
Sanitary Sewer System Improvement					
1991 – Serial \$649,885 @ 6.85%	405,000	—	35,000	370,000	35,000
High Service Area S/A Bond					
2000 – Serial \$643,760 @ 5.35%	540,000	—	55,000	485,000	60,000
Little Walnut Area S/A Bond					
2002 – Serial \$983,367 @ 3.25%	983,367	—	68,367	915,000	85,000
<b>Total Special Assessment Bonds</b>	<b>2,031,367</b>	<b>—</b>	<b>184,367</b>	<b>1,847,000</b>	<b>205,000</b>
<b><u>General Obligation Bonds:</u></b>					
<i>1996 Various Purpose Bonds:</i>					
Child Support Enforcement Agency Relocation - \$465,000					
Serial Bonds @ 4.90%	155,000	—	20,000	135,000	20,000
Term Bonds @ 5.75%	220,000	—	—	220,000	—
Laughlin Building - Land Purchase - \$200,000					
Serial Bonds @ 4.90%	70,000	—	10,000	60,000	10,000
Term Bonds @ 5.75%	95,000	—	—	95,000	—
Minimum Security Jail-\$2,565,000					
Serial Bonds @ 4.90%	845,000	—	105,000	740,000	110,000
Term Bonds @ 5.75%	1,200,000	—	—	1,200,000	—
Job and Family Services Building					
2001 - \$6,930,000					
Serial Bonds @ 4.00%	5,780,000	—	210,000	5,570,000	225,000
Term Bonds @ 5.00%	900,000	—	—	900,000	—
County Facility – West Campus					
2003 - \$7,775,000					
Serial Bonds @ 2.00%	—	5,070,000	—	5,070,000	290,000
Term Bonds @ 5.00%	—	2,705,000	—	2,705,000	—
Bond Amortization of Premium	—	271,546	6,963	264,583	—
Multi-County Juvenile Detention Center – County Share					
2003 - \$1,480,000					
Serial Bonds @ 4.00%	—	975,000	—	975,000	55,000
Term Bonds @ 5.00%	—	505,000	—	505,000	—
Bond Amortization of Premium	—	52,997	1,359	51,638	—
<b>Total General Obligation Bonds</b>	<b>9,265,000</b>	<b>9,579,543</b>	<b>353,322</b>	<b>18,491,221</b>	<b>710,000</b>
<b><u>Long-Term Bond</u></b>					
<b><u>Anticipation Notes:</u></b>					
Multi-County Juvenile Detention Center – County Share					
2002 – \$1,500,000 @ 1.97%					
	1,500,000	—	1,500,000	—	—
Multi-County Juvenile Detention Center - County Share					
2003 - \$1,500,000 @1.46%					
	—	1,500,000	1,500,000	—	—
One Stop Shop – Clerk of Courts					
2003 - \$600,000 @ 1.62%					
	\$ —	\$ 600,000	\$ —	\$ 600,000	\$ —

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	<u>Outstanding 12/31/2002</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2003</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities:</u></b>					
<b><u>Long-Term Bond Anticipation</u></b>					
<b><u>Notes: (continued)</u></b>					
Mental Retardation Facility 2003 - \$2,000,000 @ 1.52%	\$ —	\$ 2,000,000	\$ —	\$ 2,000,000	\$ —
Airport 2003 - \$1,000,000 @ 1.54%	—	1,000,000	—	1,000,000	35,000
West Campus 2002 - \$8,375,000 @ 2.25%	8,375,000	—	8,375,000	—	—
Total Long-Term Bond Anticipation Notes	<u>9,875,000</u>	<u>5,100,000</u>	<u>11,375,000</u>	<u>3,600,000</u>	<u>35,000</u>
<b><u>Long-Term Loans:</u></b>					
Mental Health Facility 2003 - \$450,000 @ 5.75%	—	450,000	—	450,000	—
Mental Health Facility 2003 - \$67,000 @ 5.75%	—	67,000	—	67,000	—
Total Long-Term Loans	<u>—</u>	<u>517,000</u>	<u>—</u>	<u>517,000</u>	<u>—</u>
<b><u>Other:</u></b>					
Compensated Absences	2,209,434	1,670,816	682,798	3,197,452	1,175,872
Intergovernmental Payable	21,012	—	1,819	19,193	1,819
Capital Leases	766,675	838,716	686,070	919,321	329,625
Total Governmental Activities	<u>\$24,168,488</u>	<u>\$17,706,075</u>	<u>\$13,283,376</u>	<u>\$28,591,187</u>	<u>\$ 2,457,316</u>
<b><u>Business-Type Activities:</u></b>					
<b><u>Long-Term Bond</u></b>					
<b><u>Anticipation Notes:</u></b>					
Little Walnut Water System	\$ 468,550	\$ —	\$ 468,550	\$ —	\$ —
Water High Service Area	3,498,082	—	3,498,082	—	—
Little Walnut Water System	350,000	—	350,000	—	—
Tussing Road Water System	3,400,000	—	3,400,000	—	—
Tussing Road Water System	—	3,300,000	—	3,300,000	100,000
Liberty Township Sanitary Sewer	3,100,000	—	3,100,000	—	—
Liberty Township Sanitary Sewer	—	3,100,000	—	3,100,000	331,285
Little Walnut Sanitary Sewer	500,000	—	500,000	—	—
Tussing Road Sanitary Sewer	1,580,000	—	1,580,000	—	—
Brookview Sanitary Sewer	1,100,000	—	1,100,000	—	—
Tussing Rd Wastewater System	—	5,800,000	—	5,800,000	—
Total Long-Term Bond Anticipation Notes	<u>13,996,632</u>	<u>12,200,000</u>	<u>13,996,632</u>	<u>12,200,000</u>	<u>431,285</u>
<b><u>General Obligation Bonds:</u></b>					
Water System Improvement 1983 - \$300,000 Serial Bond @ 10.00%	120,000	—	10,000	110,000	10,000
Water System Bonds 1993 - \$920,000 Serial Bond Varying 5.40 - 5.70%	875,000	—	5,000	870,000	10,000
Water System Refunding Bonds 1993 - \$845,000 Serial Bond Varying 5.15 - 5.40%	\$ 255,000	\$ —	\$ 80,000	\$ 175,000	\$ 85,000

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	Outstanding 12/31/2002	Additions	Reductions	Outstanding 12/31/2003	Amounts Due Within One Year
<b><u>Business-Type Activities:</u></b>					
<b><u>General Obligation Bonds:</u></b>					
<b><u>(continued)</u></b>					
Water System Improvement 2003 - \$3,900,000					
Serial Bonds @ 2.00%	\$ —	\$ 2,545,000	\$ —	\$ 2,545,000	\$ 145,000
Term Bonds @ 5.00%	—	1,355,000	—	1,355,000	—
Bond Amortization of Premium	—	137,136	3,516	133,620	—
Water Improvement Bond 1999 - \$4,000,000					
Serial Bonds @ 4.05%	1,787,500	—	105,000	1,682,500	110,000
Term Bonds @ 5.25%	2,110,000	—	—	2,110,000	—
Sewer Improvement Bond 1999 - \$4,000,000					
Serial Bonds @ 4.05%	1,787,500	—	105,000	1,682,500	110,000
Term Bonds @ 5.25%	2,110,000	—	—	2,110,000	—
Sanitary Sewer System Improvement (Refunded 2003) 1993 - \$1,445,000					
Serial Bonds @ 4.80%	365,000	—	365,000	—	—
Term Bonds @ 4.80%	595,000	—	595,000	—	—
Sanitary Sewer Improvement Bonds 2003 - \$2,845,000					
Serial Bonds @ 2.00%	—	1,860,000	—	1,860,000	105,000
Term Bonds @ 5.00%	—	985,000	—	985,000	—
Bond Amortization of Premium	—	100,807	2,585	98,222	—
Sanitary Sewer Refunding Bonds 2003 - \$940,000					
Serial Bonds @ 2-4.00% varying	—	940,000	—	940,000	15,000
Bond Amortization of Premium	—	30,782	1,399	29,383	—
Deferred Amount on Refunding	—	(53,875)	(2,449)	(51,426)	—
<b>Total General Obligation Bonds</b>	<b>10,005,000</b>	<b>7,899,850</b>	<b>1,270,051</b>	<b>16,634,799</b>	<b>590,000</b>
<b><u>EPA Loan:</u></b>					
Ohio EPA Refunding Sewer Loan 1993 - 3,365,440 @ 3.54%					
	2,136,998	—	162,005	1,974,993	83,159
<b><u>OPWC Loan:</u></b>					
Ohio Public Works Commission Sewer Loan @ 0%					
	—	100,000	—	100,000	2,500
<b><u>Other:</u></b>					
Compensated Absences	66,480	78,654	28,453	116,681	43,211
Capital Leases	26,576	0	6,708	19,868	7,900
<b>Total Business-Type Activities</b>	<b>\$26,231,686</b>	<b>\$20,278,504</b>	<b>\$15,463,849</b>	<b>\$31,046,341</b>	<b>\$1,158,055</b>

**Governmental Activities:**

**Special Assessments Bonds**

As of December 31, 2003, the County has \$1,847,000 in special assessment bonded debt outstanding. The special assessment bonds consist of the Buckeye Lake sanitary sewer, the sanitary sewer system improvement, the high service area, and the Little Walnut area special assessment bonds that will be paid from the proceeds of special assessments levied against benefited property owners. The Buckeye Lake sanitary sewer special assessment bonds and the sanitary sewer system improvement special assessments bonds were issued for property owners to extend tap-in fees over time. The high service area special assessment bonds were issued to pay for part of the cost of acquiring and constructing water supply and wastewater improvements in the Chevington Woods North, Chevington Woods South, Eastchester, and New England Acres areas. The Little Walnut area special assessment bonds were issued to pay for part of the

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cost of acquiring and constructing water supply and waterworks improvements in the high service area and Little Walnut areas. In the event the property owners do not pay their assessment, the County would be responsible for the debt service payment on either issue.

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

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

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2004	\$ 205,000	\$ 91,866	\$ 296,866
2005	216,000	82,246	298,246
2006	226,000	71,935	297,935
2007	210,000	61,045	271,045
2008	220,000	50,573	270,573
2009-2012	770,000	87,043	857,043
<b>Total</b>	<b>\$ 1,847,000</b>	<b>\$ 444,708</b>	<b>\$ 2,291,708</b>

**General Obligation Bonds**

At December 31, 2003, the County had \$18,175,000 in governmental general obligation bonded debt principal outstanding. The child support enforcement agency relocation and the job and family services building general obligation bonds will be repaid with rent revenues from the Child Support Enforcement Agency and Community Services Special Revenue Funds, respectively, and the Laughlin Building, the minimum security jail, county facility-west campus, and the multi-county juvenile detention center general obligation bonds will be repaid with General Fund property tax revenues. Child support enforcement agency relocation general obligation bond was issued for building improvements and moving expenses. The job and family services building general obligation bond was issued for the purchase and renovation of a building to be used by the job and family services department. The Laughlin Building general obligation bond was issued for the purpose of acquiring and renovating a building for use by various departments within the County. The minimum security jail general obligation bond was issued for the purpose of acquiring, renovating and constructing a County jail facility. The county facility-west campus general obligation bond was issued for the purpose of acquiring and renovating a building for use by various departments within the County. The multi-county juvenile detention center general obligation bonds were issued for the purpose of acquiring, renovating, and construction a multi-county juvenile detention facility to be located within Fairfield County.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2004	\$ 710,000	\$ 833,428	\$ 1,543,428
2005	730,000	810,668	1,540,668
2006	750,000	787,723	1,537,723
2007	790,000	763,465	1,553,465
2008	820,000	735,600	1,555,600
2009-2013	4,720,000	3,085,609	7,805,609
2014-2018	5,530,000	1,855,207	7,385,207
2019-2021	4,125,000	487,250	4,612,250
Total	<u>\$ 18,175,000</u>	<u>\$ 9,358,950</u>	<u>\$ 27,533,950</u>

**Long-Term Bond Anticipation Notes**

As of December 31, 2003, the County has \$3,600,000 in governmental long-term bond anticipation notes outstanding.

The multi-county juvenile detention center bond anticipation notes issued on February 14, 2002, for \$1,500,000 matured on February 13, 2003. The \$1,500,000 was reissued for \$1,500,000 note on February 12, 2003, which matured on May 21, 2003. On April 15, 2003, the County rolled the note into a general obligation bond for \$1,480,000. The purpose of the debt was to pay the County's share of the cost for the new multi-county juvenile detention facility.

The one stop shop-clerk of courts bond anticipation notes issued on June 12, 2003, for \$600,000 will mature on June 10, 2004. The bond anticipation notes were issued for the purpose of constructing a building for the county clerk of courts office. The notes will be retired from rent payments between the County and the clerk of courts office and from general revenues of the County.

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The mental retardation facility bond anticipation notes issued on March 27, 2003, for \$2,000,000 will mature on March 25, 2004. The bond anticipation notes were issued for the purpose of acquiring and renovating a building for use by the County's Board of Mental Retardation and Developmental Disabilities. The notes will be retired from general revenues of the County.

The airport bond anticipation notes issued on July 21, 2003 for \$1,000,000 will mature on July 20, 2004. These notes were issued for the purpose of acquiring, constructing, and equipping airport facilities. The notes will be retired from revenues from airport hanger rent.

The west campus bond anticipation notes issued on October 10, 2002, for \$8,375,000 matured on April 15, 2003. The bond anticipation notes were reissued into general obligation bonds on April 15, 2003, for \$7,775,000. The debt was used for the purpose of acquiring land and a building on West Fair Avenue. This property has been renovated and houses the several county departments and stores the Engineer's office equipment. General Fund revenues along with Engineer's office revenues will be used to retire the debt.

***Long-Term Loans***

As of December 31, 2003, the County had \$517,000 in long-term loans outstanding. The two mental health facility loans were issued on March 4, 2003, for \$450,000 and \$67,000 and both will mature on March 4, 2004. These loans were issued for the purpose of acquiring and renovating a building for use by the County's Alcohol, Drug Addiction, and Mental Health Recovery Board. The loan will be retired from revenues of the Alcohol, Drug Addiction, and Mental Health Recovery Board Fund.

**Business-Type Activities:**

***Bond Anticipation Notes***

On December 31, 2003, the County had \$12,200,000 outstanding in long-term bond anticipation notes within the business-type activities. The long-term bond anticipation notes are reported at \$3,300,000 and \$8,900,000 in the Water and Sewer Enterprise Funds, respectively.

On July 9, 2002, the County issued various purpose utility bond anticipation notes totaling \$7,496,632 which matured on May 21, 2003. These notes included the Little Walnut water system projects, high service area water project, Little Walnut sanitary sewer project, Tussing Road sanitary sewer project, and the Brookview sanitary sewer project. On April 15, 2003, the County rolled these notes into various purpose general obligation bonds.

The Tussing Road Water System bond anticipation notes were issued on May 22, 2002, for \$3,400,000 which matured on May 21, 2003. On May 21, 2003, the notes rolled over into bond anticipation notes for \$3,300,000 which will mature on April 15, 2004. These bond anticipation notes were issued for the purpose of acquiring and constructing water supply and waterworks improvements for the Tussing Road water treatment plant. The notes will be retired from revenues derived by the County from the operation of the water system.

The Liberty Township Sanitary Sewer System bond anticipation notes were issued on May 22, 2002 for \$3,100,000 which matured on May 21, 2003. On May 21, 2003, the notes rolled over into bond anticipation notes for \$3,100,000 which will mature on April 15, 2004. These notes were issued for the purpose of improving sanitary sewer services in Liberty Township. The notes will be retired from revenues derived by the County from the operation of the sanitary sewer system.

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

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**General Obligation Bonds**

As of December 31, 2003, the County had \$16,425,000 in business-type general obligation bonds principal outstanding. The 1999 sewer improvement general obligation bonds, the 1993 sanitary sewer system improvement general obligation bonds, the 2003 sanitary sewer improvement general obligation bonds, and 2003 the sanitary sewer refunding general obligation bonds will be paid from revenues derived by the County from the operation of the sewer system. The 1983 water system improvement general obligation bonds, the 1993 water system general obligation bonds, the 1993 water system refunding general obligation bonds, the 2003 water system improvement general obligation bonds, and the 1999 water improvements general obligation bonds will be paid from revenues derived by the County from the operation of the water system. All general obligation bonds are backed by the full faith and credit of the County. All general obligation bonds were issued for the purpose of improving sanitary sewer and water systems within the County.

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

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

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

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

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

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

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



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

The 2003 sanitary sewer system improvements general obligation bonds include both serial and term bonds originally issued in the amounts of \$1,860,000 and \$985,000, respectively. The general obligation bonds were sold at a premium of \$100,807 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$62,370 are deferred and will be amortized over the term of the bonds. Term bonds maturing December 1, 2020, for \$565,000 shall be subject to mandatory sinking fund redemption in part on each December 1, commencing December 1, 2018, at the redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective redemption dates in the principal amounts and in the years as follows (the remaining \$195,000 principal amount of such bonds shall be payable at stated maturity on December 1, 2020):

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

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

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

On November 1, 1993, the County issued \$1,445,000 of general obligation bonds. The bonds were issued for a 20 year period with final maturity at July 1, 2014. The bond issue was refunded during 2003. On April 15, 2003, the County issued \$940,000 of sanitary sewer refunding general obligation bonds which consisted of serial bonds with varying rates of 2.00% to 4.00%. The general obligation bonds were sold at a premium of \$30,782 that will be amortized over the term of the bonds. Issuance costs associated with the bond issue in the amount of \$20,146 are deferred and will be amortized over the term of the bonds. \$1,013,875 (after premium, underwriting fees, other issuance costs, and County contributions) was deposited in an irrevocable trust to provide for all future debt service payments on the refunded 1993 sanitary sewer system improvement general obligation bonds. As a result, \$960,000 of refunded bonds is considered defeased and the liability is removed from the statement of net assets. As of December 31, 2003, \$995,299 in cash remained with the escrow agent to retire outstanding bonds in the amount of \$960,000.

The refunding resulted in an advance refunding of the 1993 sanitary sewer system improvement general obligation bonds. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as an increase the bonds payable, is being amortized to interest expense through the year 2014. The amount amortized for 2003 is \$2,449. The County completed its advance refunding to reduce its total debt service requirements over the next 11 years by \$70,535 in order to obtain an economic gain of \$58,298.

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

<b>Year ending December 31</b>	<b>Sewer</b>		<b>Water</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2004	\$ 230,000	\$ 342,309	\$ 360,000	\$ 420,086	\$ 1,352,395
2005	297,500	335,375	367,500	406,367	1,406,742
2006	312,500	326,902	377,500	392,172	1,409,074
2007	312,500	317,931	392,500	377,322	1,400,253
2008	330,000	307,878	410,000	360,911	1,408,789
2009-2013	1,875,000	1,309,246	2,215,000	1,484,536	6,883,782
2014-2018	1,900,000	861,964	2,100,000	980,873	5,842,837
2019-2023	2,032,500	346,154	2,337,500	385,904	5,102,058
2024	287,500	7,547	287,500	7,547	590,094
<b>Total</b>	<b>\$7,577,500</b>	<b>\$4,155,306</b>	<b>\$8,847,500</b>	<b>\$4,815,718</b>	<b>\$25,396,024</b>

**EPA Loan**

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

<b>Year Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2004	\$ 83,159	\$ 34,957	\$ 118,116
2005	170,761	65,473	236,234
2006	176,859	59,375	236,234
2007	183,175	53,058	236,233
2008	189,717	46,516	236,233
2009-2013	1,055,189	125,981	1,181,170
2014	116,133	1,984	118,117
<b>Total</b>	<b>\$ 1,974,993</b>	<b>\$ 387,344</b>	<b>\$ 2,362,337</b>

**OPWC Loan**

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

<b>Year Ending December 31</b>	<b>Principal</b>
2004	\$ 2,500
2005	5,000
2006	5,000
2007	5,000
2008	5,000
2009-2013	25,000
2014-2018	25,000
2019-2023	25,000
2024	2,500
<b>Total</b>	<b>\$ 100,000</b>

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**Other Long-Term Items:**

***Compensated Absences***

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

***Intergovernmental Payable***

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

***Capital Leases***

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

***Legal Debt Margin***

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

The effects of the debt limitations described above at December 31, 2003, are a margin on unvoted debt of \$13,642,460, and an overall debt margin of \$49,663,620.

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

At December 31, 2003, the County had unspent bond and long-term note proceeds of \$581,871 in the governmental activities and \$4,021,384 in the Sewer Fund of the business type activities.

***Defeased Debt***

In 1985 the County issued general obligation bonds to acquire the Pickerington Senior Citizens Center. The building was purchased by Violet Township with an agreement requiring the Township to pay the County the amount of the debt service requirements until the debt had been repaid. During 1993, specific securities were purchased in the amount of \$248,900 to be invested in an irrevocable trust to provide for all future debt service payments. The payment to the escrow agent resulted in an in-substance defeasance of the 1985 Series bonds. As a result, the liability for the 1985 Series bonds was removed from the County's financial statements. As of December 31, 2003, \$100 in cash and \$24,026 in investments remained with the escrow agent to retire outstanding bonds in the amount of \$45,000.

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**Conduit Debt**

As authorized by State Statute, Fairfield County issued \$28,995,000 of Hospital Facilities Refunding Revenue Bonds for the Fairfield Medical Center in July, 1993. These bonds were issued for the purpose of advance refunding through an in-substance defeasance two prior hospital debt issues. The Hospital is required to make payments to a trustee in amounts sufficient to pay principal and interest on the bonds. Substantially all gross receipts of the Hospital are pledged as collateral against retirement of the issue. Under Ohio law, these bonds do not represent an obligation of the County at December 31, 2003. The amount outstanding at December 31, 2003, is \$23,115,000.

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

**NOTE 18 – NOTES PAYABLE**

A summary of the note transactions for the year ended December 31, 2003, follows:

	<b>Outstanding 12/31/2002</b>	<b>Issued</b>	<b>Retired</b>	<b>Outstanding 12/31/2003</b>
<i>Capital Projects Funds:</i>				
Airport Hangar Note 2002 – 2.23%	\$ 1,100,000	\$ —	\$ 1,100,000	\$ —
GIS Note 2002 – 2.11%	730,000	—	730,000	—
GIS Note 2003 – 1.66%	—	648,000	648,000	—
GIS Note 2003 – 1.65%	—	648,000	—	648,000
<b>Total</b>	<b>\$ 1,830,000</b>	<b>\$1,296,000</b>	<b>\$2,478,000</b>	<b>\$ 648,000</b>

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

**NOTE 19 – INTERFUND TRANSACTIONS**

Interfund transfers during 2003, consisted of the following:

	<b>Transfer to</b>					<b>Total</b>
	<b>Major Funds</b>					
<b>Transfer from</b>	<b>General</b>	<b>Community Services</b>	<b>Motor Vehicle</b>	<b>General Obligation Bond Retirement</b>	<b>Other Nonmajor Governmental</b>	
General Fund	\$ —	\$ 356,385	\$ 396,599	\$ 644,830	\$ 2,260,127	\$ 3,657,941
Motor Vehicle	—	—	—	—	674,531	674,531
Alcohol, Drug Addiction, and Mental Health Board	—	—	—	5,794	48,942	54,736
Other Nonmajor Governmental	9,475	2,621,000	58,572	475,058	1,258,243	4,422,348
<b>Total All Funds</b>	<b>\$ 9,475</b>	<b>\$ 2,977,385</b>	<b>\$ 455,171</b>	<b>\$ 1,125,682</b>	<b>\$ 4,241,843</b>	<b>\$ 8,809,556</b>

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The above mentioned transfer from/to were used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to spend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payment becomes due, to use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, to move money into the capital project funds to be spent on capital related projects, and for the Child Support Enforcement Agency and Children Services Special Revenue Funds to provide money to the Community Services Fund for required services.

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

	<b>Interfund Receivable</b>			
	<b>Major Funds</b>			<b>Major Fund</b>
	<b>General</b>	<b>Alcohol, Drug Addiction, And Mental Health Board</b>	<b>Other Nonmajor Governmental</b>	<b>Sewer</b>
<b><u>Interfund Payable</u></b>				
Major Funds:				
General Fund	\$ —	\$ —	\$ 3,354	\$12,857
Community Services	477,137			
Mental Retardation	—	—	—	—
GO Bond Retirement	540	—	—	—
Other Nonmajor Governmental	709,099	—	—	8,000
Sewer	545	—	—	—
Water	545	—	—	—
Agency	—	65,349	50,000	—
Total All Funds	<u>\$1,187,866</u>	<u>\$ 65,349</u>	<u>\$53,354</u>	<u>\$20,857</u>

(continued)

(continued)

	<b>Interfund Receivable</b>			
	<b>Major Fund</b>	<b>Internal Service</b>	<b>Agency</b>	<b>Totals</b>
<b><u>Interfund Payable</u></b>				
Major Funds:				
General Fund	\$ 1,796	\$ 1,454	\$ 100	\$19,561
Community Services	—	—	1,104	478,241
Mental Retardation	—	—	500	500
GO Bond Retirement	—	—	—	540
Other Nonmajor Governmental	—	—	43,200	760,299
Sewer	—	—	—	545
Water	—	—	—	545
Agency	—	—	—	115,349
Total All Funds	<u>\$1,796</u>	<u>\$1,454</u>	<u>\$44,904</u>	<u>\$1,375,580</u>

The interfund receivables/payables are due to lags between the dates interfund goods and services are provided, transactions recorded in the accounting system, and payments between funds were made. Also, short term interfund loans were advanced from the General Fund to the Community Services, Emergency Management, Community Development Block Grant, Home, and Major Crimes Unit Special Revenues Funds.

**NOTE 20 – JOINTLY GOVERNED ORGANIZATIONS**

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

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

Three groups govern and operate the District. A twelve-member board of directors, made up of three commissioners from each county, is responsible for the District's financial matters. Financial records are

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

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

The Fairfield County Multi-System Youth Committee is a group of agencies that coordinate the provision of services to multi-need youth in the area. Members of the Committee include representatives of the Fairfield County Youth Services, Fairfield County Board of MR/DD, Fairfield County Alcohol, Drug Addiction, and Mental Health Board, Fairfield County Children Services, Fairfield Department of Health, New Horizons, the local office of the Rehabilitation Services Commission, Fairfield County Drug and Alcohol Recovery Services, and the Lancaster City Board of Education. The Committee received no additional monies during 2003. The previous existing balance that had accumulated from state and federal grants funded operations this year. No debt is currently outstanding. The Committee is not dependent upon the continued participation of the County and the County does not maintain an equity interest in or financial responsibility for the Committee.

**C. Fairfield County Regional Planning Commission**

The County participates in the Fairfield County Regional Planning Commission, a statutorily created political subdivision of the State. Fairfield County, its municipalities, and its townships jointly govern the Commission. All of the County Commissioners are member of the 48-member board, and the County appoints seven of the members of the board. Each member's control over the operation of the Commission is limited to its representation of the board. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. In 2003, the County contributed \$125,000 to the Commission. Continued existence of the Commission is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Fairfield County Visitors and Convention Bureau has been established by a resolution of the County Commissioner's office and incorporated as a non-profit organization under the laws of the State of Ohio. A nine-member board operates the Bureau. Three of the board members are appointed by the County Commissioners, three by the Chamber of Commerce, and three by the Hotel/Motel Association. The Bureau operates as a branch of the local Chamber of Commerce and is principally funded by a three percent hotel/motel lodging tax. Although the County collects and distributes the excise tax, this function is strictly ministerial. In 2003, the County contributed \$10,000 to the Bureau. The Bureau is its own contracting and budgeting authority. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Mid Eastern Ohio Regional Council of Governments (MEORC) is a jointly governed organization that services fourteen counties in Ohio. The Council provides services to the mentally retarded and developmentally disabled residents in the participating counties. Superintendents of each county's Board of Mental Retardation and Developmental Disabilities make up the Council. Fees and state grants generate its revenues. Although the County contributed to the Council upon its creation, the County made no contributions to the Council during 2003 and no future contributions by the County are anticipated. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Fairfield County Family, Adult, and Children First Council is a jointly governed organization created under Ohio Revised Code Section 121.37. The Council is made up of the following members: Director of the Fairfield County Alcohol, Drug Addiction, and Mental Health Board; Health Commissioner of the Fairfield Department of Health; Director of the Fairfield County Human Services; Director of the Children Services Department; Superintendent of the Fairfield County Mental Retardation and Development Disabilities; the Fairfield County Juvenile Court Judge; Superintendent of Lancaster City Schools; Superintendent of Fairfield County Board of Education; a representative of the City of Lancaster; Chair of the Fairfield County Commissioners; State Department of Youth Services regional representative; representative from the County Head Start Agencies; a representative of the County's early intervention collaboration established pursuant to the federal early intervention program operated under the "Education of the Handicapped Act Amendments of 1986;" and a least three individuals representing the interests of families in the County. When possible, the number of members representing families shall be equal to twenty percent of the Council's remaining membership. In 2003, the County made no contributions to the Council. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Lancaster-Fairfield Community Action Agency is a non-profit corporation organized to plan, conduct, and coordinate programs designed to combat social and economic problems and to help eliminate conditions of poverty within Fairfield County. A fifteen-member board governs the Agency. This board is made up of five representatives from the public sector, five representatives from the private sector, and five representatives from the low-income sector. The Fairfield County Recorder, the Fairfield County Commissioners, and the Fairfield County Sheriff appoint three representatives from the public sector. The Lancaster City Auditor and a village clerk-treasurer appoint the remaining public sector representatives. In 2003, the County made payments to the Agency for administrative services of the County's litter enforcement grants in the amount of \$244,248. Continued existence of the Lancaster-Fairfield Community Action Agency is not dependent upon the County's continued participation, nor does the County have an equity interest in the Agency, and no debt is outstanding.

**H. Teenage Pregnancy Program Board**

The Teenage Pregnancy Program Board is a jointly governed organization created to plan and coordinate programming designed to reduce teen pregnancy in Fairfield County. The Board is made up of seventeen members, with representatives from the following organizations: Fairfield County Juvenile Court, Fairfield County Children Services Board, Lancaster City Schools, Fairfield County Schools, Department of Human Services, Fairfield Department of Health, Fairfield County Community Action Program, four representatives from the Fairfield County Commissioners, four representatives from the nominating committee of the Teenage Pregnancy Program Board, and two young persons appointed by the Teen Advisory Board. In 2003, the County made no contributions to the Board. The Board of Directors voted to dissolve the Teenage Pregnancy and Prevention Agency as of July 25, 2003.

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

The Tri-County Workforce Development Policy Board is a non-profit corporation, created on July 1, 2000, to develop a comprehensive workforce system pursuant to the House Bill 470 and the Federal Workforce Investment Act of 1998. Its purpose is to bring together business, education, and labor leaders to assess the workforce needs of employers and employment and training needs of job seekers. The Board is made up of nine representatives from each of the following counties: Fairfield, Hocking, and Perry. The County Commissioners of the respective counties make their Board appointments. In 2003, Fairfield County made no contributions to the Board. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Fairfield County Agency Transportation System is a non-profit corporation, created in 2001 under Ohio Revised Code Chapter 1702. Its purpose is to provide reliable, affordable, and accessible transportation in a co-operative and cost effective manner to Fairfield County residents who have limited transportation options. The System is governed by a twelve-member board, which is elected by member agencies. To be a member of the System, an annual \$500 membership fee is required. The current board consists of the following: two representatives from Fairfield County, four representatives from other government entities, and six representatives from non-government entities. The System's revenues will consist of membership fees, contributions, and an annual grant applied for by the Fairfield County Commissioners that is given to the System to maintain. In 2003, Fairfield County Agency Transportation System, Inc. received \$99,814 that consisted of \$72,743 in grant monies, \$25,000 in membership fees, \$1,974 in shuttle fees, and \$97 in miscellaneous revenues. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Fairfield-Hocking Major Crimes Investigation Unit is a regional council of governments, created in 2001 under Ohio Revised Code Section 167.01. Its stated purpose is to provide additional police protection to the citizens of Fairfield and Hocking counties to reduce the influence and effects of illegal drug trafficking activities, as well as other major crime activities. The Unit has a five-member Governing Board that consists of one County Commissioner or designee from each county, and the Mayor, City Manager, or designee from the Cities of Lancaster, Pickerington, and Logan. The Unit also has a seven member Operating Board that handles the daily operations and reports to the Governing Board. The Operating Board is made up of the Fairfield and Hocking County Sheriffs and Prosecuting Attorneys, as well as the Chiefs of Police from the three cities listed above. The Unit's revenues will consist of an annual grant applied for by the Fairfield County Commissioners, which is in turn given to the Unit, along with local matches from each of the involved entities. In 2003, the County contributed \$486,891 in grant monies, \$20,000 in advance grant funding, and \$114,821 for its share of the local match. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Heart of Ohio Resource Conservation and Development Council is a jointly governed organization created to enhance the quality of life in central Ohio by facilitating the use of natural resources for a sustainable future. The Council is composed of twenty-seven members from the nine member counties. The nine member counties are as follows: Delaware, Fairfield, Franklin, Knox, Licking, Madison, Marion, Morrow, and Pickaway. The Council consists of one representative from each county's Board of Commissioners, one representative from each county's Soil and Water Conservation District, and one member-at-large representative from each county, jointly appointed by the Board of Commissioners and the Soil and Water Conservation District. In 2003, the County contributed \$200 to the Council. Continued existence of the Board is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

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

The Perry Multi-County Juvenile Facility is a jointly governed organization created to rehabilitate juvenile offenders in lieu of commitment to the Ohio Department of Youth Services. The Facility has an eight member Governing Board that consists of one juvenile court judge, or designee, from the counties of Coshocton, Delaware, Fairfield, Knox, Licking, Morgan, Muskingum, and Perry. The Facility also has an Executive Committee that handles the daily operations of the Facility and reports to the Governing Board. The Executive Committee shall be composed of the officers of the Governing Board. The Facility's revenues will consist of an annual grant applied for by the Director of the Facility and charges for services from the participating counties. In 2003, the County made no payments to the Facility for housing of juvenile offenders. Continued existence of the Facility is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.



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**NOTE 21 – RELATED ORGANIZATIONS**

**A. Fairfield County District Library**

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

**B. Fairfield County Historical Parks Commission**

The County Probate Judge is responsible for appointing the three-member board of the Fairfield County Historical Parks Commission. Board members can be removed only by due process. The County has no ability to impose its will on the organization nor is a burden/benefit relationship in existence. The District received \$40,000 from the County during 2003. The District is its own budgeting and taxing authority and has no outstanding debt. The County auditor serves as the fiscal agent for the District; therefore, the financial activity is reflected in a County agency fund.

**C. Fairfield Metropolitan Housing Authority**

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

**NOTE 22 – JOINT VENTURE**

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

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

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In 2003, the System received \$145,653 in contributions from member counties, for a four year total of \$3,376,603 from all member counties. Fairfield County contributed \$29,844 in 2003, for a four year total of \$1,439,808 being contributed by the County as of December 31, 2003. The County's total contributions represent 42.64 percent of total member contributions as of December 31, 2003. The County is the fiscal agent for the System; therefore, the financial activity is reflected in a County agency fund. In 2002, construction on the new juvenile detention center started, the center's site is within the County. Total construction in progress as of December 31, 2003 was \$6,157,858. The County's share of the fixed asset is \$2,625,754. No debt has been incurred by the System. Complete financial information can be obtained from Fairfield County Auditor's Office, 210 East Main Street, Lancaster, Ohio 43130.

**NOTE 23 – POOLS**

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

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

Each member County has one vote on all matters requiring a vote, which will be cast by a designated representative. An elected board of not more than nine trustees manage the affairs of the Corporation. Only County Commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of the certificates. The County does not have an equity interest in CORSA. The County's payment for insurance to CORSA in 2003 was \$382,365.

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

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

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

**NOTE 24 – FOOD STAMPS**

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

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The County's Department of Human Services had the following activity occur during 2003:

January 1, 2003 Beginning Inventory	\$ 1,372
Issued or Destroyed during 2003	(265)
December 31, 2003 Ending Inventory	<u>\$ 1,107</u>

**NOTE 25 – CONTINGENT LIABILITIES**

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

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

**NOTE 26 – RELATED PARTY TRANSACTIONS**

Fairfield Industries, Inc., a discretely presented component unit of Fairfield County, received contributions from the County for facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of its program. These contributions are reflected as operating revenues and operating expenses at cost or fair market value, as applicable, in the basic financial statements in the amount of \$174,767. Residential-based services provided directly to the component unit's clients by the County amounted to \$2,161,131.

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

**A. Reporting Entity**

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

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

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

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**B. Summary of Significant Accounting Policies**

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

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

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

**Prepaid Expenses.** Payments made to vendors for services that will benefit periods beyond December 31, 2003, are recorded as prepaid expenses using the consumption method. An asset for prepaid amount is recorded at the time of the purchase and an expense is reported in the fiscal year in which services are consumed.

**Fund Accounting.** The District uses a fund to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District only used a governmental fund, the General Fund.

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

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

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

The District had no exchange transactions in 2003.

**Expenses/Expenditures.** On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

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**Cash and Cash Equivalents.** Cash received by the District is pooled. Monies for its fund are maintained in a ledger bank account. Individual fund integrity is maintained throughout the District's records. The fund is presented as "cash and cash equivalents" on the statement of net assets. During 2003, the District had no investments.

**Interest Revenue.** Following Ohio Statute, interest revenue earned on the District's bank account credited to the general fund during fiscal year 2003 amounted to \$221.

**C. Budgetary Basis of Accounting**

While the District is reporting financial position, results of operations, and changes in its fund balance on the basis of accounting principles generally accepted in the United State of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Statement of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual (Non-GAAP Budget Basis) – Governmental Fund Type is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and 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 n cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The following summarized the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type.

<b>Excess of Revenues Over Expenditures Governmental Fund Type</b>	
GAAP Basis	<u>\$ (14,134)</u>
Net Expenditures Accruals	(14,086)
Budget Basis	<u>\$ (28,220)</u>

**D. Deposits**

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

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

Inactive deposits are public deposits the District has identified as not required for use within the current period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings accounts, including passbook accounts.

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, 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 that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio;
5. 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;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at one time.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Deposits: At year end, the bank balance and carrying amount of the District's deposit was \$100,903. Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by the financial institution's public entity deposit pool.

**E. Discretely Presented Component Unit**

Under Government Accounting Standards Board Statement No. 14, the Organization is also considered to be a discretely presented component unit of Fairfield County and is presented as such within Fairfield County's basic financial statements for the fiscal year ended December 31, 2003.

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**F. Change in Accounting Pronouncement**

In 2003, the District implemented GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Statement No. 34 established new financial reporting requirements for all state and local governments and requires the following: Management Discussion and Analysis, and basic financial statements (including government-wide, fund financial statements, and required supplementary information).

The District does not present fund Financial Statements because, for the District, there are no differences between the accrual and modified accrual basis of accounting.

The implementation of GASB 34 had no effect on net assets reported at December 31, 2002.

**G. Changes in Fund Balance/Retained Earnings**

In the prior year, prepaids was understated. The correction caused a change in the excess of revenues and other financing sources over (under) expenditures and other used as previously reported for the year ended December 31, 2002:

Excess as previously reported	\$ 62,278
Understatement of Prepaids	<u>552</u>
Restated amount for the year ended December 31, 2002	<u><u>\$62,830</u></u>

The understatement of prepaids had the following effect on fund balance as previously reported for the year ended December 31, 2002:

Excess as previously reported	\$114,234
Understatement of Prepaids	<u>552</u>
Restated amount for the year ended December 31, 2002	<u><u>\$114,786</u></u>

**H. Risk Management**

The District is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; error and omissions; and natural disasters. During the year 2003, the District contracted with Clark Insurance Agency, Inc. for general liability coverage as follows:

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

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

**I. Contingencies**

The District is currently not party to any litigation.

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

**A. Nature of Activities**

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

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FCBMR/DD owns most of the Agency's operating assets, and by a contractual agreement (currently renewed through September 29, 2003) provides the Agency with in-kind support in the form of personnel salaries and benefits, and a building facility including maintenance costs.

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

**B. Summary of Significant Accounting Policies**

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

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

**Cash.** Cash includes all cash balances. No cash was paid for interest expense during the year ended June 30, 2003.

**Accounts Receivable.** Management considers all accounts receivable to be collectible at June 30, 2003. Therefore, no allowance for uncollectible accounts has been recorded. There were no write-offs to bad debt expense during the year 2003.

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

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

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

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

**C. Cash**

Cash consists of the following:

	<u>June 30, 2003</u>
Cash on hand	\$50
Unrestricted cash in bank	49,710
Restricted cash in bank	3,367
Total Cash	<u>\$53,127</u>

Cash in the bank was covered entirely by FDIC insurance.



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

**D. Marketable Securities**

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

	<b>June 30, 2003</b>	
	<u>Cost</u>	<u>Market Value</u>
<u>Unrestricted long-term investments:</u>		
Money Market Mutual Fund	\$19,453	\$19,452
Corporate Bonds and Notes	39,962	43,180
Equity Mutual Funds	195,000	145,792
	<u>\$254,415</u>	<u>\$208,424</u>

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

**E. Investment Return**

Investment return, as stated in the statements of revenues, expenses, and changes in net assets for the year ended June 30, 2003, is as follows:

<u>Unrestricted</u>	
Interest	\$3,551
Dividends and capital gain distributions	2,266
Realized gains	19
Unrealized gains and (losses)	928
Total unrestricted investment return	<u>6,764</u>
 <u>Restricted</u>	
Interest	61
Total Unrestricted and Restricted investment return	<u>\$6,825</u>

Investment fees totaled \$1,751 for 2003.

**F. Capital Assets**

Changes to property and equipment are as follows:

	<u>June 30, 2002</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2003</u>
Building improvements	\$37,014	\$0	\$0	\$37,014
Shop equipment	302,005	6,826	4,496	304,335
Office furniture and equipment	70,433	1,625	16,126	55,932
Total property and equipment	409,452	8,451	20,622	397,281
Accumulated depreciation	(336,904)	(27,118)	20,622	(343,400)
Net property and equipment	<u>\$72,548</u>	<u>\$(18,667)</u>	<u>\$0</u>	<u>\$53,881</u>

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

FCBMR/DD provides support through payment of the salaries of the director, office staff, direct care staff and administrative staff of the Agency. FCBMR/DD also provides the building and most of the maintenance costs on the building for the Agency work site. The value of these in-kind contributions to the Agency, as computed by FCBMR/DD is included in the Statement of Revenues, Expenses, and Changes in Net Assets in the amount of \$174,768 for the year ended June 30, 2003.

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

The calculation considers the total adult program personnel, building costs, and administrative costs of FCBMR/DD and the number of clients served by the Agency reduced by their unproductive time. The calculated fair value of the donated property and services for the year ending June 30, 2003 is as follows:

Personnel	\$82,084
Fringe benefits	28,741
Building and administrative (included in "contractual services")	63,942
Total in-kind donation	<u>\$174,767</u>

**H. Concentrations in Sales**

During 2003, the three largest customers accounted for 45%, 28%, and 11% of sales, for a total of 84% of the total sales. A contingency plan is being developed to explore possible responses by the Agency if one of the largest customers, a local manufacturer, is lost as a customer.

**I. Risks and Uncertainties**

Privatization of the services of the Agency is being discussed, whereby the Agency would become a vendor of FCBMR/DD, and would bill FCBMR/DD for services provided. The director, office staff, direct care staff and administrative staff that are now employees of FCBMR/DD would become employees of the Agency, and the Agency would no longer be a component unit of Fairfield County, Ohio. The three year operating contract with FCBMR/DD expired on June 29, 2002. A renewal of the contract was made for three months until September 29, 2002, and then a one year renewal was made until September 29, 2003. At this time it is expected that the operating contract will continue to be renewed until this issue is resolved. Such a change would have an impact on the Agency's receipts, expenses and organization which at this time can not be determined.

**J. Facility**

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

**NOTE 29 – SUBSEQUENT EVENTS**

On January 1, 2004, the County Commissioners increased premiums to the Internal Service Fund.

On March 25, 2004, the County issued \$2,250,000 in bond anticipation notes that mature on September 24, 2004. The bond anticipation notes were issued to retire the mental retardation facility bond anticipation notes outstanding at December 31, 2003 of \$2,000,000 and for additional expenses associated with the project.

On April 12, 2004, the County issued a \$10,300,000 consolidated note that matures on April 13, 2005. The notes were issued in order to consolidate three different water and sewer notes that were outstanding as December 31, 2003. The new note issue will be used to retire outstanding debt in the following areas:

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\$3,200,000 to retire the Tussing Road water treatment plant project bond anticipation notes of \$3,300,000, \$1,300,000 to partially retire the Liberty Township sanitary sewer project bond anticipation notes of \$3,100,000, and \$5,800,000 to retire Tussing Road waste water system improvement bond anticipation notes totaling \$5,800,000.

On April 14, 2004, the County issued \$1,468,715 in bond anticipation notes that mature on September 24, 2004. The notes were issued to partially retire the Liberty Township sanitary sewer project bond anticipation notes of \$3,100,000.

On June 10, 2004, the County issued \$600,000 in bond anticipation notes that will mature September 24, 2004. The bond anticipation notes were issued to retire the Clerk of Courts one stop-shop bond anticipation notes of \$600,000.

On July 6, 2004, the County issued \$517,000 in loans for the Alcohol, Drug Addiction, and Mental Health Board facility which have a maturity date of January 4, 2005. The loans will be used to retire the outstanding Mental Health facility loans outstanding at December 31, 2003.

On July 15, 2004, the County issued \$965,000 in general obligation bonds that will mature in 15 years. The general obligation bonds were issued to retire the airport improvement bond anticipation notes of \$1,000,000.

On August 16, 2004, the County issued \$4,318,715 in general obligation bonds for the purpose of consolidating three different note issues that were outstanding at December 31, 2003. The new general obligation bond will mature in 2024. The new general obligation bonds will be used to retire outstanding debt in the following areas: \$1,468,715 to retire Liberty Township project bond anticipation notes of \$1,468,715, \$600,000 to retire one stop-shop facility bond anticipation notes of \$600,000, and \$2,250,000 to retire in bond anticipation notes of \$2,250,000.

**Fairfield County, Ohio**  
Notes to the Basic Financial Statements  
December 31, 2003

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# Combining Financial Statements and Schedules

# General Fund

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

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Government - Legislative and Executive</b>				
Commissioners:				
Personal services .....	\$ 477,648	\$ 477,648	\$ 476,277	\$ 1,371
Fringe benefits .....	142,678	267,597	265,126	2,471
Materials and supplies .....	35,539	33,539	32,086	1,453
Contractual services .....	158,942	202,597	182,757	19,840
Capital outlay .....	310,322	292,070	291,770	300
Other .....	197,464	197,464	197,464	-
<b>Total Commissioners .....</b>	<b>1,322,593</b>	<b>1,470,915</b>	<b>1,445,480</b>	<b>25,435</b>
Auditor:				
Personal services .....	654,382	662,482	660,598	1,884
Fringe benefits .....	243,354	247,329	235,180	12,149
Materials and supplies .....	45,321	30,326	29,789	537
Contractual services .....	213,658	270,920	269,997	923
Capital outlay .....	21,437	8,864	8,851	13
<b>Total Auditor .....</b>	<b>1,178,152</b>	<b>1,219,921</b>	<b>1,204,415</b>	<b>15,506</b>
Assessing Personal Property:				
Personal services .....	60,732	59,197	55,048	4,149
Fringe benefits .....	22,671	22,824	20,674	2,150
Materials and supplies .....	7,747	7,747	6,961	786
<b>Total Assessing Personal Property .....</b>	<b>91,150</b>	<b>89,768</b>	<b>82,683</b>	<b>7,085</b>
Treasurer:				
Personal services .....	195,234	197,659	197,653	6
Fringe benefits .....	121,536	115,306	115,036	270
Materials and supplies .....	19,106	19,106	19,003	103
Contractual services .....	27,591	26,701	24,656	2,045
<b>Total Treasurer .....</b>	<b>363,467</b>	<b>358,772</b>	<b>356,348</b>	<b>2,424</b>
Prosecuting Attorney:				
Personal services .....	786,332	784,832	713,083	71,749
Fringe benefits .....	257,455	245,847	235,044	10,803
Materials and supplies .....	15,000	15,000	11,781	3,219
Contractual services .....	15,300	30,383	26,474	3,909
Other .....	51,286	51,286	51,286	-
<b>Total Prosecuting Attorney .....</b>	<b>1,125,373</b>	<b>1,127,348</b>	<b>1,037,668</b>	<b>89,680</b>
Geographical Information System:				
Personal services .....	82,648	82,648	67,802	14,846
Fringe benefits .....	40,918	40,918	27,094	13,824
Materials and supplies .....	5,780	7,780	7,414	366
Contractual services .....	45,984	77,284	71,800	5,484
Capital outlay .....	16,615	16,615	15,541	1,074
<b>Total Geographical Information System .....</b>	<b>\$ 191,945</b>	<b>\$ 225,245</b>	<b>\$ 189,651</b>	<b>\$ 35,594</b>

(Continued)

Fairfield County, Ohio

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

(Continued)

For the Year Ended December 31, 2003

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Bureau of Inspection:				
Contractual services .....	\$ 132,958	\$ 132,958	\$ 113,389	\$ 19,569
Data Processing:				
Personal services .....	167,230	168,830	168,042	788
Fringe benefits .....	69,193	71,846	71,619	227
Materials and supplies .....	14,000	26,550	26,550	-
Contractual services .....	88,415	57,865	51,542	6,323
Capital outlay .....	246,255	268,755	257,070	11,685
Total Data Processing .....	585,093	593,846	574,823	19,023
Board of Elections:				
Personal services .....	308,050	284,969	283,204	1,765
Fringe benefits .....	154,982	147,662	142,807	4,855
Materials and supplies .....	20,200	20,200	14,747	5,453
Contractual services .....	208,910	237,035	222,989	14,046
Total Board of Elections .....	692,142	689,866	663,747	26,119
Maintenance and Operation:				
Personal services .....	550,905	550,905	498,367	52,538
Fringe benefits .....	220,254	243,873	235,311	8,562
Materials and supplies .....	217,262	487,262	466,152	21,110
Contractual services .....	1,716,034	1,595,002	1,407,716	187,286
Capital outlay .....	70,372	135,373	113,744	21,629
Total Maintenance and Operation .....	2,774,827	3,012,415	2,721,290	291,125
Recorder:				
Personal services .....	216,885	223,385	222,291	1,094
Fringe benefits .....	117,133	121,828	118,812	3,016
Materials and supplies .....	6,046	6,041	3,679	2,362
Contractual services .....	15,032	15,032	10,427	4,605
Total Recorder .....	355,096	366,286	355,209	11,077
Human Resources:				
Personal services .....	108,239	110,039	109,119	920
Fringe benefits .....	31,548	35,079	34,882	197
Contractual services .....	-	13,000	13,000	-
Total Human Resources .....	139,787	158,118	157,001	1,117
Budget Commission:				
Contractual services .....	5,400	5,400	-	5,400
Insurance on property and persons:				
Contractual services .....	361,000	360,259	360,000	259
Taxes:				
Contractual services .....	80,000	80,000	70,145	9,855
Total general government - legislative and executive .....	\$ 9,398,983	\$ 9,891,117	\$ 9,331,849	\$ 559,268

(Continued)



Fairfield County, Ohio

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

(Continued)

For the Year Ended December 31, 2003

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>General government - judicial</b>				
Domestic Relations:				
Personal services .....	\$ 321,989	\$ 336,359	\$ 335,033	\$ 1,326
Fringe benefits .....	121,106	116,774	115,392	1,382
Materials and supplies .....	4,000	5,680	5,213	467
Contractual services .....	13,640	7,090	5,676	1,414
Capital outlay .....	5,000	5,000	3,759	1,241
Total Domestic Relations .....	465,735	470,903	465,073	5,830
Court of Appeals:				
Contractual services .....	23,000	10,439	10,439	-
Common Pleas Probation:				
Personal services .....	137,833	137,833	136,034	1,799
Fringe benefits .....	67,708	62,244	61,917	327
Contractual services .....	7,190	7,190	7,190	-
Total Common Pleas Probation .....	212,731	207,267	205,141	2,126
Common Pleas Court:				
Personal services .....	377,565	357,565	354,914	2,651
Fringe benefits .....	171,117	165,343	157,992	7,351
Materials and supplies .....	4,421	9,421	8,647	774
Contractual services .....	90,833	101,732	85,995	15,737
Capital outlay .....	11,739	27,206	27,158	48
Total Common Pleas Court .....	655,675	661,267	634,706	26,561
Jury Commission:				
Personal services .....	1,485	1,485	1,483	2
Fringe benefits .....	345	301	262	39
Materials and supplies .....	3,689	3,451	3,034	417
Total Jury Commission .....	5,519	5,237	4,779	458
Juvenile Court:				
Contractual services .....	409,914	412,664	410,272	2,392
Probate Court:				
Personal services .....	224,330	223,880	219,864	4,016
Fringe benefits .....	109,769	109,469	107,770	1,699
Materials and supplies .....	6,000	5,000	4,871	129
Contractual services .....	25,800	17,250	11,857	5,393
Capital outlay .....	12,619	15,169	15,140	29
Total Probate Court .....	378,518	370,768	359,502	11,266
Clerk of Courts:				
Personal services .....	364,758	364,758	358,169	6,589
Fringe benefits .....	160,798	148,831	146,274	2,557
Materials and supplies .....	32,921	32,921	24,394	8,527
Contractual services .....	71,821	201,467	183,729	17,738
Capital outlay .....	33,488	31,900	5,318	26,582
Total Clerk of Courts .....	\$ 663,786	\$ 779,877	\$ 717,884	\$ 61,993

(Continued)

# Fairfield County, Ohio

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

(Continued)

For the Year Ended December 31, 2003

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Municipal Court:				
Personal services .....	\$ 204,363	\$ 232,289	\$ 229,047	\$ 3,242
Fringe benefits .....	66,544	62,894	54,708	8,186
Contractual services .....	30,000	36,300	28,871	7,429
Total Municipal Court .....	300,907	331,483	312,626	18,857
Law Library:				
Other .....	75,000	75,000	69,210	5,790
Notary Public Fees:				
Materials and supplies .....	900	900	-	900
Capital outlay .....	7,000	7,000	-	7,000
Total Notary Public Fees .....	7,900	7,900	-	7,900
Public Defender:				
Contractual services .....	784,000	946,301	919,845	26,456
Total general government - judicial .....	3,982,685	4,279,106	4,109,477	169,629
<b>Public safety</b>				
Probation department:				
Personal services .....	490,277	490,277	480,787	9,490
Fringe benefits .....	223,640	182,859	180,729	2,130
Materials and supplies .....	23,084	18,084	17,537	547
Contractual services .....	300,665	505,915	502,695	3,220
Capital outlay .....	28,282	36,282	35,558	724
Other .....	3,000	3,000	-	3,000
Total Probation department .....	1,068,948	1,236,417	1,217,306	19,111
Coroner:				
Personal services .....	71,149	70,799	69,862	937
Fringe benefits .....	17,801	13,692	13,262	430
Materials and supplies .....	4,800	3,300	3,124	176
Contractual services .....	91,518	80,199	77,544	2,655
Capital outlay .....	8,472	22,472	22,465	7
Total Coroner .....	193,740	190,462	186,257	4,205
Sheriff:				
Personal services .....	5,391,593	5,553,593	5,444,601	108,992
Fringe benefits .....	2,042,086	2,191,022	2,168,218	22,804
Materials and supplies .....	404,209	623,032	622,912	120
Contractual services .....	651,105	871,944	765,566	106,378
Capital outlay .....	227,390	187,041	164,745	22,296
Other .....	43,301	43,301	43,301	-
Total Sheriff .....	8,759,684	9,469,933	9,209,343	260,590
Total public safety .....	10,022,372	10,896,812	10,612,906	283,906
<b>Health</b>				
Agriculture:				
Contractual services .....	436,748	437,257	436,148	1,109
TB clinics:				
Contractual services .....	2,500	5,500	4,813	687
Regular and vital statistics:				
Contractual services .....	\$ 3,500	\$ 3,500	\$ 2,199	\$ 1,301

(Continued)

# Fairfield County, Ohio

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

(Continued)

For the Year Ended December 31, 2003

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Crippled children:				
Contractual services .....	\$ 205,000	\$ 252,628	\$ 246,249	\$ 6,379
Total health .....	647,748	698,885	689,409	9,476
<b>Human services</b>				
Veterans Service Commission:				
Personal services .....	174,800	174,800	160,951	13,849
Fringe benefits .....	62,862	62,821	61,966	855
Materials and supplies .....	16,000	14,974	14,974	-
Contractual services .....	365,510	374,851	364,756	10,095
Capital outlay .....	50,000	41,405	41,405	-
Total Veterans Service Commission .....	669,172	668,851	644,052	24,799
Visitation Center:				
Personal services .....	112,552	112,552	106,544	6,008
Fringe benefits .....	48,435	48,252	39,681	8,571
Materials and supplies .....	11,000	9,000	2,173	6,827
Contractual services .....	89,292	106,292	85,357	20,935
Capital outlay .....	20,000	5,000	-	5,000
Total Visitation Center .....	281,279	281,096	233,755	47,341
Total human services .....	950,451	949,947	877,807	72,140
<b>Transportation</b>				
Airport:				
Materials and supplies .....	4,000	4,000	1,939	2,061
Contractual services .....	185,093	185,093	160,957	24,136
Capital outlay .....	57,000	57,000	54,580	2,420
Total Transportation .....	246,093	246,093	217,476	28,617
<b>Other</b>				
Commissioners share - costs:				
Contractual services .....	971,996	844,810	839,810	5,000
Unanticipated emergency:				
Other .....	450,000	19,860	-	19,860
Miscellaneous:				
Contractual services.....	687,115	273,128	250,306	22,822
Other.....	565,371	93,504	83,844	9,660
Total miscellaneous .....	1,252,486	366,632	334,150	32,482
Total other .....	2,674,482	1,231,302	1,173,960	57,342
Total expenditures.....	\$ 27,922,814	\$ 28,193,262	\$ 27,012,884	\$ 1,180,378

## Nonmajor Governmental Funds

### **Special Revenue Funds**

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

### **Debt Service Funds**

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

### **Capital Projects Funds**

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

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

December 31, 2003

Exhibit D-1

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 9,633,006	\$ 79,152	\$ 2,770,822	\$ 12,482,980
Cash and cash equivalents in segregated accounts .....	281,724	-	122,444	404,168
Cash and cash equivalents with fiscal agents.....	22,415	-	-	22,415
Receivables:				
Property and other taxes .....	1,049,044	-	-	1,049,044
Accounts .....	47,686	-	3,220	50,906
Interfund .....	52,433	235	686	53,354
Special assessments .....	123,553	1,887,167	-	2,010,720
Accrued interest .....	5,454	399	2,023	7,876
Loans .....	758,491	-	-	758,491
Intergovernmental .....	2,612,138	-	766,621	3,378,759
Materials and supplies inventory.....	4,562	-	-	4,562
Prepaid items.....	78,410	-	-	78,410
Total assets.....	<u>\$ 14,668,916</u>	<u>\$ 1,966,953</u>	<u>\$ 3,665,816</u>	<u>\$ 20,301,685</u>
<b>LIABILITIES</b>				
Accounts payable.....	\$ 254,612	\$ -	\$ 5,447	\$ 260,059
Contracts payable.....	185,955	-	524,326	710,281
Accrued wages and benefits payable.....	149,327	-	-	149,327
Retainage payable.....	2,130	-	295,444	297,574
Interfund payable.....	760,299	-	-	760,299
Intergovernmental payable.....	244,551	-	-	244,551
Deferred revenue.....	2,918,208	1,887,291	767,248	5,572,747
Accrued interest payable.....	-	-	381	381
Notes payable.....	-	-	648,000	648,000
Total liabilities.....	<u>4,515,082</u>	<u>1,887,291</u>	<u>2,240,846</u>	<u>8,643,219</u>
<b>FUND BALANCES</b>				
Reserved for encumbrances .....	1,435,896	-	823,581	2,259,477
Reserved for loans .....	758,491	-	-	758,491
Unreserved:				
Undesignated, Reported in:				
Special Revenue Funds .....	7,959,447	-	-	7,959,447
Debt Service Funds .....	-	79,662	-	79,662
Capital Projects Funds .....	-	-	601,389	601,389
Total fund balances.....	<u>10,153,834</u>	<u>79,662</u>	<u>1,424,970</u>	<u>11,658,466</u>
Total liabilities and fund balances.....	<u>\$ 14,668,916</u>	<u>\$ 1,966,953</u>	<u>\$ 3,665,816</u>	<u>\$ 20,301,685</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit D-2

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<b>REVENUES</b>				
Property and other taxes.....	\$ 1,106,453	\$ -	\$ -	\$ 1,106,453
Charges for services.....	3,222,213	-	2,525	3,224,738
Licenses and permits.....	253,498	-	-	253,498
Fines and forfeitures.....	132,862	-	-	132,862
Intergovernmental.....	7,643,972	-	3,017,788	10,661,760
Special assessments.....	98,017	246,326	-	344,343
Interest.....	47,319	51,221	35,075	133,615
Rent.....	-	-	105,637	105,637
Donations.....	16,938	-	16,637	33,575
Other.....	6,680	-	-	6,680
Total revenues.....	<u>12,527,952</u>	<u>297,547</u>	<u>3,177,662</u>	<u>16,003,161</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	1,271,370	-	-	1,271,370
Judicial .....	766,039	-	-	766,039
Public safety .....	1,691,776	-	-	1,691,776
Public works .....	1,178,355	-	-	1,178,355
Health .....	464,769	-	-	464,769
Human services .....	3,777,862	-	-	3,777,862
Urban redevelopment and housing .....	118,036	-	-	118,036
Intergovernmental.....	1,195,006	-	-	1,195,006
Capital outlay.....	-	-	11,146,471	11,146,471
Debt service:				
Principal retirement .....	3,465	184,367	-	187,832
Interest and fiscal charges .....	1,340	116,507	24,984	142,831
Total expenditures.....	<u>10,468,018</u>	<u>300,874</u>	<u>11,171,455</u>	<u>21,940,347</u>
Excess of revenues over (under) expenditures.....	<u>2,059,934</u>	<u>(3,327)</u>	<u>(7,993,793)</u>	<u>(5,937,186)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Notes issued.....	-	-	3,600,000	3,600,000
Loans received.....	-	-	517,000	517,000
Transfers in.....	2,125,665	-	2,116,178	4,241,843
Transfers out.....	(3,672,348)	-	(750,000)	(4,422,348)
Total other financing sources (uses).....	<u>(1,546,683)</u>	<u>-</u>	<u>5,483,178</u>	<u>3,936,495</u>
Net changes in fund balances.....	513,251	(3,327)	(2,510,615)	(2,000,691)
Fund balances - beginning of year.....	9,640,583	82,989	3,935,585	13,659,157
Fund balances - end of year.....	<u>\$ 10,153,834</u>	<u>\$ 79,662</u>	<u>\$ 1,424,970</u>	<u>\$ 11,658,466</u>

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## Nonmajor Special Revenue Funds

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

The following are included in nonmajor special revenue funds:

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

(Continued)



## Nonmajor Special Revenue Funds (continued)

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

(Continued)

## Nonmajor Special Revenue Funds (continued)

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

(Continued)

## Nonmajor Special Revenue Funds (continued)

Reese-Peters Home Lodge Tax Fund	To account for a 1.5 percent lodging excise tax; used to renovate a County-owned home that will be used as a cultural arts facility.
Local Law Enforcement Grant Fund	To account for a federal grant and local matching funds; used for the purchase of equipment and payment of salaries.
Cops Universal Hiring Fund	To account for a federal grant and County matching funds; used for a program designed to improve law enforcement visibility and services. This fund was not budgeted because the County did not anticipate any activity and none occurred.
Accountability Grant Fund	To account for a federal grant and local matching funds; used for the salary and benefits of a Juvenile Court Counselor.
Sanction Costs Reimbursements Fund	To account for inmate reimbursements to the County, authorized by the Board of County Commissioners. Inmates pay for the costs of their confinement if offenses are greater than minor misdemeanors. A hearing is held to determine the inmate's ability to pay.
Juvenile Recovery Fund	To account for collection of various fees and costs associated with Juvenile Court activities not specific to the Drug Court or the Crossroads Center School.
Home Fund	To account for a federal grant which provides home rehabilitation and down payment assistance for low income households.
Major Crimes Unit Grant Fund	To account for a federal grant designed to improve the functioning of the criminal justice system, with emphasis on drugs, violent crime, and serious offenders, and to enforce State and local laws
Transportation Coordination Grant Fund	To account for a grant from the Ohio Department of Transportation with a purpose to improve special needs transportation.
Clean Ohio Easement Program Fund	To account for a pass-through grant awarded to Steven and Deborah Miller Farm to help save agricultural land.
Ohio Children's Trust Fund	To account for a grant designed to provide funding for child abuse and neglect prevention programs.

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2003

	Dog and Kennel Fund	Child Support Enforcement Agency Fund	Computerized Legal Research Fund	Real Estate Assessment Fund	Treasurer's Prepayment Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 100,897	\$ 510,144	\$ 95,722	\$ 1,850,608	\$ 8,395
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	-	-	-
Receivables:					
Property and other taxes .....	-	-	-	-	-
Accounts .....	-	32,158	1,563	-	-
Interfund .....	-	-	-	-	252
Special assessments .....	-	-	-	-	-
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	355	270,370	-	-	-
Materials and supplies inventory.....	2,008	-	-	-	-
Prepaid items.....	3,850	30,723	-	7,579	-
Total assets.....	<u>\$ 107,110</u>	<u>\$ 843,395</u>	<u>\$ 97,285</u>	<u>\$ 1,858,187</u>	<u>\$ 8,647</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ 3,575	\$ 5,732	\$ -	\$ 22,050	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	7,837	61,678	-	17,436	250
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	18,800	-	-	-
Intergovernmental payable.....	4,293	32,859	-	8,993	106
Deferred revenue.....	-	69,094	-	-	-
Total liabilities.....	<u>15,705</u>	<u>188,163</u>	<u>-</u>	<u>48,479</u>	<u>356</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	5,317	123,861	-	84,950	400
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficit) .....	86,088	531,371	97,285	1,724,758	7,891
Total fund balances .....	<u>91,405</u>	<u>655,232</u>	<u>97,285</u>	<u>1,809,708</u>	<u>8,291</u>
Total liabilities and fund balances....	<u>\$ 107,110</u>	<u>\$ 843,395</u>	<u>\$ 97,285</u>	<u>\$ 1,858,187</u>	<u>\$ 8,647</u>

Exhibit E-1

Road and Bridge Fund	Youth Services Fund	Enforcement and Education Fund	Ditch Maintenance Fund	Delinquent Real Estate Collection Fund	Commissary Fund	Children Services Fund
\$ 10,423	\$ 508,170	\$ 22,112	\$ 501,348	\$ 377,224	\$ 6,452	\$ 489,952
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	84	-
-	-	-	116,430	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,276	163,996	347	-	-	-	730,362
-	-	-	-	-	-	-
-	11,691	-	-	1,702	-	-
<u>\$ 14,699</u>	<u>\$ 683,857</u>	<u>\$ 22,459</u>	<u>\$ 617,778</u>	<u>\$ 378,926</u>	<u>\$ 6,536</u>	<u>\$ 1,220,314</u>
\$ -	\$ -	\$ -	\$ 2,520	\$ 3,548	\$ 4,698	\$ 114,976
-	-	-	-	-	-	-
-	25,541	-	-	7,395	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
402	13,227	-	-	3,103	-	2,394
-	81,896	-	116,430	-	-	657,021
<u>402</u>	<u>120,664</u>	<u>-</u>	<u>118,950</u>	<u>14,046</u>	<u>4,698</u>	<u>774,391</u>
-	-	-	1,020	5,113	-	85,302
-	-	-	-	-	-	-
<u>14,297</u>	<u>563,193</u>	<u>22,459</u>	<u>497,808</u>	<u>359,767</u>	<u>1,838</u>	<u>360,621</u>
<u>14,297</u>	<u>563,193</u>	<u>22,459</u>	<u>498,828</u>	<u>364,880</u>	<u>1,838</u>	<u>445,923</u>
<u>\$ 14,699</u>	<u>\$ 683,857</u>	<u>\$ 22,459</u>	<u>\$ 617,778</u>	<u>\$ 378,926</u>	<u>\$ 6,536</u>	<u>\$ 1,220,314</u>

(Continued)

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2003

	Indigent Guardianship Fund	Emergency Management Fund	Emergency Planning Fund	Marriage License Fund	Bateson Beach Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 5,874	\$ 24,052	\$ 29,286	\$ 20,680	\$ 1,959
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	-	-	-
Receivables:					
Property and other taxes .....	-	-	-	-	-
Accounts .....	-	911	-	383	-
Interfund .....	-	-	-	-	-
Special assessments .....	-	-	-	-	7,123
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	-	29,064	-	-	-
Materials and supplies inventory.....	-	-	-	-	-
Prepaid items.....	-	961	-	-	-
Total assets.....	<u>\$ 5,874</u>	<u>\$ 54,988</u>	<u>\$ 29,286</u>	<u>\$ 21,063</u>	<u>\$ 9,082</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ -	\$ 6,484	\$ 133	\$ 18,199	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	-	2,317	-	-	-
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	20,000	-	-	-
Intergovernmental payable.....	-	1,833	87	-	-
Deferred revenue.....	-	6,000	-	-	7,123
Total liabilities.....	<u>-</u>	<u>36,634</u>	<u>220</u>	<u>18,199</u>	<u>7,123</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	-	340	-	-	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficit) .....	<u>5,874</u>	<u>18,014</u>	<u>29,066</u>	<u>2,864</u>	<u>1,959</u>
Total fund balances .....	<u>5,874</u>	<u>18,354</u>	<u>29,066</u>	<u>2,864</u>	<u>1,959</u>
Total liabilities and fund balances....	<u>\$ 5,874</u>	<u>\$ 54,988</u>	<u>\$ 29,286</u>	<u>\$ 21,063</u>	<u>\$ 9,082</u>

(Continued)

Exhibit E-1

Computer Fund	Certificate of Title Administration Fund	County Recorder Equipment Fund	Parent Education Fund	Indigent Children Drivers Fund	Environmental Affairs Grant Fund	Adult Community Based Corrections Fund
\$ 264,666	\$ 756,245	\$ 292,441	\$ 28,195	\$ 1,600	\$ 90,683	\$ 32,502
-	50,300	13,748	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,611	-	-	735	-	-	-
-	-	-	-	-	-	455
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	6,803	78,095
-	-	-	-	-	-	-
-	9,309	-	-	-	-	2,492
<u>\$ 268,277</u>	<u>\$ 815,854</u>	<u>\$ 306,189</u>	<u>\$ 28,930</u>	<u>\$ 1,600</u>	<u>\$ 97,486</u>	<u>\$ 113,544</u>
\$ -	\$ 818	\$ 11,006	\$ 730	\$ -	\$ 500	\$ -
-	-	-	-	-	-	-
-	14,793	-	-	-	-	5,138
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	7,638	-	-	-	73,480	2,689
-	-	-	-	-	6,803	39,047
-	23,249	11,006	730	-	80,783	46,874
16,000	385	15,532	-	-	-	215
-	-	-	-	-	-	-
<u>252,277</u>	<u>792,220</u>	<u>279,651</u>	<u>28,200</u>	<u>1,600</u>	<u>16,703</u>	<u>66,455</u>
<u>268,277</u>	<u>792,605</u>	<u>295,183</u>	<u>28,200</u>	<u>1,600</u>	<u>16,703</u>	<u>66,670</u>
<u>\$ 268,277</u>	<u>\$ 815,854</u>	<u>\$ 306,189</u>	<u>\$ 28,930</u>	<u>\$ 1,600</u>	<u>\$ 97,486</u>	<u>\$ 113,544</u>

(Continued)

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2003

	Bridges, Culverts, and County Road Levy Fund	County Probation Services Com- munity Based Corrections Fund	Community Corrections Fund	Litter Enforcement Fund	Ohio Seat Belt Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 827,127	\$ 171,086	\$ -	\$ 29,948	\$ 6,623
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	22,415	-	-
Receivables:					
Property and other taxes .....	1,011,980	-	-	-	-
Accounts .....	-	6,678	-	-	-
Interfund .....	-	-	-	-	-
Special assessments .....	-	-	-	-	-
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	67,425	-	34,340	-	-
Materials and supplies inventory.....	-	-	-	-	-
Prepaid items.....	-	8,335	-	955	-
Total assets.....	<u>\$ 1,906,532</u>	<u>\$ 186,099</u>	<u>\$ 56,755</u>	<u>\$ 30,903</u>	<u>\$ 6,623</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ 6,691	\$ 2,650	\$ -	\$ -	\$ -
Contracts payable.....	16,980	-	-	-	-
Accrued wages and benefits payable.....	-	-	-	1,631	-
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	-	-	-	-
Intergovernmental payable.....	-	36	-	6,417	-
Deferred revenue.....	1,074,521	-	17,170	-	-
Total liabilities.....	<u>1,098,192</u>	<u>2,686</u>	<u>17,170</u>	<u>8,048</u>	<u>-</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	99,145	10,371	-	-	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficit) .....	709,195	173,042	39,585	22,855	6,623
Total fund balances .....	<u>808,340</u>	<u>183,413</u>	<u>39,585</u>	<u>22,855</u>	<u>6,623</u>
Total liabilities and fund balances....	<u>\$ 1,906,532</u>	<u>\$ 186,099</u>	<u>\$ 56,755</u>	<u>\$ 30,903</u>	<u>\$ 6,623</u>



(Continued)

Exhibit E-1

<b>Crossroads Center Fund</b>	<b>Economic Development Assistance Grant Fund</b>	<b>Community Development Block Grant Fund</b>	<b>Drug Abuse Resistance Education Fund</b>	<b>Select Traffic Enforcement Program Fund</b>	<b>Highway Safety Program Fund</b>	<b>Victims of Crime Fund</b>
\$ 481,262	\$ -	\$ 533,117	\$ 29,962	\$ 2,181	\$ 34	\$ 70,830
-	155,842	61,834	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
174	-	-	-	-	-	-
50,000	-	-	-	-	-	-
-	-	-	-	-	-	-
-	662	291	-	-	-	-
-	524,846	233,645	-	-	-	-
-	-	816,359	-	-	-	55,991
-	-	-	-	-	-	2,554
-	-	-	-	-	-	423
<u>\$ 531,436</u>	<u>\$ 681,350</u>	<u>\$ 1,645,246</u>	<u>\$ 29,962</u>	<u>\$ 2,181</u>	<u>\$ 34</u>	<u>\$ 129,798</u>
\$ 2,618	\$ -	\$ -	\$ 150	\$ -	\$ -	\$ -
-	-	168,975	-	-	-	-
-	-	-	-	-	-	3,905
-	-	2,130	-	-	-	-
-	-	601,499	-	-	-	-
600	-	84,000	-	-	-	2,001
-	-	545,801	-	-	-	43,549
<u>3,218</u>	<u>-</u>	<u>1,402,405</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>49,455</u>
232	-	156,174	-	-	-	-
-	524,846	233,645	-	-	-	-
<u>527,986</u>	<u>156,504</u>	<u>(146,978)</u>	<u>29,812</u>	<u>2,181</u>	<u>34</u>	<u>80,343</u>
<u>528,218</u>	<u>681,350</u>	<u>242,841</u>	<u>29,812</u>	<u>2,181</u>	<u>34</u>	<u>80,343</u>
<u>\$ 531,436</u>	<u>\$ 681,350</u>	<u>\$ 1,645,246</u>	<u>\$ 29,962</u>	<u>\$ 2,181</u>	<u>\$ 34</u>	<u>\$ 129,798</u>

(Continued)

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2003

	Drug Court Program Fund	Dispute Resolution and Mediation Fund	Reese- Peters Home Lodge Tax Fund	Local Law Enforcement Grant Fund	Cops Universal Hiring Fund
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 79,050	\$ 91,549	\$ 43,077	\$ 60,717	\$ 44,123
Cash and cash equivalents in segregated accounts .....	-	-	-	-	-
Cash and cash equivalents with fiscal agents .....	-	-	-	-	-
Receivables:					
Property and other taxes .....	-	-	37,064	-	-
Accounts .....	-	1,289	-	-	-
Interfund .....	-	-	-	-	-
Special assessments .....	-	-	-	-	-
Accrued interest .....	-	-	-	-	-
Loans .....	-	-	-	-	-
Intergovernmental .....	-	-	-	-	-
Materials and supplies inventory.....	-	-	-	-	-
Prepaid items.....	-	-	-	-	-
Total assets.....	<u>\$ 79,050</u>	<u>\$ 92,838</u>	<u>\$ 80,141</u>	<u>\$ 60,717</u>	<u>\$ 44,123</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ -	\$ -	\$ 29,740	\$ -	\$ -
Contracts payable.....	-	-	-	-	-
Accrued wages and benefits payable.....	-	-	-	-	-
Retainage payable.....	-	-	-	-	-
Interfund payable.....	-	-	-	-	-
Intergovernmental payable.....	-	-	-	-	-
Deferred revenue.....	-	-	7,322	-	-
Total liabilities.....	<u>-</u>	<u>-</u>	<u>37,062</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>					
Reserved for encumbrances .....	-	-	-	-	-
Reserved for loans .....	-	-	-	-	-
Unreserved:					
Undesignated (deficit) .....	<u>79,050</u>	<u>92,838</u>	<u>43,079</u>	<u>60,717</u>	<u>44,123</u>
Total fund balances .....	<u>79,050</u>	<u>92,838</u>	<u>43,079</u>	<u>60,717</u>	<u>44,123</u>
Total liabilities and fund balances....	<u>\$ 79,050</u>	<u>\$ 92,838</u>	<u>\$ 80,141</u>	<u>\$ 60,717</u>	<u>\$ 44,123</u>

(Continued)

Exhibit E-1

Account-ability Grant Fund	Sanction Costs Reim-bursements Fund	Juvenile Recovery Fund	Home Fund	Major Crimes Unit Grant Fund	Transportation Coordination Grant Fund	Clean Ohio Easement Program Fund
\$ 21,837	\$ 35,855	\$ 164,771	\$ 80,227	\$ -	\$ -	\$ 830,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	100	-	-	-	-	-
-	-	-	-	-	-	1,726
-	-	-	-	-	-	4,501
-	-	-	281,639	47,091	4,889	-
-	-	-	-	-	-	-
390	-	-	-	-	-	-
<u>\$ 22,227</u>	<u>\$ 35,955</u>	<u>\$ 164,771</u>	<u>\$ 361,866</u>	<u>\$ 47,091</u>	<u>\$ 4,889</u>	<u>\$ 836,227</u>
\$ -	\$ -	\$ -	\$ 16,496	\$ -	\$ -	\$ 1,298
-	-	-	-	-	-	-
1,081	-	325	-	-	-	-
-	-	-	-	-	-	-
-	-	-	100,000	20,000	-	-
311	-	82	-	-	-	-
-	-	-	240,147	-	4,889	1,395
<u>1,392</u>	<u>-</u>	<u>407</u>	<u>356,643</u>	<u>20,000</u>	<u>4,889</u>	<u>2,693</u>
-	-	-	1,539	-	-	830,000
-	-	-	-	-	-	-
<u>20,835</u>	<u>35,955</u>	<u>164,364</u>	<u>3,684</u>	<u>27,091</u>	<u>-</u>	<u>3,534</u>
<u>20,835</u>	<u>35,955</u>	<u>164,364</u>	<u>5,223</u>	<u>27,091</u>	<u>-</u>	<u>833,534</u>
<u>\$ 22,227</u>	<u>\$ 35,955</u>	<u>\$ 164,771</u>	<u>\$ 361,866</u>	<u>\$ 47,091</u>	<u>\$ 4,889</u>	<u>\$ 836,227</u>

(Continued)

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS**

(Continued)

December 31, 2003

Exhibit E-1

	<b>Ohio Children's Trust Fund</b>	<b>Totals</b>
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ -	\$ 9,633,006
Cash and cash equivalents in segregated accounts .....	-	281,724
Cash and cash equivalents with fiscal agents .....	-	22,415
Receivables:		
Property and other taxes .....	-	1,049,044
Accounts .....	-	47,686
Interfund .....	-	52,433
Special assessments .....	-	123,553
Accrued interest .....	-	5,454
Loans .....	-	758,491
Intergovernmental .....	20,736	2,612,138
Materials and supplies inventory.....	-	4,562
Prepaid items.....	-	78,410
Total assets.....	<u>\$ 20,736</u>	<u>\$ 14,668,916</u>
<b>LIABILITIES</b>		
Accounts payable.....	\$ -	254,612
Contracts payable.....	-	185,955
Accrued wages and benefits payable.....	-	149,327
Retainage payable.....	-	2,130
Interfund payable.....	-	760,299
Intergovernmental payable.....	-	244,551
Deferred revenue.....	-	2,918,208
Total liabilities.....	<u>-</u>	<u>4,515,082</u>
<b>FUND BALANCES:</b>		
Reserved for encumbrances .....	-	1,435,896
Reserved for loans .....	-	758,491
Unreserved:		
Undesignated (deficit) .....	<u>20,736</u>	<u>7,959,447</u>
Total fund balances .....	<u>20,736</u>	<u>10,153,834</u>
Total liabilities and fund balances....	<u>\$ 20,736</u>	<u>\$ 14,668,916</u>

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# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	Dog and Kennel Fund	Child Support Enforcement Agency Fund	Computerized Legal Research Fund	Real Estate Assessment Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	24,525	310,422	20,051	959,874
Licenses and permits.....	218,986	-	-	-
Fines and forfeitures.....	21,876	-	-	-
Intergovernmental.....	3,500	2,150,180	-	-
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	734	-	-	-
Other.....	53	741	-	310
Total revenues.....	<u>269,674</u>	<u>2,461,343</u>	<u>20,051</u>	<u>960,184</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	740,478
Judicial .....	-	-	14,979	-
Public safety .....	-	-	-	-
Public works .....	-	-	-	-
Health .....	293,582	-	-	-
Human services .....	-	2,154,407	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>293,582</u>	<u>2,154,407</u>	<u>14,979</u>	<u>740,478</u>
Excess of revenues over (under) expenditures .....	<u>(23,908)</u>	<u>306,936</u>	<u>5,072</u>	<u>219,706</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in.....	-	1,068,828	-	-
Transfers out.....	-	(1,121,000)	-	-
Total other financing sources (uses).....	<u>-</u>	<u>(52,172)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances.....	(23,908)	254,764	5,072	219,706
Fund balances (deficit) - beginning of year.....	115,313	400,468	92,213	1,590,002
Fund balances - end of year.....	<u>\$ 91,405</u>	<u>\$ 655,232</u>	<u>\$ 97,285</u>	<u>\$ 1,809,708</u>

Exhibit E-2

Treasurer's Prepayment Fund	Road and Bridge Fund	Youth Services Fund	Enforcement and Education Fund	Ditch Maintenance Fund	Delinquent Real Estate Collection Fund	Commissary Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	186,874	74,301
-	33,538	-	2,699	-	-	-
-	-	542,459	-	-	-	-
-	-	-	-	97,464	-	-
2,741	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,741</u>	<u>33,538</u>	<u>542,459</u>	<u>2,699</u>	<u>97,464</u>	<u>186,874</u>	<u>74,301</u>
5,029	-	-	-	-	149,000	-
-	-	-	-	-	-	-
-	-	699,133	-	-	-	77,126
-	31,341	-	-	2,520	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,029</u>	<u>31,341</u>	<u>699,133</u>	<u>-</u>	<u>2,520</u>	<u>149,000</u>	<u>77,126</u>
<u>(2,288)</u>	<u>2,197</u>	<u>(156,674)</u>	<u>2,699</u>	<u>94,944</u>	<u>37,874</u>	<u>(2,825)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(2,288)</u>	<u>2,197</u>	<u>(156,674)</u>	<u>2,699</u>	<u>94,944</u>	<u>37,874</u>	<u>(2,825)</u>
10,579	12,100	719,867	19,760	403,884	327,006	4,663
<u>\$ 8,291</u>	<u>\$ 14,297</u>	<u>\$ 563,193</u>	<u>\$ 22,459</u>	<u>\$ 498,828</u>	<u>\$ 364,880</u>	<u>\$ 1,838</u>

(Continued)

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	Children Services Fund	Indigent Guardianship Fund	Emergency Management Fund	Emergency Planning Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	161,061	17,468	10,708	735
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	1,622,471	-	251,196	26,716
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	1,020	-	7,742	500
Other.....	3,643	-	109	-
Total revenues.....	<u>1,788,195</u>	<u>17,468</u>	<u>269,755</u>	<u>27,951</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	-
Judicial .....	-	17,892	-	-
Public safety .....	-	-	394,269	30,621
Public works .....	-	-	-	-
Health .....	-	-	-	-
Human services .....	1,590,937	-	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>1,590,937</u>	<u>17,892</u>	<u>394,269</u>	<u>30,621</u>
Excess of revenues over (under) expenditures .....	<u>197,258</u>	<u>(424)</u>	<u>(124,514)</u>	<u>(2,670)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in.....	983,325	-	35,000	1,000
Transfers out.....	(1,500,000)	-	-	-
Total other financing sources (uses).....	<u>(516,675)</u>	<u>-</u>	<u>35,000</u>	<u>1,000</u>
Net changes in fund balances.....	(319,417)	(424)	(89,514)	(1,670)
Fund balances (deficit) - beginning of year.....	765,340	6,298	107,868	30,736
Fund balances - end of year.....	<u>\$ 445,923</u>	<u>\$ 5,874</u>	<u>\$ 18,354</u>	<u>\$ 29,066</u>



(Continued)

Exhibit E-2

<b>Marriage License Fund</b>	<b>Bateson Beach Fund</b>	<b>Computer Fund</b>	<b>Certificate of Title Administration Fund</b>	<b>County Recorder Equipment Fund</b>	<b>Parent Education Fund</b>	<b>Indigent Children Drivers Fund</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	707,279	201,654	14,363	-
34,512	-	-	-	-	-	-
-	-	73,523	-	-	-	75
-	-	-	-	-	-	-
-	553	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>34,512</u>	<u>553</u>	<u>73,523</u>	<u>707,279</u>	<u>201,654</u>	<u>14,363</u>	<u>75</u>
-	-	-	-	196,050	-	-
-	-	93,442	454,927	-	16,684	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
33,819	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	3,465	-	-
-	-	-	-	1,340	-	-
<u>33,819</u>	<u>-</u>	<u>93,442</u>	<u>454,927</u>	<u>200,855</u>	<u>16,684</u>	<u>-</u>
<u>693</u>	<u>553</u>	<u>(19,919)</u>	<u>252,352</u>	<u>799</u>	<u>(2,321)</u>	<u>75</u>
-	-	-	-	-	-	-
-	-	-	(750,000)	(9,475)	-	-
-	-	-	(750,000)	(9,475)	-	-
693	553	(19,919)	(497,648)	(8,676)	(2,321)	75
2,171	1,406	288,196	1,290,253	303,859	30,521	1,525
<u>\$ 2,864</u>	<u>\$ 1,959</u>	<u>\$ 268,277</u>	<u>\$ 792,605</u>	<u>\$ 295,183</u>	<u>\$ 28,200</u>	<u>\$ 1,600</u>

(Continued)

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	Environmental Affairs Grant Fund	Adult Com- munity Based Corrections Fund	Bridges, Culverts, and County Road Levy Fund	County Probation Services Com- munity Based Corrections Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ 961,803	\$ -
Charges for services.....	-	455	-	65,302
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	145,299	152,285	121,236	-
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	-	-	-	-
Other.....	-	-	-	725
Total revenues.....	<u>145,299</u>	<u>152,740</u>	<u>1,083,039</u>	<u>66,027</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	-
Judicial .....	-	-	-	-
Public safety .....	-	152,056	-	44,152
Public works .....	266,982	-	707,043	-
Health .....	-	-	-	-
Human services .....	-	-	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>266,982</u>	<u>152,056</u>	<u>707,043</u>	<u>44,152</u>
Excess of revenues over (under) expenditures .....	<u>(121,683)</u>	<u>684</u>	<u>375,996</u>	<u>21,875</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in.....	-	-	-	-
Transfers out.....	-	-	(291,873)	-
Total other financing sources (uses).....	-	-	<u>(291,873)</u>	-
Net changes in fund balances.....	(121,683)	684	84,123	21,875
Fund balances (deficit) - beginning of year.....	138,386	65,986	724,217	161,538
Fund balances - end of year.....	<u>\$ 16,703</u>	<u>\$ 66,670</u>	<u>\$ 808,340</u>	<u>\$ 183,413</u>

(Continued)

Exhibit E-2

Community Corrections Fund	Litter Enforcement Fund	Ohio Seat Belt Fund	Crossroads Center Fund	Economic Development Assistance Grant Fund	Community Development Block Grant Fund	Drug Abuse Resistance Education Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	225,149	-	-	-
-	-	-	-	-	-	-
-	-	1,151	-	-	-	-
66,962	146,002	-	-	-	578,103	31,979
-	-	-	-	-	-	-
-	-	-	-	22,753	7,478	-
-	-	-	300	-	-	1,642
-	-	-	1,099	-	-	-
<u>66,962</u>	<u>146,002</u>	<u>1,151</u>	<u>226,548</u>	<u>22,753</u>	<u>585,581</u>	<u>33,621</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	83,721	-	-	37,464
-	-	-	-	-	-	-
-	137,368	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	9,548	26,331	-
65,880	-	-	-	-	621,583	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>65,880</u>	<u>137,368</u>	<u>-</u>	<u>83,721</u>	<u>9,548</u>	<u>647,914</u>	<u>37,464</u>
<u>1,082</u>	<u>8,634</u>	<u>1,151</u>	<u>142,827</u>	<u>13,205</u>	<u>(62,333)</u>	<u>(3,843)</u>
-	-	-	-	-	25	-
-	-	-	-	-	-	-
-	-	-	-	-	25	-
1,082	8,634	1,151	142,827	13,205	(62,308)	(3,843)
38,503	14,221	5,472	385,391	668,145	305,149	33,655
<u>\$ 39,585</u>	<u>\$ 22,855</u>	<u>\$ 6,623</u>	<u>\$ 528,218</u>	<u>\$ 681,350</u>	<u>\$ 242,841</u>	<u>\$ 29,812</u>

(Continued)

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	Select Traffic Enforcement Program Fund	Highway Safety Program Fund	Victims of Crime Fund	Drug Court Program Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	-	-	-	24,721
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	-	-	84,556	-
Special assessments.....	-	-	-	-
Interest.....	-	-	-	-
Donations.....	-	-	-	5,000
Other.....	-	-	-	-
Total revenues.....	-	-	84,556	29,721
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	-
Judicial .....	-	-	-	25
Public safety .....	-	-	99,218	-
Public works .....	-	-	-	-
Health .....	-	-	-	-
Human services .....	-	-	-	-
Urban redevelopment and housing .....	-	-	-	-
Intergovernmental.....	-	-	-	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	-	-	99,218	25
Excess of revenues over (under) expenditures .....	-	-	(14,662)	29,696
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in.....	-	-	31,242	-
Transfers out.....	-	-	-	-
Total other financing sources (uses).....	-	-	31,242	-
Net changes in fund balances.....	-	-	16,580	29,696
Fund balances (deficit) - beginning of year.....	2,181	34	63,763	49,354
Fund balances - end of year.....	\$ 2,181	\$ 34	\$ 80,343	\$ 79,050

(Continued)

Exhibit E-2

<u>Dispute Resolution and Mediation Fund</u>	<u>Reese- Peters Home Lodge Tax Fund</u>	<u>Local Law Enforcement Grant Fund</u>	<u>Cops Universal Hiring Fund</u>	<u>Account- ability Grant Fund</u>	<u>Sanction Costs Reim- bursements Fund</u>	<u>Juvenile Recovery Fund</u>
\$ -	\$ 144,650	\$ -	\$ -	\$ -	\$ -	\$ -
32,569	-	-	-	-	1,316	183,386
-	-	-	-	-	-	-
-	-	22,933	-	27,278	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>32,569</u>	<u>144,650</u>	<u>22,933</u>	<u>-</u>	<u>27,278</u>	<u>1,316</u>	<u>183,386</u>
-	-	-	-	-	-	-
512	-	-	-	35,742	-	131,836
-	-	74,016	-	-	-	-
-	170,469	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>512</u>	<u>170,469</u>	<u>74,016</u>	<u>-</u>	<u>35,742</u>	<u>-</u>	<u>131,836</u>
<u>32,057</u>	<u>(25,819)</u>	<u>(51,083)</u>	<u>-</u>	<u>(8,464)</u>	<u>1,316</u>	<u>51,550</u>
-	-	2,548	-	3,697	-	-
-	-	-	-	-	-	-
-	-	2,548	-	3,697	-	-
32,057	(25,819)	(48,535)	-	(4,767)	1,316	51,550
60,781	68,898	109,252	44,123	25,602	34,639	112,814
<u>\$ 92,838</u>	<u>\$ 43,079</u>	<u>\$ 60,717</u>	<u>\$ 44,123</u>	<u>\$ 20,835</u>	<u>\$ 35,955</u>	<u>\$ 164,364</u>

(Continued)

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	Home Fund	Major Crimes Unit Grant Fund	Transportation Coordination Grant Fund	Clean Ohio Easement Program Fund
<b>REVENUES</b>				
Property and other taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	-	-	-	-
Licenses and permits.....	-	-	-	-
Fines and forfeitures.....	-	-	-	-
Intergovernmental.....	71,845	486,891	70,215	1,000,000
Special assessments.....	-	-	-	-
Interest.....	-	-	-	14,347
Donations.....	-	-	-	-
Other.....	-	-	-	-
Total revenues.....	<u>71,845</u>	<u>486,891</u>	<u>70,215</u>	<u>1,014,347</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative and executive .....	-	-	-	180,813
Judicial .....	-	-	-	-
Public safety .....	-	-	-	-
Public works .....	-	-	-	-
Health .....	-	-	-	-
Human services .....	-	-	-	-
Urban redevelopment and housing .....	82,157	-	-	-
Intergovernmental.....	-	434,800	72,743	-
Debt service:				
Principal retirement .....	-	-	-	-
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>82,157</u>	<u>434,800</u>	<u>72,743</u>	<u>180,813</u>
Excess of revenues over (under) expenditures .....	<u>(10,312)</u>	<u>52,091</u>	<u>(2,528)</u>	<u>833,534</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in.....	-	-	-	-
Transfers out.....	-	-	-	-
Total other financing sources (uses).....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances.....	(10,312)	52,091	(2,528)	833,534
Fund balances (deficit) - beginning of year.....	15,535	(25,000)	2,528	-
Fund balances - end of year.....	<u>\$ 5,223</u>	<u>\$ 27,091</u>	<u>\$ -</u>	<u>\$ 833,534</u>

<b>Ohio Children's Trust Fund</b>	<b>Totals</b>
\$ -	\$ 1,106,453
-	3,222,213
-	253,498
-	132,862
41,866	7,643,972
-	98,017
-	47,319
-	16,938
-	6,680
<u>41,866</u>	<u>12,527,952</u>
-	1,271,370
-	766,039
-	1,691,776
-	1,178,355
-	464,769
32,518	3,777,862
-	118,036
-	1,195,006
-	3,465
-	1,340
<u>32,518</u>	<u>10,468,018</u>
<u>9,348</u>	<u>2,059,934</u>
-	2,125,665
-	(3,672,348)
-	(1,546,683)
9,348	513,251
11,388	9,640,583
<u>\$ 20,736</u>	<u>\$ 10,153,834</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-3

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 34,500	\$ 24,525	\$ (9,975)
Licenses and permits.....	210,000	218,986	8,986
Fines and forfeitures.....	15,000	21,716	6,716
Intergovernmental.....	10,000	3,500	(6,500)
Donations.....	500	734	234
Other.....	-	53	53
Total revenues.....	<u>270,000</u>	<u>269,514</u>	<u>(486)</u>
<b>EXPENDITURES</b>			
Current:			
Health:			
Dog and Kennel:			
Personal services .....	181,122	167,417	13,705
Fringe benefits .....	94,055	78,640	15,415
Materials and supplies .....	28,774	23,848	4,926
Contractual services .....	33,050	30,182	2,868
Capital outlay .....	4,520	867	3,653
Total expenditures.....	<u>341,521</u>	<u>300,954</u>	<u>40,567</u>
Net change in fund balance.....	(71,521)	(31,440)	40,081
Fund balance - beginning of year .....	113,780	113,780	-
Prior year encumbrances appropriated.....	9,684	9,684	-
Fund balance - end of year .....	<u>\$ 51,943</u>	<u>\$ 92,024</u>	<u>\$ 40,081</u>



Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-4

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 302,000	\$ 303,527	\$ 1,527
Intergovernmental.....	1,950,000	2,104,930	154,930
Other.....	5,000	741	(4,259)
Total revenues.....	<u>2,257,000</u>	<u>2,409,198</u>	<u>152,198</u>
<b>EXPENDITURES</b>			
Current:			
Human services:			
Child Support Enforcement Agency:			
Personal services .....	1,293,130	1,287,583	5,547
Fringe benefits .....	572,096	565,791	6,305
Materials and Supplies .....	10,000	3,584	6,416
Contractual services .....	533,377	434,921	98,456
Total expenditures.....	<u>2,408,603</u>	<u>2,291,879</u>	<u>116,724</u>
Excess of revenues over (under) expenditures.....	<u>(151,603)</u>	<u>117,319</u>	<u>268,922</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in.....	1,068,828	1,068,828	-
Operating transfers out.....	(1,124,098)	(1,121,000)	3,098
Total other financing sources (uses).....	<u>(55,270)</u>	<u>(52,172)</u>	<u>3,098</u>
Net change in fund balance.....	(206,873)	65,147	272,020
Fund balance - beginning of year .....	176,150	176,150	-
Prior year encumbrances appropriated.....	122,276	122,276	-
Fund balance - end of year .....	<u>\$ 91,553</u>	<u>\$ 363,573</u>	<u>\$ 272,020</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-5

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 16,700	\$ 19,377	\$ 2,677
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Computerized Legal Research:			
Materials and supplies .....	2,000	-	2,000
Contractual services .....	3,000	-	3,000
Capital outlay .....	18,666	14,979	3,687
Total expenditures.....	23,666	14,979	8,687
Net change in fund balance.....	(6,966)	4,398	11,364
Fund balance - beginning of year .....	89,566	89,566	-
Fund balance - end of year .....	\$ 82,600	\$ 93,964	\$ 11,364

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-6

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 760,000	\$ 959,874	\$ 199,874
Other.....	-	310	310
Total revenues.....	<u>760,000</u>	<u>960,184</u>	<u>200,184</u>
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Real Estate Assessment:			
Personal services .....	360,200	338,206	21,994
Fringe benefits .....	153,149	130,626	22,523
Materials and supplies .....	47,000	11,334	35,666
Contractual services .....	532,452	336,755	195,697
Capital outlay .....	11,248	8,272	2,976
Total expenditures.....	<u>1,104,049</u>	<u>825,193</u>	<u>278,856</u>
Net change in fund balance.....	(344,049)	134,991	479,040
Fund balance - beginning of year .....	1,464,004	1,464,004	-
Prior year encumbrances appropriated.....	145,100	145,100	-
Fund balance - end of year .....	<u>\$ 1,265,055</u>	<u>\$ 1,744,095</u>	<u>\$ 479,040</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-7*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Interest.....	\$ 4,500	\$ 3,054	\$ (1,446)
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Treasurer's Prepayment:			
Personal services .....	6,000	2,959	3,041
Fringe benefits .....	1,150	498	652
Materials and supplies .....	1,000	748	252
Contractual services .....	1,000	400	600
Capital outlay .....	1,850	628	1,222
Total expenditures.....	11,000	5,233	5,767
Net change in fund balance.....	(6,500)	(2,179)	4,321
Fund balance - beginning of year .....	10,174	10,174	-
Fund balance - end of year .....	\$ 3,674	\$ 7,995	\$ 4,321

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-8*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 39,000	\$ 33,026	\$ (5,974)
<b>EXPENDITURES</b>			
Current:			
Public works:			
Road and Bridge:			
Personal services .....	32,972	27,945	5,027
Fringe benefits .....	6,768	5,082	1,686
Total expenditures.....	39,740	33,027	6,713
Net change in fund balance.....	(740)	(1)	739
Fund balance - beginning of year .....	10,424	10,424	-
Fund balance - end of year .....	<u>\$ 9,684</u>	<u>\$ 10,423</u>	<u>\$ 739</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-9*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 475,219	\$ 537,618	\$ 62,399
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Youth Services:			
Personal services .....	509,641	486,133	23,508
Fringe benefits .....	254,023	206,287	47,736
Total expenditures.....	763,664	692,420	71,244
Net change in fund balance.....	(288,445)	(154,802)	133,643
Fund balance - beginning of year .....	662,972	662,972	-
Fund balance - end of year .....	\$ 374,527	\$ 508,170	\$ 133,643

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-10*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 2,000	\$ 2,641	\$ 641
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Enforcement and Education:			
Capital outlay .....	2,000	-	2,000
Net change in fund balance.....	-	2,641	2,641
Fund balance - beginning of year .....	19,471	19,471	-
Fund balance - end of year.....	<u>\$ 19,471</u>	<u>\$ 22,112</u>	<u>\$ 2,641</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-11*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Special assessments.....	\$ 4,775	\$ 97,464	\$ 92,689
<b>EXPENDITURES</b>			
Current:			
Public works:			
Ditch Maintenance:			
Capital outlay .....	14,775	3,540	11,235
Net change in fund balance.....	(10,000)	93,924	103,924
Fund balance - beginning of year .....	403,884	403,884	-
Fund balance - end of year.....	<u>\$ 393,884</u>	<u>\$ 497,808</u>	<u>\$ 103,924</u>



# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-12

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 157,500	\$ 186,874	\$ 29,374
Other.....	200	-	(200)
Total revenues.....	<u>157,700</u>	<u>186,874</u>	<u>29,174</u>
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Delinquent Real Estate Collection:			
Personal services .....	89,900	89,241	659
Fringe benefits .....	40,204	26,531	13,673
Materials and supplies .....	8,000	3,516	4,484
Contractual services .....	47,033	25,025	22,008
Capital outlay .....	29,707	3,267	26,440
Total expenditures.....	<u>214,844</u>	<u>147,580</u>	<u>67,264</u>
Net change in fund balance.....	(57,144)	39,294	96,438
Fund balance - beginning of year .....	326,934	326,934	-
Prior year encumbrances appropriated.....	2,340	2,340	-
Fund balance - end of year .....	<u>\$ 272,130</u>	<u>\$ 368,568</u>	<u>\$ 96,438</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-13

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 79,260	\$ 74,217	\$ (5,043)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Commissary:			
Materials and supplies .....	71,392	71,392	-
Capital outlay .....	11,538	8,796	2,742
Other .....	800	494	306
Total expenditures.....	83,730	80,682	3,048
Net change in fund balance.....	(4,470)	(6,465)	(1,995)
Fund balance - beginning of year .....	6,156	6,156	-
Prior year encumbrances appropriated.....	4,470	4,470	-
Fund balance - end of year .....	\$ 6,156	\$ 4,161	\$ (1,995)

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-14

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services .....	\$ 135,572	\$ 179,571	\$ 43,999
Intergovernmental .....	1,778,197	1,847,751	69,554
Donations .....	2,000	1,020	(980)
Other .....	1,231	4,173	2,942
Total revenues .....	<u>1,917,000</u>	<u>2,032,515</u>	<u>115,515</u>
<b>EXPENDITURES</b>			
Current:			
Human services:			
Children Services:			
Contractual services .....	1,926,899	1,807,756	119,143
Excess of revenues over (under) expenditures .....	<u>(9,899)</u>	<u>224,759</u>	<u>234,658</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in .....	1,057,710	983,325	(74,385)
Operating transfers out .....	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Total other financing sources (uses) .....	<u>(442,290)</u>	<u>(516,675)</u>	<u>(74,385)</u>
Net change in fund balance .....	(452,189)	(291,916)	160,273
Fund balance - beginning of year .....	447,344	447,344	-
Prior year encumbrances appropriated .....	176,899	176,899	-
Fund balance - end of year .....	<u>\$ 172,054</u>	<u>\$ 332,327</u>	<u>\$ 160,273</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-15*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services.....	\$ 19,000	\$ 17,228	\$ (1,772)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Indigent Guardianship:			
Contractual services .....	19,000	17,892	1,108
Net change in fund balance.....	-	(664)	(664)
Fund balance - beginning of year .....	5,138	5,138	-
Fund balance - end of year .....	<u>\$ 5,138</u>	<u>\$ 4,474</u>	<u>\$ (664)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-16

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charge for Services.....	\$ 5,000	\$ 9,797	\$ 4,797
Intergovernmental.....	259,000	228,132	(30,868)
Donations.....	-	8,322	8,322
Other.....	-	109	109
Total revenues.....	<u>264,000</u>	<u>246,360</u>	<u>(17,640)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Emergency Management:			
Personal services .....	37,600	34,795	2,805
Fringe benefits .....	13,120	10,450	2,670
Materials and supplies .....	6,309	5,990	319
Contractual services .....	66,314	64,534	1,780
Capital outlay .....	272,039	271,584	455
Total expenditures.....	<u>395,382</u>	<u>387,353</u>	<u>8,029</u>
Excess of revenues under expenditures.....	<u>(131,382)</u>	<u>(140,993)</u>	<u>(9,611)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in .....	-	45,830	45,830
Advances out .....	-	(25,830)	(25,830)
Operating transfers in.....	35,000	35,000	-
Total other financing sources (uses).....	<u>35,000</u>	<u>55,000</u>	<u>20,000</u>
Net change in fund balance.....	(96,382)	(85,993)	10,389
Fund balance - beginning of year .....	34,874	34,874	-
Prior year encumbrances appropriated.....	74,182	74,182	-
Fund balance - end of year .....	<u>\$ 12,674</u>	<u>\$ 23,063</u>	<u>\$ 10,389</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-17

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for Services.....	\$ 3,675	\$ 735	\$ (2,940)
Intergovernmental.....	40,000	28,794	(11,206)
Donations.....	2,500	500	(2,000)
Other.....	6,125	425	(5,700)
Total revenues.....	<u>52,300</u>	<u>30,454</u>	<u>(21,846)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Emergency Planning:			
Personal services .....	13,000	6,053	6,947
Fringe benefits .....	2,550	1,346	1,204
Materials and supplies .....	2,800	2,234	566
Contractual services .....	23,775	11,878	11,897
Capital outlay .....	17,501	9,501	8,000
Total expenditures.....	<u>59,626</u>	<u>31,012</u>	<u>28,614</u>
Excess of revenues under expenditures.....	(7,326)	(558)	6,768
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	1,000	1,000	-
Net change in fund balance.....	(6,326)	442	6,768
Fund balance - beginning of year .....	17,518	17,518	-
Prior year encumbrances appropriated.....	11,326	11,326	-
Fund balance - end of year .....	<u>\$ 22,518</u>	<u>\$ 29,286</u>	<u>\$ 6,768</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-18*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Licenses and permits.....	\$ 40,000	\$ 33,819	\$ (6,181)
<b>EXPENDITURES</b>			
Current:			
Health:			
Marriage License:			
Contractual services .....	<u>51,300</u>	<u>51,300</u>	<u>-</u>
Net change in fund balance.....	(11,300)	(17,481)	(6,181)
Fund balance - beginning of year .....	-	-	-
Prior year encumbrances appropriated.....	<u>17,481</u>	<u>17,481</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 6,181</u>	<u>\$ -</u>	<u>\$ (6,181)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-19*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ -	\$ 553	\$ 553
Fund balance - beginning of year .....	1,406	1,406	-
Fund balance - end of year .....	<u>\$ 1,406</u>	<u>\$ 1,959</u>	<u>\$ 553</u>



# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-20

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 63,000	\$ 72,928	\$ 9,928
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Computer:			
Materials and Supplies .....	1,000	135	865
Contractual services .....	53,000	35,380	17,620
Capital outlay .....	78,818	73,927	4,891
Total expenditures.....	132,818	109,442	23,376
Net change in fund balance.....	(69,818)	(36,514)	33,304
Fund balance - beginning of year .....	213,987	213,987	-
Prior year encumbrances appropriated.....	64,818	64,818	-
Fund balance - end of year .....	\$ 208,987	\$ 242,291	\$ 33,304

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-21

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 562,000	\$ 706,876	\$ 144,876
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Certificate of Title Administration:			
Personal services .....	323,000	292,029	30,971
Fringe benefits .....	208,564	148,146	60,418
Materials and supplies .....	14,635	10,016	4,619
Contractual services .....	9,723	3,358	6,365
Capital outlay .....	10,200	-	10,200
Total expenditures.....	566,122	453,549	112,573
Excess of revenues over (under) expenditures.....	(4,122)	253,327	257,449
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(750,000)	(750,000)	-
Net change in fund balance.....	(754,122)	(496,673)	257,449
Fund balance - beginning of year .....	1,249,057	1,249,057	-
Prior year encumbrances appropriated.....	3,058	3,058	-
Fund balance - end of year .....	<u>\$ 497,993</u>	<u>\$ 755,442</u>	<u>\$ 257,449</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-22

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services .....	\$ 185,000	\$ 205,018	\$ 20,018
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
County Recorder Equipment:			
Contractual services .....	227,250	214,933	12,317
Capital outlay .....	16,052	14,495	1,557
Total expenditures .....	243,302	229,428	13,874
Excess of revenues under expenditures .....	(58,302)	(24,410)	33,892
<b>OTHER FINANCING USES</b>			
Operating transfers out .....	(9,475)	(9,475)	-
Net change in fund balance .....	(67,777)	(33,885)	33,892
Fund balance - beginning of year .....	273,486	273,486	-
Prior year encumbrances appropriated .....	26,302	26,302	-
Fund balance - end of year .....	<u>\$ 232,011</u>	<u>\$ 265,903</u>	<u>\$ 33,892</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-23

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 16,000	\$ 14,563	\$ (1,437)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Parent Education:			
Materials and supplies .....	1,000	788	212
Contractual services .....	17,440	15,396	2,044
Total expenditures.....	18,440	16,184	2,256
Net change in fund balance.....	(2,440)	(1,621)	819
Fund balance - beginning of year .....	28,106	28,106	-
Prior year encumbrances appropriated.....	440	440	-
Fund balance - end of year .....	\$ 26,106	\$ 26,925	\$ 819

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-24*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 100	\$ 250	\$ 150
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Indigent Children Drivers:			
Other .....	100	-	100
Net change in fund balance.....	-	250	250
Fund balance - beginning of year .....	1,350	1,350	-
Fund balance - end of year .....	<u>\$ 1,350</u>	<u>\$ 1,600</u>	<u>\$ 250</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-25

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 86,527	\$ 146,188	\$ 59,661
<b>EXPENDITURES</b>			
Current:			
Public works:			
Environmental Affairs Grant:			
Materials and supplies .....	1,356	-	1,356
Contractual services .....	247,532	229,391	18,141
Capital outlay .....	433	-	433
Total expenditures.....	249,321	229,391	19,930
Net change in fund balance.....	(162,794)	(83,203)	79,591
Fund balance - beginning of year .....	137,497	137,497	-
Prior year encumbrances appropriated.....	25,297	25,297	-
Fund balance - end of year .....	\$ -	\$ 79,591	\$ 79,591

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-26

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 156,190	\$ 152,285	\$ (3,905)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Adult Community Based Corrections:			
Personal services .....	99,844	99,768	76
Fringe benefits .....	47,128	44,272	2,856
Materials and Supplies .....	1,766	1,604	162
Contractual services .....	7,796	5,333	2,463
Total expenditures.....	156,534	150,977	5,557
Net change in fund balance.....	(344)	1,308	1,652
Fund balance - beginning of year .....	30,979	30,979	-
Fund balance - end of year .....	\$ 30,635	\$ 32,287	\$ 1,652

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-27

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Property and other taxes.....	\$ 904,973	\$ 958,084	\$ 53,111
Intergovernmental.....	115,027	121,778	6,751
Total revenues.....	<u>1,020,000</u>	<u>1,079,862</u>	<u>59,862</u>
<b>EXPENDITURES</b>			
Current:			
Public works:			
Bridges, Culverts, and County Road Levy:			
Contractual services .....	98,210	98,210	-
Capital outlay .....	609,336	530,136	79,200
Other .....	20,181	17,156	3,025
Total expenditures.....	<u>727,727</u>	<u>645,502</u>	<u>82,225</u>
Excess of revenues over expenditures.....	<u>292,273</u>	<u>434,360</u>	<u>142,087</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in.....	192,260	192,260	-
Operating transfers out.....	(484,133)	(484,133)	-
Total other financing sources (uses).....	<u>(291,873)</u>	<u>(291,873)</u>	<u>-</u>
Net change in fund balance.....	400	142,487	142,087
Fund balance - beginning of year .....	526,380	526,380	-
Fund balance - end of year .....	<u>\$ 526,780</u>	<u>\$ 668,867</u>	<u>\$ 142,087</u>



Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-28

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 53,700	\$ 81,053	\$ 27,353
Other.....	-	50	50
Total revenues.....	<u>53,700</u>	<u>81,103</u>	<u>27,403</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
County Probation Services Community			
Based Corrections:			
Personal services .....	2,730	2,520	210
Fringe benefits .....	2,548	985	1,563
Materials and supplies .....	6,800	5,539	1,261
Contractual services .....	64,254	47,902	16,352
Capital outlay .....	7,095	5,671	1,424
Total expenditures.....	<u>83,427</u>	<u>62,617</u>	<u>20,810</u>
Net change in fund balance.....	(29,727)	18,486	48,213
Fund balance - beginning of year .....	125,670	125,670	-
Prior year encumbrances appropriated.....	12,249	12,249	-
Fund balance - end of year .....	<u>\$ 108,192</u>	<u>\$ 156,405</u>	<u>\$ 48,213</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-29*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 68,679	\$ 66,962	\$ (1,717)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Community Corrections:			
Other .....	66,962	66,962	-
Net change in fund balance.....	1,717	-	(1,717)
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	<u>\$ 1,717</u>	<u>\$ -</u>	<u>\$ (1,717)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-30

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental .....	\$ 162,982	\$ 146,002	\$ (16,980)
<b>EXPENDITURES</b>			
Current:			
Health:			
Litter Enforcement:			
Personal services .....	35,532	33,288	2,244
Fringe benefits .....	18,850	17,957	893
Materials and Supplies .....	2,052	-	2,052
Contractual services .....	69,963	52,669	17,294
Capital Outlay .....	20,000	20,000	-
Other .....	7,481	7,481	-
Total expenditures .....	153,878	131,395	22,483
Excess of revenues over expenditures .....	9,104	14,607	5,503
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in .....	-	39,041	39,041
Advances out .....	-	(39,041)	(39,041)
Total other financing sources (uses) .....	-	-	-
Net change in fund balance .....	9,104	14,607	5,503
Fund balance - beginning of year .....	14,946	14,946	-
Prior year encumbrances appropriated	395	395	-
Fund balance - end of year .....	\$ 24,445	\$ 29,948	\$ 5,503

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-31*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures.....	\$ 2,400	\$ 1,151	\$ (1,249)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Ohio Seat Belt:			
Contractual services .....	2,400	-	2,400
Net change in fund balance.....	-	1,151	1,151
Fund balance - beginning of year .....	5,472	5,472	-
Fund balance - end of year .....	<u>\$ 5,472</u>	<u>\$ 6,623</u>	<u>\$ 1,151</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-32

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 127,000	\$ 172,174	\$ 45,174
Donations.....	1,000	300	(700)
Total revenues.....	<u>128,000</u>	<u>172,474</u>	<u>44,474</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Crossroads Center:			
Materials and supplies .....	10,760	7,603	3,157
Contractual services .....	154,695	78,227	76,468
Capital outlay .....	10,000	-	10,000
Total expenditures.....	<u>175,455</u>	<u>85,830</u>	<u>89,625</u>
Net change in fund balance.....	(47,455)	86,644	134,099
Fund balance - beginning of year .....	375,920	375,920	-
Prior year encumbrances appropriated.....	5,455	5,455	-
Fund balance - end of year .....	<u>\$ 333,920</u>	<u>\$ 468,019</u>	<u>\$ 134,099</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-33

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 1,416,698	\$ 437,291	\$ (979,407)
<b>EXPENDITURES</b>			
Current:			
Urban development and housing:			
Community Development Block Grant:			
Contractual services .....	875,124	875,124	-
Excess of revenues over (under) expenditures.....	541,574	(437,833)	(979,407)
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in.....	-	418,251	418,251
Advances out.....	-	(206,553)	(206,553)
Operating transfers in.....	25	25	-
Total other financing sources (uses).....	25	211,723	211,698
Net change in fund balance.....	541,599	(226,110)	(767,709)
Fund balance - beginning of year .....	117,345	117,345	-
Prior year encumbrances appropriated.....	167,382	167,382	-
Fund balance - end of year .....	<u>\$ 826,326</u>	<u>\$ 58,617</u>	<u>\$ (767,709)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-34

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 29,266	\$ 61,245	\$ 31,979
Donations.....	6,000	1,642	(4,358)
Total revenues.....	<u>35,266</u>	<u>62,887</u>	<u>27,621</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Drug Abuse Resistance Education:			
Personal services .....	29,266	29,266	-
Materials and supplies .....	3,000	3,000	-
Contractual services .....	6,000	5,048	952
Total expenditures.....	<u>38,266</u>	<u>37,314</u>	<u>952</u>
Net change in fund balance.....	(3,000)	25,573	28,573
Fund balance - beginning of year .....	4,389	4,389	-
Fund balance - end of year .....	<u>\$ 1,389</u>	<u>\$ 29,962</u>	<u>\$ 28,573</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-35

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 74,652	\$ 72,114	\$ (2,538)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Victims of Crime:			
Personal services .....	76,036	73,445	2,591
Fringe benefits .....	22,228	18,616	3,612
Materials and supplies .....	720	719	1
Contractual services .....	1,913	1,817	96
Capital outlay .....	3,792	3,691	101
Total expenditures.....	104,689	98,288	6,401
Excess of revenues under expenditures.....	(30,037)	(26,174)	3,863
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	28,000	31,242	3,242
Net change in fund balance.....	(2,037)	5,068	7,105
Fund balance - beginning of year .....	59,541	59,541	-
Fund balance - end of year .....	\$ 57,504	\$ 64,609	\$ 7,105



Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-36

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 18,700	\$ 24,638	\$ 5,938
Donations.....	-	5,000	5,000
Total revenues.....	<u>18,700</u>	<u>29,638</u>	<u>10,938</u>
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Drug Court Program:			
Materials and supplies .....	1,030	25	1,005
Contractual services .....	17,000	-	17,000
Capital outlay .....	700	-	700
Total expenditures.....	<u>18,730</u>	<u>25</u>	<u>18,705</u>
Net change in fund balance.....	(30)	29,613	29,643
Fund balance - beginning of year.....	47,127	47,127	-
Prior year encumbrances appropriated.....	30	30	-
Fund balance - end of year.....	<u>\$ 47,127</u>	<u>\$ 76,770</u>	<u>\$ 29,643</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-37*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services.....	\$ 27,498	\$ 33,434	\$ 5,936
<b>EXPENDITURES</b>			
Current:			
General governmental - judicial:			
Dispute Resolution and Mediation:			
Fringe benefits .....	692	689	3
Materials and supplies .....	2,000	-	2,000
Contractual services .....	4,308	-	4,308
Total expenditures.....	<u>7,000</u>	<u>689</u>	<u>6,311</u>
Net change in fund balance.....	20,498	32,745	12,247
Fund balance - beginning of year .....	56,380	56,380	-
Fund balance - end of year .....	<u>\$ 76,878</u>	<u>\$ 89,125</u>	<u>\$ 12,247</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
REESE-PETERS HOME LODGE TAX FUND**

For the Year Ended December 31, 2003

*Exhibit E-38*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Property and other taxes.....	\$ 115,000	\$ 142,626	\$ 27,626
<b>EXPENDITURES</b>			
Current:			
Public works:			
Reese-Peters Home Lodge Tax:			
Other .....	<u>177,701</u>	<u>177,701</u>	<u>-</u>
Net change in fund balance.....	(62,701)	(35,075)	27,626
Fund balance - beginning of year .....	41,180	41,180	-
Prior year encumbrances appropriated .....	<u>36,972</u>	<u>36,972</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ 15,451</u>	<u>\$ 43,077</u>	<u>\$ 27,626</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-39

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 22,933	\$ 22,933	\$ -
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Local Law Enforcement Grant:			
Capital outlay .....	141,709	82,929	58,780
Excess of revenues under expenditures.....	(118,776)	(59,996)	58,780
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	2,548	2,548	-
Net change in fund balance.....	(116,228)	(57,448)	58,780
Fund balance - beginning of year .....	62,408	62,408	-
Prior year encumbrances appropriated.....	55,757	55,757	-
Fund balance - end of year .....	<u>\$ 1,937</u>	<u>\$ 60,717</u>	<u>\$ 58,780</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-40

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 27,278	\$ 27,278	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Accountability Grant:			
Personal services .....	23,137	20,793	2,344
Fringe benefits .....	5,165	3,907	1,258
Contractual services .....	20,720	13,880	6,840
Total expenditures.....	49,022	38,580	10,442
Excess of revenues under expenditures.....	(21,744)	(11,302)	10,442
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	3,697	3,697	-
Net change in fund balance.....	(18,047)	(7,605)	10,442
Fund balance - beginning of year .....	23,682	23,682	
Prior year encumbrances appropriated .....	5,760	5,760	-
Fund balance - end of year .....	<u>\$ 11,395</u>	<u>\$ 21,837</u>	<u>\$ 10,442</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-41

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ -	\$ 2,043	\$ 2,043
<b>EXPENDITURES</b>			
Total expenditures.....	-	-	-
Net change in fund balance.....	-	2,043	2,043
Fund balance - beginning of year .....	33,812	33,812	-
Fund balance - end of year .....	<u>\$ 33,812</u>	<u>\$ 35,855</u>	<u>\$ 2,043</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-42*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 200,500	\$ 179,873	\$ (20,627)
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
Juvenile Recovery:			
Personal services .....	3,050	2,650	400
Fringe benefits .....	600	344	256
Contractual services .....	212,212	136,893	75,319
Total expenditures.....	215,862	139,887	75,975
Net change in fund balance.....	(15,362)	39,986	55,348
Fund balance - beginning of year .....	93,791	93,791	-
Prior year encumbrances appropriated.....	15,362	15,362	-
Fund balance - end of year .....	\$ 93,791	\$ 149,139	\$ 55,348

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-43

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 363,126	\$ 81,487	\$ (281,639)
<b>EXPENDITURES</b>			
Current:			
Urban development and housing:			
Home:			
Contractual services .....	147,920	87,766	60,154
Excess of revenues over (under) expenditures.....	215,206	(6,279)	(221,485)
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in .....	-	100,000	100,000
Advances out.....	-	(58,095)	(58,095)
Total other financing sources (uses).....	-	41,905	41,905
Net change in fund balance.....	215,206	35,626	(179,580)
Fund balance - beginning of year .....	14,773	14,773	-
Prior year encumbrances appropriated.....	5,271	5,271	-
Fund balance - end of year .....	<u>\$ 235,250</u>	<u>\$ 55,670</u>	<u>\$ (179,580)</u>



Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-44*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 508,147	\$ 439,800	\$ (68,347)
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Major Crimes Unit Grant:			
Contractual services .....	483,147	434,800	48,347
Excess of revenues over expenditures.....	25,000	5,000	(20,000)
<b>Other Financing Sources (Uses)</b>			
Advances in.....	-	70,000	70,000
Advances out.....	-	(75,000)	(75,000)
Total other financing sources (uses).....	-	(5,000)	(5,000)
Net change in fund balance.....	25,000	-	(25,000)
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ (25,000)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-45*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 74,471	\$ 72,743	\$ (1,728)
<b>EXPENDITURES</b>			
Current:			
Health:			
Transportation Coordination Grant:			
Contractual services .....	<u>74,471</u>	<u>72,743</u>	<u>1,728</u>
Net change in fund balance.....	-	-	-
Fund balance - beginning of year .....	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit E-46

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Intergovernmental.....	\$ 1,000,000	\$ 1,000,000	\$ -
Interest.....	30,000	9,515	(20,485)
Total revenues.....	1,030,000	1,009,515	(20,485)
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Clean Ohio Easement Program :			
Contractual services .....	1,009,515	1,009,515	-
Net change in fund balance.....	20,485	-	(20,485)
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	\$ 20,485	\$ -	\$ (20,485)

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit E-47*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 32,518	\$ 32,518	\$ -
<b>EXPENDITURES</b>			
Current:			
Human services:			
Ohio Children's Trust :			
Contractual services .....	<u>32,518</u>	<u>32,518</u>	<u>-</u>
Net change in fund balance.....	-	-	-
Fund balance - beginning of year .....	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year .....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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## Debt Service Funds

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

The following are included in debt service funds:

### Major Debt Service Fund

General Obligation Bond Retirement Fund	To account for revenue used to retire principal, interest, and related costs for general obligation bonds and for general obligation bond anticipation notes.
--	---

### Nonmajor Debt Service Funds

Special Assessment Buckeye Lake Sewer Fund	To account for special assessment revenue used to retire the special assessment long-term principal, interest, and related costs for the Buckeye Lake Sewer project.
--	--

Special Assessment Sanitary Sewer Fund	To account for special assessment revenue used to retire the special assessment long-term principal, interest, and related costs for the Sanitary Sewer System Improvement project.
---	---

Special Assessment 2000 High Service Area Fund	To account for special assessment revenue that is used to retire the water debt associated with the 2000 High Service Area project.
---	---

Special Assessment 2002 High Service Area Fund	To account for special assessment revenue that is used to retire the water debt associated with the 2002 High Service Area project.
---	---

Special Assessment Little Walnut Water Fund	To account for special assessment revenue that is used to retire the water debt associated with the Little Walnut Water project
--	---

Sewer Debt Service Fund	To account for sewer revenue that is used to retire note and bond principal, interest, and related costs for sewer construction projects. For GAAP reporting purposes, this fund was combined and reported in the enterprise funds as a part of the Sewer Fund.
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Water Debt Service Fund	To account for water revenue that is used to retire note and bond principal, interest, and related costs for water construction projects. For GAAP reporting purposes, this fund was combined and reported in the enterprise funds as a part of the Water Fund.
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Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit F-1

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Interest.....	\$ -	\$ 6,431	\$ 6,431
Rent.....	449,100	673,613	224,513
Other.....	-	854	854
Total Revenues.....	<u>449,100</u>	<u>680,898</u>	<u>231,798</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	14,198,000	14,198,000	-
Interest and fiscal charges .....	888,410	901,533	(13,123)
Bond issuance costs .....	203,417	202,863	554
Total expenditures.....	<u>15,289,827</u>	<u>15,302,396</u>	<u>(12,569)</u>
Excess of revenues under expenditures.....	<u>(14,840,727)</u>	<u>(14,621,498)</u>	<u>219,229</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of bonds.....	11,385,000	9,255,000	(2,130,000)
Proceeds of notes.....	4,239,000	3,796,000	(443,000)
Premium on bonds.....	324,543	324,543	-
Advances in.....	-	146,038	146,038
Advances out.....	-	(146,038)	(146,038)
Operating transfers in.....	1,604,562	1,388,325	(216,237)
Total other financing sources (uses).....	<u>17,553,105</u>	<u>14,763,868</u>	<u>(2,789,237)</u>
Net change in fund balance.....	2,712,378	142,370	(2,570,008)
Fund balance - beginning of year.....	181,523	181,523	-
Fund balance - end of year.....	<u>\$ 2,893,901</u>	<u>\$ 323,893</u>	<u>\$ (2,570,008)</u>

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS**

December 31, 2003

	<b>Special Assessment Buckeye Lake Sewer Fund</b>	<b>Special Assessment Sanitary Sewer Fund</b>	<b>Special Assessment 2000 High Service Area Fund</b>	<b>Special Assessment 2002 High Service Area Fund</b>
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 18,064	\$ 41,960	\$ 14,410	\$ 4,119
Interfund receivable.....		104	49	29
Special assessments receivable....	99,255	457,490	454,283	223,427
Accrued interest receivable.....	-	228	171	-
Total assets.....	<u>\$ 117,319</u>	<u>\$ 499,782</u>	<u>\$ 468,913</u>	<u>\$ 227,575</u>
<b>LIABILITIES</b>				
Deferred revenue.....	\$ 99,255	\$ 457,561	\$ 454,336	\$ 223,427
Total liabilities.....	<u>99,255</u>	<u>457,561</u>	<u>454,336</u>	<u>223,427</u>
<b>FUND BALANCES</b>				
Unreserved:				
Undesignated .....	<u>18,064</u>	<u>42,221</u>	<u>14,577</u>	<u>4,148</u>
Total fund balances.....	<u>18,064</u>	<u>42,221</u>	<u>14,577</u>	<u>4,148</u>
Total liabilities and fund balances...	<u>\$ 117,319</u>	<u>\$ 499,782</u>	<u>\$ 468,913</u>	<u>\$ 227,575</u>



Special Assessment Little Walnut Water Fund	Totals
\$ 599	\$ 79,152
53	235
652,712	1,887,167
-	399
<u>\$ 653,364</u>	<u>\$ 1,966,953</u>
<u>\$ 652,712</u>	<u>\$ 1,887,291</u>
<u>652,712</u>	<u>1,887,291</u>
<u>652</u>	<u>79,662</u>
<u>652</u>	<u>79,662</u>
<u>\$ 653,364</u>	<u>\$ 1,966,953</u>

Fairfield County, Ohio

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS**

For the Year Ended December 31, 2003

	Special Assessment Buckeye Lake Sewer Fund	Special Assessment Sanitary Sewer Fund	Special Assessment 2000 High Service Area Fund
<b>REVENUES</b>			
Special assessments.....	\$ 30,330	\$ 60,436	\$ 62,205
Interest.....	-	1,241	25,530
Total revenues.....	<u>30,330</u>	<u>61,677</u>	<u>87,735</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	26,000	35,000	55,000
Interest and fiscal charges .....	5,150	27,743	29,040
Total expenditures.....	<u>31,150</u>	<u>62,743</u>	<u>84,040</u>
Net changes in fund balances.....	(820)	(1,066)	3,695
Fund balance - beginning of year.....	<u>18,884</u>	<u>43,287</u>	<u>10,882</u>
Fund balance - end of year.....	<u>\$ 18,064</u>	<u>\$ 42,221</u>	<u>\$ 14,577</u>

Special Assessment 2002 High Service Area Fund	Special Assessment Little Walnut Water Fund	Totals
\$ 23,507	\$ 69,848	\$ 246,326
5,446	19,004	51,221
<u>28,953</u>	<u>88,852</u>	<u>297,547</u>
16,917	51,450	184,367
14,202	40,372	116,507
<u>31,119</u>	<u>91,822</u>	<u>300,874</u>
(2,166)	(2,970)	(3,327)
6,314	3,622	82,989
<u>\$ 4,148</u>	<u>\$ 652</u>	<u>\$ 79,662</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT BUCKEYE LAKE SEWER FUND**

For the Year Ended December 31, 2003

*Exhibit F-4*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ 31,150	\$ 30,330	\$ (820)
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	26,000	26,000	-
Interest and fiscal charges .....	5,150	5,150	-
Total expenditures.....	31,150	31,150	-
Net change in fund balance.....	-	(820)	(820)
Fund balance - beginning of year.....	18,884	18,884	-
Fund balance - end of year.....	\$ 18,884	\$ 18,064	\$ (820)

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit F-5*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special Assessments.....	\$ 61,500	\$ 60,436	\$ (1,064)
Interest.....	1,500	1,274	(226)
Total revenues.....	<u>63,000</u>	<u>61,710</u>	<u>(1,290)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	35,000	35,000	-
Interest and fiscal charges .....	27,743	27,743	-
Total expenditures.....	<u>62,743</u>	<u>62,743</u>	<u>-</u>
Net change in fund balance.....	257	(1,033)	(1,290)
Fund balance - beginning of year.....	42,993	42,993	-
Fund balance - end of year.....	<u>\$ 43,250</u>	<u>\$ 41,960</u>	<u>\$ (1,290)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT 2000 HIGH SERVICE AREA FUND**

For the Year Ended December 31, 2003

*Exhibit F-6*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ 63,000	\$ 62,205	\$ (795)
Interest.....	23,800	25,363	1,563
Total revenues.....	<u>86,800</u>	<u>87,568</u>	<u>768</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	55,000	55,000	-
Interest and fiscal charges .....	29,040	29,040	-
Total expenditures.....	<u>84,040</u>	<u>84,040</u>	<u>-</u>
Net change in fund balance.....	2,760	3,528	768
Fund balance - beginning of year.....	10,882	10,882	-
Fund balance - end of year.....	<u>\$ 13,642</u>	<u>\$ 14,410</u>	<u>\$ 768</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT 2002 HIGH SERVICE AREA FUND**

For the Year Ended December 31, 2003

*Exhibit F-7*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ 26,192	\$ 23,507	\$ (2,685)
Interest.....	5,308	5,417	109
Total revenues.....	<u>31,500</u>	<u>28,924</u>	<u>(2,576)</u>
<b>EXPENDITURES</b>			
Debt Service:			
Principal Retirement .....	16,917	16,917	-
Interest and Fiscal Charges .....	14,202	14,202	-
Total expenditures.....	<u>31,119</u>	<u>31,119</u>	<u>-</u>
Net change in fund balance.....	381	(2,195)	(2,576)
Fund balance - beginning of year.....	6,314	6,314	-
Fund balance - end of year.....	<u>\$ 6,695</u>	<u>\$ 4,119</u>	<u>\$ (2,576)</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
SPECIAL ASSESSMENT LITTLE WALNUT WATER FUND**

For the Year Ended December 31, 2003

*Exhibit F-8*

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments.....	\$ 74,319	\$ 69,848	\$ (4,471)
Interest.....	20,381	18,951	(1,430)
Total revenues.....	<u>94,700</u>	<u>88,799</u>	<u>(5,901)</u>
<b>EXPENDITURES</b>			
Debt Service:			
Principal Retirement .....	51,450	51,450	-
Interest and Fiscal Charges .....	41,242	41,242	-
Total expenditures.....	<u>92,692</u>	<u>92,692</u>	<u>-</u>
Net change in fund balance.....	2,008	(3,893)	(5,901)
Fund balance - beginning of year.....	4,492	4,492	-
Fund balance - end of year.....	<u>\$ 6,500</u>	<u>\$ 599</u>	<u>\$ (5,901)</u>



Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit F-9

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Tap in fees.....	\$ 3,381	\$ 197,182	\$ 193,801
Interest.....	40,973	40,984	11
Total revenues.....	<u>44,354</u>	<u>238,166</u>	<u>193,812</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	6,547,005	6,547,005	-
Interest and fiscal charges .....	501,527	501,527	-
Bond issuance costs .....	82,516	82,516	-
Total expenditures.....	<u>7,131,048</u>	<u>7,131,048</u>	<u>-</u>
Excess of revenues under expenditures.....	<u>(7,086,694)</u>	<u>(6,892,882)</u>	<u>193,812</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of bonds.....	2,845,000	2,845,000	-
Proceeds of notes.....	3,000,000	3,100,000	100,000
Premium on bonds.....	128,949	131,589	2,640
Proceeds of refunding bonds.....	940,000	940,000	-
Payment to refunded bond escrow.....	(1,013,875)	(1,013,875)	-
Operating transfers in.....	1,215,375	1,113,829	(101,546)
Total other financing sources (uses).....	<u>7,115,449</u>	<u>7,116,543</u>	<u>1,094</u>
Net change in fund balance.....	28,755	223,661	194,906
Fund balance - beginning of year.....	684,112	684,112	-
Fund balance - end of year.....	<u>\$ 712,867</u>	<u>\$ 907,773</u>	<u>\$ 194,906</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit F-10

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Tap in fees.....	\$ 23,060	\$ 50,462	\$ 27,402
Interest.....	32,554	29,437	(3,117)
Total revenues.....	<u>55,614</u>	<u>79,899</u>	<u>24,285</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement .....	7,916,632	7,916,632	-
Interest and fiscal charges .....	536,587	536,587	-
Bond issuance costs .....	85,496	85,496	-
Total expenditures.....	<u>8,538,715</u>	<u>8,538,715</u>	<u>-</u>
Excess of revenues under expenditures.....	<u>(8,483,101)</u>	<u>(8,458,816)</u>	<u>24,285</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of bonds.....	3,900,000	3,900,000	-
Proceeds of notes.....	3,300,000	3,300,000	-
Premium on bonds.....	135,562	137,136	1,574
Operating transfers in.....	1,085,425	1,073,686	(11,739)
Total other financing sources (uses).....	<u>8,420,987</u>	<u>8,410,822</u>	<u>(10,165)</u>
Net change in fund balance.....	(62,114)	(47,994)	14,120
Fund balance - beginning of year.....	547,431	547,431	-
Fund balance - end of year.....	<u>\$ 485,317</u>	<u>\$ 499,437</u>	<u>\$ 14,120</u>

## Nonmajor Capital Projects Funds

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

Federal Funds – Airport Fund	To account for federal grant revenues; to be used for construction purposes at the Fairfield County Airport.
State Funds – Airport Fund	To account for state grant revenues; to be used for construction purposes at the Fairfield County Airport.
Mental Retardation Facilities Fund	To account for revenue received from a state grant for major renovation work at the Adult Program Center.
Mental Health and Mental Retardation Complex Fund	To account for fees collected for the use of the rooms within the complex to pay for improvements to the complex.
Airport Hangar Construction Fund	To account for hangar rents; used for the construction of new hangars at the Fairfield County Airport.
State Capital Improvements Program Fund	To account for the state portion of revenues and expenditures for improvements to a road.
Permanent Improvement Fund	To account for transfers from the General Fund and various expenditures relating to various permanent improvement projects.
Ohio Department of Transportation Projects Fund	To account for a federal grant and local matches to improve targeted road areas of the county.
Job and Family Services Relocation Fund	To account for the relocation and renovation costs associated with the purchase of property to house the new Family and Jobs Services department. This fund was not budgeted because the County did not anticipate any activity and none occurred.
West Campus Relocation Fund	To account for the relocation and renovation costs associated with the purchase of property on the west side of Lancaster.
Geographical Information System Equipment Fund	To account for the retirement of a geographical information system equipment general obligation note. This fund was created on a GAAP level basis to report the short-term bond anticipation notes payable liability for the geographical information system equipment.
One Stop Shop – Clerk of Courts Fund	To account for the construction activity for the One Stop – Shop facility at the Liberty Center supported by the Clerk of Courts and the State of Ohio Bureau of Motor Vehicles.
Liberty Center Site Improvements Fund	To account for site improvements at the Liberty Center.
Mental Health Facility – Our Place II Fund	To account for the purchase and renovation of the mental health facility called Our Place II.

# Fairfield County, Ohio

## COMBINING BALANCE SHEET NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2003

	<b>Federal Funds - Airport Fund</b>	<b>State Funds - Airport Fund</b>	<b>Mental Retardation Facilities Fund</b>	<b>Mental Health and Mental Retardation Complex Fund</b>
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 22,624	\$ 145,454	\$ 508,369	\$ 58,532
Cash and cash equivalents in segregated accounts.....	-	-	-	-
Receivables:				
Accounts receivable .....	-	-	-	-
Interfund .....	-	-	-	-
Accrued interest .....	-	-	-	-
Intergovernmental .....	1,422	3,661	-	-
Total assets.....	<u>\$ 24,046</u>	<u>\$ 149,115</u>	<u>\$ 508,369</u>	<u>\$ 58,532</u>
<b>LIABILITIES</b>				
Accounts payable.....	\$ -	\$ -	\$ -	\$ -
Contracts payable.....	-	-	-	-
Retainage payable.....	-	-	-	-
Deferred revenue.....	1,422	3,661	-	-
Accrued interest payable.....	-	-	-	-
Notes payable.....	-	-	-	-
Total liabilities.....	<u>1,422</u>	<u>3,661</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Reserved for encumbrances .....	-	4,576	-	55
Unreserved:				
Undesignated (deficits) .....	22,624	140,878	508,369	58,477
Total fund balances (deficits).....	<u>22,624</u>	<u>145,454</u>	<u>508,369</u>	<u>58,532</u>
Total liabilities and fund balances.....	<u>\$ 24,046</u>	<u>\$ 149,115</u>	<u>\$ 508,369</u>	<u>\$ 58,532</u>

Exhibit G-1

<b>Airport Hangar Construction Fund</b>	<b>State Capital Improvements Program Fund</b>	<b>Permanent Improvement Fund</b>	<b>Ohio Department of Transportation Projects Fund</b>	<b>Job and Family Services Relocation Fund</b>	<b>West Campus Relocation Fund</b>
\$ 83,563	\$ 94,455	\$ 403,981	\$ 27,537	\$ 12,695	\$ 373,123
-	-	-	-	-	-
3,220	-	-	-	-	-
-	-	-	-	-	686
-	-	-	-	-	2,023
-	553,889	-	207,649	-	-
<u>\$ 86,783</u>	<u>\$ 648,344</u>	<u>\$ 403,981</u>	<u>\$ 235,186</u>	<u>\$ 12,695</u>	<u>\$ 375,832</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,447
-	204,524	23,404	57,649	-	17,212
-	68,673	-	35,846	-	97,436
-	553,889	-	207,649	-	627
-	-	-	-	-	-
-	-	-	-	-	-
-	827,086	23,404	301,144	-	120,722
-	67,583	9,600	1,510	-	208,885
86,783	(246,325)	370,977	(67,468)	12,695	46,225
86,783	(178,742)	380,577	(65,958)	12,695	255,110
<u>\$ 86,783</u>	<u>\$ 648,344</u>	<u>\$ 403,981</u>	<u>\$ 235,186</u>	<u>\$ 12,695</u>	<u>\$ 375,832</u>

(Continued)

Fairfield County, Ohio

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

(Continued)

December 31, 2003

Exhibit G-1

	<b>Geographical Information System Equipment Fund</b>	<b>One Stop Shop - Clerk of Courts Fund</b>	<b>Liberty Center Site Improvements Fund</b>	<b>Mental Health Facility - Our Place II Fund</b>	<b>Totals</b>
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ -	\$ 777,039	\$ 263,450	\$ -	\$ 2,770,822
Cash and cash equivalents in segregated accounts.....	-	-	-	122,444	122,444
Receivables:					
Accounts receivable .....	-	-	-	-	3,220
Interfund .....	-	-	-	-	686
Accrued interest .....	-	-	-	-	2,023
Intergovernmental .....	-	-	-	-	766,621
Total assets.....	<u>\$ -</u>	<u>\$ 777,039</u>	<u>\$ 263,450</u>	<u>\$ 122,444</u>	<u>\$ 3,665,816</u>
<b>LIABILITIES</b>					
Accounts payable.....	\$ -	\$ -	\$ -	\$ -	\$ 5,447
Contracts payable.....	-	221,537	-	-	524,326
Retainage payable.....	-	66,649	26,840	-	295,444
Deferred revenue.....	-	-	-	-	767,248
Accrued interest payable.....	381	-	-	-	381
Notes payable.....	648,000	-	-	-	648,000
Total liabilities.....	<u>648,381</u>	<u>288,186</u>	<u>26,840</u>	<u>-</u>	<u>2,240,846</u>
<b>FUND BALANCES</b>					
Reserved for encumbrances .....	-	373,762	157,610	-	823,581
Unreserved:					
Undesignated (deficits) .....	(648,381)	115,091	79,000	122,444	601,389
Total fund balances (deficits).....	<u>(648,381)</u>	<u>488,853</u>	<u>236,610</u>	<u>122,444</u>	<u>1,424,970</u>
Total liabilities and fund balances.....	<u>\$ -</u>	<u>\$ 777,039</u>	<u>\$ 263,450</u>	<u>\$ 122,444</u>	<u>\$ 3,665,816</u>

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Fairfield County, Ohio

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS**

For the Year Ended December 31, 2003

	Federal Funds - Airport Fund	State Funds - Airport Fund	Mental Retardation Facilities Fund	Mental Health and Mental Retardation Complex Fund
<b>REVENUES</b>				
Charges for services.....	\$ -	\$ -	\$ -	\$ 2,525
Intergovernmental.....	52,534	138,366	-	-
Interest.....	-	-	-	-
Rent.....	-	-	-	-
Donations.....	-	-	-	16,637
Total revenues.....	<u>52,534</u>	<u>138,366</u>	<u>-</u>	<u>19,162</u>
<b>EXPENDITURES</b>				
Capital outlay.....	-	155,619	1,491,631	59,237
Debt service:				
Interest and fiscal charges .....	-	-	-	-
Total expenditures.....	<u>-</u>	<u>155,619</u>	<u>1,491,631</u>	<u>59,237</u>
Excess of revenues over (under) expenditures .....	<u>52,534</u>	<u>(17,253)</u>	<u>(1,491,631)</u>	<u>(40,075)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Notes issued .....	-	-	2,000,000	-
Loans received .....	-	-	-	-
Transfers in .....	-	-	-	-
Transfers out .....	-	-	-	-
Total other financing sources (uses) .....	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>
Net changes in fund balances.....	52,534	(17,253)	508,369	(40,075)
Fund balances (deficits) - beginning of year .....	(29,910)	162,707	-	98,607
Fund balances (deficits) - end of year .....	<u>\$ 22,624</u>	<u>\$ 145,454</u>	<u>\$ 508,369</u>	<u>\$ 58,532</u>



Airport Hangar Construction Fund	State Capital Improvements Program Fund	Permanent Improvement Fund	Ohio Department of Transportation Projects Fund	Job and Family Services Relocation Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	639,378	-	2,187,510	-
-	-	-	-	-
105,637	-	-	-	-
-	-	-	-	-
<u>105,637</u>	<u>639,378</u>	<u>-</u>	<u>2,187,510</u>	<u>-</u>
-	1,223,410	148,330	2,329,609	-
13,575	-	-	-	-
<u>13,575</u>	<u>1,223,410</u>	<u>148,330</u>	<u>2,329,609</u>	<u>-</u>
92,062	(584,032)	(148,330)	(142,099)	-
1,000,000	-	-	-	-
-	-	-	-	-
24,462	267,020	-	58,083	-
-	-	(750,000)	-	-
<u>1,024,462</u>	<u>267,020</u>	<u>(750,000)</u>	<u>58,083</u>	<u>-</u>
1,116,524	(317,012)	(898,330)	(84,016)	-
(1,029,741)	138,270	1,278,907	18,058	12,695
<u>\$ 86,783</u>	<u>\$ (178,742)</u>	<u>\$ 380,577</u>	<u>\$ (65,958)</u>	<u>\$ 12,695</u>

(Continued)

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

	West Campus Relocation Fund	Geographical Information System Equipment Fund	One Stop Shop - Clerk of Courts Fund	Liberty Center Site Improvements Fund
<b>REVENUES</b>				
Charges for services.....	\$ -	\$ -	\$ -	\$ -
Intergovernmental.....	-	-	-	-
Interest.....	35,075	-	-	-
Rent.....	-	-	-	-
Donations.....	-	-	-	-
Total revenues.....	<u>35,075</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Capital outlay.....	3,920,600	-	861,147	513,390
Debt service				
Interest and fiscal charges .....	-	11,409	-	-
Total expenditures.....	<u>3,920,600</u>	<u>11,409</u>	<u>861,147</u>	<u>513,390</u>
Excess of revenues over (under) expenditures .....	<u>(3,885,525)</u>	<u>(11,409)</u>	<u>(861,147)</u>	<u>(513,390)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Notes issued .....	-	-	600,000	-
Loans received .....	-	-	-	-
Transfers in .....	110,000	107,671	750,000	750,000
Transfers out .....	-	-	-	-
Total other financing sources (uses) .....	<u>110,000</u>	<u>107,671</u>	<u>1,350,000</u>	<u>750,000</u>
Net changes in fund balances.....	(3,775,525)	96,262	488,853	236,610
Fund balances (deficits) - beginning of year .....	<u>4,030,635</u>	<u>(744,643)</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) - end of year .....	<u>\$ 255,110</u>	<u>\$ (648,381)</u>	<u>\$ 488,853</u>	<u>\$ 236,610</u>

<b>Mental Health Facility - Our Place II Fund</b>	<b>Totals</b>
\$ -	\$ 2,525
-	3,017,788
-	35,075
-	105,637
-	16,637
<hr/>	<hr/>
-	3,177,662
<hr/>	<hr/>
443,498	11,146,471
-	24,984
<hr/>	<hr/>
443,498	11,171,455
<hr/>	<hr/>
(443,498)	(7,993,793)
<hr/>	<hr/>
-	3,600,000
517,000	517,000
48,942	2,116,178
-	(750,000)
<hr/>	<hr/>
565,942	5,483,178
<hr/>	<hr/>
122,444	(2,510,615)
-	3,935,585
<hr/>	<hr/>
\$ 122,444	\$ 1,424,970
<hr/>	<hr/>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit G-3*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 160,000	\$ 52,534	\$ (107,466)
<b>EXPENDITURES</b>			
Current:			
Conservation and recreation:			
Federal funds - airport:			
Capital outlay .....	22,624	-	22,624
Excess of revenues over expenditures.....	137,376	52,534	(84,842)
<b>OTHER FINANCING SOURCES (USES)</b>			
Advances in.....	7,237	7,237	-
Advances out.....	-	(77,658)	(77,658)
Total other financing sources (uses).....	7,237	(70,421)	(77,658)
Net change in fund balance.....	144,613	(17,887)	(162,500)
Fund balance - beginning of year.....	40,511	40,511	-
Fund balance - end of year.....	<u>\$ 185,124</u>	<u>\$ 22,624</u>	<u>\$ (162,500)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit G-4*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 170,000	\$ 138,366	\$ (31,634)
<b>EXPENDITURES</b>			
Current:			
Conservation and recreation:			
State funds - airport:			
Contractual services .....	<u>171,606</u>	<u>161,801</u>	<u>9,805</u>
Net change in fund balance.....	(1,606)	(23,435)	(21,829)
Fund balance - beginning of year.....	162,707	162,707	-
Prior year encumbrances appropriated.....	<u>1,606</u>	<u>1,606</u>	<u>-</u>
Fund balance - end of year.....	<u><u>\$ 162,707</u></u>	<u><u>\$ 140,878</u></u>	<u><u>\$ (21,829)</u></u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit G-5

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
Health			
Mental Retardation Facilities			
Contractual Services .....	2,000,000	1,491,631	508,369
Excess of revenues under expenditures.....	(2,000,000)	(1,491,631)	508,369
<b>OTHER FINANCING SOURCES</b>			
Proceeds of notes.....	2,000,000	2,000,000	-
Net change in fund balance.....	-	508,369	508,369
Fund balance - beginning of year.....	-	-	-
Fund balance - end of year.....	\$ -	\$ 508,369	\$ 508,369

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit G-6

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 2,000	\$ 2,570	\$ 570
Donations.....	7,500	16,637	9,137
Total revenues.....	<u>9,500</u>	<u>19,207</u>	<u>9,707</u>
<b>EXPENDITURES</b>			
Current:			
Health:			
Mental Health and Mental Retardation Complex:			
Materials and supplies .....	1,000	-	1,000
Contractual services .....	25,919	7,559	18,360
Capital outlay .....	57,133	51,733	5,400
Total expenditures.....	<u>84,052</u>	<u>59,292</u>	<u>24,760</u>
Net change in fund balance.....	(74,552)	(40,085)	34,467
Fund balance - beginning of year.....	98,510	98,510	-
Prior year encumbrances appropriated.....	52	52	-
Fund balance - end of year.....	<u>\$ 24,010</u>	<u>\$ 58,477</u>	<u>\$ 34,467</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit G-7

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Rent.....	\$ 110,000	\$ 107,588	\$ (2,412)
<b>EXPENDITURES</b>			
Current:			
Public works:			
Airport hanger construction:			
Materials and supplies .....	600	-	600
Contractual services .....	10,000	-	10,000
Total expenditures.....	10,600	-	10,600
Excess of revenues over expenditures.....	99,400	107,588	8,188
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(110,000)	(100,000)	10,000
Net change in fund balance.....	(10,600)	7,588	18,188
Fund balance - beginning of year.....	75,975	75,975	-
Fund balance - end of year.....	<u>\$ 65,375</u>	<u>\$ 83,563</u>	<u>\$ 18,188</u>



Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit G-8

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 1,445,803	\$ 639,378	\$ (806,425)
<b>EXPENDITURES</b>			
Current:			
Public works:			
State Capital Improvements Program:			
Capital outlay .....	1,044,669	1,028,891	15,778
Excess of revenues over (under) expenditures.....	401,134	(389,513)	(790,647)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating Transfers In.....	593,243	459,280	(133,963)
Operating transfers out.....	(192,260)	(192,260)	-
Total other financing sources (uses).....	400,983	267,020	(133,963)
Net change in fund balance.....	802,117	(122,493)	(924,610)
Fund balance - beginning of year.....	42,597	42,597	-
Prior year encumbrances appropriated.....	95,673	95,673	-
Fund balance - end of year.....	<u>\$ 940,387</u>	<u>\$ 15,777</u>	<u>\$ (924,610)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit G-9

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Permanent Improvement:			
Capital outlay .....	461,949	196,450	265,499
Excess of revenues under expenditures.....	(461,949)	(196,450)	265,499
<b>OTHER FINANCING USES</b>			
Operating transfers out.....	(750,000)	(750,000)	-
Net change in fund balance.....	(1,211,949)	(946,450)	265,499
Fund balance - beginning of year.....	1,278,881	1,278,881	-
Prior year encumbrances appropriated.....	61,950	61,950	-
Fund balance - end of year.....	<u>\$ 128,882</u>	<u>\$ 394,381</u>	<u>\$ 265,499</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit G-10*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental.....	\$ 2,515,551	\$ 2,187,510	\$ (328,041)
<b>EXPENDITURES</b>			
Current:			
Public works:			
Ohio Department of Transportation Projects:			
Capital outlay .....	<u>2,072,142</u>	<u>2,243,637</u>	<u>(171,495)</u>
Excess of revenues over (under) expenditures.....	443,409	(56,127)	(499,536)
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	<u>58,083</u>	<u>58,083</u>	<u>-</u>
Net change in fund balance.....	501,492	1,956	(499,536)
Fund balance - beginning of year.....	<u>18,058</u>	<u>18,058</u>	<u>-</u>
Fund balance - end of year.....	<u>\$ 519,550</u>	<u>\$ 20,014</u>	<u>\$ (499,536)</u>

# Fairfield County, Ohio

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

For the Year Ended December 31, 2003

Exhibit G-11

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Interest.....	\$ 72,986	\$ 84,840	\$ 11,854
Other.....	60,000	-	(60,000)
Total revenues.....	132,986	84,840	(48,146)
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
West Campus Relocation:			
Capital outlay .....	5,328,296	5,294,267	34,029
Excess of revenues under expenditures.....	(5,195,310)	(5,209,427)	(14,117)
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	50,000	110,000	60,000
Net change in fund balance.....	(5,145,310)	(5,099,427)	45,883
Fund balance - beginning of year.....	409,117	409,117	-
Prior Year Encumbrances Appropriated.....	4,738,792	4,738,792	-
Fund balance - end of year.....	<u>\$ 2,599</u>	<u>\$ 48,482</u>	<u>\$ 45,883</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
ONE STOP SHOP - CLERK OF COURTS FUND**

For the Year Ended December 31, 2003

Exhibit G-12

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues .....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - judicial:			
One Stop Shop - Clerk of Courts:			
Capital outlay .....	1,350,000	1,234,909	115,091
Excess of revenues under expenditures .....	(1,350,000)	(1,234,909)	(115,091)
<b>OTHER FINANCING SOURCES</b>			
Proceeds of notes .....	750,000	600,000	(150,000)
Operating transfers in .....	750,000	750,000	-
Total other financing sources .....	1,500,000	1,350,000	(150,000)
Net change in fund balance .....	150,000	115,091	(34,909)
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	<u>\$ 150,000</u>	<u>\$ 115,091</u>	<u>\$ (34,909)</u>

Fairfield County, Ohio

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

For the Year Ended December 31, 2003

*Exhibit G-13*

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>			
Total revenues.....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
General government - legislative and executive:			
Liberty Center Site Improvement:			
Capital outlay .....	750,000	671,000	79,000
Excess of revenues under expenditures.....	(750,000)	(671,000)	79,000
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in.....	750,000	750,000	-
Net change in fund balance.....	-	79,000	79,000
Fund balance - beginning of year.....	-	-	-
Fund balance - end of year.....	<u>\$ -</u>	<u>\$ 79,000</u>	<u>\$ 79,000</u>

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCE — BUDGET (NON-GAAP BASIS) AND ACTUAL  
MENTAL HEALTH FACILITY - OUR PLACE II FUND**

For the Year Ended December 31, 2003

Exhibit G-14

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Total revenues .....	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>			
Current:			
Health			
Mental Health Facility - Our Place Too Fund:			
Capital outlay .....	-	43,498	(43,498)
Other .....	-	400,000	(400,000)
Total expenditures .....	-	443,498	(443,498)
Excess of revenues under expenditures .....	-	(443,498)	443,498
<b>OTHER FINANCING SOURCES</b>			
Proceeds of loans .....	-	517,000	517,000
Operating transfers in .....	-	48,942	48,942
Total other financing sources .....	-	565,942	565,942
Net change in fund balance .....	-	122,444	122,444
Fund balance - beginning of year .....	-	-	-
Fund balance - end of year .....	\$ -	\$ 122,444	\$ 122,444

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## Enterprise Funds

The enterprise funds are maintained to account for the operations of County government that provide goods or services to the general public in a manner similar to private business enterprises. The costs of providing these goods or services are financed through user charges.

The following are included in enterprise funds:

Sewer Fund                      To account for sewer services provided to individuals and commercial users. For GAAP reporting purposes, the Sewer Debt Service Fund was combined and reported as a part of this fund.

Water Fund                      To account for water services provided to individuals and commercial users. For GAAP reporting purposes, a portion of the Water Debt Service Fund was combined and reported as a part of this fund.

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY — BUDGET (NON-GAAP BASIS) AND ACTUAL SEWER FUND

For the Year Ended December 31, 2003

Exhibit H-1

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 3,595,700	\$ 2,326,466	\$ (1,269,234)
Tap-in fees.....	750,000	823,945	73,945
Penalties.....	40,000	41,994	1,994
Deposits.....	120,000	151,082	31,082
Loans Revenue.....	100,000	100,000	-
Special assessments.....	600	577	(23)
Grants.....	281,722	209,144	(72,578)
Proceeds of notes.....	5,900,000	5,800,000	(100,000)
Other non-operating revenues.....	4,000	-	(4,000)
Interest.....	120,070	84,793	(35,277)
Total revenues.....	<u>10,912,092</u>	<u>9,538,001</u>	<u>(1,374,091)</u>
<b>EXPENSES</b>			
Personal services.....	492,372	484,791	7,581
Fringe benefits.....	182,639	180,110	2,529
Contractual services.....	1,774,328	1,698,945	75,383
Materials and supplies.....	93,100	80,328	12,772
Deposits.....	139,314	101,829	37,485
Other operating expenses.....	87,361	83,000	4,361
Capital outlay.....	8,020,021	7,833,517	186,504
Total expenses.....	<u>10,789,135</u>	<u>10,462,520</u>	<u>326,615</u>
Excess of revenues over (under) expenses.....	122,957	(924,519)	(1,047,476)
Operating transfers out.....	(1,117,466)	(1,113,829)	3,637
Excess of revenues under expenses and operating transfers out .....	(994,509)	(2,038,348)	(1,043,839)
Fund equity - beginning of year.....	2,153,809	2,153,809	-
Prior year encumbrances appropriated.....	2,088,374	2,088,374	-
Fund equity - end of year.....	<u>\$ 3,247,674</u>	<u>\$ 2,203,835</u>	<u>\$ (1,043,839)</u>

# Fairfield County, Ohio

## SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY — BUDGET (NON-GAAP BASIS) AND ACTUAL WATER FUND

For the Year Ended December 31, 2003

Exhibit H-2

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Charges for services.....	\$ 1,671,000	\$ 1,831,188	\$ 160,188
Tap-in fees.....	563,000	779,142	216,142
Penalties.....	25,000	40,694	15,694
Other non-operating revenues.....	2,000	133	(1,867)
Interest.....	40,114	41,144	1,030
Total revenues.....	<u>2,301,114</u>	<u>2,692,301</u>	<u>391,187</u>
<b>EXPENSES</b>			
Personal services.....	346,000	316,408	29,592
Fringe benefits.....	114,600	80,205	34,395
Contractual services.....	1,004,080	935,903	68,177
Materials and supplies.....	187,850	161,803	26,047
Other operating expenses.....	14,920	4,043	10,877
Capital outlay.....	3,249,104	3,207,973	41,131
Total expenses.....	<u>4,916,554</u>	<u>4,706,335</u>	<u>210,219</u>
Excess of revenues under expenses.....	(2,615,440)	(2,014,034)	601,406
Operating transfers in.....	62,590	-	(62,590)
Operating transfers out.....	(1,082,892)	(1,073,686)	9,206
Excess of revenues under expenses and operating transfers .....	(3,635,742)	(3,087,720)	548,022
Fund equity - beginning of year.....	1,949,696	1,949,696	-
Prior year encumbrances appropriated.....	<u>2,925,353</u>	<u>2,925,353</u>	<u>-</u>
Fund equity - end of year.....	<u>\$ 1,239,307</u>	<u>\$ 1,787,329</u>	<u>\$ 548,022</u>

## Internal Service Fund

The internal service fund is maintained to account for the operations of County activities that provide services to other County departments and funds.

The following is the County's internal service fund:

Self-Funded Health  
Insurance Fund

The County is self-insured for employee health care benefits. This fund accounts for claims and administration of the self-insurance program. The fund's budgetary information is the only financial statement presented in this section.

Fairfield County, Ohio

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY —  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
SELF-FUNDED HEALTH INSURANCE FUND**

For the Year Ended December 31, 2003

Exhibit I-1

	<b>Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Charges for services.....	\$ 5,726,733	\$ 5,733,576	\$ 6,843
Interest.....	12,400	12,184	(216)
Total revenues.....	<u>5,739,133</u>	<u>5,745,760</u>	<u>6,627</u>
<b>EXPENSES</b>			
Contractual services.....	573,417	573,417	-
Claims.....	5,591,680	5,500,321	91,359
Other operating expenses.....	50	17	33
Total expenses.....	<u>6,165,147</u>	<u>6,073,755</u>	<u>91,392</u>
Net change in fund equity.....	(426,014)	(327,995)	98,019
Fund equity - beginning of year.....	426,729	426,729	-
Prior year encumbrances appropriated.....	7,807	7,807	-
Fund equity - end of year.....	<u>\$ 8,522</u>	<u>\$ 106,541</u>	<u>\$ 98,019</u>

## Agency Funds

The agency funds account for resources the County holds in a purely custodial capacity (assets equal liabilities) for individuals, private organizations, other County funds, or other governments.

The following are included in agency funds:

Fairfield Department of Health Fund	To account for the funds of the Department of Health. The County Auditor is the <i>ex officio</i> fiscal agent for the Department.
County Hotel Lodging Fund	To account for a three percent hotel tax collected and then forwarded to the Fairfield County Visitors and Convention Bureau.
Soil and Water Fund	To account for the fund activities of the Fairfield County Soil and Water Conservation District, a statutorily created separate political subdivision of the State. The County Auditor is the fiscal agent for the District.
Regional Planning Fund	To account for the fund activities of the Fairfield County Regional Planning Commission, a statutorily created separate political subdivision of the State. The County Auditor is the fiscal agent for the Commission.
Prepayment Fund	To account for the administration and collection of prepaid real property taxes.
Undivided General Tax Fund	To account for the collection of real estate taxes from real estate owners and the collection of County-related special assessments.
Undivided Tangible Tax Fund	To account for undivided tangible tax revenues that are distributed to cities, villages, townships, and the County itself, as prescribed by State statute.
Undivided Tax Fund	To account for the collection of various special assessments and local taxes.
Undivided Inheritance Tax Fund	To account for the collection of estate taxes which are then distributed to the State and to certain local governments.
Undivided Automobile Tax Fund	To account for the collection of State automobile registration fees which are then distributed to municipal corporations and townships.
Undivided Local Tax Fund	To account for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes, state sales taxes, and corporate franchise taxes that are returned to the County. These monies are apportioned to local governments on a monthly basis.
Township Gasoline Tax Fund	To account for the collection of State gasoline tax revenues which are then apportioned equally to the thirteen townships in the County.
Real Property Tax Fund	To account for the overpayments of homestead taxes which are returned by the State and then forwarded to the taxpayer.

(Continued)

## Agency Funds (continued)

Library and Local Government Support Fund	To account for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes that are returned to the County for use by district libraries and park districts. These monies are apportioned to the libraries on a monthly basis.
Undivided Local Government Revenue Assistance Fund	To account for the collection of shared revenues from the State of Ohio that are apportioned to local governments on a monthly basis.
Payroll Agency Fund	To account for payroll taxes and other payroll-related deductions that are accumulated for distribution to other governments and private organizations.
Ohio Elections Commission Fund	To account for the fees collected from individuals filing a declaration of candidacy with the Board of Elections. These funds are then forwarded to the State of Ohio Elections Commission.
County Court Agency Fund	To account for Clerk of Court's auto title fees, Probate Court receipts, and Juvenile Court receipts.
Sheriff Agency Fund	To account for the activity of the Sheriff's civil account.
Inmate Agency Fund	To account for funds collected and returned to inmates held in the Fairfield County jail.
Fairfield County Historical Parks Commission Fund	To account for donations and grant revenue received and expenditures made for the operations of a three-member County-appointed Board of the Park District.
Law Enforcement Fund	To account for fines from the County Courts and used by the Sheriff and Prosecuting Attorney for investigations, prosecution, and training for law enforcement.
Fairfield County Family, Adult, and Children First Fund	To account for state grant revenues and expenditures of the Fairfield County Family, Adult, and Children First Council. The County Commissioners serve as administrative agent and the County Auditor serves as fiscal agent of the Council.
Alimony and Child Support Fund	To account for the collection of alimony and child support payments and the distribution of such monies to the court-designated recipients.
Multi-County Juvenile Detention System Fund	To account for the system's construction costs of a multi-county juvenile detention center.
Fairfield-Hocking Major Crimes Investigation Unit Fund	To account for the funds of the Fairfield-Hocking Major Crimes Investigation Unit. The County Auditor is the fiscal agent for the Unit.

(Continued)

## Agency Funds (continued)

Fairfield County Agency  
Transportation System Fund

To account for the funds of the Fairfield County Agency Transportation System, Inc. The County Auditor is the fiscal agent for the System.

Recorder Housing  
Trust Fund

To account for the collection of county recorder fees mandated by HB 95 to be remitted quarterly to the state.



# Fairfield County, Ohio

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>FAIRFIELD DEPARTMENT OF HEALTH FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 599,288	\$ 3,372,389	\$ 3,456,600	\$ 515,077
Accounts receivable .....	602,206	454,412	602,206	454,412
External party receivable .....	-	1,622	-	1,622
Total assets .....	<u>\$ 1,201,494</u>	<u>\$ 3,828,423</u>	<u>\$ 4,058,806</u>	<u>\$ 971,111</u>
<b>Liabilities</b>				
Due to others .....	1,201,494	3,828,423	4,058,806	971,111
Total liabilities .....	<u>\$ 1,201,494</u>	<u>\$ 3,828,423</u>	<u>\$ 4,058,806</u>	<u>\$ 971,111</u>
<b>COUNTY HOTEL LODGING FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 73,368	\$ 206,300	\$ 279,668	\$ -
Property and other taxes receivable .....	50,715	56,874	50,715	56,874
Total assets .....	<u>\$ 124,083</u>	<u>\$ 263,174</u>	<u>\$ 330,383</u>	<u>\$ 56,874</u>
<b>Liabilities</b>				
External party payable .....	\$ 3,299	\$ -	\$ 3,299	\$ -
Due to others .....	120,784	263,174	327,084	56,874
Total liabilities .....	<u>\$ 124,083</u>	<u>\$ 263,174</u>	<u>\$ 330,383</u>	<u>\$ 56,874</u>
<b>SOIL AND WATER FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 134,535	\$ 512,989	\$ 546,358	\$ 101,166
Total assets .....	<u>\$ 134,535</u>	<u>\$ 512,989</u>	<u>\$ 546,358</u>	<u>\$ 101,166</u>
<b>Liabilities</b>				
Due to others .....	\$ 134,535	\$ 512,989	\$ 546,358	\$ 101,166
Total liabilities .....	<u>\$ 134,535</u>	<u>\$ 512,989</u>	<u>\$ 546,358</u>	<u>\$ 101,166</u>
<b>REGIONAL PLANNING FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 271,925	\$ 529,089	\$ 454,519	\$ 346,495
External party receivable .....	28,700	43,200	28,700	43,200
Total assets .....	<u>\$ 300,625</u>	<u>\$ 572,289</u>	<u>\$ 483,219</u>	<u>\$ 389,695</u>
<b>Liabilities</b>				
Due to others .....	\$ 300,625	\$ 572,289	\$ 483,219	\$ 389,695
Total liabilities .....	<u>\$ 300,625</u>	<u>\$ 572,289</u>	<u>\$ 483,219</u>	<u>\$ 389,695</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>PREPAYMENT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 179,122	\$ 684,071	\$ 656,700	\$ 206,493
Total assets .....	<u>\$ 179,122</u>	<u>\$ 684,071</u>	<u>\$ 656,700</u>	<u>\$ 206,493</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 179,122	\$ 684,071	\$ 656,700	\$ 206,493
Total liabilities .....	<u>\$ 179,122</u>	<u>\$ 684,071</u>	<u>\$ 656,700</u>	<u>\$ 206,493</u>
<b>UNDIVIDED GENERAL TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 2,247,850	\$ 80,809,974	\$ 80,485,326	\$ 2,572,498
Property and other taxes receivable .....	80,765,696	89,418,544	80,765,696	89,418,544
Intergovernmental receivable .....	4,970,255	5,505,998	4,970,255	5,505,998
Total assets .....	<u>\$ 87,983,801</u>	<u>\$ 175,734,516</u>	<u>\$ 166,221,277</u>	<u>\$ 97,497,040</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 87,983,801	\$ 175,734,516	\$ 166,221,277	\$ 97,497,040
Total liabilities .....	<u>\$ 87,983,801</u>	<u>\$ 175,734,516</u>	<u>\$ 166,221,277</u>	<u>\$ 97,497,040</u>
<b>UNDIVIDED TANGIBLE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 114,621	\$ 10,373,358	\$ 10,098,754	\$ 389,225
Property and other taxes receivable .....	9,969,446	9,846,822	9,969,446	9,846,822
Intergovernmental receivable .....	623,378	630,734	623,378	630,734
External party receivable .....	75,019	-	75,019	-
Total assets .....	<u>\$ 10,782,464</u>	<u>\$ 20,850,914</u>	<u>\$ 20,766,597</u>	<u>\$ 10,866,781</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 10,782,464	\$ 20,850,914	\$ 20,766,597	\$ 10,866,781
Total liabilities .....	<u>\$ 10,782,464</u>	<u>\$ 20,850,914</u>	<u>\$ 20,766,597</u>	<u>\$ 10,866,781</u>
<b>UNDIVIDED TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 24,296	\$ 98,894,441	\$ 98,895,460	\$ 23,277
Accounts receivable .....	140,999	137,397	140,999	137,397
Special assessments receivable .....	2,308,690	2,271,166	2,308,690	2,271,166
Total assets .....	<u>\$ 2,473,985</u>	<u>\$ 101,303,004</u>	<u>\$ 101,345,149</u>	<u>\$ 2,431,840</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 2,473,985	\$ 101,303,004	\$ 101,345,149	\$ 2,431,840
Total liabilities .....	<u>\$ 2,473,985</u>	<u>\$ 101,303,004</u>	<u>\$ 101,345,149</u>	<u>\$ 2,431,840</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>UNDIVIDED INHERITANCE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 892,418	\$ 2,190,823	\$ 2,654,845	\$ 428,396
Total assets .....	<u>\$ 892,418</u>	<u>\$ 2,190,823</u>	<u>\$ 2,654,845</u>	<u>\$ 428,396</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 892,418	\$ 2,190,823	\$ 2,654,845	\$ 428,396
Total liabilities .....	<u>\$ 892,418</u>	<u>\$ 2,190,823</u>	<u>\$ 2,654,845</u>	<u>\$ 428,396</u>
<b>UNDIVIDED AUTOMOBILE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 1,186,025	\$ 1,186,025	\$ -
Intergovernmental receivable .....	428,013	406,395	428,013	406,395
Total assets .....	<u>\$ 428,013</u>	<u>\$ 1,592,420</u>	<u>\$ 1,614,038</u>	<u>\$ 406,395</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 428,013	\$ 1,592,420	\$ 1,614,038	\$ 406,395
Total liabilities .....	<u>\$ 428,013</u>	<u>\$ 1,592,420</u>	<u>\$ 1,614,038</u>	<u>\$ 406,395</u>
<b>UNDIVIDED LOCAL TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 2,630,994	\$ 2,630,994	\$ -
Intergovernmental receivable .....	1,509,758	1,509,760	1,509,758	1,509,760
Total assets .....	<u>\$ 1,509,758</u>	<u>\$ 4,140,754</u>	<u>\$ 4,140,752</u>	<u>\$ 1,509,760</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 1,509,758	\$ 4,140,754	\$ 4,140,752	\$ 1,509,760
Total liabilities .....	<u>\$ 1,509,758</u>	<u>\$ 4,140,754</u>	<u>\$ 4,140,752</u>	<u>\$ 1,509,760</u>
<b>TOWNSHIP GASOLINE TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 19,484	\$ 737,870	\$ 719,371	\$ 37,983
Intergovernmental receivable .....	316,244	415,238	316,244	415,238
Total assets .....	<u>\$ 335,728</u>	<u>\$ 1,153,108</u>	<u>\$ 1,035,615</u>	<u>\$ 453,221</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 335,728	\$ 1,153,108	\$ 1,035,615	\$ 453,221
Total liabilities .....	<u>\$ 335,728</u>	<u>\$ 1,153,108</u>	<u>\$ 1,035,615</u>	<u>\$ 453,221</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>REAL PROPERTY TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 10,030	\$ 10,030	\$ -
Total assets .....	<u>\$ -</u>	<u>\$ 10,030</u>	<u>\$ 10,030</u>	<u>\$ -</u>
<b>Liabilities</b>				
Due to others .....	\$ -	\$ 10,030	\$ 10,030	\$ -
Total liabilities .....	<u>\$ -</u>	<u>\$ 10,030</u>	<u>\$ 10,030</u>	<u>\$ -</u>
<b>LIBRARY AND LOCAL GOVERNMENT SUPPORT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 4,236,062	\$ 4,236,062	\$ -
Intergovernmental receivable .....	2,652,411	2,639,300	2,652,411	2,639,300
Total assets .....	<u>\$ 2,652,411</u>	<u>\$ 6,875,362</u>	<u>\$ 6,888,473</u>	<u>\$ 2,639,300</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 2,652,411	\$ 6,875,362	\$ 6,888,473	\$ 2,639,300
Total liabilities .....	<u>\$ 2,652,411</u>	<u>\$ 6,875,362</u>	<u>\$ 6,888,473</u>	<u>\$ 2,639,300</u>
<b>UNDIVIDED LOCAL GOVERNMENT REVENUE ASSISTANCE FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 581,547	\$ 581,547	\$ -
Intergovernmental receivable .....	339,524	339,525	339,524	339,525
Total assets .....	<u>\$ 339,524</u>	<u>\$ 921,072</u>	<u>\$ 921,071</u>	<u>\$ 339,525</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 339,524	\$ 921,072	\$ 921,071	\$ 339,525
Total liabilities .....	<u>\$ 339,524</u>	<u>\$ 921,072</u>	<u>\$ 921,071</u>	<u>\$ 339,525</u>
<b>PAYROLL AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 202,724	\$ 22,400,114	\$ 22,450,404	\$ 152,434
Cash and cash equivalents in segregated accounts .....	90,410	96,733	90,410	96,733
Total assets .....	<u>\$ 293,134</u>	<u>\$ 22,496,847</u>	<u>\$ 22,540,814</u>	<u>\$ 249,167</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 90,410	\$ 96,733	\$ 90,410	\$ 96,733
Due to others .....	202,724	22,400,114	22,450,404	152,434
Total liabilities .....	<u>\$ 293,134</u>	<u>\$ 22,496,847</u>	<u>\$ 22,540,814</u>	<u>\$ 249,167</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>OHIO ELECTIONS COMMISSION FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 50	\$ 4,185	\$ 3,925	\$ 310
Total assets .....	<u>\$ 50</u>	<u>\$ 4,185</u>	<u>\$ 3,925</u>	<u>\$ 310</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ 50	\$ 4,185	\$ 3,925	\$ 310
Total liabilities .....	<u>\$ 50</u>	<u>\$ 4,185</u>	<u>\$ 3,925</u>	<u>\$ 310</u>
<b>COUNTY COURT AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents in segregated accounts .....	\$ 2,142,833	\$ 30,980,364	\$ 30,975,399	\$ 2,147,798
Accounts receivable .....	788,318	978,629	788,318	978,629
Total assets .....	<u>\$ 2,931,151</u>	<u>\$ 31,958,993</u>	<u>\$ 31,763,717</u>	<u>\$ 3,126,427</u>
<b>Liabilities</b>				
Due to others .....	\$ 2,931,151	\$ 31,958,993	\$ 31,763,717	\$ 3,126,427
Total liabilities .....	<u>\$ 2,931,151</u>	<u>\$ 31,958,993</u>	<u>\$ 31,763,717</u>	<u>\$ 3,126,427</u>
<b>SHERIFF AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents in segregated accounts .....	\$ 89,216	\$ 6,445,289	\$ 6,401,428	\$ 133,077
Total assets .....	<u>\$ 89,216</u>	<u>\$ 6,445,289</u>	<u>\$ 6,401,428</u>	<u>\$ 133,077</u>
<b>Liabilities</b>				
Due to others .....	\$ 89,216	\$ 6,445,289	\$ 6,401,428	\$ 133,077
Total liabilities .....	<u>\$ 89,216</u>	<u>\$ 6,445,289</u>	<u>\$ 6,401,428</u>	<u>\$ 133,077</u>
<b>INMATE AGENCY FUND</b>				
<b>Assets</b>				
Cash and cash equivalents in segregated accounts .....	\$ 5,518	\$ 155,565	\$ 157,899	\$ 3,184
Total assets .....	<u>\$ 5,518</u>	<u>\$ 155,565</u>	<u>\$ 157,899</u>	<u>\$ 3,184</u>
<b>Liabilities</b>				
Due to others .....	\$ 5,518	\$ 155,565	\$ 157,899	\$ 3,184
Total liabilities .....	<u>\$ 5,518</u>	<u>\$ 155,565</u>	<u>\$ 157,899</u>	<u>\$ 3,184</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>FAIRFIELD COUNTY HISTORICAL PARKS COMMISSION FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 32,727	\$ 111,400	\$ 115,383	\$ 28,744
Intergovernmental receivable .....	34,247	34,247	34,247	34,247
Total assets .....	<u>\$ 66,974</u>	<u>\$ 145,647</u>	<u>\$ 149,630</u>	<u>\$ 62,991</u>
<b>Liabilities</b>				
Due to others .....	\$ 66,974	\$ 145,647	\$ 149,630	\$ 62,991
Total liabilities .....	<u>\$ 66,974</u>	<u>\$ 145,647</u>	<u>\$ 149,630</u>	<u>\$ 62,991</u>
<b>LAW ENFORCEMENT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents in segregated accounts .....	\$ 221,674	\$ 34,866	\$ 60,959	\$ 195,581
Total assets .....	<u>\$ 221,674</u>	<u>\$ 34,866</u>	<u>\$ 60,959</u>	<u>\$ 195,581</u>
<b>Liabilities</b>				
Due to others .....	\$ 221,674	\$ 34,866	\$ 60,959	\$ 195,581
Total liabilities .....	<u>\$ 221,674</u>	<u>\$ 34,866</u>	<u>\$ 60,959</u>	<u>\$ 195,581</u>
<b>FAIRFIELD COUNTY FAMILY, ADULT, AND CHILDREN FIRST FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 185,177	\$ 948,066	\$ 827,075	\$ 306,168
External party receivable .....	7,941	-	7,941	-
Total assets .....	<u>\$ 193,118</u>	<u>\$ 948,066</u>	<u>\$ 835,016</u>	<u>\$ 306,168</u>
<b>Liabilities</b>				
External party payable .....	\$ 54	\$ 115,349	\$ 54	\$ 115,349
Due to others .....	193,064	832,717	834,962	190,819
Total liabilities .....	<u>\$ 193,118</u>	<u>\$ 948,066</u>	<u>\$ 835,016</u>	<u>\$ 306,168</u>
<b>ALIMONY AND CHILD SUPPORT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 1,212	\$ -	\$ -	\$ 1,212
Cash and cash equivalents in segregated accounts .....	23,920	805,489	801,198	28,211
Total assets .....	<u>\$ 25,132</u>	<u>\$ 805,489</u>	<u>\$ 801,198</u>	<u>\$ 29,423</u>
<b>Liabilities</b>				
Due to others .....	\$ 25,132	\$ 805,489	\$ 801,198	\$ 29,423
Total liabilities .....	<u>\$ 25,132</u>	<u>\$ 805,489</u>	<u>\$ 801,198</u>	<u>\$ 29,423</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>MULTI-COUNTY JUVENILE DETENTION SYSTEM FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 2,075,503	\$ 2,693,345	\$ 4,159,074	\$ 609,774
Accounts receivable .....	-	3,301	-	3,301
External party receivable .....	57,709	-	57,709	-
Total assets .....	<u>\$ 2,133,212</u>	<u>\$ 2,696,646</u>	<u>\$ 4,216,783</u>	<u>\$ 613,075</u>
<b>Liabilities</b>				
Contracts payable .....	\$ 359,572	\$ 34,786	\$ 359,572	\$ 34,786
Retainage payable .....	119,511	189,476	119,511	189,476
Due to others .....	1,654,129	2,472,384	3,737,700	388,813
Total liabilities .....	<u>\$ 2,133,212</u>	<u>\$ 2,696,646</u>	<u>\$ 4,216,783</u>	<u>\$ 613,075</u>
<b>FAIRFIELD - HOCKING MAJOR CRIMES INVESTIGATIONS UNIT FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 28,623	\$ 500,748	\$ 492,113	\$ 37,258
Cash and cash equivalents in segregated accounts .....	4,016	5,925	4,016	5,925
Total assets .....	<u>\$ 32,639</u>	<u>\$ 506,673</u>	<u>\$ 496,129</u>	<u>\$ 43,183</u>
<b>Liabilities</b>				
Due to others .....	\$ 32,639	\$ 506,673	\$ 496,129	\$ 43,183
Total liabilities .....	<u>\$ 32,639</u>	<u>\$ 506,673</u>	<u>\$ 496,129</u>	<u>\$ 43,183</u>
<b>FAIRFIELD COUNTY AGENCY TRANSPORTATION SYSTEM FUND</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 17,309	\$ 99,717	\$ 98,214	\$ 18,812
External party receivable .....	-	82	-	82
Total assets .....	<u>\$ 17,309</u>	<u>\$ 99,799</u>	<u>\$ 98,214</u>	<u>\$ 18,894</u>
<b>Liabilities</b>				
External party payable .....	\$ 2,085	-	\$ 2,085	-
Due to others .....	15,224	99,799	96,129	18,894
Total liabilities .....	<u>\$ 17,309</u>	<u>\$ 99,799</u>	<u>\$ 98,214</u>	<u>\$ 18,894</u>
<b>RECORDER HOUSING TRUST</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ -	\$ 456,532	\$ 254,841	\$ 201,691
Cash and cash equivalents in segregated accounts .....	-	99,465	-	99,465
Total assets .....	<u>\$ -</u>	<u>\$ 555,997</u>	<u>\$ 254,841</u>	<u>\$ 301,156</u>
<b>Liabilities</b>				
Intergovernmental payable .....	\$ -	\$ 555,997	\$ 254,841	\$ 301,156
Total liabilities .....	<u>\$ -</u>	<u>\$ 555,997</u>	<u>\$ 254,841</u>	<u>\$ 301,156</u>

(Continued)

Fairfield County, Ohio

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES** (Continued)  
**AGENCY FUNDS**

For the Year Ended December 31, 2003

Exhibit J-1

	<i>Balance January 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance December 31, 2003</i>
<b>TOTAL - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents .....	\$ 7,100,232	\$ 234,170,069	\$ 235,293,288	\$ 5,977,013
Cash and cash equivalents in segregated accounts .....	2,577,587	38,623,696	38,491,309	2,709,974
Receivables:				
Property and other taxes .....	90,785,857	99,322,240	90,785,857	99,322,240
Accounts .....	1,531,523	1,573,739	1,531,523	1,573,739
Special assessments .....	2,308,690	2,271,166	2,308,690	2,271,166
Intergovernmental .....	10,873,830	11,481,197	10,873,830	11,481,197
External party receivable .....	169,369	44,904	169,369	44,904
Total assets .....	<u>\$ 115,347,088</u>	<u>\$ 387,487,011</u>	<u>\$ 379,453,866</u>	<u>\$ 123,380,233</u>
<b>Liabilities</b>				
Contracts payable .....	\$ 359,572	\$ 34,786	\$ 359,572	\$ 34,786
Retainage payable .....	119,511	189,476	119,511	189,476
External party payable .....	5,438	115,349	5,438	115,349
Intergovernmental payable .....	107,667,684	316,102,959	306,593,693	117,176,950
Due to others .....	7,194,883	71,044,441	72,375,652	5,863,672
Total liabilities .....	<u>\$ 115,347,088</u>	<u>\$ 387,487,011</u>	<u>\$ 379,453,866</u>	<u>\$ 123,380,233</u>



# Statistical Section

# Fairfield County, Ohio

## GOVERNMENTAL FUND REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION (1) LAST TEN YEARS

	<u>2003 (3)</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b><u>Revenues — By Source</u></b>				
Property and other taxes.....	\$ 12,368,893	\$ 11,959,100	\$ 10,924,773	\$ 10,394,945
Sales taxes (2).....	9,978,566	9,988,804	9,328,600	9,341,568
Charges For services.....	8,007,923	7,212,334	6,365,459	5,015,090
Licenses and permits.....	266,537	238,861	241,904	239,172
Permissive motor vehicle license tax (3).....	996,516	984,484	953,827	933,178
Fines and forfeitures.....	480,196	638,224	437,874	439,785
Intergovernmental.....	37,730,470	33,572,302	33,556,563	29,387,506
Special assessments.....	344,343	299,684	255,356	156,021
Interest.....	988,185	1,932,138	2,621,837	3,464,320
Rent.....	950,953	764,661	628,140	317,926
Donations (4).....	33,745	16,310	15,543	21,925
Other.....	742,845	727,655	1,023,400	470,668
Total revenues.....	<u>\$ 72,889,172</u>	<u>\$ 68,334,557</u>	<u>\$ 66,353,276</u>	<u>\$ 60,182,104</u>
<b><u>Expenditures — By Function</u></b>				
General government:				
Legislative and executive.....	\$ 9,159,276	\$ 8,068,177	\$ 8,080,505	\$ 7,726,082
Judicial.....	5,015,337	4,162,547	4,057,006	3,404,191
Public safety.....	12,431,906	9,656,234	9,008,325	7,993,534
Public works.....	7,695,997	4,073,333	6,610,518	5,825,236
Health.....	16,364,307	14,975,129	12,388,713	11,038,046
Human services.....	17,235,756	17,096,811	18,128,151	13,448,054
Urban redevelopment and housing.....	118,036	383,772	99,143	862
Transportation.....	147,818	129,908	77,635	142,919
Other.....	1,070,194	708,833	766,785	576,717
Refund of taxes (2).....	-	-	-	-
Intergovernmental.....	1,680,673	1,742,673	511,524	172,679
Capital outlay.....	11,146,471	8,678,238	10,290,080	9,515,386
Debt service.....	13,566,054	2,561,546	2,558,950	938,900
Total expenditures.....	<u>\$ 95,631,825</u>	<u>\$ 72,237,201</u>	<u>\$ 72,577,335</u>	<u>\$ 60,782,606</u>

(1) These tables include the general, special revenue, debt service, and capital projects funds. Refer to Exhibit B-2, "Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds" in the Financial Section for 2003 amounts. Refer to Exhibit A-2, "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances—All Governmental Fund Types and Discretely Presented Component Unit" in the prior year comprehensive annual financial report for the 1994-2002 amounts.

(2) For 1997 and 1998, the County repaid Texas Eastern Transmission Corporation, a public utility company, a refund for tax years 1991 through 1996.

(3) Includes modified accrual information only. Once a significant number of years of full accrual information has been obtained, it will be included in a separate table.

Source: Fairfield County Auditor's Office

Table 1

1999	1998	1997	1996	1995	1994
\$ 9,890,341	\$ 8,093,269	\$ 7,569,889	\$ 7,591,999	\$ 6,612,836	\$ 7,691,869
9,043,396	7,941,611	7,211,971	6,843,590	5,040,290	3,950,186
4,633,477	4,504,542	3,752,246	3,673,302	3,496,426	3,105,033
233,495	238,819	238,502	232,161	222,055	210,480
907,294	886,809	860,967	840,435	821,492	795,602
500,711	537,057	532,549	467,051	422,755	447,779
26,628,251	22,947,950	20,852,204	20,966,376	25,855,809	17,267,478
145,638	148,445	132,630	157,147	119,570	125,603
1,758,350	2,180,463	1,708,331	1,413,851	1,407,965	995,881
264,484	271,475	280,042	231,897	182,136	132,330
13,895	29,868	17,762	8,721	39,002	1,753
422,679	678,921	640,489	577,762	338,515	564,568
<u>\$ 54,442,011</u>	<u>\$ 48,459,229</u>	<u>\$ 43,797,582</u>	<u>\$ 43,004,292</u>	<u>\$ 44,558,851</u>	<u>\$ 35,288,562</u>
\$ 6,983,240	\$ 6,137,601	\$ 5,473,620	\$ 5,348,068	\$ 4,808,106	\$ 4,775,768
3,121,418	2,910,636	2,467,274	2,110,622	2,062,663	1,708,095
7,448,140	6,710,482	6,352,932	5,903,967	4,672,309	4,429,376
4,753,145	6,072,479	5,483,939	4,878,874	4,221,021	4,260,390
10,511,281	10,755,878	10,042,429	9,712,305	9,109,644	8,305,483
9,600,074	9,272,532	8,393,120	8,083,269	7,496,603	6,722,923
2,240	511,334	182,701	30,938	32,590	6,392
65,348	74,228	65,574	88,079	14,031	71,018
526,004	479,685	403,002	524,727	457,304	464,850
-	67,031	21,472	-	-	-
291,318	344,158	153,252	282,352	724,303	376,013
5,389,100	2,470,589	1,650,312	2,496,190	3,488,502	6,381,609
618,376	647,568	577,377	363,617	412,682	279,957
<u>\$ 49,309,684</u>	<u>\$ 46,454,201</u>	<u>\$ 41,267,004</u>	<u>\$ 39,823,008</u>	<u>\$ 37,499,758</u>	<u>\$ 37,781,874</u>

# Fairfield County, Ohio

## PROPERTY TAX LEVIES AND COLLECTIONS REAL AND PUBLIC UTILITY, AND TANGIBLE PERSONAL PROPERTY LAST TEN YEARS

		<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b><u>Real and Public Utility Property</u></b>					
Tax Levy.....	(1)	\$ 12,088,256	\$ 11,886,806	\$ 10,937,192	\$ 10,485,370
Current Tax Collections.....	(1)	11,470,595	11,178,974	10,308,937	9,958,037
Percent of Current Collections to Levy.....		94.89%	94.05%	94.26%	94.97%
Delinquent Tax Collections.....	(2)	379,356	293,114	268,290	277,866
Total Tax Collections.....		11,849,951	11,472,088	10,577,227	10,235,903
Ratio of Total Collections to Levy.....		98.03%	96.51%	96.71%	97.62%
Outstanding Delinquent Taxes.....	(3)	440,337	650,784	598,139	524,307
Ratio of Outstanding Delinquent Taxes to Tax Levy.....		3.64%	5.47%	5.47%	5.00%
<b><u>Tangible Personal Property</u></b>					
Tax Levy.....		\$ 932,940	\$ 969,153	\$ 928,624	\$ 935,347
Current Tax Collections.....		823,653	934,310	830,427	914,210
Percent of Current Collections to Levy.....		88.29%	96.40%	89.43%	97.74%
Delinquent Tax Collections.....	(2)	11,259	116,490	14,496	59,349
Total Tax Collections.....		834,912	1,050,800	844,923	973,559
Ratio of Total Collections to Levy.....		89.49%	108.42%	90.99%	104.09%
Outstanding Delinquent Taxes.....	(3)	26,972	88,039	54,292	17,409
Ratio of Outstanding Delinquent Taxes to Tax Levy.....		2.89%	9.08%	5.85%	1.86%

(1) Tax Levy and Current Tax Collections do not include Rollback and Homestead for the years 1993 through 1995.

(2) Delinquent Tax Collections include amounts collected from penalties, interest, and other delinquent collections.

(3) Outstanding Delinquent Taxes exclude penalties, interest, and other additional delinquent charges.

Source: Fairfield County Auditor's Office

Table 2

<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1994</b>
\$ 9,978,626	\$ 7,824,908	\$ 7,422,511	\$ 7,564,384	\$ 5,653,579	\$ 6,619,814
9,451,561	7,475,645	7,105,067	7,269,101	5,483,253	6,472,733
94.72%	95.54%	95.72%	96.10%	96.99%	97.78%
215,496	150,738	172,961	141,213	161,126	188,719
9,667,057	7,626,383	7,278,028	7,410,314	5,644,379	6,661,452
96.88%	97.46%	98.05%	97.96%	99.84%	100.63%
463,210	308,930	261,681	269,050	236,687	292,629
4.64%	3.95%	3.53%	3.56%	4.19%	4.42%
\$ 847,380	\$ 849,643	\$ 911,217	\$ 863,275	\$ 782,348	\$ 909,549
839,344	756,360	873,333	725,849	690,583	823,222
99.05%	89.02%	95.84%	84.08%	88.27%	90.51%
52,694	4,342	103,912	53,261	42,684	32,326
892,038	760,702	977,245	779,110	733,267	855,548
105.27%	89.53%	107.25%	90.25%	93.73%	94.06%
75,408	111,471	74,722	84,165	69,426	75,884
8.90%	13.12%	8.20%	9.75%	8.87%	8.34%

# Fairfield County, Ohio

## ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY LAST TEN YEARS

	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<b><u>Real Property (1)</u></b>				
Assessed Value.....	\$ 2,255,291,320	\$ 2,189,802,220	\$ 1,829,849,530	\$ 1,768,125,080
Estimated Actual Value.....	6,443,689,486	6,256,577,771	5,228,141,514	5,051,785,943
<b><u>Tangible Personal Property</u></b>				
Assessed Value.....	146,455,872	152,059,287	147,791,871	147,061,622
Estimated Actual Value.....	585,823,488	608,237,148	591,167,484	588,246,488
<b><u>Public Utilities</u></b>				
<b><u>Tangible Personal Property</u></b>				
Assessed Value.....	99,663,470	95,192,990	91,473,470	105,431,000
Estimated Actual Value.....	99,663,470	95,192,990	91,473,470	105,431,000
<b><u>Total</u></b>				
Assessed Value.....	2,501,410,662	2,437,054,497	2,069,114,871	2,020,617,702
Estimated Actual Value.....	7,129,176,444	6,960,007,909	5,910,782,468	5,745,463,431
Assessed Value Ratio.....	35.09%	35.02%	35.01%	35.17%

(1) Real Property values include Public Utility Real Property.

Source: *Fairfield County Auditor's Office*

Table 3

1999	1998	1997	1996	1995	1994
\$ 1,699,225,800	\$ 1,500,297,580	\$ 1,451,165,210	\$ 1,404,190,590	\$ 1,056,041,290	\$ 1,024,153,290
4,854,930,857	4,286,564,514	4,146,186,314	4,011,973,114	3,017,260,829	2,926,152,257
134,346,667	134,348,689	134,698,303	125,415,284	112,155,669	109,256,008
537,386,668	537,394,756	538,793,212	501,661,136	448,622,676	437,024,032
105,671,740	111,108,850	110,469,490	111,312,600	111,732,550	113,252,010
105,671,740	111,108,850	110,469,490	111,312,600	111,732,550	113,252,010
1,939,244,207	1,745,755,119	1,696,333,003	1,640,918,474	1,279,929,509	1,246,661,308
5,497,989,265	4,935,068,120	4,795,449,016	4,624,946,850	3,577,616,055	3,476,428,299
35.27%	35.37%	35.37%	35.48%	35.78%	35.86%

# Fairfield County, Ohio

## PROPERTY TAX RATES — DIRECT AND OVERLAPPING GOVERNMENTS (PER THOUSAND DOLLARS OF ASSESSED VALUE) LAST TEN YEARS

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b>County Units</b>						
General Fund.....	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60
Mental Health.....	0.75	0.75	0.75	0.75	0.75	0.75
Mental Retardation.....	3.20	3.20	3.20	3.20	3.20	3.20
Bridges, Culverts, and County Road Levy.....	0.50	0.50	0.50	0.50	0.50	0.50
Children Services Levy.....	0.00	0.00	0.00	0.00	0.00	0.00
Total County.....	<u>7.05</u>	<u>7.05</u>	<u>7.05</u>	<u>7.05</u>	<u>7.05</u>	<u>7.05</u>
<b>School Districts Wholly Within County</b>						
Amanda Clearcreek LSD..... (1)	42.30	42.30	42.50	42.30	38.00	37.00
Berne Union LSD..... (1)	48.80	49.00	50.00	50.90	50.90	51.40
Bloom-Carroll LSD.....	42.30	42.30	42.30	42.30	42.30	42.30
Fairfield Union LSD..... (1)	43.00	43.00	43.10	43.10	43.10	43.40
Lancaster City SD.....	64.60	64.60	64.60	64.60	64.60	64.60
Liberty Union-Thurston LSD..... (1)	45.20	41.10	41.40	41.60	41.60	41.70
Pickerington LSD..... (1)	70.10	70.10	70.30	66.36	66.36	68.96
Walnut Township LSD..... (1)	37.70	38.00	40.00	40.50	40.70	42.65
<b>School Districts Partially Within County</b>						
Canal Winchester..... (1)	61.10	62.70	55.81	55.81	55.76	56.36
Northern LSD..... (1)	35.72	35.72	35.72	32.80	32.80	32.80
Reynoldsburg City SD..... (1)	57.10	54.18	54.29	54.39	54.20	54.20
Southwest Licking LSD..... (1)	31.90	42.88	43.15	43.15	45.16	40.38
Teays Valley LSD..... (1)	31.60	31.60	31.60	31.60	25.00	25.00
<b>Joint Vocational School Districts</b>						
Eastland JVS..... (1)	2.00	2.00	2.00	2.00	2.00	1.20
Licking County JVS..... (1)	3.00	2.00	2.00	2.00	2.00	2.00
Mid-East Ohio JVS..... (2)	3.20	3.20	3.20	3.20	3.20	3.20

(1) Includes bond rates

(2) Formerly Muskingum Joint Vocational School



Table 4

<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$2.60	\$2.60	\$2.60	\$2.60
0.75	0.75	0.75	0.75
3.20	3.20	3.20	3.20
0.50	0.50	0.50	1.00
0.00	0.00	0.00	1.00
<u>7.05</u>	<u>7.05</u>	<u>7.05</u>	<u>8.55</u>
37.75	37.75	38.30	38.30
51.70	51.70	52.00	50.90
43.30	43.40	44.00	44.00
43.40	43.40	43.40	43.40
56.70	56.70	56.70	56.70
41.70	41.70	41.70	46.20
65.00	65.00	66.76	67.66
42.65	42.65	42.02	43.67
51.00	44.89	45.76	46.89
32.80	32.80	32.80	28.60
49.35	50.03	50.24	50.47
40.38	41.28	41.28	36.00
28.00	28.50	28.50	28.50
1.20	1.20	1.20	1.23
2.00	2.00	2.00	2.00
3.20	3.20	3.20	3.20

(Continued)

# Fairfield County, Ohio

## PROPERTY TAX RATES — DIRECT AND OVERLAPPING GOVERNMENTS (PER THOUSAND DOLLARS OF ASSESSED VALUE) LAST TEN YEARS

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b><u>Corporations</u></b>						
Amanda Village.....	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40	\$5.40
Baltimore Village.....	1.90	1.90	1.90	1.90	1.90	1.90
Bremen Village.....	2.20	2.20	2.20	2.20	2.20	2.20
Buckeye Lake Village.....	11.00	11.00	16.00	13.00	13.00	13.00
Canal Winchester Village.....	1.90	1.90	1.90	1.90	1.90	1.90
Carroll Village.....	4.90	4.90	4.90	4.90	4.90	4.90
Columbus City.....	2.30	2.30	2.30	2.30	2.30	2.30
Lancaster City.....	3.40	3.40	3.40	3.40	3.40	3.40
Lithopolis Village.....	5.90	5.90	5.90	5.90	5.90	5.90
Millersport Village.....	9.90	9.90	9.90	9.90	9.90	9.90
Pickerington City.....	7.80	7.80	7.80	7.80	7.80	7.80
Pleasantville Village.....	10.30	10.30	10.30	9.30	9.30	9.30
Reynoldsburg City.....	0.70	0.70	0.76	0.76	0.77	0.78
Rushville Village.....	2.10	2.10	2.10	2.10	2.10	2.10
Stoutsville Village.....	4.70	4.70	4.70	4.70	4.70	4.70
Sugar Grove Village.....	5.80	5.80	5.80	5.80	5.80	5.80
Thurston Village.....	4.70	4.70	4.70	4.70	4.70	4.70
West Rushville Village.....	2.10	2.10	2.10	2.10	2.10	2.10
<b><u>Townships</u></b>						
Amanda.....	2.70	2.70	2.70	2.70	2.70	2.70
Berne.....	7.70	7.70	7.70	7.70	7.70	7.70
Bloom.....	15.30	15.30	15.30	15.30	15.30	15.30
Clearcreek.....	8.25	8.25	8.25	8.25	8.25	8.25
Greenfield.....	12.20	12.20	12.20	8.20	8.20	8.20
Hocking.....	4.70	4.70	4.20	4.20	4.20	4.20
Liberty.....	2.30	2.30	2.30	2.30	2.30	2.30
Madison.....	4.70	4.70	4.70	4.70	4.70	4.70
Pleasant.....	9.10	9.10	9.10	6.60	6.60	6.60
Richland.....	6.00	6.00	6.00	6.00	6.00	6.00
Rushcreek.....	15.20	15.20	15.20	15.20	13.20	13.95
Violet.....	13.65	9.80	9.80	9.80	10.05	10.05
Walnut.....	5.60	5.60	5.60	5.60	5.60	5.60
<b><u>Other Units</u></b>						
Basil Joint Fire District.....	5.27	5.27	5.27	5.27	5.27	5.27

Source: Fairfield County Auditor's Office

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(Continued)

Table 4

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<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$5.40	\$5.40	\$5.40	\$2.40
1.90	1.90	1.90	1.90
2.20	2.20	2.20	2.20
0.00	0.00	0.00	0.00
1.90	1.90	1.90	1.90
4.90	4.90	4.90	4.90
2.30	2.30	2.30	2.90
3.40	3.40	3.40	3.40
5.90	5.90	5.90	5.90
9.90	9.90	9.90	9.90
7.80	7.80	7.80	7.80
9.30	9.30	9.30	9.30
0.79	2.90	2.91	2.93
2.10	2.10	2.10	2.10
4.70	4.70	4.70	4.70
5.80	5.80	8.00	8.00
6.70	6.70	6.70	6.70
2.10	2.10	2.10	2.10
2.70	2.70	2.70	2.70
7.70	7.70	7.70	7.70
11.30	11.30	11.30	11.30
8.25	5.25	5.25	5.25
8.20	8.20	8.20	8.20
4.20	4.20	4.20	4.20
2.30	2.30	2.30	2.30
4.70	4.70	4.70	4.70
6.60	6.60	5.10	5.10
6.00	6.00	6.00	6.00
13.95	11.95	10.95	11.95
10.05	9.80	7.20	7.20
5.60	5.60	5.60	5.60
5.27	5.27	5.27	5.27

# Fairfield County, Ohio

## SPECIAL ASSESSMENTS BILLED AND COLLECTED LAST TEN YEARS

Table 5

<u>Year</u>	<u>Total Assessments Billed</u>	<u>Total Amount Collected</u>	<u>Percent Collected</u>
2003	\$365,990	\$344,343	94.09%
2002	330,927	299,684	90.56%
2001	403,878	255,356	63.23%
2000	202,468	156,021	77.06%
1999	180,224	145,638	80.81%
1998	180,508	148,445	82.24%
1997	171,246	132,630	77.45%
1996	186,972	157,147	84.05%
1995	155,688	119,570	76.80%
1994	141,374	125,603	88.84%

This table only includes governmental activity special assessments.

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## COMPUTATION OF LEGAL DEBT MARGIN DECEMBER 31, 2003

Table 6

	(1) Total Debt Limit	(2) Total Unvoted Limit
Total assessed property value.....	\$ 2,501,410,662	\$ 2,501,410,662
Debt limitation of assessed value.....	61,035,267	25,014,107
<b>Total outstanding debt - December 31, 2003</b>		
General obligation bonds payable.....	34,600,000	34,600,000
Notes payable.....	16,448,000	16,448,000
Loans payable.....	517,000	517,000
Special assessment bonds payable.....	1,847,000	1,847,000
OPWC sewer loan payable.....	100,000	100,000
EPA refunding loan payable.....	1,974,993	1,974,993
Total outstanding debt.....	<u>55,486,993</u>	<u>55,486,993</u>
<b>Less:</b>		
General obligation bonds payable from Enterprise Fund revenues.....	(16,425,000)	(16,425,000)
Notes payable from Enterprise Fund revenues.....	(12,200,000)	(12,200,000)
Notes payable from Airport.....	(1,000,000)	(1,000,000)
OPWC sewer loan.....	(100,000)	(100,000)
EPA Refunding Loan.....	(1,974,993)	(1,974,993)
Bonds payable from Child Support Enforcement rent.....	(355,000)	(355,000)
Bonds payable from Job and Family Services rent.....	(6,470,000)	(6,470,000)
Bonds payable related to the Jail.....	(1,940,000)	(1,940,000)
Bonds payable related to the Juvenile Detention Center.....	(1,480,000)	(1,480,000)
Bonds payable from special assessments.....	(1,847,000)	(1,847,000)
Amount available in the Debt Service Fund for general obligations.....	<u>(323,353)</u>	<u>(323,353)</u>
Total.....	<u>(44,115,346)</u>	<u>(44,115,346)</u>
Net debt applicable to debt limitation.....	<u>11,371,647</u>	<u>11,371,647</u>
Total Legal Debt Margin.....	<u>\$ 49,663,620</u>	<u>\$ 13,642,460</u>

(1) Debt limit is a total of a sum equal to three percent of the first \$100 million of the assessed valuation plus one and one-half percent of such valuation in excess of \$100 million and not in excess of \$300 million, plus two and one-half percent of such valuation in excess of \$300 million.

(2) Debt limit is one percent of total assessed valuation.

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

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

Table 7

Year	Population (in 1,000s)	Assessed Value of County	(1) Gross General Obligation Bonded Debt	Debt Service Funds	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2003	132.50	\$ 2,501,410,662	\$ 11,350,000	\$ 323,353	\$ 11,026,647	0.441%	\$83.22
2002	128.80	2,437,054,497	2,210,000	212,033	1,997,967	0.082%	15.51
2001	127.40	2,069,114,871	2,320,000	338,596	1,981,404	0.096%	15.55
2000	122.76	2,020,617,702	2,420,000	86,838	2,333,162	0.115%	19.01
1999	126.72	1,939,244,207	2,515,000	60,801	2,454,199	0.127%	19.37
1998	124.00	1,745,755,119	2,605,000	81,930	2,523,070	0.145%	20.35
1997	121.46	1,696,333,003	2,695,000	57,160	2,637,840	0.156%	21.72
1996	119.18	1,640,918,474	2,765,000	70,485	2,694,515	0.164%	22.61
1995	114.74	1,279,929,509	n/a	n/a	n/a	0.000%	0.00
1994	106.11	1,246,661,308	n/a	n/a	n/a	0.000%	0.00

(1) Includes only general obligation bonds payable from property taxes

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## COMPUTATION OF DIRECT AND OVERLAPPING DEBT DECEMBER 31, 2003

Table 8

Jurisdiction	(1) Debt Outstanding	(2) Percentage Applicable to Fairfield County	Amount Applicable to Fairfield County
<b>DIRECT DEBT</b>			
Fairfield County.....	\$ 11,350,000	100.000%	\$ 11,350,000
Total Direct Debt.....	11,350,000		11,350,000
<b>OVERLAPPING DEBT</b>			
<b>Entities Wholly Within the County</b>			
City of Pickerington.....	5,680,000	100.000%	5,680,000
School Districts.....	17,142,000	100.000%	17,142,000
Villages.....	198,248	100.000%	198,248
Townships.....	664,555	100.000%	664,555
Total - Entities Wholly Within the County.....	23,684,803		23,684,803
<b>Entities Not Wholly Within the County</b>			
City of Columbus.....	1,190,028,613	0.849%	10,103,343
City of Reynoldsburg.....	11,910,440	3.278%	390,424
Village of Canal Winchester.....	4,080,000	7.750%	316,200
Canal Winchester Local School District.....	31,053,223	22.872%	7,102,493
Berne Union Local School District.....	3,931,478	99.150%	3,898,060
Fairfield Union Local School District.....	1,137,000	100.000%	1,137,000
Northern Local School District.....	-	1.260%	-
Pickerington Local School District.....	117,974,226	97.990%	115,602,944
Reynoldsburg City School District.....	43,961,500	0.370%	162,658
Southwest Licking Local School District.....	21,735,000	6.137%	1,333,877
Teays Valley Local School District.....	21,850,286	4.894%	1,069,353
Eastland Joint Vocational School District.....	180,000	27.660%	49,788
Licking County Joint Vocational School District.....	33,485,000	0.831%	278,260
Total - Entities Not Wholly Within the County.....	1,481,326,766		141,444,401
Total Overlapping Debt.....	1,505,011,569		165,129,204
Total - Direct and Overlapping Debt.....	\$ 1,516,361,569		\$ 176,479,204

(1) Outstanding Debt only includes general obligation bonds payable from property taxes.

(2) The percentage of gross indebtedness of the County's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the County by its total assessed valuation.

Source: Fairfield County Auditor's Office

Fairfield County, Ohio

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
OBLIGATION DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN YEARS**

Table 9

Year	Debt Service Expenditures			Total General Governmental Expenditures (from Table 1)	Ratio of General Long-Term Debt Expenditures to Total General Governmental Expenditures
	Principal	Interest and Fiscal Charges	(1) Total Interest and Principal		
2003	\$ 115,000	\$ 372,023	\$ 487,023	\$ 95,631,825	0.51%
2002	110,000	126,762	236,762	72,237,201	0.33%
2001	100,000	131,313	231,313	72,577,335	0.32%
2000	95,000	135,540	230,540	60,782,606	0.38%
1999	90,000	139,410	229,410	49,309,684	0.47%
1998	90,000	143,145	233,145	46,454,201	0.50%
1997	70,000	164,554	234,554	41,267,004	0.57%
1996	-	-	-	39,823,008	0.00%
1995	-	-	-	37,499,758	0.00%
1994	-	-	-	37,781,874	0.00%

(1) Includes only general obligation bonds payable from property taxes

Source: Fairfield County Auditor's Office



# Fairfield County, Ohio

## REVENUE BOND COVERAGE ENTERPRISE FUNDS LAST TEN YEARS

Table 10

Year	(1) Gross Revenue	Expenses, Net of Depreciation and Interest	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
<b>Sewer Fund</b>							
2003	\$ 2,588,111	\$ 1,528,066	\$ 1,060,045	\$ -	\$ -	\$ -	n/a
2002	2,377,423	1,315,128	1,062,295	-	-	-	n/a
2001	1,931,099	1,355,087	576,012	-	-	-	n/a
2000	2,323,681	1,363,053	960,628	-	-	-	n/a
1999	2,108,061	1,166,695	941,366	-	-	-	n/a
1998	1,746,922	957,356	789,566	-	-	-	n/a
1997	1,637,813	1,128,411	509,402	-	-	-	n/a
1996	1,573,217	1,035,092	538,125	-	-	-	n/a
1995	1,441,953	1,260,362	181,591	-	-	-	n/a
1994	1,393,223	1,002,586	390,637	-	-	-	n/a
<b>Water Fund</b>							
2003	\$ 1,911,385	\$ 1,107,031	\$ 804,354	\$ -	\$ -	\$ -	n/a
2002	2,153,585	1,010,303	1,143,282	-	-	-	n/a
2001	2,433,948	1,042,236	1,391,712	-	-	-	n/a
2000	2,196,118	631,531	1,564,587	-	-	-	n/a
1999	2,113,828	793,441	1,320,387	-	-	-	n/a
1998	1,197,856	604,489	593,367	-	-	-	n/a
1997	1,112,381	519,670	592,711	-	-	-	n/a
1996	1,063,010	567,516	495,494	-	-	-	n/a
1995	1,002,356	661,450	340,906	-	-	-	n/a
1994	986,573	524,089	462,484	-	-	-	n/a

(1) Includes operating revenues and investment income

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## DEMOGRAPHIC STATISTICS LAST TEN YEARS

Table 11

Year	Population (in 1000s)	Per Capita Income	Unemployment		
			Fairfield County	State of Ohio	United States
2003	132.50	\$ 33,323	4.50%	5.70%	5.70%
2002	128.80	31,852	4.20%	5.30%	6.00%
2001	127.40	30,445	3.00%	4.80%	5.80%
2000	122.76	29,101	2.30%	3.60%	4.50%
1999	126.72	27,816	3.00%	4.30%	4.10%
1998	124.00	27,260	3.00%	4.30%	4.50%
1997	121.46	25,415	3.20%	4.60%	4.90%
1996	119.18	23,709	3.60%	4.90%	5.40%
1995	114.74	22,130	3.70%	4.80%	5.60%
1994	106.11	20,681	4.80%	5.10%	6.20%

Population figure for 2000 is actual - from U.S. Census.

Population figures for 1994-1999 and 2001-2003 are based upon U.S. Census estimates.

Sources: U.S. Census  
Ohio Bureau of Employment Services  
Lancaster-Fairfield Chamber of Commerce

# Fairfield County, Ohio

## NEW CONSTRUCTION, BANK DEPOSITS, AND REAL PROPERTY VALUES LAST TEN YEARS

Table 12

Year	New Construction			(1) Bank Deposits (in 1000s)
	Agricultural/ Residential	Commercial/ Industrial	Total	
2003	\$ 45,832,610	\$ 15,644,760	\$ 61,477,370	\$ 387,312
2002	47,852,620	14,659,830	62,512,450	370,588
2001	48,576,650	9,100,370	57,677,020	329,912
2000	44,760,060	13,063,300	57,823,360	286,562
1999	35,028,660	13,307,220	48,335,880	247,807
1998	35,600,420	9,589,130	45,189,550	190,113
1997	33,681,170	11,791,230	45,472,400	172,771
1996	31,207,210	5,983,130	37,190,340	163,183
1995	28,005,340	2,191,470	30,196,810	149,434
1994	34,905,610	3,886,420	38,792,030	108,995

Year	Real Property Values			
	Agricultural/ Residential	Commercial/ Industrial	Public Utility	Total
2003	\$ 1,875,365,030	\$ 379,695,140	\$ 231,150	\$ 2,255,291,320
2002	1,820,786,570	368,769,990	245,660	2,189,802,220
2001	1,540,112,430	289,474,220	262,880	1,829,849,530
2000	1,484,420,430	283,434,320	270,330	1,768,125,080
1999	1,431,657,300	267,331,280	237,220	1,699,225,800
1998	1,266,832,250	233,017,870	447,460	1,500,297,580
1997	1,224,215,680	226,758,250	191,280	1,451,165,210
1996	1,188,590,810	215,314,210	285,570	1,404,190,590
1995	878,053,310	177,714,320	273,660	1,056,041,290
1994	846,207,560	177,616,560	329,170	1,024,153,290
1993	805,477,760	175,415,090	306,770	981,199,620

(1) Bank Deposits data includes banks headquartered in Fairfield County

Sources: *Fairfield County Auditor's Office*  
*Federal Reserve Bank of Cleveland*

# Fairfield County, Ohio

## COUNTY EMPLOYEES BY GOVERNMENTAL FUNCTION LAST TEN YEARS

Table 13

Year	FUNCTION							Total Employees
	Legislative and Executive	Judicial	Public Safety	Public Works	Health	Human Services	Utilities	
2003	116	77	199	64	140	189	24	809
2002	113	76	189	55	135	209	21	798
2001	113	71	181	55	125	207	23	775
2000	110	73	170	55	145	184	24	761
1999	107	52	150	57	143	159	22	690
1998	94	61	145	54	143	155	19	671
1997	92	65	140	58	157	143	17	672
1996	92	61	132	54	155	149	20	663
1995	91	62	111	53	153	147	22	639
1994	89	57	108	56	145	144	21	620

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## PRINCIPAL TAXPAYERS DECEMBER 31, 2003

Table 14

<b>Taxpayer</b>	<b>Type</b>	<b>Real Estate Assessed Valuation</b>	<b>Tangible Personal and Public Utility Property Assessed Valuation</b>	<b>Total Assessed Valuation</b>	<b>Percent of Total Assessed Valuation</b>
Columbia Gas Transmission	Natural Gas Utility	\$ 1,158,130	\$ 26,082,740	\$ 27,240,870	1.09%
Ohio Power	Electric Utility	293,120	24,470,420	24,763,540	0.99%
Anchor Hocking Glass	Glass Manufacturer	5,786,290	15,505,160	21,291,450	0.85%
Glimcher Holdings (includes Glimcher Centers LTD)	Real Estate Partnership	18,902,590	-	18,902,590	0.76%
South Central Power	Electric Utility	21,000	16,957,940	16,978,940	0.68%
Meijer Inc	Retail Sales	3,426,270	5,940,410	9,366,680	0.37%
Ohio Bell Telephone	Telephone Utility	623,290	10,553,050	11,176,340	0.45%
Ralston Food Inc	Food Processor	2,186,440	7,015,530	9,201,970	0.37%
McDermott Incorporated (dba- Diamond Power International)	Manufacturing	2,210,710	6,345,510	8,556,220	0.34%
Anyi Apartments LLC	Residential	7,568,750	-	7,568,750	0.30%
Total		<u>\$ 42,176,590</u>	<u>\$ 112,870,760</u>	<u>\$ 155,047,350</u>	<u>6.20%</u>
Total Countywide Valuations		<u>\$ 2,255,291,320</u>	<u>\$ 246,119,342</u>	<u>\$ 2,501,410,662</u>	

Source: Fairfield County Auditor's Office

# Fairfield County, Ohio

## MISCELLANEOUS STATISTICS

Table 15

<i>Date created</i> .....	December, 1800
<i>County seat</i> .....	Lancaster, Ohio
<i>2003 Census population estimate</i> .....	132,549
<i>2000 Census population</i> .....	122,759
<i>Number of municipalities</i> .....	14
<i>Number of townships</i> .....	13
<i>Area</i> .....	505 square miles; ranked 23rd of the 88 Ohio counties
<i>Water lines</i> .....	530,447 feet - 5,114 customer accounts
<i>Sewer lines</i> .....	707,862 feet - 5,910 customer accounts
<i>County roads</i> .....	351.83 miles
<i>Township roads</i> .....	572.83 miles
<i>State routes</i> .....	195.63 miles
<i>Number of licensed drivers</i> .....	90,828
<i>Number of County employees</i> .....	809
<b>Health Care</b>	
<i>Hospitals, outpatient medical centers</i> .....	Fairfield Medical Center, River View Surgery Center
<i>Hospital beds</i> .....	235
<i>Nursing homes</i> .....	10
<i>Nursing home beds</i> .....	899
<b>Public Education</b>	
<i>Public schools</i> .....	44
<i>Students</i> .....	17,019
<i>Average Number of Students Per Teacher</i> .....	16.4
<i>School districts</i> .....	13
<i>Institutions of higher education</i> .....	Ohio University - Lancaster (4,200 students yearly) Southeastern Business College (150 students)
<b>Recreation and Travel</b>	
<i>Municipal parks</i> .....	24 parks - 650 acres
<i>Public tennis courts</i> .....	17
<i>Health clubs/fitness centers</i> .....	8
<i>Day and night baseball diamonds</i> .....	25
<i>Golf courses</i> .....	8
<i>Museums</i> .....	15
<i>Libraries</i> .....	7
<i>County fairgrounds</i> .....	1, with 68 acres
<i>Hotels/motels</i> .....	13, with 850 rooms
<i>Bed &amp; Breakfast Inns</i> .....	9
<i>Campgrounds</i> .....	5
<i>Radio stations</i> .....	4
<i>Newspapers - daily</i> .....	Lancaster Eagle Gazette - daily circulation of 15,500
<i>Newspapers - weekly</i> .....	2
<b>Voting Statistics (2003) General Election</b>	
<i>Registered voters</i> .....	79,536
<i>Actual voters</i> .....	33,198
<i>Percentage of actual voters to registered voters</i> .....	41.74%

Sources: Lancaster-Fairfield Chamber of Commerce, US Census Bureau/County and City Data Book, Ohio Department of Public Safety, and various offices of the Fairfield County government.



**Auditor of State  
Betty Montgomery**

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## **FINANCIAL CONDITION**

### **FAIRFIELD COUNTY**

#### **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 23, 2004**