



**Auditor of State  
Betty Montgomery**



**MARION COUNTY**  
**TABLE OF CONTENTS**

| <b>TITLE</b>  | <b>PAGE</b> |
|---|-------------|
| Schedule of Federal Awards Expenditures .....   | 1           |
| Notes to the Schedule of Federal Awards Expenditures .....  | 2           |
| Independent Accountants' Report on Compliance and on Internal Control<br>Required by <i>Government Auditing Standards</i> .....   | 3           |
| Independent Accountants' Report on Compliance with Requirements<br>Applicable to the Major Federal Program, Internal Control Over<br>Compliance in Accordance with OMB Circular A-133, and Schedule of<br>Federal Awards Expenditures ..... | 5           |
| Schedule of Findings .....  | 7           |

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MARION COUNTY

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

| <u>FEDERAL GRANTOR/<br/>Pass Through Grantor<br/>Program Title</u>                                   | Pass Through<br>Entity<br>Number | Federal<br>CFDA<br>Number | Disbursements             | Non-Cash<br>Disbursements |
|--|----------------------------------|---------------------------|---------------------------|---------------------------|
| <b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>   |                                  |                           |                           |                           |
| <i>Passed Through Ohio Department of Education</i>   |                                  |                           |                           |                           |
| Nutrition Cluster:   |                                  |                           |                           |                           |
| Food Donation  | N/A                              | 10.550                    | \$0                       | \$1,240                   |
| School Breakfast Program   | 094375-05PU-02/03                | 10.553                    | 14,451                    | 0                         |
|  | 123745-05PU-02/03                | 10.553                    | 8,310                     | 0                         |
|  | 066126-05PU-02/03                | 10.553                    | 1,213                     | 0                         |
|  |                                  |                           | <u>23,974</u>             | <u>0</u>                  |
| National School Lunch Program  | 094375-LLP4-02/03                | 10.555                    | 21,213                    | 0                         |
|  | 123745-LLP4-02/03                | 10.555                    | 13,944                    | 0                         |
|  | 066126-LLP4-02/03                | 10.555                    | 1,870                     | 0                         |
|  |                                  |                           | <u>37,027</u>             | <u>0</u>                  |
| <b>Total U.S. Department of Agriculture - Nutrition Cluster</b>                                      |                                  |                           | <b><u>61,001</u></b>      | <b><u>1,240</u></b>       |
| <b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>                                       |                                  |                           |                           |                           |
| <i>Passed Through Ohio Department of Development</i>   |                                  |                           |                           |                           |
| Community Development Block Grants - State's Program   | B-F-01-047-1                     | 14.228                    | 84,864                    | 0                         |
|  | B-F-02-047-1                     | 14.228                    | 84,271                    | 0                         |
| <b>Total U.S. Department of Housing and Urban Development</b>  |                                  |                           | <b><u>169,135</u></b>     | <b><u>0</u></b>           |
| <b><u>U.S. DEPARTMENT OF JUSTICE</u></b>   |                                  |                           |                           |                           |
| <i>Passed Through State Office of Criminal Justice Services</i>                                      |                                  |                           |                           |                           |
| Local Law Enforcement Block Grants Program   | 02-LBVX-6780                     | 16.592                    | 10,577                    | 0                         |
| <b>Total U.S. Department of Justice</b>  |                                  |                           | <b><u>10,577</u></b>      | <b><u>0</u></b>           |
| <b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>   |                                  |                           |                           |                           |
| <i>Passed Through Ohio Department of Public Safety</i>   |                                  |                           |                           |                           |
| State Domestic Preparedness Equipment Support Program  | 2002-TE-CX-0049                  | 97.004                    | 36,445                    | 0                         |
|  | 2002-TE-CX-0106                  | 97.004                    | 84,277                    | 0                         |
| <b>Total U.S. Department of Homeland Security</b>  |                                  |                           | <b><u>120,722</u></b>     | <b><u>0</u></b>           |
| <b><u>U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY</u></b>   |                                  |                           |                           |                           |
| <i>Passed Through Ohio Department of Public Safety</i>   |                                  |                           |                           |                           |
| Emergency Management Assistance Program  | EMC-2003-GR-7006                 | 83.552                    | 22,273                    | 0                         |
| <b>Total U.S. Federal Emergency Management Agency</b>  |                                  |                           | <b><u>22,273</u></b>      | <b><u>0</u></b>           |
| <b><u>U.S. DEPARTMENT OF EDUCATION</u></b>   |                                  |                           |                           |                           |
| <i>Passed Through Ohio Department of Education</i>   |                                  |                           |                           |                           |
| Special Education Cluster  |                                  |                           |                           |                           |
| Special Education Grants to State  | 066126-6B-SF-03P                 | 84.027                    | 53,984                    | 0                         |
| Special Education Preschool Grant  | 066126-PG-SI-03P                 | 84.173                    | 24,744                    | 0                         |
| Total Special Education Cluster  |                                  |                           | <u>78,728</u>             | <u>0</u>                  |
| Innovative Education Program Strategies  | 066126-C2-S1-03                  | 84.298                    | 1,191                     | 0                         |
| <b>Total U.S. Department of Education</b>  |                                  |                           | <b><u>79,919</u></b>      | <b><u>0</u></b>           |
| <b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>   |                                  |                           |                           |                           |
| <i>Passed Through Ohio Department of Aging</i>   |                                  |                           |                           |                           |
| Special Programs for the Aging - Title III, Part B Grants for Supportive Services and Senior Centers | 31-6400076W                      | 93.044                    | 10,251                    | 0                         |
| <i>Passed Through Ohio Department of Jobs and Family Services</i>                                    |                                  |                           |                           |                           |
| Child Welfare Services State Grant   | 31-6400076W                      | 93.645                    | 85,028                    | 0                         |
| <i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>           |                                  |                           |                           |                           |
| Social Services Block Grant  | 31-6400076W                      | 93.667                    | 59,212                    | 0                         |
| Medical Assistance Program   | 31-6400076W                      | 93.778                    | 960,879                   | 0                         |
| <b>Total U.S. Department of Health and Human Services</b>  |                                  |                           | <b><u>1,115,370</u></b>   | <b><u>0</u></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:  |                                  |                           |                           |                           |
| Workforce Investment Act - Adult   | 31-6400076W                      | 17.258                    | 207,144                   | 0                         |
| Workforce Investment Act - Adult Administrative  |                                  |                           | 3,816                     | 0                         |
|  |                                  |                           | <u>210,960</u>            | <u>0</u>                  |
| Workforce Investment Act - Youth   | 31-6400076W                      | 17.259                    | 140,034                   | 0                         |
| Workforce Investment Act - Youth Administrative  |                                  |                           | 8,530                     | 0                         |
|  |                                  |                           | <u>148,564</u>            | <u>0</u>                  |
| Workforce Investment Act - Dislocated Worker   | 31-6400076W                      | 17.260                    | 118,185                   | 0                         |
| Workforce Investment Act - Dislocated Worker Administrative  |                                  |                           | 10,102                    | 0                         |
|  |                                  |                           | <u>128,287</u>            | <u>0</u>                  |
| <b>Total U.S. Department Labor - Workforce Investment Act Cluster</b>                                |                                  |                           | <b><u>487,811</u></b>     | <b><u>0</u></b>           |
| <b>Total Federal Awards Expenditures</b>   |                                  |                           | <b><u>\$2,066,808</u></b> | <b><u>\$1,240</u></b>     |

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

**MARION COUNTY**

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

**NOTE 1--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 2-- COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS**

The County has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The initial loan of this money was recorded as a disbursement in prior years and does not appear on the accompanying Schedule of Federal Awards Expenditures. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property and by a secured interest on equipment and/or other assets. At December 31, 2003, the amount of loans outstanding under this agreement was \$126,181.

**NOTE 3 -- MATCHING REQUIREMENTS**

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



## Auditor of State Betty Montgomery

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

Marion County  
222 West Center Street  
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the basic financial statements of Marion County, Ohio, (the County) as of and for the year ended December 31, 2003, and have issued our report thereon dated June 18, 2004, wherein we noted the County adopted Governmental Accounting Standards Board Statement 34. The financial statements of MARCA Industries, Inc., the discretely presented component unit, were audited by other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of MARCA Industries, Inc., the discretely presented component unit, were audited by other auditors in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards* and, accordingly, this report does not extend to that component unit.

#### Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings as item 2003-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the County in a separate letter dated June 18, 2004.

#### Internal Control Over Financial Reporting

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

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)

However, we noted certain other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to management of the County in a separate letter dated June 18, 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

June 18, 2004





**Auditor of State  
Betty Montgomery**

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

Marion County  
222 West Center Street  
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the compliance of Marion County, Ohio, (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2003. The County's major federal program is 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 the major federal program 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.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003.

**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.

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

We have audited the financial statements of the governmental activities, business-type activities, the discretely-presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 18, 2004, wherein we noted the County adopted Governmental Accounting Standards Board Statement 34. The financial statements of MARCA Industries, Inc., the discretely presented component unit, were audited by other auditors. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of 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

June 18, 2004

**MARION 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                                |
| <b>(d)(1)(vi)</b>   | <b>Are there any reportable findings under § .510?</b>  | No   |
| <b>(d)(1)(vii)</b>  | <b>Major Programs (list):</b>   | Medical Assistance Program - CFDA #93.778  |
| <b>(d)(1)(viii)</b> | <b>Dollar Threshold: Type A/B Programs</b>  | Type A: > \$ 300,000<br>Type B: all others |
| <b>(d)(1)(ix)</b>   | <b>Low Risk Auditee?</b>  | Yes  |

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

|                       |          |
|-----------------------|----------|
| <b>Finding Number</b> | 2003-001 |
|-----------------------|----------|

**Finding Repaid Under Audit**

Angela Cichon, Childrens Services Caseworker, resigned November 21, 2003, but was paid for an additional 40 hours through November 28, 2003. As a result, she was overpaid by \$675.20.

On May 6, 2004, Angela Cichon repaid the County the full amount of \$675.20.

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

None





**MARION COUNTY, OHIO**

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

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





**MARION COUNTY, OHIO**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2003*  
*Table of Contents*

| <b>I. INTRODUCTORY SECTION</b>                                     | <b>Page</b> |
|--|-------------|
| Title Page .....   | i           |
| Table of Contents .....  | ii          |
| Transmittal Letter.....  | v           |
| List of Elected and Appointed Officials .....                      | xi          |
| Organizational Chart.....  | xii         |
| Certificate of Achievement.....                                    | xiii        |
| <br><b>II. FINANCIAL SECTION</b>                                   |             |
| Independent Accountants' Report.....                               | 1           |
| Basic Financial Statements:  |             |
| Management's Discussion and Analysis.....                          | 3           |
| Basic Financial Statements   |             |
| Government-Wide Financial Statements:                              |             |
| Statement of Net Assets .....                                      | 12          |
| Statement of Activities.....                                       | 14          |
| Fund Financial Statements:   |             |
| Balance Sheet - Governmental Funds .....                           | 16          |
| Reconciliation of Total Governmental Fund Balances                 |             |
| To Net Assets of Governmental Activities .....                     | 19          |
| Statement of Revenues, Expenditures, and Changes                   |             |
| In Fund Balances - Governmental Funds.....                         | 20          |
| Reconciliation of Statement of Revenues, Expenditures, and Changes |             |
| In Fund Balances of Governmental Funds to                          |             |
| Statement of Activities.....                                       | 22          |
| Statement of Revenues, Expenditures, and Changes                   |             |
| In Fund Balance - Budget (Non-GAAP Basis) and Actual:              |             |
| General Fund.....  | 23          |
| Job and Family Services Fund .....                                 | 24          |
| Motor Vehicle Gasoline Tax Fund.....                               | 25          |
| Children Services Fund.....  | 26          |
| Mental Disabilities Fund.....                                      | 27          |
| Statement of Fund Net Assets - Proprietary Fund .....              | 28          |
| Statement of Revenues, Expenses, and Changes                       |             |
| In Fund Net Assets - Proprietary Fund .....                        | 29          |

**MARION COUNTY, OHIO**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2003*  
*Table of Contents (continued)*

|  |     |
|--|-----|
| Statement of Cash Flows - Proprietary Fund .....                                 | 30  |
| Statement of Fiduciary Assets and Liabilities - Agency Funds .....               | 32  |
| Notes to the Basic Financial Statements .....                                    | 33  |
| Combining Statements and Individual Fund Schedules.....                          | 72  |
| Combining Statements - Nonmajor Governmental Funds                               |     |
| Fund Descriptions .....  | 73  |
| Combining Balance Sheet - Nonmajor Governmental Funds.....                       | 75  |
| Combining Statement of Revenues, Expenditures, and Changes                       |     |
| In Fund Balances - Nonmajor Governmental Funds.....                              | 80  |
| Combining Statements - Fiduciary Funds   |     |
| Fund Descriptions .....  | 86  |
| Combining Statement of Changes in Assets and Liabilities - All Agency Funds..... | 87  |
| Individual Fund Schedules of Revenues, Expenditures/Expenses, and Changes        |     |
| In Fund Balance - Budget (Non-GAAP Basis) and Actual.....                        | 94  |
| Major Funds .....  | 95  |
| Nonmajor Funds.....  | 110 |
| <br><b>III. STATISTICAL SECTION</b>  |     |
| Governmental Fund Expenditures by Function - Last Ten Years.....                 | S2  |
| Governmental Fund Revenues by Source - Last Ten Years .....                      | S4  |
| Property Tax Levies and Collections - Real and                                   |     |
| Public Utility Taxes - Last Ten Years.....                                       | S6  |
| Assessed and Estimated Actual Value of Taxable Property - Last Ten Years .....   | S8  |
| Property Tax Rates - Direct and Overlapping Governments - Last Ten Years.....    | S10 |
| Principal Property Taxpayers.....  | S12 |
| Special Assessments Billed and Collected - Last Ten Years .....                  | S14 |
| Computation of Legal Debt Margin.....  | S15 |
| Ratio of Net General Bonded Debt to Assessed Value                               |     |
| and Net Bonded Debt Per Capita - Last Three Years .....                          | S16 |



**MARION COUNTY, OHIO**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2003*  
*Table of Contents (continued)*

|  |     |
|--|-----|
| Ratio of Annual Debt Service Expenditures for General<br>Obligation Bonded Debt to Total General Governmental Expenditures - Last Two Years..... | S18 |
| Computation of Direct and Overlapping General Obligation Bonded Debt.....  | S19 |
| Demographic Statistics .....   | S20 |
| Property Value and Construction - Last Ten Years .....   | S21 |
| Ten Largest Employers .....  | S22 |
| Miscellaneous Statistics .....   | S23 |

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# JOSEPH P. CAMPBELL

MARION COUNTY AUDITOR  
MARION COUNTY BUILDING  
222 W. CENTER ST. SUITE 1031  
MARION, OHIO 43302

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Phone (740) 223-4020 ~ Fax (740) 223-4029  
e-mail: [auditor@co.marion.oh.us](mailto:auditor@co.marion.oh.us)  
Web site: [www.co.marion.oh.us/auditor](http://www.co.marion.oh.us/auditor)

June 18, 2004

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

Citizens of Marion County:

It is a privilege to submit to you the 2003 Comprehensive Annual Financial Report (CAFR) for Marion County. I believe this report reflects both careful stewardship of the County's assets and dedicated service by the various departments to the citizens of Marion County. This report conforms to generally accepted accounting principles and provides full and complete disclosure of the financial position and operations of Marion County for the year ended December 31, 2003. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures, rests with the County Auditor's office.

This report is presented in three sections: introductory, financial, and statistical. The introductory section contains a table of contents, a letter of transmittal, a list of elected and appointed officials, an organizational chart, and a copy of the Certificate of Achievement for Excellence in Financial Reporting awarded to Marion County for its 2002 CAFR. The financial section contains the Auditor of State of Ohio's Independent Accountants' Report, the basic financial statements, and relevant supplemental financial statements and schedules for 2003. The statistical section presents social and economic data, financial trends, and the fiscal capacity of Marion County.

## THE COUNTY

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

The County has only those powers conferred upon it by Ohio statutes. The elected three-member Board of County Commissioners functions as both the legislative and executive branch of the County. Each Commissioner serves a term of four years. In addition to the County Auditor, who serves as the chief fiscal officer, there are seven elected administrative officials, each of whom operates independently as set forth by Ohio law. These officials are the Treasurer, Prosecuting Attorney, Clerk of Courts, Coroner, Sheriff, Recorder, and Engineer. All of these officials serve four year terms. The Common Pleas Court Judges, the Family Court Judge, and the Juvenile and Probate Court Judge are elected on a county-wide basis to oversee the County's judicial system. Judges are elected to six year terms.

## REPORTING ENTITY AND SERVICES

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

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

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

## ECONOMIC CONDITION AND OUTLOOK

In 2003, Marion County's economy was in transition as the economy nationwide slowly moved into recovery mode. Industry was in flux with some industry closing and others expanding and training, looking towards the future. Retailers were optimistic about the future with some leaving the Marion market but others expanding in a big way and new ones looking seriously at the Marion market. With new and expanding industry, retailers, and education facilities Marion County's economy stands on the threshold of economic growth.

Construction of a Wal-Mart Super Center began this year with the hopes of opening in 2004. Wal-Mart is expanding its current facility to 207,000 square-feet and adding 200 new jobs. The new center will have a full service grocery, Tire & Lube Express, beauty salon, garden center and seasonal area, and bank branch.

Kroger Company expanded their facility adding a Star Bucks to their already existing pharmacy and gas station.

Giant Eagle announced their move to the Marion market through a development company with plans to start construction in October but site plans took longer than expected so construction has not begun.

Ohio Galvanizing has seen its second fire in two years which destroyed its plant but the company rebuilt to keep the workforce of 40 in Marion.

U. S. Yachiyo Inc. expanded their operation employing 23 new workers. The \$12.7 million investment added 2,156 square feet to the company's existing 122,000 square-foot facility, which makes fuel tanks for Honda of America Manufacturing Inc. The company also donated a \$6,000-a-year five-year scholarship, which is divided equally among the county school districts and Marion Catholic High School, as an investment in Marion's future.

Sypris Technologies Marion LLC, an axle manufacture, moved forward with over a \$9 million expansion in inventory, real estate, and equipment which will create 23 new jobs within the next three years.

Defasco Marion, Inc., with the help of its 89 employees, has earned a QS-9000 certification. This certification opens the door to more business and the company has already recalled 16 employees due to the increase in business. The company's goal, with this certification, is to increase steel tube production from 50,000 tons a year to 150,000 tons a year in the next two years.

Marion Industries, Inc. received a quality award from Honda of America Manufacturing, Inc. The award brings with it more business in 2004. The plant added hydraulic hose manufacturing in the fall, which created about 12 jobs.

H. P. Pelzer Automotive Systems, Inc. has put their plans to move to the Dual Rail Industrial Park on hold because of the nation's lackluster economy.

General Mills finished a multi million-dollar expansion project and is showing no signs of slowing.

Silverline Windows peaked at 800 workers during their busy season and is currently maintaining operations at a stable pace.

Two school districts have completed or will be completing their new facility projects in the near future. The construction of new learning centers and future school facility projects can only serve as a marketing tool and make Marion County more attractive for industry and retailers.

The Ohio State University Marion Campus is looking to become a more traditional college setting. Plans are to add more four-year degree offerings, student housing, and increase campus activities.

Marion County did experience some losses in 2003. J.C. Penny Company, a mall anchor, closed its doors citing low sales in this market. Associated Hygienic Products, a diaper manufacturer, laid off 22 employees because of lower production needs. Fairfield Engineering Company closed its fabrication facility eliminating approximately 42 jobs. Parker Hannifin Corporation, industrial and hydraulic hose manufacture, closed its Marion facility with a loss of over 150 jobs due to consolidation.

## ***MARION COUNTY MAJOR INITIATIVES***

### **Current Year Projects**

The County Commissioners attempted to sell the East Lawn Manor property but were not satisfied with the offer from the lone bidder.

Renovations of the County Annex Building were completed housing the Prosecuting Attorney's Office which doubled their space, eliminated stairs, and made them accessible to the public.

Juvenile Court moved into the County Building along with an extension of the Clerk of Courts Office to complete the Family Court system.

### **Future Projects**

Commissioners have stalled in talks, with two property owners, on the thoroughfare slated to connect Marion Cardington Road and State Route 309 but all parties involved are still communicating.

Barks Road has been approved for an overpass, over the railroad tracks, between State Route 423 and State Route 4 thanks in part to the Marion County Engineer and the State Grant monies.

There is discussion of continuing Marion-Williamsport Road on around the north side of the City of Marion, to connect State Route 95, State Route 309 and US 23, to alleviate some of the downtown truck traffic. This connector road would afford the through and industry trucks an alternative route and also avoid downtown stop and go traffic.

### Departmental Highlights

Selected for review in the 2003 CAFR are the Marion County Commissioners.

The Marion County Board of Commissioners is made up of three elected officials. Two Commissioners are elected in the presidential election and one in the gubernatorial election. All three Commissioners serve a four-year term and serve as the general administrative body for county government.

The Commissioners' office consists of the County Administrator, Administrative Clerk, Administrative Secretary, Personnel Officer and the Marion County Building Receptionist as well as the maintenance personnel at both the Marion County Building and County Courthouse. The Commissioners appoint department heads for the offices that they have responsibility over including: Sanitary Engineer, Dog Warden and Recycling & Litter Prevention. They also appoint members to an array of community boards and commissions, as well as personally serving on a variety of boards such as Board of Revision, Regional Planning Commission, and the County Records Commission.

Each year, on the second Monday in January, the Board of County Commissioners meets for reorganization. In this meeting one of the Commissioners is elected president of the board and the time and day of the regular meetings are established. The Commissioners must hold a minimum of 50 regular meetings per year and, in order to expedite the county business, meetings are held every Tuesday and Thursday at 9:00 am.

Given specific and limited authority by the state legislature, the Board of County Commissioners holds title to all county property and is the county government's taxing, budgeting, appropriations and purchasing authority. Other responsibilities include hearing and ruling on annexations, approving drainage improvements through the ditch petition process, and establishing water and sewer districts and making improvements.

### FINANCIAL INFORMATION

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

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

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

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

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

### Risk Management

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

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

### Cash Management

The County pools all idle cash to achieve maximum investment efficiency and to enhance accountability. The County Treasurer, as custodian of all County monies, is responsible for all investments. Investment policy is established by the Investment Advisory Board which consists of the County Treasurer, the Chair of the County Commissioners, one other Commissioner chosen by the Chair, and the Clerk of Courts. Ohio law requires the Board to meet every three months. Each year, the Board reviews its written investment policy. Money is deposited in the bank each day in interest bearing accounts by the County Treasurer. Cash surplus is calculated daily; excesses are invested in order to achieve the highest yields in the safest instruments possible. During 2003, the County's cash resources were divided among the following types of deposits and investments: non-negotiable certificates of deposit, Scioto Conservancy District notes, a manuscript note, and STAROhio, an investment pool operated by the Ohio State Treasurer. Although the majority of the County's deposits are defined as uninsured or uncollateralized, these deposits are covered by collateral in single institution collateral pools as specified by the Ohio Revised Code. Interest earned on investments is credited to the general fund, except as stipulated by State statute, grant requirements, or debt related restrictions.

## INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered by Betty Montgomery, Auditor of State, with respect to the basic financial statements of the County as of and for the year ended December 31, 2003. As part of the annual preparation of a CAFR, the County subjects all the financial statements to an annual independent audit. This annual audit arrangement serves to strengthen the County's accounting, budgetary, and internal control of financial and operational systems.

## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Marion County for its comprehensive annual financial report for the year ended December 31, 2002.

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

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

## ACKNOWLEDGMENTS

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

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

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

Respectfully submitted,



Joseph P. Campbell  
Marion County Auditor



**MARION COUNTY, OHIO**

*Elected and Appointed Officials*

*December 31, 2003*

COUNTY COMMISSIONERS

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

COUNTY AUDITOR

Joseph P. Campbell

COUNTY TREASURER

Thomas J. Shesky

COUNTY PROSECUTING ATTORNEY

Jim Slagle

COMMON PLEAS JUDGE/GENERAL DIVISION

Richard M. Rogers

COMMON PLEAS JUDGE/GENERAL DIVISION

Robert S. Davidson

COMMON PLEAS JUDGE/FAMILY COURT DIVISION

Deborah A. Alspach

PROBATE AND JUVENILE JUDGE

Thomas K. Jenkins

CLERK OF COURTS

Julie M. Kagel

CORONER

Marc Comianos M.D.

SHERIFF

John H. Butterworth

RECORDER

Joanne M. Schmidt

ENGINEER

Bradley K. Irons

AGENCY AND DEPARTMENTS HEADS

COUNTY ADMINISTRATOR

Lenora Mayes

BOARD OF ELECTIONS

Chris Smith

DOG WARDEN

Jane Watts

SANITARY ENGINEER

Roger L. Dietrich

CHILDREN SERVICES

F. Eric Bush

DEPARTMENT OF JOB AND FAMILY SERVICES

Roxane Somerlot

COMMUNITY MENTAL HEALTH

Jodi Demo-Hodgins

MENTAL DISABILITIES

Lee Wedemeyer

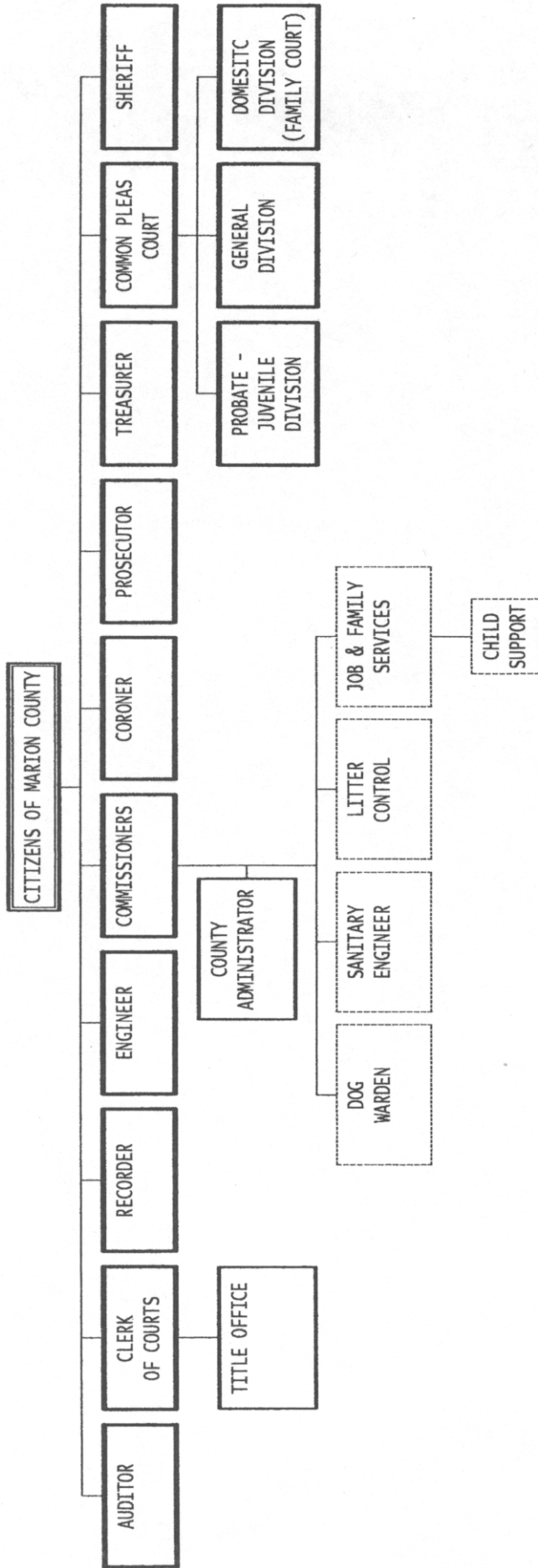
LITTER CONTROL

Don Zeisler

VETERANS SERVICE COMMISSION

Richard Reish

MARION COUNTY, OHIO ORGANIZATIONAL CHART



EX OFFICIO AND APPOINTED BOARDS

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

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

ELECTED OFFICIALS  
COUNTY AGENCIES

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marion County,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 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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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Marion County  
222 West Center Street  
Marion, Ohio 43302

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio, (the County), as of and for the year ended December 31, 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 MARCA Industries, the discretely presented component unit. Other auditors audited those financial statements. They have furnished their report thereon to us, and we base our opinion, insofar as it relates to the amounts included for MARCA Industries, on the report of the other auditors.

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

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Marion County, Ohio, as of December 31, 2003, and the respective changes in financial position and the cash flows, where applicable, and the respective budgetary comparisons for the General, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4, 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 Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 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 have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion 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 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 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.

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

**Betty Montgomery**  
Auditor of State

June 18, 2004

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

The discussion and analysis of Marion County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2003. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2003 are as follows:

In total, the County's net assets decreased \$1,793,560. Although a portion of the depletion of current and other assets can be attributable to the payment of the County's long-term obligation, the County had not had a significant increase in revenues to offset the continuing increase in expenses in order to provide the same amount of services to the community as in the past.

The County has kept the purchase or construction of new capital assets to what is necessary. During 2003, the County Engineer completed bridge and road projects that were mainly financed through motor vehicle and gasoline taxes. The courts purchased a new computer system using moneys that had been set aside in a special revenue fund for that purpose.

The Sheriff's department purchased additional cruisers during 2003 by issuing a loan.

**USING THIS ANNUAL REPORT**

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

The Statement of Net Assets and the Statement of Activities provide information about the activities of the County as a whole, presenting both an aggregate and a longer-term view of the County.

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

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

REPORTING THE COUNTY AS A WHOLE

Statement of Net Assets and Statement of Activities

The Statement of Net Assets and the Statement of Activities reflect how the County did financially during 2003. These statements include all assets and liabilities using the accrual basis of accounting similar to the basis used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the County is divided into two types of activities:

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

REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

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



**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

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

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

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Table 1 provides a summary of the County's net assets for 2003 compared to 2002.

Table 1  
Net Assets

|   | Governmental Activities |              | Business-Type Activities |             | Total        |              |
|---|-------------------------|--------------|--------------------------|-------------|--------------|--------------|
|   | 2003                    | 2002         | 2003                     | 2002        | 2003         | 2002         |
| <u>Assets</u>                                   |                         |              |                          |             |              |              |
| Current and Other Assets                        | \$34,660,550            | \$36,898,729 | \$2,356,026              | \$2,608,388 | \$37,016,576 | \$39,507,117 |
| Capital Assets, Net                             | 50,113,212              | 50,118,043   | 9,518,842                | 9,578,886   | 59,632,054   | 59,696,929   |
| Total Assets                                    | 84,773,762              | 87,016,772   | 11,874,868               | 12,187,274  | 96,648,630   | 99,204,046   |
| <u>Liabilities</u>                              |                         |              |                          |             |              |              |
| Current and Other Liabilities                   | 10,129,928              | 10,329,295   | 60,774                   | 74,209      | 10,190,702   | 10,403,504   |
| Long-Term Liabilities                           | 12,279,978              | 12,720,151   | 3,412,239                | 3,521,120   | 15,692,217   | 16,241,271   |
| Total Liabilities                               | 22,409,906              | 23,049,446   | 3,473,013                | 3,595,329   | 25,882,919   | 26,644,775   |
| <u>Net Assets</u>                               |                         |              |                          |             |              |              |
| Invested in Capital Assets, Net of Related Debt | 39,156,278              | 39,075,688   | 6,143,077                | 6,093,500   | 45,299,355   | 45,169,188   |
| Restricted                                      | 18,559,792              | 19,854,161   | 348,241                  | 0           | 18,908,033   | 19,854,161   |
| Unrestricted                                    | 4,647,786               | 5,037,477    | 1,910,537                | 2,498,445   | 6,558,323    | 7,535,922    |
| Total Net Assets                                | \$62,363,856            | \$63,967,326 | \$8,401,855              | \$8,591,945 | \$70,765,711 | \$72,559,271 |

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

Total assets decreased \$2,555,416 from the spending of cash reserves and depreciating capital assets. Due to the economy, the County has attempted to maintain the services provided to the community, along with not spending any significant amounts of money for capital assets.

The majority of the decrease in total liabilities was from the payment of short and long-term debt, in the amount of \$642,017. The remaining decrease was created from the County's attempt to reduce costs for supplies and repairs.

Restricted net assets for governmental activities decreased by \$1,294,369 from the spending of cash reserves for job and family services and developmental disabilities. Unrestricted net assets decreased also from the continued spending of cash reserves. Invested in capital assets, net of related debt, had a minimal increase from the construction of sewer lines in the business-type activities.

Table 2 reflects the changes in net assets for 2003. Since this is the first year the County has prepared financial statements according to GASB Statement No. 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.

Table 2  
Changes in Net Assets

|   | Governmental<br>Activities | Business-Type<br>Activities | Total       |
|---|----------------------------|-----------------------------|-------------|
|   | 2003                       | 2003                        |             |
| <u>Revenues</u>   |                            |                             |             |
| Program Revenues  |                            |                             |             |
| Charges for Services  | \$5,228,601                | \$1,021,108                 | \$6,249,709 |
| Operating Grants, Contributions,<br>and Interest            | 18,044,777                 | 0                           | 18,044,777  |
| Capital Grants and Contributions                            | 276,307                    | 79,844                      | 356,151     |
| Total Program Revenues                                      | 23,549,685                 | 1,100,952                   | 24,650,637  |
| General Revenues  |                            |                             |             |
| Property Taxes  | 7,662,280                  | 0                           | 7,662,280   |
| Sales Taxes   | 6,171,612                  | 0                           | 6,171,612   |
| Grants and Entitlements not<br>Restricted to Other Programs | 1,677,185                  | 0                           | 1,677,185   |
| Interest  | 827,799                    | 7,020                       | 834,819     |
| Other   | 1,241,178                  | 45,158                      | 1,286,336   |
| Total General Revenues                                      | 17,580,054                 | 52,178                      | 17,632,232  |
| Total Revenues  | 41,129,739                 | 1,153,130                   | 42,282,869  |
|   |                            |                             | Continued   |

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

|                             | Governmental<br>Activities | Business-Type<br>Activities | Total                |
|-----------------------------|----------------------------|-----------------------------|----------------------|
|                             | 2003                       | 2003                        |                      |
| <u>Program Expenses</u>     |                            |                             |                      |
| General Government          |                            |                             |                      |
| Legislative and Executive   | \$6,154,441                | \$0                         | \$6,154,441          |
| Judicial                    | 1,698,069                  | 0                           | 1,698,069            |
| Public Safety               | 8,373,301                  | 0                           | 8,373,301            |
| Public Works                | 4,270,667                  | 0                           | 4,270,667            |
| Health                      | 8,007,742                  | 0                           | 8,007,742            |
| Human Services              | 12,122,494                 | 0                           | 12,122,491           |
| Conservation and Recreation | 15,000                     | 0                           | 15,000               |
| Other                       | 647,380                    | 0                           | 647,380              |
| Intergovernmental           | 903,239                    | 0                           | 903,239              |
| Interest and Fiscal Charges | 540,876                    | 0                           | 540,876              |
| Sewer                       | 0                          | 1,343,220                   | 1,343,220            |
| Total Expenses              | <u>42,733,209</u>          | <u>1,343,220</u>            | <u>44,076,429</u>    |
| Increase in Net Assets      | <u>(\$1,603,470)</u>       | <u>(\$190,090)</u>          | <u>(\$1,793,560)</u> |

Program revenues for governmental activities represented 57 percent of total revenues and almost all of the revenues for business-type activities. Conveyance fees and grants for developmental disabilities, job and family services, children services, motor vehicle license taxes, gasoline taxes, and the courts represents the program revenues for governmental activities.

The major program expense for governmental activities is human services, which includes job and family services, child support enforcement, and children services and accounts for 28 percent of total expenses. Public safety, which includes the sheriff's department accounts for 20 percent of all governmental expenses. Health services, which includes development disabilities, also represents a significant amount of the County's governmental expenses.

The County's business-type activity accounts for sanitary engineer operations. Operating expenses include interest expense on USDA revenue bonds and general obligation bonds that are currently being paid with operating revenues.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

Table 3, indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues. Comparisons to 2002 have not been made since they are not available for this year.

Table 3  
Governmental Activities

|                             | Total Cost of<br>Services<br>2003 | Net Cost of<br>Services<br>2003 |
|-----------------------------|-----------------------------------|---------------------------------|
| General Government          |                                   |                                 |
| Legislative and Executive   | \$6,154,441                       | \$3,839,799                     |
| Judicial                    | 1,698,069                         | 341,194                         |
| Public Safety               | 8,373,301                         | 5,656,870                       |
| Public Works                | 4,270,667                         | 123,382                         |
| Health                      | 8,007,742                         | 4,672,119                       |
| Human Services              | 12,122,494                        | 2,443,665                       |
| Conservation and Recreation | 15,000                            | 15,000                          |
| Other                       | 647,380                           | 647,380                         |
| Intergovernmental           | 903,239                           | 903,239                         |
| Interest and Fiscal Charges | 540,876                           | 540,876                         |
| Total Expenses              | \$42,733,209                      | \$19,183,524                    |

It should be noted that for all governmental activities, over 44 percent of the revenues to provide these services are derived from the County's general revenues; that being primarily sales taxes, property taxes, and State shared revenues. Over 97 percent of public works are funded by charges for services, operating grants, and capital grants. A significant portion of human services and judicial expenses are also funded by charges for services and operating grants.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

The County's major governmental funds are the General Fund, Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities fund. The fund balance of the Motor Vehicle Gasoline Tax fund increased from the receipt of operational grants and subsidies. The General, Job and Family Services, and Mental Disabilities funds decreased significantly from continuing to provide services without a significant increase in revenues.

**BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS**

The County's enterprise fund is the Sewer District fund. As can be seen on the statement of activities, although program revenues have not been sufficient to cover the expenses of the Sewer fund, the cash reserves from prior years continue to be adequate to supply required cash flows.

**BUDGETARY HIGHLIGHTS**

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations ordinance which is effective the first day of January. The County's most significant budgeted fund is the General Fund. The final budget for expenditures increased by 8 percent from the original budget; whereas, the actual expenditures were 2 percent less than the final budget. The increase in the County's original estimate of revenues was an insignificant increase in charges for services. The County's actual revenues in 2003 were 6 percent higher than those in the final estimate with the majority of the variance in sales tax and charges for services.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets - The County's investment in capital assets for governmental and business-type activities as of December 31, 2003, was \$39,156,278 and \$6,143,077, respectively (net of accumulated depreciation and related debt). This investment in capital assets includes land; land improvements; buildings; improvements other than buildings; roads, bridges, culverts, machinery and equipment; and sanitary sewer lines. There was an insignificant change to governmental activities capital assets during the year. In the business-type activities, the sanitary engineer had installed additional sewer lines throughout the County, in the amount of \$259,175. Note 10 to the basic financial statements provides details on the capital asset activity during 2003.

At December 31, 2003, the County had a number of long-term obligations outstanding. These obligations included \$11,944,680 in general obligation bonds, \$208,320 of special assessment bonds, \$681,304 of Issue II loans, \$1,316,800 in USDA revenue bonds, and \$109,916 in vehicle loans. Of these amounts, \$3,375,765 will be repaid from business-type activities.

In addition to the debt outlined above, the County's long-term debt also includes compensated absences. Additional information on the County's long-term debt can be found in Note 17 of this report.

**MARION COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2003  
Unaudited

**CURRENT ISSUES**

In cooperation with the Marion County Commissioners and the Marion County Sheriff's Office, both parties are working through implementing a Cruiser Rotation Replacement Program which would rotate five new cruisers every year. This rotation program insures that no Sheriff cruisers are over five years old and/or 100,000 miles.

The Marion County Commissioners, on the recommendation of the Sanitary Engineer, are implementing expansion of the County's sanitary sewer line 3,850 feet to East Fairground Street. The expansion will serve the existing Industrial properties and allow for other development along East Fairground Street. Sewer service is not currently available on this street by either the City of Marion or Marion County's sewer systems.

Discussions are in progress on the State Route 95 corridor, from US Route 23 to State Route 529, for the beautification of the median, along with controlling the ingress and egress of left turning traffic without the aid of a traffic signal. The City of Marion and Marion County are collaborating with ODOT to enhance the space with greenery and lights.

In the spring of 2004, the Family Court officially opened. State legislation passed a law in 1998 that created an additional judgeship for the County and the judgeship was assigned the Domestic Relations, Juvenile, and Probate jurisdiction; thereby creating one judge to deal with all family issues. The ideal is to provide consistent outcomes for a family involved in the legal process. The Court will handle all divorces, dissolution of marriage cases, child support cases including paternity and enforcement, custody matters, dependency neglect and abuse cases, and all delinquency, unruly, and juvenile traffic cases. New rules and procedures have been developed to handle the caseload and to improve the efficiency of the Court. Court personnel have been cross-trained and programs have been implemented, consolidated, or expanded to provide for the efficient disposition of a case. The legislation also requires the Clerk of Courts to undertake the duties of the Juvenile Court. The Clerk of Courts trained personnel and purchased new software to unify the various computer systems into one cohesive system.

The County Commissioners had required a 5 percent decrease in appropriations in the General Fund for 2002 and a 6 percent decrease for 2003. For 2004, the majority of the General Fund departments took a 7 percent budget cut. The departments not affected by these cuts were the courts which held to the 2003 level, an increased in the clerk of courts due to the additional costs associated with Family Court, and the increased in the Board of Elections for the expenses of the presidential election. The County is continuing to attempt to keep costs down in order to maintain sufficient cash carryover.

**REQUEST FOR INFORMATION**

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

**BASIC  
FINANCIAL  
STATEMENTS**

**Marion County, Ohio**  
Statement of Net Assets  
December 31, 2003

|  | Primary Government      |                          |                     | Component Unit   |
|--|-------------------------|--------------------------|---------------------|------------------|
|  | Governmental Activities | Business-Type Activities | Total               | Marca Industries |
| <b><u>Assets</u></b>                             |                         |                          |                     |                  |
| Equity in Pooled Cash and Cash Equivalents       | \$20,245,175            | \$2,106,317              | \$22,351,492        | \$0              |
| Cash and Cash Equivalents in Segregated Accounts | 23,796                  | 0                        | 23,796              | 42,079           |
| Investments in Segregated Accounts               | 0                       | 0                        | 0                   | 108,620          |
| Accounts Receivable                              | 11,618                  | 248,838                  | 260,456             | 59,737           |
| Sales Taxes Receivable                           | 970,437                 | 0                        | 970,437             | 0                |
| Accrued Interest Receivable                      | 7,954                   | 0                        | 7,954               | 0                |
| Due from Other Governments                       | 4,739,098               | 0                        | 4,739,098           | 0                |
| Internal Balances                                | (871)                   | 871                      | 0                   | 0                |
| Prepaid Items                                    | 0                       | 0                        | 0                   | 4,690            |
| Materials and Supplies Inventory                 | 0                       | 0                        | 0                   | 32,469           |
| Property Taxes Receivable                        | 8,147,964               | 0                        | 8,147,964           | 0                |
| Loans Receivable                                 | 126,181                 | 0                        | 126,181             | 0                |
| Special Assessments Receivable                   | 389,198                 | 0                        | 389,198             | 0                |
| Workers Compensation Deposit                     | 0                       | 0                        | 0                   | 1,000            |
| Nondepreciable Capital Assets                    | 7,612,103               | 177,568                  | 7,789,671           | 0                |
| Depreciable Capital Assets, Net                  | 42,501,109              | 9,341,274                | 51,842,383          | 132,097          |
| <b>Total Assets</b>                              | <b>84,773,762</b>       | <b>11,874,868</b>        | <b>96,648,630</b>   | <b>380,692</b>   |
| <b><u>Liabilities</u></b>                        |                         |                          |                     |                  |
| Accrued Wages Payable                            | 898,023                 | 17,211                   | 915,234             | 35,266           |
| Accounts Payable                                 | 467,715                 | 9,541                    | 477,256             | 3,065            |
| Contracts Payable                                | 6,818                   | 0                        | 6,818               | 0                |
| Due to Component Unit                            | 431                     | 0                        | 431                 | 0                |
| Due to Other Governments                         | 571,756                 | 7,437                    | 579,193             | 0                |
| Accrued Interest Payable                         | 56,207                  | 26,585                   | 82,792              | 0                |
| Notes Payable                                    | 542,777                 | 0                        | 542,777             | 0                |
| Deferred Revenue                                 | 7,586,201               | 0                        | 7,586,201           | 0                |
| Long-Term Liabilities                            |                         |                          |                     |                  |
| Due Within One Year                              | 1,074,376               | 125,024                  | 1,199,400           | 5,260            |
| Due in More Than One Year                        | 11,205,602              | 3,287,215                | 14,492,817          | 37,508           |
| <b>Total Liabilities</b>                         | <b>22,409,906</b>       | <b>3,473,013</b>         | <b>25,882,919</b>   | <b>81,099</b>    |
| <b><u>Net Assets</u></b>                         |                         |                          |                     |                  |
| Invested in Capital Assets, Net of Related Debt  | 39,156,278              | 6,143,077                | 45,299,355          | 132,097          |
| Restricted for:                                  |                         |                          |                     |                  |
| Debt Service                                     | 385,989                 | 348,241                  | 734,230             | 0                |
| Capital Projects                                 | 2,676,668               | 0                        | 2,676,668           | 0                |
| Other Purposes                                   | 15,497,135              | 0                        | 15,497,135          | 0                |
| Unrestricted                                     | 4,647,786               | 1,910,537                | 6,558,323           | 167,496          |
| <b>Total Net Assets</b>                          | <b>\$62,363,856</b>     | <b>\$8,401,855</b>       | <b>\$70,765,711</b> | <b>\$299,593</b> |

See accompanying notes to the basic financial statements



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

|  | Program Revenues    |                         |   |  |
|--|---------------------|-------------------------|---|--|
|  | Expenses            | Charges for<br>Services | Operating Grants,<br>Contributions,<br>and Interest | Capital<br>Grants and<br>Contributions |
| <b><u>Governmental Activities</u></b>  |                     |                         |   |  |
| General Government                     |                     |                         |   |  |
| Legislative and Executive              | \$6,154,441         | \$2,228,818             | \$85,824  | \$0                                    |
| Judicial                               | 1,698,069           | 1,158,754               | 198,121   | 0                                      |
| Public Safety                          | 8,373,301           | 1,083,333               | 1,633,098   | 0                                      |
| Public Works                           | 4,270,667           | 258,452                 | 3,625,279   | 263,554                                |
| Health                                 | 8,007,742           | 187,451                 | 3,148,172   | 0                                      |
| Human Services                         | 12,122,494          | 311,793                 | 9,354,283   | 12,753                                 |
| Conservation and Recreation            | 15,000              | 0                       | 0   | 0                                      |
| Other                                  | 647,380             | 0                       | 0   | 0                                      |
| Intergovernmental                      | 903,239             | 0                       | 0   | 0                                      |
| Interest and Fiscal Charges            | 540,876             | 0                       | 0   | 0                                      |
| Total Governmental Activities          | <u>42,733,209</u>   | <u>5,228,601</u>        | <u>18,044,777</u>                                   | <u>276,307</u>                         |
| <b><u>Business-Type Activities</u></b> |                     |                         |   |  |
| Sewer                                  | 1,343,220           | 1,021,108               | 0   | 79,844                                 |
| Total Primary Government               | <u>\$44,076,429</u> | <u>\$6,249,709</u>      | <u>\$18,044,777</u>                                 | <u>\$356,151</u>                       |
| <b><u>Component Units</u></b>          |                     |                         |   |  |
| Marca Industries                       | <u>\$784,532</u>    | <u>\$550,116</u>        | <u>\$123,624</u>                                    | <u>\$0</u>                             |

**General Revenues**

Property Taxes Levied for:

- General Operating
- Health-Mental Health
- Health-Mental Disabilities
- Human Services-Children Services
- Capital Outlay-Marca Capital
- Capital Outlay-Coliseum

Sales Taxes

Grants and Entitlements not Restricted to Other Programs

Interest

Net Realized and Unrealized Gain on Investments

Other

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year (Restated See Note 4)

Net Assets End of Year

See accompanying notes to the basic financial statements

| Net (Expense) Revenue and Changes in Net Assets |                             |                     |                     |
|---|-----------------------------|---------------------|---------------------|
| Primary Government                              |                             |                     | Component Unit      |
| Governmental<br>Activities                      | Business-Type<br>Activities | Total               | Marca<br>Industries |
| (\$3,839,799)                                   | \$0                         | (\$3,839,799)       | \$0                 |
| (341,194)                                       | 0                           | (341,194)           | 0                   |
| (5,656,870)                                     | 0                           | (5,656,870)         | 0                   |
| (123,382)                                       | 0                           | (123,382)           | 0                   |
| (4,672,119)                                     | 0                           | (4,672,119)         | 0                   |
| (2,443,665)                                     | 0                           | (2,443,665)         | 0                   |
| (15,000)  | 0                           | (15,000)            |                     |
| (647,380)                                       | 0                           | (647,380)           |                     |
| (903,239)                                       | 0                           | (903,239)           | 0                   |
| (540,876)                                       | 0                           | (540,876)           | 0                   |
| (19,183,524)                                    | 0                           | (19,183,524)        | 0                   |
| 0   | (242,268)                   | (242,268)           | 0                   |
| (19,183,524)                                    | (242,268)                   | (19,425,792)        | 0                   |
| 0   | 0                           | 0                   | (110,792)           |
| 2,123,288                                       | 0                           | 2,123,288           | 0                   |
| 594,917   | 0                           | 594,917             | 0                   |
| 2,873,363                                       | 0                           | 2,873,363           | 0                   |
| 1,525,292                                       | 0                           | 1,525,292           | 0                   |
| 304,954   | 0                           | 304,954             | 0                   |
| 240,466   | 0                           | 240,466             | 0                   |
| 6,171,612                                       | 0                           | 6,171,612           | 0                   |
| 1,677,185                                       | 0                           | 1,677,185           | 0                   |
| 827,799   | 7,020                       | 834,819             | 3,276               |
| 0   | 0                           | 0                   | 2,533               |
| 1,241,178                                       | 45,158                      | 1,286,336           | 196                 |
| 17,580,054                                      | 52,178                      | 17,632,232          | 6,005               |
| (1,603,470)                                     | (190,090)                   | (1,793,560)         | (104,787)           |
| 63,967,326                                      | 8,591,945                   | 72,559,271          | 404,380             |
| <u>\$62,363,856</u>                             | <u>\$8,401,855</u>          | <u>\$70,765,711</u> | <u>\$299,593</u>    |

**Marion County, Ohio**  
Balance Sheet  
**Governmental Funds**  
December 31, 2003

|  | General            | Job and Family<br>Services | Motor Vehicle<br>Gasoline Tax |
|--|--------------------|----------------------------|-------------------------------|
| <b><u>Assets</u></b>                             |                    |                            |                               |
| Equity in Pooled Cash and Cash Equivalents       | \$3,995,138        | \$315,953                  | \$747,158                     |
| Cash and Cash Equivalents in Segregated Accounts | 0                  | 0                          | 0                             |
| Accounts Receivable                              | 1,201              | 0                          | 3,649                         |
| Sales Taxes Receivable                           | 970,437            | 0                          | 0                             |
| Accrued Interest Receivable                      | 7,954              | 0                          | 0                             |
| Due from Other Governments                       | 884,984            | 0                          | 1,709,309                     |
| Interfund Receivable                             | 309,859            | 18,127                     | 0                             |
| Property Taxes Receivable                        | 2,260,768          | 0                          | 0                             |
| Loans Receivable                                 | 0                  | 0                          | 0                             |
| Special Assessments Receivable                   | 0                  | 0                          | 0                             |
| Total Assets                                     | <u>\$8,430,341</u> | <u>\$334,080</u>           | <u>\$2,460,116</u>            |
| <b><u>Liabilities and Fund Balances</u></b>      |                    |                            |                               |
| <b><u>Liabilities</u></b>                        |                    |                            |                               |
| Accrued Wages Payable                            | \$279,408          | \$134,417                  | \$66,020                      |
| Accounts Payable                                 | 98,919             | 47,234                     | 35,255                        |
| Contracts Payable                                | 0                  | 0                          | 0                             |
| Due to Component Unit                            | 0                  | 0                          | 0                             |
| Due to Other Governments                         | 161,232            | 97,303                     | 78,639                        |
| Interfund Payable                                | 478                | 450                        | 0                             |
| Accrued Interest Payable                         | 0                  | 0                          | 0                             |
| Notes Payable                                    | 0                  | 0                          | 0                             |
| Deferred Revenue                                 | 3,518,180          | 0                          | 1,471,836                     |
| Total Liabilities                                | <u>4,058,217</u>   | <u>279,404</u>             | <u>1,651,750</u>              |
| <b><u>Fund Balances</u></b>                      |                    |                            |                               |
| Reserved for Encumbrances                        | 298,446            | 48,176                     | 49,512                        |
| Reserved for Loans Receivable                    | 0                  | 0                          | 0                             |
| Unreserved, Reported in                          |                    |                            |                               |
| General Fund                                     | 4,073,678          | 0                          | 0                             |
| Special Revenue Funds                            | 0                  | 6,500                      | 758,854                       |
| Debt Service Funds                               | 0                  | 0                          | 0                             |
| Capital Projects Funds                           | 0                  | 0                          | 0                             |
| Total Fund Balances                              | <u>4,372,124</u>   | <u>54,676</u>              | <u>808,366</u>                |
| Total Liabilities and Fund Balances              | <u>\$8,430,341</u> | <u>\$334,080</u>           | <u>\$2,460,116</u>            |

See accompanying notes to the basic financial statements

| Children<br>Services | Mental<br>Disabilities | Other<br>Governmental | Total<br>Governmental<br>Funds |
|----------------------|------------------------|-----------------------|--------------------------------|
| \$4,548,660          | \$4,902,100            | \$5,736,166           | \$20,245,175                   |
| 18,283               | 0                      | 5,513                 | 23,796                         |
| 2,658                | 0                      | 4,110                 | 11,618                         |
| 0                    | 0                      | 0                     | 970,437                        |
| 0                    | 0                      | 0                     | 7,954                          |
| 566,174              | 908,202                | 670,429               | 4,739,098                      |
| 0                    | 0                      | 0                     | 327,986                        |
| 1,620,492            | 3,054,516              | 1,212,188             | 8,147,964                      |
| 0                    | 0                      | 126,181               | 126,181                        |
| 0                    | 0                      | 389,198               | 389,198                        |
| <u>\$6,756,267</u>   | <u>\$8,864,818</u>     | <u>\$8,143,785</u>    | <u>\$34,989,407</u>            |

|                  |                  |                  |                   |
|------------------|------------------|------------------|-------------------|
| \$84,734         | \$225,885        | \$107,559        | \$898,023         |
| 61,183           | 201,907          | 23,217           | 467,715           |
| 0                | 0                | 6,818            | 6,818             |
| 0                | 431              | 0                | 431               |
| 43,339           | 88,361           | 102,882          | 571,756           |
| 0                | 0                | 327,929          | 328,857           |
| 0                | 0                | 11,384           | 11,384            |
| 0                | 0                | 542,777          | 542,777           |
| <u>2,182,331</u> | <u>3,645,700</u> | <u>2,074,601</u> | <u>12,892,648</u> |

|                  |                  |                  |                   |
|------------------|------------------|------------------|-------------------|
| <u>2,371,587</u> | <u>4,162,284</u> | <u>3,197,167</u> | <u>15,720,409</u> |
|------------------|------------------|------------------|-------------------|

|                    |                    |                    |                     |
|--------------------|--------------------|--------------------|---------------------|
| 62,072             | 1,089,625          | 482,939            | 2,030,770           |
| 0                  | 0                  | 107,019            | 107,019             |
| 0                  | 0                  | 0                  | 4,073,678           |
| 4,322,608          | 3,612,909          | 2,375,009          | 11,075,880          |
| 0                  | 0                  | 385,989            | 385,989             |
| 0                  | 0                  | 1,595,662          | 1,595,662           |
| <u>4,384,680</u>   | <u>4,702,534</u>   | <u>4,946,618</u>   | <u>19,268,998</u>   |
| <u>\$6,756,267</u> | <u>\$8,864,818</u> | <u>\$8,143,785</u> | <u>\$34,989,407</u> |

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

|                                  |              |
|----------------------------------|--------------|
| Total Governmental Fund Balances | \$19,268,998 |
|----------------------------------|--------------|

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

|   |            |
|---|------------|
| Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds. | 50,113,212 |
|---|------------|

|  |           |
|--|-----------|
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds: |           |
| Sales Taxes Receivable   | 524,288   |
| Accrued Interest Receivable  | 7,954     |
| Due from Other Governments   | 3,823,244 |
| Property Taxes Receivable  | 561,763   |
| Special Assessments Receivable   | 389,198   |
|  | 5,306,447 |

|   |              |
|---|--------------|
| Some liabilities are not due and payable in the current period and, therefore, not reported in the funds: |              |
| Accrued Interest Payable  | (44,823)     |
| Compensated Absences Payable  | (1,394,723)  |
| Loans Payable   | (109,916)    |
| Issue II Loans Payable  | (115,339)    |
| General Obligation Bonds Payable  | (10,451,680) |
| Special Assessment Bonds Payable  | (208,320)    |
|   | (12,324,801) |

|                                       |              |
|---------------------------------------|--------------|
| Net Assets of Governmental Activities | \$62,363,856 |
|---------------------------------------|--------------|

See accompanying notes to the basic financial statements

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

|   | General                   | Job and Family<br>Services | Motor Vehicle<br>Gasoline Tax |
|---|---------------------------|----------------------------|-------------------------------|
| <b><u>Revenues</u></b>                                      |                           |                            |                               |
| Property Taxes  | \$2,116,918               | \$0                        | \$0                           |
| Sales Taxes   | 6,173,346                 | 0                          | 0                             |
| Special Assessments   | 0                         | 0                          | 0                             |
| Charges for Services  | 3,023,569                 | 281,696                    | 36,617                        |
| Licenses and Permits  | 5,625                     | 0                          | 0                             |
| Fines and Forfeitures                                       | 161,461                   | 0                          | 25,648                        |
| Intergovernmental   | 1,928,863                 | 5,440,157                  | 3,550,232                     |
| Interest  | 814,741                   | 0                          | 1,789                         |
| Other   | 291,774                   | 15,587                     | 69,916                        |
| Total Revenues  | <u>14,516,297</u>         | <u>5,737,440</u>           | <u>3,684,202</u>              |
| <b><u>Expenditures</u></b>                                  |                           |                            |                               |
| Current   |                           |                            |                               |
| General Government  |                           |                            |                               |
| Legislative and Executive                                   | 4,469,496                 | 0                          | 0                             |
| Judicial  | 1,615,177                 | 0                          | 0                             |
| Public Safety   | 6,373,928                 | 0                          | 0                             |
| Public Works  | 12,918                    | 0                          | 3,304,985                     |
| Health  | 314,430                   | 0                          | 0                             |
| Human Services  | 265,877                   | 6,630,023                  | 0                             |
| Conservation and Recreation                                 | 15,000                    | 0                          | 0                             |
| Other   | 647,380                   | 0                          | 0                             |
| Capital Outlay  | 105,828                   | 0                          | 0                             |
| Intergovernmental   | 222,142                   | 0                          | 0                             |
| Debt Service  |                           |                            |                               |
| Principal Retirement  | 76,558                    | 0                          | 8,849                         |
| Interest and Fiscal Charges                                 | 3,589                     | 0                          | 0                             |
| Total Expenditures  | <u>14,122,323</u>         | <u>6,630,023</u>           | <u>3,313,834</u>              |
| Excess of Revenues Over<br>(Under) Expenditures             | <u>393,974</u>            | <u>(892,583)</u>           | <u>370,368</u>                |
| <b><u>Other Financing Sources (Uses)</u></b>                |                           |                            |                               |
| Proceeds of Loans   | 105,828                   | 0                          | 0                             |
| Transfers - In  | 28,227                    | 243,492                    | 0                             |
| Transfers - Out   | (1,137,693)               | (281,900)                  | (61,842)                      |
| Total Other Financing Sources (Uses)                        | <u>(1,003,638)</u>        | <u>(38,408)</u>            | <u>(61,842)</u>               |
| Net Change in Fund Balances                                 | (609,664)                 | (930,991)                  | 308,526                       |
| Fund Balances at Beginning<br>of Year (Restated See Note 4) | <u>4,981,788</u>          | <u>985,667</u>             | <u>499,840</u>                |
| Fund Balances at End of Year                                | <u><u>\$4,372,124</u></u> | <u><u>\$54,676</u></u>     | <u><u>\$808,366</u></u>       |

See accompanying notes to the basic financial statements



| Children<br>Services | Mental<br>Disabilities | Other<br>Governmental | Total<br>Governmental<br>Funds |
|----------------------|------------------------|-----------------------|--------------------------------|
| \$1,521,361          | \$2,865,641            | \$1,137,323           | \$7,641,243                    |
| 0                    | 0                      | 0                     | 6,173,346                      |
| 0                    | 0                      | 34,869                | 34,869                         |
| 30,097               | 45,450                 | 1,367,792             | 4,785,221                      |
| 0                    | 0                      | 121,211               | 126,836                        |
| 0                    | 0                      | 32,467                | 219,576                        |
| 2,207,403            | 2,817,929              | 3,757,099             | 19,701,683                     |
| 52                   | 0                      | 20,090                | 836,672                        |
| 56,699               | 480,635                | 326,567               | 1,241,178                      |
| <u>3,815,612</u>     | <u>6,209,655</u>       | <u>6,797,418</u>      | <u>40,760,624</u>              |
| 0                    | 0                      | 803,700               | 5,273,196                      |
| 0                    | 0                      | 295,596               | 1,910,773                      |
| 0                    | 0                      | 2,123,757             | 8,497,685                      |
| 0                    | 0                      | 320,244               | 3,638,147                      |
| 0                    | 7,020,791              | 156,678               | 7,491,899                      |
| 3,890,743            | 0                      | 1,324,910             | 12,111,553                     |
| 0                    | 0                      | 0                     | 15,000                         |
| 0                    | 0                      | 0                     | 647,380                        |
| 0                    | 0                      | 2,222,169             | 2,327,997                      |
| 0                    | 0                      | 681,097               | 903,239                        |
| 0                    | 0                      | 416,477               | 501,884                        |
| 0                    | 0                      | 534,188               | 537,777                        |
| <u>3,890,743</u>     | <u>7,020,791</u>       | <u>8,878,816</u>      | <u>43,856,530</u>              |
| <u>(75,131)</u>      | <u>(811,136)</u>       | <u>(2,081,398)</u>    | <u>(3,095,906)</u>             |
| 0                    | 0                      | 0                     | 105,828                        |
| 0                    | 0                      | 1,753,752             | 2,025,471                      |
| 0                    | (125,000)              | (419,036)             | (2,025,471)                    |
| 0                    | (125,000)              | 1,334,716             | 105,828                        |
| (75,131)             | (936,136)              | (746,682)             | (2,990,078)                    |
| <u>4,459,811</u>     | <u>5,638,670</u>       | <u>5,693,300</u>      | <u>22,259,076</u>              |
| <u>\$4,384,680</u>   | <u>\$4,702,534</u>     | <u>\$4,946,618</u>    | <u>\$19,268,998</u>            |

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

Net Change in Fund Balances - Total Governmental Funds (\$2,990,078)

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

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

|   |                    |         |
|---|--------------------|---------|
| Capital Outlay - Construction in Progress   | 268,122            |         |
| Capital Outlay - Depreciable Capital Assets | 1,632,525          |         |
| Depreciable Capital Assets Contributed      | 12,753             |         |
| Depreciation                                | <u>(1,918,231)</u> | (4,831) |

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

|                      |                |         |
|----------------------|----------------|---------|
| Property Taxes       | 21,037         |         |
| Sales Taxes          | (1,734)        |         |
| Special Assessments  | 101,139        |         |
| Charges for Services | (39,040)       |         |
| Intergovernmental    | 277,121        |         |
| Interest             | <u>(2,161)</u> | 356,362 |

Loan proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities.

Loans (105,828)

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

|                                  |               |         |
|----------------------------------|---------------|---------|
| Loans Payable                    | 85,407        |         |
| Issue II Loans Payable           | 16,477        |         |
| General Obligation Bonds Payable | 369,365       |         |
| Special Assessment Bonds Payable | <u>30,635</u> | 501,884 |

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding obligations on the statement of net assets. (3,099)

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

|                              |               |                |
|------------------------------|---------------|----------------|
| Due to Other Governments     | 598,003       |                |
| Compensated Absences Payable | <u>44,117</u> | <u>642,120</u> |

Change in Net Assets of Governmental Activities (\$1,603,470)

See accompanying notes to the basic financial statements

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

|   | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Over (Under) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final              |                    |   |
| <b><u>Revenues</u></b>                          |                    |                    |                    |   |
| Property Taxes                                  | \$2,058,000        | \$2,058,000        | \$2,137,003        | \$79,003                                      |
| Sales Taxes                                     | 6,100,000          | 6,100,000          | 6,217,650          | 117,650                                       |
| Charges for Services                            | 2,438,544          | 2,602,057          | 3,037,529          | 435,472                                       |
| Licenses and Permits                            | 4,750              | 4,750              | 5,575              | 825   |
| Fines and Forfeitures                           | 103,100            | 103,100            | 166,372            | 63,272  |
| Intergovernmental                               | 1,954,120          | 1,954,119          | 1,921,245          | (32,874)                                      |
| Interest  | 755,500            | 755,500            | 744,877            | (10,623)                                      |
| Other   | 186,270            | 186,270            | 302,178            | 115,908                                       |
| <b>Total Revenues</b>                           | <b>13,600,284</b>  | <b>13,763,796</b>  | <b>14,532,429</b>  | <b>768,633</b>                                |
| <b><u>Expenditures</u></b>                      |                    |                    |                    |   |
| Current   |                    |                    |                    |   |
| General Government                              |                    |                    |                    |   |
| Legislative and Executive                       | 4,432,726          | 4,780,213          | 4,690,757          | 89,456  |
| Judicial  | 1,498,940          | 1,635,028          | 1,607,315          | 27,713  |
| Public Safety                                   | 6,201,386          | 6,615,515          | 6,497,508          | 118,007                                       |
| Public Works                                    | 13,100             | 13,100             | 12,918             | 182   |
| Health  | 295,105            | 380,205            | 353,502            | 26,703  |
| Human Services                                  | 257,126            | 267,558            | 263,356            | 4,202   |
| Conservation and Recreation                     | 15,000             | 15,000             | 15,000             | 0   |
| Other   | 569,500            | 662,698            | 662,131            | 567   |
| Capital Outlay                                  | 0                  | 3,987              | 3,987              | 0   |
| Intergovernmental                               | 219,644            | 222,144            | 222,142            | 2   |
| <b>Total Expenditures</b>                       | <b>13,502,527</b>  | <b>14,595,448</b>  | <b>14,328,616</b>  | <b>266,832</b>                                |
| Excess of Revenues Over<br>(Under) Expenditures | 97,757             | (831,652)          | 203,813            | 1,035,465                                     |
| <b><u>Other Financing Sources (Uses)</u></b>    |                    |                    |                    |   |
| Sale of Fixed Assets                            | 5,000              | 5,000              | 0                  | (5,000)                                       |
| Advances - In                                   | 100,000            | 100,000            | 135,606            | 35,606  |
| Advances - Out                                  | (179,316)          | (105,000)          | (105,000)          | 0   |
| Transfers - In                                  | 83,400             | 83,400             | 28,227             | (55,173)                                      |
| Transfers - Out                                 | (1,228,979)        | (1,150,193)        | (1,137,693)        | 12,500  |
| <b>Total Other Financing Sources (Uses)</b>     | <b>(1,219,895)</b> | <b>(1,066,793)</b> | <b>(1,078,860)</b> | <b>(12,067)</b>                               |
| <b>Net Change in Fund Balance</b>               | <b>(1,122,138)</b> | <b>(1,898,445)</b> | <b>(875,047)</b>   | <b>1,023,398</b>                              |
| Fund Balance at Beginning of Year               | 3,782,104          | 3,782,104          | 3,782,104          | 0   |
| Prior Year Encumbrances Appropriated            | 396,504            | 396,504            | 396,504            | 0   |
| <b>Fund Balance at End of Year</b>              | <b>\$3,056,470</b> | <b>\$2,280,163</b> | <b>\$3,303,561</b> | <b>\$1,023,398</b>                            |

See accompanying notes to the basic financial statements

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

|  | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  |   |
| <b><u>Revenues</u></b>                       |                  |                  |                  |   |
| Charges for Services                         | \$226,300        | \$226,300        | \$263,549        | \$37,249                                      |
| Intergovernmental                            | 6,796,590        | 5,483,127        | 5,440,157        | (42,970)                                      |
| Other  | 2,500            | 2,500            | 15,873           | 13,373  |
| <b>Total Revenues</b>                        | <b>7,025,390</b> | <b>5,711,927</b> | <b>5,719,579</b> | <b>7,652</b>                                  |
| <b><u>Expenditures</u></b>                   |                  |                  |                  |   |
| Current                                      |                  |                  |                  |   |
| Human Services                               | 7,207,724        | 6,733,247        | 6,648,235        | 85,012  |
| Excess of Revenues<br>Under Expenditures     | (182,334)        | (1,021,320)      | (928,656)        | 92,664  |
| <b><u>Other Financing Sources (Uses)</u></b> |                  |                  |                  |   |
| Transfers - In                               | 243,492          | 243,492          | 243,492          | 0   |
| Transfers - Out                              | (282,300)        | (281,900)        | (281,900)        | 0   |
| <i>Total Other Financing Sources (Uses)</i>  | <i>(38,808)</i>  | <i>(38,408)</i>  | <i>(38,408)</i>  | <i>0</i>                                      |
| Net Change in Fund Balance                   | (221,142)        | (1,059,728)      | (967,064)        | 92,664  |
| Fund Balance at Beginning of Year            | 951,241          | 951,241          | 951,241          | 0   |
| Prior Year Encumbrances Appropriated         | 221,142          | 221,142          | 221,142          | 0   |
| <b>Fund Balance at End of Year</b>           | <b>\$951,241</b> | <b>\$112,655</b> | <b>\$205,319</b> | <b>\$92,664</b>                               |

See accompanying notes to the basic financial statements

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

|   | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Over (Under)</u> |
|---|-------------------------|------------------|------------------|--|
|   | <u>Original</u>         | <u>Final</u>     |                  |  |
| <b><u>Revenues</u></b>                          |                         |                  |                  |  |
| Charges for Services                            | \$20,000                | \$20,000         | \$32,968         | \$12,968   |
| Fines and Forfeitures                           | 25,000                  | 25,000           | 25,921           | 921  |
| Intergovernmental                               | 3,010,000               | 3,010,000        | 3,415,112        | 405,112  |
| Interest  | 5,000                   | 5,000            | 1,995            | (3,005)  |
| Other   | 50,000                  | 50,000           | 69,916           | 19,916   |
| <b>Total Revenues</b>                           | <b>3,110,000</b>        | <b>3,110,000</b> | <b>3,545,912</b> | <b>435,912</b>   |
| <b><u>Expenditures</u></b>                      |                         |                  |                  |  |
| Current   |                         |                  |                  |  |
| Public Works                                    | 3,503,319               | 3,528,238        | 3,343,787        | 184,451  |
| Excess of Revenues Over<br>(Under) Expenditures | (393,319)               | (418,238)        | 202,125          | 620,363  |
| <b><u>Other Financing Uses</u></b>              |                         |                  |                  |  |
| Transfers - Out                                 | (86,762)                | (61,842)         | (61,842)         | 0  |
| <b>Net Change in Fund Balance</b>               | <b>(480,081)</b>        | <b>(480,080)</b> | <b>140,283</b>   | <b>620,363</b>   |
| Fund Balance at Beginning of Year               | 498,609                 | 498,609          | 498,609          | 0  |
| Prior Year Encumbrances Appropriated            | 23,081                  | 23,081           | 23,081           | 0  |
| <b>Fund Balance at End of Year</b>              | <b>\$41,609</b>         | <b>\$41,610</b>  | <b>\$661,973</b> | <b>\$620,363</b>                                       |

See accompanying notes to the basic financial statements

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

|   | Budgeted Amounts |             | Actual      | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------|-------------|-------------|---|
|   | Original         | Final       |             |   |
| <b><u>Revenues</u></b>                          |                  |             |             |   |
| Property Taxes                                  | \$1,525,000      | \$1,525,000 | \$1,542,283 | \$17,283                                      |
| Charges for Services                            | 47,000           | 47,000      | 30,224      | (16,776)                                      |
| Intergovernmental                               | 2,181,050        | 2,181,050   | 2,363,729   | 182,679                                       |
| Other   | 58,000           | 58,000      | 55,439      | (2,561)                                       |
|   | 3,811,050        | 3,811,050   | 3,991,675   | 180,625                                       |
| <b><u>Expenditures</u></b>                      |                  |             |             |   |
| Current   |                  |             |             |   |
| Human Services                                  | 4,749,600        | 4,654,090   | 3,923,130   | 730,960                                       |
|   |                  |             |             |   |
| Excess of Revenues Over<br>(Under) Expenditures | (938,550)        | (843,040)   | 68,545      | 911,585                                       |
| <b><u>Other Financing Uses</u></b>              |                  |             |             |   |
| Transfers - Out                                 | (5,000)          | (5,000)     | 0           | 5,000   |
|   |                  |             |             |   |
| Net Change in Fund Balance                      | (943,550)        | (848,040)   | 68,545      | 916,585                                       |
| Fund Balance at Beginning of Year               | 4,197,377        | 4,197,377   | 4,197,377   | 0   |
| Prior Year Encumbrances Appropriated            | 96,583           | 96,583      | 96,583      | 0   |
|   | \$3,350,410      | \$3,445,920 | \$4,362,505 | \$916,585                                     |

See accompanying notes to the basic financial statements

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

|  | <u>Budgeted Amounts</u> |                    | <u>Actual</u>      | <u>Variance with<br/>Final Budget<br/>Over (Under)</u> |
|--|-------------------------|--------------------|--------------------|--|
|  | <u>Original</u>         | <u>Final</u>       |                    |  |
| <b><u>Revenues</u></b>                   |                         |                    |                    |  |
| Property Taxes                           | \$2,950,000             | \$2,950,000        | \$2,902,052        | (\$47,948)   |
| Charges for Services                     | 1,000                   | 100,000            | 45,450             | (54,550)   |
| Intergovernmental                        | 2,196,670               | 2,196,670          | 2,967,023          | 770,353  |
| Other                                    | 305,000                 | 305,000            | 480,635            | 175,635  |
| <b>Total Revenues</b>                    | <b>5,452,670</b>        | <b>5,551,670</b>   | <b>6,395,160</b>   | <b>843,490</b>   |
| <b><u>Expenditures</u></b>               |                         |                    |                    |  |
| Current                                  |                         |                    |                    |  |
| Health                                   | 10,098,940              | 9,278,409          | 8,139,398          | 1,139,011  |
| Excess of Revenues<br>Under Expenditures | (4,646,270)             | (3,726,739)        | (1,744,238)        | 1,982,501  |
| <b><u>Other Financing Uses</u></b>       |                         |                    |                    |  |
| Transfers - Out                          | 0                       | (125,000)          | (125,000)          | 0  |
| <b>Net Change in Fund Balance</b>        | <b>(4,646,270)</b>      | <b>(3,851,739)</b> | <b>(1,869,238)</b> | <b>1,982,501</b>                                       |
| Fund Balance at Beginning of Year        | 3,842,421               | 3,842,421          | 3,842,421          | 0  |
| Prior Year Encumbrances Appropriated     | 1,513,940               | 1,513,940          | 1,513,940          | 0  |
| <b>Fund Balance at End of Year</b>       | <b>\$710,091</b>        | <b>\$1,504,622</b> | <b>\$3,487,123</b> | <b>\$1,982,501</b>                                     |

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Fund Net Assets  
**Proprietary Fund**  
December 31, 2003

|   | Sewer<br>District |
|---|-------------------|
| <b><u>Assets</u></b>                            |                   |
| <b><u>Current Assets</u></b>                    |                   |
| Equity in Pooled Cash and Cash Equivalents      | \$1,659,791       |
| Accounts Receivable                             | 248,838           |
| Interfund Receivable                            | 871               |
|   | 1,909,500         |
| Total Current Assets                            | 1,909,500         |
| <b><u>Noncurrent Assets</u></b>                 |                   |
| Restricted Assets                               |                   |
| Equity in Pooled Cash and Cash Equivalents      | 446,526           |
| Capital Assets                                  |                   |
| Nondepreciable Capital Assets                   | 177,568           |
| Depreciable Capital Assets, Net                 | 9,341,274         |
|   | 9,965,368         |
| Total Noncurrent Assets                         | 9,965,368         |
| Total Assets                                    | 11,874,868        |
| <b><u>Liabilities</u></b>                       |                   |
| <b><u>Current Liabilities</u></b>               |                   |
| Accrued Wages Payable                           | 17,211            |
| Accounts Payable                                | 9,541             |
| Due to Other Governments                        | 7,437             |
| Issue II Loans Payable                          | 41,621            |
|   | 75,810            |
| Total Current Liabilities                       | 75,810            |
| <b><u>Long-Term Liabilities</u></b>             |                   |
| Liabilities Against Restricted Assets           |                   |
| USDA Revenue Bonds                              | 15,700            |
| GO Bonds Payable                                | 56,000            |
| Accrued Interest Payable                        | 26,585            |
| Compensated Absences Payable                    | 36,474            |
| Issue II Loans Payable                          | 524,344           |
| USDA Revenue Bonds                              | 1,301,100         |
| General Obligation Bonds Payable                | 1,437,000         |
|   | 3,397,203         |
| Total Long-Term Liabilities                     | 3,397,203         |
| Total Liabilities                               | 3,473,013         |
| <b><u>Net Assets</u></b>                        |                   |
| Invested in Capital Assets, Net of Related Debt | 6,143,077         |
| Restricted for Debt Service                     | 348,241           |
| Unrestricted                                    | 1,910,537         |
|   | 8,401,855         |
| Total Net Assets                                | \$8,401,855       |

See accompanying notes to the basic financial statements



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

|  | Sewer<br>District |
|--|-------------------|
| <b><u>Operating Revenues</u></b>                   |                   |
| Charges for Services                               | \$1,021,108       |
| Other  | 45,158            |
| Total Operating Revenues                           | 1,066,266         |
| <b><u>Operating Expenses</u></b>                   |                   |
| Personal Services                                  | 355,858           |
| Fringe Benefits                                    | 75,013            |
| Contractual Services                               | 304,049           |
| Materials and Supplies                             | 84,210            |
| Depreciation                                       | 331,246           |
| Other  | 66,912            |
| Total Operating Expenses                           | 1,217,288         |
| Operating Loss                                     | (151,022)         |
| <b><u>Non-Operating Revenues (Expenses)</u></b>    |                   |
| Interest Income                                    | 7,020             |
| Interest Expense                                   | (125,932)         |
| Total Non-Operating Revenues (Expenses)            | (118,912)         |
| Loss Before Contributions                          | (269,934)         |
| Capital Contributions                              | 79,844            |
| Change in Net Assets                               | (190,090)         |
| Net Assets Beginning of Year (Restated See Note 4) | 8,591,945         |
| Net Assets End of Year                             | \$8,401,855       |

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Cash Flows  
**Proprietary Fund**  
For the Year Ended December 31, 2003

|  | Sewer<br>District |
|--|-------------------|
| <b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b> |                   |
| <b><u>Cash Flows from Operating Activities</u></b>             |                   |
| Cash Received from Customers                                   | \$1,019,588       |
| Cash Received from Other Revenues                              | 45,158            |
| Cash Payments for Personal Services                            | (352,290)         |
| Cash Payments for Fringe Benefits                              | (68,713)          |
| Cash Payments for Contractual Services                         | (326,125)         |
| Cash Payments for Materials and Supplies                       | (53,168)          |
| Cash Payments for Other Expenses                               | (66,912)          |
|  | 197,538           |
| <br>   |                   |
| <b><u>Cash Flows from Capital and Related</u></b>              |                   |
| <b><u>Financing Activities</u></b>                             |                   |
| Cash Received from Other Governments                           | 1,006             |
| Cash Received from Tap In Fees                                 | 78,838            |
| Cash Payments for Acquisition of Fixed Assets                  | (271,202)         |
| Cash Payments for Principal on Issue II Loans                  | (41,621)          |
| Cash Payments for Principal on USDA Revenue Bonds              | (15,000)          |
| Cash Payments for Interest on USDA Revenue Bonds               | (58,266)          |
| Cash Payments for Principal on General Obligation Bonds        | (53,000)          |
| Cash Payments for Interest on General Obligation Bonds         | (68,378)          |
|  | (427,623)         |
| <br>   |                   |
| <b><u>Cash Flows from Investing Activities</u></b>             |                   |
| Interest Revenue   | 7,020             |
|  | 7,020             |
| <br>   |                   |
| Net Decrease in Cash and Cash Equivalents                      | (223,065)         |
| <br>   |                   |
| Cash and Cash Equivalents at Beginning of Year                 | 2,329,382         |
|  | 2,329,382         |
| <br>   |                   |
| Cash and Cash Equivalents at End of Year                       | \$2,106,317       |
|  | \$2,106,317       |

**Marion County, Ohio**  
Statement of Cash Flows  
**Proprietary Fund (continued)**  
For the Year Ended December 31, 2003

|   | Sewer<br>District |
|---|-------------------|
| <b>Reconciliation of Operating Loss<br/>to Net Cash Provided by Operating Activities</b>        |                   |
| Operating Loss  | (\$151,022)       |
| <b>Adjustments to Reconcile Operating Loss<br/>to Net Cash Provided by Operating Activities</b> |                   |
| Depreciation  | 331,246           |
| Changes in Assets and Liabilities:  |                   |
| Increase in Accounts Receivable   | (1,715)           |
| Decrease in Interfund Receivable  | 195               |
| Decrease in Materials<br>and Supplies Inventory   | 30,817            |
| Increase in Accrued Wages Payable   | 2,159             |
| Increase in Accounts Payable  | 225               |
| Decrease in Due to Other Governments  | (15,107)          |
| Increase in Compensated Absences Payable  | 740               |
| Net Cash Provided by Operating Activities   | <b>\$197,538</b>  |

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
Statement of Fiduciary Assets and Liabilities  
**Agency Funds**  
December 31, 2003

|  |                            |
|--|----------------------------|
| <b><u>Assets</u></b>                             |                            |
| Equity in Pooled Cash and Cash Equivalents       | \$7,791,291                |
| Cash and Cash Equivalents in Segregated Accounts | 750,429                    |
| Due from Other Governments                       | 2,844,727                  |
| Property Taxes Receivable                        | 39,092,307                 |
| Special Assessments Receivable                   | <u>1,220,809</u>           |
| <br>   |                            |
| Total Assets                                     | <u><u>\$51,699,563</u></u> |
| <br>   |                            |
| <b><u>Liabilities</u></b>                        |                            |
| Due to Other Governments                         | \$50,266,233               |
| Due to Employees                                 | 1,445                      |
| Undistributed Assets                             | 331,095                    |
| Deposits Held and Due to Others                  | 750,429                    |
| Payroll Withholding                              | <u>350,361</u>             |
| <br>   |                            |
| Total Liabilities                                | <u><u>\$51,699,563</u></u> |

See accompanying notes to the basic financial statements

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 1 - DESCRIPTION OF MARION COUNTY AND THE REPORTING ENTITY**

A. The County

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

B. Reporting Entity

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

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

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

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

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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MARCA Industries is a non-governmental not-for-profit organization which prepares its financial statements in accordance with Financial Accounting Standards Board Statement No. 117 and has a June 30 fiscal year end; therefore, all information pertaining to MARCA is presented as of and for the fiscal year ended June 30, 2003.

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

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

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

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

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

The financial statements of Marion County have been prepared in conformity with generally accepted accounted 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 fund provided they do not conflict with or contradict GASB pronouncements. The County has elected not to apply FASB statements issued after November 30, 1989, to its business-type activity and enterprise fund. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

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

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

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

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

Proprietary Fund

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

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

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are not available to support the County's own programs. The County did not have any trust funds in 2003. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements

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



**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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Fund Financial Statements

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

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

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

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

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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Deferred Revenues

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

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

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

Expenses/Expenditures

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

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

E. Budgetary Process

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

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

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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F. Cash and Investments

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

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

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

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2003 was \$814,741, which includes \$738,738 assigned from other County funds.

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

G. Restricted Assets

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

H. Loans Receivable

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

I. Capital Assets

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

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

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

**J. Interfund Receivables/Payables**

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

**K. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the County's union contracts.

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Net Assets

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

N. Fund Balance Reserves

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

O. Operating Revenues and Expenses

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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P. Capital Contributions

Capital contributions on the proprietary fund financial statements arise from outside contributions of capital assets, from grants, or from outside contributions of resources restricted to capital acquisition and construction.

Q. Interfund Transactions

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in 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.

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence.

S. Estimates

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

**NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

A. Compliance

Expenditures and outstanding encumbrances exceeded appropriations in the Capital Improvement capital projects fund for contractual services by \$21,601.

B. Accountability

The Dog and Kennel, Coliseum Levy, and Administration Building capital projects funds had deficit fund balances, in the amounts of \$46,500, \$141,601, and \$60,639, respectively. The deficit in the Dog and Kennel and Administration Building capital projects funds resulted from advances from the General Fund. The deficits will be alleviated when revenues are received to repay the advances. The deficit in the Coliseum Levy capital projects fund resulted from the requirement to report tax anticipation notes in the fund which received the note proceeds. The deficit will be alleviated when sufficient tax revenues are received to pay the outstanding notes.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 4 - CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND EQUITY**

**A. Changes in Accounting Principles**

For 2003, the County has implemented Governmental Accounting Standards Board (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 and Management's Discussion and Analysis for State and Local Governments: Omnibus"; GASB Statement No. 38, "Certain Financial Statement Note Disclosures"; and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements".

GASB Statement No. 34 creates new basic financial statements for reporting on the County's financial activities. The financial statements include government-wide financial statements prepared on the accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

The government-wide financial statements split the County's programs between governmental activities and business-type activities. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at December 31, 2003, caused by conversion to the full accrual basis of accounting. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from the prior fiscal year.

GASB Statement No. 37 makes certain clarifications regarding escheat property and modifies several provisions of GASB Statement No. 34, including Management's Discussion and Analysis. GASB Statement No. 38 modifies, establishes, and rescinds certain financial statement disclosure requirements.

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.

For 2003, the County has increased the threshold amount for capitalizing assets. The threshold amount was increased from \$1,000 to \$10,000.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

**B. Restatement of Fund Equity**

The restatement due to the implementation of the above statements and interpretation had the following effects on fund equity of the major and nonmajor funds of the County as they were previously reported.

|  | General            | Job and<br>Family<br>Services | Motor<br>Vehicle Gasoline<br>Tax | Children<br>Services |
|--|--------------------|-------------------------------|----------------------------------|----------------------|
| Fund Balance December 31, 2002           | \$5,105,195        | \$964,393                     | \$495,175                        | \$4,357,183          |
| GASB Statement No. 34<br>Adjustments:    |                    |                               |                                  |                      |
| Property Taxes Receivable                | 119,437            | 0                             | 0                                | 83,732               |
| Change in Fund Structure                 | (269,965)          | 0                             | 0                                | 7,911                |
| GASB Interpretation No. 6<br>Adjustment: |                    |                               |                                  |                      |
| Compensated Absences Payable             | 27,121             | 21,274                        | 4,665                            | 10,985               |
| Adjusted Fund Balance                    | <u>\$4,981,788</u> | <u>\$985,667</u>              | <u>\$499,840</u>                 | <u>\$4,459,811</u>   |

|  | Mental<br>Disabilities | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Activities |
|--|------------------------|--------------------------------|-------------------------------------|
| Fund Balance December 31, 2002           | \$5,467,569            | \$5,619,162                    | \$22,008,677                        |
| GASB Statement No. 34<br>Adjustments:    |                        |                                |                                     |
| Property Taxes Receivable                | 158,948                | 63,052                         | 425,169                             |
| Change in Fund Structure                 | 0                      | 0                              | (262,054)                           |
| GASB Interpretation No. 6<br>Adjustment: |                        |                                |                                     |
| Compensated Absences Payable             | 12,153                 | 11,086                         | 87,284                              |
| Adjusted Fund Balance                    | <u>\$5,638,670</u>     | <u>\$5,693,300</u>             | 22,259,076                          |

|  |  |                     |
|--|--|---------------------|
| GASB Statement No. 34<br>Adjustments:                      |  |                     |
| Long-Term (Deferred) Assets                                |  | 4,950,085           |
| Capital Assets   |  | 50,118,043          |
| Due to Other Governments                                   |  | (598,003)           |
| Accrued Interest Payable                                   |  | (41,724)            |
| Compensated Absences Payable                               |  | (1,438,840)         |
| Loans Payable  |  | (89,495)            |
| Issue II Loans Payable                                     |  | (131,816)           |
| General Obligation Bonds Payable                           |  | (10,821,045)        |
| Special Assessment Bonds Payable                           |  | (238,955)           |
| Governmental Activities Net Assets at<br>December 31, 2002 |  | <u>\$63,967,326</u> |



**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

The restatement of the business-type activities:

|  | Sanitary<br>Engineer | County<br>Home | Total<br>Business-Type<br>Activities |
|--|----------------------|----------------|--------------------------------------|
| Fund Equity December 31, 2002            | \$8,648,573          | \$825,033      | \$9,473,606                          |
| Change in Threshold:                     |                      |                |                                      |
| Capital Assets                           | (56,628)             | 0              | (56,628)                             |
| Change in Fund Structure                 | 0                    | (825,033)      | (825,033)                            |
| Adjusted Net Assets<br>December 31, 2002 | \$8,591,945          | \$0            | \$8,591,945                          |

The County Home business-type activity was consolidated with the General Fund for reporting purposes. The change in fund structure relating to the County Home resulted in capital assets being reported in governmental activities and the interfund liability due to the General Fund was eliminated.

**NOTE 5 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - for the General Fund, and the Job and Family Services, Motor Vehicle Gasoline Tax, Children Services, and Mental Disabilities special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

|  | Net Change in Fund Balance |                               |                               |
|--|----------------------------|-------------------------------|-------------------------------|
|  | General                    | Job and<br>Family<br>Services | Motor Vehicle<br>Gasoline Tax |
|  |                            |                               |                               |
| GAAP Basis   | (\$609,664)                | (\$930,991)                   | \$308,526                     |
| <u>Increases (Decreases) Due To</u>                    |                            |                               |                               |
| Revenue Accruals:                                      |                            |                               |                               |
| Accrued 2002, Received<br>in Cash 2003                 | 709,766                    | 1,893                         | 102,293                       |
| Accrued 2003, Not Yet<br>Received in Cash              | (634,273)                  | (18,127)                      | (241,122)                     |
| Expenditure Accruals:                                  |                            |                               |                               |
| Accrued 2002, Paid<br>in Cash 2003                     | (439,180)                  | (188,608)                     | (125,100)                     |
| Accrued 2003, Not Yet<br>Paid in Cash                  | 540,037                    | 279,404                       | 179,914                       |
| Cash Adjustments:                                      |                            |                               |                               |
| Unrecorded Activity 2002                               | 212,282                    | 0                             | 957                           |
| Unrecorded Activity 2003                               | (271,616)                  | (1,626)                       | (418)                         |
| Advances - In  | 135,606                    | 0                             | 0                             |
| Advances - Out   | (105,000)                  | 0                             | 0                             |
| Encumbrances Outstanding at<br>Year End (Budget Basis) | (413,005)                  | (109,009)                     | (84,767)                      |
| Budget Basis   | (\$875,047)                | (\$967,064)                   | \$140,283                     |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

Net Change in Fund Balance

|  | Children<br>Services | Mental<br>Disabilities |
|--|----------------------|------------------------|
| GAAP Basis   | (\$75,131)           | (\$936,136)            |
| <u>Increases (Decreases) Due To</u>                    |                      |                        |
| Revenue Accruals:                                      |                      |                        |
| Accrued 2002, Received<br>In Cash 2003                 | 162,548              | 466,025                |
| Accrued 2003, Not Yet<br>Received in Cash              | (6,993)              | (317,018)              |
| Expenditure Accruals:                                  |                      |                        |
| Accrued 2002, Paid<br>In Cash 2003                     | (100,189)            | (342,751)              |
| Accrued 2003, Not Yet<br>Paid in Cash                  | 189,256              | 516,584                |
| Cash Adjustments:                                      |                      |                        |
| Unrecorded Activity 2002                               | 83,732               | 159,035                |
| Unrecorded Activity 2003                               | (62,810)             | (122,537)              |
| Nonbudgeted Activity                                   | 1,477                | 0                      |
| Encumbrances Outstanding at<br>Year End (Budget Basis) | (123,345)            | (1,292,440)            |
| Budget Basis   | \$68,545             | (\$1,869,238)          |

**NOTE 6 - DEPOSITS AND INVESTMENTS**

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit, or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio);
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), or cash, or both securities and cash, equal value for equal value; and
9. High grade commercial paper, and bankers acceptances for a period not to exceed one hundred eighty days, the total of which may not exceed 25 percent of the County's total portfolio.

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

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

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

At year end, the County had \$94,909 undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

At year end, the carrying amount of the County's deposits was \$28,884,748 and the bank balance was \$29,952,454. Of the bank balance \$1,067,214 was covered by federal depository insurance. The remaining amounts were uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

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

|                                   | Category 3 | Fair Value  |
|-----------------------------------|------------|-------------|
| Scioto Conservancy District Notes | \$35,000   | \$35,000    |
| Manuscript Notes                  | 262,777    | 262,777     |
|                                   | \$297,777  | 297,777     |
| STAROhio                          |            | 1,639,574   |
|                                   |            | \$1,937,351 |

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

|  | Cash and Cash<br>Equivalents/Deposits | Investments |
|--|---------------------------------------|-------------|
| GASB Statement No. 9                       | \$30,917,008                          | \$0         |
| Cash on Hand                               | (94,909)                              | 0           |
| Investments of the Cash<br>Management Pool |                                       |             |
| Scioto Conservancy District Notes          | (35,000)                              | 35,000      |
| Manuscript Notes                           | (262,777)                             | 262,777     |
| STAROhio                                   | (1,639,574)                           | 1,639,574   |
| GASB Statement No. 3                       | \$28,884,748                          | \$1,937,351 |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2003, consisted of accounts (billings for user charged services); sales taxes; accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; interfund; property taxes; loans; and special assessments. All receivables are considered collectible in full and within one year, except for loans and special assessments. Special assessments, in the amount of \$177,685, will not be received within one year. Delinquent special assessments were \$14,466.

Loans receivable represent low interest loans for development projects granted to eligible County businesses under the Federal Community Block Grant program. The loans have an annual interest rate of 3 to 5 percent and are to be repaid over periods ranging from five to ten years. Principal, in the amount of \$19,162, was repaid during the year. Loans outstanding at December 31, 2003, were \$126,181. Loans receivable, in the amount of \$107,019, will not be received within one year.

A summary of the principal items of intergovernmental receivables follows:

|                                       | Amount    |
|---------------------------------------|-----------|
| Governmental Activities               |           |
| Major Funds                           |           |
| General Fund                          |           |
| Fines and Forfeitures                 | \$7,999   |
| Local Government                      | 660,376   |
| Homestead and Rollback                | 122,932   |
| Grants                                | 43,925    |
| Charges for Services                  | 49,752    |
| Total General Fund                    | 884,984   |
| Motor Vehicle Gasoline Tax Fund       |           |
| Fines                                 | 1,753     |
| Motor Vehicle License Tax             | 945,225   |
| Gasoline Tax                          | 762,331   |
| Total Motor Vehicle Gasoline Tax Fund | 1,709,309 |
| Children Services                     | 0         |
| Homestead and Rollback                | 76,114    |
| Grants                                | 490,060   |
| Total Children Services               | 566,174   |
| Mental Disabilities                   |           |
| Homestead and Rollback                | 149,320   |
| Grants                                | 758,882   |
| Total Mental Disabilities             | 908,202   |
| Total Major Funds                     | 4,068,669 |
|                                       | continued |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

|   | Amount      |
|---|-------------|
| Nonmajor Funds                                    |             |
| Mental Health Homestead and Rollback              | \$29,558    |
| North Central Ohio Rehabilitation Center - Grants | 210,669     |
| Prison Reduction - Grants                         | 126,238     |
| DWI - Fines                                       | 16          |
| Jail Reduction - Grant                            | 18,324      |
| Felony Delinquent Care and Custody - Grants       | 245,573     |
| Litter - Grants                                   | 11,320      |
| Marca Capital - Homestead and Rollback            | 15,217      |
| Coliseum Levy - Homestead and Rollback            | 13,514      |
| Total Nonmajor Funds                              | 670,429     |
| Total Governmental Activities                     | \$4,739,098 |
| <br>Agency Funds                                  |             |
| Motor Vehicle License and Gasoline Tax            | \$565,102   |
| Library Support                                   | 1,208,912   |
| Local Government                                  | 893,450     |
| Auto Tags   | 177,263     |
| Total Agency Funds                                | \$2,844,727 |

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

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

**NOTE 9 - PROPERTY TAXES**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. Real property tax revenues received in 2003 represent the collection of 2002 taxes. Real property taxes received in 2003 were levied after October 1, 2002, on the assessed values as of January 1, 2002, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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Public utility property tax revenues received in 2003 represent the collection of 2002 taxes. Public utility real and tangible personal property taxes received in 2003 became a lien on December 31, 2001, were levied after October 1, 2002, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in 2003 (other than public utility property) represent the collection of 2003 taxes. Tangible personal property taxes received in 2003 were levied after October 1, 2002, on the true value as of December 31, 2002. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 24 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2003, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2003 operations. The portion of the receivable not levied to finance current year operations is offset by a credit to deferred revenue.

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

The full tax rate for all County operations for the year ended December 31, 2003, was \$11.05 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2003 property tax receipts were based are as follows:

| Category                   | Amount                 |
|----------------------------|------------------------|
| Real Property              | \$806,083,640          |
| Public Utility Property    | 61,023,500             |
| Tangible Personal Property | 135,789,841            |
| Total Assessed Value       | <u>\$1,002,896,981</u> |



**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

**NOTE 10 - CAPITAL ASSETS**

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

|  | Balance<br>January 1,<br>2003 | Additions          | Reductions      | Balance<br>December 31,<br>2003 |
|--|-------------------------------|--------------------|-----------------|---------------------------------|
| Governmental Activities:                         |                               |                    |                 |                                 |
| Nondepreciable Capital Assets                    |                               |                    |                 |                                 |
| Land   | \$621,637                     | \$0                | \$0             | \$621,637                       |
| Land Improvements                                | 6,714,266                     | 0                  | 0               | 6,714,266                       |
| Construction in Progress                         | 8,078                         | 268,122            | 0               | 276,200                         |
| Total Nondepreciable Capital Assets              | <u>7,343,981</u>              | <u>268,122</u>     | <u>0</u>        | <u>7,612,103</u>                |
| Depreciable Capital Assets                       |                               |                    |                 |                                 |
| Buildings  | 28,122,427                    | 114,230            | 0               | 28,236,657                      |
| Improvements Other than Buildings                | 1,488,649                     | 137,906            | 0               | 1,626,555                       |
| Roads, Bridges, Culverts, and<br>Traffic Signals | 27,877,428                    | 628,096            | 0               | 28,505,524                      |
| Machinery and Equipment                          | 2,378,296                     | 566,834            | 0               | 2,945,130                       |
| Vehicles   | 2,550,220                     | 198,212            | (34,394)        | 2,714,038                       |
| Total Depreciable Capital Assets                 | <u>62,417,020</u>             | <u>1,645,278</u>   | <u>(34,394)</u> | <u>64,027,904</u>               |
| Less Accumulated Depreciation for                |                               |                    |                 |                                 |
| Buildings  | (7,333,529)                   | (752,105)          | 0               | (8,085,634)                     |
| Improvements Other than Buildings                | (833,812)                     | (145,231)          | 0               | (979,043)                       |
| Roads, Bridges, Culverts, and<br>Traffic Signals | (8,130,966)                   | (677,377)          | 0               | (8,808,343)                     |
| Machinery and Equipment                          | (1,592,465)                   | (142,288)          | 0               | (1,734,753)                     |
| Vehicles   | (1,752,186)                   | (201,230)          | 34,394          | (1,919,022)                     |
| Total Accumulated Depreciation                   | <u>(19,642,958)</u>           | <u>(1,918,231)</u> | <u>34,394</u>   | <u>(21,526,795)</u>             |
| Total Depreciable Capital Assets, Net            | <u>42,774,062</u>             | <u>(272,953)</u>   | <u>0</u>        | <u>42,501,109</u>               |
| Governmental Activities Capital Assets, Net      | <u>\$50,118,043</u>           | <u>(\$4,831)</u>   | <u>\$0</u>      | <u>\$50,113,212</u>             |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

|  | Balance<br>January 1,<br>2003 | Additions  | Reductions | Balance<br>December 31,<br>2003 |
|--|-------------------------------|------------|------------|---------------------------------|
| Business-Type Activities:                    |                               |            |            |                                 |
| Nondepreciable Capital Assets                |                               |            |            |                                 |
| Land   | \$177,568                     | \$0        | \$0        | \$177,568                       |
| Depreciable Capital Assets                   |                               |            |            |                                 |
| Buildings                                    | 11,111,885                    | 0          | 0          | 11,111,885                      |
| Machinery and Equipment                      | 119,920                       | 12,027     | 0          | 131,947                         |
| Vehicles                                     | 178,692                       | 0          | 0          | 178,692                         |
| Sewer Lines                                  | 2,665,458                     | 259,175    | 0          | 2,924,633                       |
| Total Depreciable Capital Assets             | 14,075,955                    | 271,202    | 0          | 14,347,157                      |
| Less Accumulated Depreciation for            |                               |            |            |                                 |
| Buildings                                    | (4,326,691)                   | (250,803)  | 0          | (4,577,494)                     |
| Machinery and Equipment                      | (78,412)                      | (12,731)   | 0          | (91,143)                        |
| Vehicles                                     | (109,607)                     | (14,403)   | 0          | (124,010)                       |
| Sewer Lines                                  | (159,927)                     | (53,309)   | 0          | (213,236)                       |
| Total Accumulated Depreciation               | (4,674,637)                   | (331,246)  | 0          | (5,005,883)                     |
| Total Depreciable Capital Assets, Net        | 9,401,318                     | (60,044)   | 0          | 9,341,274                       |
| Business-Type Activities Capital Assets, Net | \$9,578,886                   | (\$60,044) | \$0        | \$9,518,842                     |

Depreciation expense was charged to governmental functions as follows:

|  |                    |
|--|--------------------|
| Governmental Activities                              |                    |
| General Government                                   |                    |
| Legislative and Executive                            | \$528,571          |
| Judicial   | 29,529             |
| Public Safety  | 170,274            |
| Public Works   | 817,994            |
| Health   | 225,679            |
| Human Services                                       | 146,184            |
| Total Depreciation Expense - Governmental Activities | <u>\$1,918,231</u> |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 11 - INTERFUND RECEIVABLES/PAYABLES**

At December 31, 2003, the General Fund had an interfund receivable, in the amount of \$450 from Job and Family Services and \$309,409 from other governmental funds to provide cash flow resources until the receipt of grant moneys and for services provided.

The Job and Family Services special revenue fund had an interfund receivable, in the amount of \$18,127, from other governmental funds for services provided.

The Sewer enterprise fund had an interfund receivable, in the amount of \$871, for services provided by the enterprise fund to the General Fund and other governmental funds, in the amount of \$478 and \$393, respectively.

All of the interfund receivables will be paid within one year.

**NOTE 12 - RISK MANAGEMENT**

**A. General Liability**

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

|  |              |
|--|--------------|
| <u>CORSA</u>                               |              |
| Property                                   | \$79,848,064 |
| General Liability                          | 1,000,000    |
| Commercial Crime                           | 1,000,000    |
| Food Stamp (Debit Card System)             | 1,000,000    |
| Boiler and Machinery                       | 5,000,000    |
| Excess Liability                           | 5,000,000    |
| Automobile Liability                       | 1,000,000    |
| Police Professional Liability              | 1,000,000    |
| <br><u>Archer-Meek Weiler Agency, Inc.</u> |              |
| Helicopter Aviation and Liability          | 1,000,000    |

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

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 13 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

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

OPERS provides retirement, disability, survivor, and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

For the year ended December 31, 2003, members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salary to fund pension obligations. Members participating in the traditional plan, who were in law enforcement, contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The County's contribution rate for pension benefits for 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 contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2003, 2002, and 2001 were \$1,668,614, \$1,647,384, and \$1,848,901, respectively; 92 percent has been contributed for 2003 and 100 percent has been contributed for 2002 and 2001. The unpaid contribution for 2003 is recorded as a liability. Contributions to the member-directed plan for 2003 were \$19,392 made by the County and \$12,165 made by plan members.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**B. State Teachers Retirement System**

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

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

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

For the year ended December 31, 2003, plan members were required to contribute 9.3 percent of their annual covered salary and the County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers.

The County's required contribution for pension obligations for the DBP for the years ended December 31, 2003, 2002, and 2001 was \$51,626, \$36,744 and \$36,560, respectively; 97 percent has been contributed for fiscal year 2003 and 100 percent has been contributed for fiscal years 2002 and 2001. There were no contributions for the DCP and CP for the fiscal year ended June 30, 2003.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 14 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2003 employer contribution rate was 13.55 percent of covered payroll (16.7 percent for law enforcement and public safety); 5.00 percent was the portion 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 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4 percent annually.

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

The number of active contributing participants in the traditional and combined plans was 364,881. Actual employer contributions for 2003 which were used to fund postemployment benefits was \$964,431. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2002 (the latest information available), was \$10 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$18.7 billion and \$8.7 billion, respectively.

In December 2001, the OPERS 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. The Choices Plan will incorporate a cafeteria approach offering a broader range of health care options. The Choices 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 Choices 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.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**B. State Teachers Retirement System**

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

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. 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 shall be included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 2003, the Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the County, this amount was \$3,995.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2.8 billion at June 30, 2003 (the latest information available). For the fiscal year ended June 30, 2003, net health care costs paid by STRS were \$352,301,000, and STRS had 108,294 eligible benefit recipients.

**NOTE 15 - OTHER BENEFITS**

**A. Compensated Absences**

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

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

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

**B. Health Care Benefits**

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

**NOTE 16 - NOTES PAYABLE**

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

|                        | Balance<br>12/31/2002 | Additions  | Reductions       | Balance<br>12/31/2003 | Within One<br>Year |
|------------------------|-----------------------|------------|------------------|-----------------------|--------------------|
| Capital Projects Funds |                       |            |                  |                       |                    |
| Harding Center 5.34%   | \$272,910             | \$0        | \$10,133         | \$262,777             | \$13,720           |
| Real Estate 4.90%      | 410,000               | 0          | 130,000          | 280,000               | 135,000            |
| Totals                 | <u>\$682,910</u>      | <u>\$0</u> | <u>\$140,133</u> | <u>\$542,777</u>      | <u>\$148,720</u>   |

All of the notes are backed by the full faith and credit of Marion County. The note liability is reflected in the fund which received the proceeds. The notes are issued over a period of years. The Harding Center notes are manuscript notes which will be repaid from revenues received from the Harding Center. The real estate notes are tax anticipation notes which will be repaid from a 0.3 mill tax levy that was passed in 2000.

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

| Year        | Principal        | Interest         |
|-------------|------------------|------------------|
| 2004        | \$148,720        | \$34,163         |
| 2005        | 159,106          | 19,989           |
| 2006        | 12,211           | 12,250           |
| 2007        | 12,879           | 11,582           |
| 2008        | 13,584           | 10,877           |
| 2009 - 2013 | 79,918           | 42,388           |
| 2014 - 2018 | 104,315          | 17,991           |
| 2019        | 12,044           | 187              |
| Total       | <u>\$542,777</u> | <u>\$149,427</u> |



**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

**NOTE 17 - LONG-TERM OBLIGATIONS**

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

|                                 | <u>Original<br/>Issue Date</u> | <u>Interest<br/>Rate</u> | <u>Original<br/>Issue Amount</u> |
|---------------------------------|--------------------------------|--------------------------|----------------------------------|
| <b>General Obligation Bonds</b> |                                |                          |                                  |
| Various Purpose                 | 2001                           | 3 - 5.05%                | \$11,400,000                     |
| USDA Revenue Bonds              | 1999                           | 4.375%                   | 1,377,000                        |
| FMHA General Obligation Bonds   | 1996                           | 4.50%                    | 1,820,000                        |
| <b>Issue II Loans Payable</b>   |                                |                          |                                  |
| Sewer Improvements              | 1996                           | 0%                       | 666,453                          |
| Bridges                         | 1996                           | 0%                       | 247,155                          |
| Sewer South                     | 2000                           | 0%                       | 165,964                          |

The County's long-term obligations activity for the year ended December 31, 2003, was as follows:

|  | <u>Balance<br/>December 31,<br/>2002</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance<br/>December 31,<br/>2003</u> | <u>Due Within<br/>One Year</u> |
|--|--|------------------|-------------------|--|--------------------------------|
| <b><u>Governmental Activities</u></b>  |  |                  |                   |  |                                |
| <b>General Obligation Bonds</b>        |  |                  |                   |  |                                |
| Various General Obligation             | \$10,821,045                             | \$0              | \$369,365         | \$10,451,680                             | \$374,365                      |
| <b>Special Assessment Bonds</b>        |  |                  |                   |  |                                |
| Qu Qua Ditch                           | 238,955                                  | 0                | 30,635            | 208,320                                  | 30,635                         |
| Issue II Loans Payable                 | 131,816                                  | 0                | 16,477            | 115,339                                  | 16,477                         |
| <b>Other Long-Term Obligations</b>     |  |                  |                   |  |                                |
| Vehicle Loans                          | 89,495                                   | 105,828          | 85,407            | 109,916                                  | 74,671                         |
| Compensated Absences Payable           | 1,438,840                                | 72,393           | 116,510           | 1,394,723                                | 578,228                        |
| <b>Total Governmental Activities</b>   | <b>\$12,720,151</b>                      | <b>\$178,221</b> | <b>\$618,394</b>  | <b>\$12,279,978</b>                      | <b>\$1,074,376</b>             |
| <b><u>Business-Type Activities</u></b> |  |                  |                   |  |                                |
| <b>USDA Revenue Bonds</b>              |  |                  |                   |  |                                |
| Sewer Improvement                      | \$1,331,800                              | \$0              | \$15,000          | \$1,316,800                              | \$15,700                       |
| <b>General Obligation Bonds</b>        |  |                  |                   |  |                                |
| Sewer Improvement                      | 1,546,000                                | 0                | 53,000            | 1,493,000                                | 56,000                         |
| Issue II Loans Payable                 | 607,586                                  | 0                | 41,621            | 565,965                                  | 41,621                         |
| Compensated Absences Payable           | 35,734                                   | 740              | 0                 | 36,474                                   | 11,703                         |
| <b>Total Business-Type Activities</b>  | <b>\$3,521,120</b>                       | <b>\$740</b>     | <b>\$109,621</b>  | <b>\$3,412,239</b>                       | <b>\$125,024</b>               |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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Issue II Loans Payable

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

Vehicle Loans

The vehicle loans will be paid from the General Fund and Motor Vehicle Gasoline Tax special revenue fund.

Various Purpose General Obligation and Special Assessment Bonds

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

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

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2013        | \$295,000     |
| 2014        | 310,000       |
| 2015        | 320,000       |
| 2016        | 345,000       |
| 2017        | 355,000       |
| 2018        | 375,000       |
| 2019        | 390,000       |
| 2020        | 410,000       |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2022        | \$455,000     |
| 2023        | 475,000       |
| 2024        | 505,000       |
| 2025        | 525,000       |
| 2026        | 550,000       |
| 2027        | 255,000       |
| 2028        | 265,000       |
| 2029        | 280,000       |
| 2030        | 295,000       |

USDA Revenue Bonds

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

FMHA General Obligation Bonds

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

Compensated Absences Payable

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

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed 1 percent of the total assessed valuation of the County. The Revised Code further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to 3 percent of the first \$100,000,000, plus 1.5 percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.5 percent of such valuation in excess of \$300,000,000.

The effect of the debt limitations described above is an overall debt margin of \$16,798,618 at December 31, 2003.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

| Year      | General Obligation  |                    | Special Assessments |                 | Issue II         |
|-----------|---------------------|--------------------|---------------------|-----------------|------------------|
|           | Principal           | Interest           | Principal           | Interest        | Principal        |
| 2004      | \$374,365           | \$481,274          | \$30,635            | \$7,421         | \$16,477         |
| 2005      | 391,301             | 470,043            | 33,699              | 6,502           | 16,477           |
| 2006      | 401,301             | 457,325            | 33,699              | 5,407           | 16,477           |
| 2007      | 383,237             | 443,280            | 36,762              | 4,228           | 16,477           |
| 2008      | 398,238             | 429,866            | 36,762              | 2,941           | 16,477           |
| 2009-2013 | 1,648,238           | 1,923,617          | 36,763              | 1,471           | 32,954           |
| 2014-2018 | 1,705,000           | 1,561,288          | 0                   | 0               | 0                |
| 2019-2023 | 2,165,000           | 1,091,310          | 0                   | 0               | 0                |
| 2024-2028 | 2,100,000           | 503,738            | 0                   | 0               | 0                |
| 2029-2031 | 885,000             | 90,900             | 0                   | 0               | 0                |
|           | <u>\$10,451,680</u> | <u>\$7,452,641</u> | <u>\$208,320</u>    | <u>\$27,970</u> | <u>\$115,339</u> |

| Loans Payable |                  |                |
|---------------|------------------|----------------|
| Year          | Principal        | Interest       |
| 2004          | \$74,671         | \$5,475        |
| 2005          | 35,245           | 1,868          |
|               | <u>\$109,916</u> | <u>\$7,343</u> |

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

| Year      | USDA Revenue Bonds |                    | General Obligation Bonds |                  | Issue II         |
|-----------|--------------------|--------------------|--------------------------|------------------|------------------|
|           | Principal          | Interest           | Principal                | Interest         | Principal        |
| 2004      | \$15,700           | \$57,610           | \$56,000                 | \$65,925         | \$41,621         |
| 2005      | 16,400             | 56,923             | 58,000                   | 63,360           | 41,621           |
| 2006      | 17,100             | 56,206             | 61,000                   | 60,683           | 41,621           |
| 2007      | 17,900             | 55,458             | 63,000                   | 57,893           | 41,621           |
| 2008      | 18,600             | 54,674             | 67,000                   | 54,968           | 41,621           |
| 2009-2013 | 106,300            | 260,400            | 378,000                  | 226,260          | 208,104          |
| 2014-2018 | 131,600            | 235,025            | 473,000                  | 130,883          | 141,459          |
| 2019-2023 | 162,700            | 203,639            | 337,000                  | 23,198           | 8,297            |
| 2024-2029 | 247,300            | 192,312            | 0                        | 0                | 0                |
| 2030-2034 | 260,600            | 105,748            | 0                        | 0                | 0                |
| 2035-2039 | 322,600            | 43,553             | 0                        | 0                | 0                |
|           | <u>\$1,316,800</u> | <u>\$1,321,548</u> | <u>\$1,493,000</u>       | <u>\$683,170</u> | <u>\$565,965</u> |

Conduit Debt

| Issue                        | Original Amount | Outstanding Balance 12/31/2003 |
|------------------------------|-----------------|--------------------------------|
| Hospital Revenue Bonds       |                 |                                |
| Prior to 1996                | \$263,060,000   | Not Known                      |
| 1996 Hospital Revenue Bonds  | 29,715,000      | \$21,010,000                   |
| Industrial Development Bonds |                 |                                |
| Prior to 1996                | 5,155,000       | Not Known                      |
| Mortgage Revenue Bonds       |                 |                                |
| Hearthside Apartments        | 2,200,000       | 2,190,000                      |

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

**NOTE 18 - INTERFUND TRANSFERS**

During 2003, the following transfers were made:

|              |                          | Transfers Out      |                         |                            |                     |                    | Total              |
|--------------|--------------------------|--------------------|-------------------------|----------------------------|---------------------|--------------------|--------------------|
|              |                          | General            | Job and Family Services | Motor Vehicle Gasoline Tax | Mental Disabilities | Other Governmental |                    |
| Transfers In | General                  | \$0                | \$0                     | \$9,191                    | \$0                 | \$19,036           | \$28,227           |
|              | Job and Family Services  | 243,492            | 0                       | 0                          | 0                   | 0                  | 243,492            |
|              | All Other Governmental   | 894,201            | 281,900                 | 52,651                     | 125,000             | 400,000            | 1,753,752          |
|              | Total Governmental Funds | <u>\$1,137,693</u> | <u>\$281,900</u>        | <u>\$61,842</u>            | <u>\$125,000</u>    | <u>\$419,036</u>   | <u>\$2,025,471</u> |

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

**NOTE 19 - MARCA INDUSTRIES**

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

MARCA Industries prepares its financial statements in accordance with Financial Accounting Standards Board Statement No. 117, "Financial Statements of Not-for-Profit Organizations". Under FASB Statement No. 117, MARCA reports its financial position and activities into three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The preparation of the financial statements requires the use of estimates made by the management.

**Budgetary Data**

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

**Cash and Investments**

MARCA's money is held in segregated accounts. MARCA considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. MARCA's investments as of June 30, 2003, included a certificate of deposit with an interest rate of 2.62 percent. This certificate of deposit will mature within one year of the financial statement date and has been presented as "cash and cash equivalents in segregated accounts" on the statement of net assets.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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MARCA had investments consisting of the following at June 30, 2003:

|  | <u>Fair<br/>Value</u> |
|--|-----------------------|
| Government Securities Income Fund            | \$226                 |
| Growth and Income Funds                      | 38,963                |
| Government Income Fund                       | 17,144                |
| Corporate Bond Fund                          | 16,239                |
| Emerging Growth Trust                        | 2,835                 |
| Federal Home Loan Mortgage Corporation Notes | 16,912                |
| Money Market Asset Funds                     | <u>16,301</u>         |
| Total  | <u>\$108,620</u>      |

Accounts Receivable

A significant portion of MARCA's annual revenues is generated from a limited number of customers located in the Marion area. Accounts receivable subject MARCA to a concentration of credit risk because approximately 82 percent of the accounts receivable at June 30, 2003, were represented by five Marion area business customers.

Contributions

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

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2003, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

Fixed Assets

Additions and improvements to property and equipment are recorded at the original purchase cost or at the fair market value for donated assets. Depreciation is computed using the straight-line method at rates expected to amortize the cost of the assets over their useful lives, which range from ten to twenty-five years for leasehold improvements; from three to five years for used furniture and equipment; three to ten years for new furniture and equipment, and five years for vehicles, computer equipment, and software. A summary of MARCA's fixed assets at June 30, 2003, follows:

|                                   | Balance<br>January 1,<br>2003 | Additions         | Reductions | Balance<br>December 31,<br>2003 |
|-----------------------------------|-------------------------------|-------------------|------------|---------------------------------|
| Depreciable Capital Assets        |                               |                   |            |                                 |
| Property, Plant, and Equipment    | \$406,072                     | \$466             | \$0        | \$406,538                       |
| Improvements                      | 187,915                       | 0                 | 0          | 187,915                         |
| Computer Equipment                | 12,264                        | 1,500             | 0          | 13,764                          |
| Total Depreciable Capital Assets  | <u>606,251</u>                | <u>1,966</u>      | <u>0</u>   | <u>608,217</u>                  |
| Less Accumulated Depreciation for |                               |                   |            |                                 |
| Property, Plant, and Equipment    | (310,589)                     | (30,119)          | 0          | (340,708)                       |
| Improvements                      | (118,084)                     | (7,904)           | 0          | (125,988)                       |
| Computer Equipment                | (7,272)                       | (2,152)           | 0          | (9,424)                         |
| Total Accumulated Depreciation    | <u>(435,945)</u>              | <u>(40,175)</u>   | <u>0</u>   | <u>(476,120)</u>                |
| Capital Assets, Net               | <u>\$170,306</u>              | <u>(\$38,209)</u> | <u>\$0</u> | <u>132,097</u>                  |

Long-Term Obligations

MARCA has an outstanding note, in the amount of \$42,768, which has an interest rate of 3 percent per year. The note is being repaid monthly over twenty-five years, with the last payment due on February 25, 2010. The note is collateralized by MARCA's leasehold improvements, equipment, furniture, inventory, and accounts receivable.

Principal requirements to retire this note are as follows:

| Year      | Notes<br>Payable |
|-----------|------------------|
| 2004      | \$5,260          |
| 2005      | 5,420            |
| 2006      | 5,585            |
| 2007      | 5,755            |
| 2008      | 5,930            |
| 2009-2010 | 14,818           |
| Total     | <u>\$42,768</u>  |



**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Marion County Disaster Services Board**

The Marion County Disaster Services Board (Board) is governed by the County, fifteen townships, seven villages, and one city. Under the authority of Ohio Revised Code Section 5915.06, the five members of the advisory council are appointed as follows: one county commissioner, one township trustee appointed by all of the trustees, one mayor appointed by all of the villages or their appointed designee, one member from the city, and one member appointed by the other four members. The Board does not have any outstanding debt. In 2003, the County paid membership dues of \$3,316 to the operation of the Board. Information can be obtained from the Marion County Disaster Services Board, Don Caprino, 200 South Elm Street, Prospect, Ohio 43342.

**B. Marion County Regional Planning Commission**

The County participates in the Marion County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among the County, the municipalities, and the townships. The Commission makes studies, maps, plans, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services within the County. In 2003, the County paid membership dues of \$58,000 toward the operation of the Commission. Information can be obtained from the Marion County Regional Planning Commission, Ken Lengieza, 222 West Center Street, Marion, Ohio 43302.

**C. Marion County Family and Children First Council**

The Marion County Family and Children First Council (Council) provides services to multi-need youth in Marion County. There are fifteen organizations which are members of the Council, including the County. The operation of the Council is controlled by a board consisting of representatives of the member organizations. Members refer cases to the Council who determines how the case is to be handled. In 2003, the County did not make any contributions to the Council.

**D. Delaware-Knox-Marion-Morrow Joint Solid Waste Management District**

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

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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**NOTE 21 - JOINT VENTURES**

**A. Marion-Crawford Mental Health Board**

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

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

The County cannot significantly influence the operations of the ADAMH Board. The Board has sole budgetary authority and controls surpluses and deficits, and the County is not legally or morally obligated for the Board's debt. In 2003, the County contributed tax revenues of \$672,721 which represents 9.1 percent of total revenues. Financial information can be obtained from the Marion County Auditor, Joseph P. Campbell, 222 West Center Street, Marion, Ohio 43302.

**B. Marion-Hardin Corrections Commission**

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

The Commission has no outstanding debt as of December 31, 2003. The Commission has not accumulated significant financial resources nor is the Commission experiencing fiscal stress that may cause an additional financial benefit to or burden on the County in the future. Financial information can be obtained from the Marion County Auditor, Joseph P. Campbell, 222 West Center Street, Marion, Ohio 43302.

**C. Northland Homes and Properties, Inc.**

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

The housing purchases are financed by State grants that are distributed to each MRDD Board and then to the Corporation. The MRDD Boards also fund the operational costs of the Corporation. The Corporation is not accumulating significant financial resources or experiencing fiscal stress which would cause additional benefit to or burden on the County. During 2003, \$14,000 in contributions was made by the Marion County Board of MRDD to Northland Homes and Properties, Inc. for operational costs.

**Marion County, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2003**

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

**NOTE 22 - INSURANCE POOL**

The County Risk Sharing Authority, Inc., (CORSA) is an Ohio not-for-profit corporation established by forty-six counties for establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA.

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

**NOTE 23 - RELATED PARTY TRANSACTIONS**

During 2003, Marion County provided facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of programs to MARCA Industries. MARCA, a discretely presented component unit of Marion County, reported, at fair value, \$123,624, for such contributions as unrestricted revenues and expenses relating to the vocational purposes of MARCA. Additional habilitative services provided directly to MARCA's clients by the County were \$2,971,377.

In accordance with State statute, the County provided office space for the North Central Educational Service Center, in the amount of \$14,000 in 2003.

**NOTE 24 - CONTINGENT LIABILITIES**

**A. Litigation**

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

**B. Federal and State Grants**

For the period January 1, 2003, to December 31, 2003, the County received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowances, if any, would be immaterial.

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**COMBINING STATEMENTS**  
**AND**  
**INDIVIDUAL FUND SCHEDULES**

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**Marion County, Ohio**  
**Combining Statements - Nonmajor Governmental Funds**

**Nonmajor Special Revenue Funds**

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

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

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

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

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

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

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

**Other** - To account for State, Federal, and local monies used for other governmental expenditures.

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

*continued*

## **Nonmajor Debt Service Fund**

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

## **Nonmajor Capital Projects Funds**

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

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

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

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

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

**Job and Family Fund** - To account for debt proceeds used for building construction.

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

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

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

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

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

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



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

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|-------------------------------------|--|--|
| <b><u>Assets</u></b>                             |   |                                     |  |  |
| Equity in Pooled Cash and Cash Equivalents       | \$2,741,346                             | \$385,989                           | \$2,608,831                              | \$5,736,166                                |
| Cash and Cash Equivalents in Segregated Accounts | 5,513                                   | 0                                   | 0  | 5,513                                      |
| Accounts Receivable                              | 4,110                                   | 0                                   | 0  | 4,110                                      |
| Due from Other Governments                       | 641,698                                 | 0                                   | 28,731                                   | 670,429                                    |
| Property Taxes Receivable                        | 631,773                                 | 0                                   | 580,415                                  | 1,212,188                                  |
| Loans Receivable                                 | 126,181                                 | 0                                   | 0  | 126,181                                    |
| Special Assessments Receivable                   | 132,597                                 | 0                                   | 256,601                                  | 389,198                                    |
|  | <hr/>                                   | <hr/>                               | <hr/>                                    | <hr/>                                      |
| Total Assets                                     | <u>\$4,283,218</u>                      | <u>\$385,989</u>                    | <u>\$3,474,578</u>                       | <u>\$8,143,785</u>                         |
| <b><u>Liabilities</u></b>                        |   |                                     |  |  |
| Accrued Wages Payable                            | \$107,559                               | \$0                                 | \$0                                      | \$107,559                                  |
| Accounts Payable                                 | 12,352                                  | 0                                   | 10,865                                   | 23,217                                     |
| Contracts Payable                                | 0                                       | 0                                   | 6,818                                    | 6,818                                      |
| Due to Other Governments                         | 102,882                                 | 0                                   | 0  | 102,882                                    |
| Interfund Payable                                | 146,072                                 | 0                                   | 181,857                                  | 327,929                                    |
| Accrued Interest Payable                         | 0                                       | 0                                   | 11,384                                   | 11,384                                     |
| Notes Payable                                    | 0                                       | 0                                   | 542,777                                  | 542,777                                    |
| Deferred Revenue                                 | 1,208,854                               | 0                                   | 865,747                                  | 2,074,601                                  |
|  | <hr/>                                   | <hr/>                               | <hr/>                                    | <hr/>                                      |
| Total Liabilities                                | <u>1,577,719</u>                        | <u>0</u>                            | <u>1,619,448</u>                         | <u>3,197,167</u>                           |
| <b><u>Fund Balance</u></b>                       |   |                                     |  |  |
| Reserved for Encumbrances                        | 223,471                                 | 0                                   | 259,468                                  | 482,939                                    |
| Reserved for Loans Receivable                    | 107,019                                 | 0                                   | 0  | 107,019                                    |
| Unreserved, Reported in:                         |   |                                     |  |  |
| Special Revenue Funds                            | 2,375,009                               | 0                                   | 0  | 2,375,009                                  |
| Debt Service Funds                               | 0                                       | 385,989                             | 0  | 385,989                                    |
| Capital Projects Funds                           | 0                                       | 0                                   | 1,595,662                                | 1,595,662                                  |
|  | <hr/>                                   | <hr/>                               | <hr/>                                    | <hr/>                                      |
| Total Fund Balances                              | <u>2,705,499</u>                        | <u>385,989</u>                      | <u>1,855,130</u>                         | <u>4,946,618</u>                           |
|  | <hr/>                                   | <hr/>                               | <hr/>                                    | <hr/>                                      |
| Total Liabilities and Fund Balances              | <u>\$4,283,218</u>                      | <u>\$385,989</u>                    | <u>\$3,474,578</u>                       | <u>\$8,143,785</u>                         |

**Marion County, Ohio**  
Combining Balance Sheet  
**Nonmajor Special Revenue Funds**  
December 31, 2003

|  | Child<br>Support<br>Enforcement | Mental<br>Health | Real Estate<br>Assessment | North Central Ohio<br>Rehabilitation<br>Center |
|--|---------------------------------|------------------|---------------------------|--|
| <b><u>Assets</u></b>                             |                                 |                  |                           |  |
| Equity in Pooled Cash and Cash Equivalents       | \$703,588                       | \$24,454         | \$359,807                 | \$141,459                                      |
| Cash and Cash Equivalents in Segregated Accounts | 0                               | 0                | 0                         | 0  |
| Accounts Receivable                              | 0                               | 0                | 0                         | 4,110  |
| Due from Other Governments                       | 0                               | 29,558           | 0                         | 210,669  |
| Property Taxes Receivable                        | 0                               | 631,773          | 0                         | 0  |
| Loans Receivable                                 | 0                               | 0                | 0                         | 0  |
| Special Assessments Receivable                   | 0                               | 0                | 0                         | 0  |
| Total Assets                                     | <u>\$703,588</u>                | <u>\$685,785</u> | <u>\$359,807</u>          | <u>\$356,238</u>                               |
| <b><u>Liabilities</u></b>                        |                                 |                  |                           |  |
| Accrued Wages Payable                            | \$21,038                        | \$0              | \$9,823                   | \$35,483                                       |
| Accounts Payable                                 | 319                             | 0                | 0                         | 6,543  |
| Due to Other Governments                         | 8,866                           | 0                | 4,374                     | 14,548   |
| Interfund Payable                                | 44,487                          | 0                | 0                         | 392  |
| Deferred Revenue                                 | 0                               | 661,331          | 0                         | 208,690  |
| Total Liabilities                                | <u>74,710</u>                   | <u>661,331</u>   | <u>14,197</u>             | <u>265,656</u>                                 |
| <b><u>Fund Balance</u></b>                       |                                 |                  |                           |  |
| Reserved for Encumbrances                        | 51,359                          | 0                | 69,680                    | 5,650  |
| Reserved for Loans Receivable                    | 0                               | 0                | 0                         | 0  |
| Unreserved                                       | 577,519                         | 24,454           | 275,930                   | 84,932   |
| Total Fund Balances                              | <u>628,878</u>                  | <u>24,454</u>    | <u>345,610</u>            | <u>90,582</u>                                  |
| Total Liabilities and Fund Balances              | <u>\$703,588</u>                | <u>\$685,785</u> | <u>\$359,807</u>          | <u>\$356,238</u>                               |

| Other Public<br>Safety | Other              | Total              |
|------------------------|--------------------|--------------------|
| \$545,526              | \$966,512          | \$2,741,346        |
| 5,513                  | 0                  | 5,513              |
| 0                      | 0                  | 4,110              |
| 390,151                | 11,320             | 641,698            |
| 0                      | 0                  | 631,773            |
| 0                      | 126,181            | 126,181            |
| 0                      | 132,597            | 132,597            |
| <u>\$941,190</u>       | <u>\$1,236,610</u> | <u>\$4,283,218</u> |
| \$22,005               | \$19,210           | \$107,559          |
| 1,704                  | 3,786              | 12,352             |
| 9,097                  | 65,997             | 102,882            |
| 51,915                 | 49,278             | 146,072            |
| 194,916                | 143,917            | 1,208,854          |
| <u>279,637</u>         | <u>282,188</u>     | <u>1,577,719</u>   |
| 16,304                 | 80,478             | 223,471            |
| 0                      | 107,019            | 107,019            |
| 645,249                | 766,925            | 2,375,009          |
| <u>661,553</u>         | <u>954,422</u>     | <u>2,705,499</u>   |
| <u>\$941,190</u>       | <u>\$1,236,610</u> | <u>\$4,283,218</u> |

**Marion County, Ohio**  
Combining Balance Sheet  
**Nonmajor Capital Projects Funds**  
December 31, 2003

|  | <u>Capital<br/>Improvement</u> | <u>Ditch<br/>Drainage</u> | <u>Children Home<br/>Capital</u> | <u>MARCA<br/>Capital</u> |
|--|--------------------------------|---------------------------|----------------------------------|--------------------------|
| <b><u>Assets</u></b>                       |                                |                           |                                  |                          |
| Equity in Pooled Cash and Cash Equivalents | \$591,624                      | \$254,161                 | \$44,722                         | \$559,440                |
| Due from Other Governments                 | 0                              | 0                         | 0                                | 15,217                   |
| Property Taxes Receivable                  | 0                              | 0                         | 0                                | 323,988                  |
| Special Assessments Receivable             | 0                              | 256,601                   | 0                                | 0                        |
| Total Assets                               | <u>\$591,624</u>               | <u>\$510,762</u>          | <u>\$44,722</u>                  | <u>\$898,645</u>         |
| <b><u>Liabilities</u></b>                  |                                |                           |                                  |                          |
| Accounts Payable                           | \$2,487                        | \$0                       | \$0                              | \$8,378                  |
| Contracts Payable                          | 0                              | 0                         | 0                                | 5,330                    |
| Interfund                                  | 6,957                          | 0                         | 0                                | 0                        |
| Accrued Interest Payable                   | 10,241                         | 0                         | 0                                | 0                        |
| Notes Payable                              | 262,777                        | 0                         | 0                                | 0                        |
| Deferred Revenue                           | 0                              | 256,601                   | 0                                | 339,205                  |
| Total Liabilities                          | <u>282,462</u>                 | <u>256,601</u>            | <u>0</u>                         | <u>352,913</u>           |
| <b><u>Fund Balance</u></b>                 |                                |                           |                                  |                          |
| Reserved for Encumbrances                  | 19,646                         | 68,301                    | 0                                | 128,338                  |
| Unreserved (Deficit)                       | 289,516                        | 185,860                   | 44,722                           | 417,394                  |
| Total Fund Balances                        | <u>309,162</u>                 | <u>254,161</u>            | <u>44,722</u>                    | <u>545,732</u>           |
| Total Liabilities and Fund Balances        | <u>\$591,624</u>               | <u>\$510,762</u>          | <u>\$44,722</u>                  | <u>\$898,645</u>         |

| Job and Family   | Issue II         | Justice Center   | Dog and Kennel | Coliseum Levy    | Administration Building | Road Capital    | Total              |
|------------------|------------------|------------------|----------------|------------------|-------------------------|-----------------|--------------------|
| \$178,206        | \$143,577        | \$591,706        | \$0            | \$183,542        | \$23,761                | \$38,092        | \$2,608,831        |
| 0                | 0                | 0                | 0              | 13,514           | 0                       | 0               | 28,731             |
| 0                | 0                | 0                | 0              | 256,427          | 0                       | 0               | 580,415            |
| 0                | 0                | 0                | 0              | 0                | 0                       | 0               | 256,601            |
| <u>\$178,206</u> | <u>\$143,577</u> | <u>\$591,706</u> | <u>\$0</u>     | <u>\$453,483</u> | <u>\$23,761</u>         | <u>\$38,092</u> | <u>\$3,474,578</u> |
| \$0              | \$0              | \$0              | \$0            | \$0              | \$0                     | \$0             | \$10,865           |
| 0                | 0                | 1,488            | 0              | 0                | 0                       | 0               | 6,818              |
| 0                | 0                | 0                | 46,500         | 44,000           | 84,400                  | 0               | 181,857            |
| 0                | 0                | 0                | 0              | 1,143            | 0                       | 0               | 11,384             |
| 0                | 0                | 0                | 0              | 280,000          | 0                       | 0               | 542,777            |
| 0                | 0                | 0                | 0              | 269,941          | 0                       | 0               | 865,747            |
| 0                | 0                | 1,488            | 46,500         | 595,084          | 84,400                  | 0               | 1,619,448          |
| 0                | 0                | 4,600            | 0              | 38,583           | 0                       | 0               | 259,468            |
| 178,206          | 143,577          | 585,618          | (46,500)       | (180,184)        | (60,639)                | 38,092          | 1,595,662          |
| 178,206          | 143,577          | 590,218          | (46,500)       | (141,601)        | (60,639)                | 38,092          | 1,855,130          |
| <u>\$178,206</u> | <u>\$143,577</u> | <u>\$591,706</u> | <u>\$0</u>     | <u>\$453,483</u> | <u>\$23,761</u>         | <u>\$38,092</u> | <u>\$3,474,578</u> |

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

|   | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Funds | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|---|--------------------------------------|--|--|
| <b><u>Revenues</u></b>                          |   |                                      |  |  |
| Property Taxes                                  | \$593,388                               | \$0                                  | \$543,935                                | \$1,137,323                                |
| Special Assessments                             | 4,652                                   | 0                                    | 30,217                                   | 34,869                                     |
| Charges for Services                            | 1,289,015                               | 0                                    | 78,777                                   | 1,367,792                                  |
| Licenses and Permits                            | 121,211                                 | 0                                    | 0  | 121,211                                    |
| Fines and Forfeitures                           | 32,467                                  | 0                                    | 0  | 32,467                                     |
| Intergovernmental                               | 3,531,498                               | 0                                    | 225,601                                  | 3,757,099                                  |
| Interest  | 5,166                                   | 0                                    | 14,924                                   | 20,090                                     |
| Other   | 169,095                                 | 0                                    | 157,472                                  | 326,567                                    |
|   | <u>5,746,492</u>                        | <u>0</u>                             | <u>1,050,926</u>                         | <u>6,797,418</u>                           |
| Total Revenues                                  |   |                                      |  |  |
| <b><u>Expenditures</u></b>                      |   |                                      |  |  |
| Current   |   |                                      |  |  |
| General Government                              |   |                                      |  |  |
| Legislative and Executive                       | 799,665                                 | 0                                    | 4,035                                    | 803,700                                    |
| Judicial  | 295,596                                 | 0                                    | 0  | 295,596                                    |
| Public Safety                                   | 2,123,757                               | 0                                    | 0  | 2,123,757                                  |
| Public Works                                    | 320,244                                 | 0                                    | 0  | 320,244                                    |
| Health  | 156,678                                 | 0                                    | 0  | 156,678                                    |
| Human Services                                  | 1,324,910                               | 0                                    | 0  | 1,324,910                                  |
| Capital Outlay                                  | 0                                       | 0                                    | 2,222,169                                | 2,222,169                                  |
| Intergovernmental                               | 681,097                                 | 0                                    |  | 681,097                                    |
| Debt Service                                    |   |                                      |  |  |
| Principal Retirement                            | 0                                       | 331,477                              | 85,000                                   | 416,477                                    |
| Interest and Fiscal Charges                     | 0                                       | 482,620                              | 51,568                                   | 534,188                                    |
|   | <u>5,701,947</u>                        | <u>814,097</u>                       | <u>2,362,772</u>                         | <u>8,878,816</u>                           |
| Total Expenditures                              |   |                                      |  |  |
| Excess of Revenues Over<br>(Under) Expenditures | 44,545                                  | (814,097)                            | (1,311,846)                              | (2,081,398)                                |
| <b><u>Other Financing Sources (Uses)</u></b>    |   |                                      |  |  |
| Transfers - In                                  | 3,000                                   | 944,721                              | 806,031                                  | 1,753,752                                  |
| Transfers - Out                                 | (419,036)                               | 0                                    | 0  | (419,036)                                  |
|   | <u>(416,036)</u>                        | <u>944,721</u>                       | <u>806,031</u>                           | <u>1,334,716</u>                           |
| Total Other Financing Sources (Uses)            |   |                                      |  |  |
| Net Change in Fund Balances                     | (371,491)                               | 130,624                              | (505,815)                                | (746,682)                                  |
| Fund Balances at Beginning of Year              | 3,076,990                               | 255,365                              | 2,360,945                                | 5,693,300                                  |
| Fund Balances at End of Year                    | <u>\$2,705,499</u>                      | <u>\$385,989</u>                     | <u>\$1,855,130</u>                       | <u>\$4,946,618</u>                         |

**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Special Revenue Funds**  
For the Year Ended December 31, 2003

|   | Child<br>Support<br>Enforcement | Mental<br>Health | Real Estate<br>Assessment | North Central Ohio<br>Rehabilitation<br>Center |
|---|---------------------------------|------------------|---------------------------|--|
| <b><u>Revenues</u></b>                          |                                 |                  |                           |  |
| Property Taxes                                  | \$0                             | \$593,388        | \$0                       | \$0  |
| Special Assessments                             | 0                               | 0                | 0                         | 0  |
| Charges for Services                            | 0                               | 0                | 482,874                   | 0  |
| Licenses and Permits                            | 0                               | 0                | 0                         | 0  |
| Fines and Forfeitures                           | 0                               | 0                | 0                         | 0  |
| Intergovernmental                               | 1,304,867                       | 79,333           | 0                         | 947,680  |
| Interest  | 0                               | 0                | 0                         | 0  |
| Other   | 0                               | 0                | 4,265                     | 31,866   |
| Total Revenues                                  | <u>1,304,867</u>                | <u>672,721</u>   | <u>487,139</u>            | <u>979,546</u>                                 |
| <b><u>Expenditures</u></b>                      |                                 |                  |                           |  |
| Current   |                                 |                  |                           |  |
| General Government                              |                                 |                  |                           |  |
| Legislative and Executive                       | 0                               | 0                | 427,154                   | 0  |
| Judicial  | 0                               | 0                | 0                         | 0  |
| Public Safety                                   | 0                               | 0                | 0                         | 1,071,050                                      |
| Public Works                                    | 0                               | 0                | 0                         | 0  |
| Health  | 0                               | 0                | 0                         | 0  |
| Human Services                                  | 1,313,735                       | 0                | 0                         | 0  |
| Intergovernmental                               | 0                               | 681,097          | 0                         | 0  |
| Total Expenditures                              | <u>1,313,735</u>                | <u>681,097</u>   | <u>427,154</u>            | <u>1,071,050</u>                               |
| Excess of Revenues Over<br>(Under) Expenditures | <u>(8,868)</u>                  | <u>(8,376)</u>   | <u>59,985</u>             | <u>(91,504)</u>                                |
| <b><u>Other Financing Sources (Uses)</u></b>    |                                 |                  |                           |  |
| Transfers - In                                  | 0                               | 0                | 0                         | 0  |
| Transfers - Out                                 | 0                               | 0                | 0                         | 0  |
| Total Other Financing Sources (Uses)            | <u>0</u>                        | <u>0</u>         | <u>0</u>                  | <u>0</u>                                       |
| Net Change in Fund Balances                     | (8,868)                         | (8,376)          | 59,985                    | (91,504)                                       |
| Fund Balances at Beginning of Year              | <u>637,746</u>                  | <u>32,830</u>    | <u>285,625</u>            | <u>182,086</u>                                 |
| Fund Balances at End of Year                    | <u>\$628,878</u>                | <u>\$24,454</u>  | <u>\$345,610</u>          | <u>\$90,582</u>                                |

continued

**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Special Revenue Funds**  
For the Year Ended December 31, 2003

|   | Other Public<br>Safety  | Other                   | Total                     |
|---|-------------------------|-------------------------|---------------------------|
| <b><u>Revenues</u></b>                          |                         |                         |                           |
| Property Taxes                                  | \$0                     | \$0                     | \$593,388                 |
| Special Assessments                             | 0                       | 4,652                   | 4,652                     |
| Charges for Services                            | 53,611                  | 752,530                 | 1,289,015                 |
| Licenses and Permits                            | 0                       | 121,211                 | 121,211                   |
| Fines and Forfeitures                           | 14,004                  | 18,463                  | 32,467                    |
| Intergovernmental                               | 975,257                 | 224,361                 | 3,531,498                 |
| Interest  | 295                     | 4,871                   | 5,166                     |
| Other   | 94,406                  | 38,558                  | 169,095                   |
| Total Revenues                                  | <u>1,137,573</u>        | <u>1,164,646</u>        | <u>5,746,492</u>          |
| <b><u>Expenditures</u></b>                      |                         |                         |                           |
| Current   |                         |                         |                           |
| General Government                              |                         |                         |                           |
| Legislative and Executive                       | 0                       | 372,511                 | 799,665                   |
| Judicial  | 0                       | 295,596                 | 295,596                   |
| Public Safety                                   | 1,052,707               | 0                       | 2,123,757                 |
| Public Works                                    | 0                       | 320,244                 | 320,244                   |
| Health  | 0                       | 156,678                 | 156,678                   |
| Human Services                                  | 0                       | 11,175                  | 1,324,910                 |
| Intergovernmental                               | 0                       | 0                       | 681,097                   |
| Total Expenditures                              | <u>1,052,707</u>        | <u>1,156,204</u>        | <u>5,701,947</u>          |
| Excess of Revenues Over<br>(Under) Expenditures | <u>84,866</u>           | <u>8,442</u>            | <u>44,545</u>             |
| <b><u>Other Financing Sources (Uses)</u></b>    |                         |                         |                           |
| Transfers - In                                  | 3,000                   | 0                       | 3,000                     |
| Transfers - Out                                 | <u>(7,036)</u>          | <u>(412,000)</u>        | <u>(419,036)</u>          |
| Total Other Financing Sources (Uses)            | <u>(4,036)</u>          | <u>(412,000)</u>        | <u>(416,036)</u>          |
| Net Change in Fund Balances                     | 80,830                  | (403,558)               | (371,491)                 |
| Fund Balances at Beginning of Year              | <u>580,723</u>          | <u>1,357,980</u>        | <u>3,076,990</u>          |
| Fund Balances at End of Year                    | <u><u>\$661,553</u></u> | <u><u>\$954,422</u></u> | <u><u>\$2,705,499</u></u> |



**Marion County, Ohio**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
**Nonmajor Capital Projects Funds**  
For the Year Ended December 31, 2003

|   | Capital<br>Improvement | Ditch<br>Drainage | Children Home<br>Capital | MARCA<br>Capital |
|---|------------------------|-------------------|--------------------------|------------------|
| <b><u>Revenues</u></b>                          |                        |                   |                          |                  |
| Property Taxes                                  | \$0                    | \$0               | \$0                      | \$304,169        |
| Special Assessments                             | 0                      | 30,217            | 0                        | 0                |
| Charges for Services                            | 25,200                 | 0                 | 0                        | 0                |
| Intergovernmental                               | 0                      | 0                 | 0                        | 37,733           |
| Interest  | 0                      | 14,924            | 0                        | 0                |
| Other   | 8,943                  | 0                 | 0                        | 127,105          |
| Total Revenues                                  | <u>34,143</u>          | <u>45,141</u>     | <u>0</u>                 | <u>469,007</u>   |
| <b><u>Expenditures</u></b>                      |                        |                   |                          |                  |
| Current   |                        |                   |                          |                  |
| General Government                              |                        |                   |                          |                  |
| Legislative and Executive                       | 4,035                  | 0                 | 0                        | 0                |
| Capital Outlay                                  | 543,505                | 366,749           | 0                        | 765,381          |
| Debt Service                                    |                        |                   |                          |                  |
| Principal Retirement                            | 0                      | 50,000            | 0                        | 0                |
| Interest and Fiscal Charges                     | 13,933                 | 13,613            | 0                        | 0                |
| Total Expenditures                              | <u>561,473</u>         | <u>430,362</u>    | <u>0</u>                 | <u>765,381</u>   |
| Excess of Revenues Over<br>(Under) Expenditures | (527,330)              | (385,221)         | 0                        | (296,374)        |
| <b><u>Other Financing Sources</u></b>           |                        |                   |                          |                  |
| Transfers - In                                  | 563,360                | 0                 | 0                        | 125,000          |
| Net Change in Fund Balance                      | 36,030                 | (385,221)         | 0                        | (171,374)        |
| Fund Balances (Deficit) at Beginning of Year    | <u>273,132</u>         | <u>639,382</u>    | <u>44,722</u>            | <u>717,106</u>   |
| Fund Balances (Deficit) at End of Year          | <u>\$309,162</u>       | <u>\$254,161</u>  | <u>\$44,722</u>          | <u>\$545,732</u> |

continued

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

|   | Job and<br>Family | Issue II         | Justice<br>Center | Dog and<br>Kennel |
|---|-------------------|------------------|-------------------|-------------------|
| <b><u>Revenues</u></b>                          |                   |                  |                   |                   |
| Property Taxes                                  | \$0               | \$0              | \$0               | \$0               |
| Special Assessments                             | 0                 | 0                | 0                 | 0                 |
| Charges for Services                            | 0                 | 40,485           | 0                 | 0                 |
| Intergovernmental                               | 0                 | 156,561          | 0                 | 0                 |
| Interest  | 0                 | 0                | 0                 | 0                 |
| Other   | 0                 | 0                | 0                 | 0                 |
| Total Revenues                                  | <u>0</u>          | <u>197,046</u>   | <u>0</u>          | <u>0</u>          |
| <b><u>Expenditures</u></b>                      |                   |                  |                   |                   |
| Current   |                   |                  |                   |                   |
| General Government                              |                   |                  |                   |                   |
| Legislative and Executive                       | 0                 | 0                | 0                 | 0                 |
| Capital Outlay                                  | 0                 | 314,730          | 132,724           | 0                 |
| Debt Service                                    |                   |                  |                   |                   |
| Principal Retirement                            | 0                 | 0                | 0                 | 35,000            |
| Interest and Fiscal Charges                     | 0                 | 0                | 0                 | 4,463             |
| Total Expenditures                              | <u>0</u>          | <u>314,730</u>   | <u>132,724</u>    | <u>39,463</u>     |
| Excess of Revenues Over<br>(Under) Expenditures | 0                 | (117,684)        | (132,724)         | (39,463)          |
| <b><u>Other Financing Sources</u></b>           |                   |                  |                   |                   |
| Transfers - In                                  | <u>0</u>          | <u>73,106</u>    | <u>0</u>          | <u>39,463</u>     |
| Net Change in Fund Balance                      | 0                 | (44,578)         | (132,724)         | 0                 |
| Fund Balances (Deficit) at Beginning of Year    | <u>178,206</u>    | <u>188,155</u>   | <u>722,942</u>    | <u>(46,500)</u>   |
| Fund Balances (Deficit) at End of Year          | <u>\$178,206</u>  | <u>\$143,577</u> | <u>\$590,218</u>  | <u>(\$46,500)</u> |

| Coliseum<br>Levy   | Administration<br>Building | Road<br>Capital | Total              |
|--------------------|----------------------------|-----------------|--------------------|
| \$239,766          | \$0                        | \$0             | \$543,935          |
| 0                  | 0                          | 0               | 30,217             |
| 0                  | 0                          | 13,092          | 78,777             |
| 31,307             | 0                          | 0               | 225,601            |
| 0                  | 0                          | 0               | 14,924             |
| 0                  | 21,424                     | 0               | 157,472            |
| <u>271,073</u>     | <u>21,424</u>              | <u>13,092</u>   | <u>1,050,926</u>   |
| 0                  | 0                          | 0               | 4,035              |
| 86,327             | 12,753                     | 0               | 2,222,169          |
| 0                  | 0                          | 0               | 85,000             |
| 19,559             | 0                          | 0               | 51,568             |
| <u>105,886</u>     | <u>12,753</u>              | <u>0</u>        | <u>2,362,772</u>   |
| 165,187            | 8,671                      | 13,092          | (1,311,846)        |
| <u>0</u>           | <u>5,102</u>               | <u>0</u>        | <u>806,031</u>     |
| 165,187            | 13,773                     | 13,092          | (505,815)          |
| <u>(306,788)</u>   | <u>(74,412)</u>            | <u>25,000</u>   | <u>2,360,945</u>   |
| <u>(\$141,601)</u> | <u>(\$60,639)</u>          | <u>\$38,092</u> | <u>\$1,855,130</u> |

**Marion County, Ohio**  
**Combining Statements - Fiduciary Funds**

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

**Agency Funds**

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

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

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

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

**Other Agency Funds**

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

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

**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds**  
*For the Year Ended December 31, 2003*

|  | Balance<br>12/31/2002 | Additions           | Reductions          | Balance<br>12/31/2003 |
|--|-----------------------|---------------------|---------------------|-----------------------|
| <b>County Agency:</b>                            |                       |                     |                     |                       |
| <b>Assets:</b>                                   |                       |                     |                     |                       |
| Cash and Cash Equivalents in Segregated Accounts | \$125,969             | \$3,776,579         | \$3,745,649         | \$156,899             |
| <i>Total Assets</i>                              | <u>\$125,969</u>      | <u>\$3,776,579</u>  | <u>\$3,745,649</u>  | <u>\$156,899</u>      |
| <b>Liabilities:</b>                              |                       |                     |                     |                       |
| Deposits Held and Due to Others                  | \$125,969             | \$3,776,579         | \$3,745,649         | \$156,899             |
| <i>Total Liabilities</i>                         | <u>\$125,969</u>      | <u>\$3,776,579</u>  | <u>\$3,745,649</u>  | <u>\$156,899</u>      |
| <b>County Court Agency</b>                       |                       |                     |                     |                       |
| <b>Assets:</b>                                   |                       |                     |                     |                       |
| Cash and Cash Equivalents in Segregated Accounts | \$498,891             | \$9,443,245         | \$9,348,606         | \$593,530             |
| <i>Total Assets</i>                              | <u>\$498,891</u>      | <u>\$9,443,245</u>  | <u>\$9,348,606</u>  | <u>\$593,530</u>      |
| <b>Liabilities:</b>                              |                       |                     |                     |                       |
| Deposits Held and Due to Others                  | \$498,891             | \$9,443,245         | \$9,348,606         | \$593,530             |
| <i>Total Liabilities</i>                         | <u>\$498,891</u>      | <u>\$9,443,245</u>  | <u>\$9,348,606</u>  | <u>\$593,530</u>      |
| <b>Undivided Tax</b>                             |                       |                     |                     |                       |
| <b>Assets:</b>                                   |                       |                     |                     |                       |
| Equity in Pooled Cash and Cash Equivalents       | \$2,735,341           | \$53,570,211        | \$54,042,966        | \$2,262,586           |
| Receivables:                                     |                       |                     |                     |                       |
| Taxes  | 37,673,110            | 39,092,307          | 37,673,110          | 39,092,307            |
| Special Assessments                              | 1,427,692             | 1,220,809           | 1,427,692           | 1,220,809             |
| Due from Other Governments                       | 2,654,082             | 2,844,727           | 2,654,082           | 2,844,727             |
| <i>Total Assets</i>                              | <u>\$44,490,225</u>   | <u>\$96,728,054</u> | <u>\$95,797,850</u> | <u>\$45,420,429</u>   |
| <b>Liabilities:</b>                              |                       |                     |                     |                       |
| Due to Other Governments                         | \$44,490,225          | \$96,728,054        | \$95,797,850        | \$45,420,429          |
| <i>Total Liabilities</i>                         | <u>\$44,490,225</u>   | <u>\$96,728,054</u> | <u>\$95,797,850</u> | <u>\$45,420,429</u>   |
| <b>Disaster Services</b>                         |                       |                     |                     |                       |
| <b>Assets:</b>                                   |                       |                     |                     |                       |
| Equity in Pooled Cash and Cash Equivalents       | \$41,038              | \$173,072           | \$169,504           | \$44,606              |
| <i>Total Assets</i>                              | <u>\$41,038</u>       | <u>\$173,072</u>    | <u>\$169,504</u>    | <u>\$44,606</u>       |
| <b>Liabilities:</b>                              |                       |                     |                     |                       |
| Due to Other Governments                         | \$41,038              | \$173,072           | \$169,504           | \$44,606              |
| <i>Total Liabilities</i>                         | <u>\$41,038</u>       | <u>\$173,072</u>    | <u>\$169,504</u>    | <u>\$44,606</u>       |

*continued*

**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds (continued)**  
For the Year Ended December 31, 2003

|  | Balance<br>12/31/2002 | Additions           | Reductions          | Balance<br>12/31/2003 |
|--|-----------------------|---------------------|---------------------|-----------------------|
| <b>Marion County Rotary</b>                |                       |                     |                     |                       |
| <b>Assets:</b>                             |                       |                     |                     |                       |
| Equity in Pooled Cash and Cash Equivalents | \$17,964              | \$1,708,379         | \$1,719,562         | \$6,781               |
| <i>Total Assets</i>                        | <u>\$17,964</u>       | <u>\$1,708,379</u>  | <u>\$1,719,562</u>  | <u>\$6,781</u>        |
| <b>Liabilities:</b>                        |                       |                     |                     |                       |
| Due to Other Governments                   | \$17,964              | \$1,708,379         | \$1,719,562         | \$6,781               |
| <i>Total Liabilities</i>                   | <u>\$17,964</u>       | <u>\$1,708,379</u>  | <u>\$1,719,562</u>  | <u>\$6,781</u>        |
| <b>Marriage License Special</b>            |                       |                     |                     |                       |
| <b>Assets:</b>                             |                       |                     |                     |                       |
| Equity in Pooled Cash and Cash Equivalents | \$11,413              | \$19,823            | \$20,548            | \$10,688              |
| <i>Total Assets</i>                        | <u>\$11,413</u>       | <u>\$19,823</u>     | <u>\$20,548</u>     | <u>\$10,688</u>       |
| <b>Liabilities:</b>                        |                       |                     |                     |                       |
| Undistributed Assets                       | \$11,413              | \$19,823            | \$20,548            | \$10,688              |
| <i>Total Liabilities</i>                   | <u>\$11,413</u>       | <u>\$19,823</u>     | <u>\$20,548</u>     | <u>\$10,688</u>       |
| <b>Building Code</b>                       |                       |                     |                     |                       |
| <b>Assets:</b>                             |                       |                     |                     |                       |
| Equity in Pooled Cash and Cash Equivalents | \$5,322               | \$0                 | \$0                 | \$5,322               |
| <i>Total Assets</i>                        | <u>\$5,322</u>        | <u>\$0</u>          | <u>\$0</u>          | <u>\$5,322</u>        |
| <b>Liabilities:</b>                        |                       |                     |                     |                       |
| Due to Other Governments                   | \$5,322               | \$0                 | \$0                 | \$5,322               |
| <i>Total Liabilities</i>                   | <u>\$5,322</u>        | <u>\$0</u>          | <u>\$0</u>          | <u>\$5,322</u>        |
| <b>Payroll</b>                             |                       |                     |                     |                       |
| <b>Assets:</b>                             |                       |                     |                     |                       |
| Equity in Pooled Cash and Cash Equivalents | \$474,975             | \$23,589,727        | \$23,714,341        | \$350,361             |
| <i>Total Assets</i>                        | <u>\$474,975</u>      | <u>\$23,589,727</u> | <u>\$23,714,341</u> | <u>\$350,361</u>      |
| <b>Liabilities:</b>                        |                       |                     |                     |                       |
| Payroll Withholdings                       | \$474,975             | \$23,589,727        | \$23,714,341        | \$350,361             |
| <i>Total Liabilities</i>                   | <u>\$474,975</u>      | <u>\$23,589,727</u> | <u>\$23,714,341</u> | <u>\$350,361</u>      |

*continued*

**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds (continued)**  
For the Year Ended December 31, 2003

|  | Balance<br>12/31/2002 | Additions        | Reductions       | Balance<br>12/31/2003 |
|--|-----------------------|------------------|------------------|-----------------------|
| <b>Real Estate Escrow Prepayment</b>       |                       |                  |                  |                       |
| <b>Assets:</b>                             |                       |                  |                  |                       |
| Equity in Pooled Cash and Cash Equivalents | \$415,389             | \$997,611        | \$967,160        | \$445,840             |
| <i>Total Assets</i>                        | <u>\$415,389</u>      | <u>\$997,611</u> | <u>\$967,160</u> | <u>\$445,840</u>      |
| <b>Liabilities:</b>                        |                       |                  |                  |                       |
| Undistributed Assets                       | \$415,389             | \$997,611        | \$967,160        | \$445,840             |
| <i>Total Liabilities</i>                   | <u>\$415,389</u>      | <u>\$997,611</u> | <u>\$967,160</u> | <u>\$445,840</u>      |
| <b>Regional Planning</b>                   |                       |                  |                  |                       |
| <b>Assets:</b>                             |                       |                  |                  |                       |
| Equity in Pooled Cash and Cash Equivalents | \$83,138              | \$286,223        | \$310,575        | \$58,786              |
| <i>Total Assets</i>                        | <u>\$83,138</u>       | <u>\$286,223</u> | <u>\$310,575</u> | <u>\$58,786</u>       |
| <b>Liabilities:</b>                        |                       |                  |                  |                       |
| Due to Other Governments                   | \$83,138              | \$286,223        | \$310,575        | \$58,786              |
| <i>Total Liabilities</i>                   | <u>\$83,138</u>       | <u>\$286,223</u> | <u>\$310,575</u> | <u>\$58,786</u>       |
| <b>Sewer District #7 Deferred Rotary</b>   |                       |                  |                  |                       |
| <b>Assets:</b>                             |                       |                  |                  |                       |
| Equity in Pooled Cash and Cash Equivalents | \$14,187              | \$2,894          | \$0              | \$17,081              |
| <i>Total Assets</i>                        | <u>\$14,187</u>       | <u>\$2,894</u>   | <u>\$0</u>       | <u>\$17,081</u>       |
| <b>Liabilities:</b>                        |                       |                  |                  |                       |
| Due to Other Governments                   | \$14,187              | \$2,894          | \$0              | \$17,081              |
| <i>Total Liabilities</i>                   | <u>\$14,187</u>       | <u>\$2,894</u>   | <u>\$0</u>       | <u>\$17,081</u>       |
| <b>Soil and Water</b>                      |                       |                  |                  |                       |
| <b>Assets:</b>                             |                       |                  |                  |                       |
| Equity in Pooled Cash and Cash Equivalents | \$54,282              | \$103,575        | \$128,731        | \$29,126              |
| <i>Total Assets</i>                        | <u>\$54,282</u>       | <u>\$103,575</u> | <u>\$128,731</u> | <u>\$29,126</u>       |
| <b>Liabilities:</b>                        |                       |                  |                  |                       |
| Due to Other Governments                   | \$54,282              | \$103,575        | \$128,731        | \$29,126              |
| <i>Total Liabilities</i>                   | <u>\$54,282</u>       | <u>\$103,575</u> | <u>\$128,731</u> | <u>\$29,126</u>       |

*continued*

**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds (continued)**  
For the Year Ended December 31, 2003

|  | Balance<br>12/31/2002 | Additions        | Reductions         | Balance<br>12/31/2003 |
|--|-----------------------|------------------|--------------------|-----------------------|
| <b>Board of Health</b>                     |                       |                  |                    |                       |
| <b>Assets:</b>                             |                       |                  |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$632,757             | \$933,306        | \$1,053,154        | \$512,909             |
| <i>Total Assets</i>                        | <u>\$632,757</u>      | <u>\$933,306</u> | <u>\$1,053,154</u> | <u>\$512,909</u>      |
| <b>Liabilities:</b>                        |                       |                  |                    |                       |
| Due to Other Governments                   | \$632,757             | \$933,306        | \$1,053,154        | \$512,909             |
| <i>Total Liabilities</i>                   | <u>\$632,757</u>      | <u>\$933,306</u> | <u>\$1,053,154</u> | <u>\$512,909</u>      |
| <b>Emergency Planning</b>                  |                       |                  |                    |                       |
| <b>Assets:</b>                             |                       |                  |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$21,105              | \$22,234         | \$17,512           | \$25,827              |
| <i>Total Assets</i>                        | <u>\$21,105</u>       | <u>\$22,234</u>  | <u>\$17,512</u>    | <u>\$25,827</u>       |
| <b>Liabilities:</b>                        |                       |                  |                    |                       |
| Due to Other Governments                   | \$21,105              | \$22,234         | \$17,512           | \$25,827              |
| <i>Total Liabilities</i>                   | <u>\$21,105</u>       | <u>\$22,234</u>  | <u>\$17,512</u>    | <u>\$25,827</u>       |
| <b>Family and Children First</b>           |                       |                  |                    |                       |
| <b>Assets:</b>                             |                       |                  |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$121,994             | \$533,192        | \$594,057          | \$61,129              |
| <i>Total Assets</i>                        | <u>\$121,994</u>      | <u>\$533,192</u> | <u>\$594,057</u>   | <u>\$61,129</u>       |
| <b>Liabilities:</b>                        |                       |                  |                    |                       |
| Due to Other Governments                   | \$121,994             | \$533,192        | \$594,057          | \$61,129              |
| <i>Total Liabilities</i>                   | <u>\$121,994</u>      | <u>\$533,192</u> | <u>\$594,057</u>   | <u>\$61,129</u>       |
| <b>County Park District</b>                |                       |                  |                    |                       |
| <b>Assets:</b>                             |                       |                  |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$143,278             | \$30,000         | \$31,304           | \$141,974             |
| <i>Total Assets</i>                        | <u>\$143,278</u>      | <u>\$30,000</u>  | <u>\$31,304</u>    | <u>\$141,974</u>      |
| <b>Liabilities:</b>                        |                       |                  |                    |                       |
| Due to Other Governments                   | \$143,278             | \$30,000         | \$31,304           | \$141,974             |
| <i>Total Liabilities</i>                   | <u>\$143,278</u>      | <u>\$30,000</u>  | <u>\$31,304</u>    | <u>\$141,974</u>      |

*continued*



**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds (continued)**  
For the Year Ended December 31, 2003

|  | Balance<br>12/31/2002 | Additions          | Reductions         | Balance<br>12/31/2003 |
|--|-----------------------|--------------------|--------------------|-----------------------|
| <b>DKMM Solid Waste District</b>           |                       |                    |                    |                       |
| <b>Assets:</b>                             |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$329,276             | \$1,661,910        | \$1,343,068        | \$648,118             |
| <i>Total Assets</i>                        | <u>\$329,276</u>      | <u>\$1,661,910</u> | <u>\$1,343,068</u> | <u>\$648,118</u>      |
| <b>Liabilities:</b>                        |                       |                    |                    |                       |
| Due to Other Governments                   | \$329,276             | \$1,661,910        | \$1,343,068        | \$648,118             |
| <i>Total Liabilities</i>                   | <u>\$329,276</u>      | <u>\$1,661,910</u> | <u>\$1,343,068</u> | <u>\$648,118</u>      |
| <b>Employee Reimbursement</b>              |                       |                    |                    |                       |
| <b>Assets:</b>                             |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$9,484               | \$57,166           | \$65,205           | \$1,445               |
| <i>Total Assets</i>                        | <u>\$9,484</u>        | <u>\$57,166</u>    | <u>\$65,205</u>    | <u>\$1,445</u>        |
| <b>Liabilities:</b>                        |                       |                    |                    |                       |
| Due to Employees                           | \$9,484               | \$57,166           | \$65,205           | \$1,445               |
| <i>Total Liabilities</i>                   | <u>\$9,484</u>        | <u>\$57,166</u>    | <u>\$65,205</u>    | <u>\$1,445</u>        |
| <b>RPC Enterprise Zone</b>                 |                       |                    |                    |                       |
| <b>Assets:</b>                             |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$10,601              | \$13,900           | \$12,400           | \$12,101              |
| <i>Total Assets</i>                        | <u>\$10,601</u>       | <u>\$13,900</u>    | <u>\$12,400</u>    | <u>\$12,101</u>       |
| <b>Liabilities:</b>                        |                       |                    |                    |                       |
| Undistributed Assets                       | \$10,601              | \$13,900           | \$12,400           | \$12,101              |
| <i>Total Liabilities</i>                   | <u>\$10,601</u>       | <u>\$13,900</u>    | <u>\$12,400</u>    | <u>\$12,101</u>       |
| <b>Marion-Crawford Mental Health Board</b> |                       |                    |                    |                       |
| <b>Assets:</b>                             |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents | \$3,264,241           | \$7,398,527        | \$7,837,438        | \$2,825,330           |
| <i>Total Assets</i>                        | <u>\$3,264,241</u>    | <u>\$7,398,527</u> | <u>\$7,837,438</u> | <u>\$2,825,330</u>    |
| <b>Liabilities:</b>                        |                       |                    |                    |                       |
| Due to Other Governments                   | \$3,264,241           | \$7,398,527        | \$7,837,438        | \$2,825,330           |
| <i>Total Liabilities</i>                   | <u>\$3,264,241</u>    | <u>\$7,398,527</u> | <u>\$7,837,438</u> | <u>\$2,825,330</u>    |

*continued*

**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds (continued)**  
For the Year Ended December 31, 2003

|   | Balance<br>12/31/2002 | Additions          | Reductions         | Balance<br>12/31/2003 |
|---|-----------------------|--------------------|--------------------|-----------------------|
| <b>Marion-Hardin Corrections Commission</b> |                       |                    |                    |                       |
| <b>Assets:</b>                              |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents  | \$328,851             | \$3,275,903        | \$3,386,010        | \$218,744             |
| <i>Total Assets</i>                         | <u>\$328,851</u>      | <u>\$3,275,903</u> | <u>\$3,386,010</u> | <u>\$218,744</u>      |
| <b>Liabilities:</b>                         |                       |                    |                    |                       |
| Due to Other Governments                    | \$328,851             | \$3,275,903        | \$3,386,010        | \$218,744             |
| <i>Total Liabilities</i>                    | <u>\$328,851</u>      | <u>\$3,275,903</u> | <u>\$3,386,010</u> | <u>\$218,744</u>      |
| <b>Caledonia Sewer Billing</b>              |                       |                    |                    |                       |
| <b>Assets:</b>                              |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents  | \$2,539               | \$121,270          | \$122,690          | \$1,119               |
| <i>Total Assets</i>                         | <u>\$2,539</u>        | <u>\$121,270</u>   | <u>\$122,690</u>   | <u>\$1,119</u>        |
| <b>Liabilities:</b>                         |                       |                    |                    |                       |
| Due to Other Governments                    | \$2,539               | \$121,270          | \$122,690          | \$1,119               |
| <i>Total Liabilities</i>                    | <u>\$2,539</u>        | <u>\$121,270</u>   | <u>\$122,690</u>   | <u>\$1,119</u>        |
| <b>Ohio Elections Commission Fee</b>        |                       |                    |                    |                       |
| <b>Assets:</b>                              |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents  | \$0                   | \$3,115            | \$2,675            | \$440                 |
| <i>Total Assets</i>                         | <u>\$0</u>            | <u>\$3,115</u>     | <u>\$2,675</u>     | <u>\$440</u>          |
| <b>Liabilities:</b>                         |                       |                    |                    |                       |
| Due to Other Governments                    | \$0                   | \$3,115            | \$2,675            | \$440                 |
| <i>Total Liabilities</i>                    | <u>\$0</u>            | <u>\$3,115</u>     | <u>\$2,675</u>     | <u>\$440</u>          |
| <b>Port Authority</b>                       |                       |                    |                    |                       |
| <b>Assets:</b>                              |                       |                    |                    |                       |
| Equity in Pooled Cash and Cash Equivalents  | \$0                   | \$5,000            | \$100              | \$4,900               |
| <i>Total Assets</i>                         | <u>\$0</u>            | <u>\$5,000</u>     | <u>\$100</u>       | <u>\$4,900</u>        |
| <b>Liabilities:</b>                         |                       |                    |                    |                       |
| Due to Other Governments                    | \$0                   | \$5,000            | \$100              | \$4,900               |
| <i>Total Liabilities</i>                    | <u>\$0</u>            | <u>\$5,000</u>     | <u>\$100</u>       | <u>\$4,900</u>        |

*continued*

**Marion County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
**All Agency Funds (continued)**  
For the Year Ended December 31, 2003

|  | Balance<br>12/31/2002 | Additions            | Reductions           | Balance<br>12/31/2003 |
|--|-----------------------|----------------------|----------------------|-----------------------|
| <b>Housing Trust</b>                             |                       |                      |                      |                       |
| <b>Assets:</b>                                   |                       |                      |                      |                       |
| Equity in Pooled Cash and Cash Equivalents       | \$0                   | \$179,268            | \$73,190             | \$106,078             |
| <i>Total Assets</i>                              | <u>\$0</u>            | <u>\$179,268</u>     | <u>\$73,190</u>      | <u>\$106,078</u>      |
| <b>Liabilities:</b>                              |                       |                      |                      |                       |
| Due to Other Governments                         | \$0                   | \$179,268            | \$73,190             | \$106,078             |
| <i>Total Liabilities</i>                         | <u>\$0</u>            | <u>\$179,268</u>     | <u>\$73,190</u>      | <u>\$106,078</u>      |
| <b>Total - All Funds</b>                         |                       |                      |                      |                       |
| <b>Assets:</b>                                   |                       |                      |                      |                       |
| Equity in Pooled Cash and Cash Equivalents       | \$8,717,175           | \$94,686,306         | \$95,612,190         | \$7,791,291           |
| Cash and Cash Equivalents in Segregated Accounts | 624,860               | 13,219,824           | 13,094,255           | 750,429               |
| Due from Other Governments                       | 2,654,082             | 2,844,727            | 2,654,082            | 2,844,727             |
| Receivables:                                     |                       |                      |                      |                       |
| Taxes  | 37,673,110            | 39,092,307           | 37,673,110           | 39,092,307            |
| Special Assessments                              | 1,427,692             | 1,220,809            | 1,427,692            | 1,220,809             |
| <i>Total Assets</i>                              | <u>\$51,096,919</u>   | <u>\$151,063,973</u> | <u>\$150,461,329</u> | <u>\$51,699,563</u>   |
| <b>Liabilities:</b>                              |                       |                      |                      |                       |
| Due to Other Governments                         | \$49,532,233          | \$111,457,543        | \$110,723,543        | \$50,266,233          |
| Due to Employees                                 | 9,484                 | 57,166               | 65,205               | 1,445                 |
| Undistributed Assets                             | 455,367               | 2,739,713            | 2,863,985            | 331,095               |
| Deposits Held and Due to Others                  | 624,860               | 13,219,824           | 13,094,255           | 750,429               |
| Payroll Withholdings                             | 474,975               | 23,589,727           | 23,714,341           | 350,361               |
| <i>Total Liabilities</i>                         | <u>\$51,096,919</u>   | <u>\$151,063,973</u> | <u>\$150,461,329</u> | <u>\$51,699,563</u>   |

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

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

|  | Budgeted Amounts  |                   | Actual            | Variance with<br>Final Budget<br>Over (Under) |
|--|-------------------|-------------------|-------------------|---|
|  | Original          | Final<br>Budget   |                   |   |
| <b><u>Revenues:</u></b>                        |                   |                   |                   |   |
| Property Taxes                                 | \$2,058,000       | \$2,058,000       | \$2,137,003       | \$79,003                                      |
| Sales Taxes                                    | 6,100,000         | 6,100,000         | 6,217,650         | 117,650                                       |
| Charges for Services                           | 2,438,544         | 2,602,057         | 3,037,529         | 435,472                                       |
| Licenses and Permits                           | 4,750             | 4,750             | 5,575             | 825   |
| Fines and Forfeitures                          | 103,100           | 103,100           | 166,372           | 63,272  |
| Intergovernmental                              | 1,954,120         | 1,954,119         | 1,921,245         | (32,874)                                      |
| Interest                                       | 755,500           | 755,500           | 744,877           | (10,623)                                      |
| Other  | 186,270           | 186,270           | 302,178           | 115,908                                       |
| <b>Total Revenues</b>                          | <b>13,600,284</b> | <b>13,763,796</b> | <b>14,532,429</b> | <b>768,633</b>                                |
| <b><u>Expenditures:</u></b>                    |                   |                   |                   |   |
| Current:                                       |                   |                   |                   |   |
| General Government - Legislative and Executive |                   |                   |                   |   |
| County Commissioners                           |                   |                   |                   |   |
| Personal Services                              | 288,120           | 288,120           | 266,166           | 21,954  |
| Fringe Benefits                                | 43,220            | 48,372            | 47,960            | 412   |
| Materials and Supplies                         | 4,160             | 4,499             | 3,354             | 1,145   |
| Contractual Services                           | 67,500            | 125,864           | 121,792           | 4,072   |
| Capital Outlay                                 | 10,200            | 12,062            | 11,732            | 330   |
| Other  | 1,476             | 1,476             | 0                 | 1,476   |
| <b>Total County Commissioners</b>              | <b>414,676</b>    | <b>480,393</b>    | <b>451,004</b>    | <b>29,389</b>                                 |
| Auditor  |                   |                   |                   |   |
| Personal Services                              | 320,245           | 317,301           | 317,301           | 0   |
| Fringe Benefits                                | 47,889            | 56,356            | 56,356            | 0   |
| Materials and Supplies                         | 21,350            | 23,117            | 23,117            | 0   |
| Contractual Services                           | 61,170            | 80,553            | 80,553            | 0   |
| Capital Outlay                                 | 1,200             | 12,024            | 12,024            | 0   |
| Other  | 3,945             | 6,332             | 6,332             | 0   |
| <b>Total Auditor</b>                           | <b>455,799</b>    | <b>495,683</b>    | <b>495,683</b>    | <b>0</b>                                      |

continued

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

|                                    | Budgeted Amounts |                 | Actual         | Variance with<br>Final Budget<br>Over (Under) |
|------------------------------------|------------------|-----------------|----------------|---|
|                                    | Original         | Final<br>Budget |                |   |
| Treasurer                          |                  |                 |                |   |
| Personal Services                  | \$126,393        | \$120,207       | \$120,207      | \$0   |
| Fringe Benefits                    | 18,959           | 22,046          | 22,046         | 0   |
| Materials and Supplies             | 6,347            | 13,324          | 11,977         | 1,347   |
| Contractual Services               | 1,400            | 1,657           | 1,657          | 0   |
| Other                              | 3,000            | 2,440           | 2,421          | 19  |
| <b>Total Treasurer</b>             | <b>156,099</b>   | <b>159,674</b>  | <b>158,308</b> | <b>1,366</b>                                  |
| Prosecuting Attorney               |                  |                 |                |   |
| Personal Services                  | 495,975          | 519,116         | 517,556        | 1,560   |
| Fringe Benefits                    | 93,450           | 120,359         | 119,115        | 1,244   |
| Materials and Supplies             | 1,784            | 8,830           | 8,762          | 68  |
| Contractual Services               | 124,950          | 131,914         | 125,135        | 6,779   |
| Capital Outlay                     | 725              | 2,277           | 2,275          | 2   |
| Other                              | 29,973           | 30,018          | 29,742         | 276   |
| <b>Total Prosecuting Attorney</b>  | <b>746,857</b>   | <b>812,514</b>  | <b>802,585</b> | <b>9,929</b>                                  |
| Personnel Department               |                  |                 |                |   |
| Other                              | 0                | 5,202           | 2,258          | 2,944   |
| Data Processing Board              |                  |                 |                |   |
| Personal Services                  | 30,862           | 30,862          | 30,519         | 343   |
| Fringe Benefits                    | 4,182            | 5,313           | 5,313          | 0   |
| Materials and Supplies             | 21,500           | 18,151          | 18,151         | 0   |
| Contractual Services               | 77,376           | 67,204          | 67,204         | 0   |
| Capital Outlay                     | 0                | 16,895          | 16,894         | 1   |
| Other                              | 300              | 0               | 0              | 0   |
| <b>Total Data Processing Board</b> | <b>134,220</b>   | <b>138,425</b>  | <b>138,081</b> | <b>344</b>                                    |
| Board of Elections                 |                  |                 |                |   |
| Personal Services                  | 247,916          | 235,410         | 235,407        | 3   |
| Fringe Benefits                    | 28,460           | 32,646          | 32,053         | 593   |
| Materials and Supplies             | 23,520           | 25,731          | 25,711         | 20  |
| Contractual Services               | 25,000           | 34,932          | 34,931         | 1   |
| Other                              | 2,000            | 3,720           | 3,720          | 0   |
| <b>Total Board of Elections</b>    | <b>326,896</b>   | <b>332,439</b>  | <b>331,822</b> | <b>617</b>                                    |

continued

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

|   | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------|------------------|------------------|---|
|   | Original         | Final<br>Budget  |                  |   |
| Maintenance and Operation                               |                  |                  |                  |   |
| Personal Services                                       | \$121,660        | \$127,028        | \$127,028        | \$0   |
| Fringe Benefits   | 20,101           | 23,459           | 22,986           | 473   |
| Materials and Supplies                                  | 23,134           | 31,667           | 31,630           | 37  |
| Contractual Services                                    | 410,500          | 569,871          | 546,364          | 23,507  |
| Capital Outlay  | 0                | 1,665            | 1,665            | 0   |
| Other   | 1,000            | 1,000            | 0                | 1,000   |
|   | <u>576,395</u>   | <u>754,690</u>   | <u>729,673</u>   | <u>25,017</u>                                 |
| Total Maintenance and Operation                         |                  |                  |                  |   |
| Recorder  |                  |                  |                  |   |
| Personal Services                                       | 162,073          | 172,259          | 171,655          | 604   |
| Fringe Benefits   | 23,153           | 28,645           | 28,570           | 75  |
| Materials and Supplies                                  | 4,500            | 8,627            | 8,602            | 25  |
| Contractual Services                                    | 20,108           | 12,800           | 12,800           | 0   |
| Capital Outlay  | 0                | 2,154            | 1,201            | 953   |
| Other   | 800              | 130              | 113              | 17  |
|   | <u>210,634</u>   | <u>224,615</u>   | <u>222,941</u>   | <u>1,674</u>                                  |
| Total Recorder  |                  |                  |                  |   |
| Postage   |                  |                  |                  |   |
| Materials and Supplies                                  | 60,000           | 71,021           | 70,131           | 890   |
| Other   |                  |                  |                  |   |
| Fringe Benefits   | 1,139,150        | 1,003,829        | 998,679          | 5,150   |
| Contractual Services                                    | 197,000          | 282,295          | 270,159          | 12,136  |
| Other   | 15,000           | 19,433           | 19,433           | 0   |
|   | <u>1,351,150</u> | <u>1,305,557</u> | <u>1,288,271</u> | <u>17,286</u>                                 |
| Total Other   |                  |                  |                  |   |
| Total General Government -<br>Legislative and Executive | <u>4,432,726</u> | <u>4,780,213</u> | <u>4,690,757</u> | <u>89,456</u>                                 |
| General Government - Judicial<br>Court of Appeals       |                  |                  |                  |   |
| Other   | 26,555           | 26,555           | 19,384           | 7,171   |
|   | <u>26,555</u>    | <u>26,555</u>    | <u>19,384</u>    | <u>7,171</u>                                  |

continued

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

|                                       | Budgeted Amounts |                 | Actual         | Variance with<br>Final Budget<br>Over (Under) |
|---------------------------------------|------------------|-----------------|----------------|---|
|                                       | Original         | Final<br>Budget |                |   |
| Common Pleas Court                    |                  |                 |                |   |
| Personal Services                     | \$227,253        | \$266,486       | \$266,331      | \$155   |
| Fringe Benefits                       | 36,399           | 47,335          | 47,335         | 0   |
| Materials and Supplies                | 5,700            | 7,938           | 7,288          | 650   |
| Contractual Services                  | 42,250           | 49,815          | 46,275         | 3,540   |
| Capital Outlay                        | 0                | 749             | 749            | 0   |
| Other                                 | 4,200            | 4,250           | 4,134          | 116   |
| <b>Total Common Pleas Court</b>       | <b>315,802</b>   | <b>376,573</b>  | <b>372,112</b> | <b>4,461</b>                                  |
| Jury Commission                       |                  |                 |                |   |
| Personal Services                     | 1,580            | 1,591           | 1,586          | 5   |
| Fringe Benefits                       | 237              | 287             | 276            | 11  |
| Materials and Supplies                | 8,165            | 7,495           | 6,339          | 1,156   |
| <b>Total Jury Commission</b>          | <b>9,982</b>     | <b>9,373</b>    | <b>8,201</b>   | <b>1,172</b>                                  |
| Domestic Relations Court              |                  |                 |                |   |
| Personal Services                     | 174,191          | 173,647         | 170,857        | 2,790   |
| Fringe Benefits                       | 26,129           | 30,966          | 30,807         | 159   |
| Materials and Supplies                | 3,296            | 4,015           | 3,759          | 256   |
| Contractual Services                  | 2,550            | 2,913           | 2,882          | 31  |
| Capital Outlay                        | 0                | 422             | 422            | 0   |
| Other                                 | 2,800            | 2,451           | 2,444          | 7   |
| <b>Total Domestic Relations Court</b> | <b>208,966</b>   | <b>214,414</b>  | <b>211,171</b> | <b>3,243</b>                                  |
| Juvenile Court                        |                  |                 |                |   |
| Personal Services                     | 351,381          | 350,292         | 348,776        | 1,516   |
| Fringe Benefits                       | 37,106           | 44,563          | 43,625         | 938   |
| Materials and Supplies                | 13,000           | 15,226          | 15,226         | 0   |
| Contractual Services                  | 32,681           | 37,544          | 36,794         | 750   |
| Other                                 | 10,000           | 14,753          | 12,822         | 1,931   |
| <b>Total Juvenile Court</b>           | <b>444,168</b>   | <b>462,378</b>  | <b>457,243</b> | <b>5,135</b>                                  |

continued



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

|  | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|--|------------------|------------------|------------------|---|
|  | Original         | Final<br>Budget  |                  |   |
| Probate Court                              |                  |                  |                  |   |
| Personal Services                          | \$111,980        | \$106,980        | \$106,796        | \$184   |
| Fringe Benefits                            | 14,271           | 18,545           | 18,506           | 39  |
| Materials and Supplies                     | 8,000            | 7,900            | 7,032            | 868   |
| Contractual Services                       | 2,400            | 19,400           | 17,810           | 1,590   |
| Capital Outlay                             | 0                | 100              | 50               | 50  |
| Other                                      | 600              | 600              | 275              | 325   |
| <b>Total Probate Court</b>                 | <b>137,251</b>   | <b>153,525</b>   | <b>150,469</b>   | <b>3,056</b>                                  |
| Clerk of Courts                            |                  |                  |                  |   |
| Personal Services                          | 182,683          | 196,229          | 196,229          | 0   |
| Fringe Benefits                            | 30,019           | 35,064           | 34,632           | 432   |
| Materials and Supplies                     | 34,500           | 33,000           | 32,728           | 272   |
| Contractual Services                       | 22,300           | 34,655           | 34,655           | 0   |
| Capital Outlay                             | 0                | 801              | 801              | 0   |
| Other                                      | 450              | 314              | 305              | 9   |
| <b>Total Clerk of Courts</b>               | <b>269,952</b>   | <b>300,063</b>   | <b>299,350</b>   | <b>713</b>                                    |
| Municipal Court                            |                  |                  |                  |   |
| Personal Services                          | 68,464           | 72,264           | 71,043           | 1,221   |
| Fringe Benefits                            | 10,300           | 12,383           | 11,715           | 668   |
| Contractual Services                       | 7,500            | 7,500            | 6,627            | 873   |
| <b>Total Municipal Court</b>               | <b>86,264</b>    | <b>92,147</b>    | <b>89,385</b>    | <b>2,762</b>                                  |
| <b>Total General Government - Judicial</b> | <b>1,498,940</b> | <b>1,635,028</b> | <b>1,607,315</b> | <b>27,713</b>                                 |
| <b>Total General Government</b>            | <b>5,931,666</b> | <b>6,415,241</b> | <b>6,298,072</b> | <b>117,169</b>                                |
| Public Safety                              |                  |                  |                  |   |
| Adult Probation                            |                  |                  |                  |   |
| Personal Services                          | 113,362          | 121,398          | 121,398          | 0   |
| Fringe Benefits                            | 18,466           | 22,036           | 21,561           | 475   |
| Materials and Supplies                     | 12,725           | 10,385           | 10,380           | 5   |
| Contractual Services                       | 2,500            | 4,000            | 3,938            | 62  |
| Capital Outlay                             | 0                | 1,840            | 1,840            | 0   |
| Other                                      | 6,200            | 1,904            | 1,900            | 4   |
| <b>Total Adult Probation</b>               | <b>153,253</b>   | <b>161,563</b>   | <b>161,017</b>   | <b>546</b>                                    |

continued

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

|                                 | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|---------------------------------|------------------|------------------|------------------|---|
|                                 | Original         | Final<br>Budget  |                  |   |
| Juvenile Probation              |                  |                  |                  |   |
| Fringe Benefits                 | \$15,601         | \$19,288         | \$19,288         | \$0   |
| Other                           | 1,643            | 1,343            | 793              | 550   |
| <b>Total Juvenile Probation</b> | <b>17,244</b>    | <b>20,631</b>    | <b>20,081</b>    | <b>550</b>                                    |
|                                 |                  |                  |                  |   |
| Detention Home                  |                  |                  |                  |   |
| Personal Services               | 666,040          | 675,190          | 675,011          | 179   |
| Fringe Benefits                 | 99,906           | 121,692          | 119,383          | 2,309   |
| Materials and Supplies          | 78,381           | 84,645           | 84,641           | 4   |
| Contractual Services            | 71,865           | 72,032           | 72,031           | 1   |
| Capital Outlay                  | 0                | 2,971            | 2,960            | 11  |
| Other                           | 4,715            | 3,644            | 3,643            | 1   |
| <b>Total Detention Home</b>     | <b>920,907</b>   | <b>960,174</b>   | <b>957,669</b>   | <b>2,505</b>                                  |
|                                 |                  |                  |                  |   |
| Coroner                         |                  |                  |                  |   |
| Personal Services               | 54,967           | 54,967           | 54,967           | 0   |
| Fringe Benefits                 | 8,025            | 9,785            | 9,751            | 34  |
| Materials and Supplies          | 100              | 100              | 69               | 31  |
| Contractual Services            | 23,663           | 34,939           | 34,894           | 45  |
| Other                           | 1,500            | 1,500            | 1,496            | 4   |
| <b>Total Coroner</b>            | <b>88,255</b>    | <b>101,291</b>   | <b>101,177</b>   | <b>114</b>                                    |
|                                 |                  |                  |                  |   |
| Sheriff                         |                  |                  |                  |   |
| Personal Services               | 1,690,296        | 1,731,631        | 1,731,480        | 151   |
| Fringe Benefits                 | 288,442          | 346,477          | 339,781          | 6,696   |
| Materials and Supplies          | 92,985           | 222,961          | 164,202          | 58,759  |
| Contractual Services            | 232,233          | 303,631          | 258,585          | 45,046  |
| Capital Outlay                  | 67,900           | 111,062          | 108,899          | 2,163   |
| Other                           | 2,649,871        | 2,656,094        | 2,654,617        | 1,477   |
| <b>Total Sheriff</b>            | <b>5,021,727</b> | <b>5,371,856</b> | <b>5,257,564</b> | <b>114,292</b>                                |
| <b>Total Public Safety</b>      | <b>6,201,386</b> | <b>6,615,515</b> | <b>6,497,508</b> | <b>118,007</b>                                |

continued

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

|                           | Budgeted Amounts |                 | Actual  | Variance with<br>Final Budget<br>Over (Under) |
|---------------------------|------------------|-----------------|---------|---|
|                           | Original         | Final<br>Budget |         |   |
| Public Works              |                  |                 |         |   |
| Engineer                  |                  |                 |         |   |
| Materials and Supplies    | \$7,000          | \$6,100         | \$5,996 | \$104   |
| Contractual Services      | 1,400            | 2,600           | 2,534   | 66  |
| Other                     | 4,700            | 4,400           | 4,388   | 12  |
| Total Public Works        | 13,100           | 13,100          | 12,918  | 182   |
| Health                    |                  |                 |         |   |
| Agriculture               |                  |                 |         |   |
| Contractual Services      | 181,300          | 181,300         | 181,300 | 0   |
| Tuberculosis              |                  |                 |         |   |
| Contractual Services      | 14,872           | 14,872          | 14,700  | 172   |
| Vital Statistics          |                  |                 |         |   |
| Contractual Services      | 98,433           | 98,433          | 98,087  | 346   |
| Ditch Cleaning and Repair |                  |                 |         |   |
| Other                     | 500              | 9,369           | 8,979   | 390   |
| Other Health              |                  |                 |         |   |
| Fringe Benefits           | 0                | 10,009          | 7,068   | 2,941   |
| Contractual Services      | 0                | 66,222          | 43,368  | 22,854  |
| Total Other Health        | 0                | 76,231          | 50,436  | 25,795  |
| Total Health              | 295,105          | 380,205         | 353,502 | 26,703  |
| Human Services            |                  |                 |         |   |
| Soldiers Relief           |                  |                 |         |   |
| Personal Services         | 25,462           | 26,225          | 26,197  | 28  |
| Fringe Benefits           | 3,869            | 4,754           | 4,678   | 76  |
| Materials and Supplies    | 8,160            | 8,209           | 7,419   | 790   |
| Contractual Services      | 1,400            | 4,511           | 4,126   | 385   |
| Capital Outlay            | 1,200            | 6,455           | 6,304   | 151   |
| Other                     | 70,300           | 67,885          | 66,804  | 1,081   |
| Total Soldiers Relief     | 110,391          | 118,039         | 115,528 | 2,511   |

continued

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

|   | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Over (Under) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final<br>Budget    |                    |   |
| Veteran Services                                |                    |                    |                    |   |
| Personal Services                               | \$119,335          | \$119,335          | \$118,806          | \$529   |
| Fringe Benefits                                 | 17,900             | 21,224             | 20,562             | 662   |
| Materials and Supplies                          | 2,000              | 1,460              | 1,460              | 0   |
| Contractual Services                            | 7,500              | 7,500              | 7,000              | 500   |
| <b>Total Veteran Services</b>                   | <b>146,735</b>     | <b>149,519</b>     | <b>147,828</b>     | <b>1,691</b>                                  |
| <b>Total Human Services</b>                     | <b>257,126</b>     | <b>267,558</b>     | <b>263,356</b>     | <b>4,202</b>                                  |
| Conservation and Recreation                     |                    |                    |                    |   |
| Historical Society                              |                    |                    |                    |   |
| Contractual Services                            | 15,000             | 15,000             | 15,000             | 0   |
| Other   |                    |                    |                    |   |
| Miscellaneous                                   |                    |                    |                    |   |
| Contractual Services                            | 569,000            | 656,160            | 655,593            | 567   |
| Other   | 500                | 6,538              | 6,538              | 0   |
| <b>Total Other</b>                              | <b>569,500</b>     | <b>662,698</b>     | <b>662,131</b>     | <b>567</b>                                    |
| Capital Outlay                                  | 0                  | 3,987              | 3,987              | 0   |
| Intergovernmental                               | 219,644            | 222,144            | 222,142            | 2   |
| <b>Total Expenditures</b>                       | <b>13,502,527</b>  | <b>14,595,448</b>  | <b>14,328,616</b>  | <b>266,832</b>                                |
| Excess of Revenues Over<br>(Under) Expenditures | 97,757             | (831,652)          | 203,813            | 1,035,465                                     |
| <b><u>Other Financing Sources (Uses):</u></b>   |                    |                    |                    |   |
| Sale of Fixed Assets                            | 5,000              | 5,000              | 0                  | (5,000)                                       |
| Advances - In                                   | 100,000            | 100,000            | 135,606            | 35,606  |
| Advances - Out                                  | (179,316)          | (105,000)          | (105,000)          | 0   |
| Transfers - In                                  | 83,400             | 83,400             | 28,227             | (55,173)                                      |
| Transfers - Out                                 | (1,228,979)        | (1,150,193)        | (1,137,693)        | 12,500  |
| <b>Total Other Financing Sources (Uses)</b>     | <b>(1,219,895)</b> | <b>(1,066,793)</b> | <b>(1,078,860)</b> | <b>(12,067)</b>                               |

continued

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

|                                      | Budgeted Amounts          |                           | Actual                    | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|---------------------------|---------------------------|---------------------------|---|
|                                      | Original                  | Final<br>Budget           |                           |   |
| Net Change in Fund Balance           | (\$1,122,138)             | (\$1,898,445)             | (\$875,047)               | \$1,023,398                                   |
| Fund Balance at Beginning of Year    | 3,782,104                 | 3,782,104                 | 3,782,104                 | 0   |
| Prior Year Encumbrances Appropriated | <u>396,504</u>            | <u>396,504</u>            | <u>396,504</u>            | <u>0</u>                                      |
| Fund Balance at End of Year          | <u><u>\$3,056,470</u></u> | <u><u>\$2,280,163</u></u> | <u><u>\$3,303,561</u></u> | <u><u>\$1,023,398</u></u>                     |

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

|   | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------|------------------|------------------|---|
|   | Original         | Final<br>Budget  |                  |   |
| <b><u>Revenues:</u></b>                       |                  |                  |                  |   |
| Charges for Services                          | \$226,300        | \$226,300        | \$263,549        | \$37,249                                      |
| Intergovernmental                             | 6,796,590        | 5,483,127        | 5,440,157        | (42,970)                                      |
| Other   | 2,500            | 2,500            | 15,873           | 13,373  |
| <b>Total Revenues</b>                         | <b>7,025,390</b> | <b>5,711,927</b> | <b>5,719,579</b> | <b>7,652</b>                                  |
| <b><u>Expenditures:</u></b>                   |                  |                  |                  |   |
| Current:                                      |                  |                  |                  |   |
| Human Services                                |                  |                  |                  |   |
| Administrative                                |                  |                  |                  |   |
| Personal Services                             | 2,200,455        | 2,137,257        | 2,137,247        | 10  |
| Fringe Benefits                               | 837,200          | 781,662          | 781,662          | 0   |
| Materials and Supplies                        | 108,086          | 81,948           | 81,947           | 1   |
| Contractual Services                          | 1,239,343        | 1,196,737        | 1,184,172        | 12,565  |
| Capital Outlay                                | 40,517           | 25,490           | 25,490           | 0   |
| Other   | 31,245           | 24,364           | 23,823           | 541   |
| <b>Total Administrative</b>                   | <b>4,456,846</b> | <b>4,247,458</b> | <b>4,234,341</b> | <b>13,117</b>                                 |
| Public Assistance                             |                  |                  |                  |   |
| Personal Services                             | 260,000          | 236,271          | 236,271          | 0   |
| Fringe Benefits                               | 109,060          | 93,465           | 93,430           | 35  |
| Materials and Supplies                        | 6,278            | 1,000            | 759              | 241   |
| Contractual Services                          | 2,279,452        | 2,063,276        | 1,992,980        | 70,296  |
| Capital Outlay                                | 500              | 0                | 0                | 0   |
| Other   | 95,588           | 91,777           | 90,454           | 1,323   |
| <b>Total Public Assistance</b>                | <b>2,750,878</b> | <b>2,485,789</b> | <b>2,413,894</b> | <b>71,895</b>                                 |
| <b>Total Expenditures</b>                     | <b>7,207,724</b> | <b>6,733,247</b> | <b>6,648,235</b> | <b>85,012</b>                                 |
| Excess of Revenues                            |                  |                  |                  |   |
| Under Expenditures                            | (182,334)        | (1,021,320)      | (928,656)        | 92,664  |
| <b><u>Other Financing Sources (Uses):</u></b> |                  |                  |                  |   |
| Transfers - In                                | 243,492          | 243,492          | 243,492          | 0   |
| Transfers - Out                               | (282,300)        | (281,900)        | (281,900)        | 0   |
| <b>Total Other Financing Sources (Uses)</b>   | <b>(38,808)</b>  | <b>(38,408)</b>  | <b>(38,408)</b>  | <b>0</b>                                      |

continued

**Marion County, Ohio**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Job and Family Services Special Revenue Fund (continued)**  
For the Year Ended December 31, 2003

|                                      | Budgeted Amounts |                  | Actual           | Variance<br>Favorable<br>(Unfavorable) |
|--------------------------------------|------------------|------------------|------------------|--|
|                                      | Original         | Final<br>Budget  |                  |  |
| Net Change in Fund Balance           | (\$221,142)      | (\$1,059,728)    | (\$967,064)      | \$92,664                               |
| Fund Balance at Beginning of Year    | 951,241          | 951,241          | 951,241          | 0                                      |
| Prior Year Encumbrances Appropriated | 221,142          | 221,142          | 221,142          | 0                                      |
| Fund Balance at End of Year          | <u>\$951,241</u> | <u>\$112,655</u> | <u>\$205,319</u> | <u>\$92,664</u>                        |

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

|   | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------|------------------|------------------|---|
|   | Original         | Final<br>Budget  |                  |   |
| <b><u>Revenues:</u></b>                         |                  |                  |                  |   |
| Charges for Services                            | \$20,000         | \$20,000         | \$32,968         | \$12,968                                      |
| Fines and Forfeitures                           | 25,000           | 25,000           | 25,921           | 921   |
| Intergovernmental                               | 3,010,000        | 3,010,000        | 3,415,112        | 405,112                                       |
| Interest  | 5,000            | 5,000            | 1,995            | (3,005)                                       |
| Other   | 50,000           | 50,000           | 69,916           | 19,916  |
| <b>Total Revenues</b>                           | <b>3,110,000</b> | <b>3,110,000</b> | <b>3,545,912</b> | <b>435,912</b>                                |
| <b><u>Expenditures:</u></b>                     |                  |                  |                  |   |
| Current:  |                  |                  |                  |   |
| Public Works                                    |                  |                  |                  |   |
| Personal Services                               | 1,560,438        | 1,414,332        | 1,360,973        | 53,359  |
| Fringe Benefits                                 | 689,500          | 676,488          | 606,350          | 70,138  |
| Materials and Supplies                          | 546,232          | 683,499          | 647,699          | 35,800  |
| Contractual Services                            | 453,649          | 459,639          | 442,142          | 17,497  |
| Capital Outlay                                  | 203,500          | 237,875          | 233,826          | 4,049   |
| Other   | 50,000           | 56,405           | 52,797           | 3,608   |
| <b>Total Expenditures</b>                       | <b>3,503,319</b> | <b>3,528,238</b> | <b>3,343,787</b> | <b>184,451</b>                                |
| Excess of Revenues Over<br>(Under) Expenditures | (393,319)        | (418,238)        | 202,125          | 620,363                                       |
| <b><u>Other Financing Uses:</u></b>             |                  |                  |                  |   |
| Transfers - Out                                 | (86,762)         | (61,842)         | (61,842)         | 0   |
| <b>Net Change in Fund Balance</b>               | <b>(480,081)</b> | <b>(480,080)</b> | <b>140,283</b>   | <b>620,363</b>                                |
| Fund Balance at Beginning of Year               | 498,609          | 498,609          | 498,609          | 0   |
| Prior Year Encumbrances Appropriated            | 23,081           | 23,081           | 23,081           | 0   |
| <b>Fund Balance at End of Year</b>              | <b>\$41,609</b>  | <b>\$41,610</b>  | <b>\$661,973</b> | <b>\$620,363</b>                              |



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

|   | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Over (Under) |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final<br>Budget    |                    |   |
| <b><u>Revenues:</u></b>                         |                    |                    |                    |   |
| Property Taxes                                  | \$1,525,000        | \$1,525,000        | \$1,542,283        | \$17,283                                      |
| Charges for Services                            | 47,000             | 47,000             | 30,224             | (16,776)                                      |
| Intergovernmental                               | 2,181,050          | 2,181,050          | 2,363,729          | 182,679                                       |
| Other   | 58,000             | 58,000             | 55,439             | (2,561)                                       |
| <b>Total Revenues</b>                           | <b>3,811,050</b>   | <b>3,811,050</b>   | <b>3,991,675</b>   | <b>180,625</b>                                |
| <b><u>Expenditures:</u></b>                     |                    |                    |                    |   |
| Current:  |                    |                    |                    |   |
| Human Services                                  |                    |                    |                    |   |
| Personal Services                               | 1,898,690          | 1,898,690          | 1,744,104          | 154,586                                       |
| Fringe Benefits                                 | 839,162            | 844,596            | 673,427            | 171,169                                       |
| Materials and Supplies                          | 97,684             | 91,115             | 85,138             | 5,977   |
| Contractual Services                            | 1,870,075          | 1,775,753          | 1,399,778          | 375,975                                       |
| Capital Outlay                                  | 23,000             | 23,000             | 3,219              | 19,781  |
| Other   | 20,989             | 20,936             | 17,464             | 3,472   |
| <b>Total Expenditures</b>                       | <b>4,749,600</b>   | <b>4,654,090</b>   | <b>3,923,130</b>   | <b>730,960</b>                                |
| Excess of Revenues Over<br>(Under) Expenditures | (938,550)          | (843,040)          | 68,545             | 911,585                                       |
| <b><u>Other Financing Uses:</u></b>             |                    |                    |                    |   |
| Transfers - Out                                 | (5,000)            | (5,000)            | 0                  | 5,000   |
| <b>Net Change in Fund Balance</b>               | <b>(943,550)</b>   | <b>(848,040)</b>   | <b>68,545</b>      | <b>916,585</b>                                |
| Fund Balance at Beginning of Year               | 4,197,377          | 4,197,377          | 4,197,377          | 0   |
| Prior Year Encumbrances Appropriated            | 96,583             | 96,583             | 96,583             | 0   |
| <b>Fund Balance at End of Year</b>              | <b>\$3,350,410</b> | <b>\$3,445,920</b> | <b>\$4,362,505</b> | <b>\$916,585</b>                              |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Mental Disabilities Special Revenue Fund**  
For the Year Ended December 31, 2003

|  | Budgeted Amounts   |                    | Actual             | Variance with<br>Final Budget<br>Over (Under) |
|--|--------------------|--------------------|--------------------|---|
|  | Original           | Final<br>Budget    |                    |   |
| <b><u>Revenues:</u></b>                  |                    |                    |                    |   |
| Property Taxes                           | \$2,950,000        | \$2,950,000        | \$2,902,052        | (\$47,948)                                    |
| Charges for Services                     | 1,000              | 100,000            | 45,450             | (54,550)                                      |
| Intergovernmental                        | 2,196,670          | 2,196,670          | 2,967,023          | 770,353                                       |
| Other                                    | 305,000            | 305,000            | 480,635            | 175,635                                       |
| <b>Total Revenues</b>                    | <b>5,452,670</b>   | <b>5,551,670</b>   | <b>6,395,160</b>   | <b>843,490</b>                                |
| <b><u>Expenditures:</u></b>              |                    |                    |                    |   |
| Current:                                 |                    |                    |                    |   |
| Health                                   |                    |                    |                    |   |
| Personal Services                        | 3,450,000          | 3,403,589          | 3,171,133          | 232,456                                       |
| Fringe Benefits                          | 1,724,043          | 1,283,098          | 1,139,855          | 143,243                                       |
| Materials and Supplies                   | 401,312            | 375,300            | 313,624            | 61,676  |
| Contractual Services                     | 4,207,970          | 3,982,897          | 3,364,898          | 617,999                                       |
| Capital Outlay                           | 100,500            | 70,000             | 30,351             | 39,649  |
| Other                                    | 215,115            | 163,525            | 119,537            | 43,988  |
| <b>Total Expenditures</b>                | <b>10,098,940</b>  | <b>9,278,409</b>   | <b>8,139,398</b>   | <b>1,139,011</b>                              |
| Excess of Revenues<br>Under Expenditures | (4,646,270)        | (3,726,739)        | (1,744,238)        | 1,982,501                                     |
| <b><u>Other Financing Uses:</u></b>      |                    |                    |                    |   |
| Transfers - Out                          | 0                  | (125,000)          | (125,000)          | 0   |
| <b>Net Change in Fund Balance</b>        | <b>(4,646,270)</b> | <b>(3,851,739)</b> | <b>(1,869,238)</b> | <b>1,982,501</b>                              |
| Fund Balance at Beginning of Year        | 3,842,421          | 3,842,421          | 3,842,421          | 0   |
| Prior Year Encumbrances Appropriated     | 1,513,940          | 1,513,940          | 1,513,940          | 0   |
| <b>Fund Balance at End of Year</b>       | <b>\$710,091</b>   | <b>\$1,504,622</b> | <b>\$3,487,123</b> | <b>\$1,982,501</b>                            |

**Marion County, Ohio**  
Schedule of Revenues, Expenses,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Sewer District Enterprise Fund**  
For the Year Ended December 31, 2003

|                                      | Final<br>Budget           | Actual                    | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|---------------------------|---------------------------|---|
| <b><u>Revenues:</u></b>              |                           |                           |   |
| Charges for Services                 | \$1,006,000               | \$1,024,807               | \$18,807                                      |
| Tap In Fees                          | 25,000                    | 76,238                    | 51,238  |
| Intergovernmental                    | 0                         | 1,006                     | 1,006   |
| Interest                             | 25,400                    | 8,603                     | (16,797)                                      |
| Other                                | 0                         | 45,158                    | 45,158  |
| Total Revenues                       | <u>1,056,400</u>          | <u>1,155,812</u>          | <u>99,412</u>                                 |
| <b><u>Expenses:</u></b>              |                           |                           |   |
| Personal Services                    | 354,500                   | 352,290                   | 2,210   |
| Fringe Benefits                      | 82,400                    | 68,713                    | 13,687  |
| Materials and Supplies               | 40,900                    | 32,810                    | 8,090   |
| Contractual Services                 | 645,013                   | 611,800                   | 33,213  |
| Capital Outlay                       | 47,200                    | 33,285                    | 13,915  |
| Other                                | 82,700                    | 66,912                    | 15,788  |
| Debt Service:                        |                           |                           |   |
| Principal Retirement                 | 109,700                   | 109,621                   | 79  |
| Interest Expense                     | 128,300                   | 126,644                   | 1,656   |
| Total Expenses                       | <u>1,490,713</u>          | <u>1,402,075</u>          | <u>88,638</u>                                 |
| Net Change in Fund Balance           | (434,313)                 | (246,263)                 | 188,050                                       |
| Fund Balance at Beginning of Year    | 1,992,025                 | 1,992,025                 | 0   |
| Prior Year Encumbrances Appropriated | <u>329,241</u>            | <u>329,241</u>            | <u>0</u>                                      |
| Fund Balance at End of Year          | <u><u>\$1,886,953</u></u> | <u><u>\$2,075,003</u></u> | <u><u>\$188,050</u></u>                       |

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

|                                      | Final<br>Budget | Actual      | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|-----------------|-------------|---|
| <b><u>Revenues:</u></b>              |                 |             |   |
| Intergovernmental                    | \$1,298,687     | \$1,298,687 | \$0   |
| <b><u>Expenditures:</u></b>          |                 |             |   |
| Current:                             |                 |             |   |
| Human Services                       |                 |             |   |
| Personal Services                    | 420,000         | 416,262     | 3,738   |
| Fringe Benefits                      | 176,175         | 175,791     | 384   |
| Materials and Supplies               | 2,300           | 1,247       | 1,053   |
| Contractual Services                 | 501,448         | 500,256     | 1,192   |
| Other                                | 289,172         | 285,022     | 4,150   |
| Total Expenditures                   | 1,389,095       | 1,378,578   | 10,517  |
| Net Change in Fund Balance           | (90,408)        | (79,891)    | 10,517  |
| Fund Balance at Beginning of Year    | 623,991         | 623,991     | 0   |
| Prior Year Encumbrances Appropriated | 61,848          | 61,848      | 0   |
| Fund Balance at End of Year          | \$595,431       | \$605,948   | \$10,517                                      |

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

|                                   | Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|-----------|---|
| <b><u>Revenues:</u></b>           |                 |           |   |
| Property Taxes                    | \$601,764       | \$601,764 | \$0   |
| Intergovernmental                 | 79,333          | 79,333    | 0   |
| Total Revenues                    | 681,097         | 681,097   | 0   |
| <b><u>Expenditures:</u></b>       |                 |           |   |
| Intergovernmental                 | 681,097         | 681,097   | 0   |
| Net Change in Fund Balance        | 0               | 0         | 0   |
| Fund Balance at Beginning of Year | 0               | 0         | 0   |
| Fund Balance at End of Year       | \$0             | \$0       | \$0   |

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

|   | Final<br>Budget         | Actual                  | Variance with<br>Final Budget<br>Over (Under) |
|---|-------------------------|-------------------------|---|
| <b><u>Revenues:</u></b>                           |                         |                         |   |
| Charges for Services                              | \$460,000               | \$482,874               | \$22,874                                      |
| Fines and Forfeitures                             | 200                     | 0                       | (200)   |
| Other   | 4,400                   | 4,265                   | (135)   |
| Total Revenues                                    | <u>464,600</u>          | <u>487,139</u>          | <u>22,539</u>                                 |
| <b><u>Expenditures:</u></b>                       |                         |                         |   |
| Current:  |                         |                         |   |
| General Government - Legislative<br>and Executive |                         |                         |   |
| Personal Services                                 | 210,874                 | 210,833                 | 41  |
| Fringe Benefits                                   | 79,151                  | 78,685                  | 466   |
| Materials and Supplies                            | 21,263                  | 17,859                  | 3,404   |
| Contractual Services                              | 156,165                 | 156,160                 | 5   |
| Capital Outlay                                    | 31,700                  | 31,700                  | 0   |
| Other   | 45,310                  | 14,947                  | 30,363  |
| Total Expenditures                                | <u>544,463</u>          | <u>510,184</u>          | <u>34,279</u>                                 |
| Net Change in Fund Balance                        | (79,863)                | (23,045)                | 56,818  |
| Fund Balance at Beginning of Year                 | 214,672                 | 214,672                 | 0   |
| Prior Year Encumbrances Appropriated              | <u>93,597</u>           | <u>93,597</u>           | <u>0</u>                                      |
| Fund Balance at End of Year                       | <u><u>\$228,406</u></u> | <u><u>\$285,224</u></u> | <u><u>\$56,818</u></u>                        |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**North Central Ohio Rehabilitation Center Special Revenue Fund**  
For the Year Ended December 31, 2003

|  | Final<br>Budget        | Actual                  | Variance with<br>Final Budget<br>Over (Under) |
|--|------------------------|-------------------------|---|
| <b><u>Revenues:</u></b>                      |                        |                         |   |
| Intergovernmental                            | \$941,364              | \$941,618               | \$254   |
| Other  | 50,000                 | 35,764                  | (14,236)                                      |
| Total Revenues                               | <u>991,364</u>         | <u>977,382</u>          | <u>(13,982)</u>                               |
| <b><u>Expenditures:</u></b>                  |                        |                         |   |
| Current:                                     |                        |                         |   |
| Public Safety                                |                        |                         |   |
| Personal Services                            | 711,300                | 683,292                 | 28,008  |
| Fringe Benefits                              | 291,100                | 247,867                 | 43,233  |
| Materials and Supplies                       | 48,750                 | 39,991                  | 8,759   |
| Contractual Services                         | 105,043                | 97,516                  | 7,527   |
| Capital Outlay                               | 1,500                  | 686                     | 814   |
| Other  | 11,555                 | 7,108                   | 4,447   |
| Total Expenditures                           | <u>1,169,248</u>       | <u>1,076,460</u>        | <u>92,788</u>                                 |
| Excess of Revenues<br>Under Expenditures     | <u>(177,884)</u>       | <u>(99,078)</u>         | <u>78,806</u>                                 |
| <b><u>Other Financing Sources (Uses)</u></b> |                        |                         |   |
| Advances - In                                | 47,272                 | 70,000                  | 22,728  |
| Advances - Out                               | (70,000)               | (70,000)                | 0   |
| Total Other Financing Sources (Uses)         | <u>(22,728)</u>        | <u>0</u>                | <u>22,728</u>                                 |
| Net Change in Fund Balance                   | (200,612)              | (99,078)                | 101,534                                       |
| Fund Balance at Beginning of Year            | 216,093                | 216,093                 | 0   |
| Prior Year Encumbrances Appropriated         | <u>11,858</u>          | <u>11,858</u>           | <u>0</u>                                      |
| Fund Balance at End of Year                  | <u><u>\$27,339</u></u> | <u><u>\$128,873</u></u> | <u><u>\$101,534</u></u>                       |

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

|                                   | Final<br>Budget | Actual   | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|----------|---|
| <b><u>Revenues:</u></b>           |                 |          |   |
| Fines and Forfeitures             | \$2,000         | \$3,456  | \$1,456                                       |
| Interest                          | 500             | 243      | (257)   |
| Total Revenues                    | 2,500           | 3,699    | 1,199   |
| <b><u>Expenditures:</u></b>       |                 |          |   |
| Current:                          |                 |          |   |
| Public Safety                     |                 |          |   |
| Materials and Supplies            | 69,567          | 3,000    | 66,567  |
| Net Change in Fund Balance        | (67,067)        | 699      | 67,766  |
| Fund Balance at Beginning of Year | 69,989          | 69,989   | 0   |
| Fund Balance at End of Year       | \$2,922         | \$70,688 | \$67,766                                      |



**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Prison Reduction Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) |
|---|-----------------|-----------|---|
| <b><u>Revenues:</u></b>                       |                 |           |   |
| Intergovernmental                             | \$246,165       | \$246,165 | \$0   |
| <b><u>Expenditures:</u></b>                   |                 |           |   |
| Current:                                      |                 |           |   |
| Public Safety                                 |                 |           |   |
| Personal Services                             | 168,294         | 161,405   | 6,889   |
| Fringe Benefits                               | 96,629          | 86,995    | 9,634   |
| Materials and Supplies                        | 67              | 0         | 67  |
| Total Expenditures                            | 264,990         | 248,400   | 16,590  |
| Excess of Revenues                            |                 |           |   |
| Under Expenditures                            | (18,825)        | (2,235)   | 16,590  |
| <b><u>Other Financing Sources (Uses):</u></b> |                 |           |   |
| Advances - In                                 | 30,000          | 30,000    | 0   |
| Advances - Out                                | (16,698)        | (16,698)  | 0   |
| Total Other Financing Sources (Uses)          | 13,302          | 13,302    | 0   |
| Net Change in Fund Balance                    | (5,523)         | 11,067    | 16,590  |
| Fund Balance at Beginning of Year             | 23,516          | 23,516    | 0   |
| Fund Balance at End of Year                   | \$17,993        | \$34,583  | \$16,590                                      |

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

|  | Final<br>Budget | Actual  | Variance with<br>Final Budget<br>Over (Under) |
|--|-----------------|---------|---|
| <b><u>Revenues:</u></b>                |                 |         |   |
| Charges for Services                   | \$12,500        | \$9,865 | (\$2,635)                                     |
| <b><u>Expenditures:</u></b>            |                 |         |   |
| Current:                               |                 |         |   |
| Public Safety                          |                 |         |   |
| Contractual Services                   | 17,185          | 16,101  | 1,084   |
| Excess of Revenues                     |                 |         |   |
| Under Expenditures                     | (4,685)         | (6,236) | (1,551)                                       |
| <b><u>Other Financing Sources:</u></b> |                 |         |   |
| Transfers - In                         | 0               | 3,000   | 3,000   |
| Net Change in Fund Balance             | (4,685)         | (3,236) | 1,449   |
| Fund Balance at Beginning of Year      | 3,885           | 3,885   | 0   |
| Prior Year Encumbrances Appropriated   | 800             | 800     | 0   |
| Fund Balance at End of Year            | \$0             | \$1,449 | \$1,449                                       |

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

|  | Final<br>Budget | Actual   | Variance with<br>Final Budget<br>Over (Under) |
|--|-----------------|----------|---|
| <b><u>Revenues:</u></b>                  |                 |          |   |
| Charges for Services                     | \$28,796        | \$28,796 | \$0   |
| <b><u>Expenditures:</u></b>              |                 |          |   |
| Current:                                 |                 |          |   |
| Public Safety                            |                 |          |   |
| Personal Services                        | 20,464          | 15,739   | 4,725   |
| Fringe Benefits                          | 4,304           | 3,042    | 1,262   |
| Materials and Supplies                   | 8,000           | 5,954    | 2,046   |
| Contractual Services                     | 11,500          | 11,271   | 229   |
| Capital Outlay                           | 5,000           | 938      | 4,062   |
| Total Expenditures                       | 49,268          | 36,944   | 12,324  |
| Excess of Revenues<br>Under Expenditures | (20,472)        | (8,148)  | 12,324  |
| <b><u>Other Financing Uses:</u></b>      |                 |          |   |
| Transfers - Out                          | (7,036)         | (7,036)  | 0   |
| Net Change in Fund Balance               | (27,508)        | (15,184) | 12,324  |
| Fund Balance at Beginning of Year        | 75,263          | 75,263   | 0   |
| Fund Balance at End of Year              | \$47,755        | \$60,079 | \$12,324                                      |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Felony Delinquent Care and Custody Special Revenue Fund**  
For the Year Ended December 31, 2003

|                                      | Final<br>Budget        | Actual                  | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|------------------------|-------------------------|---|
| <b><u>Revenues:</u></b>              |                        |                         |   |
| Intergovernmental                    | \$610,184              | \$610,184               | \$0   |
| Other                                | 63,732                 | 63,732                  | 0   |
| Total Revenues                       | <u>673,916</u>         | <u>673,916</u>          | <u>0</u>                                      |
| <b><u>Expenditures:</u></b>          |                        |                         |   |
| Current:                             |                        |                         |   |
| Public Safety                        |                        |                         |   |
| Personal Services                    | 321,000                | 255,235                 | 65,765  |
| Fringe Benefits                      | 155,000                | 100,792                 | 54,208  |
| Materials and Supplies               | 13,000                 | 2,651                   | 10,349  |
| Contractual Services                 | 291,378                | 245,306                 | 46,072  |
| Capital Outlay                       | 7,000                  | 0                       | 7,000   |
| Other                                | 24,000                 | 5,980                   | 18,020  |
| Total Expenditures                   | <u>811,378</u>         | <u>609,964</u>          | <u>201,414</u>                                |
| Net Change in Fund Balance           | (137,462)              | 63,952                  | 201,414                                       |
| Fund Balance at Beginning of Year    | 184,923                | 184,923                 | 0   |
| Prior Year Encumbrances Appropriated | 39,945                 | 39,945                  | 0   |
| Fund Balance at End of Year          | <u><u>\$87,406</u></u> | <u><u>\$288,820</u></u> | <u><u>\$201,414</u></u>                       |

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**DWI Education Special Revenue Fund**  
 For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual          | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|-----------------|---|
| <b><u>Revenues:</u></b>           |                 |                 |   |
| Fines and Forfeitures             | \$0             | \$859           | \$859   |
| <b><u>Expenditures:</u></b>       |                 |                 |   |
| Total Expenditures                | 0               | 0               | 0   |
| Net Change in Fund Balance        | 0               | 859             | 859   |
| Fund Balance at Beginning of Year | 9,531           | 9,531           | 0   |
| Fund Balance at End of Year       | <u>\$9,531</u>  | <u>\$10,390</u> | <u>\$859</u>                                  |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Jail Reduction Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget | Actual   | Variance with<br>Final Budget<br>Over (Under) |
|---|-----------------|----------|---|
| <b><u>Revenues:</u></b>                       |                 |          |   |
| Intergovernmental                             | \$35,732        | \$35,732 | \$0   |
| <b><u>Expenditures:</u></b>                   |                 |          |   |
| Current:                                      |                 |          |   |
| Public Safety                                 |                 |          |   |
| Personal Services                             | 25,218          | 24,724   | 494   |
| Fringe Benefits                               | 15,924          | 15,584   | 340   |
| Materials and Supplies                        | 0               | 0        | 0   |
| Other   | 0               | 0        | 0   |
| Total Expenditures                            | 41,142          | 40,308   | 834   |
| Excess of Revenues                            |                 |          |   |
| Under Expenditures                            | (5,410)         | (4,576)  | 834   |
| <b><u>Other Financing Sources (Uses):</u></b> |                 |          |   |
| Advances - In                                 | 5,000           | 5,000    | 0   |
| Advances - Out                                | (1,687)         | (1,687)  | 0   |
| Total Other Financing Sources (Uses)          | 3,313           | 3,313    | 0   |
| Net Change in Fund Balance                    | (2,097)         | (1,263)  | 834   |
| Fund Balance at Beginning of Year             | 4,015           | 4,015    | 0   |
| Fund Balance at End of Year                   | \$1,918         | \$2,752  | \$834   |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Electronic Monitoring Special Revenue Fund**  
For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual         | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|----------------|---|
| <b><u>Revenues:</u></b>           |                 |                |   |
| Charges for Services              | \$1,500         | \$2,021        | \$521   |
| <b><u>Expenditures:</u></b>       |                 |                |   |
| Current:                          |                 |                |   |
| Public Safety                     |                 |                |   |
| Contractual Services              | 2,592           | 1,650          | 942   |
| Net Change in Fund Balance        | (1,092)         | 371            | 1,463   |
| Fund Balance at Beginning of Year | 4,369           | 4,369          | 0   |
| Fund Balance at End of Year       | <u>\$3,277</u>  | <u>\$4,740</u> | <u>\$1,463</u>                                |

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

|                                      | Final<br>Budget | Actual          | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|-----------------|-----------------|---|
| <b><u>Revenues:</u></b>              |                 |                 |   |
| Fines and Forfeitures                | \$125           | \$9,948         | \$9,823                                       |
| Interest                             | 200             | 200             | 0   |
| Other                                | 20,898          | 21,584          | 686   |
| Total Revenues                       | 21,223          | 31,732          | 10,509  |
| <b><u>Expenditures:</u></b>          |                 |                 |   |
| Current:                             |                 |                 |   |
| Public Safety                        |                 |                 |   |
| Materials and Supplies               | 132,823         | 107,146         | 25,677  |
| Net Change in Fund Balance           | (111,600)       | (75,414)        | 36,186  |
| Fund Balance at Beginning of Year    | 70,811          | 70,811          | 0   |
| Prior Year Encumbrances Appropriated | 42,615          | 42,615          | 0   |
| Fund Balance at End of Year          | <u>\$1,826</u>  | <u>\$38,012</u> | <u>\$36,186</u>                               |



**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**PEACE Program Special Revenue Fund**  
For the Year Ended December 31, 2003

|                                      | Final<br>Budget | Actual   | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|-----------------|----------|---|
| <b><u>Revenues:</u></b>              |                 |          |   |
| Charges for Services                 | \$11,633        | \$11,633 | \$0   |
| <b><u>Expenditures:</u></b>          |                 |          |   |
| Current:                             |                 |          |   |
| Public Safety                        |                 |          |   |
| Materials and Supplies               | 3,500           | 1,222    | 2,278   |
| Contractual Services                 | 8,669           | 7,725    | 944   |
| Capital Outlay                       | 3,131           | 3,131    | 0   |
| Total Expenditures                   | 15,300          | 12,078   | 3,222   |
| Net Change in Fund Balance           | (3,667)         | (445)    | 3,222   |
| Fund Balance at Beginning of Year    | 7,597           | 7,597    | 0   |
| Prior Year Encumbrances Appropriated | 500             | 500      | 0   |
| Fund Balance at End of Year          | \$4,430         | \$7,652  | \$3,222                                       |

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

|                                      | Final<br>Budget        | Actual                 | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|------------------------|------------------------|---|
| <b><u>Revenues:</u></b>              |                        |                        |   |
| Charges for Services                 | \$3,360                | \$3,438                | \$78  |
| Licenses and Permits                 | 115,000                | 120,611                | 5,611   |
| Fines and Forfeitures                | 22,000                 | 19,201                 | (2,799)                                       |
| Other                                | 2,000                  | 1,968                  | (32)  |
| Total Revenues                       | <u>142,360</u>         | <u>145,218</u>         | <u>2,858</u>                                  |
| <b><u>Expenditures:</u></b>          |                        |                        |   |
| Current:                             |                        |                        |   |
| Health                               |                        |                        |   |
| Personal Services                    | 61,492                 | 51,737                 | 9,755   |
| Fringe Benefits                      | 64,086                 | 62,554                 | 1,532   |
| Materials and Supplies               | 16,549                 | 11,552                 | 4,997   |
| Contractual Services                 | 16,556                 | 10,912                 | 5,644   |
| Capital Outlay                       | 900                    | 300                    | 600   |
| Other                                | 200                    | 0                      | 200   |
| Total Expenditures                   | <u>159,783</u>         | <u>137,055</u>         | <u>22,728</u>                                 |
| Net Change in Fund Balance           | (17,423)               | 8,163                  | 25,586  |
| Fund Balance at Beginning of Year    | 51,102                 | 51,102                 | 0   |
| Prior Year Encumbrances Appropriated | <u>1,305</u>           | <u>1,305</u>           | <u>0</u>                                      |
| Fund Balance at End of Year          | <u><u>\$34,984</u></u> | <u><u>\$60,570</u></u> | <u><u>\$25,586</u></u>                        |

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

|                                      | Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|-----------------|-----------|---|
| <b><u>Revenues:</u></b>              |                 |           |   |
| Special Assessments                  | \$4,652         | \$4,652   | \$0   |
| <b><u>Expenditures:</u></b>          |                 |           |   |
| Current:                             |                 |           |   |
| Public Works                         |                 |           |   |
| Materials and Supplies               | 1,250           | 1,102     | 148   |
| Contractual Services                 | 121,324         | 80,469    | 40,855  |
| Capital Outlay                       | 28,250          | 27,310    | 940   |
| Total Expenditures                   | 150,824         | 108,881   | 41,943  |
| Net Change in Fund Balance           | (146,172)       | (104,229) | 41,943  |
| Fund Balance at Beginning of Year    | 147,896         | 147,896   | 0   |
| Prior Year Encumbrances Appropriated | 15,350          | 15,350    | 0   |
| Fund Balance at End of Year          | \$17,074        | \$59,017  | \$41,943                                      |

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

|                                      | Final<br>Budget        | Actual                 | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|------------------------|------------------------|---|
| <b><u>Revenues:</u></b>              |                        |                        |   |
| Intergovernmental                    | \$189,010              | \$189,000              | (\$10)  |
| Interest                             | 0                      | 159                    | 159   |
| Other                                | 24,184                 | 23,132                 | (1,052)                                       |
| Total Revenues                       | <u>213,194</u>         | <u>212,291</u>         | <u>(903)</u>                                  |
| <b><u>Expenditures:</u></b>          |                        |                        |   |
| Current:                             |                        |                        |   |
| Public Works                         |                        |                        |   |
| Contractual Services                 | 47,000                 | 4,960                  | 42,040  |
| Capital Outlay                       | 201,871                | 191,760                | 10,111  |
| Total Expenditures                   | <u>248,871</u>         | <u>196,720</u>         | <u>52,151</u>                                 |
| Net Change in Fund Balance           | (35,677)               | 15,571                 | 51,248  |
| Fund Balance at Beginning of Year    | 76,020                 | 76,020                 | 0   |
| Prior Year Encumbrances Appropriated | <u>834</u>             | <u>834</u>             | <u>0</u>                                      |
| Fund Balance at End of Year          | <u><u>\$41,177</u></u> | <u><u>\$92,425</u></u> | <u><u>\$51,248</u></u>                        |

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

|                                      | Final<br>Budget       | Actual                | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|-----------------------|-----------------------|---|
| <b><u>Revenues:</u></b>              |                       |                       |   |
| Charges for Services                 | \$0                   | \$300                 | \$300   |
| Intergovernmental                    | 78,764                | 78,764                | 0   |
| Other                                | 130                   | 130                   | 0   |
| Total Revenues                       | <u>78,894</u>         | <u>79,194</u>         | <u>300</u>                                    |
| <b><u>Expenditures:</u></b>          |                       |                       |   |
| Current:                             |                       |                       |   |
| Public Works                         |                       |                       |   |
| Personal Services                    | 54,228                | 54,228                | 0   |
| Fringe Benefits                      | 14,282                | 13,519                | 763   |
| Materials and Supplies               | 660                   | 554                   | 106   |
| Other                                | 15,824                | 13,749                | 2,075   |
| Total Expenditures                   | <u>84,994</u>         | <u>82,050</u>         | <u>2,944</u>                                  |
| Net Change in Fund Balance           | (6,100)               | (2,856)               | 3,244   |
| Fund Balance at Beginning of Year    | 7,877                 | 7,877                 | 0   |
| Prior Year Encumbrances Appropriated | <u>283</u>            | <u>283</u>            | <u>0</u>                                      |
| Fund Balance at End of Year          | <u><u>\$2,060</u></u> | <u><u>\$5,304</u></u> | <u><u>\$3,244</u></u>                         |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Delinquent Real Estate Tax Assessment Prosecutor Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget        | Actual                 | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------------|------------------------|---|
| <b><u>Revenues:</u></b>                           |                        |                        |   |
| Charges for Services                              | \$60,000               | \$71,414               | \$11,414                                      |
| Other   | 14,900                 | 13,096                 | (1,804)                                       |
| Total Revenues                                    | <u>74,900</u>          | <u>84,510</u>          | <u>9,610</u>                                  |
| <b><u>Expenditures:</u></b>                       |                        |                        |   |
| Current:  |                        |                        |   |
| General Government - Legislative<br>and Executive |                        |                        |   |
| Personal Services                                 | 55,696                 | 54,060                 | 1,636   |
| Fringe Benefits                                   | 17,567                 | 15,120                 | 2,447   |
| Materials and Supplies                            | 2,500                  | 2,487                  | 13  |
| Contractual Services                              | 11,470                 | 10,586                 | 884   |
| Capital Outlay                                    | 750                    | 0                      | 750   |
| Other   | 500                    | 96                     | 404   |
| Total Expenditures                                | <u>88,483</u>          | <u>82,349</u>          | <u>6,134</u>                                  |
| Net Change in Fund Balance                        | (13,583)               | 2,161                  | 15,744  |
| Fund Balance at Beginning of Year                 | 75,185                 | 75,185                 | 0   |
| Prior Year Encumbrances Appropriated              | <u>2,090</u>           | <u>2,090</u>           | <u>0</u>                                      |
| Fund Balance at End of Year                       | <u><u>\$63,692</u></u> | <u><u>\$79,436</u></u> | <u><u>\$15,744</u></u>                        |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Delinquent Real Estate Tax Assessment Treasurer Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget        | Actual                  | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------------|-------------------------|---|
| <b><u>Revenues:</u></b>                           |                        |                         |   |
| Charges for Services                              | \$52,000               | \$74,031                | \$22,031                                      |
| Other   | 0                      | 923                     | 923   |
| Total Revenues                                    | <u>52,000</u>          | <u>74,954</u>           | <u>22,954</u>                                 |
| <b><u>Expenditures:</u></b>                       |                        |                         |   |
| Current:  |                        |                         |   |
| General Government - Legislative<br>and Executive |                        |                         |   |
| Personal Services                                 | 45,000                 | 38,090                  | 6,910   |
| Fringe Benefits                                   | 13,400                 | 10,787                  | 2,613   |
| Materials and Supplies                            | 3,000                  | 2,114                   | 886   |
| Capital Outlay                                    | 10,000                 | 2,070                   | 7,930   |
| Other   | 18,000                 | 13,539                  | 4,461   |
| Total Expenditures                                | <u>89,400</u>          | <u>66,600</u>           | <u>22,800</u>                                 |
| Excess of Revenues Over<br>(Under) Expenditures   | (37,400)               | 8,354                   | 45,754  |
| <b><u>Other Financing Uses:</u></b>               |                        |                         |   |
| Transfers - Out                                   | (5,000)                | 0                       | 5,000   |
| Net Change in Fund Balance                        | (42,400)               | 8,354                   | 50,754  |
| Fund Balance at Beginning of Year                 | <u>131,636</u>         | <u>131,636</u>          | <u>0</u>                                      |
| Fund Balance at End of Year                       | <u><u>\$89,236</u></u> | <u><u>\$139,990</u></u> | <u><u>\$50,754</u></u>                        |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Prepayment Interest Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget | Actual         | Variance with<br>Final Budget<br>Over (Under) |
|---|-----------------|----------------|---|
| <b><u>Revenues:</u></b>                           |                 |                |   |
| Interest  | \$1,102         | \$1,102        | \$0   |
| <b><u>Expenditures:</u></b>                       |                 |                |   |
| Current:  |                 |                |   |
| General Government - Legislative<br>and Executive |                 |                |   |
| Personal Services                                 | 5,000           | 1,000          | 4,000   |
| Fringe Benefits                                   | 810             | 0              | 810   |
| Materials and Supplies                            | 6,000           | 2,402          | 3,598   |
| Total Expenditures                                | 11,810          | 3,402          | 8,408   |
| Net Change in Fund Balance                        | (10,708)        | (2,300)        | 8,408   |
| Fund Balance at Beginning of Year                 | 12,084          | 12,084         | 0   |
| Fund Balance at End of Year                       | <u>\$1,376</u>  | <u>\$9,784</u> | <u>\$8,408</u>                                |



**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Computerization Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget        | Actual                  | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------------|-------------------------|---|
| <b><u>Revenues:</u></b>                 |                        |                         |   |
| Charges for Services                    | \$216,389              | \$249,401               | \$33,012                                      |
| Other                                   | 20,557                 | 21,193                  | 636   |
| Total Revenues                          | <u>236,946</u>         | <u>270,594</u>          | <u>33,648</u>                                 |
| <b><u>Expenditures:</u></b>             |                        |                         |   |
| Current:                                |                        |                         |   |
| General Government - Judicial           |                        |                         |   |
| Personal Services                       | 49,999                 | 49,999                  | 0   |
| Fringe Benefits                         | 40,447                 | 20,059                  | 20,388  |
| Contractual Services                    | 30,274                 | 22,088                  | 8,186   |
| Capital Outlay                          | 20,676                 | 1,237                   | 19,439  |
| Other                                   | 0                      | 0                       | 0   |
| Total Expenditures                      | <u>141,396</u>         | <u>93,383</u>           | <u>48,013</u>                                 |
| Excess of Revenues Over<br>Expenditures | 95,550                 | 177,211                 | 81,661  |
| <b><u>Other Financing Ues:</u></b>      |                        |                         |   |
| Transfers - Out                         | <u>(332,700)</u>       | <u>(325,000)</u>        | <u>7,700</u>                                  |
| Net Change in Fund Balance              | (237,150)              | (147,789)               | 89,361  |
| Fund Balance at Beginning of Year       | <u>270,955</u>         | <u>270,955</u>          | <u>0</u>                                      |
| Fund Balance at End of Year             | <u><u>\$33,805</u></u> | <u><u>\$123,166</u></u> | <u><u>\$89,361</u></u>                        |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**GFM Recorder Equipment Special Revenue Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget | Actual         | Variance with<br>Final Budget<br>Over (Under) |
|---|-----------------|----------------|---|
| <b><u>Revenues:</u></b>   |                 |                |   |
| Charges for Services  | \$76,239        | \$78,163       | \$1,924                                       |
| <b><u>Expenditures:</u></b>   |                 |                |   |
| Current:  |                 |                |   |
| General Government - Legislative and<br>Executive<br>Capital Outlay | 235,741         | 235,740        | 1   |
| Excess of Revenues<br>Under Expenditures                            | (159,502)       | (157,577)      | 1,925   |
| <b><u>Other Financing Uses:</u></b>                                 |                 |                |   |
| Advances - Out  | (38,278)        | (38,278)       | 0   |
| Net Change in Fund Balance  | (197,780)       | (195,855)      | 1,925   |
| Fund Balance at Beginning of Year                                   | 182,003         | 182,003        | 0   |
| Prior Year Encumbrances Appropriated                                | 20,342          | 20,342         | 0   |
| Fund Balance at End of Year   | <u>\$4,565</u>  | <u>\$6,490</u> | <u>\$1,925</u>                                |

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

|   | Final<br>Budget         | Actual                  | Variance with<br>Final Budget<br>Over (Under) |
|---|-------------------------|-------------------------|---|
| <b><u>Revenues:</u></b>                         |                         |                         |   |
| Charges for Services                            | \$245,000               | \$275,415               | \$30,415                                      |
| Other   | 0                       | 1,586                   | 1,586   |
| Total Revenues                                  | <u>245,000</u>          | <u>277,001</u>          | <u>32,001</u>                                 |
| <b><u>Expenditures:</u></b>                     |                         |                         |   |
| Current:  |                         |                         |   |
| General Government - Judicial                   |                         |                         |   |
| Personal Services                               | 146,312                 | 125,325                 | 20,987  |
| Fringe Benefits                                 | 103,626                 | 66,017                  | 37,609  |
| Material and Supplies                           | 5,000                   | 2,425                   | 2,575   |
| Contractual Services                            | 5,042                   | 2,969                   | 2,073   |
| Capital Outlay                                  | 2,000                   | 0                       | 2,000   |
| Other   | 2,500                   | 1,735                   | 765   |
| Total Expenditures                              | <u>264,480</u>          | <u>198,471</u>          | <u>66,009</u>                                 |
| Excess of Revenues Over<br>(Under) Expenditures | (19,480)                | 78,530                  | 98,010  |
| <b><u>Other Financing Uses:</u></b>             |                         |                         |   |
| Transfers - Out                                 | <u>(87,000)</u>         | <u>(87,000)</u>         | <u>0</u>                                      |
| Net Change in Fund Balance                      | (106,480)               | (8,470)                 | 98,010  |
| Fund Balance at Beginning of Year               | 260,380                 | 260,380                 | 0   |
| Prior Year Encumbrances Appropriated            | <u>842</u>              | <u>842</u>              | <u>0</u>                                      |
| Fund Balance at End of Year                     | <u><u>\$154,742</u></u> | <u><u>\$252,752</u></u> | <u><u>\$98,010</u></u>                        |

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

|   | Final<br>Budget | Actual       | Variance with<br>Final Budget<br>Over (Under) |
|---|-----------------|--------------|---|
| <b><u>Revenues:</u></b>                               |                 |              |   |
| Charges for Services                                  | \$784           | \$784        | \$0   |
| <b><u>Expenditures:</u></b>                           |                 |              |   |
| Current:  |                 |              |   |
| General Government - Judicial<br>Contractual Services | 1,472           | 784          | 688   |
| Net Change in Fund Balance                            | (688)           | 0            | 688   |
| Fund Balance at Beginning of Year                     | 688             | 688          | 0   |
| Fund Balance at End of Year                           | <u>\$0</u>      | <u>\$688</u> | <u>\$688</u>                                  |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Underground Storage Tank Special Revenue Fund**  
For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual          | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|-----------------|---|
| <b><u>Revenues:</u></b>           |                 |                 |   |
| Total Revenues                    | \$0             | \$0             | \$0   |
| <b><u>Expenditures:</u></b>       |                 |                 |   |
| Current:                          |                 |                 |   |
| Health                            |                 |                 |   |
| Contractual Services              | 600             | 600             | 0   |
| Net Change in Fund Balance        | (600)           | (600)           | 0   |
| Fund Balance at Beginning of Year | 11,000          | 11,000          | 0   |
| Fund Balance at End of Year       | <u>\$10,400</u> | <u>\$10,400</u> | <u>\$0</u>                                    |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Ohio Children's Trust Special Revenue Fund**  
For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual         | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|----------------|---|
| <b><u>Revenues:</u></b>           |                 |                |   |
| Intergovernmental                 | \$17,597        | \$17,597       | \$0   |
| <b><u>Expenditures:</u></b>       |                 |                |   |
| Current :                         |                 |                |   |
| Human Services                    |                 |                |   |
| Contractual Services              | 17,780          | 11,175         | 6,605   |
| Net Change in Fund Balance        | (183)           | 6,422          | 6,605   |
| Fund Balance at Beginning of Year | 183             | 183            | 0   |
| Fund Balance at End of Year       | <u>\$0</u>      | <u>\$6,605</u> | <u>\$6,605</u>                                |

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Juvenile Drug Testing Special Revenue Fund**  
 For the Year Ended December 31, 2003

|   | Final<br>Budget | Actual      | Variance with<br>Final Budget<br>Over (Under) |
|---|-----------------|-------------|---|
| <b><u>Revenues:</u></b>                                 |                 |             |   |
| Charges for Services                                    | \$0             | \$0         | \$0   |
| <b><u>Expenditures:</u></b>                             |                 |             |   |
| Current:  |                 |             |   |
| General Government - Judicial<br>Materials and Supplies | 20              | 0           | 20  |
| Net Change in Fund Balance                              | (20)            | 0           | 20  |
| Fund Balance at Beginning of Year                       | 20              | 20          | 0   |
| Fund Balance at End of Year                             | <u>\$0</u>      | <u>\$20</u> | <u>\$20</u>                                   |

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

|                                   | Final<br>Budget | Actual  | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|---------|---|
| <b><u>Revenues:</u></b>           |                 |         |   |
| Charges for Services              | \$2,000         | \$5,238 | \$3,238                                       |
| <b><u>Expenditures:</u></b>       |                 |         |   |
| Current :                         |                 |         |   |
| General Government - Judicial     |                 |         |   |
| Materials and Supplies            | 1,500           | 0       | 1,500   |
| Capital Outlay                    | 2,000           | 0       | 2,000   |
| Total Expenditures                | 3,500           | 0       | 3,500   |
| Net Change in Fund Balance        | (1,500)         | 5,238   | 6,738   |
| Fund Balance at Beginning of Year | 3,681           | 3,681   | 0   |
| Fund Balance at End of Year       | \$2,181         | \$8,919 | \$6,738                                       |



**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Bond Retirement Debt Service Fund**  
For the Year Ended December 31, 2003

|  | Final<br>Budget | Actual  | Variance with<br>Final Budget<br>Over (Under) |
|--|-----------------|---------|---|
| <b><u>Revenues:</u></b>                  |                 |         |   |
| Total Revenues                           | \$0             | \$0     | \$0   |
| <b><u>Expenditures:</u></b>              |                 |         |   |
| Debt Service:                            |                 |         |   |
| General Obligation Bond Retirement       |                 |         |   |
| Office Building Bonds                    |                 |         |   |
| Principal Retirement                     | 90,000          | 90,000  | 0   |
| Interest and Fiscal Charges              | 235,115         | 235,115 | 0   |
| Job and Family Services Bonds            |                 |         |   |
| Principal Retirement                     | 110,000         | 110,000 | 0   |
| Interest and Fiscal Charges              | 36,175          | 36,175  | 0   |
| Regional Jail Bonds                      |                 |         |   |
| Principal Retirement                     | 95,000          | 95,000  | 0   |
| Interest and Fiscal Charges              | 174,295         | 174,295 | 0   |
| Jail Bonds                               |                 |         |   |
| Principal Retirement                     | 20,000          | 20,000  | 0   |
| Interest and Fiscal Charges              | 37,035          | 37,035  | 0   |
| Total General Obligation Bond Retirement | 797,620         | 797,620 | 0   |
| Note Retirement                          |                 |         |   |
| Coliseum Debt Retirement                 |                 |         |   |
| Principal Retirement                     | 130,000         | 130,000 | 0   |
| Interest and Fiscal Charges              | 20,090          | 20,090  | 0   |
| Marion Senior Housing Debt Retirement    |                 |         |   |
| Principal Retirement                     | 10,133          | 10,133  | 0   |
| Interest and Fiscal Charges              | 14,328          | 14,328  | 0   |
| Total Note Retirement                    | 174,551         | 174,551 | 0   |

continued

**Marion County, Ohio**  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Bond Retirement Debt Service Fund (continued)**  
For the Year Ended December 31, 2003

|  | Final<br>Budget  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|--|------------------|------------------|---|
| Issue II Loans                           |                  |                  |   |
| Engineer                                 |                  |                  |   |
| Principal Retirement                     | \$16,477         | \$16,477         | \$0   |
| Total Issue II Loans                     | 16,477           | 16,477           | 0   |
| Total Expenditures                       | 988,648          | 988,648          | 0   |
| Excess of Revenues<br>Under Expenditures | (988,648)        | (988,648)        | 0   |
| <b><u>Other Financing Sources:</u></b>   |                  |                  |   |
| Transfers - In                           | 989,673          | 1,120,296        | 130,623                                       |
| Net Change in Fund Balance               | 1,025            | 131,648          | 130,623                                       |
| Fund Balance at Beginning of Year        | 255,466          | 255,466          | 0   |
| Prior Year Encumbrances Appropriated     | 3,785            | 3,785            | 0   |
| Fund Balance at End of Year              | <u>\$260,276</u> | <u>\$390,899</u> | <u>\$130,623</u>                              |

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

|   | Final<br>Budget  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------|------------------|---|
| <b><u>Revenues:</u></b>                       |                  |                  |   |
| Charges for Service                           | \$0              | \$25,200         | \$25,200                                      |
| Other   | 0                | 8,943            | 8,943   |
| Total Revenues                                | 0                | 34,143           | 34,143  |
| <b><u>Expenditures:</u></b>                   |                  |                  |   |
| Capital Outlay:                               |                  |                  |   |
| Contractual Services                          | 4,567            | 26,168           | (21,601)                                      |
| Capital Outlay                                | 569,246          | 541,018          | 28,228  |
| Total Expenditures                            | 573,813          | 567,186          | 6,627   |
| Excess of Revenues<br>Under Expenditures      | (573,813)        | (533,043)        | 40,770  |
| <b><u>Other Financing Sources (Uses):</u></b> |                  |                  |   |
| Transfers - In                                | 400,000          | 538,899          | 138,899                                       |
| Advances - Out                                | 0                | (8,943)          | (8,943)                                       |
| Total Other Financing Sources (Uses)          | 400,000          | 529,956          | 129,956                                       |
| Net Change in Fund Balance                    | (173,813)        | (3,087)          | 170,726                                       |
| Fund Balance at Beginning of Year             | 482,749          | 482,749          | 0   |
| Prior Year Encumbrances Appropriated          | 89,828           | 89,828           | 0   |
| Fund Balance at End of Year                   | <u>\$398,764</u> | <u>\$569,490</u> | <u>\$170,726</u>                              |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Ditch Drainage Capital Projects Fund**  
For the Year Ended December 31, 203

|                                      | Final<br>Budget  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|------------------|------------------|---|
| <b><u>Revenues:</u></b>              |                  |                  |   |
| Special Assessments                  | \$40,748         | \$45,141         | \$4,393                                       |
| <b><u>Expenditures:</u></b>          |                  |                  |   |
| Capital Outlay                       | 531,583          | 503,406          | 28,177  |
| Debt Service:                        |                  |                  |   |
| Principal Retirement                 | 50,000           | 50,000           | 0   |
| Interest and Fiscal Charges          | 13,613           | 13,613           | 0   |
| Total Expenditures                   | 595,196          | 567,019          | 28,177  |
| Net Change in Fund Balance           | (554,448)        | (521,878)        | 32,570  |
| Fund Balance at Beginning of Year    | 144,747          | 144,747          | 0   |
| Prior Year Encumbrances Appropriated | 562,991          | 562,991          | 0   |
| Fund Balance at End of Year          | <u>\$153,290</u> | <u>\$185,860</u> | <u>\$32,570</u>                               |

**Marion County, Ohio**  
 Schedule of Revenues, Expenditures,  
 and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Children Home Capital Capital Projects Fund**  
 For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual          | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|-----------------|---|
| <b><u>Revenues:</u></b>           |                 |                 |   |
| Total Revenues                    | \$0             | \$0             | \$0   |
| <b><u>Expenditures:</u></b>       |                 |                 |   |
| Capital Outlay                    | 10,000          | 0               | 10,000  |
| Net Change in Fund Balance        | (10,000)        | 0               | 10,000  |
| Fund Balance at Beginning of Year | 44,722          | 44,722          | 0   |
| Fund Balance at End of Year       | <u>\$34,722</u> | <u>\$44,722</u> | <u>\$10,000</u>                               |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Marca Capital Capital Projects Fund**  
For the Year Ended December 31, 2003

|  | Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) |
|--|-----------------|-----------|---|
| <b><u>Revenues:</u></b>                  |                 |           |   |
| Property Taxes                           | \$302,000       | \$308,354 | \$6,354                                       |
| Intergovernmental                        | 35,365          | 40,517    | 5,152   |
| Other                                    | 0               | 127,105   | 127,105                                       |
| Total Revenues                           | 337,365         | 475,976   | 138,611                                       |
| <b><u>Expenditures:</u></b>              |                 |           |   |
| Capital Outlay                           | 1,045,447       | 919,170   | 126,277                                       |
| Excess of Revenues<br>Under Expenditures | (708,082)       | (443,194) | 264,888                                       |
| <b><u>Other Financing Sources:</u></b>   |                 |           |   |
| Transfers - In                           | 0               | 125,000   | 125,000                                       |
| Net Change in Fund Balance               | (708,082)       | (318,194) | 389,888                                       |
| Fund Balance at Beginning of Year        | 671,938         | 671,938   | 0   |
| Prior Year Encumbrances Appropriated     | 51,094          | 51,094    | 0   |
| Fund Balance at End of Year              | \$14,950        | \$404,838 | \$389,888                                     |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Job and Family Capital Projects Fund**  
For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|-----------|---|
| <b><u>Revenues:</u></b>           |                 |           |   |
| Total Revenues                    | \$0             | \$0       | \$0   |
| <b><u>Expenditures:</u></b>       |                 |           |   |
| Capital Outlay                    | 25,000          | 0         | 25,000  |
| Net Change in Fund Balance        | (25,000)        | 0         | 25,000  |
| Fund Balance at Beginning of Year | 178,206         | 178,206   | 0   |
| Fund Balance at End of Year       | \$153,206       | \$178,206 | \$25,000                                      |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Issue II Capital Projects Fund**  
For the Year Ended December 31, 2003

|  | Final<br>Budget  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|--|------------------|------------------|---|
| <b><u>Revenues:</u></b>                  |                  |                  |   |
| Charges for Services                     | \$0              | \$40,485         | \$40,485                                      |
| Intergovernmental                        | 185,949          | 185,949          | 0   |
| Total Revenues                           | 185,949          | 226,434          | 40,485  |
| <b><u>Expenditures:</u></b>              |                  |                  |   |
| Capital Outlay                           | 347,327          | 328,310          | 19,017  |
| Excess of Revenues<br>Under Expenditures | (161,378)        | (101,876)        | 59,502  |
| <b><u>Other Financing Sources:</u></b>   |                  |                  |   |
| Transfers - In                           | 100,689          | 73,106           | (27,583)                                      |
| Net Change in Fund Balance               | (60,689)         | (28,770)         | 31,919  |
| Fund Balance at Beginning of Year        | 118,690          | 118,690          | 0   |
| Prior Year Encumbrances Appropriated     | 53,655           | 53,655           | 0   |
| Fund Balance at End of Year              | <u>\$111,656</u> | <u>\$143,575</u> | <u>\$31,919</u>                               |



**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Justice Center Capital Projects Fund**  
For the Year Ended December 31, 2003

|                                      | Final<br>Budget  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|--------------------------------------|------------------|------------------|---|
| <b><u>Revenues:</u></b>              |                  |                  |   |
| Total Revenues                       | \$0              | \$0              | \$0   |
| <b><u>Expenditures:</u></b>          |                  |                  |   |
| Capital Outlay                       | 327,982          | 176,502          | 151,480                                       |
| Net Change in Fund Balance           | (327,982)        | (176,502)        | 151,480                                       |
| Fund Balance at Beginning of Year    | 717,340          | 717,340          | 0   |
| Prior Year Encumbrances Appropriated | 44,782           | 44,782           | 0   |
| Fund Balance at End of Year          | <u>\$434,140</u> | <u>\$585,620</u> | <u>\$151,480</u>                              |

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

|  | Final<br>Budget | Actual   | Variance with<br>Final Budget<br>Over (Under) |
|--|-----------------|----------|---|
| <b><u>Revenues:</u></b>                |                 |          |   |
| Total Revenues                         | \$0             | \$0      | \$0   |
| <b><u>Expenditures:</u></b>            |                 |          |   |
| Debt Service:                          |                 |          |   |
| Principal Retirement                   | 35,000          | 35,000   | 0   |
| Interest and Fiscal Charges            | 4,463           | 4,463    | 0   |
| Total Expenditures                     | 39,463          | 39,463   | 0   |
| Excess of Revenues                     |                 |          |   |
| Under Expenditures                     | (39,463)        | (39,463) | 0   |
| <b><u>Other Financing Sources:</u></b> |                 |          |   |
| Advances - In                          | 39,463          | 0        | (39,463)                                      |
| Transfers - In                         | 0               | 39,463   | 39,463  |
| Total Other Financing Sources          | 39,463          | 39,463   | 0   |
| Net Change in Fund Balance             | 0               | 0        | 0   |
| Fund Balance at Beginning of Year      | 0               | 0        | 0   |
| Fund Balance at End of Year            | \$0             | \$0      | \$0   |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Coliseum Levy Capital Projects Fund**  
For the Year Ended December 31, 2003

|   | Final<br>Budget  | Actual           | Variance with<br>Final Budget<br>Over (Under) |
|---|------------------|------------------|---|
| <b><u>Revenues:</u></b>                 |                  |                  |   |
| Property Taxes                          | \$239,100        | \$242,493        | \$3,393                                       |
| Intergovernmental                       | 31,409           | 31,307           | (102)   |
| Total Revenues                          | 270,509          | 273,800          | 3,291   |
| <b><u>Expenditures:</u></b>             |                  |                  |   |
| Capital Outlay                          | 128,404          | 123,240          | 5,164   |
| Excess of Revenues Over<br>Expenditures | 142,105          | 150,560          | 8,455   |
| <b><u>Other Financing Uses:</u></b>     |                  |                  |   |
| Transfers - Out                         | (155,000)        | (151,115)        | 3,885   |
| Net Change in Fund Balance              | (12,895)         | (555)            | 12,340  |
| Fund Balance at Beginning of Year       | 240              | 240              | 0   |
| Prior Year Encumbrances Appropriated    | 129,611          | 129,611          | 0   |
| Fund Balance at End of Year             | <u>\$116,956</u> | <u>\$129,296</u> | <u>\$12,340</u>                               |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Administration Building Capital Projects Fund**  
For the Year Ended December 31, 2003

|  | Final<br>Budget | Actual          | Variance with<br>Final Budget<br>Over (Under) |
|--|-----------------|-----------------|---|
| <b><u>Revenues:</u></b>                  |                 |                 |   |
| Other                                    | \$26,526        | \$21,424        | (\$5,102)                                     |
| <b><u>Expenditures:</u></b>              |                 |                 |   |
| Capital Outlay                           | 76,334          | 65,761          | 10,573  |
| Excess of Revenues<br>Under Expenditures | (49,808)        | (44,337)        | 5,471   |
| <b><u>Other Financing Sources:</u></b>   |                 |                 |   |
| Transfers - In                           | 0               | 5,102           | 5,102   |
| Net Change in Fund Balance               | (49,808)        | (39,235)        | 10,573  |
| Fund Balance at Beginning of Year        | 47,862          | 47,862          | 0   |
| Prior Year Encumbrances Appropriated     | 15,134          | 15,134          | 0   |
| Fund Balance at End of Year              | <u>\$13,188</u> | <u>\$23,761</u> | <u>\$10,573</u>                               |

**Marion County, Ohio**  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual  
**Road Capital Projects Fund**  
For the Year Ended December 31, 2003

|                                   | Final<br>Budget | Actual   | Variance with<br>Final Budget<br>Over (Under) |
|-----------------------------------|-----------------|----------|---|
| <b><u>Revenues:</u></b>           |                 |          |   |
| Charges for Services              | \$0             | \$13,092 | \$13,092                                      |
| <b><u>Expenditures:</u></b>       |                 |          |   |
| Capital Outlay                    | 25,000          | 0        | 25,000  |
| Net Change in Fund Balance        | (25,000)        | 13,092   | 38,092  |
| Fund Balance at Beginning of Year | 25,000          | 25,000   | 0   |
| Fund Balance at End of Year       | \$0             | \$38,092 | \$38,092                                      |

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

Governmental-wide tables of expenses and revenues will be presented once adequate data is available to make the tables meaningful.

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

|                             | <u>2003</u>         | <u>2002</u>         | <u>2001</u>         | <u>2000</u>         |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
| General Government:         |                     |                     |                     |                     |
| Legislative and Executive   | \$5,273,196         | \$5,433,049         | \$4,943,276         | \$4,492,319         |
| Judicial                    | 1,910,773           | 1,766,831           | 1,681,556           | 1,591,109           |
| Public Safety               | 8,497,685           | 9,019,495           | 8,756,552           | 8,859,829           |
| Public Works                | 3,638,147           | 4,061,097           | 3,494,913           | 3,622,122           |
| Health                      | 7,491,899           | 6,428,271           | 6,486,969           | 5,922,844           |
| Human Services              | 12,111,553          | 12,072,592          | 12,930,943          | 12,215,789          |
| Conservation and Recreation | 15,000              | 16,920              | 11,612              | 16,938              |
| Other                       | 647,380             | 580,079             | 674,024             | 414,971             |
| Capital Outlay              | 2,327,997           | 2,594,791           | 10,902,651          | 2,591,313           |
| Intergovernmental           | 903,239             | 930,268             | 923,820             | 878,351             |
| Debt Service                | 1,039,661           | 958,200             | 690,566             | 497,210             |
| Total Expenditures          | <u>\$43,856,530</u> | <u>\$43,861,593</u> | <u>\$51,496,882</u> | <u>\$41,102,795</u> |

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

Source: Marion County Auditor



| <u>1999</u>         | <u>1998</u>         | <u>1997</u>         | <u>1996</u>         | <u>1995</u>         | <u>1994</u>         |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$4,176,132         | \$4,073,408         | \$3,769,209         | \$3,839,988         | \$3,563,022         | \$3,759,173         |
| 1,548,493           | 1,564,884           | 1,353,637           | 1,350,196           | 1,290,746           | 1,301,122           |
| 8,128,168           | 6,299,186           | 5,958,299           | 5,568,802           | 4,797,645           | 3,987,719           |
| 3,591,100           | 3,104,836           | 3,075,415           | 3,092,037           | 3,133,735           | 3,158,557           |
| 5,105,371           | 5,019,847           | 4,922,924           | 4,207,192           | 7,409,221           | 6,882,339           |
| 10,139,899          | 9,241,909           | 8,760,729           | 8,713,808           | 8,206,062           | 7,685,190           |
| 16,425              | 9,025               | 6,000               | 0                   | 2,000               | 1,780               |
| 430,796             | 368,308             | 494,413             | 539,694             | 393,870             | 387,277             |
| 2,550,828           | 1,005,387           | 1,979,493           | 1,422,878           | 3,029,738           | 1,405,526           |
| 1,213,382           | 863,815             | 3,545,616           | 1,681,949           | 112,308             | 106,793             |
| 270,621             | 353,185             | 115,309             | 175,883             | 269,515             | 240,819             |
| <u>\$37,171,215</u> | <u>\$31,903,790</u> | <u>\$33,981,044</u> | <u>\$30,592,427</u> | <u>\$32,207,862</u> | <u>\$28,916,295</u> |

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

|                       | <u>2003</u>                | <u>2002</u>                | <u>2001</u>                | <u>2000</u>                |
|-----------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Property Taxes        | \$7,641,243                | \$7,548,234                | \$7,305,808                | \$7,102,641                |
| Sales Taxes           | 6,173,346                  | 6,251,522                  | 6,017,820                  | 6,094,993                  |
| Special Assessments   | 34,869                     | 76,802                     | 710,708                    | 28,744                     |
| Charges for Services  | 4,785,221                  | 4,239,632                  | 4,013,918                  | 4,180,849                  |
| Licenses and Permits  | 126,836                    | 109,982                    | 123,930                    | 130,581                    |
| Fines and Forfeitures | 219,576                    | 252,552                    | 243,905                    | 339,539                    |
| Intergovernmental     | 19,701,683                 | 21,199,178                 | 21,689,707                 | 20,857,955                 |
| Interest              | 836,672                    | 1,022,085                  | 2,265,133                  | 2,688,648                  |
| Other                 | 1,241,178                  | 1,560,891                  | 1,196,045                  | 1,023,798                  |
| Total Revenues        | <u><u>\$40,760,624</u></u> | <u><u>\$42,260,878</u></u> | <u><u>\$43,566,974</u></u> | <u><u>\$42,447,748</u></u> |

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

Source: Marion County Auditor

| <u>1999</u>         | <u>1998</u>         | <u>1997</u>         | <u>1996</u>         | <u>1995</u>         | <u>1994</u>         |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$6,934,401         | \$6,733,664         | \$6,867,570         | \$5,825,103         | \$5,479,139         | \$5,221,016         |
| 5,802,659           | 5,575,083           | 5,270,798           | 4,983,734           | 4,937,018           | 4,723,297           |
| 71,569              | 24,601              | 40,214              | 88,635              | 101,864             | 117,287             |
| 4,090,379           | 4,219,115           | 3,834,481           | 2,903,638           | 2,834,839           | 2,769,839           |
| 125,895             | 120,896             | 128,710             | 125,877             | 94,788              | 88,963              |
| 288,157             | 232,078             | 244,027             | 229,082             | 171,959             | 163,422             |
| 18,057,276          | 16,408,495          | 16,368,686          | 14,679,704          | 23,060,085          | 21,125,903          |
| 1,709,716           | 1,836,996           | 1,374,060           | 1,169,749           | 1,054,960           | 605,952             |
| 850,644             | 1,302,631           | 893,086             | 1,071,782           | 507,163             | 742,679             |
| <u>\$37,930,696</u> | <u>\$36,453,559</u> | <u>\$35,021,632</u> | <u>\$31,077,304</u> | <u>\$38,241,815</u> | <u>\$35,558,358</u> |

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

| Collection<br>Year | Current Tax<br>Levy | Current Tax<br>Collections | Percent<br>Collected | Delinquent<br>Taxes<br>Collected |
|--------------------|---------------------|----------------------------|----------------------|----------------------------------|
| 2003               | \$7,132,391         | \$6,772,019                | 94.95%               | \$341,110                        |
| 2002               | 7,062,156           | 6,725,947                  | 95.24                | 286,321                          |
| 2001               | 6,644,567           | 6,466,871                  | 97.33                | 241,786                          |
| 2000               | 6,304,086           | 6,116,204                  | 97.02                | 339,605                          |
| 1999               | 6,251,552           | 6,095,644                  | 97.51                | 218,095                          |
| 1998               | 5,905,342           | 5,769,947                  | 97.71                | 222,017                          |
| 1997               | 5,896,125           | 5,646,048                  | 95.76                | 228,761                          |
| 1996               | 5,013,865           | 4,836,243                  | 96.46                | 198,933                          |
| 1995               | 4,810,322           | 4,550,716                  | 94.60                | 214,129                          |
| 1994               | 4,719,505           | 4,509,776                  | 95.56                | 171,147                          |

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

Source: Marion County Auditor

| <u>Total<br/>Taxes<br/>Collections</u> | <u>Percent of Total<br/>Tax Collections to<br/>Current Tax Levy</u> | <u>Unpaid<br/>Taxes (1)</u> | <u>Ratio of<br/>Unpaid Taxes<br/>to Current Levy</u> |
|--|---|-----------------------------|--|
| \$7,113,129                            | 99.73%  | \$179,820                   | 2.52%  |
| 7,012,268                              | 99.29   | 240,913                     | 3.41   |
| 6,708,657                              | 100.96  | 224,016                     | 3.37   |
| 6,455,809                              | 102.41  | 107,969                     | 1.71   |
| 6,313,739                              | 100.99  | 249,022                     | 3.98   |
| 5,991,964                              | 101.47  | 202,747                     | 3.43   |
| 5,874,809                              | 99.64   | 197,432                     | 3.35   |
| 5,035,176                              | 100.43  | 216,194                     | 4.31   |
| 4,764,845                              | 99.05   | 159,490                     | 3.32   |
| 4,680,923                              | 99.18   | 179,670                     | 3.81   |

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

| Collection<br>Year | Real Property     |                               | Public Utility Property |                               |
|--------------------|-------------------|-------------------------------|-------------------------|-------------------------------|
|                    | Assessed<br>Value | Estimated<br>Actual Value (1) | Assessed<br>Value       | Estimated<br>Actual Value (1) |
| 2003               | \$806,083,640     | \$2,303,096,114               | \$61,023,500            | \$69,344,886                  |
| 2002               | 802,586,490       | 2,293,104,257                 | 59,668,560              | 67,805,182                    |
| 2001               | 690,874,970       | 1,973,928,486                 | 67,278,690              | 76,453,057                    |
| 2000               | 672,919,880       | 1,922,628,229                 | 68,847,820              | 78,236,159                    |
| 1999               | 664,174,390       | 1,897,641,114                 | 71,519,410              | 81,272,057                    |
| 1998               | 548,351,910       | 1,566,719,743                 | 72,086,840              | 81,916,864                    |
| 1997               | 539,670,330       | 1,541,915,229                 | 68,305,120              | 77,619,455                    |
| 1996               | 533,728,300       | 1,524,938,000                 | 68,540,590              | 77,887,034                    |
| 1995               | 444,863,250       | 1,271,037,857                 | 70,293,830              | 79,879,352                    |
| 1994               | 434,344,960       | 1,240,985,600                 | 70,955,860              | 80,631,659                    |

- (1) This amount is calculated for 2003, based on the following percentages:  
 Real property is assessed at 35 percent of true value  
 Public utility property is assessed at varying percentages of true value  
 Tangible personal property is assessed at 25 percent of true value for equipment  
 and 24 percent for inventory

Source: Marion County Auditor

| Tangible Personal Property |                            | Totals          |                            |       |
|----------------------------|----------------------------|-----------------|----------------------------|-------|
| Assessed Value             | Estimated Actual Value (1) | Assessed Value  | Estimated Actual Value (1) | Ratio |
| \$135,789,841              | \$543,159,364              | \$1,002,896,981 | \$2,915,600,364            | 34.4% |
| 139,711,450                | 558,845,800                | 1,001,966,500   | 2,919,755,239              | 34.3  |
| 139,377,310                | 557,509,240                | 897,530,970     | 2,607,890,783              | 34.4  |
| 134,959,685                | 539,838,740                | 876,727,385     | 2,540,703,128              | 34.5  |
| 148,945,039                | 595,780,156                | 884,638,839     | 2,574,693,327              | 34.4  |
| 146,457,865                | 585,831,460                | 766,896,615     | 2,234,468,066              | 34.3  |
| 172,224,460                | 688,897,840                | 780,199,910     | 2,308,432,523              | 33.8  |
| 148,411,485                | 593,645,940                | 750,680,375     | 2,196,470,974              | 34.2  |
| 136,765,215                | 547,060,860                | 651,922,295     | 1,897,978,069              | 34.3  |
| 129,657,060                | 518,628,240                | 634,957,880     | 1,840,245,499              | 34.5  |

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

|  | 2003         | 2002         | 2001         | 2000         | 1999         | 1998         | 1997         | 1996        | 1995        | 1994        |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|-------------|
| <b>County Units:</b>                               |              |              |              |              |              |              |              |             |             |             |
| General Fund                                       | \$2.40       | \$2.40       | \$2.40       | \$2.40       | \$2.40       | \$2.40       | \$2.40       | \$2.40      | \$2.40      | \$2.40      |
| Mental Retardation and<br>Development Disabilities | 4.85         | 4.85         | 4.85         | 4.85         | 4.85         | 4.85         | 4.85         | 3.85        | 3.85        | 3.85        |
| Children Services                                  | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50        | 2.50        | 2.50        |
| ADAMHS   | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00        | 1.00        | 1.00        |
| Fairground Improvement                             | 0.30         | 0.30         | 0.30         | 0.00         | 0.00         | 0.00         | 0.00         | 0.00        | 0.00        | 0.00        |
| <b>Total Rate</b>                                  | <b>11.05</b> | <b>11.05</b> | <b>11.05</b> | <b>10.75</b> | <b>10.75</b> | <b>10.75</b> | <b>10.75</b> | <b>9.75</b> | <b>9.75</b> | <b>9.75</b> |
| <b>In County School Districts:</b>                 |              |              |              |              |              |              |              |             |             |             |
| Elgin LSD  | 37.85        | 37.85        | 38.30        | 38.10        | 38.10        | 39.17        | 39.17        | 39.40       | 40.80       | 40.76       |
| Marion CSD   | 44.53        | 44.37        | 46.21        | 42.42        | 42.42        | 44.07        | 44.07        | 44.09       | 40.14       | 40.13       |
| Pleasant LSD                                       | 48.32        | 48.32        | 49.01        | 49.64        | 49.64        | 51.45        | 51.76        | 46.86       | 48.81       | 48.81       |
| Ridgedale LSD                                      | 47.39        | 47.52        | 48.15        | 48.10        | 48.10        | 49.65        | 49.84        | 51.71       | 53.56       | 53.85       |
| River Valley LSD                                   | 45.88        | 45.88        | 46.51        | 39.44        | 39.44        | 40.31        | 40.42        | 40.42       | 37.37       | 37.85       |
| <b>Overlapping School Districts:</b>               |              |              |              |              |              |              |              |             |             |             |
| Buckeye Valley LSD                                 | 33.80        | 34.15        | 34.40        | 35.71        | 35.71        | 35.74        | 35.63        | 36.55       | 30.50       | 30.50       |
| Cardington-Lincoln LSD                             | 33.82        | 32.39        | 32.39        | 33.39        | 33.39        | 33.39        | 34.39        | 34.39       | 34.39       | 34.39       |
| Northmor LSD                                       | 27.40        | 27.40        | 27.40        | 27.40        | 27.40        | 27.40        | 27.40        | 27.40       | 27.40       | 34.35       |
| Upper Sandusky EVSD                                | 33.70        | 33.70        | 33.70        | 33.70        | 33.70        | 33.70        | 33.70        | 37.85       | 33.70       | 33.70       |
| <b>Corporations:</b>                               |              |              |              |              |              |              |              |             |             |             |
| Caledonia  | 12.50        | 12.50        | 12.50        | 12.50        | 12.50        | 12.50        | 12.50        | 12.50       | 12.50       | 12.50       |
| Green Camp   | 10.10        | 10.10        | 10.10        | 10.10        | 10.10        | 10.10        | 10.10        | 10.10       | 10.10       | 10.10       |
| Larue  | 11.70        | 11.70        | 11.70        | 11.70        | 11.70        | 11.70        | 11.70        | 11.70       | 11.70       | 11.70       |
| Marion (Elgin LSD)                                 | 3.20         | 3.20         | 3.20         | 3.20         | 3.20         | 3.20         | 3.20         | 3.20        | 3.20        | 3.20        |
| Marion (Marion CSD)                                | 4.20         | 4.20         | 4.20         | 4.20         | 4.20         | 4.20         | 4.20         | 4.20        | 4.20        | 4.20        |
| Marion (Pleasant LSD)                              | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50        | 1.50        | 1.50        |
| Marion (Ridgedale LSD)                             | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 0.00         | 0.00        | 0.00        | 0.00        |
| Marion (River Valley LSD)                          | 3.30         | 3.30         | 3.30         | 3.30         | 3.30         | 3.30         | 3.30         | 3.30        | 3.30        | 3.30        |
| Morrall  | 5.20         | 5.20         | 5.20         | 5.20         | 5.20         | 5.20         | 5.20         | 5.20        | 4.70        | 4.70        |
| New Bloomington                                    | 4.00         | 4.00         | 4.00         | 4.00         | 4.00         | 4.00         | 4.00         | 4.00        | 4.00        | 4.00        |
| Prospect   | 10.10        | 10.10        | 10.10        | 10.10        | 10.10        | 10.10        | 10.10        | 10.10       | 10.10       | 10.10       |
| Waldo  | 7.00         | 7.00         | 7.00         | 7.00         | 7.00         | 6.70         | 6.70         | 6.70        | 6.70        | 6.70        |
| <b>Townships:</b>                                  |              |              |              |              |              |              |              |             |             |             |
| Big Island   | 3.90         | 3.90         | 3.90         | 3.90         | 3.90         | 3.90         | 3.90         | 3.90        | 3.90        | 3.90        |
| Bowling Green                                      | 3.30         | 3.30         | 3.30         | 3.30         | 3.30         | 3.30         | 3.30         | 3.30        | 3.30        | 3.30        |
| Claridon   | 1.70         | 1.70         | 1.70         | 1.70         | 1.70         | 1.70         | 1.70         | 1.70        | 1.70        | 1.70        |
| Grand  | 2.10         | 2.10         | 2.10         | 2.10         | 2.10         | 2.10         | 2.10         | 2.10        | 2.10        | 2.10        |
| Grand Prairie                                      | 3.20         | 3.20         | 3.20         | 3.20         | 3.20         | 3.20         | 3.20         | 3.20        | 3.20        | 3.20        |
| Green Camp   | 4.25         | 4.25         | 4.50         | 4.50         | 4.50         | 4.50         | 4.50         | 2.50        | 2.50        | 2.50        |
| Marion   | 10.50        | 10.50        | 10.50        | 10.50        | 10.50        | 10.50        | 10.50        | 10.50       | 10.50       | 10.50       |
| Montgomery   | 1.30         | 1.30         | 1.30         | 1.30         | 1.30         | 1.30         | 1.30         | 1.30        | 1.30        | 1.30        |
| Pleasant   | 2.70         | 2.70         | 2.70         | 2.70         | 2.70         | 2.70         | 2.70         | 2.70        | 2.70        | 2.70        |
| Prospect   | 2.80         | 2.80         | 2.80         | 2.80         | 2.80         | 2.80         | 2.80         | 2.80        | 2.80        | 2.80        |
| Richland   | 1.20         | 1.20         | 1.20         | 1.60         | 1.60         | 1.60         | 1.60         | 1.60        | 1.60        | 0.60        |
| Salt Rock  | 4.10         | 4.10         | 4.10         | 4.10         | 4.10         | 4.10         | 4.10         | 4.10        | 4.10        | 4.10        |
| Scott  | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50        | 1.50        | 1.50        |
| Tully  | 2.40         | 2.40         | 2.40         | 2.40         | 2.40         | 2.40         | 2.40         | 2.40        | 2.40        | 2.40        |
| Waldo  | 2.90         | 2.90         | 2.90         | 2.90         | 2.90         | 2.90         | 2.90         | 2.90        | 2.90        | 2.90        |
| <b>Other Units:</b>                                |              |              |              |              |              |              |              |             |             |             |
| Battle Run Fire District                           | 5.00         | 5.00         | 5.00         | 5.00         | 5.00         | 6.49         | 6.49         | 6.49        | 6.49        | 6.49        |
| Cardington-Lincoln Joint<br>Recreation Board       | 1.05         | 1.05         | 1.05         | 0.30         | 0.30         | 0.00         | 0.00         | 0.00        | 0.00        | 0.00        |
| Delaware County District Library                   | 0.15         | 0.18         | 0.19         | 0.29         | 0.29         | 0.31         | 0.29         | 0.37        | 0.40        | 0.40        |
| Delaware County JVSD                               | 3.20         | 3.20         | 3.40         | 3.40         | 3.40         | 3.40         | 4.40         | 2.50        | 2.50        | 2.57        |
| First Consolidated Fire District                   | 5.00         | 3.50         | 3.50         | 3.50         | 3.50         | 2.00         | 2.00         | 2.00        | 2.00        | 2.00        |
| Fort Morrow Fire District                          | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50         | 1.50        | 2.50        | 2.50        |
| Pioneer JVSD                                       | 4.70         | 4.70         | 4.70         | 4.70         | 4.70         | 4.70         | 4.70         | 4.70        | 4.70        | 3.70        |
| Prospect Joint Park Commission                     | 2.20         | 5.20         | 5.20         | 5.20         | 5.20         | 5.20         | 2.20         | 1.30        | 1.30        | 1.30        |
| Scioto Valley Fire District                        | 5.00         | 5.00         | 5.00         | 5.00         | 5.00         | 5.00         | 5.00         | 5.00        | 5.00        | 5.00        |
| Tri-Rivers JVSD                                    | 4.40         | 4.40         | 4.40         | 4.40         | 4.40         | 4.40         | 3.10         | 3.10        | 3.10        | 3.10        |
| Vanguard JVSD                                      | 1.60         | 1.60         | 1.60         | 1.60         | 1.60         | 1.60         | 1.60         | 1.60        | 1.60        | 1.60        |
| Grandview Park District                            | 0.10         | 0.10         | 0.10         |              |              |              |              |             |             |             |
| Waldo Park Commission                              | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00        | 1.00        | 1.00        |

Source: Marion County Auditor



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**Marion County, Ohio**  
*Principal Property Taxpayers*  
*December 31, 2003*

| Taxpayers                    | Type of Business | Real Estate<br>Assessed<br>Valuation | Tangible Personal<br>Property<br>Assessed<br>Valuation |
|------------------------------|------------------|--------------------------------------|--|
| Central Soya Company         | Business         | \$0                                  | \$23,984,513   |
| Whirlpool                    | Business         | 6,847,030                            | 22,728,540   |
| Ohio American Water Company  | Utility          | 0                                    | 0  |
| Ohio Edison                  | Utility          | 0                                    | 0  |
| Marion Steel                 | Business         | 1,614,130                            | 6,945,650  |
| Conagra, Inc.                | Business         | 0                                    | 11,792,046   |
| Verizon North Inc.           | Utility          | 0                                    | 0  |
| Scott's Company              | Business         | 0                                    | 6,367,600  |
| Associated Hygienic Products | Business         | 0                                    | 3,490,120  |
| Southland Mall               | Business         | <u>3,399,880</u>                     | <u>0</u>   |
| Totals                       |                  | <u><u>\$11,861,040</u></u>           | <u><u>\$75,308,469</u></u>                             |

Source: Marion County Auditor

| Public Utility<br>Assessed<br>Valuation | Total<br>Assessed<br>Valuation | Percent of<br>Total County<br>Assessed<br>Valuation |
|---|--------------------------------|---|
| \$0                                     | \$23,984,513                   | 2.392%  |
| 0                                       | 29,575,570                     | 2.949   |
| 16,271,060                              | 16,271,060                     | 1.622   |
| 14,244,530                              | 14,244,530                     | 1.420   |
| 0                                       | 8,559,780                      | 0.854   |
| 0                                       | 11,792,046                     | 1.176   |
| 8,692,580                               | 8,692,580                      | 0.867   |
| 0                                       | 6,367,600                      | 0.635   |
| 0                                       | 3,490,120                      | 0.348   |
| 0                                       | 3,399,880                      | 0.339   |
| <u>\$39,208,170</u>                     | <u>\$126,377,679</u>           | <u>12.600%</u>                                      |

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

| Collection<br>Year | Special<br>Assessments<br>Billed | Special<br>Assessments<br>Collections | Percent<br>Collected |
|--------------------|----------------------------------|---------------------------------------|----------------------|
| 2003               | \$48,287                         | \$34,869                              | 72.21%               |
| 2002               | 78,993                           | 76,802                                | 97.23                |
| 2001               | 990,466                          | 710,708                               | 71.75                |
| 2000               | 28,481                           | 28,744                                | 100.92               |
| 1999               | 82,891                           | 71,569                                | 86.34                |
| 1998               | 39,488                           | 24,601                                | 62.30                |
| 1997               | 74,839                           | 40,214                                | 53.73                |
| 1996               | 109,938                          | 88,635                                | 80.62                |
| 1995               | 108,332                          | 101,730                               | 93.91                |
| 1994               | 124,629                          | 117,287                               | 94.11                |

Source: Marion County Auditor

**Marion County, Ohio**  
*Computation of Legal Debt Margin*  
*December 31, 2003*

|  | Total Debt<br>Limit (1) | Total Unvoted<br>Debt Limit (2) |
|--|-------------------------|---------------------------------|
| Assessed Value of County, Collection Year 2003                         | \$1,002,896,981         | \$1,002,896,981                 |
| Debt Limitation  | 23,572,425              | 10,028,970                      |
| Total Outstanding Debt:  |                         |                                 |
| General Obligation Notes   | 262,777                 | 262,777                         |
| Tax Anticipation Notes   | 280,000                 | 280,000                         |
| Issue II Loans   | 681,304                 | 681,304                         |
| USDA Revenue Bonds   | 1,316,800               | 1,316,800                       |
| General Obligation Bonds   | 11,944,680              | 11,944,680                      |
| Special Assessment Bonds   | 208,320                 | 208,320                         |
| Total  | 14,693,881              | 14,693,881                      |
| Exemptions:  |                         |                                 |
| Tax Anticipation Notes   | 280,000                 | 280,000                         |
| Issue II Loans payable from enterprise funds                           | 565,965                 | 565,965                         |
| USDA Revenue Bonds payable<br>from enterprise fund revenues            | 1,316,800               | 1,316,800                       |
| Marion-Hardin Correctional Center Bond                                 | 3,670,000               | 3,670,000                       |
| FMHA General Obligation Bonds payable<br>from enterprise fund revenues | 1,493,000               | 1,493,000                       |
| Special Assessment Bonds   | 208,320                 | 208,320                         |
| Total  | 7,534,085               | 7,534,085                       |
| Less: Balance in Debt Service  | 385,989                 | 385,989                         |
| Net Debt   | 6,773,807               | 6,773,807                       |
| Total Legal Debt Margin<br>(Debt Limitation Minus Net Debt)            | \$16,798,618            | \$3,255,163                     |

(1) The Debt Limitation is calculated as follows:

|  |              |
|--|--------------|
| Three percent of first \$100,000,000 of assessed value               | \$3,000,000  |
| 1 1/2 percent of next \$200,000,000 of assessed value                | 3,000,000    |
| 2 1/2 percent of amount of assessed value in excess of \$300,000,000 | 17,572,425   |
|  | \$23,572,425 |

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

Source: Marion County Auditor

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

| Year | Population | Assessed<br>Value | Gross<br>Bonded<br>Debt (1) | Exempt<br>Debt |
|------|------------|-------------------|-----------------------------|----------------|
| 2003 | 66,217     | \$1,002,896,981   | \$10,451,680                | \$0            |
| 2002 | 66,217     | 1,001,966,500     | 10,821,045                  | 0              |
| 2001 | 66,217     | 897,530,970       | 11,130,409                  | 0              |

(1) Includes only General Obligation Bonds

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

Source: Marion County Auditor

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

**Marion County, Ohio**

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

| <u>Year</u> | <u>Principal</u> | <u>Interest and<br/>Fiscal Charges</u> | <u>Total Debt<br/>Service</u> | <u>Total<br/>General<br/>Governmental<br/>Expenditures (2)</u> | <u>Ratio of Debt<br/>Service to Total<br/>General<br/>Governmental<br/>Expenditures</u> |
|-------------|------------------|--|-------------------------------|--|---|
| 2003        | \$369,365        | \$492,355                              | \$861,720                     | \$43,856,530   | 1.96%   |
| 2002        | 260,000          | 531,288                                | 791,288                       | 43,861,593   | 1.80  |

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

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

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

Source: Marion County Auditor



**Marion County, Ohio**  
*Computation of Direct and Overlapping  
 General Obligation Bonded Debt  
 December 31, 2003*

| Jurisdiction                                      | Net General<br>Obligation Bonded<br>Debt Outstanding | Percentage<br>Applicable<br>to County (1) | Amount<br>Applicable<br>to County |
|---|--|---|-----------------------------------|
| Marion County                                     | \$10,320,000   | 100.00%                                   | \$10,320,000                      |
| Other Subdivisions                                |  |   |                                   |
| All Cities Wholly Within<br>the County            | 1,623,000  | 100.00                                    | 1,623,000                         |
| All School Districtes Wholly<br>Within the County | 14,635,000   | 100.00                                    | 14,635,000                        |
| Buckeye Valley Local School District              | 11,470,000   | 23.74                                     | 2,722,978                         |
| Cardington-Lincoln Local School<br>District       | 6,219,994  | 5.56                                      | 345,832                           |
| River Valley Local School District                | 18,500,000   | 97.18                                     | 17,978,300                        |
| Tri-Rivers Joint Vocational School                | 140,298  | 67.10                                     | 94,140                            |
| Delaware County Library                           | 1,329,517  | 2.70                                      | 35,897                            |
| Total Other Subdivisions                          | <u>53,917,809</u>                                    |   | <u>37,435,147</u>                 |
| Total Direct and Overlapping Debt                 | <u><u>\$64,237,809</u></u>                           |   | <u><u>\$47,755,147</u></u>        |

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

Source: Fiscal Officer of the Subdivision

## Marion County, Ohio

Demographic Statistics

December 31, 2003

### Employment - 2003 Annual Average

|                            |        |
|----------------------------|--------|
| Total Population           | 66,217 |
| Total Civilian Labor Force | 31,800 |
| Total Employed             | 27,900 |
| Total Unemployed           | 1,800  |
| Unemployment Rate          | 5.80%  |

### 2003 Monthly Employment

| <u>Month</u> | <u>County<br/>Employed</u> | <u>County<br/>Unemployed</u> | <u>County<br/>Unemployment<br/>Rate</u> |
|--------------|----------------------------|------------------------------|---|
| January      | 29,700                     | 1,900                        | 6.01%                                   |
| February     | 29,500                     | 1,900                        | 6.05%                                   |
| March        | 29,700                     | 1,900                        | 6.01%                                   |
| April        | 30,000                     | 1,700                        | 5.36%                                   |
| May          | 30,300                     | 1,900                        | 5.90%                                   |
| June         | 30,300                     | 2,600                        | 7.90%                                   |
| July         | 30,400                     | 2,400                        | 7.32%                                   |
| August       | 30,500                     | 1,700                        | 5.28%                                   |
| September    | 30,000                     | 1,600                        | 5.06%                                   |
| October      | 30,200                     | 1,600                        | 5.03%                                   |
| November     | 30,100                     | 1,600                        | 5.05%                                   |
| December     | 29,900                     | 1,800                        | 5.68%                                   |

Source: Ohio Bureau of Employment Services

**Marion County, Ohio**  
*Property Value and Construction*  
*Last Ten Years*

| Collection Year | Property Value (1) | Construction |            |             | Total        |
|-----------------|--------------------|--------------|------------|-------------|--------------|
|                 |                    | Residential  | Industrial | Commercial  |              |
| 2003            | \$2,303,096,114    | \$8,549,670  | \$506,730  | \$2,404,160 | \$11,460,560 |
| 2002            | 2,293,104,257      | 6,705,520    | 562,310    | 1,131,380   | 8,399,210    |
| 2001            | 1,973,928,486      | 11,185,250   | 227,740    | 5,386,220   | 16,799,210   |
| 2000            | 1,922,628,229      | 9,334,850    | 123,700    | 2,196,290   | 11,654,840   |
| 1999            | 1,897,641,114      | 7,230,010    | 472,360    | 2,334,710   | 10,037,080   |
| 1998            | 1,566,719,743      | 7,982,520    | 250,500    | 2,630,200   | 10,863,220   |
| 1997            | 1,541,915,229      | 7,862,440    | 584,290    | 1,869,940   | 10,316,670   |
| 1996            | 1,524,938,000      | 4,357,550    | 1,422,220  | 3,461,220   | 9,240,990    |
| 1995            | 1,271,037,857      | 4,983,310    | 91,040     | 2,238,760   | 7,313,110    |
| 1994            | 1,240,985,600      | 3,735,940    | 239,450    | 8,070,340   | 12,045,730   |

(1) Represents estimated real estate value

Source: Marion County Auditor

**Marion County, Ohio**

*Ten Largest Employers*

*December 31, 2003*

| <b>Ten Largest Employers</b>         | <b>Employees</b> |
|--------------------------------------|------------------|
| Whirlpool                            | 2,700            |
| Verizon North, Inc.                  | 1,200            |
| Marion General Hospital              | 883              |
| Silver Line                          | 850              |
| Marion City Schools                  | 739              |
| Marion County Government             | 652              |
| Smith Clinic                         | 550              |
| North Central Correctional Institute | 491              |
| Marion Correctional Institute        | 484              |
| Meijer                               | 450              |

Source: Marion Star

# Marion County, Ohio

## Miscellaneous Statistics

December 31, 2003

|  |        |
|--|--------|
| Date of Incorporation  | 1824   |
| Form of Government: Three-member elected Board of County Commissioners with legislative and executive powers. Twelve other elected officials with administrative powers. |        |
| County Seat  | Marion |
| Area - Square Miles  | 409    |
| Number of Political Subdivisions Located in the County:  | 29     |
| Cities and Villages  | 8      |
| Townships  | 15     |
| School Districts   | 5      |
| Vocational School District   | 1      |
| Road Mileage (1)   |        |
| State Roads  | 179    |
| County Roads   | 390    |
| Township Roads   | 268    |
| Communications   |        |
| Radio Stations - WMRM-FM&AM   WDIF-FM  | 2      |
| Television Station - Adelphia Cable  | 1      |
| Daily Newspaper - Marion Star  | 1      |
| Newspaper Circulation  | 18,384 |
| Voter Statistics, Election of November 2002: (2)   |        |
| Number of Registered Voters  | 40,766 |
| Number of Voters, Last General Election  | 16,862 |
| Percentage of Registered Voters Voting   | 41.36% |
| Number of People Employed by the County  |        |
| Full-Time  | 596    |
| Part-Time  | 56     |

(1) Marion County Engineer

(2) Marion County Board of Elections

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**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

## **MARION COUNTY FINANCIAL CONDITION**

### **MARION COUNTY**

#### **CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 27, 2004**