

Dave Yost • Auditor of State

**FINANCIAL CONDITION
KNOX COUNTY**

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KNOX COUNTY

FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Program	CFDA #	Pass-through Agency Awarding Number	Expenditures
United States Department of Agriculture:			
Passed-through Ohio Department of Agriculture:			
Supplemental Nutrition Assistance Program (SNAP) Cluster			
State Administrative Matching Grants for Supplemental Nutrition Assistance	10.561	G-1011-11-5062	\$ 439,277
ARRA State Administrative Matching Grants for Supplemental Nutrition Assistance	10.561	G-1011-11-5062	18,304
Total U.S. Department of Agriculture and SNAP Cluster			<u>457,581</u>
United States Department of Housing and Urban Development:			
Passed through Ohio Department of Development:			
HOME Investment Partnership Program	14.239	BC-08-039-2	227,966
Community Development Block Grant / State's Program	14.228	BF-09-1BM-1	97,916
		BF-08-039-1	29,118
		BW-09-1BM-1	4,000
		BW-09-1BM-2	4,000
		BC-08-039-1	102,372
Total Community Development Block Grant / State's Program			<u>237,406</u>
Total U.S. Department of Housing and Urban Development			465,372
United States Department of Justice:			
Passed through the Ohio Attorney General:			
Crime Victims Assistance	16.575	2010VAGENE334	27,652
	16.575	2010SAGENE334	2,481
Total Crime Victims Assistance			<u>30,133</u>
Passed through the Ohio Department of Public Safety:			
ARRA Edward Byrne Justice Assistance Grant	16.803	2009-RA-C01-2176	13,903
Total U.S. Department of Justice			44,036
United States Department of Labor:			
WIA Cluster Passed-through Ohio Department of Job and Family Services:			
Passed-through Montgomery County Auditor, WIA Area 7 Board			
Workforce Investment Act - Adult			7,640
Workforce Investment Act - Adult Administrative			11,309
ARRA Workforce Investment Act - Adult			20,559
Workforce Investment Act - Adult Total	17.258	31-6400072	<u>39,508</u>
Workforce Investment Act - Youth			119,373
Workforce Investment Act - Youth Administrative			3,406
ARRA Workforce Investment Act - Youth			64,627
Workforce Investment Act - Youth Total	17.259	31-6400072	<u>187,406</u>
Workforce Investment Act - Dislocated Worker			119,829
Workforce Investment Act - Dislocated Worker Administrative			8,479
ARRA Workforce Investment Act - Dislocated Worker			56,646
Workforce Investment Act - Rapid Response			75,000
Workforce Investment Act - Dislocated Worker Total	17.260	31-6400072	<u>259,954</u>
Workforce Investment Act - Dislocated Worker			13,830
Workforce Investment Act - Dislocated Worker Administrative			1,545
Workforce Investment Act - Dislocated Worker Total	17.278	31-6400072	<u>15,375</u>
Workforce Investment Act - One-Stop Resource Sharing	17.207	31-6400072	21,895
Workforce Investment Act - One-Stop Resource Sharing	17.258	31-6400072	113
Workforce Investment Act - One-Stop Resource Sharing	17.801	31-6400072	6,033
Workforce Investment Act - One-Stop Resource Sharing	17.804	31-6400072	283
			<u>28,324</u>
Total U. S. Department of Labor and WIA Cluster			530,567
United States Department of Transportation:			
Direct Program:			
Airport Improvement Program	20.106	N/A	90,829
Passed-through Ohio Department of Transportation:			
Highway Planning and Construction Grant	20.205	PID 78713	664,255
		PID 83294	832,720
		PID 83296	353,163
		PID 83298	116,099
		PID 84875	430
		PID 85260	47,862
		PID 87270	4,783
Total Highway Planning and Construction Grant			<u>2,019,312</u>
State TrafficSafety Information System Improvements Grant	20.610	GG-2010-42-00-00-00876-00	115,000
Total U.S. Department of Transportation			2,225,141

KNOX COUNTY
FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2009
(Continued)

Federal Program	CFDA #	Pass-through Agency Awarding Number	Expenditures
United States Election Assistance Commission:			
Passed-through Ohio Secretary of State: Help America Vote Act	90.401	N/A	911
United States Department of Health and Human Services:			
Passed-through Ohio Secretary of State: Voting Access for Individuals with Disabilities	93.617	06-SOS-HHH-42	5,320
Passed-through Ohio Department of Jobs and Family Services: Promoting Safe and Stable Families	93.556	G-1011-11-5062	74,171
Temporary Assistance for Needy Families	93.558	G-1011-11-5062	1,554,978
Child Support Enforcement	93.563	G-1011-11-5062	165,278
ARRA Child Support Enforcement	93.563	G-1011-11-5062	<u>349,107</u>
Total Child Support Enforcement			514,385
Child Care and Development	93.575	G-1011-11-5062	5,768
Child Care Mandatory and Matching Funds	93.596	G-1011-11-5062	<u>85,125</u>
Total Child Care Cluster			90,893
Child Welfare Services - State Grants	93.645	G-1011-11-5062	62,045
Foster Care Management	93.658	G-1011-11-5062	162,263
ARRA Foster Care Management	93.658	G-1011-11-5062	<u>3,444</u>
Total Foster Care Management			165,707
Adoption Assistance	93.659	G-1011-11-5062	359,091
Social Services Block Grant	93.667	G-1011-11-5062	445,039
Children's Health Insurance Program	93.767	G-1011-11-5062	20,087
Child Abuse and Neglect Prevention	93.669	G-1011-11-5062	3,323
Chaffee Foster Care Independence Program	93.674	G-1011-11-5062	26,335
Medical Assistance Program	93.778	G-1011-11-5062	<u>313,027</u>
Total Ohio Department of Jobs and Family Services			3,629,081
Passed-through Ohio Department of Developmental Disabilities Social Services Block Grant - Title XX	93.667	31-6400072	45,014
ARRA EFMED Medical Assistance Program	93.778	31-6400072	50,000
Medical Assistance Program - Waiver Administration	93.778	31-6400072	<u>105,424</u>
Total Medical Assistance Program			155,424
Total Ohio Department of Developmental Disabilities			<u>200,438</u>
Total U.S. Department of Health and Human Services			3,834,839
United States Department of Homeland Security:			
Passed through Ohio Emergency Management Agency: Emergency Management Performance Grants	97.042	2009-EP-E9-0061	52,974
Homeland Security Program (Cluster): State Homeland Security Program	97.067	2008-GE-T8-0025	<u>4,175</u>
Total U.S. Department of Homeland Security			<u>57,149</u>
Total Federal Awards Expenditures			<u>\$ 7,615,596</u>

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

KNOX COUNTY

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

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

The County has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income households. 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 is recorded as a disbursement on the accompanying Federal Awards Expenditures Schedule (the Schedule). Loans repaid, including interest, are used to make additional loans. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by mortgages on the property.

Activity in the CDBG revolving loan fund during 2010 is as follows:

Beginning loans receivable balance as of January 1, 2010	\$37,542
Loans made	0
Loan principal repaid	14,295
Ending loans receivable balance as of December 31, 2010	\$23,247
Cash balance on hand in the revolving loan fund as of December 31, 2010	\$95,483
Administrative costs expended during 2010	3,020

The table above reports gross loans receivable.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE D – OUTSTANDING LOANS

In 2005, the Knox County Airport, a component unit of Knox County, secured a \$775,000 loan with the United State Department of Agriculture – Rural Development Program – CFDA# 10.766. At December 31, 2010, \$701,500 of the loan remained outstanding.

KNOX COUNTY

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2010
(continued)**

NOTE E - TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2010, the County made allowable transfers of \$343,264 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent approximately \$1,554,978 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during fiscal year 2009 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	\$ 1,898,242
Transfer to Social Services Block Grant	<u>(343,264)</u>
Total Temporary Assistance for Needy Families	<u>\$ 1,554,978</u>

NOTE F – CORRECTION TO 2009 FEDERAL AWARDS EXPENDITURES SCHEDULE

The Ohio Department of Job and Family Services (ODJFS) sub-awarded to Knox County, Federal funding from the U.S. Department of Health and Human Services. Although these programs were administered at the County level, in July 2010 ODJFS adjusted some of the County’s child care expenditures to align them with available funding sources. ODJFS’ adjustments were retroactive to the beginning of the grant period (October 1, 2009). Therefore, these July 2010 adjustments affect 2009 calendar-year program expenditures previously reported as follows:

Child Care Cluster	CFDA #	Pass through #	2009 Federal Expenditures Reported	July 2010 Adjustment	Adjusted 2009 Federal Expenditures Report
Child Care and Development Block Grant	93.575	G-89-20-1088/G-1011-11-5062	151,686	-	151,686
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	G-89-20-1088/G-1011-11-5062	434,463	(252,750)	181,713
Child Care Cluster Total			586,149	(252,750)	333,399
Temporary Assistance for Needy Families	93.558	G-89-20-1088/G-1011-11-5062	1,853,610	139,629	1,993,239



Dave Yost • Auditor of State

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

Knox County
117 East High Street
Mount Vernon, Ohio 43050

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Knox County, Ohio (the County) as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-01.

We also noted certain matters not requiring inclusion in this report that we reported to the County's management in a separate letter dated June 28, 2011.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the County's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of management, the audit committee, the Board of County Commissioners, and federal awarding agencies and pass-through entities, and others within the County. We intend it for no one other than these specified parties.



Dave Yost
Auditor of State

June 28, 2011



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Knox County
117 East High Street
Mount Vernon, Ohio 43050

To the Board of County Commissioners:

Compliance

We have audited the compliance of Knox 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 could directly and materially affect each of the County's major federal programs for the year ended December 31, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, the discretely-presented component unit, each major fund and the aggregate remaining fund information of the County as of and for the year ended December 31, 2010, and have issued our report thereon dated June 28, 2011, except for our opinion on the federal awards expenditure schedule, for which the date is August 26, 2011. Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements taken as a whole. The accompanying federal awards expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Dave Yost
Auditor of State

August 26, 2011

KNOX COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2010

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	CFDA 20.205 – Highway Planning and Construction CFDA 93.558-TANF CFDA 93.563–Child Support Enforcement CFDA 17.258-260–Workforce Investment Act CFDA 93.667 – Social Services Block Grant
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

KNOX COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2010
(Continued)

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

Finding Number	2010-01
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Ohio Rev. Code Section 5705.41(B) prohibits a subdivision or taxing unit from expending money unless it has been appropriated.

Total expenditures exceeded appropriations for the year ended December 31, 2010 at the object level (legal level of control) as follows:

Bond Retirement Fund	Budgetary Appropriations	Expenditures	Variance
Interest and Fiscal Charges	\$302,530	\$418,749	\$(116,129)
Payment to Refunded Bond Escrow Agent	\$0	\$7,413,303	\$(7,413,303)

The County had bond refunding activity in the Bond Retirement Fund in which they failed to budget for.

Failure to have adequate appropriation authority in place at the time of expenditure may result in expenditures exceeding available resources, and resulted in deficit spending.

The County Auditor should not certify the availability of funds and should deny payment requests exceeding appropriations. The County Auditor may request County Commissioners to approve increased expenditure levels by increasing appropriations and amending estimated resources, if necessary.

OFFICIALS' RESPONSE

The Knox County Commissioners along with the Knox County Auditor will make every effort to make sure that if refunding takes place in the future that all the necessary steps will be taken in order to show all appropriations/expenditures.

3. FINDINGS FOR FEDERAL AWARDS

None

KNOX COUNTY AUDITOR



KNOX COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010

ADDITIONAL COPIES OF THIS
REPORT MAY BE OBTAINED
BY CONTACTING:

THE KNOX COUNTY AUDITOR'S OFFICE
117 EAST HIGH STREET, SUITE 120
MOUNT VERNON, OHIO 43050
(740) 393-6743

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2010

*Jonette Curry
County Auditor*

*Prepared by the
Knox County Auditor's Office*



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INTRODUCTORY SECTION



Knox County Auditor

Jonette Curry
Knox County Auditor
Phone (740) 393-6750

117 East High Street, Suite 120
Mount Vernon, Ohio 43050
Fax (740) 393-6806



June 28, 2011

To the Citizens of Knox County
and to The Board of County Commissioners:
the Honorable Robert S. Wise
the Honorable Teresa A. Bemiller
the Honorable Allen D. Stockberger

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of Knox County, Ohio, for the year ended December 31, 2010. This report was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and provides full and complete disclosure of the financial position and operations of the County for the year ended December 31, 2010. The information contained in this report will assist County officials in making management decisions and will provide the taxpayers of Knox County with comprehensive financial data in a format that will enable them to gain a true understanding of the County's financial affairs. The general public as well as investors will be able to compare the financial position of Knox County and the results of its operations with other governmental entities. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County, specifically the County Auditor's Office.

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

Knox County was created in 1808. The County has only those powers conferred upon it by Ohio statutes. A three-member board of County Commissioners is elected at large in even-numbered years for overlapping four-year terms. The Commissioners serve as the taxing authority, the contracting board, and the chief administrators of public services for the County. The Board of Commissioners creates and adopts the annual operating budget and makes the annual appropriation measure for expenditures of all County funds. In addition to the Board of Commissioners, the offices of County Auditor and County Treasurer are grouped under the category of general government and are of particular importance to the financial affairs of the County.

***Letter of Transmittal
For the Year Ended December 31, 2010***

The County Auditor is elected to a four year term and has as one of her most important functions, the task of assessing real property for tax purposes. Under state law, a complete reappraisal must be conducted every six years as well as a triennial update every third year between reappraisals. After the County Treasurer collects taxes, the County Auditor is responsible for distributing certain taxes to various government units. The Auditor is also the chief fiscal officer of the County, and no County contract or obligation may be made without her certification that funds for that contract or obligation have been lawfully appropriated, are available for payment, or are in the process of collection. In addition, no account may be paid except by the Auditor's warrant drawn upon the County Treasury. The Auditor is responsible for the County payroll and has other statutory accounting responsibilities. The Auditor is also in charge of the County's bond retirement fund. She is, by state law, secretary of the County Board of Revision and the County Budget Commission, and the administrator and supervisor of the County Data Processing Board. In 2010, the Auditor employed eight full-time employees and one part-time employee.

The County Treasurer is required by state law to collect certain locally assessed taxes. She is the distributing agent for expenditures authorized by the Board upon the Auditor's warrant. The Treasurer must make daily reports showing receipt, payments and balances to the County Auditor, and the books of account must always balance with those of the County Auditor. The Treasurer is responsible for investing all funds of the County. The Treasurer is elected to a four year term and in 2010 employed four full-time and two part-time employees. The Treasurer is a member of the County Board of Revision. In addition, the Treasurer, the Auditor and the Prosecuting Attorney form the County Budget Commission which plays an important part in the financial administration of County government as well as all local governments throughout the County.

The County Prosecuting Attorney is elected to a four year term and is responsible for all legal matters for the County and Township officials. He prosecutes all felonies, child support delinquencies and tax foreclosures. The office is also the contact for victim assistance. In 2010, the Prosecuting Attorney employed three attorneys and three full-time employees.

The County Recorder is elected to a four year term and is responsible for recording all deeds, mortgages, and liens. The Recorder oversees the Microfilm/Retention Office and is Secretary of the Records Retention Board and the Microfilm Board for the County. In addition to the Recorder, the office employs three other full-time workers. The recorder's office had a decrease of 2,168 documents from 2009 with a total of 10,562 documents recorded in 2010.

The County Engineer is elected to a four year term and employs thirty-five full-time employees who work in four major divisions under the Engineer. The Office Division is responsible for the tax map department and office operation. The Road Division is responsible for maintenance and upkeep of all the County roads, including resurfacing. The Bridge Division is responsible for the replacement and inspection of all bridges. The Garage Division is responsible for road signs on all County roads and maintenance on all vehicles.

***Letter of Transmittal
For the Year Ended December 31, 2010***

The County Sheriff is elected to a four year term and is the head of six divisions. Twenty-five full-time employees make up the Patrol Division which provides protection for a total of 532 square miles of Knox County. The twenty-four full-time employees of the Communications Division handle Enhanced 9-1-1 dispatching and are responsible for all communications for Knox County. The Detective Division consists of five full-time employees who are responsible for investigating all major criminal cases in Knox County. The Jail Division consists of twenty-five full-time employees who run a full service jail which houses both adult male and female prisoners charged with or convicted of felony and misdemeanor offenses and also employs three full-time cooks. The Civil Process Division, which has three full-time employees, is responsible for serving all court processes.

The Clerk of Courts is elected to a four year term and is responsible for the Legal Division and the Title Division. The Legal Division's main function is to file, process and preserve papers for cases that will be handled by the Knox County Common Pleas Court and Fifth District Court of Appeals. The Legal Division has five full-time employees and one part-time employee and received 3,158 cases filed in 2010. Of those cases 1,752 were certificates of judgments. The Title Division has three full-time employees and one part-time employee, with a main function to issue vehicle titles, which serve as a person's only proof of ownership. In 2010, 25,609 titles were issued, a 25% increase from 2009.

The Knox County Common Pleas Judge is elected to a six year term and is responsible for hearing all domestic relations, criminal and civil cases. The Common Pleas Court had 10 full-time employees and 2 part-time employees in 2010.

The Knox County Common Pleas Probate and Juvenile Judge is elected to a six year term and is responsible for hearing all probate and juvenile cases. In 2010, the estate cases totaled 314, which was an increase of 9 cases from 2009. Overall cases filed in Probate Court totaled 777 in 2010, which was an increase of 10 from 2009. In 2010, the Juvenile Court cases filed totaled 1,165, which was an increase of 101 over 2009. This court also performs miscellaneous tasks such as assigning foreign judges and appointing the Humane Officer and members to the Board of Development Disabilities, and the Knox County Metropolitan Housing Authority. The Probate Court houses old birth, death and marriage records where many people work on genealogy research.

The Knox County Coroner is elected to a four year term and is responsible for certifications of deaths. She orders autopsies and investigates suspicious deaths. The coroner employs 3 part-time staff, (one clerical and 2 coroner investigators).

The Board of Elections is a statutory board, the same as the budget commission and the board of revision, with the exception that this board has no elected officials as board members. The four member board, made up of two Republicans and two Democrats, meets monthly to conduct board business. The Board of Elections oversees all primary, general and special elections. Registered voters in 2010 totaled 40,304, a .3% percent increase from 2009.

***Letter of Transmittal
For the Year Ended December 31, 2010***

The County provides its citizens with a wide range of services that include job and family services, health and community assistance related services, and other general and administrative support services. The County also operates enterprise funds which include water and wastewater systems and the landfill. For financial reporting purposes, the County's reporting entity includes the primary government, which is comprised of all funds and the agencies, boards and commissions that make up the County's legal entity, component units, which are legally separate organizations which are fiscally dependent on the County or for which the County is financially accountable, and any activities that need to be included to ensure that the financial statements are complete and not misleading.

The County's reporting entity includes the financial activities of the County Board of Development Disabilities. The mission of this Board is to establish support focused on the individual which will provide opportunities for informed choices. These choices will provide an opportunity for individuals to plan their futures in where they live, work, learn and develop social relationships. The County also reports one component unit, the Knox County Airport.

Excluded from the reporting entity because they are fiscally independent of the County are the Knox County Educational Service Center, the Knox County Humane Society, the Knox County Agricultural Society, the Knox County Extension Services, Knox County Park District, Knox County Regional Planning Commission and the Kno-Ho-Co Community Action Commission.

The County serves as fiscal agent but is not financially accountable for the Knox County General Health District, the Knox County Soil and Water Conservation District and the Knox County Local Emergency Planning Commission whose activities are included in this report as agency funds.

The Emergency Management Agency, the Community Mental Health and Recovery Board of Licking and Knox Counties, and the Eastern Ohio Housing Corporation are governmental joint ventures. The Joint Solid Waste District, the Mid Eastern Ohio Regional Council, the Licking-Muskingum Community Based Correctional Facility, the Knox County Family and Children First Council, the Heart of Ohio Resource Conservation and Development Council, and the Perry Multi-County Juvenile Facility are jointly governed organizations. The Mid Ohio Transit Authority and the Public Library of Mount Vernon and Knox County are Related Organizations. These organizations are discussed in Notes 1, 11 and 12 of the notes to the Basic Financial Statements.

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

Knox County has always been a large agricultural area and this is their fourth year for the Farmers Market. The Mount Vernon Farmers Market itself had a good season, with strong turnout from buyers eager to get fresh produce. Fredericktown and Centerburg are in their fourth year of providing additional outlets for local vendors and consumers. Danville is in their second year. The Owl Creek Produce Auction, located outside of Waterford, entered its fifth year serving as a produce auction house selling everything from truckload quantities to grocery store chains, all the way down to individuals buying single vegetables.

***Letter of Transmittal
For the Year Ended December 31, 2010***

2010 was another great year for the Park District, several acquisitions took place along with recently awarded grants for the projects.

Employee Relations

Knox County has four separate unions, whose labor contracts commence at various times. The County Engineer has twenty-four members in the American Federation of State, County and Municipal Employees (A.F.S.C.M.E.) Local 2803. This contract commenced July 1, 2008, and it expires on June 30, 2011.

The County Sheriff has fifty-one members in the Fraternal Order of Police, Ohio Labor Council, Inc. This contract was signed for a three-year period. This contract commenced on January 1, 2009 for a three year period and expires on December 31, 2011.

The Department of Job & Family Services has sixty-four members in the A.F.S.C.M.E. Local 657. This contract commenced on July 1, 2009 for a three-year period and expires on June 30, 2012.

The Emergency Management 9-1-1 has twenty-four members in the Fraternal Order of Police, Ohio Labor Council, Inc. This contract commenced January 1, 2010 for a three-year period. It expires on December 31, 2012. The remaining departments along with department heads are not represented by any union.

Major Initiatives

The Heart of Ohio Trail connecting Centerburg and Mount Vernon continues to see improvements. In 2010, the Ohio Department of Natural Resources awarded \$383,500 toward the 3.5 miles of paving starting at Bishop Road and ending just west of Graham Road and the project was completed by December 2010.

Knox County Wastewater Department is continuing the planning to add wastewater facilities to several of the outlying communities that are not villages. This will be a project that will take several years of planning and implementation with work on financially supporting this project. It includes the communities of Millwood and Bladensburg. The goal is to get wastewater facilities in each community to handle the wastewater in an environmentally friendly manner.

The Knox County Airport has been upgraded many times in the past years and last year was no exception. The plan to extend the taxiway A was completed in 2010 and started to work on the ALP update and Terminal Area Plan.

***Letter of Transmittal
For the Year Ended December 31, 2010***

Independent Audit

Included in this report is an unqualified audit opinion rendered on the County's financial statements as of and for the year ended December 31, 2010, by our independent auditor, David Yost, Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1996 and related OMB Circular A-133, which results are not included in this report.

County management plans to continue to subject financial statements to an annual independent audit as part of the preparation of a CAFR. An annual audit also serves to maintain and strengthen the County's accounting and budgetary controls.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Knox County, Ohio, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2009. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, in which the contents conform to program standards. The (CAFR) must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Knox County has received a Certificate of Achievement for the last twenty consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

***Letter of Transmittal
For the Year Ended December 31, 2010***

Acknowledgments

The publication of this Comprehensive Annual Financial Report for Knox County, Ohio, is the culmination of many hours of dedicated work in the research, analysis, and preparation of the financial statements and the related notes and narratives by the Fiscal Department of the Office of the Knox County Auditor.

The effort put forth so willingly by the various department heads and their staffs in providing the data needed for the report is greatly appreciated. Special recognition is given to Sharon Lamb, Deputy Auditor, for her many hours, perseverance, and expertise in managing this project to completion. We are very appreciative of this effort.

We thank Donald J. Schonhardt and Associates for their expert advice and technical assistance.

A final note of appreciation is extended to the auditing staff of the State Auditor's office for their cooperation and guidance for our twenty-first Comprehensive Annual Financial Report.

I ask for your continuing support of this project and in our efforts to promote good sound financial management for Knox County.

Sincerely,



Jonette Curry
Knox County Auditor

KNOX COUNTY, OHIO

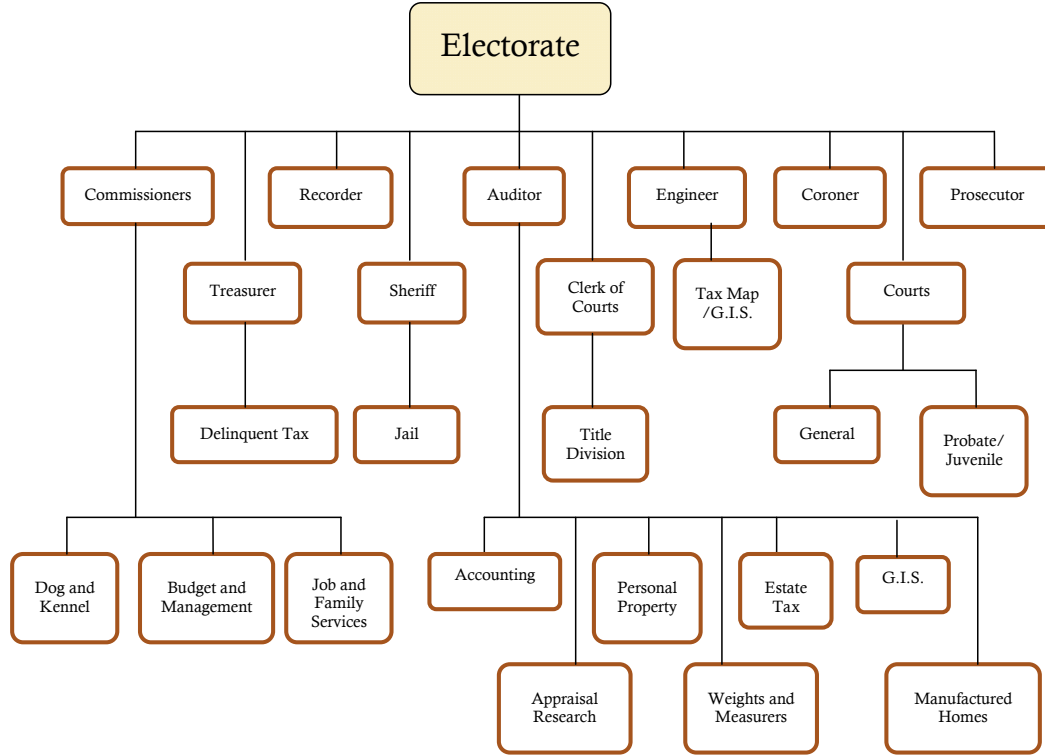
***List of Elected Officials
For the Year Ended December 31, 2010***

OFFICE HELD	NAME OF OFFICIAL
Commissioners	Allen D. Stockberger Robert S. Wise Teresa A. Bemiller
Auditor	Jonette Curry
Clerk of Courts	Mary Jo Hawkins
Coroner	Jennifer Ogle
Engineer	James L. Henry
Prosecutor	John C. Thatcher
Recorder	John L. Lybarger
Sheriff	David B. Barber
Treasurer	Sandra Mizer

JUDGES

Common Pleas Judge	Otho Eyster
Juvenile/Probate	James Ronk

**County Organizational Chart
For the Year Ended December 31, 2010**



Statutory Boards and Committees

County Budget Commission
Auditor *
Treasurer
Prosecutor

Board of Elections
Data Board
Veterans Commission

* Serve as Secretary

Appointed Board

Board of Revision
Auditor *
Treasurer
Commissioners

Board of Development Disabilities

**Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting**

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Knox County
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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

FINANCIAL SECTION





Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Knox County
117 East High Street
Mount Vernon, Ohio 43050

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 Knox County, Ohio, (the County) as of and for the year ended December 31, 2010, 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, 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 Knox County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Public Assistance, Motor Vehicle and Gasoline Tax, Children Services and Developmental Disabilities Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2011, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

88 East Broad Street, Tenth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-3402 or 800-443-9275 Fax: 614-728-7199

www.auditor.state.oh.us

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

June 28, 2011

The discussion and analysis of Knox County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2010. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2010 are as follows:

- ❑ In total, net assets increased \$7,552,965. Net assets of governmental activities increased \$6,952,944, which represents a 9.8% increase from 2009. Net assets of business-type activities increased \$600,021 or 10.7% from 2009.
- ❑ General revenues accounted for \$21,344,181 in revenue or 48.4% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$22,734,933 or 51.6% of total revenues of \$44,079,114.
- ❑ The County had \$35,233,064 in expenses related to governmental activities; only \$20,935,259 of these expenses were offset by program specific charges for services, grants or contributions.
- ❑ Among major funds, the general fund had \$12,552,166 in revenues and \$11,553,501 in expenditures. The general fund's fund balance increased \$423,522 to a balance of \$2,614,455. This increase is attributable to across the board reductions in expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the County:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the County's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the County, reporting the County's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the County's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net assets and how they have changed. Net-assets (the difference between the County's assets and liabilities) is one way to measure the County's financial health or position.

- Over time, increases or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County you need to consider additional nonfinancial factors such as changes in the County's tax base and the condition of County capital assets also need to be evaluated.

The government-wide financial statements of the County are divided into two categories:

- *Governmental Activities* – Most of the County's programs and services are reported here including public safety, health, human services, and public works.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The County's sewer district and landfill funds are reported as business activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the County's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance County programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Management's Discussion and Analysis
For the Year Ended December 31, 2010**

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The accounting used for fiduciary funds is much like that of the proprietary funds. We exclude these activities from the County's other financial statements because the assets cannot be utilized by the County to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The following table provides a summary of the County's net assets for 2010 compared to 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	Restated 2009	2010	2009
Current and other assets	\$41,932,697	\$38,131,703	\$10,073,289	\$3,834,093	\$52,005,986	\$41,965,796
Capital assets, Net	57,678,772	55,485,813	4,094,382	3,274,471	61,773,154	58,760,284
Total assets	99,611,469	93,617,516	14,167,671	7,108,564	113,779,140	100,726,080
Long-term liabilities outstanding	10,862,435	11,542,392	7,891,336	1,456,471	18,753,771	12,998,863
Other liabilities	11,201,213	11,480,247	62,838	38,617	11,264,051	11,518,864
Total liabilities	22,063,648	23,022,639	7,954,174	1,495,088	30,017,822	24,517,727
Net assets						
Invested in capital assets, net of related debt	49,273,409	46,246,780	3,904,705	3,214,860	53,178,114	49,461,640
Restricted	23,119,705	19,974,016	0	0	23,119,705	19,974,016
Unrestricted	5,154,707	4,374,081	2,308,792	2,398,616	7,463,499	6,772,697
Total net assets	\$77,547,821	\$70,594,877	\$6,213,497	\$5,613,476	\$83,761,318	\$76,208,353

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KNOX COUNTY, OHIO**Management's Discussion and Analysis
For the Year Ended December 31, 2010****Unaudited**

Changes in Net Assets – The following table shows the changes in net assets for 2010 compared to 2009:

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	Restated 2009	2010	Restated 2009
Revenues						
Program Revenues:						
Charges for Services and Sales	\$3,979,383	\$3,726,233	\$1,577,809	\$1,418,102	\$5,557,192	\$5,144,335
Operating Grants and Contributions	13,682,020	14,313,536	107,135	0	13,789,155	14,313,536
Capital Grants and Contributions	3,273,856	1,086,915	114,730	1,225,478	3,388,586	2,312,393
Total Program Revenues	<u>20,935,259</u>	<u>19,126,684</u>	<u>1,799,674</u>	<u>2,643,580</u>	<u>22,734,933</u>	<u>21,770,264</u>
General Revenues:						
Property Taxes	10,161,034	10,199,525	0	0	10,161,034	10,199,525
Sales Taxes	5,726,806	4,951,627	0	0	5,726,806	4,951,627
Intergovernmental Revenues, Unrestricted	3,175,551	3,259,260	0	0	3,175,551	3,259,260
Investment Earnings	150,227	421,128	24,216	38,830	174,443	459,958
Miscellaneous	2,106,347	1,777,222	0	0	2,106,347	1,777,222
Total General Revenues	<u>21,319,965</u>	<u>20,608,762</u>	<u>24,216</u>	<u>38,830</u>	<u>21,344,181</u>	<u>20,647,592</u>
Total Revenues	<u>42,255,224</u>	<u>39,735,446</u>	<u>1,823,890</u>	<u>2,682,410</u>	<u>44,079,114</u>	<u>42,417,856</u>
Program Expenses						
General Government						
Legislative and Executive	6,035,909	6,145,058	0	0	6,035,909	6,145,058
Judicial	2,101,009	2,180,208	0	0	2,101,009	2,180,208
Public Safety	6,675,712	6,524,287	0	0	6,675,712	6,524,287
Public Works	6,104,722	5,542,229	0	0	6,104,722	5,542,229
Health	471,674	466,915	0	0	471,674	466,915
Human Services	11,532,090	13,726,641	0	0	11,532,090	13,726,641
Intergovernmental	2,039,618	2,053,506	0	0	2,039,618	2,053,506
Interest and Fiscal Charges	272,330	473,944	0	0	272,330	473,944
Sewer	0	0	1,293,085	1,254,142	1,293,085	1,254,142
Landfill	0	0	0	17,563	0	17,563
Total Expenses	<u>35,233,064</u>	<u>37,112,788</u>	<u>1,293,085</u>	<u>1,271,705</u>	<u>36,526,149</u>	<u>38,384,493</u>
Change in Net Assets Before Transfers	7,022,160	2,622,658	530,805	1,410,705	7,552,965	4,033,363
Transfers	(69,216)	(132,994)	69,216	132,994	0	0
Total Change in Net Assets	<u>6,952,944</u>	<u>2,489,664</u>	<u>600,021</u>	<u>1,543,699</u>	<u>7,552,965</u>	<u>4,033,363</u>
Beginning Net Assets, restated	<u>70,594,877</u>	<u>68,105,213</u>	<u>5,613,476</u>	<u>4,069,777</u>	<u>76,208,353</u>	<u>72,174,990</u>
Ending Net Assets	<u>\$77,547,821</u>	<u>\$70,594,877</u>	<u>\$6,213,497</u>	<u>\$5,613,476</u>	<u>\$83,761,318</u>	<u>\$76,208,353</u>

Governmental Activities

Net assets of the County's governmental activities increased by \$6,952,944. This was due mainly to the implementation of a furlough days policy to reduce personnel costs and the receipt of over \$2 million in grants for bridge replacement work.

KNOX COUNTY, OHIO

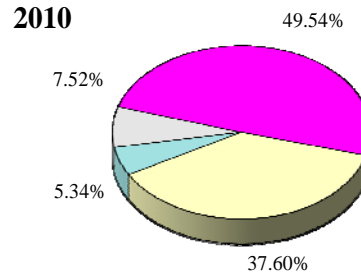
**Management's Discussion and Analysis
For the Year Ended December 31, 2010**

Unaudited

Tax revenue accounts for \$15,887,840 of the \$42,255,224 in total revenues for governmental activities. Sales tax accounted for \$5,726,806, or approximately 36.0% of total tax revenue.

The County's direct charges to users of governmental services totaled \$3,979,383. This amount represents 9.4% of total revenues for governmental activities and 19.0% of program specific revenues.

Revenue Sources	2010	Percent of Total
Intergovernmental Revenues	\$3,175,551	7.52%
Program Revenues	20,935,259	49.54%
General Tax Revenues	15,887,840	37.60%
General Other	2,256,574	5.34%
Total Revenue	\$42,255,224	100.00%



Business-Type Activities

Net assets of the business-type activities increased by \$600,021. This increase is attributable to expenses being kept steady in the Sewer District and Landfill funds and a fee increase in the sewer fund which became effective July 2010. These programs had revenues of \$1,823,890 and expenses of \$1,293,085 for fiscal year 2010. Business type activities receive no support from tax revenues and remain self-supporting.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

The County's governmental funds reported a combined fund balance of \$22,036,487, which is higher than last year's total of \$18,702,155. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2010 and 2009.

	Fund Balance December 31, 2010	Fund Balance December 31, 2009	Increase (Decrease)
General	\$2,614,455	\$2,190,933	\$423,522
Public Assistance	2,830,147	2,060,961	769,186
Motor Vehicle and Gasoline Tax	1,549,583	1,329,200	220,383
Children Services Board	3,348,212	3,153,249	194,963
Development Disabilities	7,559,526	5,212,127	2,347,399
Other Governmental	4,134,564	4,755,685	(621,121)
Total	\$22,036,487	\$18,702,155	\$3,334,332

KNOX COUNTY, OHIO**Management's Discussion and Analysis
For the Year Ended December 31, 2010****Unaudited**

General Fund – The County's General Fund balance increased from 2009 to 2010. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2010 <u>Revenues</u>	2009 <u>Revenues</u>	Increase <u>(Decrease)</u>
Taxes	\$7,724,158	\$7,544,858	\$179,300
Intergovernmental Revenues	1,863,964	1,847,579	16,385
Charges for Services	1,976,044	1,918,150	57,894
Licenses and Permits	4,119	4,300	(181)
Investment Earnings	145,066	409,725	(264,659)
Fines and Forfeitures	50,482	52,276	(1,794)
All Other Revenue	788,333	900,655	(112,322)
Total	<u>\$12,552,166</u>	<u>\$12,677,543</u>	<u>(\$125,377)</u>

General Fund revenues in 2010 decreased approximately 1.0% compared to revenues in 2009. This decrease is the result of a decrease in investment earnings because the interest rates decreased in 2010 compared to 2009. The decrease was somewhat offset by an increase in sales tax due to the beginnings of an economic recovery.

	2010 <u>Expenditures</u>	2009 <u>Expenditures</u>	Increase <u>(Decrease)</u>
General Government:			
Legislative and Executive	\$5,005,826	\$5,466,643	(\$460,817)
Judicial	1,767,621	1,940,677	(173,056)
Public Safety	3,687,532	3,619,695	67,837
Public Works	94,096	95,069	(973)
Health	159,215	166,282	(7,067)
Human Services	639,063	621,703	17,360
Capital Outlay	116,012	833,797	(717,785)
Debt Service:			
Principal Retirement	59,211	64,013	(4,802)
Interst and Fiscal Charges	24,925	13,972	10,953
Total	<u>\$11,553,501</u>	<u>\$12,821,851</u>	<u>(\$1,268,350)</u>

Expenditures decreased by \$1,268,350 or 9.9% from the prior year. This decrease is due to reducing expenditures across the board as result of reduced revenue flows.

Public Assistance Fund – The County's Public Assistance Fund balance increased by 37.3%. This increase in fund balance was the result of reducing equipment purchases and repairs and outside contracts for TANF (Temporary Assistance for Needy Families).

Motor Vehicle and Gasoline Tax Fund – The County's Motor Vehicle and Gasoline Tax Fund balance increased by 16.6%. This increase in fund balance was the result of maintaining expenditures below revenues collected from gasoline tax and motor vehicle licenses.

***Management's Discussion and Analysis
For the Year Ended December 31, 2010***

Unaudited

Children Services Board Fund – The fund balance reported in the Children Services Board Fund increased by 6.2%. The increase in fund balance was the result of decreased expenditures.

Development Disabilities Fund – The fund balance reported in the Development Disabilities Fund increased by 45.0%. This increase in fund balance was the result of continued tax levy monies.

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2010 the County amended its General Fund budget several times, none significant. The \$.6 million positive variance with the final budget was the result of budgeting for contingencies that did not occur such as increased health insurance expenses and emergency repairs.

For the General Fund, budget basis revenue of \$12.3 million did not change compared to the original budget estimates. The General Fund had an adequate fund balance to cover expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2010 the County had \$61,773,154 net of accumulated depreciation invested in land, buildings, equipment, vehicles and infrastructure. Of this total, \$57,678,772 was related to governmental activities and \$4,094,382 to the business-type activities. The following table shows 2010 and 2009 balances:

	Governmental Activities		Increase (Decrease)
	2010	2009	
Land	\$4,208,122	\$4,194,122	\$14,000
Construction in Progress	687,695	749,712	(62,017)
Capital Assets not Being Depreciated	4,895,817	4,943,834	(48,017)
Buildings and Improvements	26,870,827	25,886,664	984,163
Vehicles	2,504,282	2,201,418	302,864
Machinery and Equipment	5,115,566	5,023,097	92,469
Computer Equipment	1,544,644	1,241,312	303,332
Infrastructure	46,123,633	43,597,326	2,526,307
Capital Assets Being Depreciated	82,158,952	77,949,817	4,209,135
Less: Accumulated Depreciation	(29,375,997)	(27,407,838)	(1,968,159)
Totals	<u>\$57,678,772</u>	<u>\$55,485,813</u>	<u>\$2,192,959</u>

The primary increases were the Heart of Ohio bike trail project which is reflected in buildings and improvements and bridge restoration in infrastructure.

KNOX COUNTY, OHIO**Management's Discussion and Analysis
For the Year Ended December 31, 2010****Unaudited**

	Business-Type Activities		Increase (Decrease)
	2010	2009	
Land	\$347,189	\$249,189	\$98,000
Construction in Progress	140,699	358,264	(217,565)
Capital Assets Not Being Depreciated	487,888	607,453	(119,565)
Buildings and Improvements	1,327,392	834,571	492,821
Vehicles	245,436	218,936	26,500
Machinery and Equipment	2,001,590	1,454,103	547,487
Computer Equipment	70,972	66,819	4,153
Sewer and Water Lines	2,211,932	2,211,932	0
Capital Assets Being Depreciated	5,857,322	4,786,361	1,070,961
Less: Accumulated Depreciation	(2,250,828)	(2,119,343)	(131,485)
Totals	\$4,094,382	\$3,274,471	\$819,911

Business-type activities increased from 2009 as a result of the completion of a 500,000 gallon storage tank. Additional information on the County's capital assets can be found in Note 10.

Debt

At December 31, 2010, the County had \$8.1 million in general obligation bonds outstanding, \$735,000 due within one year. The following table summarizes the County's debt outstanding as of December 31, 2010 and 2009:

	2010	2009
Governmental Activities:		
General Obligation Bonds	\$8,116,354	\$8,665,000
OPWC Loan Payable	239,688	266,012
OWDA Loan Payable	714,014	718,737
Loan Payable	571,502	591,507
Capital Leases Payable	98,362	144,777
Compensated Absences	1,122,515	1,156,359
Total Governmental Activities	10,862,435	11,542,392
Business-Type Activities:		
OWDA Loan Payable	56,978	59,611
Recovery Zone Economic		
Development Bonds Payable	6,660,000	0
Landfill Postclosure Care Liability	1,149,935	1,367,205
Compensated Absences	24,423	29,655
Total Business-Type Activities	7,891,336	1,456,471
Totals	\$18,753,771	\$12,998,863

Additional information on the County's long-term debt can be found in Note 18.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2011 budget is a very conservative one based on information received early in the year from the State legislature. State agencies are not increasing funding to local governments causing further hardships on these local agencies as they strive to at least maintain, if not enhance, services to their constituents.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information contact Jonette Curry, Auditor of Knox County.

KNOX COUNTY, OHIO

**Statement of Net Assets
December 31, 2010**

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Knox County Airport
Assets:				
Cash and Cash Equivalents	\$ 21,001,288	\$ 8,157,196	\$ 29,158,484	\$ 0
Cash and Cash Equivalents in Segregated Accounts	184,116	0	184,116	378,293
Cash and Cash Equivalents with Fiscal Agent	1,761,151	0	1,761,151	0
Receivables:				
Taxes	11,343,097	0	11,343,097	0
Accounts	176,926	428,569	605,495	12,790
Intergovernmental	5,253,317	1,192,000	6,445,317	76,000
Interest	119,510	826	120,336	0
Lease	1,142,000	0	1,142,000	0
Special Assessments	53,704	54,806	108,510	0
Loans	23,247	0	23,247	0
Internal Balances	230	(230)	0	0
Due from Component Unit	63,599	0	63,599	0
Loans Receivable from Component Unit	160,000	0	160,000	0
Inventory of Supplies	363,003	101,626	464,629	36,104
Prepaid Items	94,952	5,797	100,749	0
Deferred Charge	192,557	132,699	325,256	0
Capital Assets not Being Depreciated	4,895,817	487,888	5,383,705	744,837
Capital Assets Being Depreciated, net	52,782,955	3,606,494	56,389,449	7,902,510
Total Assets	99,611,469	14,167,671	113,779,140	9,150,534
Liabilities:				
Accounts Payable	495,255	19,124	514,379	27,480
Accrued Wages and Benefits	260,725	6,976	267,701	0
Intergovernmental Payable	374,664	10,793	385,457	0
Contracts Payable	102,001	0	102,001	0
Claims Payable	255,913	0	255,913	0
Matured Bonds and Interest Payable	48,379	0	48,379	0
Due to Primary Government	0	0	0	63,599
Unearned Revenue	9,633,948	0	9,633,948	0
Accrued Interest Payable	30,328	25,945	56,273	0
Long Term Liabilities:				
Due Within One Year	1,689,093	101,843	1,790,936	35,000
Due in More Than One Year	9,173,342	7,789,493	16,962,835	907,500
Total Liabilities	22,063,648	7,954,174	30,017,822	1,033,579

KNOX COUNTY, OHIO

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Knox County Airport
Net Assets:				
Invested in Capital Assets, Net of Related Debt	49,273,409	3,904,705	53,178,114	7,704,847
Restricted For:				
Public Safety	1,673,711	0	1,673,711	0
Public Works	3,436,424	0	3,436,424	0
Human Services	14,952,704	0	14,952,704	0
Capital Projects	769,735	0	769,735	0
Debt Service	92,440	0	92,440	58,101
Other Purposes	2,194,691	0	2,194,691	0
Unrestricted	5,154,707	2,308,792	7,463,499	354,007
Total Net Assets	\$ 77,547,821	\$ 6,213,497	\$ 83,761,318	\$ 8,116,955

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Activities
For the Year Ended December 31, 2010**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government:				
Legislative and Executive	\$ 6,035,909	\$ 1,536,183	\$ 220,299	\$ 1,022,459
Judicial	2,101,009	848,202	0	0
Public Safety	6,675,712	996,967	639,217	0
Public Works	6,104,722	67,621	5,389,582	2,251,397
Health	471,674	223,267	46,364	0
Human Services	11,532,090	307,143	7,386,558	0
Intergovernmental	2,039,618	0	0	0
Interest and Fiscal Charges	272,330	0	0	0
Total Governmental Activities	35,233,064	3,979,383	13,682,020	3,273,856
Business-Type Activities:				
Sewer District Fund	1,293,085	1,450,720	107,135	114,730
Landfill Fund	0	127,089	0	0
Total Business-Type Activities	1,293,085	1,577,809	107,135	114,730
Total Primary Government	\$ 36,526,149	\$ 5,557,192	\$ 13,789,155	\$ 3,388,586
Component Units:				
Knox County Airport	\$ 617,918	\$ 463,292	\$ 46,000	\$ 3,475
Total Component Units	\$ 617,918	\$ 463,292	\$ 46,000	\$ 3,475

General Revenues

Property Taxes Levied for:

General Purposes

Special Purposes

Sales Tax

Intergovernmental Revenues, Unrestricted

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year, restated

Net Assets End of Year

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

Net (Expense) Revenue and Changes in Net Assets			Component Unit
Primary Government			
Governmental Activities	Business-Type Activities	Total	Knox County Airport
\$ (3,256,968)	\$ 0	\$ (3,256,968)	
(1,252,807)	0	(1,252,807)	
(5,039,528)	0	(5,039,528)	
1,603,878	0	1,603,878	
(202,043)	0	(202,043)	
(3,838,389)	0	(3,838,389)	
(2,039,618)	0	(2,039,618)	
(272,330)	0	(272,330)	
(14,297,805)	0	(14,297,805)	
0	379,500	379,500	
0	127,089	127,089	
0	506,589	506,589	
(14,297,805)	506,589	(13,791,216)	
			\$ (105,151)
			(105,151)
3,810,053	0	3,810,053	0
6,350,981	0	6,350,981	0
5,726,806	0	5,726,806	0
3,175,551	0	3,175,551	0
150,227	24,216	174,443	0
2,106,347	0	2,106,347	7,297
(69,216)	69,216	0	0
21,250,749	93,432	21,344,181	7,297
6,952,944	600,021	7,552,965	(97,854)
70,594,877	5,613,476	76,208,353	8,214,809
\$ 77,547,821	\$ 6,213,497	\$ 83,761,318	\$ 8,116,955

KNOX COUNTY, OHIO**Balance Sheet
Governmental Funds
December 31, 2010**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Board
Assets:				
Cash and Cash Equivalents	\$ 2,124,646	\$ 2,949,402	\$ 1,007,176	\$ 3,433,742
Cash and Cash Equivalents in Segregated Accounts	25,348	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Receivables:				
Taxes	4,586,687	0	0	892,984
Accounts	42,984	12,841	11	1,500
Intergovernmental	796,571	671,379	2,423,082	50,867
Interest	119,214	0	65	0
Leases	0	0	0	0
Special Assessments	0	0	0	0
Loans	0	0	0	0
Due from Other Funds	26,089	0	0	5,000
Due from Component Unit	63,599	0	0	0
Loan Receivable from Component Unit	160,000	0	0	0
Inventory of Supplies	3,758	0	359,245	0
Prepaid Items	73,551	12,827	0	0
Total Assets	\$ 8,022,447	\$ 3,646,449	\$ 3,789,579	\$ 4,384,093
Liabilities:				
Accounts Payable	\$ 163,774	\$ 24,675	\$ 104,685	\$ 47,871
Accrued Wages and Benefits Payable	103,132	35,820	31,546	16,295
Intergovernmental Payable	152,164	55,539	42,251	21,605
Contracts Payable	33,709	22,880	10,519	0
Matured Bonds and Interest Payable	0	0	0	0
Due to Other Funds	132,476	6,009	10,582	9,417
Deferred Revenue	4,822,737	671,379	2,040,413	940,693
Total Liabilities	5,407,992	816,302	2,239,996	1,035,881

KNOX COUNTY, OHIO

Development Disabilities	Other Governmental Funds	Total Governmental Funds
\$ 6,088,304	\$ 3,678,977	\$ 19,282,247
0	158,768	184,116
1,570,790	0	1,570,790
3,822,511	2,040,915	11,343,097
23,263	60,113	140,712
221,380	1,090,038	5,253,317
0	0	119,279
0	1,142,000	1,142,000
0	53,704	53,704
0	23,247	23,247
37,620	127,476	196,185
0	0	63,599
0	0	160,000
0	0	363,003
5,420	3,154	94,952
<u>\$ 11,769,288</u>	<u>\$ 8,378,392</u>	<u>\$ 39,990,248</u>
\$ 87,810	\$ 66,440	\$ 495,255
27,111	46,821	260,725
36,605	66,500	374,664
0	34,893	102,001
0	48,379	48,379
28,203	9,268	195,955
<u>4,030,033</u>	<u>3,971,527</u>	<u>16,476,782</u>
<u>4,209,762</u>	<u>4,243,828</u>	<u>17,953,761</u>

(Continued)

KNOX COUNTY, OHIO

**Balance Sheet
Governmental Funds
December 31, 2010**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Board
Fund Balances:				
Reserved for Encumbrances	264,749	183,057	94,795	150,161
Reserved for Supplies Inventory	3,758	0	359,245	0
Reserved for Debt Service	0	0	0	0
Reserved for Loans Receivable	0	0	0	0
Reserved for Due From Component Unit	63,599	0	0	0
Reserved for Loan Receivable from Component Unit	160,000	0	0	0
Undesignated, Unreserved in:				
General Fund	2,122,349	0	0	0
Special Revenue Funds	0	2,647,090	1,095,543	3,198,051
Capital Projects Funds	0	0	0	0
Total Fund Balances	<u>2,614,455</u>	<u>2,830,147</u>	<u>1,549,583</u>	<u>3,348,212</u>
Total Liabilities and Fund Balances	<u>\$ 8,022,447</u>	<u>\$ 3,646,449</u>	<u>\$ 3,789,579</u>	<u>\$ 4,384,093</u>

See accompanying notes to the financial statements

KNOX COUNTY, OHIO

<u>Development Disabilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
0	179,474	872,236
0	0	363,003
0	122,768	122,768
0	23,247	23,247
0	0	63,599
0	0	160,000
0	0	2,122,349
7,559,526	3,320,665	17,820,875
<u>0</u>	<u>488,410</u>	<u>488,410</u>
<u>7,559,526</u>	<u>4,134,564</u>	<u>22,036,487</u>
<u>\$ 11,769,288</u>	<u>\$ 8,378,392</u>	<u>\$ 39,990,248</u>

KNOX COUNTY, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Assets Of Governmental Activities
December 31, 2010***

Total Governmental Fund Balances		\$ 22,036,487
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.		57,678,772
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		6,842,834
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		1,689,934
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds Payable	(8,116,354)	
Deferred Bond Issuance Costs	192,557	
Ohio Public Works Commission Loan Payable	(239,688)	
Ohio Water Development Authority Loan Payable	(714,014)	
Loan Payable	(571,502)	
Compensated Absences Payable	(1,122,515)	
Capital Lease Payable	(98,362)	
Accrued Interest Payable	(30,328)	(10,700,206)
<i>Net Assets of Governmental Activities</i>		\$ 77,547,821

See accompanying notes to the basic financial statements



KNOX COUNTY, OHIO**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Board
Revenues:				
Taxes	\$ 7,724,158	\$ 0	\$ 0	\$ 878,503
Intergovernmental Revenues	1,863,964	3,626,990	5,032,362	971,246
Charges for Services	1,976,044	0	4,317	132,291
Licenses and Permits	4,119	0	0	0
Investment Earnings	145,066	0	1,112	0
Special Assessments	0	0	0	0
Fines and Forfeitures	50,482	0	3,164	0
All Other Revenue	788,333	262,862	34,139	12,224
Total Revenue	12,552,166	3,889,852	5,075,094	1,994,264
Expenditures:				
Current:				
General Government:				
Legislative and Executive	5,005,826	0	0	0
Judicial	1,767,621	0	0	0
Public Safety	3,687,532	0	0	0
Public Works	94,096	0	4,826,534	0
Health	159,215	0	0	0
Human Services	639,063	3,119,265	0	1,799,301
Intergovernmental	0	0	0	0
Capital Outlay	116,012	0	0	0
Debt Service:				
Principal Retirement	59,211	0	46,415	0
Interest and Fiscal Charges	24,925	0	6,701	0
Total Expenditures	11,553,501	3,119,265	4,879,650	1,799,301
Excess (Deficiency) of Revenues Over Expenditures	998,665	770,587	195,444	194,963

KNOX COUNTY, OHIO

Development Disabilities	Other Governmental Funds	Total Governmental Funds
\$ 3,744,081	\$ 3,070,994	\$ 15,417,736
2,563,481	5,971,618	20,029,661
5,742	1,436,776	3,555,170
0	209,441	213,560
0	1,179	147,357
0	10,092	10,092
0	121,534	175,180
<u>226,863</u>	<u>637,651</u>	<u>1,962,072</u>
<u>6,540,167</u>	<u>11,459,285</u>	<u>41,510,828</u>
0	720,011	5,725,837
0	318,708	2,086,329
0	2,945,858	6,633,390
0	11,703	4,932,333
0	258,241	417,456
4,192,768	1,828,770	11,579,167
0	2,039,618	2,039,618
0	3,675,061	3,791,073
0	834,600	940,226
<u>0</u>	<u>418,749</u>	<u>450,375</u>
<u>4,192,768</u>	<u>13,051,319</u>	<u>38,595,804</u>
2,347,399	(1,592,034)	2,915,024

(Continued)

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2010**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Board
Other Financing Sources (Uses):				
Insurance Recoveries	0	0	0	0
Refunding General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Refunding Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Ohio Water Development Authority Loan	34,483	0	0	0
Ohio Public Works Commission Loan	0	0	0	0
Transfers In	162,410	166,493	0	0
Transfers Out	(771,715)	(167,894)	0	0
Total Other Financing Sources (Uses)	(574,822)	(1,401)	0	0
Net Change in Fund Balances	423,843	769,186	195,444	194,963
Fund Balances at Beginning of Year	2,190,933	2,060,961	1,329,200	3,153,249
Increase (Decrease) in Inventory Reserve	(321)	0	24,939	0
Fund Balances End of Year	\$ 2,614,455	\$ 2,830,147	\$ 1,549,583	\$ 3,348,212

See accompanying notes to the financial statements

KNOX COUNTY, OHIO

<u>Development Disabilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
0	196,488	196,488
0	7,470,000	7,470,000
0	162,962	162,962
0	(7,413,303)	(7,413,303)
0	0	34,483
0	13,276	13,276
0	683,435	1,012,338
0	(141,945)	(1,081,554)
<u>0</u>	<u>970,913</u>	<u>394,690</u>
2,347,399	(621,121)	3,309,714
5,212,127	4,755,685	18,702,155
<u>0</u>	<u>0</u>	<u>24,618</u>
<u>\$ 7,559,526</u>	<u>\$ 4,134,564</u>	<u>\$ 22,036,487</u>

KNOX COUNTY, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Year Ended December 31, 2010***

Net Change in Fund Balances - Total Governmental Funds \$ 3,309,714

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

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

Capital Outlay	4,863,445	
Depreciation Expense	<u>(2,670,486)</u>	2,192,959

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 545,038

The issuance of long-term debt provides current financial resources to governmental funds, but issuances increase long-term liabilities in the statement of net assets. The payment of principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net assets.

Issuance of Refunding General Obligation Bonds	(7,470,000)	
Premium on Refunding Bonds Issued	(162,962)	
Payment to Refunded Bond Escrow Agent	7,413,303	
Deferred Bond Issuance Costs	210,062	
Ohio Water Development Authority Loan	(34,483)	
Ohio Public Works Commission Loan	(13,276)	
General Obligation Bond Principal Payment	795,000	
Ohio Public Works Commission Principal Payment	39,600	
Ohio Water Development Authority Principal Payment	39,206	
Loan Principal Payment	20,005	
Capital Lease Principal Payment	<u>46,415</u>	882,870

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 12,183

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

Compensated Absences	33,844	
Change in Inventory	24,618	
Amortization of Bond Premium	13,580	
Amortization of Bond Issuance Costs	(17,505)	
Amortization of Loss on Refunding	<u>(40,275)</u>	14,262

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities.

Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.

Change in Net Assets of Governmental Activities

(4,082)

\$ 6,952,944

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 7,181,000	\$ 7,181,000	\$ 7,691,322	\$ 510,322
Intergovernmental Revenues	1,837,000	1,837,000	1,858,321	21,321
Charges for Services	1,924,400	1,924,400	1,977,872	53,472
Licenses and Permits	4,000	4,000	4,232	232
Investment Earnings	350,000	350,000	211,161	(138,839)
Fines and Forfeitures	76,000	76,000	51,170	(24,830)
All Other Revenues	679,225	679,225	636,688	(42,537)
Total Revenues	12,051,625	12,051,625	12,430,766	379,141
Expenditures:				
Current:				
General Government - Legislative and Executive	5,586,761	5,442,486	4,997,039	445,447
General Government - Judicial	1,793,315	1,864,691	1,835,319	29,372
Public Safety	3,684,930	3,879,041	3,765,216	113,825
Public Works	170,860	94,985	94,328	657
Health	165,473	165,473	159,462	6,011
Human Services	656,435	652,435	636,142	16,293
Conservation and Recreation	8,450	8,450	0	8,450
Debt Service:				
Principal	59,211	59,211	59,211	0
Interest and Fiscal Charges	24,925	24,925	24,925	0
Capital Outlay	204,028	201,188	183,808	17,380
Total Expenditures	12,354,388	12,392,885	11,755,450	637,435
Excess (Deficiency) of Revenues Over (Under) Expenditures	(302,763)	(341,260)	675,316	1,016,576
Other Financing Sources (Uses):				
Other Financing Uses	(136,560)	(136,560)	(103,821)	32,739
Transfers In	200,000	200,000	141,445	(58,555)
Transfers Out	(767,493)	(728,996)	(681,534)	47,462
Advances In	0	0	60,000	60,000
Total Other Financing Sources (Uses)	(704,053)	(665,556)	(583,910)	81,646
Net Change in Fund Balance	(1,006,816)	(1,006,816)	91,406	1,098,222
Fund Balance at Beginning of Year	1,141,702	1,141,702	1,141,702	0
Prior Year Encumbrances	407,769	407,769	407,769	0
Fund Balance at End of Year	\$ 542,655	\$ 542,655	\$ 1,640,877	\$ 1,098,222

See accompanying notes to the financial statements

KNOX COUNTY, OHIO**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Public Assistance Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 4,200,000	\$ 4,200,000	\$ 3,626,990	\$ (573,010)
All Other Revenues	<u>390,200</u>	<u>390,200</u>	<u>251,296</u>	<u>(138,904)</u>
Total Revenues	<u>4,590,200</u>	<u>4,590,200</u>	<u>3,878,286</u>	<u>(711,914)</u>
Expenditures:				
Human Services	<u>6,234,644</u>	<u>6,234,644</u>	<u>3,504,308</u>	<u>2,730,336</u>
Total Expenditures	<u>6,234,644</u>	<u>6,234,644</u>	<u>3,504,308</u>	<u>2,730,336</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,644,444)	(1,644,444)	373,978	2,018,422
Other Financing Sources (Uses):				
Transfers In	160,000	160,000	166,493	6,493
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(167,894)</u>	<u>82,106</u>
Total Other Financing Sources (Uses)	<u>(90,000)</u>	<u>(90,000)</u>	<u>(1,401)</u>	<u>88,599</u>
Net Change in Fund Balance	(1,734,444)	(1,734,444)	372,577	2,107,021
Fund Balance at Beginning of Year	1,573,821	1,573,821	1,573,821	0
Prior Year Encumbrances	<u>787,944</u>	<u>787,944</u>	<u>787,944</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 627,321</u>	<u>\$ 627,321</u>	<u>\$ 2,734,342</u>	<u>\$ 2,107,021</u>

See accompanying notes to the financial statements

KNOX COUNTY, OHIO**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 4,890,000	\$ 4,925,000	\$ 5,012,515	\$ 87,515
Charges for Services	4,000	4,000	4,345	345
Investment Earnings	3,000	3,000	1,190	(1,810)
Fines and Forfeitures	9,000	9,000	3,301	(5,699)
All Other Revenues	15,500	15,500	34,139	18,639
Total Revenues	<u>4,921,500</u>	<u>4,956,500</u>	<u>5,055,490</u>	<u>98,990</u>
Expenditures:				
Public Works	<u>5,069,907</u>	<u>5,279,345</u>	<u>5,083,895</u>	<u>195,450</u>
Total Expenditures	<u>5,069,907</u>	<u>5,279,345</u>	<u>5,083,895</u>	<u>195,450</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(148,407)	(322,845)	(28,405)	294,440
Other Financing Sources (Uses):				
Advances Out	<u>(105,937)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(105,937)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(254,344)	(322,845)	(28,405)	294,440
Fund Balance at Beginning of Year	582,023	582,023	582,023	0
Prior Year Encumbrances	<u>254,345</u>	<u>254,345</u>	<u>254,345</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 582,024</u>	<u>\$ 513,523</u>	<u>\$ 807,963</u>	<u>\$ 294,440</u>

See accompanying notes to the financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Children Services Board Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 925,000	\$ 925,000	\$ 877,661	\$ (47,339)
Intergovernmental Revenues	570,000	570,000	971,246	401,246
Charges for Services	115,000	115,000	130,791	15,791
All Other Revenues	7,100	7,100	7,224	124
Total Revenues	<u>1,617,100</u>	<u>1,617,100</u>	<u>1,986,922</u>	<u>369,822</u>
Expenditures:				
Human Services	<u>3,010,838</u>	<u>3,010,837</u>	<u>1,947,495</u>	<u>1,063,342</u>
Total Expenditures	<u>3,010,838</u>	<u>3,010,837</u>	<u>1,947,495</u>	<u>1,063,342</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,393,738)	(1,393,737)	39,427	1,433,164
Fund Balance at Beginning of Year	2,998,848	2,998,848	2,998,848	0
Prior Year Encumbrances	<u>230,837</u>	<u>230,837</u>	<u>230,837</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,835,947</u>	<u>\$ 1,835,948</u>	<u>\$ 3,269,112</u>	<u>\$ 1,433,164</u>

See accompanying notes to the financial statements

KNOX COUNTY, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund – Development Disabilities Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,850,000	\$ 3,850,000	\$ 3,740,095	\$ (109,905)
Intergovernmental Revenues	1,553,440	1,553,440	2,550,168	996,728
All Other Revenues	<u>57,500</u>	<u>57,500</u>	<u>179,208</u>	<u>121,708</u>
Total Revenues	<u>5,460,940</u>	<u>5,460,940</u>	<u>6,469,471</u>	<u>1,008,531</u>
Expenditures:				
Human Services	<u>8,236,292</u>	<u>8,236,292</u>	<u>4,216,138</u>	<u>4,020,154</u>
Total Expenditures	<u>8,236,292</u>	<u>8,236,292</u>	<u>4,216,138</u>	<u>4,020,154</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,775,352)	(2,775,352)	2,253,333	5,028,685
Fund Balance at Beginning of Year	3,831,371	3,831,371	3,831,371	0
Prior Year Encumbrances	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,059,619</u>	<u>\$ 1,059,619</u>	<u>\$ 6,088,304</u>	<u>\$ 5,028,685</u>

See accompanying notes to the financial statements



KNOX COUNTY, OHIO

**Statement of Net Assets
Proprietary Funds
December 31, 2010**

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer District	Landfill	Total	Activities- Internal Service Fund
Assets:				
Current Assets:				
Cash and Cash Equivalents	\$ 8,081,256	\$ 75,940	\$ 8,157,196	\$ 1,719,041
Cash and Cash Equivalents with Fiscal Agent	0	0	0	190,361
Receivables:				
Accounts	428,569	0	428,569	36,214
Intergovernmental	1,192,000	0	1,192,000	0
Interest	826	0	826	231
Special Assessments	54,806	0	54,806	0
Inventory of Supplies	101,626	0	101,626	0
Prepaid Items	5,797	0	5,797	0
Total Current Assets	9,864,880	75,940	9,940,820	1,945,847
Noncurrent Assets:				
Deferred Charge	132,699	0	132,699	0
Capital Assets not Being Depreciated	344,724	143,164	487,888	0
Capital Assets being Depreciated, net	3,606,494	0	3,606,494	0
Total Noncurrent Assets	4,083,917	143,164	4,227,081	0
Total Assets	13,948,797	219,104	14,167,901	1,945,847
Liabilities:				
Current Liabilities:				
Accounts Payable	19,124	0	19,124	0
Accrued Wages and Benefits	6,976	0	6,976	0
Intergovernmental Payable	10,793	0	10,793	0
Claims Payable	0	0	0	255,913
Due to Other Funds	230	0	230	0
Accrued Interest Payable	25,945	0	25,945	0
Compensated Absences - Current	15,587	0	15,587	0
OWDA Loans Payable - Current	2,781	0	2,781	0
Landfill Postclosure Care Liability - Current	0	83,475	83,475	0
Total Current Liabilities	81,436	83,475	164,911	255,913

(Continued)

KNOX COUNTY, OHIO

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer District	Landfill	Total	Activities- Internal Service Fund
<i>Noncurrent Liabilities</i>				
Compensated Absences Payable	8,836	0	8,836	0
Recovery Zone Economic Development Bonds Payable	6,660,000	0	6,660,000	0
OWDA Loans Payable	54,197	0	54,197	0
Landfill Postclosure Care Liability	0	1,066,460	1,066,460	0
<i>Total Noncurrent Liabilities</i>	6,723,033	1,066,460	7,789,493	0
Total Liabilities	6,804,469	1,149,935	7,954,404	255,913
Net Assets:				
Invested in Capital Assets, net of related debt	3,761,541	143,164	3,904,705	0
Unrestricted	3,382,787	(1,073,995)	2,308,792	1,689,934
Total Net Assets	\$ 7,144,328	\$ (930,831)	\$ 6,213,497	\$ 1,689,934

See accompanying notes to the basic financial statements



KNOX COUNTY, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2010**

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer District	Landfill	Total	Activities- Internal Service Fund
Operating Revenues:				
Charges for Services	\$ 1,434,390	\$ 0	\$ 1,434,390	\$ 3,852,703
Other Operating Revenue	16,330	0	16,330	0
Total Operating Revenues	1,450,720	0	1,450,720	3,852,703
Operating Expenses:				
Personal Services	576,024	0	576,024	0
Contractual Services	268,553	0	268,553	343,577
Materials and Supplies	164,589	0	164,589	0
Depreciation	131,485	0	131,485	0
Other Operating Expenses	44,511	0	44,511	0
Health Insurance Claims	0	0	0	3,621,207
Total Operating Expenses	1,185,162	0	1,185,162	3,964,784
Operating Income (Loss)	265,558	0	265,558	(112,081)
Nonoperating Revenue (Expenses):				
Intergovernmental Grants	107,135	0	107,135	0
Investment Earnings	24,216	0	24,216	2,870
Interest Expense	(107,923)	0	(107,923)	0
Other Nonoperating Revenue	0	127,089	127,089	105,245
Other Nonoperating Expense	0	0	0	(116)
Total Nonoperating Revenues (Expenses)	23,428	127,089	150,517	107,999
Income (Loss) Before Contributions and Transfers	288,986	127,089	416,075	(4,082)
Capital Contributions - Tap in Fees	114,730	0	114,730	0
Transfers In	0	90,181	90,181	0
Transfers Out	(20,965)	0	(20,965)	0
Change in Net Assets	382,751	217,270	600,021	(4,082)
Net Assets (Deficit) Beginning of Year, restated	6,761,577	(1,148,101)	5,613,476	1,694,016
Net Assets (Deficit) End of Year	\$ 7,144,328	\$ (930,831)	\$ 6,213,497	\$ 1,689,934

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010**

	<u>Business Type Activities - Enterprise Funds</u>			Governmental
	Sewer	Landfill	Totals	Activities -
	District			Internal Service Fund
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$1,424,645	\$0	\$1,424,645	\$0
Cash Received from Interfund Services	0	0	0	3,853,159
Cash Payments to Suppliers for Goods and Services	(611,102)	(217,270)	(828,372)	(343,693)
Cash Payments to Employees for Service	(582,834)	0	(582,834)	0
Cash Payments for Claims	0	0	0	(3,726,720)
Cash From Other Sources	17,904	127,089	144,993	78,804
Net Cash Provided (Used) for Operating Activities	248,613	(90,181)	158,432	(138,450)
<u>Cash Flows from Noncapital and Related Financing Activities:</u>				
Transfers In	0	90,181	90,181	0
Intergovernmental Grants	107,135	0	107,135	0
Net Cash Provided by Noncapital and Related Financing Activities	107,135	90,181	197,316	0
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Receipt of Special Assessments	9,301	0	9,301	0
Contributed Capital from Tap-In Fees	114,730	0	114,730	0
Intergovernmental Grants	8,000	0	8,000	0
Proceeds from Sale of Economic Zone Recovery Development Bonds	6,660,000	0	6,660,000	0
Acquisition of Capital Assets	(951,396)	0	(951,396)	0
Principal Paid on Ohio Water Development Loan Payable	(2,633)	0	(2,633)	0
Interest Paid on Debt	(81,978)	0	(81,978)	0
Net Cash Provided for Capital and Related Financing Activities	5,756,024	0	5,756,024	0
<u>Cash Flows from Investing Activities:</u>				
Receipts of Interest	2,425	0	2,425	2,937
Net Cash Provided by Investing Activities	2,425	0	2,425	2,937
Net Increase (Decrease) in Cash and Cash Equivalents	6,114,197	0	6,114,197	(135,513)
Cash and Cash Equivalents at Beginning of Year	1,967,059	75,940	2,042,999	2,044,915
Cash and Cash Equivalents at End of Year	\$8,081,256	\$75,940	\$8,157,196	\$1,909,402
<u>Reconciliation of Cash and</u>				
<u>Cash Equivalents per Statement of Net Assets:</u>				
Cash and Cash Equivalents	\$8,081,256	\$75,940	\$8,157,196	\$1,719,041
Cash and Cash Equivalents with Fiscal Agent	0	0	0	190,361
Cash and Cash Equivalents at End of Year	\$8,081,256	\$75,940	\$8,157,196	\$1,909,402

(Continued)

KNOX COUNTY, OHIO

	<u>Business Type Activities - Enterprise Funds</u>			Governmental
	Sewer District	Landfill	Totals	Activities - Internal Service Fund
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Provided (Used) for Operating Activities:</u>				
Operating Income (Loss)	\$265,558	\$0	\$265,558	(\$112,081)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:				
Depreciation Expense	131,485	0	131,485	0
Miscellaneous Nonoperating Revenue	0	127,089	127,089	78,804
Miscellaneous Nonoperating Expense	0	0	0	(116)
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	(8,171)	0	(8,171)	(45)
Decrease in Intergovernmental Receivable	0	0	0	501
Decrease in Inventory	445	0	445	0
Increase in Prepaid Items	(1,279)	0	(1,279)	0
Increase in Deferred Charge	(132,699)	0	(132,699)	0
Decrease in Accounts Payable	(146)	0	(146)	0
Increase in Accrued Wages and Benefits	409	0	409	0
Decrease in Closure and Postclosure Care Payable	0	(217,270)	(217,270)	0
Decrease in Intergovernmental Payable	(1,987)	0	(1,987)	0
Increase in Due to Other Funds	230	0	230	0
Decrease in Compensated Absences	(5,232)	0	(5,232)	0
Decrease in Claims Payable	0	0	0	(105,513)
Total Adjustments	(16,945)	(90,181)	(107,126)	(26,369)
Net Cash Provided (Used) for Operating Activities	\$248,613	(\$90,181)	\$158,432	(\$138,450)

See accompanying notes to the basic financial statements

KNOX COUNTY, OHIO

***Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2010***

	<u>Agency</u>
Assets:	
Cash and Cash Equivalents	\$ 4,970,306
Cash and Cash Equivalents in Segregated Accounts	408,850
Receivables:	
Taxes	55,416,250
Accounts	6,937
Special Assessments	17,617
Intergovernmental	<u>3,137,419</u>
Total Assets	<u><u>\$ 63,957,379</u></u>
Liabilities:	
Intergovernmental Payable	\$ 62,046,177
Undistributed Monies	402,420
Due to Others	<u>1,508,782</u>
Total Liabilities	<u><u>\$ 63,957,379</u></u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources. The County also applies pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989, to its governmental activities and its proprietary funds unless they contradict or conflict with GASB pronouncements. The County has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds. The information generally relates to the primary government. Information related to the Airport is specifically identified.

A. Reporting Entity

Knox County, Ohio (The County) was created in 1808. 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 county auditor, treasurer, recorder, clerk of courts, coroner, engineer, prosecuting attorney, sheriff, a common pleas court judge, and a probate/juvenile court judge. 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 County, including each of these departments.

The reporting entity is comprised of the primary government, a component unit and other organizations that are included to insure that the financial statements of the County are not misleading.

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Knox County this includes the children services board, the board of development disabilities, the human services department, the emergency management agency 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 whom the County approves the budget, the levying of taxes or the issuance of debt.

The County participates in the **County Risk Sharing Authority (CORSA)**, a public entity risk sharing pool among thirty-three counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/self-insurance Program, a group primary and excess insurance/self-insurance and risk management program.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The County participates in the **County Commissioners Association of Workers' Compensation Group Rating Plan** established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool.

Joint Ventures:

The County participates in three joint ventures with other Ohio local governments.

Emergency Management Agency

The Emergency Management Agency is a joint venture among the County, twenty-two townships located within the County, six villages and one corporation.

Community Mental Health and Recovery Board of Licking and Knox Counties (CMHRB)

The CMHRD Board is a joint venture between Knox and Licking counties. The headquarters for the CMHRD is in Licking County.

Eastern Ohio Housing Corporation

The Knox County Department of Development Disabilities contracts with the Eastern Ohio Housing Authority to develop dwellings and provide affordable housing for persons with disabilities.

Jointly Governed Organizations:

The County participates in six jointly governed organizations with other Ohio local governments.

Joint Solid Waste District

The Joint Solid Waste District is a jointly governed organization among Delaware, Knox, Marion, and Morrow Counties. The purpose of the district is to make disposal of waste in the four county area more comprehensive in terms of recycling and land filling.

Mid Eastern Ohio Regional Council (MEORC)

MEORC is a jointly governed organization among eighteen county departments of developmental disabilities in Ohio.

Licking-Muskingum Community Based Correctional Facility (CBCF)

CBCF is a jointly governed organization among four counties. The purpose is to offer treatment, education, work and other rehabilitation services to convicted felons.

Knox County Family and Children First Council (KFCFCF)

The KFCFCF is a jointly governed organization. The purpose is to promote the well-being of children and their families.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Heart of Ohio Resource Conservation and Development Council (HOCDC)

The HOCDC is a jointly governed organization among nine counties. The purpose is to enhance the quality of life in central Ohio by facilitating the use of natural resources for a sustainable future.

Perry Multi-County Juvenile Facility (JF)

The JF is a jointly governed organization among eight counties. The purpose is to rehabilitate juvenile offenders in lieu of commitment to the Ohio Department of Youth Services.

Further information regarding these joint ventures and jointly governed organizations is presented in Note 11 and Note 12.

Related Organizations:

Mid Ohio Transit Authority (M.O.T.A.)

One Commissioner is appointed to the total of a four person governing board of M.O.T.A. The Commissioners cannot influence M.O.T.A.'s operation nor does M.O.T.A. represent a potential financial benefit for or burden of the County. M.O.T.A. did receive funding in the amount of \$32,000 for 2010.

Public Library of Mount Vernon and Knox County

The Commissioners and Judge of Knox County Common Pleas appoint the governing board of the Library, however, the Commissioners and Judge cannot influence the Library's operation nor does the Library represent a potential financial benefit for or burden on the County. The Commissioners serve in a ministerial capacity as a taxing authority for the Library. Once the Library Board determines to present a levy to the voters, including the determination of its rate and duration, the Commissioners must place the levy on the ballot. The Library determines its own budget. The Library did not receive any funding from the County during 2010.

Discretely Presented Component Unit:

The component unit column in the financial statements identifies the financial data of the County's component unit, Knox County Airport. It is reported separately to emphasize that it is legally separate from the County. Knox County Airport does not issue separate financial statements.

Knox County Airport is situated on County owned land, and it is operated by a County appointed authority. The County has issued loans on behalf of the airport for the construction of hangar bays and storage buildings as well as the purchase of land. The Airport is reflected as a component unit of the County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Agencies, Boards and Commissions:

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

Knox County General Health District is governed by a five member board of health which oversees the operation of the health district and is elected by a regional advisory council. The board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

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

The **Regional Planning Commission** is statutorily created as a separate and distinct political subdivision of the State. The Commission consists of representatives from the county, each township, and each municipality. The planning members adopt their own budget, authorize Commission expenditures, hire and fire staff, and do not rely on the County to finance deficits.

B. Basis of Presentation – Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The following fund types are used by the County.

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the County's major governmental funds:

General Fund

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Fund Accounting (Continued)

Public Assistance Fund

This fund is used to account for various federal and state 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 and Gasoline Tax Fund

This fund is used to account for revenues derived from the sale of motor vehicle license, gasoline taxes and interests. Expenditures are restricted by state law to county road and bridge construction, maintenance and repairs. The County engineer currently expends the majority of the revenues for repairs.

Children Services Board Fund

This fund accounts for money from a tax levy, federal and state grants, support collection and social security. Major expenditures are for a boys' group home, emergency shelters, medical treatment, school supplies, counseling and parental training.

Development Disabilities Fund

This fund accounts for money received from a County-wide property tax levy and several federal and state grants and subsidies. This fund accounts for the operations of a school for the developmentally disabled.

The other governmental funds of the County account for grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital facilities.

Proprietary Fund Types:

Proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. The following are the County's proprietary fund types:

Enterprise Funds

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

Sewer District Fund – The Fund that accounts for provision of sewer and water services.

Landfill Fund – The Fund that accounts for the liability associated with landfill postclosure costs.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Fund Accounting (Continued)

Internal Service Fund

The internal service fund is used to account for the County’s self-insurance activity. Employee medical benefits are provided by the self-insurance fund to other County departments on a cost reimbursement basis.

Fiduciary Fund Types:

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. The County’s only fiduciary fund type is its agency funds. The County’s agency funds hold assets such as property and other taxes as well as other intergovernmental resources that have been collected by the County and will be distributed to other taxing districts located within the County. The County’s agency funds are custodial in nature (assets equal liabilities) and do not involve measurement or accounts of operations.

C. Basis of Presentation – Financial Statements

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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function or program of the County’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of 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 business segment or governmental function is self-financing or draws from the general revenues of the County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Fund Financial Statements – Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the County is thirty days after year end. In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: earnings on investments, sales tax (see Note 7), federal and state grants and subventions, and charges for current services. Major revenue sources not susceptible to accrual include licenses and permits, and fines and forfeitures, which are not considered measurable until received.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property 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 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.

The County reports deferred revenues on its balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized. Special assessments are recorded as deferred revenue because they do not meet the availability criteria. Property taxes measurable as of December 31, 2010, but which are intended to finance 2011 operations, and delinquent property taxes, whose availability is indeterminable have also been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Principal and interest on general and special assessment long-term debt are recorded as fund liabilities when due, and costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds, and the agency funds. Revenues are recognized when they are earned and expenses are recognized when incurred. Unbilled service charges receivable are recognized as revenue at year end.

Component Unit

The Knox County Airport uses the full accrual basis of accounting similar to the proprietary funds of the County.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources, and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are required to be budgeted and appropriated. The Airport and seven funds of the County are being reported as part of the statements prepared using generally accepted accounting principles but were not budgeted by the County because they are outside of the appropriated budget and do not maintain separate budgetary financial records. The funds are Commissary, Revolving Loan, Law Enforcement, Drug Enforcement, Work Release, and Landfill Development (Enterprise Fund). The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the County Commissioners.

Tax Budget

A budget of estimated revenue and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the County must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate may be further amended during the year if the County Auditor determines that more or less revenue will be received than originally estimated. 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 in the final amended official certificate of estimated resources issued during 2010.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1 of each year for the period of January 1 to March 31. An annual appropriation resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund, department, and object level, the legal level of control. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may only be modified during the year by a resolution of the Commissioners. During 2010, supplemental appropriation resolutions were passed. The amounts reported as the original budget 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 final budget amounts in the statement of budgetary comparison represent the final appropriations amount including all amendments and modifications.

Lapsing of Appropriations

At the close of the year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be re-appropriated.

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 and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations.

The Statements of Revenues, Expenditures, and Changes in Fund Balances, Budget and Actual (Budget Basis), 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:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses 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/expenses (budget basis) rather than as reservation of fund balance for governmental fund types (GAAP basis).
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

A reconciliation of results of operations on the GAAP basis to the budget basis appears in Note 3.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents and Investments

To improve cash management, cash received by the County Treasurer is pooled in a central bank account. Moneys for all funds, including proprietary funds, are maintained in this account or are temporarily used to purchase short term investments. Individual fund integrity is maintained through the County's records. Interest revenue earned by the primary government during 2010 amounted to \$174,443.

The County has invested funds in the STAR Ohio during 2010. 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, 2010.

For purposes of the statement of cash flows and for presentation on the financial statements, investments of the cash management pool are considered to be cash equivalents.

G. Inventories

Inventories of governmental funds are valued at cost on a first-in, first-out basis using the purchase method while inventories of governmental activities and enterprise funds are valued at lower of cost or market using the consumption method.

Reported supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

Component Unit:

Inventory of the Knox County Airport is valued at the lower of cost or market on a first-in, first-out basis and is expensed when used.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2010, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it is consumed.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation

Capital assets are defined by the County as assets with an initial, individual cost of more than \$1,000 except for land and computer hardware, in which all are capitalized.

1. Property, Plant and Equipment – Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

Donated capital assets are recorded at fair market value at the date received. Capital asset values were determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing current market costs back to the estimated year of acquisition.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds, and component units, are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Donated capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

Depreciation has been provided on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Primary Government</u>	<u>Airport</u>
Buildings and Improvements	10-50 Years	10-50 Years
Machinery and Equipment	5-30 Years	5-30 Years
Vehicles	5-10 Years	5 Years
Computer Equipment	5 Years	5 Years
Sewer and Water Lines	50 Years	N/A
Infrastructure	12-100 Years	N/A
Runway	N/A	50 Years

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

The County complies with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”. Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate employees for the benefits through time off or some other means. Sick leave benefits are accrued using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that the benefits will result in termination payments. The liability is an estimate based on the County’s past experience of making termination payments.

For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. In proprietary funds, and the government-wide Statement of Net Assets, the entire amount of compensated absences is reported as a fund liability. In the government-wide statement of net assets, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account.

K. Long-Term Liabilities

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bond	Bond Retirement Fund
Ohio Public Works Commission Loans	Motor Vehicle and Gas Tax Fund
Ohio Water Development Authority Loans	General Fund, Sewer District Fund
Recovery Zone Economic Development Bonds	Sewer District Fund
Loan Payable	General Fund
Capital Leases Payable	Motor Vehicle and Gas Tax Fund
Compensated Absences	General Fund, Public Assistance Fund, Motor Vehicle and Gas Tax Fund, Children Services Board Fund, Development Disabilities Fund, Dog and Kennel Fund, Probate Juvenile Special Projects Fund, Juvenile Court Social Workers Fund, Delinquent Tax Assessment Fund, VOCA and SVAA Grant Fund, Byrne Drug Court Fund, 911 Emergency Calling System Fund, Youth Service Grant Fund, Emergency Management Agency Fund, Sewer District Fund

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Net Assets

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

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

M. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Interfund services provided and used are not eliminated in the process of consolidation. 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.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

N. Reservations of Fund Balance

Reservations of fund balance indicate that a portion of the balance is not available for expenditure or is legally segregated for a specific future use. Balances are reserved for inventories of materials and supplies, loan receivables, due from component unit, loan receivable from component unit, debt service and encumbered amounts not accrued at year end in the governmental funds.

O. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are sewer and water treatment and distribution, and interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

P. Risk Management

The County provides insurance coverage combined with its own risk management activities to organizations outside its reporting entity, however, the County is by far the predominant participant and the activity is reported as an internal service fund.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Bond Issuance Costs

In governmental fund types, bond issuance costs are recognized in the current period. Bond issuance costs in the government-wide financial statements and proprietary fund types are deferred and amortized over the term of the bonds. Issuance costs are recorded as deferred charges.

NOTE 2 – PRIOR PERIOD ADJUSTMENTS AND RESTATEMENT OF NET ASSETS

During the year ended December 31, 2009, the County recognized intergovernmental revenue in the Sewer District Fund (enterprise fund) in the Statement of Net Assets for Business-type Activities, and the Statement of Revenues, Expenses and Changes in Net Assets. The correction resulted in the restatement of net assets at December 31, 2009 of the Business-type Activities and the Sewer District Fund as follows:

	Business-type Activities	Sewer Fund
Net Assets at December 31, 2009 as reported	\$4,413,476	\$5,561,577
Recognition of intergovernmental revenue	1,200,000	1,200,000
Net Assets at December 31, 2009 as restated	<u>\$5,613,476</u>	<u>\$6,761,577</u>

NOTE 3 – CONVERSION OF OPERATIONS FROM BUDGET BASIS TO GAAP BASIS

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

	Net Change in Fund Balances				
	General Fund	Public Assistance Fund	Motor Vehicle and Gasoline Tax Fund	Children's Services Board Fund	Development Disabilities Fund
GAAP Basis (as reported)	\$423,843	\$769,186	\$195,444	\$194,963	\$2,347,399
Increase (Decrease):					
Net Adjustments for					
Revenue Accruals	(155,883)	(11,566)	(19,604)	(7,342)	(70,696)
Net Adjustments for					
Expenditure Accruals	91,079	(169,983)	(5,032)	16,436	(23,370)
Transfers In	(20,965)	0	0	0	0
Transfers Out	90,181	0	0	0	0
Advances In	60,000	0	0	0	0
Advances Out	0	0	0	0	0
Outstanding Encumbrances	(396,849)	(215,060)	(199,213)	(164,630)	0
Budget Basis	<u>\$91,406</u>	<u>\$372,577</u>	<u>(\$28,405)</u>	<u>\$39,427</u>	<u>\$2,253,333</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 4 – COMPLIANCE AND ACCOUNTABILITY

Fund Deficit - The fund deficits of \$11,065 in the Byrne Drug Court Fund, and \$559 in the Help America Vote Act Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. A deficit does not exist under the cash basis of accounting. Transfers are provided when cash is required, not when accruals occur. The Landfill Development Fund had deficit net assets of \$930,831 as of December 31, 2010. The deficit in the Landfill Development Fund is the result of the recognition of payables in accordance with generally accepted accounting principles. The deficit will be eliminated when the liability is fully paid.

Excess Expenditures over Appropriations - For the year ended December 31, 2010, expenditures exceeded appropriations by \$116,219 at the object level (i.e., the legal level of budgetary control) in the Bond Retirement Fund (debt service) for Interest and Fiscal Charges and by \$7,413,303 for Payment to Bond Escrow Agent. The excess expenditures were funded from available fund balance.

NOTE 5 – DEPOSITS AND INVESTMENTS

Primary Government

The County maintains a cash and investment pool used by all funds. Each fund's portion of this pool is displayed on the financial statements as "Cash and Cash Equivalents." The County has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Auditor and Treasurer to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Ohio law requires the classification of monies held by the County into two categories. The first classification consists of "active" monies, those monies required to be kept in a "cash" or "near-cash" status for current demands upon the County Treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

The second classification consists of "inactive" monies. Inactive monies may be deposited or invested in the following securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bond, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase and reverse repurchase agreements in the securities enumerated above;
4. Time certificates of deposits or savings or deposit accounts;
5. Bonds and other obligations of the State of Ohio, its political subdivisions, or other units or agencies of the State or its political subdivisions;

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 5 – DEPOSITS AND INVESTMENTS (Continued)

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreement secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
7. The State Treasurer's investment pool (STAR Ohio).
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange similar securities or cash, equal value for equal value.
9. Commercial paper notes, corporate notes, and banker's acceptances; and,
10. Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

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. Historically, the County has not purchased these types of investments or issued these types of notes. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio Law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the County or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105% of the carrying value of the deposits being secured.

Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 5 – DEPOSITS AND INVESTMENTS (Continued)

A. Deposits (Continued)

At year-end, \$31,074,526 of the County’s bank balance of \$35,781,023 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

Investment earnings of \$135,219 earned by other funds was credited to the General Fund as required by state statute.

B. Cash with Fiscal Agents

In addition to deposits and investments, the County has uninsured and uncollateralized cash in the amount of \$1,570,790 being held by MEORC and the County had cash with fiscal agents in the amount of \$190,361 held by an insurance service provider, of which all was insured by FDIC.

C. Investments

The County’s investments at December 31, 2010 were as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities (in Years) less than 1</u>
STAR Ohio	\$696,668	AAAm ¹	\$696,668
Total Investments	<u>\$696,668</u>		<u>\$696,668</u>

¹ Standard & Poor’s

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date. The County has no policy that limits investment purchases beyond the requirements of the Ohio Revised Code.

Investment Credit Risk – The County has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

Concentration of Credit Risk – The County places no limit on the amount the County may invest in one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The County has no policy dealing with custodial credit risk beyond the requirements of ORC 135.14 (M)(2) which states, “Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 5 – DEPOSITS AND INVESTMENTS (Continued)

Component Unit

At year end, Knox County Airport's bank balance was \$378,262. \$250,000 of the bank balance was covered by federal depository insurance, the remainder of the balance was uninsured and collateralized through an entity pool with securities held by the pledging institution's trust department not in the Airport's name. Cash and deposits of the Airport are presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts."

NOTE 6 – PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Taxes collected on real property (other than public utility) in one calendar year are levied as of October 1 in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2008. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property of telephone and telecommunication companies (except for public utilities) is currently assessed for ad valorem taxation purposes at 10 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the County due to the phasing out of the tax. In years 2005-2012, the County will be fully reimbursed for the lost revenue. In years 2013-2017, the reimbursements will be phased out.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at eighty-eight percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 6 – PROPERTY TAXES (Continued)

Accrued property taxes receivable represent delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable as of December 31, 2010. 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 2010 operations. The receivable is therefore offset by a credit to deferred revenue.

The full tax rate for all County operations for the year ended December 31, 2010, was \$12.59 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2010 property tax receipts were based are as follows:

Real Property	\$1,123,006,800
Public Utility Personal Property	<u>37,862,460</u>
Total Assessed Value	<u>\$1,160,869,260</u>

NOTE 7 - PERMISSIVE SALES AND USE TAX

In 1971, the County Commissioners by resolution imposed a one-half percent sales tax. In 1993, the County Commissioners imposed an additional one quarter percent tax on all retail sales to fund the 9-1-1 Emergency Calling System and, in 1994, the County Commissioners imposed a quarter percent tax on all retail sales made in the County for the general operations of the County. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of the month.

Amounts that are measurable and available at year-end are accrued as revenue in governmental funds. Sales tax revenue in 2010 amounted to \$5,187,161 with \$3,889,953 credited to the General Fund and \$1,297,208 credited to the 9-1-1 Emergency Calling System Special Revenue Fund.

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KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 8 - RECEIVABLES

Receivables at December 31, 2010, consisted of taxes, interest, special assessments, accounts, (billings for user charged services, including unbilled utility services), loans, and intergovernmental receivables arising from grants, entitlements and shared revenues. A summary of the principal items of intergovernmental receivables follows:

<u>Intergovernmental Receivables</u>	<u>Amount</u>	<u>Intergovernmental Receivables</u>	<u>Amount</u>
General Fund		Nonmajor Special Revenue Funds	
Election Costs Receivable	\$10,037	Drug Court Grant	14,351
Sheriff's Contracts	30,962	Youth Services Grant	183,959
Prisoner Housing	51,983	VOCA Grant	28,600
Compost Facility Reimbursement	3,540	Jail Diversion Grant	25,935
Humane & Animal Control Reimbursement	9,426	Emergency Management Grant	8,512
Homestead and Rollback Reimbursement	214,920	911 Grant	11,542
Local Government	446,803	Home Fund Grant	372,000
Municipal Court Fines & Costs	2,637	Municipal Court Fines & Costs	873
Trailer Pulls	10,347	Community Health Homestead	
Public Defender Reimbursement	8,291	and Rollback Reimbursement	56,696
Corsa	7,625	Senior Citizen Homestead	
Total General Fund	<u>796,571</u>	and Rollback Reimbursement	44,896
		Total Nonmajor Special Revenue Funds	<u>747,364</u>
Public Assistance Fund		Permanent Improvement Fund	42,674
Public Assistance Grant	671,379	CDBG Grant	300,000
Total Public Assistance Fund	<u>671,379</u>	Total Nonmajor Capital Projects Funds	<u>342,674</u>
Motor Vehicle and Gasoline Tax Fund			
Municipal Court Fines & Costs	120	Total Governmental Fund Types	<u>\$5,253,317</u>
Cents Per Gallon	404,670	Sewer District Fund	
Motor Vehicle District Registration	204,765	Sewer District Fund Grant	<u>\$1,192,000</u>
County Motor Vehicle	404,612	Total Sewer District Fund	<u>\$1,192,000</u>
Road Miles	182,911	Agency Funds	
5% County Equalization	82,879	Local Government	\$1,034,861
New Permissive	223,661	Library Local Government	768,965
Old Permissive	109,283	Cents Per Gallon	335,923
Gasoline Tax	810,181	Motor Vehicle Registration	87,933
Total Motor Vehicle and Gasoline Tax Fund	<u>2,423,082</u>	Township Road Miles	108,234
Children Service Board Fund		New Permissive	68,809
Children Services Homestead		Old Permissive	47,099
and Rollback Reimbursement	50,867	Municipal Court Fines & Costs	1,122
Total Children Services Board	<u>50,867</u>	Workers Compensation	22,665
Development Disabilities Fund		Gasoline Tax	661,808
Development Disabilities Homestead		Total Agency Funds	<u>\$3,137,419</u>
and Rollback Reimbursement	221,380		
	<u>221,380</u>		

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 9 - CAPITAL LEASES – LESSOR DISCLOSURE

The County acts as lessor in a direct financing lease with the Knox County District Board of Health. The Board of Health is required to pay the cost of maintaining and operating the leased facility. Lease payments from the Board of Health are substantially equal to the debt service to be paid by the County for retirement of the bonds associated with the facility. The County has recognized the future minimum lease payments, less unearned interest income to be received for capitalized leases as Leases Receivable in the Bond Retirement Fund. That portion not available at year end is classified as Deferred Revenue.

The following is a schedule of future minimum lease payments under the capital leases to be received by the County and the components of the net investment in the direct financing lease as of December 31, 2010:

<u>Year Ending December 31,</u>	
2011	\$126,979
2012	128,313
2013	126,432
2014	127,318
2015	127,892
2016-2020	636,473
2021	<u>124,800</u>
Minimum Lease Payments	1,398,207
Less amount representing	
Unearned interest income	<u>(256,207)</u>
Net Investment in Leases	<u><u>\$1,142,000</u></u>

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 10 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2010:

Historical Cost:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Capital assets not being depreciated:				
Land	\$4,194,122	\$14,000	\$0	\$4,208,122
Construction In Progress	749,712	34,483	(96,500)	687,695
Subtotal	4,943,834	48,483	(96,500)	4,895,817
Capital assets being depreciated:				
Buildings and Improvements	25,886,664	984,163	0	26,870,827
Machinery and Equipment	5,023,096	92,470	0	5,115,566
Vehicles	2,201,418	302,864	0	2,504,282
Computer Equipment	1,241,313	303,331	0	1,544,644
Infrastructure	43,597,326	3,228,634	(702,327)	46,123,633
Subtotal	77,949,817	4,911,462	(702,327)	82,158,952
Total Cost	\$82,893,651	\$4,959,945	(\$798,827)	\$87,054,769

Accumulated Depreciation:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Buildings and Improvements	(\$8,963,749)	(\$864,408)	\$0	(\$9,828,157)
Machinery and Equipment	(2,753,897)	(188,885)	0	(2,942,782)
Vehicles	(1,476,780)	(152,226)	0	(1,629,006)
Computer Equipment	(859,107)	(82,960)	0	(942,067)
Infrastructure	(13,354,305)	(1,382,007)	702,327	(14,033,985)
Total Depreciation	(\$27,407,838)	(\$2,670,486) *	\$702,327	(\$29,375,997)
Net Value:	\$55,485,813			\$57,678,772

*Depreciation expenses were charges to governmental functions as follows:

General Government	
Legislative and Executive	\$449,455
Judicial	21,524
Public Safety	412,435
Public Works	1,532,330
Health	51,907
Human Services	202,835
Total Depreciation Expense	\$2,670,486

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 10 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2010:

Historical Cost:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Capital assets not being depreciated:				
Land	\$249,189	\$98,000	\$0	\$347,189
Construction in Progress	358,264	140,699	(358,264)	140,699
Subtotal	607,453	238,699	(358,264)	487,888
Capital assets being depreciated:				
Buildings and Improvements	834,571	492,821	0	1,327,392
Machinery and Equipment	1,454,103	547,487	0	2,001,590
Vehicles	218,936	26,500	0	245,436
Computer Equipment	66,819	4,153	0	70,972
Sewer and Water Lines	2,211,932	0	0	2,211,932
Subtotal	4,786,361	1,070,961	0	5,857,322
Total Cost	\$5,393,814	\$1,309,660	(\$358,264)	\$6,345,210

Accumulated Depreciation:

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Buildings and Improvements	(\$389,343)	(\$14,842)	\$0	(\$404,185)
Machinery and Equipment	(348,494)	(43,977)	0	(392,471)
Vehicles	(138,620)	(21,894)	0	(160,514)
Computer Equipment	(52,208)	(9,514)	0	(61,722)
Sewer and Water Lines	(1,190,678)	(41,258)	0	(1,231,936)
Total Depreciation	(\$2,119,343)	(\$131,485)	\$0	(\$2,250,828)
Net Value:	\$3,274,471			\$4,094,382

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KNOX COUNTY, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010****NOTE 10 - CAPITAL ASSETS (Continued)****C. Component Unit Capital Assets**

A summary of the Knox County Airport's capital assets at December 31, 2010, follows:

Knox County Airport

<i>Historical Cost:</i>	December 31,			December 31,
Class	2009	Additions	Deletions	2010
<i>Capital assets not being depreciated:</i>				
Land	\$744,837	\$0	\$0	\$744,837
Construction in Progress	0	0	0	0
Subtotal	744,837	0	0	744,837
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	3,251,476	117,586	0	3,369,062
Infrastructure	4,855,788	0	0	4,855,788
Machinery and Equipment	667,313	0	0	667,313
Vehicles	41,000	0	0	41,000
Computer Equipment	2,582	0	0	2,582
Subtotal	8,818,159	117,586	0	8,935,745
Total Cost	\$9,562,996	\$117,586	\$0	\$9,680,582
<i>Accumulated Depreciation:</i>				
Class	December 31,	Additions	Deletions	December 31,
	2009			2010
Buildings and Improvements	(\$271,327)	(\$53,671)	\$0	(\$324,998)
Infrastructure	(367,093)	(82,830)	0	(449,923)
Machinery and Equipment	(193,645)	(21,087)	0	(214,732)
Vehicles	(41,000)	0	0	(41,000)
Computer Equipment	(2,582)	0	0	(2,582)
Total Depreciation	(\$875,647)	(\$157,588)	\$0	(\$1,033,235)
<i>Net Value:</i>	\$8,687,349			\$8,647,347

NOTE 11 - JOINT VENTURES**A. Emergency Management Agency**

The Emergency Management Agency is a joint venture among the County, twenty-two townships located within the County, six villages and one corporation. The Board is composed of at least the following seven members: One county commissioner representing the board of county commissioners entering into the agreement; five chief executives representing the municipal corporations and townships entering into the agreement; and one non-elected representative.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 11 - JOINT VENTURES (Continued)

A. Emergency Management Agency (Continued)

The Agency does not have any outstanding debt. The County did not contribute any monies to the Agency during 2010. The County has an ongoing financial responsibility for the agency in that the existence of the Agency depends upon the continuing participation of the County. The Agency is not accumulating significant financial resources nor experiencing fiscal stress that may cause an additional benefit or burden to the County.

B. Community Mental Health and Recovery Board of Licking and Knox Counties (CMHRB)

The CMHRD Board is a joint venture between Knox and Licking counties. The headquarters for the CMHRD Board is in Licking County. The Board provides community services to mentally ill and emotionally disturbed persons. Statutorily created, the CMHRD Board is made up of 15 members, with 10 appointed by the county commissioners and five by the State Director of Mental Health. These appointments are based on county population, with the largest county in population having the most appointed members. With respect to the county's population, two of the five members appointed by the State Director of Mental Health are from Knox County, and three of the 10 appointed by the county commissioners are from Knox County. Revenues to provide mental health services are generated through a one mill district wide tax levy and through state and federal grants. The Board does not have any outstanding debt. The Board is not accumulating significant financial resources nor experiencing fiscal stress that may cause an additional benefit or burden to the County. The existence of the Board depends upon the continuing participation of the County. The County collected \$927,695 in property taxes for the Board during 2010. Separate financial statements may be obtained by contacting the CMHRD Board at 65 Messimer Drive, Newark, Ohio.

C. Eastern Ohio Housing Corporation

The Knox County Board of Development Disabilities, along with five other county boards of Development Disabilities entered into a contract with the Eastern Ohio Housing Corporation. This Corporation is a non-profit charitable corporation which is responsible for developing dwellings, providing affordable housing and managing a range of residential alternatives and support services to persons with disabilities. The housing purchases are financed by State grants that are distributed to each Development Disabilities Board and then to the Corporation. No contributions were made by the County during 2010. The Corporation is a joint venture among the Counties because of the potential liability for the housing loans upon the Corporation's default on loans or dissolution. Upon dissolution of the Corporation, the Corporation shall distribute all remaining assets of the operation to the participating County Boards of Development Disabilities. Information can be obtained from Eastern Ohio Housing Corporation, 340 Fox Shannon Place, St. Clairsville, Ohio.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS

A. Joint Solid Waste District

The Joint Solid Waste District is a jointly governed organization among Delaware, Knox, Marion and Morrow Counties. Each of these governments supports the District. The County made no contributions during 2010. The degree of control exercised by any participating County is limited to its representation on the Board. The Board of Directors consists of twelve members, the three county commissioners of each of the four counties. The District does not have any outstanding debt. The District is self-sufficient, operating entirely on collected fees.

B. Mid Eastern Ohio Regional Council (MEORC)

The Mid Eastern Ohio Regional Council of Governments (MEORC) is a jointly governed organization among eighteen counties in Ohio. MEORC provides services to the mentally retarded and developmentally disabled residents in the participating counties. The Council is made up of the superintendents of each county's Board of Development Disabilities. Revenues are generated by fees and state grants that are paid to MEORC as part of a contract with the participating counties for the purposes of funding Provider Contracts and other services and support for individuals referred by the County Boards to MEORC. Any surplus funds may be returned to the County Boards, or spent at the direction of the Boards in compliance with applicable laws and MEORC policies. At December 31, 2010, MEORC maintained a balance of \$1,570,790 of the Knox County Board's funds. These funds are reported as Cash and Cash Equivalents with Fiscal Agent on Knox County's financial report. The Council does not have any outstanding debt. No contributions were made by the County in 2010.

C. Licking-Muskingum Community Based Correctional Facility (CBCF)

The Licking-Muskingum Community Based Correctional Facility (CBCF) is a four county facility created pursuant to Ohio Revised Code Section 2301.51. The CBCF serves Licking, Muskingum, Coshocton and Knox counties. The CBCF was formed in 1994 to offer treatment, education, work and other rehabilitation services to convicted felons within the four counties. The CBCF is governed by a seven member board comprised of two common pleas court judges from Licking, Muskingum and Coshocton Counties and one common pleas court judge from Knox County. The common pleas judges and the respective county commissioners appoint a thirteen member citizens advisory board to assist in the operation of the CBCF. The board has total control over budgeting, personnel, and financial matters. The CBCF receives funding in the form of state grant monies which are used to provide the various services of the CBCF. Licking County serves as fiscal agent for the CBCF. During 2010, the CBCF received no monies from Knox County. The continued existence of the CBCF is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for the CBCF. The CBCF has no outstanding debt.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

D. Knox County Family and Children First Council (KCFCFC)

The mission of the KCFCFC is to promote and facilitate collaboration among community agencies serving children and their families and to unite the community in promoting the well-being of children and their families through leadership advocacy, and coordination of services. The Board of Trustees is made up of 16 individuals from various organizations including 5 from the County.

E. Heart of Ohio Resource Conservation and Development Council (HOCDC)

The HOCDC is a jointly governed organization created to enhance the quality of life in central Ohio by facilitating the use of natural resources for a sustainable future. The HOCDC is composed of twenty-seven members from nine member counties. The HOCDC consists of one representative from each county's Board of commissioners, one representative from each county's Soil and Water Conservation District, and one member-at-large representative from each county, jointly appointed by the Board of Commissioners and the Soil and Water Conservation District. Continued existence of the HOCDC is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

F. Perry Multi-County Juvenile Facility (JF)

The JF is a jointly governed organization created to rehabilitate juvenile offenders in lieu of commitment to the Ohio Department of Youth Services. The JF has an eight member Governing Board that consists of one juvenile court judge, or designee, from each of the eight counties. The JF also has an executive Committee that handles the daily operations of the JF and reports to the Governing Board. The Executive Committee shall be composed of the officers of the Governing Board. The JF's revenues will consist of an annual grant applied for the Director of the JF and charges for services from the participating counties. In 2010, the County made no payments to the JF for housing of juvenile offenders. Continued existence of the Facility is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

NOTE 13 - RISK MANAGEMENT

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 13 - RISK MANAGEMENT (Continued)

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine board of directors. 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. The County paid \$256,244 in the form of insurance premiums during 2010 to CORSA.

The County is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees and natural disasters. The County contracted with County Risk Sharing Authority (CORSA) for liability, property and crime insurance. The CORSA program has a \$2,500 deductible. Coverages provided by CORSA are as follows:

General Liability	\$1,000,000
Auto Liability	1,000,000
Law Enforcement Liability	1,000,000
Public Officials Errors and Omissions Liability	1,000,000
Property	Replacement
Valuable Papers	Replacement
Extra Expense	Cost
Electronic Data Processing	Replacement
Contractors Equipment	Cost
Miscellaneous Inland Marine	Replacement
Motortruck Cargo	Cost
Flood and Earthquake	100,000
Auto Physical Damage	Replacement
Automatic Acquisition	Cost Value
Crime	1,000,000
Boiler and Machinery	5,000,000

With the exception of health insurance, workers' compensation, and all elected officials bonds, all insurance is held with CORSA. The amount of settlements has not exceeded insurance coverage in any of the past three years.

The County has elected to provide employee medical/surgical and dental benefits through a self insured program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 13 - RISK MANAGEMENT (Continued)

The liability for unpaid claims costs of \$255,913 reported in the fund at December 31, 2010 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liability is based on an estimate provided by the third party administrator.

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2009	\$405,003	\$3,893,734	(\$3,937,311)	\$361,426
2010	361,426	3,621,207	(3,726,720)	255,913

The County participates in the Workers' Compensation program provided by the State of Ohio. The County belongs to a pool with 50 other Ohio counties (County Commissioners Association of Ohio) for a workers' compensation group rating program. The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. A group executive committee consists of seven members and is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing fees, and determining eligibility of each participant.

NOTE 14 - DEFINED BENEFIT RETIREMENT PLANS

Ohio Public Employees Retirement System

All Knox County full-time employees participate in one of the three pension plans administered by the Ohio PERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 14 - DEFINED BENEFIT RETIREMENT PLANS (Continued)

Ohio Public Employees Retirement System (Continued)

The Ohio PERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2010, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). Plan members, other than those engaged in law enforcement, are required to contribute 10.0 percent of their annual covered salary to fund pension obligations; law enforcement employees contribute 11.1 percent. For plan members, other than those engaged in law enforcement, the County was required to contribute 14.0 percent of covered salary for 2010. The County contribution for law enforcement employees for 2010 was 17.87 percent. A portion of the County's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion used to fund pension obligations for members in the Traditional Plan other than those engaged in law enforcement was 8.5% of annual covered salary from January 1 through February 28, 2010, and 9.0% of annual covered salary from March 1 through December 31, 2010. The portion used to fund pension obligations for those engaged in law enforcement was 12.37% of annual covered salary from January 1 through February 28, 2010, and 12.87% of annual covered salary from March 1 through December 31, 2010. The portion used to fund pension obligations for members in the Combined Plan was 9.27% of annual covered salary from January 1 through February 28, 2010, and 9.77% of annual covered salary from March 1 through December 31, 2010. Contributions are authorized by State statute. The contribution rates are determined actuarially. The County's contributions to PERS for the years ended December 31, 2010, 2009, and 2008 were \$2,225,083, \$2,226,617, and \$2,443,250: 92.33 percent has been contributed for 2009 and 100 percent has been contributed for 2009 and 2008. The unpaid contribution for 2010 is recorded as a liability in the respective funds. Contributions to the member-directed plan for 2010 were \$35,691, made by the County, of which \$21,772 funded the pension obligation, and \$25,493 made by the plan members.

NOTE 15 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member of both the Traditional Pension and the Combined Plans. Members of the Member Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 15 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System (Continued)

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, local government employers contributed at a rate of 14.00% of covered payroll and law enforcement employers contributed at 17.87%. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers and 18.1% of covered payroll for law enforcement employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. In 2010, for members in the Traditional Plan, the employer contribution allocated to the health care plan was 5.5% of covered payroll from January 1 through February 28, 2010 and 5.0% from March 1 through December 31, 2010. For members in the Combined Plan, the employer contribution allocated to the health care plan was 4.73% of covered payroll from January 1 through February 28, 2010 and 4.23% from March 1 through December 31, 2010. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The County's contributions for health care to the OPERS for the years ending December 31, 2010, 2009, and 2008 were \$1,078,617, \$1,080,197 and \$1,187,646, respectively, which were equal to the required contributions for each year.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 16 - OTHER EMPLOYEE BENEFITS

Compensated Absences - County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time and compensatory time is paid upon separation if the employee has acquired at least one year of service with the County. Twenty-five percent up to a maximum of thirty days accumulated unused sick leave is paid to employees upon retirement after ten years of service. As of December 31, 2010, the liability for compensated absences was \$1,146,938 for the entire County.

NOTE 17 - CAPITAL LEASES - LESSEE DISCLOSURE

One capital lease was entered into during 2009 for a dump truck. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for the governmental funds. Equipment acquired by lease has been capitalized in the governmental activities capital assets in the amount of \$144,777 for the dump truck, which is equal to the lesser of the fair market value or the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the governmental activities long-term liabilities.

Future minimum lease payments as of December 31, 2010 are as follows:

<u>Year Ending December 31,</u>	Engineer Department Amount
2011	53,117
2012	53,117
Minimum Lease Payments	<u>106,234</u>
Less amount representing interest at the County's incremental borrowing rate of interest	<u>(7,872)</u>
Present value of minimum lease payments	<u><u>\$98,362</u></u>

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KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 18 - LONG-TERM LIABILITIES

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

	Balance December 31, 2009	Additions	(Reductions)	Balance December 31, 2010	Due Within One Year
Governmental Activities:					
General Obligation Bonds Payable					
1998 5.02% Children's Resource Center	\$675,000	\$0	(\$675,000)	\$0	\$0
1997 5.27% Corporate Center	1,270,000	0	(1,270,000)	0	0
2001 5.04% Correctional Facility	4,588,000	0	(4,280,000)	308,000	308,000
2001 5.04% Board of Health Center	1,147,000	0	(1,070,000)	77,000	77,000
2002 4.75% JFS Training Center	985,000	0	(60,000)	925,000	60,000
2010 2.0-4.0% Facilities Refunding Bonds	0	7,470,000	(370,000)	7,100,000	290,000
Unamortized Premium	0	162,962	(13,580)	149,382	0
Unamortized loss on Refunding	0	(483,303)	40,275	(443,028)	0
Total General Obligation Bonds	8,665,000	7,149,659	(7,698,305)	8,116,354	735,000
Ohio Public Works Commission Loan Payable	249,660	0	(35,666)	213,994	35,666
Ohio Public Works Commission Loan Payable	16,352	0	(3,270)	13,082	3,271
Ohio Public Works Commission Loan Payable	0	13,276	(664)	12,612	1,328
Total OPWC Loans Payable	266,012	13,276	(39,600)	239,688	40,265
Ohio Water Development Authority Loans (OWDA):					
2008 4.67% Wastewater Planning	124,174	5,434	(6,579)	123,029	6,579
2008 5.11% Wastewater Design	594,563	29,049	(32,627)	590,985	32,627
Total Ohio Water Development Authority Loans	718,737	34,483	(39,206)	714,014	39,206
2015 4.25% Loan Payable	591,507	0	(20,005)	571,502	20,865
Capital Leases-Motor Vehicle and Gasoline Tax Fund - Engineer Department	144,777	0	(46,415)	98,362	47,914
Compensated Absences	1,156,359	1,179,724	(1,213,568)	1,122,515	805,843
Total Governmental Activities	\$11,542,392	\$8,377,142	(\$9,057,099)	\$10,862,435	\$1,689,093
Business-Type Activities:					
Ohio Water Development Authority Loans (OWDA):					
2000 2.00% Water Treatment Plant/Clearwells/Wellfield	\$59,611	\$0	(\$2,633)	\$56,978	\$2,781
Recovery Zone Economic Development Bonds					
2010 1.5-5.95% Wastewater System Improvement	0	6,660,000	0	6,660,000	0
Landfill Postclosure Care Liability	1,367,205	0	(217,270)	1,149,935	83,475
Compensated Absences	29,655	34,948	(40,180)	24,423	15,587
Total Business-Type Long-Term Liabilities	\$1,456,471	\$6,694,948	(\$260,083)	\$7,891,336	\$101,843

The capital leases will be paid from a special revenue fund. The Corporate Center bonds and the JFS Training Center bonds will be paid from the Department of Job and Family Services, which is mostly funded by grants. The Correctional Facility bonds are paid from general fund monies. The Children's Resource Center bonds will be partially paid by the Boy's Village Inc. If Boy's Village Inc. does not pay their portion, the bonds will be paid by Children Services monies. The OWDA loan for the water treatment plant will be paid through special assessments. The OWDA loans for wastewater planning and design are paid from general fund monies. The OPWC loans are for street improvement and bridge replacement projects and are paid through the Motor Vehicle and Gasoline Tax Fund. The Loan Payable

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 18 - LONG-TERM LIABILITIES (Continued)

is being paid from general fund monies and by the County Fair Board. The Recovery Zone Economic Development Bonds were issued in accordance with the American Recovery and Reinvestment Act of 2009. The bonds were issued to pay for wastewater system improvements. They will be repaid from operating revenues of the sewer district. Compensated absences are reported as long-term liabilities and will be paid from the fund from which the employee is paid.

In 2007, the County entered into agreements with the OWDA, as administrator for the U.S. Environmental Protection Agency (EPA), for the County to receive a loan in the amount of \$697,238 for wastewater design and a loan in the amount of \$142,767 for wastewater planning. The amounts are subject to change and have not been finalized. The interest rate on the loans are 5.11% and 4.67% per annum, respectively. The loans are being repaid from the General Fund and are received by the County in increments as the projects are completed. As of December 31, 2010, the County has received \$672,553 and \$137,022 in funds from OWDA. The County began repaying the loans in semiannual payments based on a loan amounts of \$697,238 and 142,767. An estimate of future financing requirements has been made based on the remaining loan balances of \$590,985 and \$123,029 at December 31, 2010.

A. Principal and Interest Requirements

Principal and interest requirements to retire long-term debt liabilities outstanding at December 31, 2010 are as follows:

Governmental Activities:

Years	General Obligation Bonds		OPWC Loans Payable	
	Principal	Interest	Principal	
2011	\$735,000	\$278,493	\$40,265	
2012	765,000	253,400	40,264	
2013	765,000	236,995	40,264	
2014	790,000	218,743	40,264	
2015	820,000	197,802	36,993	
2016-2020	3,745,000	584,412	41,638	
2021-2022	790,000	38,250	0	
Totals	\$8,410,000	\$1,808,095	\$239,688	

Years	OWDA Loans Payable		Loan Payable	
	Principal	Interest*	Principal	Interest
2011	\$39,206	\$0	\$20,865	\$24,066
2012	149,077	0	21,695	23,235
2013	525,731	0	22,693	22,237
2014	0	0	506,249	10,669
2015	0	0	0	0
2015-2019	0	0	0	0
2020-2022	0	0	0	0
Totals	\$714,014	\$0	\$571,502	\$80,207

*Interest is being capitalized on the OWDA Loans.

KNOX COUNTY, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2010**

NOTE 18 - LONG-TERM LIABILITIES (Continued)

Years	OWDA		Recovery Zone Economic Development	
	Loan Payable		Bonds Payable	
	Principal	Interest	Principal	Interest
2011	\$2,781	\$3,130	\$0	\$311,340
2012	2,938	2,973	70,000	311,340
2013	3,104	2,808	135,000	310,290
2014	3,278	2,632	315,000	307,860
2015	3,463	2,448	325,000	300,615
2016-2020	20,474	9,080	1,690,000	1,351,543
2021-2025	20,940	2,703	1,910,000	962,122
2026-2030	0	0	2,215,000	404,005
Totals	<u>\$56,978</u>	<u>\$25,774</u>	<u>\$6,660,000</u>	<u>\$4,259,115</u>

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

The effects of the debt limitations described above at December 31, 2010, are an overall debt margin of \$24,095,966; and an unvoted debt margin of \$3,425,766.

B. Defeased Debt

In December 2010, the County defeased \$675,000 of General Obligation Bonds for the Children's Resource Center (the "1998 Bonds"), \$1,270,000 of General Obligation Bonds for the Corporate Center (the "1997 Bonds"), and \$4,985,000 of General Obligation Bonds for the Correction Facility and Board of Health Center (the "2001 Bonds"), through the issuance of \$7,470,000 of General Obligation Refunding Bonds (the "2010 Bonds"). The net proceeds of the 2010 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$6,740,000 at December 31, 2010, are not included in the County's outstanding debt since the County has in-substance satisfied its obligations through the advance refunding. The refunding was undertaken to reduce total debt service payments over the next 11 years by \$289,590 and resulted in an economic gain of \$259,391 in the Governmental Activities.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 19 - BONDS PAYABLE AND LOANS PAYABLE

Component Unit

On July 28, 2005 the Airport secured a loan with the United States Department of Agriculture - Rural Development (USDA) for \$775,000 for the purpose of airplane hanger construction which began in 2005. The loan is secured by Airport Revenue Bonds issued by the Airport and purchased by the USDA. At December 31, 2009, the Airport had drawn down the entire loan amount of \$775,000. The loan will be paid in installments over the next 26 years at an interest rate of 4.125%. At December 31, 2010, \$701,500 has been included in the long term liability section of the Airport's statement of net assets.

At December 31, 2010, the Knox County Airport also had \$81,000 in revenue bonds outstanding which were used to remove and replace fuel tanks. The original bonds issued were for \$158,000 and the bonds bear an interest rate of 4.75 percent. The bonds will mature in installments over the next 8 years. The Knox County Airport also has loans payable to the Primary Government outstanding at December 31, 2010, in the amount of \$160,000 that were issued to construct new hangar bays, storage building and land purchase. These loans will be repaid over the next 16 years and are non-interest bearing. They are reported as Long-term Liabilities.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 20 - INTERFUND TRANSACTIONS

The following balances at December 31, 2010 represent transfers in and transfers out:

Fund	Transfer In	Transfer Out
Governmental Funds:		
General Fund	\$162,410	\$771,715
Public Assistance Fund	166,493	167,894
Other Governmental Funds	683,435	141,945
Total Governmental Funds	1,012,338	1,081,554
Business-Type Activities:		
Sewer District Fund	0	20,965
Landfill Fund	90,181	0
Total Enterprise Funds	90,181	20,965
Totals	\$1,102,519	\$1,102,519

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

Interfund balances at December 31, 2010, consist of the following individual fund receivables and payables:

Due from/Due to Other Funds:	Recipient	Payer
General Fund	\$26,089	\$132,476
Public Assistance	0	6,009
Motor Vehicle and Gasoline Tax	0	10,582
Children Services	5,000	9,417
Development Disabilities	37,620	28,203
Other Governmental Funds	127,476	9,268
Total Governmental Funds	196,185	195,955
Business-type Activities:		
Sewer District Fund	0	230
Total Enterprise Funds	0	230
Total Due from/Due to Other Funds	\$196,185	\$196,185

The Due to/Due from Other Funds is for services provided by one fund for another fund. The Interfund Receivable/Payable is a short-term loan.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2010***

NOTE 21 - CONTINGENT LIABILITIES

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

The County is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The County's 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.

NOTE 22 - CONTRACTUAL COMMITMENTS - LANDFILL CLOSURE

The County closed the landfill in compliance with the requirements set by the Environmental Protection Agency (EPA) on September 30, 1993. The recognition of a liability for closure and postclosure care costs is based on landfill capacity used to date. The County is at 100% capacity. The County Commissioners have awarded contracts as of December 31, 2010 for engineering, monitoring, and testing the landfill closure requirements to Bennett & Williams, Inc. and MASI, Inc. to ensure that requirements are being met. No assets are restricted for payment of closure and postclosure care costs. There is an estimate for postclosure care costs until the year 2023. The estimated costs of postclosure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables. The costs of monitoring the Landfill will be covered by a transfer from the General Fund to the Landfill Development Fund. The County has met State required postclosure care financial assurance requirements.

NOTE 23 - RELATED PARTY TRANSACTIONS

Knox County granted a loan to the Knox County Airport, a discretely presented component unit of Knox County, for the construction of airport hangar bays and storage buildings, and the purchase of land. Loans Receivable from the Component Unit are reflected in the General Fund of the County for the balance of the loan. See Note 19 for further information.

NOTE 24 - CONDUIT DEBT OBLIGATIONS

The County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Also, at December 31, 2010, Industrial Revenue Bonds outstanding for Knox Community Hospital totaled \$22,510,000.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, FIDUCIARY
FUNDS, AND CASH FLOWS OF COMPONENT UNITS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Dog and Kennel Fund

The fund is to account for the dog warden's operations that are financed by sales of dog tags, kennel permits and fine collections.

Indigent Guardianship Fund

The fund was established under Section 2111.51 of the Ohio Revised Code to account for the collection and distribution of probate court fees established under Section 2101.16 of the Revised Code.

Conduct of Business Fund

The fund was established for the collection and distribution of probate court fees established under Section 2101.19 of the Revised Code.

Courts Computer Fund

The fund was established for the collection of fees by the clerk of courts, probate court, and juvenile court to be used to fund the computerization and ongoing computer maintenance of the various courts.

Recorder's Equipment Fund

The fund was established for the collection of fees by the recorder to be used for funding the acquisition and maintenance of equipment purchased by the recorder.

Courts' Computer Research Fund

The fund was established for the collection of fees by the clerk of courts, probate court, and juvenile court to be used for funding the acquisition and maintenance of computerized legal research services for the various courts.

Time Out Program Fund

The fund accounts for state grants received for the Knox County Juvenile Court and to be used on expenses to monitor juvenile detention program called "Podsville".

Court Security Fund

The fund accounts for revenue received to increase security for the Court House. Expenditures are for personnel and equipment to increase security and safety for the individuals working and using the Court House.

(Continued)

Special Revenue Funds

Probate-Juvenile Special Project Fund

The fund accounts for revenue received to acquire and pay for special projects. Expenditures are for the acquisition of additional facilities or the rehabilitation of existing facilities, equipment, hiring and training staff, community service programs, mediation or dispute resolution services and other related services.

Juvenile Court Social Workers Fund

The fund accounts for intergovernmental revenue and a transfer from the Children Services fund to be used for social workers who work at the direction of Juvenile Court and related expenditures.

Automated Title Processing Fund

The fund accounts for fees collected by the clerk of courts to be used for costs incurred in processing titles under Chapters 1548 and 4505 of the Revised Code.

Knoxways Byway Fund

The fund accounts for grant money to be used for a marketing plan to promote the County's scenic byways. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Law Library Fund

To account for fines and forfeitures to be used for operation of the law library resources board.

Delinquent Tax Assessment Collection Fund

The fund accounts for a percentage of the monies received from delinquent tax and assessment collections. Half of the money is to be allocated to the prosecutor and the other half to the treasurer to be used for the collection of delinquent taxes and assessments.

**Victims of Crime Act (VOCA) and
State Victims Assistance Act (SVAA) Grant Fund**

The fund is two grants being a Federal Grant, Victims of Crime Act, and a State Grant, State Victims Assistance Act. The monies are to be used to assist victims of crimes and awareness of help to these families.

Marine Patrol Grant Fund

The grant monies are received from the State of Ohio, Department of Natural Resources, for the purpose of establishing and/or maintaining and operating a marine law enforcement patrol program.

Drug Abuse Resistance Education Grant Fund

The fund accounts for a grant received from the Ohio Attorney General to be used for the salary of a certified Drug Abuse Resistance Education (DARE) officer.

(Continued)

Special Revenue Funds

Common Pleas Jail Diversion Grant Fund

The fund accounts for two grants awarded from the Department of Rehabilitation and Correction. The grants are to help divert offenders from the penal system and to help with pre-trial releases from jail.

Byrne Drug Court Fund

The grant monies are received from the State of Ohio, Office of Criminal Justice Services, for the purpose of paying for a probation officer, drug screening on juveniles who appear in court and a counselor who helps counsel juveniles on drug abuse prevention.

911 Emergency Calling System Fund

The fund accounts for a one quarter percent sales tax imposed by the commissioners for funding of the 911 emergency calling system.

Child Abuse Prevention Grant Fund

The money for this grant comes from the Ohio Children's Trust Fund, a division of the Ohio Job and Family Services. The expenses are to be used to make awards to selected child abuse or neglect prevention programs in the county. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Litter Control and Recycling Fund

The fund accounts for state grant receipts and donations from both individuals and corporations used to enforce litter laws, educate citizens, and promote litter control in the County.

Child Support Enforcement Agency Fund

The fund accounts for the poundage fees and earned incentives collected by the Child Support Enforcement Agency which are restricted by state statute to finance the operation of the CSEA, and Title IV-D grants that reimburse expenditures for support enforcement. Payments are distributed to the court-designated recipients. The CSEA is managed by the department of human services.

Real Estate Assessment Fund

The fund accounts for state mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

Youth Services Grant Fund

Grant monies are received from the State Department of Youth Services and used for placement of children, a juvenile delinquents diversion program, work programs involving restitution, juvenile delinquency prevention and other related activities.

Ditch Maintenance Fund

The fund accounts for special assessment revenue which is used for improvements and repairs for various ditches in Knox County.

(Continued)

Special Revenue Funds

Emergency Management Agency Fund

The fund accounts for the fund controlled by the Emergency Management Agency as established by Section 5915.07, Ohio Revised Code.

Home Fund

The fund accounts for rehabilitation, tenant-based rental payment assistance and home buyer down payment assistance through a grant received from the Department of Housing and Urban Development.

Marriage License Fund

The fund accounts for the \$17 collected on each issued marriage license which is sent to a local shelter called New Directions for victims of domestic abuse.

Help America Vote Act Fund

The fund accounts for grant monies designated for the upgrade of voting equipment.

Storm Water Management Fund

The fund accounts for charges to control water run off and access to roadways for new builds.

Concealed Handgun License Fund

The fund was established by the State of Ohio under Ohio Revised Code 2923.125 and permits individuals to have a concealed handgun with the purchase of a license through the Sheriff.

Workforce Investment Act (WIA) Programs Fund

The fund accounts for monies provided for workforce training for youth and adults.

Flood Assistance Fund

The fund accounts for reimbursement of expenses for flood damage through the Federal Emergency Management Agency.

Citizen Corps Program Grant Fund

The fund accounts for grant monies to provide funding for County Citizen Corps Councils. It is to implement public education, maximize volunteer opportunities and encourage cooperation and collaboration among community leaders.

Common Pleas Special Project Fund

The fund was established for the collection of fees by the clerk of courts to be used to fund special projects of the Court including acquisition of equipment, hiring and training staff, mediation or dispute resolution services, employment of magistrates, training and education of judges and magistrates and other related services.

(Continued)

Special Revenue Funds

Supervision Fee Fund

This fund was established by the Judge of the Common Pleas Court with income from fees assessed in his court by offenders placed on community control, judicial release or diversion. The expenses are for schooling and other expenses necessary for Probation Officers to supervise the offenders, pursuant to Ohio Revised Code Section 737.41.

Parenting Seminar Fund

This fund was established by the Judge of the Common Pleas Court with revenues coming from increased court fees. Expenses are for the personnel and material to conduct the seminars on parenting.

Immobilized Vehicle Fund

This fund accounts for revenue received from fees from the court and expended for Sheriff expenses to investigate the vehicle violations.

Commissary Fund

The fund accounts for revenues generated through the Sheriff's department from sales within the commissary. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Law Enforcement Fund

The fund accounts for the County's share of the assets forfeited in drug enforcement cases. This money is to be used for future drug investigations. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Drug Enforcement Fund

The fund accounts for fine moneys received under Section 2925.03 of the Ohio Revised Code. The money is used for drug abuse prevention education, drug law enforcement education, drug enforcement equipment, undercover drug purchases, travel expenses, pictures, handbooks, advertisements, and training related to drug enforcement. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Revolving Loan Fund

The fund accounts for money received from the Community Development Block Grant and used for low interest loans to County businesses for development projects. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

(Continued)

Special Revenue Funds

Work Release Fund

This fund was established to help prisoners who get paid for jobs to reimburse the County for expenses, pay toward their court fees and fines, or have money put into the commissary fund. (This fund is not part of the County's appropriated budget, therefore no budgetary schedule is presented.)

Community Mental Health Fund

The fund was established to account for the one (1) mill voted levy to provide mental health services through the Moundbuilder's Guidance Center.

Senior Citizens Fund

The fund was established to account for the one (1) mill voted levy in November, 2002. The money received is to be used to benefit any Knox County citizen age 60 or older, by providing meals or necessary services to maintain their home.

Debt Service Funds

The Debt Service Funds are used to account for retirement of the County's general obligation bonds, special assessment bonds and loans other than those financed by proprietary funds.

Bond Retirement Fund

The fund accounts for the retirement of the principal and interest of the outstanding debt of the County.

Ohio Water Development Authority (OWDA) Fund

The fund accounted for revenue received from special assessment money to repay the OWDA loan that was used to construct a water tower at Apple Valley.

Ohio Public Works Commission (OPWC) Dan Amity Road Fund

The fund accounts for the accumulation of monies to make payments on an OPWC Loan. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Capital Projects Funds

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

Permanent Improvement Fund

The fund accounts for revenues that will be used for capital improvements to County owned buildings.

Dog and Kennel Equipment Fund

The fund accounts for expenses to equip and furnish a Dog Pound.

Community Development Block Grant Fund

Revenue is received from the federal government and is used for major construction projects

Fredericktown Sewer Project Fund

The fund accounts for a Community Development Block Grant to construct sewer and water lines near Fredericktown Village.

Engineering Projects Fund

The fund was established for State matching engineering projects for bridge replacement. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Industrial Site Improvement Fund

The fund accounts for a grant with the sole purpose of improving an existing factory.

KNOX COUNTY, OHIO**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 3,197,569	\$ 43,671	\$ 437,737	\$ 3,678,977
Cash and Cash Equivalents in Segregated Accounts	158,768	0	0	158,768
Receivables:				
Taxes	2,040,915	0	0	2,040,915
Accounts	60,113	0	0	60,113
Intergovernmental	747,364	0	342,674	1,090,038
Leases	0	1,142,000	0	1,142,000
Special Assessments	53,704	0	0	53,704
Loans	23,247	0	0	23,247
Due from Other Funds	0	127,476	0	127,476
Prepaid Items	3,154	0	0	3,154
Total Assets	<u>\$ 6,284,834</u>	<u>\$ 1,313,147</u>	<u>\$ 780,411</u>	<u>\$ 8,378,392</u>
Liabilities:				
Accounts Payable	\$ 55,764	\$ 0	\$ 10,676	\$ 66,440
Accrued Wages and Benefits Payable	46,821	0	0	46,821
Intergovernmental Payable	66,500	0	0	66,500
Contracts Payable	34,893	0	0	34,893
Matured Bonds and Interest Payable	0	48,379	0	48,379
Due to Other Funds	9,268	0	0	9,268
Deferred Revenue	2,548,202	1,142,000	281,325	3,971,527
Total Liabilities	<u>2,761,448</u>	<u>1,190,379</u>	<u>292,001</u>	<u>4,243,828</u>
Fund Balances:				
Reserved for Encumbrances	179,474	0	0	179,474
Reserved for Debt Service	0	122,768	0	122,768
Reserved for Loans Receivable	23,247	0	0	23,247
Unreserved, Undesignated in:				
Special Revenue Funds	3,320,665	0	0	3,320,665
Capital Projects Funds	0	0	488,410	488,410
Total Fund Balances	<u>3,523,386</u>	<u>122,768</u>	<u>488,410</u>	<u>4,134,564</u>
Total Liabilities and Fund Balances	<u>\$ 6,284,834</u>	<u>\$ 1,313,147</u>	<u>\$ 780,411</u>	<u>\$ 8,378,392</u>

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 3,070,994	\$ 0	\$ 0	\$ 3,070,994
Intergovernmental Revenues	2,576,178	0	3,395,440	5,971,618
Charges for Services	1,436,776	0	0	1,436,776
Licenses and Permits	209,441	0	0	209,441
Investment Earnings	1,168	0	11	1,179
Special Assessments	10,092	0	0	10,092
Fines and Forfeitures	121,534	0	0	121,534
All Other Revenue	397,239	238,636	1,776	637,651
Total Revenue	7,823,422	238,636	3,397,227	11,459,285
Expenditures:				
Current:				
General Government				
Legislative and Executive	720,011	0	0	720,011
Judicial	318,708	0	0	318,708
Public Safety	2,945,858	0	0	2,945,858
Public Works	11,703	0	0	11,703
Health	258,241	0	0	258,241
Human Services	1,828,770	0	0	1,828,770
Intergovernmental	2,039,618	0	0	2,039,618
Capital Outlay	3,692	0	3,671,369	3,675,061
Debt Service:				
Principal Retirement	0	834,600	0	834,600
Interest and Fiscal Charges	0	418,749	0	418,749
Total Expenditures	8,126,601	1,253,349	3,671,369	13,051,319
Excess (Deficiency) of Revenues				
Over Expenditures	(303,179)	(1,014,713)	(274,142)	(1,592,034)
Other Financing Sources (Uses):				
Insurance Recoveries	196,488	0	0	196,488
Refunding General Obligation Bonds Issued	0	7,470,000	0	7,470,000
Premium on General Obligation Refunding Bonds	0	162,962	0	162,962
Payment to Refunded Bond Escrow Agent	0	(7,413,303)	0	(7,413,303)
Ohio Public Works Commission Loan	0	0	13,276	13,276
Transfers In	24,969	658,466	0	683,435
Transfers Out	(141,945)	0	0	(141,945)
Total Other Financing Sources (Uses)	79,512	878,125	13,276	970,913
Net Change in Fund Balances	(223,667)	(136,588)	(260,866)	(621,121)
Fund Balances at Beginning of Year	3,747,053	259,356	749,276	4,755,685
Fund Balances End of Year	\$ 3,523,386	\$ 122,768	\$ 488,410	\$ 4,134,564

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010**

	<u>Dog and Kennel</u>	<u>Indigent Guardianship</u>	<u>Conduct of Business</u>	<u>Courts Computer</u>	<u>Recorder's Equipment</u>
Assets:					
Cash and Cash Equivalents	\$ 93,313	\$ 448	\$ 2,772	\$ 16,309	\$ 41,478
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Receivables:					
Taxes	0	0	0	0	0
Accounts	710	730	69	2,474	348
Intergovernmental	50	0	0	0	0
Special Assessments	0	0	0	0	0
Loans	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	<u>\$ 94,073</u>	<u>\$ 1,178</u>	<u>\$ 2,841</u>	<u>\$ 18,783</u>	<u>\$ 41,826</u>
Liabilities:					
Accounts Payable	\$ 5,077	\$ 0	\$ 0	\$ 0	\$ 324
Accrued Wages and Benefits Payable	1,842	0	0	0	0
Intergovernmental Payable	2,802	0	0	0	0
Contracts Payable	1,271	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Total Liabilities	<u>10,992</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>324</u>
Fund Balances:					
Reserved for Encumbrances	9,456	0	0	439	8,947
Reserved for Loans Receivable	0	0	0	0	0
Unreserved, Undesignated in:					
Special Revenue Funds	73,625	1,178	2,841	18,344	32,555
Total Fund Balances	<u>83,081</u>	<u>1,178</u>	<u>2,841</u>	<u>18,783</u>	<u>41,502</u>
Total Liabilities and Fund Balances	<u>\$ 94,073</u>	<u>\$ 1,178</u>	<u>\$ 2,841</u>	<u>\$ 18,783</u>	<u>\$ 41,826</u>

KNOX COUNTY, OHIO

Courts' Computer Research	Time Out Program	Court Security	Probate-Juvenile Special Project	Juvenile Court Social Workers	Automated Title Processing	Law Library
\$ 8,981	\$ 1,659	\$ 98	\$ 24,172	\$ 63,197	\$ 54,886	\$ 14,336
0	0	0	0	0	0	0
0	0	0	0	0	0	0
204	0	0	2,293	254	24,139	0
0	0	0	0	0	0	823
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>9,185</u>	<u>1,659</u>	<u>98</u>	<u>26,465</u>	<u>63,451</u>	<u>79,025</u>	<u>15,159</u>
\$ 158	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,091	\$ 2,688
0	471	0	193	0	2,273	25
0	490	0	578	84	3,340	35
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>158</u>	<u>961</u>	<u>0</u>	<u>771</u>	<u>84</u>	<u>7,704</u>	<u>2,748</u>
1,380	0	0	0	0	1,302	0
0	0	0	0	0	0	0
<u>7,647</u>	<u>698</u>	<u>98</u>	<u>25,694</u>	<u>63,367</u>	<u>70,019</u>	<u>12,411</u>
<u>9,027</u>	<u>698</u>	<u>98</u>	<u>25,694</u>	<u>63,367</u>	<u>71,321</u>	<u>12,411</u>
<u>\$ 9,185</u>	<u>\$ 1,659</u>	<u>\$ 98</u>	<u>\$ 26,465</u>	<u>\$ 63,451</u>	<u>\$ 79,025</u>	<u>\$ 15,159</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010**

	Delinquent Tax Assessment Collection	VOCA and SVAA Grant	Marine Patrol Grant	Drug Abuse Resistance Education Grant	Common Pleas Jail Diversion Grant
Assets:					
Cash and Cash Equivalents	\$ 109,550	\$ 9,543	\$ 297	\$ 3,268	\$ 9,185
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Receivables:					
Taxes	0	0	0	0	0
Accounts	9,461	0	0	0	0
Intergovernmental	0	28,600	0	0	25,935
Special Assessments	0	0	0	0	0
Loans	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	\$ 119,011	\$ 38,143	\$ 297	\$ 3,268	\$ 35,120
Liabilities:					
Accounts Payable	\$ 2,186	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	1,094	599	0	0	961
Intergovernmental Payable	1,801	875	227	0	685
Contracts Payable	13,140	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	28,600	0	0	12,968
Total Liabilities	18,221	30,074	227	0	14,614
Fund Balances:					
Reserved for Encumbrances	19,207	941	0	0	0
Reserved for Loans Receivable	0	0	0	0	0
Unreserved, Undesignated in:					
Special Revenue Funds	81,583	7,128	70	3,268	20,506
Total Fund Balances	100,790	8,069	70	3,268	20,506
Total Liabilities and Fund Balances	\$ 119,011	\$ 38,143	\$ 297	\$ 3,268	\$ 35,120

KNOX COUNTY, OHIO

<u>Byrne Drug Court</u>	<u>911 Emergency Calling System</u>	<u>Litter Control and Recycling</u>	<u>Child Support Enforcement Agency</u>	<u>Real Estate Assessment</u>	<u>Youth Services Grant</u>	<u>Ditch Maintenance</u>
\$ 390	\$ 969,958	\$ 18,880	\$ 142,969	\$ 1,069,135	\$ 123,218	\$ 31,794
0	0	0	0	0	0	0
0	348,800	0	0	0	0	0
0	0	0	14,359	0	495	0
14,351	11,542	0	0	0	183,959	0
0	0	0	0	0	0	53,704
0	0	0	0	0	0	0
0	3,154	0	0	0	0	0
<u>\$ 14,741</u>	<u>\$ 1,333,454</u>	<u>\$ 18,880</u>	<u>\$ 157,328</u>	<u>\$ 1,069,135</u>	<u>\$ 307,672</u>	<u>\$ 85,498</u>
\$ 14,742	\$ 3,570	\$ 294	\$ 0	\$ 0	\$ 5,242	\$ 0
0	19,847	214	8,936	3,137	5,110	0
0	28,187	313	12,326	4,478	7,221	0
0	15,000	0	0	981	0	0
0	319	0	7,380	0	0	0
11,064	236,100	0	0	0	64,474	53,704
<u>25,806</u>	<u>303,023</u>	<u>821</u>	<u>28,642</u>	<u>8,596</u>	<u>82,047</u>	<u>53,704</u>
0	3,803	2,731	8,401	27,153	0	18,050
0	0	0	0	0	0	0
(11,065)	1,026,628	15,328	120,285	1,033,386	225,625	13,744
(11,065)	1,030,431	18,059	128,686	1,060,539	225,625	31,794
<u>\$ 14,741</u>	<u>\$ 1,333,454</u>	<u>\$ 18,880</u>	<u>\$ 157,328</u>	<u>\$ 1,069,135</u>	<u>\$ 307,672</u>	<u>\$ 85,498</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010**

	Emergency Management Agency	Home	Marriage License	Help America Vote Act	Storm Water Management
Assets:					
Cash and Cash Equivalents	\$ 93,240	\$ 0	\$ 5,754	\$ 1,010	\$ 13,314
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Receivables:					
Taxes	0	0	0	0	0
Accounts	0	0	743	0	0
Intergovernmental	8,512	372,000	0	0	0
Special Assessments	0	0	0	0	0
Loans	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	\$ 101,752	\$ 372,000	\$ 6,497	\$ 1,010	\$ 13,314
Liabilities:					
Accounts Payable	\$ 0	\$ 0	\$ 5,754	\$ 0	\$ 0
Accrued Wages and Benefits Payable	840	0	0	0	19
Intergovernmental Payable	1,637	0	0	0	130
Contracts Payable	0	0	0	0	0
Due to Other Funds	0	0	0	1,569	0
Deferred Revenue	0	353,900	0	0	0
Total Liabilities	2,477	353,900	5,754	1,569	149
Fund Balances:					
Reserved for Encumbrances	35,482	0	0	0	0
Reserved for Loans Receivable	0	0	0	0	0
Unreserved, Undesignated in:					
Special Revenue Funds	63,793	18,100	743	(559)	13,165
Total Fund Balances	99,275	18,100	743	(559)	13,165
Total Liabilities and Fund Balances	\$ 101,752	\$ 372,000	\$ 6,497	\$ 1,010	\$ 13,314

KNOX COUNTY, OHIO

Concealed Handgun License	WIA Programs	Flood Assistance	Citizen Corps Program Grant	Common Pleas Special Project	Supervision Fee	Parenting Seminar
\$ 50,179	\$ 131,656	\$ 191	\$ 19	\$ 18,958	\$ 22,809	\$ 9,331
0	0	0	0	0	0	0
0	0	0	0	0	0	0
117	0	0	0	3,250	467	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 50,296</u>	<u>\$ 131,656</u>	<u>\$ 191</u>	<u>\$ 19</u>	<u>\$ 22,208</u>	<u>\$ 23,276</u>	<u>\$ 9,331</u>
\$ 0	\$ 12,708	\$ 0	\$ 0	\$ 0	\$ 930	\$ 0
426	0	0	0	834	0	0
695	0	0	0	596	0	0
4,501	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>5,622</u>	<u>12,708</u>	<u>0</u>	<u>0</u>	<u>1,430</u>	<u>930</u>	<u>0</u>
2,271	39,892	0	19	0	0	0
0	0	0	0	0	0	0
<u>42,403</u>	<u>79,056</u>	<u>191</u>	<u>0</u>	<u>20,778</u>	<u>22,346</u>	<u>9,331</u>
<u>44,674</u>	<u>118,948</u>	<u>191</u>	<u>19</u>	<u>20,778</u>	<u>22,346</u>	<u>9,331</u>
<u>\$ 50,296</u>	<u>\$ 131,656</u>	<u>\$ 191</u>	<u>\$ 19</u>	<u>\$ 22,208</u>	<u>\$ 23,276</u>	<u>\$ 9,331</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010**

	Immobilized Vehicle	Commissary	Law Enforcement	Drug Enforcement	Revolving Loan
Assets:					
Cash and Cash Equivalents	\$ 1,087	\$ 0	\$ 0	\$ 0	\$ 0
Cash and Cash Equivalents in Segregated Accounts	0	5,566	32,394	24,115	95,483
Receivables:					
Taxes	0	0	0	0	0
Accounts	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Special Assessments	0	0	0	0	0
Loans	0	0	0	0	23,247
Prepaid Items	0	0	0	0	0
Total Assets	\$ 1,087	\$ 5,566	\$ 32,394	\$ 24,115	\$ 118,730
Liabilities:					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Total Liabilities	0	0	0	0	0
Fund Balances:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Loans Receivable	0	0	0	0	23,247
Unreserved, Undesignated in:					
Special Revenue Funds	1,087	5,566	32,394	24,115	95,483
Total Fund Balances	1,087	5,566	32,394	24,115	118,730
Total Liabilities and Fund Balances	\$ 1,087	\$ 5,566	\$ 32,394	\$ 24,115	\$ 118,730

KNOX COUNTY, OHIO

<u>Work Release</u>	<u>Community Mental Health</u>	<u>Senior Citizens</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 0	\$ 0	\$ 40,185	\$ 3,197,569
1,210	0	0	158,768
0	944,839	747,276	2,040,915
0	0	0	60,113
0	56,696	44,896	747,364
0	0	0	53,704
0	0	0	23,247
0	0	0	3,154
<u>\$ 1,210</u>	<u>\$ 1,001,535</u>	<u>\$ 832,357</u>	<u>\$ 6,284,834</u>
\$ 0	\$ 0	\$ 0	\$ 55,764
0	0	0	46,821
0	0	0	66,500
0	0	0	34,893
0	0	0	9,268
0	998,027	789,365	2,548,202
<u>0</u>	<u>998,027</u>	<u>789,365</u>	<u>2,761,448</u>
0	0	0	179,474
0	0	0	23,247
<u>1,210</u>	<u>3,508</u>	<u>42,992</u>	<u>3,320,665</u>
<u>1,210</u>	<u>3,508</u>	<u>42,992</u>	<u>3,523,386</u>
<u>\$ 1,210</u>	<u>\$ 1,001,535</u>	<u>\$ 832,357</u>	<u>\$ 6,284,834</u>

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	<u>Dog and Kennel</u>	<u>Indigent Guardianship</u>	<u>Conduct of Business</u>	<u>Courts Computer</u>	<u>Recorder's Equipment</u>
Revenues:					
Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0	0
Charges for Services	21,986	8,342	1,059	32,961	40,688
Licenses and Permits	185,164	0	0	0	0
Investment Earnings	0	0	0	13	0
Special Assessments	0	0	0	0	0
Fines and Forfeitures	3,205	0	0	0	0
All Other Revenue	13,108	0	0	92	0
Total Revenue	<u>223,463</u>	<u>8,342</u>	<u>1,059</u>	<u>33,066</u>	<u>40,688</u>
Expenditures:					
Current:					
General Government:					
Legislative and Executive	0	0	0	0	62,223
Judicial	0	8,986	0	39,434	0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health	217,578	0	0	0	0
Human Services	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenditures	<u>217,578</u>	<u>8,986</u>	<u>0</u>	<u>39,434</u>	<u>62,223</u>
Excess (Deficiency) of Revenues Over Expenditures	5,885	(644)	1,059	(6,368)	(21,535)
Other Financing Sources (Uses):					
Insurance Recoveries	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	5,885	(644)	1,059	(6,368)	(21,535)
Fund Balances at Beginning of Year	<u>77,196</u>	<u>1,822</u>	<u>1,782</u>	<u>25,151</u>	<u>63,037</u>
Fund Balances End of Year	<u>\$ 83,081</u>	<u>\$ 1,178</u>	<u>\$ 2,841</u>	<u>\$ 18,783</u>	<u>\$ 41,502</u>

KNOX COUNTY, OHIO

Courts' Computer Research	Time Out Program	Court Security	Probate-Juvenile Special Project	Juvenile Court Social Workers	Automated Title Processing	Knoxways Byway Grant
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	250	0	52,729
3,307	0	0	0	0	339,351	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	34,510	0	0	0
0	6,057	0	9	29,686	847	0
<u>3,307</u>	<u>6,057</u>	<u>0</u>	<u>34,519</u>	<u>29,936</u>	<u>340,198</u>	<u>52,729</u>
0	0	0	0	0	0	60,000
2,384	0	0	0	0	219,187	0
0	15,143	0	26,457	22,885	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>2,384</u>	<u>15,143</u>	<u>0</u>	<u>26,457</u>	<u>22,885</u>	<u>219,187</u>	<u>60,000</u>
923	(9,086)	0	8,062	7,051	121,011	(7,271)
0	0	0	0	0	0	0
0	8,500	0	0	0	0	7,271
0	0	0	(500)	0	(123,736)	0
<u>0</u>	<u>8,500</u>	<u>0</u>	<u>(500)</u>	<u>0</u>	<u>(123,736)</u>	<u>7,271</u>
923	(586)	0	7,562	7,051	(2,725)	0
8,104	1,284	98	18,132	56,316	74,046	0
<u>\$ 9,027</u>	<u>\$ 698</u>	<u>\$ 98</u>	<u>\$ 25,694</u>	<u>\$ 63,367</u>	<u>\$ 71,321</u>	<u>\$ 0</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Law Library	Delinquent Tax Assessment Collection	VOCA and SVAA Grant	Marine Patrol Grant	Drug Abuse Resistance Education Grant
Revenues:					
Taxes	\$ 0	\$ 117,500	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	25,448	18,173	0
Charges for Services	0	0	0	0	0
Licenses and Permits	0	0	0	0	0
Investment Earnings	0	0	0	0	0
Special Assessments	0	4,850	0	0	0
Fines and Forfeitures	43,748	0	0	0	0
All Other Revenue	0	174,919	147	62	0
Total Revenue	43,748	297,269	25,595	18,235	0
Expenditures:					
Current:					
General Government:					
Legislative and Executive	0	261,779	39,492	0	0
Judicial	31,337	0	0	0	0
Public Safety	0	0	0	20,339	0
Public Works	0	0	0	0	0
Health	0	0	0	0	0
Human Services	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenditures	31,337	261,779	39,492	20,339	0
Excess (Deficiency) of Revenues Over Expenditures	12,411	35,490	(13,897)	(2,104)	0
Other Financing Sources (Uses):					
Insurance Recoveries	0	0	0	0	0
Transfers In	0	0	9,198	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	9,198	0	0
Net Change in Fund Balances	12,411	35,490	(4,699)	(2,104)	0
Fund Balances at Beginning of Year	0	65,300	12,768	2,174	3,268
Fund Balances End of Year	\$ 12,411	\$ 100,790	\$ 8,069	\$ 70	\$ 3,268

KNOX COUNTY, OHIO

Common Pleas Jail Diversion Grant	Byrne Drug Court	911 Emergency Calling System	Child Abuse Prevention Grant	Litter Control and Recycling	Child Support Enforcement Agency	Real Estate Assessment
\$ 0	\$ 0	\$ 1,297,208	\$ 0	\$ 0	\$ 0	\$ 0
51,870	8,060	147,312	17,045	46,364	345,172	0
0	0	0	0	0	169,110	636,066
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	5,142	0	691	148,883	13,549
51,870	8,060	1,449,662	17,045	47,055	663,165	649,615
0	0	0	0	0	0	290,414
0	0	0	0	0	0	0
50,171	27,320	2,003,939	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	27,403	0	0
0	0	0	24,715	0	674,863	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
50,171	27,320	2,003,939	24,715	27,403	674,863	290,414
1,699	(19,260)	(554,277)	(7,670)	19,652	(11,698)	359,201
0	0	196,488	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	(10,750)	0	0
0	0	196,488	0	(10,750)	0	0
1,699	(19,260)	(357,789)	(7,670)	8,902	(11,698)	359,201
18,807	8,195	1,388,220	7,670	9,157	140,384	701,338
\$ 20,506	\$ (11,065)	\$ 1,030,431	\$ 0	\$ 18,059	\$ 128,686	\$ 1,060,539

(Continued)

KNOX COUNTY, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	Youth Services Grant	Ditch Maintenance	Emergency Management Agency	Home	Marriage License
Revenues:					
Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	415,026	0	114,606	208,024	0
Charges for Services	0	0	0	0	12,912
Licenses and Permits	0	0	0	0	0
Investment Earnings	0	0	0	0	0
Special Assessments	0	5,242	0	0	0
Fines and Forfeitures	0	0	0	0	0
All Other Revenue	2,312	0	398	0	0
Total Revenue	417,338	5,242	115,004	208,024	12,912
Expenditures:					
Current:					
General Government:					
Legislative and Executive	0	0	0	0	0
Judicial	0	0	0	0	0
Public Safety	482,731	0	127,783	0	0
Public Works	0	0	0	0	0
Health	0	0	0	0	13,260
Human Services	0	0	0	227,891	0
Intergovernmental	0	0	0	0	0
Capital Outlay	0	3,692	0	0	0
Total Expenditures	482,731	3,692	127,783	227,891	13,260
Excess (Deficiency) of Revenues Over Expenditures	(65,393)	1,550	(12,779)	(19,867)	(348)
Other Financing Sources (Uses):					
Insurance Recoveries	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balances	(65,393)	1,550	(12,779)	(19,867)	(348)
Fund Balances at Beginning of Year	291,018	30,244	112,054	37,967	1,091
Fund Balances End of Year	\$ 225,625	\$ 31,794	\$ 99,275	\$ 18,100	\$ 743

KNOX COUNTY, OHIO

Help America Vote Act	Storm Water Management	Concealed Handgun License	WIA Programs	Flood Assistance	Citizen Corps Program Grant	Common Pleas Special Project
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
5,544	0	0	695,110	0	0	0
0	23,126	23,260	0	0	0	48,116
0	0	24,277	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	29	0	1,297	0	0	0
<u>5,544</u>	<u>23,155</u>	<u>47,537</u>	<u>696,407</u>	<u>0</u>	<u>0</u>	<u>48,116</u>
6,103	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	66,005	0	0	0	34,188
0	11,703	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	898,281	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>6,103</u>	<u>11,703</u>	<u>66,005</u>	<u>898,281</u>	<u>0</u>	<u>0</u>	<u>34,188</u>
(559)	11,452	(18,468)	(201,874)	0	0	13,928
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	(6,959)	0	0	0	0	0
<u>0</u>	<u>(6,959)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(559)	4,493	(18,468)	(201,874)	0	0	13,928
0	8,672	63,142	320,822	191	19	6,850
<u>\$ (559)</u>	<u>\$ 13,165</u>	<u>\$ 44,674</u>	<u>\$ 118,948</u>	<u>\$ 191</u>	<u>\$ 19</u>	<u>\$ 20,778</u>

(Continued)

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	Supervision Fee	Parenting Seminar	Immobilized Vehicle	Commissary	Law Enforcement
Revenues:					
Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0	0
Charges for Services	10,563	5,940	200	57,672	0
Licenses and Permits	0	0	0	0	0
Investment Earnings	0	0	0	0	15
Special Assessments	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	27,844
All Other Revenue	2	9	0	0	0
Total Revenue	10,565	5,949	200	57,672	27,859
Expenditures:					
Current:					
General Government:					
Legislative and Executive	0	0	0	0	0
Judicial	13,110	4,270	0	0	0
Public Safety	0	0	0	59,135	7,096
Public Works	0	0	0	0	0
Health	0	0	0	0	0
Human Services	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenditures	13,110	4,270	0	59,135	7,096
Excess (Deficiency) of Revenues Over Expenditures	(2,545)	1,679	200	(1,463)	20,763
Other Financing Sources (Uses):					
Insurance Recoveries	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balances	(2,545)	1,679	200	(1,463)	20,763
Fund Balances at Beginning of Year	24,891	7,652	887	7,029	11,631
Fund Balances End of Year	\$ 22,346	\$ 9,331	\$ 1,087	\$ 5,566	\$ 32,394

KNOX COUNTY, OHIO

<u>Drug Enforcement</u>	<u>Revolving Loan</u>	<u>Work Release</u>	<u>Community Mental Health</u>	<u>Senior Citizens</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 0	\$ 0	\$ 0	\$ 927,695	\$ 728,591	\$ 3,070,994
0	0	0	226,724	198,721	2,576,178
0	0	2,117	0	0	1,436,776
0	0	0	0	0	209,441
10	1,130	0	0	0	1,168
0	0	0	0	0	10,092
12,227	0	0	0	0	121,534
0	0	0	0	0	397,239
<u>12,237</u>	<u>1,130</u>	<u>2,117</u>	<u>1,154,419</u>	<u>927,312</u>	<u>7,823,422</u>
0	0	0	0	0	720,011
0	0	0	0	0	318,708
335	0	2,331	0	0	2,945,858
0	0	0	0	0	11,703
0	0	0	0	0	258,241
0	3,020	0	0	0	1,828,770
0	0	0	1,153,348	886,270	2,039,618
0	0	0	0	0	3,692
<u>335</u>	<u>3,020</u>	<u>2,331</u>	<u>1,153,348</u>	<u>886,270</u>	<u>8,126,601</u>
11,902	(1,890)	(214)	1,071	41,042	(303,179)
0	0	0	0	0	196,488
0	0	0	0	0	24,969
0	0	0	0	0	(141,945)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>79,512</u>
11,902	(1,890)	(214)	1,071	41,042	(223,667)
<u>12,213</u>	<u>120,620</u>	<u>1,424</u>	<u>2,437</u>	<u>1,950</u>	<u>3,747,053</u>
<u>\$ 24,115</u>	<u>\$ 118,730</u>	<u>\$ 1,210</u>	<u>\$ 3,508</u>	<u>\$ 42,992</u>	<u>\$ 3,523,386</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2010**

	<u>Bond Retirement</u>	<u>Ohio Water Development Authority</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets:			
Cash and Cash Equivalents	\$ 43,491	\$ 180	\$ 43,671
Receivables:			
Leases	1,142,000	0	1,142,000
Due from Other Funds	<u>127,476</u>	<u>0</u>	<u>127,476</u>
Total Assets	<u>\$ 1,312,967</u>	<u>\$ 180</u>	<u>\$ 1,313,147</u>
Liabilities:			
Matured Bonds and Interest Payable	\$ 48,379	\$ 0	\$ 48,379
Deferred Revenue	<u>1,142,000</u>	<u>0</u>	<u>1,142,000</u>
Total Liabilities	<u>1,190,379</u>	<u>0</u>	<u>1,190,379</u>
Fund Balances:			
Reserved for Debt Service	<u>122,588</u>	<u>180</u>	<u>122,768</u>
Total Fund Balances	<u>122,588</u>	<u>180</u>	<u>122,768</u>
Total Liabilities and Fund Balances	<u>\$ 1,312,967</u>	<u>\$ 180</u>	<u>\$ 1,313,147</u>

KNOX COUNTY, OHIO**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010**

	<u>Bond Retirement</u>	<u>Ohio Water Development Authority</u>	<u>OPWC Dan-Amity Road</u>	<u>Total Nonmajor Debt Service Funds</u>
Revenues:				
All Other Revenue	\$ 218,504	\$ 0	\$ 20,132	\$ 238,636
Total Revenue	<u>218,504</u>	<u>0</u>	<u>20,132</u>	<u>238,636</u>
Expenditures:				
Debt Service:				
Principal Retirement	795,000	0	39,600	834,600
Interest and Fiscal Charges	418,749	0	0	418,749
Total Expenditures	<u>1,213,749</u>	<u>0</u>	<u>39,600</u>	<u>1,253,349</u>
Excess (Deficiency) of Revenues Over Expenditures	(995,245)	0	(19,468)	(1,014,713)
Other Financing Sources (Uses):				
Refunding General Obligation Bonds Issued	7,470,000	0	0	7,470,000
Premium on General Obligation Refunding Bond	162,962	0	0	162,962
Payment to Refunded Bond Escrow Agent	(7,413,303)	0	0	(7,413,303)
Transfers In	658,466	0	0	658,466
Total Other Financing Sources (Uses)	<u>878,125</u>	<u>0</u>	<u>0</u>	<u>878,125</u>
Net Change in Fund Balances	(117,120)	0	(19,468)	(136,588)
Fund Balances at Beginning of Year	<u>239,708</u>	<u>180</u>	<u>19,468</u>	<u>259,356</u>
Fund Balances End of Year	<u>\$ 122,588</u>	<u>\$ 180</u>	<u>\$ 0</u>	<u>\$ 122,768</u>

KNOX COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010**

	<u>Permanent Improvement</u>	<u>Dog and Kennel Equipment</u>	<u>Community Development Block Grant</u>	<u>Fredericktown Sewer Project</u>
Assets:				
Cash and Cash Equivalents	\$ 394,404	\$ 2,326	\$ 32,828	\$ 6,794
Receivables:				
Intergovernmental	<u>42,674</u>	<u>0</u>	<u>300,000</u>	<u>0</u>
Total Assets	<u>\$ 437,078</u>	<u>\$ 2,326</u>	<u>\$ 332,828</u>	<u>\$ 6,794</u>
Liabilities:				
Accounts Payable	\$ 1,376	\$ 0	\$ 9,300	\$ 0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>281,325</u>	<u>0</u>
Total Liabilities	<u>1,376</u>	<u>0</u>	<u>290,625</u>	<u>0</u>
Fund Balances:				
Unreserved, Undesignated in :				
Capital Projects Funds	<u>435,702</u>	<u>2,326</u>	<u>42,203</u>	<u>6,794</u>
Total Fund Balances	<u>435,702</u>	<u>2,326</u>	<u>42,203</u>	<u>6,794</u>
Total Liabilities and Fund Balances	<u>\$ 437,078</u>	<u>\$ 2,326</u>	<u>\$ 332,828</u>	<u>\$ 6,794</u>

KNOX COUNTY, OHIO

<u>Industrial Site Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ 1,385	\$ 437,737
<u>0</u>	<u>342,674</u>
<u>\$ 1,385</u>	<u>\$ 780,411</u>
\$ 0	\$ 10,676
<u>0</u>	<u>281,325</u>
<u>0</u>	<u>292,001</u>
<u>1,385</u>	<u>488,410</u>
<u>1,385</u>	<u>488,410</u>
<u>\$ 1,385</u>	<u>\$ 780,411</u>

KNOX COUNTY, OHIO

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010***

	Permanent Improvement	Dog and Kennel Equipment	Community Development Block Grant	Fredericktown Sewer Project
Revenues:				
Intergovernmental Revenues	\$ 594,837	\$ 0	\$ 228,176	\$ 0
Investment Earnings	0	0	11	0
All Other Revenue	0	901	875	0
Total Revenue	<u>594,837</u>	<u>901</u>	<u>229,062</u>	<u>0</u>
Expenditures:				
Capital Outlay	712,254	811	219,609	0
Total Expenditures	<u>712,254</u>	<u>811</u>	<u>219,609</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(117,417)	90	9,453	0
Other Financing Sources (Uses):				
Ohio Public Works Commission Loan	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	(117,417)	90	9,453	0
Fund Balances at Beginning of Year	<u>553,119</u>	<u>2,236</u>	<u>32,750</u>	<u>6,794</u>
Fund Balances End of Year	<u>\$ 435,702</u>	<u>\$ 2,326</u>	<u>\$ 42,203</u>	<u>\$ 6,794</u>

KNOX COUNTY, OHIO

<u>Engineering Projects</u>	<u>Industrial Site Improvement</u>	<u>Total Nonmajor Capital Project Funds</u>
\$ 2,572,427	\$ 0	\$ 3,395,440
0	0	11
0	0	1,776
<u>2,572,427</u>	<u>0</u>	<u>3,397,227</u>
<u>2,738,695</u>	<u>0</u>	<u>3,671,369</u>
<u>2,738,695</u>	<u>0</u>	<u>3,671,369</u>
(166,268)	0	(274,142)
<u>13,276</u>	<u>0</u>	<u>13,276</u>
<u>13,276</u>	<u>0</u>	<u>13,276</u>
(152,992)	0	(260,866)
<u>152,992</u>	<u>1,385</u>	<u>749,276</u>
<u>\$ 0</u>	<u>\$ 1,385</u>	<u>\$ 488,410</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 7,181,000	\$ 7,181,000	\$ 7,691,322	\$ 510,322
Intergovernmental Revenues	1,837,000	1,837,000	1,858,321	21,321
Charges for Services	1,924,400	1,924,400	1,977,872	53,472
Licenses and Permits	4,000	4,000	4,232	232
Investment Earnings	350,000	350,000	211,161	(138,839)
Fines and Forfeitures	76,000	76,000	51,170	(24,830)
All Other Revenues	679,225	679,225	636,688	(42,537)
Total Revenues	<u>12,051,625</u>	<u>12,051,625</u>	<u>12,430,766</u>	<u>379,141</u>
Expenditures:				
General Government - Legislative and Executive:				
Commissioners:				
Personal Services	266,213	264,902	262,849	2,053
Materials and Supplies	141,021	143,024	137,754	5,270
Contractual Services	147,929	174,342	159,738	14,604
Other Expenditures	228,802	217,080	214,715	2,365
Total Commissioners	<u>783,965</u>	<u>799,348</u>	<u>775,056</u>	<u>24,292</u>
County Microfilming:				
Personal Services	25,750	25,808	25,700	108
Other Expenditures	102	102	79	23
Total County Microfilming	<u>25,852</u>	<u>25,910</u>	<u>25,779</u>	<u>131</u>
Safe/Loss:				
Personal Services	54,672	54,715	52,407	2,308
Materials and Supplies	1,300	1,300	253	1,047
Contractual Services	500	500	204	296
Other Expenditures	900	900	302	598
Total Safe/Loss	<u>57,372</u>	<u>57,415</u>	<u>53,166</u>	<u>4,249</u>
Regional Planning Commission:				
Contractual Services	<u>47,168</u>	<u>47,168</u>	<u>47,168</u>	<u>0</u>
Total Regional Planning Commission	<u>47,168</u>	<u>47,168</u>	<u>47,168</u>	<u>0</u>

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Auditor:				
Personal Services	172,634	181,446	178,291	3,155
Materials and Supplies	6,932	6,932	4,281	2,651
Contractual Services	23,525	23,525	22,801	724
Other Expenditures	<u>4,520</u>	<u>4,520</u>	<u>3,585</u>	<u>935</u>
Total Auditor	207,611	216,423	208,958	7,465
Treasurer:				
Personal Services	145,690	145,986	145,986	0
Materials and Supplies	285	285	285	0
Contractual Services	170	170	170	0
Other Expenditures	<u>15,922</u>	<u>16,007</u>	<u>16,007</u>	<u>0</u>
Total Treasurer	162,067	162,448	162,448	0
Prosecuting Attorney:				
Personal Services	347,176	344,891	344,884	7
Materials and Supplies	8,500	2,447	2,445	2
Contractual Services	29,117	35,617	35,617	0
Other Expenditures	<u>0</u>	<u>1,838</u>	<u>1,838</u>	<u>0</u>
Total Prosecuting Attorney	384,793	384,793	384,784	9
Bureau of Inspection:				
Contractual Services	<u>144,639</u>	<u>144,639</u>	<u>100,639</u>	<u>44,000</u>
Total Bureau of Inspection	144,639	144,639	100,639	44,000
Data Processing Board:				
Contractual Services	111,221	79,626	72,490	7,136
Other Expenditures	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Total Data Processing Board	116,221	84,626	72,490	12,136
Board of Elections:				
Personal Services	278,500	288,860	287,581	1,279
Materials and Supplies	15,335	15,685	15,476	209
Contractual Services	47,629	44,919	44,735	184
Other Expenditures	<u>3,000</u>	<u>3,000</u>	<u>2,810</u>	<u>190</u>
Total Board of Elections	344,464	352,464	350,602	1,862

(Continued)

KNOX COUNTY, OHIO***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Maintenance and Operation:				
Personal Services	207,800	200,234	197,642	2,592
Materials and Supplies	68,904	68,904	54,481	14,423
Contractual Services	878,954	715,404	427,012	288,392
Other Expenditures	<u>31,130</u>	<u>29,630</u>	<u>20,068</u>	<u>9,562</u>
Total Maintenance and Operation	1,186,788	1,014,172	699,203	314,969
Corporate Center - Maintenance and Operation:				
Personal Services	57,800	57,800	56,028	1,772
Materials and Supplies	2,125	506	476	30
Contractual Services	10,950	13,764	13,251	513
Other Expenditures	<u>200</u>	<u>20</u>	<u>20</u>	<u>0</u>
Total Corporate Center - Maintenance and Operation	71,075	72,090	69,775	2,315
Air Navigation and Facilities:				
Personal Services	<u>123,500</u>	<u>123,500</u>	<u>120,678</u>	<u>2,822</u>
Total Air Navigation and Facilities	123,500	123,500	120,678	2,822
Recorder:				
Personal Services	<u>139,324</u>	<u>139,324</u>	<u>139,083</u>	<u>241</u>
Total Recorder	139,324	139,324	139,083	241
Insurance, Pension and Taxes:				
Contractual Services	<u>1,329,100</u>	<u>1,355,344</u>	<u>1,324,389</u>	<u>30,955</u>
Total Insurance, Pension and Taxes	1,329,100	1,355,344	1,324,389	30,955
Agriculture:				
Contractual Services	<u>462,822</u>	<u>462,822</u>	<u>462,821</u>	<u>1</u>
Total Agriculture	462,822	462,822	462,821	1
Total General Government - Legislative and Executive	<u>5,586,761</u>	<u>5,442,486</u>	<u>4,997,039</u>	<u>445,447</u>

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
General Government - Judicial:				
Court of Appeals:				
Contractual Services	<u>8,000</u>	<u>8,200</u>	<u>8,189</u>	<u>11</u>
Total Court of Appeals	<u>8,000</u>	<u>8,200</u>	<u>8,189</u>	<u>11</u>
Common Pleas Court:				
Personal Services	340,260	395,308	393,750	1,558
Materials and Supplies	8,550	10,550	9,638	912
Contractual Services	16,600	9,978	5,953	4,025
Other Expenditures	<u>14,235</u>	<u>14,235</u>	<u>11,540</u>	<u>2,695</u>
Total Common Pleas Court	<u>379,645</u>	<u>430,071</u>	<u>420,881</u>	<u>9,190</u>
Jury Commission:				
Personal Services	2,000	2,350	2,282	68
Contractual Services	<u>500</u>	<u>500</u>	<u>28</u>	<u>472</u>
Total Jury Commission	<u>2,500</u>	<u>2,850</u>	<u>2,310</u>	<u>540</u>
Juvenile Court:				
Materials and Supplies	4,500	4,500	4,500	0
Contractual Services	2,149	1,789	1,764	25
Other Expenditures	<u>6,000</u>	<u>2,222</u>	<u>2,144</u>	<u>78</u>
Total Juvenile Court	<u>12,649</u>	<u>8,511</u>	<u>8,408</u>	<u>103</u>
Juvenile Probation:				
Personal Services	383,750	367,167	366,313	854
Materials and Supplies	10,000	9,000	8,933	67
Contractual Services	217,515	236,236	235,516	720
Other Expenditures	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Juvenile Probation	<u>611,265</u>	<u>617,403</u>	<u>615,762</u>	<u>1,641</u>
Probate Court:				
Personal Services	99,810	99,610	99,376	234
Materials and Supplies	5,000	5,000	4,655	345
Contractual Services	15,341	16,596	15,279	1,317
Other Expenditures	<u>2,500</u>	<u>1,445</u>	<u>1,111</u>	<u>334</u>
Total Probate Court	<u>122,651</u>	<u>122,651</u>	<u>120,421</u>	<u>2,230</u>

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Clerk of Courts:				
Personal Services	202,786	198,450	196,316	2,134
Materials and Supplies	7,100	11,600	10,749	851
Contractual Services	7,801	7,801	7,456	345
Other Expenditures	<u>1,530</u>	<u>1,530</u>	<u>1,261</u>	<u>269</u>
Total Clerk of Courts	219,217	219,381	215,782	3,599
Municipal Court:				
Personal Services	96,650	100,486	98,749	1,737
Contractual Services	<u>15,750</u>	<u>15,744</u>	<u>14,458</u>	<u>1,286</u>
Total Municipal Court	112,400	116,230	113,207	3,023
Law Library:				
Personal Services	<u>0</u>	<u>6</u>	<u>6</u>	<u>0</u>
Total Law Library	0	6	6	0
Public Defender:				
Personal Services	306,739	314,639	309,446	5,193
Materials and Supplies	1,999	2,499	2,349	150
Contractual Services	<u>16,250</u>	<u>22,250</u>	<u>18,558</u>	<u>3,692</u>
Total Public Defender	<u>324,988</u>	<u>339,388</u>	<u>330,353</u>	<u>9,035</u>
Total General Government - Judicial	<u>1,793,315</u>	<u>1,864,691</u>	<u>1,835,319</u>	<u>29,372</u>
Public Safety:				
Sheriff:				
Personal Services	1,684,662	1,706,668	1,650,409	56,259
Materials and Supplies	27,387	27,387	22,252	5,135
Contractual Services	198,434	199,259	195,894	3,365
Other Expenditures	<u>46,155</u>	<u>34,309</u>	<u>25,345</u>	<u>8,964</u>
Total Sheriff	1,956,638	1,967,623	1,893,900	73,723

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Jail:				
Personal Services	1,217,100	1,308,426	1,300,260	8,166
Materials and Supplies	11,577	11,577	7,694	3,883
Contractual Services	399,349	459,349	436,832	22,517
Other Expenditures	<u>5,024</u>	<u>5,024</u>	<u>1,191</u>	<u>3,833</u>
Total Jail	<u>1,633,050</u>	<u>1,784,376</u>	<u>1,745,977</u>	<u>38,399</u>
Coroner:				
Personal Services	41,712	50,810	50,616	194
Materials and Supplies	2,150	1,250	575	675
Contractual Services	48,380	74,982	74,148	834
Other Expenditures	<u>3,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Coroner	<u>95,242</u>	<u>127,042</u>	<u>125,339</u>	<u>1,703</u>
Total Public Safety	<u>3,684,930</u>	<u>3,879,041</u>	<u>3,765,216</u>	<u>113,825</u>
Public Works:				
Map Department:				
Personal Services	74,360	74,254	73,805	449
Materials and Supplies	1,500	1,500	1,415	85
Other Expenditures	<u>0</u>	<u>231</u>	<u>230</u>	<u>1</u>
Total Map Department	<u>75,860</u>	<u>75,985</u>	<u>75,450</u>	<u>535</u>
Buildings and Grounds:				
Contractual Services	<u>95,000</u>	<u>19,000</u>	<u>18,878</u>	<u>122</u>
Total Buildings and Grounds	<u>95,000</u>	<u>19,000</u>	<u>18,878</u>	<u>122</u>
Total Public Works	<u>170,860</u>	<u>94,985</u>	<u>94,328</u>	<u>657</u>
Health:				
Vital Statistics:				
Other Expenditures	<u>1,000</u>	<u>1,000</u>	<u>800</u>	<u>200</u>
Total Vital Statistics	<u>1,000</u>	<u>1,000</u>	<u>800</u>	<u>200</u>

(Continued)

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Health:				
Other Expenditures	<u>108,996</u>	<u>108,996</u>	<u>108,995</u>	<u>1</u>
Total Other Health	<u>108,996</u>	<u>108,996</u>	<u>108,995</u>	<u>1</u>
Humane Society:				
Personal Services	8,500	7,200	6,338	862
Materials and Supplies	950	950	0	950
Contractual Services	1,759	3,059	2,248	811
Other Expenditures	<u>2,732</u>	<u>2,732</u>	<u>745</u>	<u>1,987</u>
Total Humane Society	<u>13,941</u>	<u>13,941</u>	<u>9,331</u>	<u>4,610</u>
Animal Control Officer:				
Personal Services	39,300	39,300	38,247	1,053
Other Expenditures	<u>2,236</u>	<u>2,236</u>	<u>2,089</u>	<u>147</u>
Total Animal Control Officer	<u>41,536</u>	<u>41,536</u>	<u>40,336</u>	<u>1,200</u>
Total Health	<u>165,473</u>	<u>165,473</u>	<u>159,462</u>	<u>6,011</u>
Human Services:				
Children's Home:				
Contractual Services	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>0</u>
Total Children's Home	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>0</u>
Soldiers Relief:				
Personal Services	36,080	38,380	37,217	1,163
Materials and Supplies	8,000	10,000	9,684	316
Contractual Services	<u>256,776</u>	<u>224,776</u>	<u>217,411</u>	<u>7,365</u>
Total Soldiers Relief	<u>300,856</u>	<u>273,156</u>	<u>264,312</u>	<u>8,844</u>
Veterans Relief:				
Personal Services	222,579	239,479	236,374	3,105
Contractual Services	13,000	11,800	7,823	3,977
Other Expenditures	<u>40,000</u>	<u>48,000</u>	<u>47,633</u>	<u>367</u>
Total Veterans Relief	<u>275,579</u>	<u>299,279</u>	<u>291,830</u>	<u>7,449</u>
Total Human Services	<u>656,435</u>	<u>652,435</u>	<u>636,142</u>	<u>16,293</u>

(Continued)

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Conservation and Recreation:				
Bike Path:				
Contractual Services	8,450	8,450	0	8,450
Total Bike Path	8,450	8,450	0	8,450
Total Conservation and Recreation	8,450	8,450	0	8,450
Debt Service:				
Principal	59,211	59,211	59,211	0
Interest and Fiscal Charges	24,925	24,925	24,925	0
Capital Outlay	204,028	201,188	183,808	17,380
Total Expenditures	12,354,388	12,392,885	11,755,450	637,435
Excess (Deficiency) of Revenues Over (Under) Expenditures	(302,763)	(341,260)	675,316	1,016,576
Other Financing Sources (Uses):				
Other Financing Uses	(136,560)	(136,560)	(103,821)	32,739
Transfers In	200,000	200,000	141,445	(58,555)
Transfers Out	(767,493)	(728,996)	(681,534)	47,462
Advances In	0	0	60,000	60,000
Total Other Financing Sources (Uses)	(704,053)	(665,556)	(583,910)	81,646
Net Change in Fund Balance	(1,006,816)	(1,006,816)	91,406	1,098,222
Fund Balance at Beginning of Year	1,141,702	1,141,702	1,141,702	0
Prior Year Encumbrances	407,769	407,769	407,769	0
Fund Balance at End of Year	<u>\$ 542,655</u>	<u>\$ 542,655</u>	<u>\$ 1,640,877</u>	<u>\$ 1,098,222</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 4,200,000	\$ 4,200,000	\$ 3,626,990	\$ (573,010)
All Other Revenues	<u>390,200</u>	<u>390,200</u>	<u>251,296</u>	<u>(138,904)</u>
Total Revenues	<u>4,590,200</u>	<u>4,590,200</u>	<u>3,878,286</u>	<u>(711,914)</u>
Expenditures:				
Human Services:				
Personal Services	3,188,544	3,266,354	2,819,130	447,224
Materials and Supplies	72,994	109,094	79,991	29,103
Contractual Services	2,375,151	2,239,596	275,098	1,964,498
Other Expenditures	533,455	556,355	323,870	232,485
Capital Outlay	<u>64,500</u>	<u>63,245</u>	<u>6,219</u>	<u>57,026</u>
Total Expenditures	<u>6,234,644</u>	<u>6,234,644</u>	<u>3,504,308</u>	<u>2,730,336</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,644,444)	(1,644,444)	373,978	2,018,422
Other Financing Sources (Uses):				
Transfers In	160,000	160,000	166,493	6,493
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(167,894)</u>	<u>82,106</u>
Total Other Financing Sources (Uses)	<u>(90,000)</u>	<u>(90,000)</u>	<u>(1,401)</u>	<u>88,599</u>
Net Change in Fund Balance	(1,734,444)	(1,734,444)	372,577	2,107,021
Fund Balance at Beginning of Year	1,573,821	1,573,821	1,573,821	0
Prior Year Encumbrances	<u>787,944</u>	<u>787,944</u>	<u>787,944</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 627,321</u>	<u>\$ 627,321</u>	<u>\$ 2,734,342</u>	<u>\$ 2,107,021</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2010***

MOTOR VEHICLE AND GASOLINE TAX FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 4,890,000	\$ 4,925,000	\$ 5,012,515	\$ 87,515
Charges for Services	4,000	4,000	4,345	345
Investment Earnings	3,000	3,000	1,190	(1,810)
Fines and Forfeitures	9,000	9,000	3,301	(5,699)
All Other Revenues	15,500	15,500	34,139	18,639
Total Revenues	<u>4,921,500</u>	<u>4,956,500</u>	<u>5,055,490</u>	<u>98,990</u>
Expenditures:				
Public Works:				
Personal Services	2,201,837	2,201,358	2,105,027	96,331
Materials and Supplies	1,019,545	942,852	858,354	84,498
Contractual Services	1,652,355	1,785,149	1,773,238	11,911
Other Expenditures	42,824	41,929	39,371	2,558
Intergovernmental	1,498	107,320	107,320	0
Capital Outlay	151,848	200,737	200,585	152
Total Expenditures	<u>5,069,907</u>	<u>5,279,345</u>	<u>5,083,895</u>	<u>195,450</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(148,407)	(322,845)	(28,405)	294,440
Other Financing Sources (Uses):				
Advances Out	(105,937)	0	0	0
Total Other Financing Sources (Uses)	<u>(105,937)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(254,344)	(322,845)	(28,405)	294,440
Fund Balance at Beginning of Year	582,023	582,023	582,023	0
Prior Year Encumbrances	254,345	254,345	254,345	0
Fund Balance at End of Year	<u>\$ 582,024</u>	<u>\$ 513,523</u>	<u>\$ 807,963</u>	<u>\$ 294,440</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 925,000	\$ 925,000	\$ 877,661	\$ (47,339)
Intergovernmental Revenues	570,000	570,000	971,246	401,246
Charges for Services	115,000	115,000	130,791	15,791
All Other Revenues	7,100	7,100	7,224	124
Total Revenues	<u>1,617,100</u>	<u>1,617,100</u>	<u>1,986,922</u>	<u>369,822</u>
Expenditures:				
Human Services:				
Personal Services	1,056,000	1,089,614	1,070,907	18,707
Materials and Supplies	18,452	16,066	3,447	12,619
Contractual Services	1,120,941	1,120,941	525,593	595,348
Other Expenditures	790,445	759,216	347,312	411,904
Capital Outlay	25,000	25,000	236	24,764
Total Expenditures	<u>3,010,838</u>	<u>3,010,837</u>	<u>1,947,495</u>	<u>1,063,342</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,393,738)	(1,393,737)	39,427	1,433,164
Fund Balance at Beginning of Year	2,998,848	2,998,848	2,998,848	0
Prior Year Encumbrances	230,837	230,837	230,837	0
Fund Balance at End of Year	<u>\$ 1,835,947</u>	<u>\$ 1,835,948</u>	<u>\$ 3,269,112</u>	<u>\$ 1,433,164</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,850,000	\$ 3,850,000	\$ 3,740,095	\$ (109,905)
Intergovernmental Revenues	1,553,440	1,553,440	2,550,168	996,728
All Other Revenues	<u>57,500</u>	<u>57,500</u>	<u>179,208</u>	<u>121,708</u>
Total Revenues	<u>5,460,940</u>	<u>5,460,940</u>	<u>6,469,471</u>	<u>1,008,531</u>
Expenditures:				
Human Services:				
Personal Services	2,765,587	2,765,587	1,807,361	958,226
Materials and Supplies	642,454	557,454	49,259	508,195
Contractual Services	4,669,850	4,636,618	2,112,435	2,524,183
Other Expenditures	17,151	17,151	12,967	4,184
Capital Outlay	<u>141,250</u>	<u>259,482</u>	<u>234,116</u>	<u>25,366</u>
Total Expenditures	<u>8,236,292</u>	<u>8,236,292</u>	<u>4,216,138</u>	<u>4,020,154</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,775,352)	(2,775,352)	2,253,333	5,028,685
Fund Balance at Beginning of Year	3,831,371	3,831,371	3,831,371	0
Prior Year Encumbrances	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,059,619</u>	<u>\$ 1,059,619</u>	<u>\$ 6,088,304</u>	<u>\$ 5,028,685</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

DOG AND KENNEL FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 23,400	\$ 23,400	\$ 21,977	\$ (1,423)
Licenses and Permits	171,000	171,000	185,068	14,068
Fines and Forfeitures	1,500	1,500	3,545	2,045
All Other Revenues	10,200	10,200	12,503	2,303
Total Revenues	<u>206,100</u>	<u>206,100</u>	<u>223,093</u>	<u>16,993</u>
Expenditures:				
Health:				
Personal Services	139,500	139,650	137,434	2,216
Materials and Supplies	26,250	23,600	21,656	1,944
Contractual Services	78,688	81,188	61,355	19,833
Other Expenditures	8,078	8,078	7,214	864
Capital Outlay	3,042	3,042	990	2,052
Total Expenditures	<u>255,558</u>	<u>255,558</u>	<u>228,649</u>	<u>26,909</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,458)	(49,458)	(5,556)	43,902
Fund Balance at Beginning of Year	70,663	70,663	70,663	0
Prior Year Encumbrances	13,758	13,758	13,758	0
Fund Balance at End of Year	<u>\$ 34,963</u>	<u>\$ 34,963</u>	<u>\$ 78,865</u>	<u>\$ 43,902</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 7,300	\$ 8,040	\$ 8,242	\$ 202
All Other Revenues	<u>200</u>	<u>200</u>	<u>0</u>	<u>(200)</u>
Total Revenues	<u>7,500</u>	<u>8,240</u>	<u>8,242</u>	<u>2</u>
Expenditures:				
General Government - Judicial:				
Contractual Services	10,000	10,862	10,416	446
Other Expenditures	<u>122</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>10,122</u>	<u>10,862</u>	<u>10,416</u>	<u>446</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,622)	(2,622)	(2,174)	448
Fund Balance at Beginning of Year	<u>2,622</u>	<u>2,622</u>	<u>2,622</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 448</u>	<u>\$ 448</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 425</u>	<u>\$ 425</u>	<u>\$ 1,086</u>	<u>\$ 661</u>
Total Revenues	<u>425</u>	<u>425</u>	<u>1,086</u>	<u>661</u>
Expenditures:				
General Government - Judicial:				
Other Expenditures	<u>2,111</u>	<u>2,111</u>	<u>0</u>	<u>2,111</u>
Total Expenditures	<u>2,111</u>	<u>2,111</u>	<u>0</u>	<u>2,111</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,686)	(1,686)	1,086	2,772
Fund Balance at Beginning of Year	<u>1,686</u>	<u>1,686</u>	<u>1,686</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,772</u>	<u>\$ 2,772</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

COURTS COMPUTER FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 30,100	\$ 30,100	\$ 32,821	\$ 2,721
Investment Earnings	200	200	13	(187)
All Other Revenues	<u>100</u>	<u>100</u>	<u>92</u>	<u>(8)</u>
Total Revenues	<u>30,400</u>	<u>30,400</u>	<u>32,926</u>	<u>2,526</u>
Expenditures:				
General Government - Judicial:				
Materials and Supplies	1,000	1,000	0	1,000
Contractual Services	8,774	8,774	6,345	2,429
Other Expenditures	25,000	25,000	21,400	3,600
Capital Outlay	<u>18,178</u>	<u>18,178</u>	<u>12,128</u>	<u>6,050</u>
Total Expenditures	<u>52,952</u>	<u>52,952</u>	<u>39,873</u>	<u>13,079</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,552)	(22,552)	(6,947)	15,605
Fund Balance at Beginning of Year	<u>22,817</u>	<u>22,817</u>	<u>22,817</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 265</u>	<u>\$ 265</u>	<u>\$ 15,870</u>	<u>\$ 15,605</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

RECORDER'S EQUIPMENT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 43,000	\$ 43,000	\$ 40,420	\$ (2,580)
Total Revenues	<u>43,000</u>	<u>43,000</u>	<u>40,420</u>	<u>(2,580)</u>
Expenditures:				
General Government - Legislative and Executive:				
Contractual Services	35,051	35,051	29,568	5,483
Other Expenditures	20,036	20,036	19,906	130
Capital Outlay	<u>25,134</u>	<u>25,134</u>	<u>21,739</u>	<u>3,395</u>
Total Expenditures	<u>80,221</u>	<u>80,221</u>	<u>71,213</u>	<u>9,008</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,221)	(37,221)	(30,793)	6,428
Fund Balance at Beginning of Year	62,894	62,894	62,894	0
Prior Year Encumbrances	<u>221</u>	<u>221</u>	<u>221</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 25,894</u>	<u>\$ 25,894</u>	<u>\$ 32,322</u>	<u>\$ 6,428</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

COURTS' COMPUTER RESEARCH FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 2,475</u>	<u>\$ 2,475</u>	<u>\$ 3,367</u>	<u>\$ 892</u>
Total Revenues	<u>2,475</u>	<u>2,475</u>	<u>3,367</u>	<u>892</u>
Expenditures:				
General Government - Judicial:				
Other Expenditures	<u>10,315</u>	<u>10,315</u>	<u>3,605</u>	<u>6,710</u>
Total Expenditures	<u>10,315</u>	<u>10,315</u>	<u>3,605</u>	<u>6,710</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,840)	(7,840)	(238)	7,602
Fund Balance at Beginning of Year	<u>7,840</u>	<u>7,840</u>	<u>7,840</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,602</u>	<u>\$ 7,602</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 6,057</u>	<u>\$ 57</u>
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>6,057</u>	<u>57</u>
Expenditures:				
Public Safety:				
Personal Services	14,150	15,650	14,741	909
Other Expenditures	<u>1,693</u>	<u>193</u>	<u>0</u>	<u>193</u>
Total Expenditures	<u>15,843</u>	<u>15,843</u>	<u>14,741</u>	<u>1,102</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,843)	(9,843)	(8,684)	1,159
Other Financing Sources (Uses):				
Transfers In	<u>8,000</u>	<u>8,000</u>	<u>8,500</u>	<u>500</u>
Total Other Financing Sources (Uses)	<u>8,000</u>	<u>8,000</u>	<u>8,500</u>	<u>500</u>
Net Change in Fund Balance	(1,843)	(1,843)	(184)	1,659
Fund Balance at Beginning of Year	<u>1,843</u>	<u>1,843</u>	<u>1,843</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,659</u>	<u>\$ 1,659</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

COURT SECURITY FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Public Safety:				
Other Expenditures	<u>98</u>	<u>98</u>	<u>0</u>	<u>98</u>
Total Expenditures	<u>98</u>	<u>98</u>	<u>0</u>	<u>98</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(98)	(98)	0	98
Fund Balance at Beginning of Year	<u>98</u>	<u>98</u>	<u>98</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 98</u>	<u>\$ 98</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010****PROBATE - JUVENILE SPECIAL PROJECT FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	\$ 10,000	\$ 22,000	\$ 35,482	\$ 13,482
All Other Revenues	<u>20</u>	<u>20</u>	<u>9</u>	<u>(11)</u>
Total Revenues	<u>10,020</u>	<u>22,020</u>	<u>35,491</u>	<u>13,471</u>
Expenditures:				
Public Safety:				
Personal Services	17,850	27,086	25,156	1,930
Other Expenditures	<u>7,056</u>	<u>9,320</u>	<u>549</u>	<u>8,771</u>
Total Expenditures	<u>24,906</u>	<u>36,406</u>	<u>25,705</u>	<u>10,701</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,886)	(14,386)	9,786	24,172
Other Financing Sources (Uses):				
Transfers Out	<u>0</u>	<u>(500)</u>	<u>(500)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(500)</u>	<u>(500)</u>	<u>0</u>
Net Change in Fund Balance	(14,886)	(14,886)	9,286	24,172
Fund Balance at Beginning of Year	<u>14,886</u>	<u>14,886</u>	<u>14,886</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 24,172</u>	<u>\$ 24,172</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010****JUVENILE COURT SOCIAL WORKERS FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 75	\$ 75	\$ 250	\$ 175
All Other Revenues	<u>51,000</u>	<u>51,000</u>	<u>30,625</u>	<u>(20,375)</u>
Total Revenues	<u>51,075</u>	<u>51,075</u>	<u>30,875</u>	<u>(20,200)</u>
Expenditures:				
Public Safety:				
Personal Services	56,140	55,970	11,101	44,869
Materials and Supplies	2,000	2,275	1,725	550
Contractual Services	24,667	25,017	11,043	13,974
Other Expenditures	40,598	40,143	264	39,879
Capital Outlay	<u>2,000</u>	<u>2,000</u>	<u>375</u>	<u>1,625</u>
Total Expenditures	<u>125,405</u>	<u>125,405</u>	<u>24,508</u>	<u>100,897</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,330)	(74,330)	6,367	80,697
Other Financing Sources (Uses):				
Transfers In	7,500	7,500	0	(7,500)
Advances In	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>
Total Other Financing Sources (Uses)	<u>17,500</u>	<u>17,500</u>	<u>0</u>	<u>(17,500)</u>
Net Change in Fund Balance	(56,830)	(56,830)	6,367	63,197
Fund Balance at Beginning of Year	<u>56,830</u>	<u>56,830</u>	<u>56,830</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 63,197</u>	<u>\$ 63,197</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010****AUTOMATED TITLE PROCESSING FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 200,000	\$ 309,800	\$ 337,869	\$ 28,069
All Other Revenues	250	450	847	397
Total Revenues	<u>200,250</u>	<u>310,250</u>	<u>338,716</u>	<u>28,466</u>
Expenditures:				
General Government - Judicial:				
Personal Services	171,700	175,200	168,964	6,236
Materials and Supplies	5,000	9,000	7,629	1,371
Contractual Services	18,365	13,365	12,497	868
Other Expenditures	1,500	4,000	3,494	506
Capital Outlay	60,154	41,418	27,639	13,779
Total Expenditures	<u>256,719</u>	<u>242,983</u>	<u>220,223</u>	<u>22,760</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56,469)	67,267	118,493	51,226
Other Financing Sources (Uses):				
Transfers Out	0	(123,736)	(123,736)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(123,736)</u>	<u>(123,736)</u>	<u>0</u>
Net Change in Fund Balance	(56,469)	(56,469)	(5,243)	51,226
Fund Balance at Beginning of Year	56,292	56,292	56,292	0
Prior Year Encumbrances	444	444	444	0
Fund Balance at End of Year	<u>\$ 267</u>	<u>\$ 267</u>	<u>\$ 51,493</u>	<u>\$ 51,226</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 52,729</u>	<u>\$ 52,729</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>52,729</u>	<u>52,729</u>
Expenditures:				
General Government - Legislative and Executive:				
Contractual Services	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Total Expenditures	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,000)	(60,000)	(7,271)	52,729
Other Financing Sources (Uses):				
Transfers In	0	0	7,271	7,271
Advances In	60,000	60,000	0	(60,000)
Advances Out	<u>0</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>60,000</u>	<u>0</u>	<u>(52,729)</u>	<u>(52,729)</u>
Net Change in Fund Balance	0	(60,000)	(60,000)	0
Fund Balance at Beginning of Year	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 60,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and Forfeitures	<u>\$ 34,000</u>	<u>\$ 36,500</u>	<u>\$ 42,925</u>	<u>\$ 6,425</u>
Total Revenues	<u>34,000</u>	<u>36,500</u>	<u>42,925</u>	<u>6,425</u>
Expenditures:				
General Government - Judicial:				
Personal Services	1,475	1,475	1,372	103
Materials and Supplies	3,550	3,550	618	2,932
Contractual Services	27,825	30,325	29,287	1,038
Capital Outlay	<u>750</u>	<u>750</u>	<u>0</u>	<u>750</u>
Total Expenditures	<u>33,600</u>	<u>36,100</u>	<u>31,277</u>	<u>4,823</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	400	400	11,648	11,248
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ 11,648</u>	<u>\$ 11,248</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 103,000	\$ 110,540	\$ 117,500	\$ 6,960
Special Assessments	3,400	4,124	4,850	726
All Other Revenues	<u>19,000</u>	<u>117,736</u>	<u>171,880</u>	<u>54,144</u>
Total Revenues	<u>125,400</u>	<u>232,400</u>	<u>294,230</u>	<u>61,830</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	108,404	108,404	94,676	13,728
Materials and Supplies	3,500	3,500	3,140	360
Contractual Services	69,720	141,820	141,820	0
Other Expenditures	<u>29,217</u>	<u>68,017</u>	<u>67,491</u>	<u>526</u>
Total Expenditures	<u>210,841</u>	<u>321,741</u>	<u>307,127</u>	<u>14,614</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(85,441)	(89,341)	(12,897)	76,444
Fund Balance at Beginning of Year	61,797	61,797	61,797	0
Prior Year Encumbrances	<u>28,843</u>	<u>28,843</u>	<u>28,843</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,199</u>	<u>\$ 1,299</u>	<u>\$ 77,743</u>	<u>\$ 76,444</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 30,481	\$ 30,481	\$ 27,762	\$ (2,719)
All Other Revenues	<u>0</u>	<u>0</u>	<u>147</u>	<u>147</u>
Total Revenues	<u>30,481</u>	<u>30,481</u>	<u>27,909</u>	<u>(2,572)</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	36,968	37,099	36,873	226
Materials and Supplies	750	750	734	16
Contractual Services	2,790	2,062	1,888	174
Other Expenditures	<u>0</u>	<u>947</u>	<u>878</u>	<u>69</u>
Total Expenditures	<u>40,508</u>	<u>40,858</u>	<u>40,373</u>	<u>485</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,027)	(10,377)	(12,464)	(2,087)
Other Financing Sources (Uses):				
Transfers In	<u>9,198</u>	<u>9,198</u>	<u>9,198</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>9,198</u>	<u>9,198</u>	<u>9,198</u>	<u>0</u>
Net Change in Fund Balance	(829)	(1,179)	(3,266)	(2,087)
Fund Balance at Beginning of Year	11,038	11,038	11,038	0
Prior Year Encumbrances	<u>830</u>	<u>830</u>	<u>830</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,039</u>	<u>\$ 10,689</u>	<u>\$ 8,602</u>	<u>\$ (2,087)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

MARINE PATROL GRANT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 18,000	\$ 18,000	\$ 18,173	\$ 173
All Other Revenues	<u>20</u>	<u>20</u>	<u>62</u>	<u>42</u>
Total Revenues	<u>18,020</u>	<u>18,020</u>	<u>18,235</u>	<u>215</u>
Expenditures:				
Public Safety:				
Personal Services	16,525	19,637	19,588	49
Materials and Supplies	820	82	82	0
Other Expenditures	2,669	672	641	31
Capital Outlay	<u>400</u>	<u>24</u>	<u>24</u>	<u>0</u>
Total Expenditures	<u>20,414</u>	<u>20,415</u>	<u>20,335</u>	<u>80</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,394)	(2,395)	(2,100)	295
Fund Balance at Beginning of Year	2,353	2,353	2,353	0
Prior Year Encumbrances	<u>44</u>	<u>44</u>	<u>44</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 297</u>	<u>\$ 295</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Public Safety:				
Materials and Supplies	<u>3,268</u>	<u>3,268</u>	<u>0</u>	<u>3,268</u>
Total Expenditures	<u>3,268</u>	<u>3,268</u>	<u>0</u>	<u>3,268</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,268)	(3,268)	0	3,268
Fund Balance at Beginning of Year	3,126	3,126	3,126	0
Prior Year Encumbrances	<u>142</u>	<u>142</u>	<u>142</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,268</u>	<u>\$ 3,268</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

COMMON PLEAS JAIL DIVERSION GRANT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 51,104	\$ 51,104	\$ 51,870	\$ 766
Total Revenues	<u>51,104</u>	<u>51,104</u>	<u>51,870</u>	<u>766</u>
Expenditures:				
Public Safety:				
Personal Services	53,970	53,970	49,949	4,021
Materials and Supplies	3,000	3,000	0	3,000
Capital Outlay	<u>1,398</u>	<u>1,398</u>	<u>0</u>	<u>1,398</u>
Total Expenditures	<u>58,368</u>	<u>58,368</u>	<u>49,949</u>	<u>8,419</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,264)	(7,264)	1,921	9,185
Fund Balance at Beginning of Year	<u>7,264</u>	<u>7,264</u>	<u>7,264</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,185</u>	<u>\$ 9,185</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

BYRNE DRUG COURT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 4,773</u>	<u>\$ (15,227)</u>
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>4,773</u>	<u>(15,227)</u>
Expenditures:				
Public Safety:				
Contractual Services	<u>29,520</u>	<u>29,520</u>	<u>13,903</u>	<u>15,617</u>
Total Expenditures	<u>29,520</u>	<u>29,520</u>	<u>13,903</u>	<u>15,617</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,520)	(9,520)	(9,130)	390
Fund Balance at Beginning of Year	<u>9,520</u>	<u>9,520</u>	<u>9,520</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 390</u>	<u>\$ 390</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,225,000	\$ 1,225,000	\$ 1,287,507	\$ 62,507
Intergovernmental Revenues	130,000	130,000	135,770	5,770
All Other Revenues	<u>1,000</u>	<u>1,000</u>	<u>5,142</u>	<u>4,142</u>
Total Revenues	<u>1,356,000</u>	<u>1,356,000</u>	<u>1,428,419</u>	<u>72,419</u>
Expenditures:				
Public Safety:				
Personal Services	1,830,704	1,830,704	1,370,127	460,577
Materials and Supplies	15,022	15,022	5,875	9,147
Contractual Services	140,485	140,995	115,694	25,301
Other Expenditures	215,370	214,860	195,900	18,960
Capital Outlay	<u>421,648</u>	<u>503,136</u>	<u>341,626</u>	<u>161,510</u>
Total Expenditures	<u>2,623,229</u>	<u>2,704,717</u>	<u>2,029,222</u>	<u>675,495</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,267,229)	(1,348,717)	(600,803)	747,914
Other Financing Sources (Uses):				
Insurance Recoveries	<u>0</u>	<u>0</u>	<u>196,488</u>	<u>196,488</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>196,488</u>	<u>196,488</u>
Net Change in Fund Balance	(1,267,229)	(1,348,717)	(404,315)	944,402
Fund Balance at Beginning of Year	1,304,967	1,304,967	1,304,967	0
Prior Year Encumbrances	<u>48,229</u>	<u>48,229</u>	<u>48,229</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 85,967</u>	<u>\$ 4,479</u>	<u>\$ 948,881</u>	<u>\$ 944,402</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 17,045</u>	<u>\$ 17,045</u>	<u>\$ 17,045</u>	<u>\$ 0</u>
Total Revenues	<u>17,045</u>	<u>17,045</u>	<u>17,045</u>	<u>0</u>
Expenditures:				
Human Services:				
Contractual Services	<u>24,715</u>	<u>24,715</u>	<u>24,715</u>	<u>0</u>
Total Expenditures	<u>24,715</u>	<u>24,715</u>	<u>24,715</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,670)	(7,670)	(7,670)	0
Fund Balance at Beginning of Year	<u>7,670</u>	<u>7,670</u>	<u>7,670</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010****LITTER CONTROL AND RECYCLING FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 45,000	\$ 45,000	\$ 46,364	\$ 1,364
All Other Revenues	600	600	691	91
Total Revenues	<u>45,600</u>	<u>45,600</u>	<u>47,055</u>	<u>1,455</u>
Expenditures:				
Health:				
Personal Services	16,150	16,150	13,799	2,351
Materials and Supplies	2,400	3,900	2,802	1,098
Contractual Services	13,800	13,800	9,741	4,059
Other Expenditures	1,438	1,438	1,377	61
Capital Outlay	11,000	9,500	2,669	6,831
Total Expenditures	<u>44,788</u>	<u>44,788</u>	<u>30,388</u>	<u>14,400</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	812	812	16,667	15,855
Other Financing Sources (Uses):				
Transfers Out	<u>(10,750)</u>	<u>(10,750)</u>	<u>(10,750)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(10,750)</u>	<u>(10,750)</u>	<u>(10,750)</u>	<u>0</u>
Net Change in Fund Balance	(9,938)	(9,938)	5,917	15,855
Fund Balance at Beginning of Year	9,238	9,238	9,238	0
Prior Year Encumbrances	700	700	700	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,855</u>	<u>\$ 15,855</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
CHILD SUPPORT ENFORCEMENT AGENCY FUND				
Revenues:				
Intergovernmental Revenues	\$ 420,000	\$ 360,000	\$ 345,172	\$ (14,828)
Charges for Services	175,000	175,000	169,373	(5,627)
All Other Revenues	10,000	10,000	148,883	138,883
Total Revenues	<u>605,000</u>	<u>545,000</u>	<u>663,428</u>	<u>118,428</u>
Expenditures:				
Human Services:				
Personal Services	664,900	605,205	602,619	2,586
Materials and Supplies	1,000	1,000	552	448
Contractual Services	90,053	90,053	87,152	2,901
Other Expenditures	7,500	7,195	5,174	2,021
Capital Outlay	1,000	1,000	269	731
Total Expenditures	<u>764,453</u>	<u>704,453</u>	<u>695,766</u>	<u>8,687</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(159,453)	(159,453)	(32,338)	127,115
Fund Balance at Beginning of Year	126,073	126,073	126,073	0
Prior Year Encumbrances	33,453	33,453	33,453	0
Fund Balance at End of Year	<u>\$ 73</u>	<u>\$ 73</u>	<u>\$ 127,188</u>	<u>\$ 127,115</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 504,900	\$ 504,900	\$ 636,066	\$ 131,166
All Other Revenues	<u>75</u>	<u>75</u>	<u>13,549</u>	<u>13,474</u>
Total Revenues	<u>504,975</u>	<u>504,975</u>	<u>649,615</u>	<u>144,640</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	266,100	266,600	232,435	34,165
Materials and Supplies	15,083	15,083	2,367	12,716
Contractual Services	257,089	257,089	123,647	133,442
Other Expenditures	5,480	4,980	1,188	3,792
Capital Outlay	<u>10,026</u>	<u>10,026</u>	<u>577</u>	<u>9,449</u>
Total Expenditures	<u>553,778</u>	<u>553,778</u>	<u>360,214</u>	<u>193,564</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,803)	(48,803)	289,401	338,204
Fund Balance at Beginning of Year	704,654	704,654	704,654	0
Prior Year Encumbrances	<u>47,677</u>	<u>47,677</u>	<u>47,677</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 703,528</u>	<u>\$ 703,528</u>	<u>\$ 1,041,732</u>	<u>\$ 338,204</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 415,000	\$ 415,000	\$ 376,411	\$ (38,589)
All Other Revenues	<u>500</u>	<u>500</u>	<u>1,817</u>	<u>1,317</u>
Total Revenues	<u>415,500</u>	<u>415,500</u>	<u>378,228</u>	<u>(37,272)</u>
Expenditures:				
Public Safety:				
Personal Services	398,413	430,622	372,711	57,911
Contractual Services	108,250	149,707	119,587	30,120
Other Expenditures	<u>146,125</u>	<u>72,459</u>	<u>0</u>	<u>72,459</u>
Total Expenditures	<u>652,788</u>	<u>652,788</u>	<u>492,298</u>	<u>160,490</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(237,288)	(237,288)	(114,070)	123,218
Fund Balance at Beginning of Year	<u>237,288</u>	<u>237,288</u>	<u>237,288</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 123,218</u>	<u>\$ 123,218</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

DITCH MAINTENANCE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 5,242</u>	<u>\$ (9,758)</u>
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>5,242</u>	<u>(9,758)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	39,700	39,700	21,742	17,958
Other Expenditures	<u>80</u>	<u>80</u>	<u>0</u>	<u>80</u>
Total Expenditures	<u>39,780</u>	<u>39,780</u>	<u>21,742</u>	<u>18,038</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,780)	(24,780)	(16,500)	8,280
Fund Balance at Beginning of Year	<u>30,244</u>	<u>30,244</u>	<u>30,244</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,464</u>	<u>\$ 5,464</u>	<u>\$ 13,744</u>	<u>\$ 8,280</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010****EMERGENCY MANAGEMENT AGENCY FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 59,800	\$ 104,800	\$ 106,094	\$ 1,294
All Other Revenues	<u>1,450</u>	<u>1,450</u>	<u>398</u>	<u>(1,052)</u>
Total Revenues	<u>61,250</u>	<u>106,250</u>	<u>106,492</u>	<u>242</u>
Expenditures:				
Public Safety:				
Personal Services	80,170	80,170	61,802	18,368
Materials and Supplies	2,731	2,731	1,738	993
Contractual Services	7,400	7,400	4,317	3,083
Other Expenditures	3,136	7,136	6,400	736
Capital Outlay	<u>38,622</u>	<u>106,122</u>	<u>93,750</u>	<u>12,372</u>
Total Expenditures	<u>132,059</u>	<u>203,559</u>	<u>168,007</u>	<u>35,552</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(70,809)	(97,309)	(61,515)	35,794
Other Financing Sources (Uses):				
Transfers In	24,000	50,500	0	(50,500)
Transfers Out	<u>(56,464)</u>	<u>(70,214)</u>	<u>0</u>	<u>70,214</u>
Total Other Financing Sources (Uses)	<u>(32,464)</u>	<u>(19,714)</u>	<u>0</u>	<u>19,714</u>
Net Change in Fund Balance	(103,273)	(117,023)	(61,515)	55,508
Fund Balance at Beginning of Year	113,709	113,709	113,709	0
Prior Year Encumbrances	<u>5,564</u>	<u>5,564</u>	<u>5,564</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 16,000</u>	<u>\$ 2,250</u>	<u>\$ 57,758</u>	<u>\$ 55,508</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	HOME FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Revenues	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 189,924</u>	<u>\$ (110,076)</u>
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>189,924</u>	<u>(110,076)</u>
Expenditures:				
Human Services:				
Capital Outlay	<u>228,916</u>	<u>229,916</u>	<u>228,841</u>	<u>1,075</u>
Total Expenditures	<u>228,916</u>	<u>229,916</u>	<u>228,841</u>	<u>1,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	71,084	70,084	(38,917)	(109,001)
Fund Balance at Beginning of Year	37,967	37,967	37,967	0
Prior Year Encumbrances	<u>950</u>	<u>950</u>	<u>950</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 110,001</u>	<u>\$ 109,001</u>	<u>\$ 0</u>	<u>\$ (109,001)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

MARRIAGE LICENSE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 14,000</u>	<u>\$ 14,000</u>	<u>\$ 13,260</u>	<u>\$ (740)</u>
Total Revenues	<u>14,000</u>	<u>14,000</u>	<u>13,260</u>	<u>(740)</u>
Expenditures:				
Health:				
Contractual Services	<u>14,000</u>	<u>14,000</u>	<u>13,260</u>	<u>740</u>
Total Expenditures	<u>14,000</u>	<u>14,000</u>	<u>13,260</u>	<u>740</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 4,534	\$ 5,544	\$ 1,010
Total Revenues	<u>0</u>	<u>4,534</u>	<u>5,544</u>	<u>1,010</u>
Expenditures:				
General Government - Legislative and Executive:				
Personal Services	0	370	370	0
Capital Outlay	<u>0</u>	<u>4,164</u>	<u>4,164</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>4,534</u>	<u>4,534</u>	<u>0</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	0	0	1,010	1,010
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,010</u>	<u>\$ 1,010</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 31,050	\$ 31,050	\$ 23,126	\$ (7,924)
All Other Revenues	<u>0</u>	<u>0</u>	<u>29</u>	<u>29</u>
Total Revenues	<u>31,050</u>	<u>31,050</u>	<u>23,155</u>	<u>(7,895)</u>
Expenditures:				
Public Works:				
Personal Services	14,100	14,100	10,225	3,875
Contractual Services	2,000	2,000	0	2,000
Other Expenditures	<u>3,539</u>	<u>3,539</u>	<u>1,539</u>	<u>2,000</u>
Total Expenditures	<u>19,639</u>	<u>19,639</u>	<u>11,764</u>	<u>7,875</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,411	11,411	11,391	(20)
Other Financing Sources (Uses):				
Transfers Out	<u>(20,293)</u>	<u>(20,293)</u>	<u>(6,959)</u>	<u>13,334</u>
Total Other Financing Sources (Uses)	<u>(20,293)</u>	<u>(20,293)</u>	<u>(6,959)</u>	<u>13,334</u>
Net Change in Fund Balance	(8,882)	(8,882)	4,432	13,314
Fund Balance at Beginning of Year	<u>8,882</u>	<u>8,882</u>	<u>8,882</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 13,314</u>	<u>\$ 13,314</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 25,000	\$ 25,000	\$ 23,260	\$ (1,740)
Licenses and Permits	<u>10,000</u>	<u>10,000</u>	<u>24,160</u>	<u>14,160</u>
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>47,420</u>	<u>12,420</u>
Expenditures:				
Public Safety:				
Personal Services	0	38,500	37,388	1,112
Contractual Services	67,838	39,428	32,056	7,372
Capital Outlay	<u>30,000</u>	<u>19,910</u>	<u>432</u>	<u>19,478</u>
Total Expenditures	<u>97,838</u>	<u>97,838</u>	<u>69,876</u>	<u>27,962</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(62,838)	(62,838)	(22,456)	40,382
Fund Balance at Beginning of Year	63,225	63,225	63,225	0
Prior Year Encumbrances	<u>2,838</u>	<u>2,838</u>	<u>2,838</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,225</u>	<u>\$ 3,225</u>	<u>\$ 43,607</u>	<u>\$ 40,382</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 480,000	\$ 622,000	\$ 695,110	\$ 73,110
All Other Revenues	<u>2,000</u>	<u>2,000</u>	<u>1,297</u>	<u>(703)</u>
Total Revenues	<u>482,000</u>	<u>624,000</u>	<u>696,407</u>	<u>72,407</u>
Expenditures:				
Human Services:				
Contractual Services	809,050	877,650	869,056	8,594
Capital Outlay	<u>0</u>	<u>85,284</u>	<u>84,229</u>	<u>1,055</u>
Total Expenditures	<u>809,050</u>	<u>962,934</u>	<u>953,285</u>	<u>9,649</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(327,050)	(338,934)	(256,878)	82,056
Fund Balance at Beginning of Year	326,884	326,884	326,884	0
Prior Year Encumbrances	<u>9,050</u>	<u>9,050</u>	<u>9,050</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 8,884</u>	<u>\$ (3,000)</u>	<u>\$ 79,056</u>	<u>\$ 82,056</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Public Works:				
Contractual Services	<u> 191</u>	<u> 191</u>	<u> 0</u>	<u> 191</u>
Total Expenditures	<u> 191</u>	<u> 191</u>	<u> 0</u>	<u> 191</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(191)	(191)	0	191
Fund Balance at Beginning of Year	<u> 191</u>	<u> 191</u>	<u> 191</u>	<u> 0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 191</u>	<u>\$ 191</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

CITIZEN CORPS PROGRAM GRANT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Intergovernmental Revenues	\$ 5,700	\$ 5,700	\$ 0	\$ (5,700)
Total Revenues	<u>5,700</u>	<u>5,700</u>	<u>0</u>	<u>(5,700)</u>
Expenditures:				
Public Safety:				
Personal Services	2,950	2,950	0	2,950
Capital Outlay	<u>2,750</u>	<u>2,750</u>	<u>19</u>	<u>2,731</u>
Total Expenditures	<u>5,700</u>	<u>5,700</u>	<u>19</u>	<u>5,681</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	0	0	(19)	(19)
Fund Balance at Beginning of Year	<u>19</u>	<u>19</u>	<u>19</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 19</u>	<u>\$ 19</u>	<u>\$ 0</u>	<u>\$ (19)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	<u>\$ 24,000</u>	<u>\$ 36,000</u>	<u>\$ 48,466</u>	<u>\$ 12,466</u>
Total Revenues	<u>24,000</u>	<u>36,000</u>	<u>48,466</u>	<u>12,466</u>
Expenditures:				
General Government - Judicial:				
Personal Services	<u>24,000</u>	<u>36,000</u>	<u>32,758</u>	<u>3,242</u>
Total Expenditures	<u>24,000</u>	<u>36,000</u>	<u>32,758</u>	<u>3,242</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	15,708	15,708
Fund Balance at Beginning of Year	<u>3,250</u>	<u>3,250</u>	<u>3,250</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,250</u>	<u>\$ 3,250</u>	<u>\$ 18,958</u>	<u>\$ 15,708</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010***

SUPERVISION FEE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 17,000	\$ 17,000	\$ 10,824	\$ (6,176)
All Other Revenues	<u>50</u>	<u>50</u>	<u>2</u>	<u>(48)</u>
Total Revenues	<u>17,050</u>	<u>17,050</u>	<u>10,826</u>	<u>(6,224)</u>
Expenditures:				
General Government - Judicial:				
Personal Services	1,000	3,325	585	2,740
Other Expenditures	11,070	5,945	5,875	70
Capital Outlay	<u>3,073</u>	<u>5,873</u>	<u>5,720</u>	<u>153</u>
Total Expenditures	<u>15,143</u>	<u>15,143</u>	<u>12,180</u>	<u>2,963</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,907	1,907	(1,354)	(3,261)
Fund Balance at Beginning of Year	24,019	24,019	24,019	0
Prior Year Encumbrances	<u>144</u>	<u>144</u>	<u>144</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 26,070</u>	<u>\$ 26,070</u>	<u>\$ 22,809</u>	<u>\$ (3,261)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

PARENTING SEMINAR FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 6,000	\$ 6,000	\$ 5,940	\$ (60)
All Other Revenues	<u>0</u>	<u>0</u>	<u>9</u>	<u>9</u>
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>5,949</u>	<u>(51)</u>
Expenditures:				
General Government - Judicial:				
Personal Services	5,360	5,360	4,135	1,225
Materials and Supplies	300	300	170	130
Other Expenditures	<u>340</u>	<u>6,340</u>	<u>0</u>	<u>6,340</u>
Total Expenditures	<u>6,000</u>	<u>12,000</u>	<u>4,305</u>	<u>7,695</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(6,000)	1,644	7,644
Fund Balance at Beginning of Year	<u>7,687</u>	<u>7,687</u>	<u>7,687</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,687</u>	<u>\$ 1,687</u>	<u>\$ 9,331</u>	<u>\$ 7,644</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for Services	\$ 200	\$ 200	\$ 200	\$ 0
Total Revenues	<u>200</u>	<u>200</u>	<u>200</u>	<u>0</u>
Expenditures:				
Public Safety:				
Materials and Supplies	500	500	0	500
Capital Outlay	<u>587</u>	<u>587</u>	<u>0</u>	<u>587</u>
Total Expenditures	<u>1,087</u>	<u>1,087</u>	<u>0</u>	<u>1,087</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(887)	(887)	200	1,087
Fund Balance at Beginning of Year	<u>887</u>	<u>887</u>	<u>887</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,087</u>	<u>\$ 1,087</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,010,400	\$ 1,010,400	\$ 926,624	\$ (83,776)
Intergovernmental Revenues	85,000	142,948	226,724	83,776
Total Revenues	<u>1,095,400</u>	<u>1,153,348</u>	<u>1,153,348</u>	<u>0</u>
Expenditures:				
Intergovernmental:				
Contractual Services	<u>1,095,400</u>	<u>1,153,348</u>	<u>1,153,348</u>	<u>0</u>
Total Expenditures	<u>1,095,400</u>	<u>1,153,348</u>	<u>1,153,348</u>	<u>0</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2010**

SENIOR CITIZENS FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 765,000	\$ 765,000	\$ 727,734	\$ (37,266)
Intergovernmental Revenues	<u>125,000</u>	<u>125,000</u>	<u>198,721</u>	<u>73,721</u>
Total Revenues	<u>890,000</u>	<u>890,000</u>	<u>926,455</u>	<u>36,455</u>
Expenditures:				
Intergovernmental:				
Contractual Services	<u>890,000</u>	<u>890,000</u>	<u>886,270</u>	<u>3,730</u>
Total Expenditures	<u>890,000</u>	<u>890,000</u>	<u>886,270</u>	<u>3,730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	40,185	40,185
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 40,185</u>	<u>\$ 40,185</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Special Assessments	\$ 15,000	\$ 15,000	\$ 0	\$ (15,000)
All Other Revenues	<u>350,592</u>	<u>350,592</u>	<u>218,504</u>	<u>(132,088)</u>
Total Revenues	<u>365,592</u>	<u>365,592</u>	<u>218,504</u>	<u>(147,088)</u>
Expenditures:				
Debt Service:				
Principal Retirement	776,265	890,474	795,000	95,474
Interest and Fiscal Charges	<u>416,739</u>	<u>302,530</u>	<u>418,749</u>	<u>(116,219)</u>
Total Expenditures	<u>1,193,004</u>	<u>1,193,004</u>	<u>1,213,749</u>	<u>(20,745)</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	(827,412)	(827,412)	(995,245)	(167,833)
Other Financing Sources (Uses):				
Refunding General Obligation Bond Issued	0	9,597	7,470,000	7,460,403
Premium on General Obligation Refunding Bonds	0	0	162,962	162,962
Payment to Refunded Bond Escrow Agent	0	0	(7,413,303)	(7,413,303)
Transfers In	<u>686,111</u>	<u>686,111</u>	<u>658,466</u>	<u>(27,645)</u>
Total Other Financing Sources (Uses)	<u>686,111</u>	<u>695,708</u>	<u>878,125</u>	<u>182,417</u>
Net Change in Fund Balance	(141,301)	(131,704)	(117,120)	14,584
Fund Balance at Beginning of Year	<u>160,611</u>	<u>160,611</u>	<u>160,611</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 19,310</u>	<u>\$ 28,907</u>	<u>\$ 43,491</u>	<u>\$ 14,584</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010**

OHIO WATER DEVELOPMENT AUTHORITY FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>180</u>	<u>180</u>	<u>180</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	<u>\$ 19,468</u>	<u>\$ 39,600</u>	<u>\$ 20,132</u>	<u>\$ (19,468)</u>
Total Revenues	<u>19,468</u>	<u>39,600</u>	<u>20,132</u>	<u>(19,468)</u>
Expenditures:				
Debt Service:				
Principal Retirement	<u>38,936</u>	<u>59,068</u>	<u>39,600</u>	<u>19,468</u>
Total Expenditures	<u>38,936</u>	<u>59,068</u>	<u>39,600</u>	<u>19,468</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,468)	(19,468)	(19,468)	0
Fund Balance at Beginning of Year	<u>19,468</u>	<u>19,468</u>	<u>19,468</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 30,000</u>	<u>\$ 93,000</u>	<u>\$ 655,522</u>	<u>\$ 562,522</u>
Total Revenues	<u>30,000</u>	<u>93,000</u>	<u>655,522</u>	<u>562,522</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u>452,614</u>	<u>715,614</u>	<u>712,254</u>	<u>3,360</u>
Total Expenditures	<u>452,614</u>	<u>715,614</u>	<u>712,254</u>	<u>3,360</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(422,614)	(622,614)	(56,732)	565,882
Other Financing Sources (Uses):				
Transfers In	<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>
Total Other Financing Sources (Uses)	<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>
Net Change in Fund Balance	(222,614)	(422,614)	(56,732)	365,882
Fund Balance at Beginning of Year	442,145	442,145	442,145	0
Prior Year Encumbrances	<u>7,615</u>	<u>7,615</u>	<u>7,615</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 227,146</u>	<u>\$ 27,146</u>	<u>\$ 393,028</u>	<u>\$ 365,882</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 901</u>	<u>\$ (99)</u>
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>901</u>	<u>(99)</u>
Expenditures:				
Capital Outlay:				
Capital Outlay	<u>3,200</u>	<u>3,200</u>	<u>811</u>	<u>2,389</u>
Total Expenditures	<u>3,200</u>	<u>3,200</u>	<u>811</u>	<u>2,389</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,200)	(2,200)	90	2,290
Fund Balance at Beginning of Year	<u>2,236</u>	<u>2,236</u>	<u>2,236</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36</u>	<u>\$ 36</u>	<u>\$ 2,326</u>	<u>\$ 2,290</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 351,000	\$ 351,000	\$ 209,501	\$ (141,499)
Investment Earnings	100	100	11	(89)
All Other Revenues	<u>0</u>	<u>0</u>	<u>875</u>	<u>875</u>
Total Revenues	<u>351,100</u>	<u>351,100</u>	<u>210,387</u>	<u>(140,713)</u>
Expenditures:				
Capital Outlay:				
Capital Outlay	<u>276,854</u>	<u>276,854</u>	<u>236,782</u>	<u>40,072</u>
Total Expenditures	<u>276,854</u>	<u>276,854</u>	<u>236,782</u>	<u>40,072</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	74,246	74,246	(26,395)	(100,641)
Fund Balance at Beginning of Year	44,699	44,699	44,699	0
Prior Year Encumbrances	<u>14,524</u>	<u>14,524</u>	<u>14,524</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 133,469</u>	<u>\$ 133,469</u>	<u>\$ 32,828</u>	<u>\$ (100,641)</u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Capital Outlay:				
Capital Outlay	<u> 6,794</u>	<u> 6,794</u>	<u> 0</u>	<u> 6,794</u>
Total Expenditures	<u> 6,794</u>	<u> 6,794</u>	<u> 0</u>	<u> 6,794</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	<u> (6,794)</u>	<u> (6,794)</u>	<u> 0</u>	<u> 6,794</u>
Fund Balance at Beginning of Year	<u> 6,794</u>	<u> 6,794</u>	<u> 6,794</u>	<u> 0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 6,794</u></u>	<u><u>\$ 6,794</u></u>

KNOX COUNTY, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	<u>\$ 6,118,115</u>	<u>\$ 6,868,115</u>	<u>\$ 2,572,427</u>	<u>\$ (4,295,688)</u>
Total Revenues	<u>6,118,115</u>	<u>6,868,115</u>	<u>2,572,427</u>	<u>(4,295,688)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u>6,131,391</u>	<u>7,034,383</u>	<u>2,738,695</u>	<u>4,295,688</u>
Total Expenditures	<u>6,131,391</u>	<u>7,034,383</u>	<u>2,738,695</u>	<u>4,295,688</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,276)	(166,268)	(166,268)	0
Other Financing Sources (Uses):				
Ohio Public Works Commission Loan	<u>13,276</u>	<u>13,276</u>	<u>13,276</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>13,276</u>	<u>13,276</u>	<u>13,276</u>	<u>0</u>
Net Change in Fund Balance	0	(152,992)	(152,992)	0
Fund Balance at Beginning of Year	<u>152,992</u>	<u>152,992</u>	<u>152,992</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 152,992</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

KNOX COUNTY, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2010***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Capital Outlay:				
Contractual Services	<u> 1,385</u>	<u> 1,385</u>	<u> 0</u>	<u> 1,385</u>
Total Expenditures	<u> 1,385</u>	<u> 1,385</u>	<u> 0</u>	<u> 1,385</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u> (1,385)</u>	<u> (1,385)</u>	<u> 0</u>	<u> 1,385</u>
Fund Balance at Beginning of Year	<u> 1,385</u>	<u> 1,385</u>	<u> 1,385</u>	<u> 0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,385</u>	<u>\$ 1,385</u>

Fiduciary Funds

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

Agency Funds

District Board of Health Fund

The fund accounts for the District Board of Health for which the county auditor is the ex officio fiscal agent as required under Section 1515.23, Ohio Revised Code.

Soil and Water Conservation Fund

The fund accounts for the funds of the Soil and Water Conservation District, established under Chapter 1515, Ohio Revised Code, for which the county auditor is the fiscal agent.

Corporation Fund

The fund accounts for the portion of permissive taxes and local government money distributed to the City of Mount Vernon and villages in the County.

Local Government Fund

The fund accounts for money received from sales and rental of tangible personal property and selected services, distributed by the State of Ohio under Ohio Revised Code, Chapters 5739 and 5741. An alternative formula distributes all income to the County, City, Villages, Townships and Park Districts, for general operation.

Law Library Fund

The fund accounts for fine money that the law library is entitled to receive.

Library Support Fund

The fund accounts for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes which is returned to the County for use by district libraries and park districts. These monies are apportioned to the libraries on a monthly basis, allocated by the budget commission according to a formula.

Lodging Tax Fund

The fund accounts for a 3% excise tax on lodging furnished to transient guests. The auditor's office receives 5% and the remaining 95% is distributed to the Knox County Visitors Bureau.

(Continued)

Agency Funds

Cigarette Tax Fund

The fund accounts for cigarette license money collected by the State and distributed by the County to certain local governments.

Manufactured Home Tax Fund

The fund accounts for the collection of first and second half manufactured home taxes which are distributed to certain local governments.

County Court Agency Fund

The fund accounts for money received and distributed by the Court for the following court activities:

1. Clerk of Courts auto title fees, and legal (court related) receipts, and dispositions;
2. Probate Court related receipts and disbursements; and
3. Juvenile Court related receipts and disbursements.

Undivided Personal Property Tax Fund

The fund accounts for the first and second half collections of tangible personal property taxes and delinquent tangible tax to be distributed following state statute to cities, villages, townships, and the County itself.

Estate Tax Fund

The fund accounts for the collection of first and second half estate taxes which are distributed to the State and to certain local governments according to applicable State laws.

Undivided Real Estate Tax Fund

The fund accounts for the first and second half collection of real estate taxes and special assessments from real estate owners. These collections are periodically apportioned to local governments in the County.

Regional Planning Commission Fund

The fund was established by Knox County Regional Planning Commission with revenue generated based on cents per capita from all municipalities and townships within Knox County. The expenses are to contract or plan such information and reports as may be necessary to operate the Commission.

Workers Compensation Fund

The fund accounts for workers' compensation payments collected from local governments in the County and paid to the State.

Public Defender Indigent Fund

The fund was established for the collection of fees to be remitted to the Ohio Public Defender's Office.

(Continued)

Agency Funds

Inmate Fund

The fund accounts for monies held by the sheriff's department that belong to the prisoners. The money is distributed to the commissary or to the prisoner upon release.

Township Fund

The fund accounts for the portion of permissive taxes, gasoline tax and local government money to be distributed to the townships in the County.

Payroll Fund

The fund accounts for payroll taxes and other related payroll deductions accumulated from the governmental and proprietary funds for distribution to other governmental units and private organizations.

Park District Fund

The fund accounts for the collection of grants and donations to preserve county parks and recreation areas. Expenses are mainly to maintain and purchase additional parks within the county.

Forfeited Land Fund

The fund accounts for revenue received from property foreclosures. The money received is distributed to the appropriate funds to cover delinquent taxes and assessments.

KNOX COUNTY, OHIO

***Combining Statement Of Assets and Liabilities
Agency Funds
December 31, 2010***

	Undivided Personal Property Tax	Undivided Real Estate Tax	All Other Agency	Totals
Assets:				
Cash and Cash Equivalents	\$379	\$2,625,340	\$2,344,587	\$4,970,306
Cash and Cash Equivalents in Segregated Accounts	0	0	408,850	408,850
Receivables:				
Taxes	816	55,415,434	0	55,416,250
Accounts	0	0	6,937	6,937
Special Assessments	0	17,617	0	17,617
Intergovernmental	0	0	3,137,419	3,137,419
Total Assets	<u>\$1,195</u>	<u>\$58,058,391</u>	<u>\$5,897,793</u>	<u>\$63,957,379</u>
Liabilities:				
Intergovernmental Payable	\$1,195	\$58,058,391	\$3,986,591	\$62,046,177
Undistributed Monies	0	0	402,420	402,420
Due to Others	0	0	1,508,782	1,508,782
Total Liabilities	<u>\$1,195</u>	<u>\$58,058,391</u>	<u>\$5,897,793</u>	<u>\$63,957,379</u>

KNOX COUNTY, OHIO**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
District Board of Health				
Assets:				
Cash and Cash Equivalents	\$ 824,721	\$ 3,218,019	\$ (3,190,974)	\$ 851,766
Total Assets	<u>\$ 824,721</u>	<u>\$ 3,218,019</u>	<u>\$ (3,190,974)</u>	<u>\$ 851,766</u>
Liabilities:				
Due to Others	\$ 824,721	\$ 3,218,019	\$ (3,190,974)	\$ 851,766
Total Liabilities	<u>\$ 824,721</u>	<u>\$ 3,218,019</u>	<u>\$ (3,190,974)</u>	<u>\$ 851,766</u>
Soil and Water Conservation				
Assets:				
Cash and Cash Equivalents	\$ 169,329	\$ 283,941	\$ (263,233)	\$ 190,037
Total Assets	<u>\$ 169,329</u>	<u>\$ 283,941</u>	<u>\$ (263,233)</u>	<u>\$ 190,037</u>
Liabilities:				
Due to Others	\$ 169,329	\$ 283,941	\$ (263,233)	\$ 190,037
Total Liabilities	<u>\$ 169,329</u>	<u>\$ 283,941</u>	<u>\$ (263,233)</u>	<u>\$ 190,037</u>
Corporation				
Assets:				
Cash and Cash Equivalents	\$ 124,045	\$ 763,588	\$ (754,624)	\$ 133,009
Intergovernmental Receivable	178,414	181,890	(178,414)	181,890
Total Assets	<u>\$ 302,459</u>	<u>\$ 945,478</u>	<u>\$ (933,038)</u>	<u>\$ 314,899</u>
Liabilities:				
Intergovernmental Payable	\$ 302,459	\$ 945,478	\$ (933,038)	\$ 314,899
Total Liabilities	<u>\$ 302,459</u>	<u>\$ 945,478</u>	<u>\$ (933,038)</u>	<u>\$ 314,899</u>
Local Government				
Assets:				
Intergovernmental Receivable	\$ 918,395	\$ 939,497	\$ (918,395)	\$ 939,497
Total Assets	<u>\$ 918,395</u>	<u>\$ 939,497</u>	<u>\$ (918,395)</u>	<u>\$ 939,497</u>
Liabilities:				
Intergovernmental Payable	\$ 918,395	\$ 939,497	\$ (918,395)	\$ 939,497
Total Liabilities	<u>\$ 918,395</u>	<u>\$ 939,497</u>	<u>\$ (918,395)</u>	<u>\$ 939,497</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
Law Library				
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 531	\$ (531)	\$ 0
Intergovernmental Receivable	217	0	(217)	0
Total Assets	<u>\$ 217</u>	<u>\$ 531</u>	<u>\$ (748)</u>	<u>\$ 0</u>
Liabilities:				
Intergovernmental Payable	\$ 217	\$ 531	\$ (748)	\$ 0
Total Liabilities	<u>\$ 217</u>	<u>\$ 531</u>	<u>\$ (748)</u>	<u>\$ 0</u>
Library Support				
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 1,489,620	\$ (1,489,620)	\$ 0
Intergovernmental Receivable	690,012	768,965	(690,012)	768,965
Total Assets	<u>\$ 690,012</u>	<u>\$ 2,258,585</u>	<u>\$ (2,179,632)</u>	<u>\$ 768,965</u>
Liabilities:				
Intergovernmental Payable	\$ 690,012	\$ 2,258,585	\$ (2,179,632)	\$ 768,965
Total Liabilities	<u>\$ 690,012</u>	<u>\$ 2,258,585</u>	<u>\$ (2,179,632)</u>	<u>\$ 768,965</u>
Lodging Tax				
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 125,577	\$ (125,576)	\$ 1
Accounts Receivable	4,864	6,937	(4,864)	6,937
Total Assets	<u>\$ 4,864</u>	<u>\$ 132,514</u>	<u>\$ (130,440)</u>	<u>\$ 6,938</u>
Liabilities:				
Due to Others	4,864	\$ 132,514	\$ (130,440)	\$ 6,938
Total Liabilities	<u>\$ 4,864</u>	<u>\$ 132,514</u>	<u>\$ (130,440)</u>	<u>\$ 6,938</u>
Cigarette Tax				
Assets:				
Cash and Cash Equivalents	\$ 505	\$ 7,825	\$ (8,205)	\$ 125
Total Assets	<u>\$ 505</u>	<u>\$ 7,825</u>	<u>\$ (8,205)</u>	<u>\$ 125</u>
Liabilities:				
Intergovernmental Payable	\$ 505	\$ 7,825	\$ (8,205)	\$ 125
Total Liabilities	<u>\$ 505</u>	<u>\$ 7,825</u>	<u>\$ (8,205)</u>	<u>\$ 125</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
Manufactured Home Tax				
Assets:				
Cash and Cash Equivalents	\$ 28,251	\$ 185,052	\$ (190,893)	\$ 22,410
Total Assets	<u>\$ 28,251</u>	<u>\$ 185,052</u>	<u>\$ (190,893)</u>	<u>\$ 22,410</u>
Liabilities:				
Intergovernmental Payable	\$ 28,251	\$ 185,052	\$ (190,893)	\$ 22,410
Total Liabilities	<u>\$ 28,251</u>	<u>\$ 185,052</u>	<u>\$ (190,893)</u>	<u>\$ 22,410</u>
County Court Agency				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$ 509,044	\$ 10,169,956	\$ (10,274,747)	\$ 404,253
Total Assets	<u>\$ 509,044</u>	<u>\$ 10,169,956</u>	<u>\$ (10,274,747)</u>	<u>\$ 404,253</u>
Liabilities:				
Intergovernmental Payable	\$ 0	\$ 6,233,500	\$ (6,233,500)	\$ 0
Undistributed Monies	500,612	402,420	(500,612)	402,420
Due to Others	8,432	3,534,036	(3,540,635)	1,833
Total Liabilities	<u>\$ 509,044</u>	<u>\$ 10,169,956</u>	<u>\$ (10,274,747)</u>	<u>\$ 404,253</u>
Undivided Personal Property Tax				
Assets:				
Cash and Cash Equivalents	\$ 577	\$ 1,444,191	\$ (1,444,389)	\$ 379
Receivables:				
Taxes	82,502	816	(82,502)	816
Total Assets	<u>\$ 83,079</u>	<u>\$ 1,445,007</u>	<u>\$ (1,526,891)</u>	<u>\$ 1,195</u>
Liabilities:				
Intergovernmental Payable	\$ 83,079	\$ 1,445,007	\$ (1,526,891)	\$ 1,195
Total Liabilities	<u>\$ 83,079</u>	<u>\$ 1,445,007</u>	<u>\$ (1,526,891)</u>	<u>\$ 1,195</u>
Estate Tax				
Assets:				
Cash and Cash Equivalents	\$ 712,674	\$ 1,231,911	\$ (1,425,514)	\$ 519,071
Total Assets	<u>\$ 712,674</u>	<u>\$ 1,231,911</u>	<u>\$ (1,425,514)</u>	<u>\$ 519,071</u>
Liabilities:				
Intergovernmental Payable	\$ 712,674	\$ 1,231,911	\$ (1,425,514)	\$ 519,071
Total Liabilities	<u>\$ 712,674</u>	<u>\$ 1,231,911</u>	<u>\$ (1,425,514)</u>	<u>\$ 519,071</u>

(Continued)

KNOX COUNTY, OHIO

**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
Undivided Real Estate Tax				
Assets:				
Cash and Cash Equivalents	\$ 2,464,257	\$ 52,250,171	\$ (52,089,088)	\$ 2,625,340
Receivables:				
Taxes	54,186,055	55,415,434	(54,186,055)	55,415,434
Special Assessments	3,597	17,617	(3,597)	17,617
Total Assets	<u>\$ 56,653,909</u>	<u>\$ 107,683,222</u>	<u>\$ (106,278,740)</u>	<u>\$ 58,058,391</u>
Liabilities:				
Intergovernmental Payable	\$ 56,653,909	\$ 107,683,222	\$ (106,278,740)	\$ 58,058,391
Total Liabilities	<u>\$ 56,653,909</u>	<u>\$ 107,683,222</u>	<u>\$ (106,278,740)</u>	<u>\$ 58,058,391</u>
Regional Planning Commission				
Assets:				
Cash and Cash Equivalents	\$ 58,840	\$ 72,608	\$ (75,951)	\$ 55,497
Total Assets	<u>\$ 58,840</u>	<u>\$ 72,608</u>	<u>\$ (75,951)</u>	<u>\$ 55,497</u>
Liabilities:				
Due to Others	\$ 58,840	\$ 72,608	\$ (75,951)	\$ 55,497
Total Liabilities	<u>\$ 58,840</u>	<u>\$ 72,608</u>	<u>\$ (75,951)</u>	<u>\$ 55,497</u>
Workers' Compensation				
Assets:				
Cash and Cash Equivalents	\$ 9,094	\$ 332,633	\$ (341,727)	\$ 0
Intergovernmental Receivable	28,600	22,665	(28,600)	22,665
Total Assets	<u>\$ 37,694</u>	<u>\$ 355,298</u>	<u>\$ (370,327)</u>	<u>\$ 22,665</u>
Liabilities:				
Intergovernmental Payable	\$ 37,694	\$ 355,298	\$ (370,327)	\$ 22,665
Total Liabilities	<u>\$ 37,694</u>	<u>\$ 355,298</u>	<u>\$ (370,327)</u>	<u>\$ 22,665</u>
Public Defender Indigent				
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 11,731	\$ (11,731)	\$ 0
Intergovernmental Receivable	909	1,122	(909)	1,122
Total Assets	<u>\$ 909</u>	<u>\$ 12,853</u>	<u>\$ (12,640)</u>	<u>\$ 1,122</u>
Liabilities:				
Intergovernmental Payable	\$ 909	\$ 12,853	\$ (12,640)	\$ 1,122
Total Liabilities	<u>\$ 909</u>	<u>\$ 12,853</u>	<u>\$ (12,640)</u>	<u>\$ 1,122</u>

(Continued)

KNOX COUNTY, OHIO**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
Inmate				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$ 1,660	\$ 86,861	\$ (83,924)	\$ 4,597
Total Assets	<u>\$ 1,660</u>	<u>\$ 86,861</u>	<u>\$ (83,924)</u>	<u>\$ 4,597</u>
Liabilities:				
Due to Others	\$ 1,660	\$ 86,861	\$ (83,924)	\$ 4,597
Total Liabilities	<u>\$ 1,660</u>	<u>\$ 86,861</u>	<u>\$ (83,924)</u>	<u>\$ 4,597</u>
Township				
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 2,965,969	\$ (2,965,969)	\$ 0
Intergovernmental Receivable	1,191,623	1,223,280	(1,191,623)	1,223,280
Total Assets	<u>\$ 1,191,623</u>	<u>\$ 4,189,249</u>	<u>\$ (4,157,592)</u>	<u>\$ 1,223,280</u>
Liabilities:				
Intergovernmental Payable	1,191,623	\$ 4,189,249	\$ (4,157,592)	\$ 1,223,280
Total Liabilities	<u>\$ 1,191,623</u>	<u>\$ 4,189,249</u>	<u>\$ (4,157,592)</u>	<u>\$ 1,223,280</u>
Payroll				
Assets:				
Cash and Cash Equivalents	\$ 174,769	\$ 17,785,282	\$ (17,783,411)	\$ 176,640
Total Assets	<u>\$ 174,769</u>	<u>\$ 17,785,282</u>	<u>\$ (17,783,411)</u>	<u>\$ 176,640</u>
Liabilities:				
Intergovernmental Payable	\$ 173,024	\$ 6,112,439	\$ (6,110,906)	\$ 174,557
Due to Others	1,745	11,672,843	(11,672,505)	2,083
Total Liabilities	<u>\$ 174,769</u>	<u>\$ 17,785,282</u>	<u>\$ (17,783,411)</u>	<u>\$ 176,640</u>
Park District				
Assets:				
Cash and Cash Equivalents	\$ 321,963	\$ 1,569,626	\$ (1,495,558)	\$ 396,031
Intergovernmental Receivable	0	0	0	0
Total Assets	<u>\$ 321,963</u>	<u>\$ 1,569,626</u>	<u>\$ (1,495,558)</u>	<u>\$ 396,031</u>
Liabilities:				
Due to Others	\$ 321,963	\$ 1,569,626	\$ (1,495,558)	\$ 396,031
Total Liabilities	<u>\$ 321,963</u>	<u>\$ 1,569,626</u>	<u>\$ (1,495,558)</u>	<u>\$ 396,031</u>

(Continued)

KNOX COUNTY, OHIO**Combining Statement Of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
Forfeited Land Fund				
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 91,171	\$ (91,171)	\$ 0
Total Assets	<u>\$ 0</u>	<u>\$ 91,171</u>	<u>\$ (91,171)</u>	<u>\$ 0</u>
Liabilities:				
Intergovernmental Payable	\$ 0	\$ 91,171	\$ (91,171)	\$ 0
Total Liabilities	<u>\$ 0</u>	<u>\$ 91,171</u>	<u>\$ (91,171)</u>	<u>\$ 0</u>
All Agency Funds				
Assets:				
Cash and Cash Equivalents	\$ 4,889,025	\$ 83,829,446	\$ (83,748,165)	\$ 4,970,306
Cash and Cash Equivalents in Segregated Accounts	510,704	10,256,817	(10,358,671)	408,850
Receivables:				
Taxes	54,268,557	55,416,250	(54,268,557)	55,416,250
Accounts	4,864	6,937	(4,864)	6,937
Special Assessments	3,597	17,617	(3,597)	17,617
Intergovernmental	3,008,170	3,137,419	(3,008,170)	3,137,419
Total Assets	<u>\$ 62,684,917</u>	<u>\$ 152,664,486</u>	<u>\$ (151,392,024)</u>	<u>\$ 63,957,379</u>
Liabilities:				
Intergovernmental Payable	\$ 60,792,751	\$ 131,691,618	\$ (130,438,192)	\$ 62,046,177
Undistributed Monies	500,612	402,420	(500,612)	402,420
Due to Others	1,391,554	20,570,448	(20,453,220)	1,508,782
Total Liabilities	<u>\$ 62,684,917</u>	<u>\$ 152,664,486</u>	<u>\$ (151,392,024)</u>	<u>\$ 63,957,379</u>

*C*OMPONENT *U*NITS

KNOX COUNTY, OHIO

Statement of Cash Flows

Component Unit

For the Year Ended December 31, 2010

	Knox County Airport
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Customers	\$460,312
Cash Payments to Suppliers for Goods and Services	(301,177)
Cash Payments to Employees for Service	(122,628)
Other Operating Receipts	7,348
Net Cash Provided by Operating Activities	<u>43,855</u>
<u>Cash Flows from Noncapital and Related Financing Activities:</u>	
Operating Grant	46,000
Net Cash Provided by Noncapital and Related Financing Activities	<u>46,000</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>	
Capital Grant	90,829
Acquisition of Capital Assets	(117,586)
Debt Principal Retirement	(34,100)
Interest Paid on Debt	(33,830)
Net Cash Used for Capital and Related Financing Activities	<u>(94,687)</u>
Net Decrease in Cash and Cash Equivalents	(4,832)
Cash and Cash Equivalents at Beginning of Year	383,125
Cash and Cash Equivalents at End of Year	<u>\$378,293</u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Loss	(\$113,777)
Adjustments to Reconcile Operating Loss to	
Net Cash Provided by Operating Activities:	
Depreciation Expense	157,588
Miscellaneous Nonoperating Income	278
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(2,980)
Increase in Inventory	(16,229)
Increase in Accounts Payable	20,925
Decrease in Due to Primary Government	(1,950)
Total Adjustments	<u>157,632</u>
Net Cash Provided by Operating Activities	<u>\$43,855</u>



STATISTICAL SECTION



STATISTICAL TABLES

This part of the County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the County’s financial position has changed over time.	
Revenue Capacity	S 14 – S 21
These schedules contain information to help the reader understand and assess the factors affecting the County’s ability to generate its most significant local revenue sources, which is property tax.	
Debt Capacity	S 22 – S 31
These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.	
Economic and Demographic Information	S 32 – S 35
These schedules offer economic and demographic indicators to help the reader understand the environment within which the County’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 36 – S 43
These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.	

Knox County, Ohio

*Net Assets by Component
Last Eight Years
(accrual basis of accounting)*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				(2)
Invested in Capital Assets, Net of Related Debt (1)	\$41,056,331	\$41,903,085	\$43,886,006	\$46,821,271
Restricted	13,036,753	16,527,301	17,680,936	19,237,519
Unrestricted	6,935,912	5,031,146	4,973,565	5,001,152
Total Governmental Activities Net Assets	<u>\$61,028,996</u>	<u>\$63,461,532</u>	<u>\$66,540,507</u>	<u>\$71,059,942</u>
Business-type Activities:				
Invested in Capital Assets, Net of Related Debt	\$3,025,719	\$2,979,054	\$2,865,970	\$2,801,699
Unrestricted (Deficit) (3)	(299,060)	60,693	411,799	673,904
Total Business-type Activities Net Assets	<u>\$2,726,659</u>	<u>\$3,039,747</u>	<u>\$3,277,769</u>	<u>\$3,475,603</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	\$44,082,050	\$44,882,139	\$46,751,976	\$49,622,970
Restricted	13,036,753	16,527,301	17,680,936	19,237,519
Unrestricted	6,636,852	5,091,839	5,385,364	5,675,056
Total Primary Government Net Assets	<u>\$63,755,655</u>	<u>\$66,501,279</u>	<u>\$69,818,276</u>	<u>\$74,535,545</u>

(1) Net assets were restated for 2003 as a result of reporting infrastructure capital assets in 2004.

Source: County Auditor's Office

(2) Net Assets were restated for 2006 as a result of a prior period adjustment.

(3) Net Assets were restated for 2009 as a result of a prior period adjustment.

Knox County, Ohio

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$46,412,153	\$46,177,057	\$46,246,780	\$49,273,409
19,198,230	17,732,203	19,974,016	23,119,705
6,207,084	4,195,953	4,374,081	5,154,707
<u>\$71,817,467</u>	<u>\$68,105,213</u>	<u>\$70,594,877</u>	<u>\$77,547,821</u>
\$3,028,127	\$2,759,725	\$3,214,860	\$3,904,705
874,504	1,310,052	2,398,616	2,308,792
<u>\$3,902,631</u>	<u>\$4,069,777</u>	<u>\$5,613,476</u>	<u>\$6,213,497</u>
\$49,440,280	\$48,936,782	\$49,461,640	\$53,178,114
19,198,230	17,732,203	19,974,016	23,119,705
7,081,588	5,506,005	6,772,697	7,463,499
<u>\$75,720,098</u>	<u>\$72,174,990</u>	<u>\$76,208,353</u>	<u>\$83,761,318</u>

Knox County, Ohio

Changes in Net Assets Last Eight Years (accrual basis of accounting)

	2003	2004	2005	2006
Expenses				(2)
Governmental Activities:				
Legislative and Executive	\$7,089,635	\$7,278,991	\$6,122,181	\$6,400,430
Judicial	1,769,703	1,934,458	2,039,252	2,229,258
Public Safety	5,386,148	5,733,059	6,043,282	6,107,506
Public Works (1)	3,636,612	5,427,085	5,712,117	5,621,382
Health	466,347	478,172	395,115	454,620
Human Services	11,960,600	12,136,393	11,524,199	12,300,815
Intergovernmental	0	0	1,684,505	1,651,020
Interest and Fiscal Charges	619,855	584,434	553,327	520,280
<i>Total Governmental Activities Expenses</i>	<u>30,928,900</u>	<u>33,572,592</u>	<u>34,073,978</u>	<u>35,285,311</u>
Business-type Activities:				
Sewer	956,011	1,070,213	1,230,448	1,187,566
Landfill	(250,562)	0	0	34,461
<i>Total Business-type Activities Expenses</i>	<u>705,449</u>	<u>1,070,213</u>	<u>1,230,448</u>	<u>1,222,027</u>
<i>Total Primary Government Expenses</i>	<u>\$31,634,349</u>	<u>\$34,642,805</u>	<u>\$35,304,426</u>	<u>\$36,507,338</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Legislative and Executive	\$1,791,213	\$1,621,133	\$1,465,367	\$1,495,793
Judicial	594,876	575,094	614,890	618,580
Public Safety	524,686	706,810	723,825	668,569
Public Works	34,775	20,935	121,981	88,200
Health	159,619	139,786	151,504	148,866
Human Services	218,962	183,466	317,279	317,346
Operating Grants and Contributions	11,219,722	14,788,683	12,593,812	15,852,404
Capital Grants and Contributions	657,936	1,547,194	1,309,141	2,514,692
<i>Total Governmental Activities Program Revenues</i>	<u>15,201,789</u>	<u>19,583,101</u>	<u>17,297,799</u>	<u>21,704,450</u>

(1) Expenses were restated for 2003 as a result of reporting infrastructure capital assets in 2004.

(2) Net Assets were restated for 2006 as a result of a prior period adjustment.

(3) Capital Grants and Contributions were restated for 2009 as a result of a prior period adjustment.

Knox County, Ohio

2007	2008	2009	2010
\$6,596,815	\$7,669,993	\$6,145,058	\$6,035,909
2,178,492	2,255,167	2,180,208	2,101,009
6,023,816	6,416,779	6,524,287	6,675,712
6,966,197	6,624,205	5,542,229	6,104,722
551,510	473,310	466,915	471,674
14,053,643	15,647,060	13,726,641	11,532,090
2,081,824	2,057,835	2,053,506	2,039,618
499,031	476,946	473,944	272,330
38,951,328	41,621,295	37,112,788	35,233,064
1,035,406	1,488,318	1,254,142	1,293,085
0	0	17,563	0
1,035,406	1,488,318	1,271,705	1,293,085
\$39,986,734	\$43,109,613	\$38,384,493	\$36,526,149
\$1,333,018	\$1,469,638	\$1,538,388	\$1,536,183
625,573	610,516	674,700	848,202
736,359	857,152	872,700	996,967
61,676	109,294	58,177	67,621
170,066	184,077	220,784	223,267
230,807	305,353	361,484	307,143
16,638,278	15,860,786	14,313,536	13,682,020
848,177	417,569	1,086,915	3,273,856
20,643,954	19,814,385	19,126,684	20,935,259

(Continued)

Knox County, Ohio

Changes in Net Assets Last Eight Years (accrual basis of accounting)

	2003	2004	2005	2006
Business-type Activities:				(2)
Charges for Services				
Sewer	1,056,339	1,143,970	1,262,302	1,236,912
Landfill	0	0	0	0
Operating Grants and Contributions	0	0	0	0
Capital Grants and Contributions (3)	178,508	168,456	145,523	74,693
<i>Total Business-type Activities Program Revenues</i>	1,234,847	1,312,426	1,407,825	1,311,605
<i>Total Primary Government Program Revenues</i>	16,436,636	20,895,527	18,705,624	23,016,055
Net (Expense)/Revenue				
Governmental Activities	(15,727,111)	(13,989,491)	(16,776,179)	(13,580,861)
Business-type Activities	529,398	242,213	177,377	89,578
<i>Total Primary Government Net (Expense)/Revenue</i>	(\$15,197,713)	(\$13,747,278)	(\$16,598,802)	(\$13,491,283)
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$4,529,804	\$3,457,090	\$3,784,744	\$4,022,446
Special Purposes	1,898,784	3,845,521	4,114,004	3,902,459
Sales Taxes	4,599,207	4,808,365	5,262,248	5,359,260
Intergovernmental Revenues, Unrestricted	2,311,657	1,943,098	1,849,740	2,027,126
Investment Earnings	336,429	413,663	734,177	1,241,601
Miscellaneous	945,500	2,025,165	2,161,733	1,561,855
Transfers	(797,113)	(70,875)	(60,645)	(14,451)
<i>Total Governmental Activities</i>	13,824,268	16,422,027	17,846,001	18,100,296
Business-type Activities:				
Investment Earnings	0	0	0	93,805
Transfers	797,113	70,875	60,645	14,451
<i>Total Business-type Activities</i>	797,113	70,875	60,645	108,256
<i>Total Primary Government</i>	\$14,621,381	\$16,492,902	\$17,906,646	\$18,208,552
Change in Net Assets				
Governmental Activities	(\$1,902,843)	\$2,432,536	\$1,069,822	\$4,519,435
Business-type Activities	1,326,511	313,088	238,022	197,834
<i>Total Primary Government Change in Net Assets</i>	(\$576,332)	\$2,745,624	\$1,307,844	\$4,717,269

Source: County Auditor's Office

Knox County, Ohio

2007	2008	2009	2010
1,298,431	1,340,980	1,418,102	1,450,720
21,017	18,635	0	127,089
0	0	0	107,135
56,368	39,998	1,225,478	114,730
<u>1,375,816</u>	<u>1,399,613</u>	<u>2,643,580</u>	<u>1,799,674</u>
<u>22,019,770</u>	<u>21,213,998</u>	<u>21,770,264</u>	<u>22,734,933</u>
(18,307,374)	(21,806,910)	(17,986,104)	(14,297,805)
340,410	(88,705)	1,371,875	506,589
<u>(\$17,966,964)</u>	<u>(\$21,895,615)</u>	<u>(\$16,614,229)</u>	<u>(\$13,791,216)</u>
\$3,823,813	\$3,653,400	\$3,847,226	\$3,810,053
4,188,238	3,989,314	6,352,299	6,350,981
5,404,743	5,439,281	4,951,627	5,726,806
2,357,839	2,758,915	3,259,260	3,175,551
1,499,020	707,531	421,128	150,227
1,784,125	1,732,961	1,777,222	2,106,347
7,121	(186,746)	(132,994)	(69,216)
<u>19,064,899</u>	<u>18,094,656</u>	<u>20,475,768</u>	<u>21,250,749</u>
93,739	69,105	38,830	24,216
(7,121)	186,746	132,994	69,216
<u>86,618</u>	<u>255,851</u>	<u>171,824</u>	<u>93,432</u>
<u>\$19,151,517</u>	<u>\$18,350,507</u>	<u>\$20,647,592</u>	<u>\$21,344,181</u>
\$757,525	(\$3,712,254)	\$2,489,664	\$6,952,944
427,028	167,146	1,543,699	600,021
<u>\$1,184,553</u>	<u>(\$3,545,108)</u>	<u>\$4,033,363</u>	<u>\$7,552,965</u>

Knox County, Ohio

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2001	2002	2003	2004	2005
General Fund					
Reserved	\$366,090	\$876,922	\$648,831	\$462,282	\$594,697
Unreserved	3,745,579	2,841,066	2,554,864	2,622,071	1,700,477
<i>Total General Fund</i>	<u>4,111,669</u>	<u>3,717,988</u>	<u>3,203,695</u>	<u>3,084,353</u>	<u>2,295,174</u>
All Other Governmental Funds					
Reserved	2,461,234	1,513,524	1,909,605	1,838,062	2,183,810
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	9,302,740	8,792,392	8,049,545	10,093,651	11,804,232
Debt Service Funds	578,545	635,619	0	0	0
Capital Projects Funds	2,210,498	1,878,745	2,107,380	1,245,265	819,622
<i>Total All Other Governmental Funds</i>	<u>14,553,017</u>	<u>12,820,280</u>	<u>12,066,530</u>	<u>13,176,978</u>	<u>14,807,664</u>
<i>Total Governmental Funds</i>	<u>\$18,664,686</u>	<u>\$16,538,268</u>	<u>\$15,270,225</u>	<u>\$16,261,331</u>	<u>\$17,102,838</u>

Source: County Auditor's Office

Knox County, Ohio

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$497,138	\$662,662	\$601,554	\$473,903	\$492,106
<u>1,988,947</u>	<u>2,089,151</u>	<u>1,200,614</u>	<u>1,717,030</u>	<u>2,122,349</u>
<u>2,486,085</u>	<u>2,751,813</u>	<u>1,802,168</u>	<u>2,190,933</u>	<u>2,614,455</u>
2,233,541	2,552,965	1,465,703	1,712,120	1,112,747
12,891,879	12,763,343	10,536,832	14,071,965	17,820,875
0	0	0	0	0
<u>411,586</u>	<u>611,413</u>	<u>750,308</u>	<u>727,137</u>	<u>488,410</u>
<u>15,537,006</u>	<u>15,927,721</u>	<u>12,752,843</u>	<u>16,511,222</u>	<u>19,422,032</u>
<u>\$18,023,091</u>	<u>\$18,679,534</u>	<u>\$14,555,011</u>	<u>\$18,702,155</u>	<u>\$22,036,487</u>

Knox County, Ohio

Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2001	2002	2003	2004
Revenues:				
Taxes	\$9,787,810	\$9,728,904	\$11,603,148	\$12,050,302
Intergovernmental Revenues	20,708,975	17,011,475	14,428,199	18,715,280
Charges for Services	2,836,828	2,983,209	3,115,139	3,075,611
Licenses and Permits	117,776	108,978	122,658	123,798
Investment Earnings	1,536,669	390,210	332,673	403,721
Special Assessments	404,081	185,399	232,199	214,232
Fines and Forfeitures	66,336	82,526	89,492	75,621
All Other Revenue	1,070,933	1,246,036	945,500	1,778,066
Total Revenue	<u>36,529,408</u>	<u>31,736,737</u>	<u>30,869,008</u>	<u>36,436,631</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive	4,860,082	5,028,221	5,983,455	6,715,071
Judicial	1,574,654	1,751,198	1,759,399	1,924,466
Public Safety	4,448,211	4,707,732	4,953,020	5,734,322
Public Works	4,086,178	3,976,355	4,223,164	4,651,423
Health	285,930	315,828	405,707	415,342
Human Services	13,297,236	12,088,490	11,853,157	12,187,436
Conservation and Recreation	0	2,000	0	0
Other	30,071	1,396	0	0
Intergovernmental	0	0	0	0
Capital Outlay	10,181,363	5,902,503	1,539,268	2,447,070
Debt Service:				
Principal Retirement	472,028	712,870	703,075	718,296
Interest and Fiscal Charges	833,265	709,687	622,997	587,622
Total Expenditures	<u>40,069,018</u>	<u>35,196,280</u>	<u>32,043,242</u>	<u>35,381,048</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,539,610)	(3,459,543)	(1,174,234)	1,055,583

Knox County, Ohio

2005	2006	2007	2008	2009	2010
\$13,187,367	\$13,209,994	\$13,383,880	\$13,117,298	\$15,086,952	\$15,417,736
16,017,172	19,943,838	19,842,435	17,551,214	20,211,095	20,029,661
3,136,918	3,100,123	2,909,318	3,224,427	3,398,465	3,555,170
128,829	120,094	138,752	167,644	208,226	213,560
690,552	1,150,972	1,380,218	639,692	414,462	147,357
47,240	29,938	25,227	46,702	29,374	10,092
81,119	85,710	95,514	93,224	87,929	175,180
2,155,115	1,572,986	1,995,442	1,761,323	1,793,579	1,962,072
<u>35,444,312</u>	<u>39,213,655</u>	<u>39,770,786</u>	<u>36,601,524</u>	<u>41,230,082</u>	<u>41,510,828</u>
6,733,588	6,377,665	6,437,179	6,880,886	6,228,729	5,725,837
2,020,580	2,255,843	2,168,442	2,216,707	2,179,242	2,086,329
5,549,473	5,699,038	5,696,130	6,000,693	6,371,465	6,633,390
5,934,571	5,094,317	5,751,430	5,080,715	4,446,632	4,932,333
329,875	385,050	478,587	449,367	415,995	417,456
12,144,183	12,259,649	14,098,762	15,250,656	13,643,822	11,579,167
0	0	0	0	0	0
0	0	0	0	0	0
0	1,651,020	2,081,824	2,057,835	2,053,506	2,039,618
2,704,731	3,457,932	1,696,281	1,358,922	1,940,957	3,791,073
666,806	637,433	658,364	732,105	769,696	940,226
550,847	524,549	502,744	480,876	468,746	450,375
<u>36,634,654</u>	<u>38,342,496</u>	<u>39,569,743</u>	<u>40,508,762</u>	<u>38,518,790</u>	<u>38,595,804</u>
(1,190,342)	871,159	201,043	(3,907,238)	2,711,292	2,915,024

(Continued)

Knox County, Ohio

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2001	2002	2003	2004
Other Financing Sources (Uses):				
Insurance Recoveries	0	0	0	0
Proceeds from the Sale of Capital Assets	60,581	35,610	0	0
Proceeds of Bonds	8,225,000	0	0	0
Proceeds of Notes	0	0	0	0
Refunding General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Refunding Bonds		0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Inception of Capital Lease	15,730	0	0	0
Ohio Public Works Commission Loan	0	0	0	32,704
Ohio Water Development Authority Loan	0	0	0	0
Loan Issued	0	0	0	0
General Obligation Bonds Issued	0	1,360,000	0	0
Premium on General Obligation Bonds	0	1,630	0	0
Transfers In	855,125	1,085,895	1,978,354	1,269,966
Transfers Out	(940,225)	(1,245,742)	(2,131,323)	(1,340,841)
Total Other Financing Sources (Uses)	<u>8,216,211</u>	<u>1,237,393</u>	<u>(152,969)</u>	<u>(38,171)</u>
Net Change in Fund Balance	<u>\$4,676,601</u>	<u>(\$2,222,150)</u>	<u>(\$1,327,203)</u>	<u>\$1,017,412</u>
Debt Service as a Percentage of Noncapital Expenditures	4.39%	4.51%	4.44%	4.12%

Source: County Auditor's Office

Knox County, Ohio

2005	2006	2007	2008	2009	2010
0	0	0	0	0	196,488
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	7,470,000
0	0	0	0	0	162,962
0	0	0	0	0	(7,413,303)
135,302	0	165,700	0	144,777	0
0	0	356,656	119,189	0	13,276
0	0	0	0	661,648	34,483
0	0	0	0	600,000	0
0	0	0	0	0	0
0	0	0	0	0	0
1,983,541	1,995,279	1,715,767	1,822,278	1,268,939	1,012,338
(2,044,186)	(2,009,730)	(1,708,646)	(2,009,024)	(1,401,933)	(1,081,554)
<u>74,657</u>	<u>(14,451)</u>	<u>529,477</u>	<u>(67,557)</u>	<u>1,273,431</u>	<u>394,690</u>
<u>(\$1,115,685)</u>	<u>\$856,708</u>	<u>\$730,520</u>	<u>(\$3,974,795)</u>	<u>\$3,984,723</u>	<u>\$3,309,714</u>
3.81%	3.53%	3.14%	3.17%	3.56%	4.12%

Knox County, Ohio

Assessed Valuations and Estimated True Values of Taxable Property
(per \$1,000 of assessed value)
Last Ten Years
(dollar amounts in thousands)

Tax year	2001	2002	2003	2004
Real Property				
Assessed	\$693,254	\$707,736	\$809,928	\$832,520
Actual	1,980,726	2,022,103	2,314,080	2,378,629
Public Utility				
Assessed	46,059	38,254	38,990	39,157
Actual	184,234	153,015	155,961	156,630
Tangible Personal Property				
Assessed	123,909	97,689	111,165	104,743
Actual	495,636	390,756	444,660	418,972
Total				
Assessed	863,222	843,679	960,083	976,420
Actual	2,660,596	2,565,874	2,914,701	2,954,231
Assessed Value as a Percentage of Actual Value	32.44%	32.88%	32.94%	33.05%
Total Direct Tax Rate	\$8.70	\$8.70	\$9.70	\$9.70

Source: County Auditor's Office

Property is revalued every six years. Assessed value of Real Property are at 35% of Estimated True Value. Assessed value of Public Utility is at 25% and Assessed Value of Tangible Personal Property is at 25% through 2005, at 18.75% for 2006, 12.5% for 2007, and 6.25% for 2008 and 0% for 2009 and forward.

Knox County, Ohio

2005	2006	2007	2008	2009	2010
\$853,649 2,438,997	\$954,584 2,727,383	\$979,076 2,797,360	\$989,454 2,827,011	\$1,117,820 3,193,771	\$1,123,007 3,208,591
39,394 157,577	39,517 158,068	39,535 158,140	33,611 134,444	34,933 139,732	37,862 151,448
101,788 407,152	96,790 516,213	77,143 617,144	70,367 1,125,872	0 0	0 0
994,831 3,003,726	1,090,891 3,401,664	1,095,754 3,572,644	1,093,432 4,087,327	1,152,753 3,333,503	1,160,869 3,360,039
33.12%	32.07%	30.67%	26.75%	34.58%	34.55%
\$9.70	\$9.70	\$9.70	\$9.49	\$12.59	\$12.59

Knox County, Ohio

Property Tax Rates of Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Years

Collection Year	2001	2002	2003	2004
Direct Rates				
General Fund	3.40	3.40	3.40	3.40
Mental Retardation	2.60	2.60	2.60	2.60
Children Services	1.30	1.30	1.30	1.30
Community Mental Health	1.00	1.00	1.00	1.00
Senior Citizens	0.00	0.00	1.00	1.00
Park District	0.00	0.00	0.00	0.00
Board of Health	0.40	0.40	0.40	0.40
Total	8.70	8.70	9.70	9.70
Overlapping Rates				
City of Mount Vernon	3.20	3.20	3.20	3.20
Villages	3.50 - 8.80	3.50 - 8.80	2.50 - 7.40	2.50 - 7.40
Townships	0.30 - 7.50	0.30 - 7.50	0.30 - 7.60	0.30 - 7.60
In County School Districts	36.74 - 54.53	36.74 - 54.53	35.43 - 54.53	35.43 - 54.53
Out of County School Districts	35.70 - 50.20	35.60 - 50.20	35.00 - 50.20	35.00 - 50.20
Joint Vocational School Districts	2.00 - 6.40	2.00 - 6.40	3.80 - 6.40	2.80 - 6.40
Other Units	0.80 - 5.50	0.80 - 5.50	0.80 - 5.50	0.80 - 5.50

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage of 10 mills.

Source:

Knox County Auditor's Office
Knox County Treasurer's Office

Knox County, Ohio

2005	2006	2007	2008	2009	2010
3.40	3.40	3.40	3.40	3.40	3.40
2.60	2.60	2.60	2.60	5.35	5.35
1.30	1.30	1.30	1.30	1.30	1.30
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	0.79	0.79	0.79
0.00	0.00	0.00	0.00	0.35	0.35
0.40	0.40	0.40	0.40	0.40	0.40
9.70	9.70	9.70	9.49	12.59	12.59
3.20	3.20	3.20	3.20	3.20	3.20
2.50 - 8.60	2.50 - 8.60	2.50 - 8.60	2.50 - 8.60	2.50 - 8.60	2.50 - 8.60
0.30 - 7.60	0.30 - 7.60	0.30 - 9.15	0.30 - 9.15	0.30 - 9.15	0.30 - 9.15
35.29 - 54.09	34.00 - 53.40	33.83 - 48.69	33.83 - 48.69	33.93 - 47.96	33.01 - 48.06
35.17 - 49.25	40.90 - 47.65	34.10 - 47.85	34.10 - 47.85	33.90 - 48.25	32.80 - 48.45
3.00 - 6.40	3.00 - 6.40	3.00 - 6.40	3.00 - 6.40	2.50 - 6.40	2.50 - 6.40
0.80 - 5.50	0.41 - 5.50	0.41 - 5.91	0.41 - 5.91	0.43 - 5.93	1.30 - 5.50



Knox County, Ohio

Principal Taxpayers
Property Tax
Current Year and Nine Years Ago

		2010		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Ohio Power Company	Public Utility	\$21,959,680	1	1.89%
Licking Rural Electrification Inc	Public Utility	6,604,430	2	0.57%
Columbia Gas Transmission	Public Utility	5,450,360	3	0.47%
Ariel Corporation	Business	4,338,580	4	0.37%
FT Precision Inc	Business	4,015,650	5	0.35%
WP Knox Associates	Business	2,946,440	6	0.25%
Cooper Cameron Corporation	Business	2,879,240	7	0.25%
Park National Bank	Business	2,396,580	8	0.21%
Columbia Gas of Ohio	Public Utility	1,991,490	9	0.17%
Jeld Wen Inc	Business	1,872,640	10	0.16%
Subtotal		54,455,090		4.69%
All Others		1,106,414,170		95.31%
Total		<u>\$1,160,869,260</u>		<u>100.00%</u>
		2001		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Ohio Power Company	Public Utility	\$15,135,050	1	1.75%
United Telephone Company	Public Utility	9,742,070	2	1.13%
Ariel Corporation	Business	9,610,320	3	1.11%
Cooper Cameron Corporation	Business	8,804,510	4	1.02%
FT Precision Inc	Business	7,553,080	5	0.87%
Weyerhaeuser Corporation	Business	5,604,500	6	0.65%
Licking Rural Electrification Inc	Public Utility	5,081,260	7	0.59%
Columbia Gas Transmission	Public Utility	4,658,060	8	0.54%
Jeld-Wen Inc	Business	3,745,570	9	0.43%
Mount Vernon Venture LLC	Business	2,887,230	10	0.33%
Subtotal		72,821,650		8.42%
All Others		790,400,072		91.58%
Total		<u>\$863,221,722</u>		<u>100.00%</u>

Source: County Auditor - Land and Buildings

Based on valuation of property in 2010 and 2001

Knox County, Ohio

Property Tax Levies and Collections Last Ten Years

Collection Year	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Current					
Tax Levy (1)	\$6,010,338	\$6,064,379	\$7,427,715	\$7,769,928	\$8,242,873
Current Tax Collections	5,252,434	5,270,552	6,465,083	6,723,319	6,938,026
Percent of Levy Collected	87.39%	86.91%	87.04%	86.53%	84.17%
Delinquent					
Tax Levy (1)	\$300,915	\$353,530	\$400,175	\$471,156	\$465,790
Tax Collections	<u>193,338</u>	<u>227,214</u>	<u>252,150</u>	<u>314,638</u>	<u>336,393</u>
Percent of Levy Collected	64.25%	64.27%	63.01%	66.78%	72.22%
Total					
Tax Levy (1)	\$6,311,253	\$6,417,909	\$7,827,890	\$8,241,084	\$8,708,663
Tax Collections	<u>5,445,772</u>	<u>5,497,766</u>	<u>6,717,233</u>	<u>7,037,957</u>	<u>7,274,419</u>
Percent of Levy Collected	86.29%	85.66%	85.81%	85.40%	83.53%

(1) Taxes levied and collected are presented on a cash basis.

Source: County Auditor's Office

Knox County, Ohio

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$8,472,409	\$9,312,816	\$12,618,876	\$16,511,797	\$16,493,197
7,167,658	7,725,912	7,895,631	11,678,794	11,873,453
84.60%	82.96%	62.57%	70.73%	71.99%
\$385,170	\$519,205	\$468,038	\$603,178	\$658,450
290,919	302,540	328,141	420,656	464,537
75.53%	58.27%	70.11%	69.74%	70.55%
\$8,857,579	\$9,832,021	\$13,086,914	\$17,114,975	\$17,151,647
7,458,577	8,028,452	8,223,772	12,099,450	12,337,990
84.21%	81.66%	62.84%	70.70%	71.93%

Knox County, Ohio

Ratio of Outstanding Debt By Type Last Ten Years

	2001	2002	2003	2004
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$11,435,000	\$12,385,000	\$11,910,000	\$11,420,000
Special Assessment Bonds Payable	695,000	430,000	260,000	90,000
Installment Note	280,000	230,000	175,000	120,000
OPWC Loan Payable	0	0	0	32,704
Ohio Water Development Authority Loans Payable	0	0	0	0
Loan Payable	0	0	0	0
Capital Leases	13,702	10,832	7,757	4,461
Business-type Activities ⁽¹⁾				
Ohio Water Development Authority Loans Payable	\$76,196	\$74,498	\$72,705	\$70,811
Recovery Zone Economic Development Bonds	0	0	0	0
Total Primary Government	<u>\$12,499,898</u>	<u>\$13,130,330</u>	<u>\$12,425,462</u>	<u>\$11,737,976</u>
Population ⁽²⁾				
Knox County	55,445	56,275	57,057	57,757
Outstanding Debt Per Capita	\$225	\$233	\$218	\$203
Income ⁽²⁾				
Personal (in thousands)	1,313,215	1,350,600	1,398,524	1,490,881
Percentage of Personal Income	0.95%	0.97%	0.89%	0.79%

Sources:

(1) Source: County Auditor's Office

(2) US Department of Commerce, Bureau of Economic Analysis

Knox County, Ohio

2005	2006	2007	2008	2009	2010
\$10,910,000	\$10,380,000	\$9,830,000	\$9,260,000	\$8,665,000	\$8,116,354
0	0	0	0	0	0
60,000	0	0	0	0	0
29,434	26,163	343,883	304,948	266,012	239,688
0	0	0	112,609	718,737	714,014
0	0	0	0	591,507	571,502
136,227	92,065	188,337	71,747	144,777	98,362
\$68,810	\$66,695	\$64,462	\$62,103	\$59,611	\$56,978
0	0	0	0	0	6,660,000
<u>\$11,204,471</u>	<u>\$10,564,923</u>	<u>\$10,426,682</u>	<u>\$9,811,407</u>	<u>\$10,445,644</u>	<u>\$16,456,898</u>

54,500	58,456	58,561	58,890	59,373	59,637
\$206	\$181	\$178	\$167	\$176	\$276

1,415,147	1,597,193	1,666,353	1,743,733	1,800,486	1,808,492
0.79%	0.66%	0.63%	0.56%	0.58%	0.91%

Knox County, Ohio

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2001	2002	2003	2004
Population (1)	55,445	56,275	57,057	57,757
Assessed Value (In thousands) (2)	\$863,222	\$843,679	\$960,083	\$976,420
General Bonded Debt (3)				
General Obligation Bonds	\$11,435,000	\$12,385,000	\$11,910,000	\$11,420,000
Resources Available to Pay Principal (4)	\$578,365	\$635,439	\$654,049	\$709,423
Net General Bonded Debt	\$10,856,635	\$11,749,561	\$11,255,951	\$10,710,577
Ratio of Net Bonded Debt to Assessed Value	1.26%	1.39%	1.17%	1.10%
Net Bonded Debt per Capita	\$195.81	\$208.79	\$197.28	\$185.44

Source:

- (1) US Department of Commerce, Bureau of Economic Analysis
- (2) Source: County Auditor's Office
- (3) Includes all general obligation bonded debt supported by property taxes.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Knox County, Ohio

2005	2006	2007	2008	2009	2010
54,500	58,456	58,561	58,890	59,373	59,637
\$994,831	\$1,090,891	\$1,095,754	\$1,093,432	\$1,152,753	\$1,160,869
\$10,910,000	\$10,380,000	\$9,830,000	\$9,260,000	\$8,665,000	\$8,116,354
\$635,926	\$655,708	\$659,431	\$354,890	\$239,708	\$122,588
\$10,274,074	\$9,724,292	\$9,170,569	\$8,905,110	\$8,425,292	\$7,993,766
1.03%	0.89%	0.84%	0.81%	0.73%	0.69%
\$188.52	\$166.35	\$156.60	\$151.22	\$141.90	\$134.04



Knox County, Ohio

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2010*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to County (1)</u>	<u>Amount Applicable to County</u>
Direct:			
Knox County	\$8,116,354	100.00%	\$8,116,354
Overlapping:			
All Cities wholly within the County	6,881,718	100.00%	6,881,718
All Townships wholly within the County	60,015	100.00%	60,015
All School Districts wholly within the County	24,629,443	100.00%	24,629,443
Clear Fork School District	5,693,511	8.00%	455,481
		Subtotal	<u>32,026,657</u>
		Total	<u><u>\$40,143,011</u></u>

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the County by the total assessed valuation of the political subdivision. The valuations used were for the 2010 collection year.

Source: Knox County Auditor

Knox County, Ohio

Debt Limitations Last Ten Years

Collection Year	2001	2002	2003	2004
Total Debt				
Net Assessed Valuation	\$863,221,722	\$843,678,684	\$960,084,059	\$976,420,398
Legal Debt Limitation (%) (1)(a)	2.33%	2.32%	2.34%	2.35%
Legal Debt Limitation (\$) (1)	20,080,543	19,591,967	22,502,101	22,910,510
County Debt Outstanding (2)	4,855,000	6,025,000	5,778,000	5,524,000
Less: Applicable Debt Service Fund Amounts	(578,365)	635,439	(654,049)	(709,423)
Net Indebtedness Subject to Limitation	<u>4,276,635</u>	<u>6,660,439</u>	<u>5,123,951</u>	<u>4,814,577</u>
Overall Legal Debt Margin	<u>\$15,803,908</u>	<u>\$12,931,528</u>	<u>\$17,378,150</u>	<u>\$18,095,933</u>
Unvoted Debt				
Net Assessed Valuation	\$863,221,722	\$843,678,684	\$960,084,059	\$976,420,398
Legal Debt Limitation (%) (1)(b)	1.00%	1.00%	1.00%	1.00%
Legal Debt Limitation (\$) (1)	8,632,217	8,436,787	9,600,841	9,764,204
County Debt Outstanding (2)	4,855,000	6,025,000	5,778,000	5,524,000
Less: Applicable Debt Service Fund Amounts	(578,365)	635,439	(654,049)	(709,423)
Net Indebtedness Subject to Limitation	<u>4,276,635</u>	<u>6,660,439</u>	<u>5,123,951</u>	<u>4,814,577</u>
Overall Legal Debt Margin	<u>\$4,355,582</u>	<u>\$1,776,348</u>	<u>\$4,476,890</u>	<u>\$4,949,627</u>

- (1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.
 (a) 3% of first \$100,000,000 of assessed value, 1.5% of next \$200,000,000; 2.5% of assessed value in excess of \$300,000,000.
 (b) 1% of assessed value.

(2) County Debt Outstanding excludes Special Assessment Bonds and Correctional Facility Bonds
 Source: Knox County Auditor

Knox County, Ohio

2005	2006	2007	2008	2009	2010
\$994,830,648	\$1,090,891,142	\$1,095,753,457	\$1,093,432,139	\$1,152,752,950	\$1,160,869,260
2.35%	2.36%	2.36%	2.36%	2.37%	2.37%
23,370,766	25,772,279	25,893,836	25,835,803	27,318,824	27,521,732
5,258,000	4,980,000	4,690,000	4,392,000	4,077,000	3,548,354
(635,926)	(655,708)	(659,431)	(354,890)	(239,708)	(122,588)
4,622,074	4,324,292	4,030,569	4,037,110	3,837,292	3,425,766
<u>\$18,748,692</u>	<u>\$21,447,987</u>	<u>\$21,863,267</u>	<u>\$21,798,693</u>	<u>\$23,481,532</u>	<u>\$24,095,966</u>
\$994,830,648	\$1,090,891,142	\$1,095,753,457	\$1,093,432,139	\$1,152,752,950	\$1,160,869,260
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
9,948,306	10,908,911	10,957,535	10,934,321	11,527,530	11,608,693
5,258,000	4,980,000	4,690,000	4,392,000	4,077,000	3,548,354
(635,926)	(655,708)	(659,431)	(354,890)	(239,708)	(122,588)
4,622,074	4,324,292	4,030,569	4,037,110	3,837,292	3,425,766
<u>\$5,326,232</u>	<u>\$6,584,619</u>	<u>\$6,926,966</u>	<u>\$6,897,211</u>	<u>\$7,690,238</u>	<u>\$8,182,927</u>

Knox County, Ohio

Pledged Revenue Coverage Last Ten Years

	2001	2002	2003	2004
Special Assessment Bonds (1)				
Special Assessment Collections	\$398,271	\$326,743	\$224,787	\$201,221
Debt Service				
Principal	295,000	250,000	170,000	170,000
Interest	90,894	62,025	37,925	22,731
Coverage	1.03	1.05	1.08	1.04

(1) Sewer District Special Assessment Bonds were issued in 1982 for \$620,000, in 1984 for \$650,000, and in 1985 for \$940,000.

Source: Knox County Auditor

Knox County, Ohio

2005	2006	2007	2008	2009	2010
\$37,155	\$18,195	\$12,517	\$32,944	\$10,445	\$0
90,000	0	0	0	0	0
7,538	0	0	0	0	0
0.38	N/A	N/A	N/A	N/A	N/A

Knox County, Ohio

Demographic and Economic Statistics Last Ten Years

Calendar Year	2001	2002	2003	2004
Population (1)				
Knox County	55,445	56,275	57,057	57,757
Income (1)				
Total Personal (in thousands)	1,313,215	1,350,600	1,398,524	1,490,881
Per Capita (1)(a)	23,685	24,000	24,511	25,813
Unemployment Rate (2)				
Federal	3.8%	4.8%	5.8%	6.0%
State	3.7%	4.3%	5.7%	6.1%
Knox County	3.7%	4.7%	5.8%	5.6%
Civilian Work Force Estimates (2)				
State	5,857,000	5,828,000	5,915,000	5,875,300
Knox County	26,600	26,900	27,600	29,200

Sources:

(1) US Department of Commerce, Bureau of Economic Analysis

(a) Information is only available through 2009. For the presentation of 2010 statistics the County is using the latest information available.

(2) State Department of Labor Statistics

Knox County, Ohio

2005	2006	2007	2008	2009	2010
54,500	58,456	58,561	58,890	59,373	59,637
1,415,147	1,597,193	1,666,353	1,743,733	1,800,486	1,808,492
25,966	27,323	28,455	29,610	30,325	30,325
5.5%	5.0%	4.6%	5.8%	9.3%	9.4%
6.0%	5.9%	5.6%	6.6%	10.8%	9.5%
5.4%	5.1%	5.4%	6.3%	11.4%	9.0%
5,900,400	5,934,000	5,976,500	5,986,400	5,905,107	5,893,907
30,100	30,500	31,000	30,800	30,051	30,100



Knox County, Ohio

Principal Employers Current Year and Five Years Ago

Employer	Nature of Business	2010		
		Number of Employees	Rank	Percentage of Total Employment
Rolls Royce Energy Systems	Business	1,200	1	4.3%
Ariel Corporation	Business	918	2	3.3%
Knox Community Hospital	Business	816	3	2.9%
Kenyon College	Education	602	4	2.1%
Mount Vernon City Schools	Education	547	5	2.0%
Mount Vernon Development Center	Business	465	6	1.7%
Kokosing Construction Company	Business	450	7	1.6%
Knox County	County Government	434	8	1.5%
Mount Vernon Nazarene University	Education	400	9	1.4%
Wal-Mart	Business	365	10	1.3%
Total		6,197		
Total Employment within the County		28,040		

Employer	Nature of Business	2005		
		Number of Employees	Rank	Percentage of Total Employment
Rolls Royce Energy Systems	Business	850	1	2.8%
Ariel Corporation	Business	835	2	2.8%
Kenyon College	School	697	3	2.3%
Mount Vernon Nazarene University	School	537	4	1.8%
TRW Automotives	Business	513	5	1.7%
Knox Community Hospital	Business	483	6	1.6%
Mount Vernon City Schools	School	481	7	1.6%
Mount Vernon Developmental	Business	463	8	1.5%
Knox County	County Government	425	9	1.4%
Kokosing Construction Co Inc	Business	400	10	1.3%
Total		5,684		
Total Employment within the County		30,100		

Sources:

Area Development Foundation

Information on Principal Employers is not available prior to 2005.

Knox County, Ohio

Full Time Equivalent Employees by Function Last Ten Years

	2001	2002	2003	2004	2005
Governmental Activities					
General Government					
Legislative and Executive					
Commissioners	21	22	18	16	18
Auditor	11	12	12	10	10
Treasurer	5	5	5	5	5
Prosecutor	8	8	7	8	8
Board of Elections	4	4	4	4	4
Recorder	6	6	6	6	5
Judicial					
Public Defender	6	6	6	6	6
Probate	4	3	6	6	4
Clerk of Courts	11	12	13	14	11
Common Pleas	9	9	10	10	11
Juvenile	18	19	17	18	15
Municipal Court	4	4	4	4	4
Public Safety					
Sheriff	53	56	60	64	66
911 Emergency Calling	20	23	24	26	26
Coroner	1	1	1	1	1
Emergency Management Agency	2	2	3	2	2
Public Works					
Roads and Bridges	39	39	40	36	39
Maps	3	3	3	3	3
Human Services					
MRDD	76	82	86	90	83
Public Assistance	54	56	55	55	56
Child Support Enforcement	12	14	14	13	13
Childrens Services	17	18	15	15	15
Veterans Services	2	2	3	4	6
Health					
Animal Control	3	3	4	3	3
Business-Type Activities					
Utilities					
Sewer	12	9	10	11	11
<i>Total Employees</i>	<u>401</u>	<u>418</u>	<u>426</u>	<u>430</u>	<u>425</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: County Auditor's Office

Knox County, Ohio

2006	2007	2008	2009	2010
17	17	18	18	17
10	10	10	9	9
5	5	5	5	5
7	8	10	9	8
5	5	5	6	4
6	5	5	4	5
6	6	6	6	6
5	5	4	3	3
10	12	12	10	12
12	11	13	12	12
16	16	19	19	18
4	4	4	4	4
65	70	63	60	63
25	26	27	28	30
1	1	1	1	1
3	2	3	3	2
38	36	37	35	34
3	3	3	3	2
77	63	59	33	31
61	63	63	60	54
13	12	14	14	14
15	18	19	21	21
6	5	4	5	5
5	5	5	5	4
11	11	10	10	10
426	419	419	383	374

Knox County, Ohio

Operating Indicators by Function Last Ten Years

	2001	2002	2003	2004	2005
Governmental Activities					
General Government					
Legislative and Executive					
Number of Tax Bills	39,373	39,768	40,126	40,444	40,719
Number of Registered Voters	30,709	31,630	31,897	36,972	34,776
Number of Documents Recorded	20,069	18,556	21,325	15,925	16,242
Judicial					
Number of Probation Cases	358	301	305	298	309
Number of Traffic Cases	543	551	476	391	416
Number of Marriage Licenses	393	401	396	429	467
Public Safety					
Sheriff					
Number of Burglaries	167	193	178	159	199
Number of Larceny Investigations	462	312	377	408	381
Number of Traffic Accidents	548	435	446	392	292
Public Works					
Roads and Bridges					
Number of Tons of Asphalt Used	14,102	6,551	17,309	8,458	13,654
Number of Bridges Replaced	6	7	13	16	13
Number of Culverts Replaced	45	31	46	132	117
Human Service					
MRDD					
Number of Programs Offered	6	6	6	5	5
Number of Individuals Served	325	363	341	379	396
Number of Individuals on Waiting Lists	158	107	120	242	237
Health					
Number of Birth & Death Certificates Issued	4,106	4,267	4,314	4,340	4,440
Number of Sewage Permits Issued	276	315	278	263	218
Number of Patients Served in Medical Clinic	404	1,198	1,471	1,502	1,740

Knox County, Ohio

2006	2007	2008	2009	2010
41,374	41,374	41,016	40,678	34,561
36,349	36,123	38,846	39,072	40,304
14,819	12,375	11,162	12,730	10,562
277	310	292	305	314
442	350	355	288	327
462	412	390	361	353
140	203	231	198	187
375	397	391	381	286
249	252	193	141	194
3,816	10,059	10,804	10,692	11,744
15	6	4	7	13
122	106	38	27	27
5	8	6	13	14
345	365	405	428	444
289	354	215	235	276
4,312	4,230	3,788	3,709	3,565
284	111	126	123	112
1,662	1,483	1,708	1,529	1,460

(Continued)

Knox County, Ohio

*Operating Indicators by Function
Last Ten Years*

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Business-Type Activities					
Sewer					
Number of Water Leaks	25	23	34	14	12
Number of New Services	109	99	122	99	101
Number of Install of Grinder Units	3	3	1	2	4

Source: Knox County Auditor

Knox County, Ohio

2006	2007	2008	2009	2010
12	37	31	28	26
65	41	37	32	29
4	3	1	0	0

Knox County, Ohio

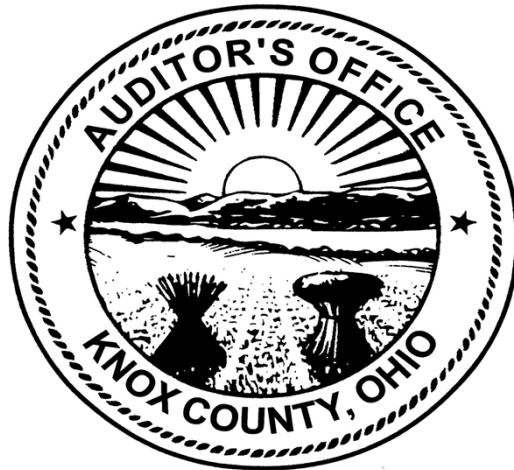
Capital Asset Statistics by Function Last Ten Years

	2001	2002	2003	2004	2005
Governmental Activities					
General Government					
Legislative and Executive					
Land (acres)	296.799	296.799	272.592	272.592	272.592
Buildings	54	54	54	54	55
Vehicles	4	4	5	6	5
Judicial					
Buildings	2	2	2	2	2
Public Safety					
Sheriff					
Stations	1	1	1	1	1
Vehicles	27	28	29	30	32
Public Works					
Land (acres)	10.180	10.180	10.180	10.180	10.180
Buildings	8	8	8	8	8
Vehicles	48	47	46	46	44
Health					
Land (acres)	3.180	3.180	3.180	3.180	3.180
Buildings	3	3	3	3	3
Vehicles	3	3	4	4	4
Human Services					
Land (acres)	23.546	23.546	23.546	23.546	23.546
Buildings	13	13	13	13	13
Vehicles	21	21	20	21	16
Business-Type Activities					
Utilities					
Sewer					
Land (acres)	86.626	86.626	86.626	86.626	86.626
Buildings	19	19	19	19	19
Sewerlines (Miles)	1,001,268	1,001,268	1,001,268	1,001,268	1,001,268
Vehicles	7	7	7	7	7
Landfill					
Land (acres)	229.569	229.569	229.569	229.569	229.569

Source: County Auditor's Office

Knox County, Ohio

2006	2007	2008	2009	2010
272.592	272.592	272.592	327.232	327.232
55	55	55	55	55
5	5	4	4	4
2	2	2	2	2
1	1	1	1	1
33	31	32	32	32
10.180	10.180	10.180	10.180	10.180
8	8	8	8	8
44	35	40	38	40
3.180	3.180	3.180	3.180	3.180
5	5	5	5	5
4	6	4	4	4
23.546	23.546	23.546	23.546	23.546
13	13	13	13	13
18	17	8	8	9
86.626	86.626	90.409	90.639	125.540
19	19	19	19	20
1,001,268	1,001,268	1,001,268	1,001,268	1,001,268
7	7	9	8	9
229.569	229.569	229.569	229.569	229.569





Dave Yost • Auditor of State

KNOX COUNTY FINANCIAL CONDITION

KNOX COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
SEPTEMBER 13, 2011