



**Auditor of State
Betty Montgomery**

PREBLE COUNTY
TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report..... (Under a Separate Cover)	
Comprehensive Annual Financial Report (Under a Separate Cover)	
Schedule of Federal Awards Expenditures.....	1
Notes to the Schedule of Federal Awards Expenditures	3
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	5
Independent Accounts' Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133	7
Schedule of Findings.....	9
Schedule of Prior Audit Findings	13

This page intentionally left blank.

PREBLE COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2002

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
<i>Passed Through Ohio Department of Development:</i>			
Community Development Distress Block Grant	B-X-01-063-1	14.228	25,355
Community Development Block Grant	B-F-00-063-1		13,255
	B-F-01-063-1		80,775
Total Community Development Block Grant			<u>119,384</u>
Total U.S. Department of Housing and Urban Development			<u>119,384</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Department of Justice Forfeiture Funds	N/A	N/A	4,754
Local Law Enforcement Block Grant	FY2001	16.592	18,455
Bulletproof Vest Partnership Program	02012246	16.607	11,524
<i>Passed Through Ohio Attorney General's Office:</i>			
Crime Victim Assistance	2002VAGENE199	16.575	28,262
	2002VAGENE199T		7,954
	2002VAGENE504		19,501
	2002VAGENE504T		6,410
Total Crime Victim Assistance			<u>62,127</u>
<i>Total Passed Through Ohio Attorney General's Office</i>			<u>62,127</u>
Total U.S. Department of Justice			<u>96,859</u>
<u>U.S. DEPARTMENT OF FEDERAL HIGHWAY ADMINISTRATION</u>			
<i>Passed through the Ohio Dept. of Transportation</i>			
Highway Planning and Construction:		20.205	
CR24 Guardrail Project	PID21318		7,804
Guardrail Replacement Project	PID21466		10,587
Eaton Lewisburg Bridge Replacement	PID23010		326,638
Brubaker Covered Bridge Project	PID24248		5,748
Construction Management Project	PID23141		93,961
2002 Design/Build Project	PID24434		810,147
Total Highway Planning and Construction			<u>1,254,884</u>
Total U.S. Department of Federal Highway Administration			<u>1,254,884</u>
<u>U.S. DEPARTMENT OF FEDERAL EMERGENCY MANAGEMENT ASSISTANCE</u>			
<i>Passed Through Ohio Department of Public Safety:</i>			
Emergency Management State and Local Assistance		83.552	25,370
Total U.S. Department of Federal Emergency Management Assistance			<u>25,370</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed Through Ohio Department Of Public Safety</i>			
Community Surface Transportation Program	1945.0	20.600	2,400
STEP Enforcement Project	1890.0		9,801
STEP Enforcement Project	GR-1B/LE		986
Total U.S. Department of Transportation			<u>13,187</u>

PREBLE COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<u>U.S DEPARTMENT OF LABOR</u>			
<i>Passed Through the State of Ohio Job & Family Services</i>			
One Stop Career Center Initiative	N/A	17.257	23,806
Workforce Investment Act Cluster:			
Workforce Investment Act - Adult	N/A	17.258	178,319
Workforce Investment Act - Adult Administrative			<u>27,416</u>
Workforce Investment Act Adult Total			205,735
Workforce Investment Act- Youth	N/A	17.259	93,833
Workforce Investment Act- Youth Administrative			<u>6,181</u>
Workforce Investment Act - Youth Total			100,014
Workforce Investment Act - Dislocated Worker	N/A	17.260	88,934
Workforce Investment Act - Dislocated Worker Administrative			<u>1,327</u>
Workforce Investment Act - Dislocated Worker Total			90,261
Total Workforce Investment Act			<u>396,010</u>
<i>Total Passed Through the State of Ohio Job & Family Services</i>			<u>419,817</u>
Total U.S. Department of Labor			419,817
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities</i>			
Title XX Social Service Block Grant	N/A	93.667	33,632
<i>Passed Through Ohio Department of Mental Health</i>			
Title XX Social Service Block Grant	N/A	93.667	<u>22,174</u>
Total Title XX Social Service Block Grant			55,806
<i>Passed Through Ohio Department of Mental Health:</i>			
Title XIX Medical Assistance Program	N/A	93.778	244,664
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Title XIX Medical Assistance Program	N/A	93.778	100,472
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>			
Title XIX Medical Assistance Program	N/A	93.778	<u>531,511</u>
Total Title XIX Medical Assistance Program			876,646
<i>Passed Through Ohio Department of Mental Health:</i>			
Community Mental Service Block Grant	N/A	93.958	41,404
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Block Grant for the Prevention and Treatment of Substance Abuse	N/A	93.959	94,711
Total U.S. Department of Health and Human Services			<u>1,068,567</u>
Total			<u>\$2,998,068</u>

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

PREBLE COUNTY

**FISCAL YEAR ENDED DECEMBER 31, 2002
NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – SUBRECIPIENTS

Preble County passes-through certain Federal assistance received from the U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development to other governments and not-for-profit agencies (subrecipients). As described in Note A, Preble County records expenditures of Federal awards to subrecipients when paid in cash.

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

NOTE C – MATCHING REQUIREMENTS

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

NOTE D – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The Community Development Block Grant revolving loan program expenditures include loans to County residents based on income eligibility. These loans were used for the repair of private homes. Interest is not assessed on these loans. As of December 31, 2002, the balance of loans outstanding is \$139,418. The County is no longer taking applications for this program and recaptured funds are returned to the Ohio Department of Development if they exceed \$25,000 in one year. Recaptured amounts of less than \$25,000 may be retained by the County and used for general fund purposes the year after they are received. These loans are collateralized by mortgages on the property.

NOTE E – THE HOME IMPROVEMENT PARTNERSHIP

The Home Improvement Partnership program provided loans to County residents based on income eligibility. These loans were used to assist with the down payment for first-time home buyers and the rehabilitation of private residences. Interest is not assessed on these loans. As of December 31, 2002, the balance of loans outstanding is \$157,044. Preble County is no longer taking applications for this program and any recaptured funds are returned to the Ohio Department of Development. These loans are collateralized by mortgages on the property.

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

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

Preble County
100 East Main Street
Eaton, Ohio 45320

To the Board of County Commissioners:

We have audited the general-purpose financial statements of Preble County, Ohio (the County), as of and for the year ended December 31, 2002, and have issued our report thereon dated June 27, 2003, where we noted that the Sewer and Landfill Funds (representing all Enterprise Funds), have accumulated deficits as of December 31, 2002 of \$251,988 and \$4,120,252, respectively, and which referenced the report of other auditors of the component unit (L & M Products). We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the component unit (L & M Products), were not audited in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the County in a separate letter dated June 27, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a matter involving the internal control over financial reporting and its operation that we consider to be reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the County's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 2002-001.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

We also noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to management of the County in a separate letter dated June 27, 2003.

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

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

Betty Montgomery
Auditor of State

June 27, 2003



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Preble County
100 East Main Street
Eaton, Ohio 45320

To the Board of County Commissioners:

Compliance

We have audited the compliance of the Preble County, Ohio (the County), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2002. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2002. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings as items 2002-002 and 2002-003. We noted certain instances of noncompliance that do not require inclusion in this report that we have reported to management of the County in a separate letter dated June 27, 2003.

Internal Control Over Compliance

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

250 W. Court St. / Suite 150 E / Cincinnati, OH 45202
Telephone: (513) 361-8550 (800) 368-7419 Fax: (513) 361-8577
www.auditor.state.oh.us

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect Preble County's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings as items 2002-002 and 2002-003.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the County as of and for the year ended December 31, 2002, and have issued our report thereon dated June 27, 2003, where we noted that the Sewer and Landfill Funds (representing all Enterprise Funds), have accumulated deficits as of December 31, 2002 of \$251,988 and \$4,120,252, respectively, and which referenced the report of other auditors of the component unit (L & M Products). We did not audit the financial statements of L & M Products, Preble County's component unit, which were audited by other auditors. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

June 27, 2003

PREBLE COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2002

1. SUMMARY OF AUDITOR'S RESULTS

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

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

FINDING NUMBER 2002-001

Reportable Condition

Review of departmental level sick and vacation leave records disclosed that for departments tested, we found the following errors:

1. The Preble County Metal Health and Recovery Board (MH & RB) was found to not be in compliance with their Board policy for vacation leave. The MH&RB Vacation Policy, section 3, in effect during the audit period states, "Vacation leave shall be taken by the employee during the year in which it accrued and prior to the next recurrence of the anniversary date of his/her employment provided, the appointing authority may, in special cases, permit such employee to accumulate and carry over his/her vacation leave to the following year, as stated in Section 325.19 of the ORC, but in no case shall the carry over exceed three (3) years accrual."

**FINDING NUMBER 2002-001
(Continued)**

Review of the Mental Health and Recovery Board (MH&RB) leave records revealed that the Executive Director had accumulated vacation totaling 1,410 hours as of December 31, 2002. Based on their policy, the Executive Director's maximum vacation accrual at any given time should not exceed 480 hours. There was no evidence supplied to the auditors that the Mental Health and Recovery Board authorized any vacation carryover for any employees. The Auditor of State determined the Executive Director's vacation balance as of December 31, 2002 to be 271 hours per current Board policy.

In order to accurately reflect the Executive Director's vacation leave balance, we recommend the MH&RB adjust their records to reflect 271 hours of vacation leave as of December 31, 2002 for this individual.

2. Additionally, in the MH&RB at December 31, 2002, the secretary's sick leave balance was found to be overstated by 15.12 hours. The chief financial officer's sick leave balance was found to be overstated by 16.12 hours. The Children's Coordinator's sick leave balance was overstated by 35.6 hours.

In order to accurately reflect the sick leave balances for the secretary, chief financial officer, and the children's coordinator; we recommend the MH & RB adjust their records to reduce the sick leave hours as listed above as of December 31, 2002 for these individuals.

3. The MH&RB Executive Director had 11 occurrences of leave time being used without a corresponding leave request form completed and approved. There were three other occurrences where the leave time used did not match the leave request form. Other employees of the MH&RB had five instances where time cards were not being approved and three instances where leave forms were not completed or approved.
4. Common Pleas Court and the Treasurer's office did not use any sick or vacation leave forms. The Juvenile Court and Prosecutor employees did not always use sick or vacation leave request forms as required by adopted policies pertaining to each department.

Inaccurate leave forms and timesheets could cause the County to pay compensation and leave to an employee that has not earned it, or conversely, not credit an employee for leave time earned or time worked. Also, inaccurate leave balances or timesheets could cause the County to pay an employee too much, or pay too much upon the employee's termination or retirement which could result in a finding for recovery.

**FINDING NUMBER 2002-001
 (Continued)**

We recommend that the following procedures for timesheets, sick and vacation leave records:

1. All leave should be requested on the appropriate leave form.
2. All leave forms should be signed by the employee.
3. All leave forms should be signed and approved by the employee's supervisor.
4. Sick and vacation leave balances should be maintained for all employees.
5. Leave used on the attendance record should agree to the leave forms.
6. Timesheets should be signed by the employee and supervisor.
7. Timesheets should indicate the number of hours of leave time used and the type of leave used.

We also recommend the departments consider having the County Auditor's office payroll function centralize leave records and balances for all departments. The leave records on the system should be reconciled with each department periodically.

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2002-002
CFDA Title and Number	Community Development Block Grant, CFDA #14.228
Federal Award Number / Year	B-F-00-063-1, B-F-01-063-1
Federal Agency	United States Department of Housing and Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance and Reportable Condition

The Ohio Department of Development's Office of Housing and Community Partnership Financial Management Rules and Regulations Handbook, Section (A)(3)(f), states that grantees must develop a cash management system to ensure compliance with the Fifteen-Day Rule relating to prompt disbursement of funds. This rule states that funds drawn down should be limited to amounts that will enable the grantee to disburse funds on hand to a balance of less than \$5,000 within fifteen days of receipt of any funds. Lump sum draw downs are not permitted.

Preble County has not developed a cash management system which ensures compliance with the Fifteen-Day Rule and did not consistently comply with the Fifteen-Day Rule. For example, project funds were received in the amount of \$37,500 on 11/08/02 and disbursed on 12/18/02, and in the amount \$25,200 on 9/30/02 and disbursed on 10/23/02 and 11/20/02.

We recommend the County review the cash management requirements within the OHCP Financial Management Rules and Regulations Handbook and establish policies and procedures to ensure that draw downs are made in compliance with the Fifteen-Day Rule. Some suggestions are: obtain approval for the work from the applicable entity prior to making a drawdown for payment to the contractor; or make transfers from the General Fund to cover cost and request drawdown subsequent to payment to the contractor.

Finding Number	2002-003
CFDA Title and Number	Workforce Investment Act Cluster: 17.258 (Adult), 17.259 (Youth) and 17.260 (Dislocated Worker).
Federal Award Number / Year	None Available
Federal Agency	United States Department of Labor
Pass-Through Agency	Ohio Department of Development

Noncompliance and Reportable Condition

20 CFR, Section 664.320, requires 30% of Youth Activity Funds (\$100,014) allocated to the local areas, except for the local area expenditures for administration, must be used to provide services to out-of-school youth. The Preble County Department of Job and Family Services did not meet the requirement of using 30% (\$30,004) of youth funding for the out-of-school youth programs. Only 11.7% (\$11,702) was spent on out-of school-youth programs.

Failure to comply with this requirement may result in the loss of Workforce Investment Act federal funding.

We recommend the Preble County Department of Job and Family Services implement procedures to ensure the 30% out-of-school expenditures requirement is met.

PREBLE COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2002

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2001-60368-001	Finding for Recovery repaid under audit.	Yes	N/A
2001-60368-002	Noncompliance with federal cash management regulations for CDBG grant.	No	Reissued as finding number 2002-002.

Preble County, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2002

Issued by:
County Auditor's Office

Harold E. Yoder
Preble County Auditor

This Page Intentionally Left Blank

PREBLE COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2002

Table of Contents

INTRODUCTORY SECTION

Table of Contents i
 Letter of Transmittal vi
 GFOA Certificate of Achievement xv
 List of Elected Officials xvi
 Organizational Chart xvii

FINANCIAL SECTION

Report of Independent Accountants 1

General Purpose Financial Statements
 (Combined Statements Overview)

General Purpose Financial Statements Description 3

Combined Balance Sheet - All Fund Types,
 Account Groups and Discretely Presented Component Unit 4

Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - All Governmental
 Fund Types and Expendable Trust Funds 9

Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds 10

Combined Statement of Revenues, Expenses
 and Changes in Retained Earnings (Deficit)/Fund Balances - All Proprietary
 Fund Types and Nonexpendable Trust Funds 12

Combined Statement of Revenues, Expenses
 and Changes in Fund Equity - Budget and Actual
 (Budget Basis) - All Proprietary Fund Types and Nonexpendable Trust Funds 13

Combined Statement of Cash Flows - All Proprietary Fund Types 15

Statement of Activities and Changes in Net Assets - Discretely Presented Component Unit 17

Statement of Cash Flows - Discretely Presented Component Unit 18

Notes to the General Purpose Financial Statements 19

PREBLE COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2002

Table of Contents
 (Continued)

Financial Statements and Schedules of Individual Funds and Account Groups.....	64
General Fund:	
Fund Description	65
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis).....	66
Special Revenue Funds:	
Fund Descriptions	72
Combining Balance Sheet.....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis):	
Motor Vehicle and Gas Tax Fund.....	87
Dog and Kennel Fund	88
Human Services Fund.....	89
Marriage License Fund.....	90
Community Mental Health Fund.....	91
Children Services Fund	92
Mental Retardation Levy Fund	93
Preble Victim Witness Fund	94
Real Estate Assessment Fund	95
Ditch Maintenance Fund	96
9-1-1 Emergency Services Fund	97
Ohio Children's Trust Fund	98
Preble County Jail Inmates Fund	99
Preble County Intervention Team Fund	100
Computer Maintenance Fund.....	101
Indigent Guardianship Fund	102
Probate Court - Conduct of Business Fund.....	103
Enforcement and Education Fund.....	104
Child Support Enforcement Fund	105
Computer Legal Research Fund	106
Ohio Law Enforcement Fund.....	107
Youth Services Subsidy Fund	108
Community Development Block Grant Fund.....	109
Certificate of Title Administration Fund	110
Ohio Election Commission Fund	111
Indigent Driver's Alcohol Treatment Fund.....	112
Geographical Information System Fund.....	113
Preble County CASA/GAL Program Fund.....	114
Delinquent Real Estate Assessment Fund.....	115
All Special Revenue Funds	116

PREBLE COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2002

Table of Contents
 (Continued)

Debt Service Funds:	
Fund Descriptions	121
Combining Balance Sheet.....	122
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	123
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis):	
Jail Bond Retirement Fund.....	124
Human Services Bond Retirement Fund.....	125
Agricultural Society Bond Retirement Fund	126
All Debt Service Funds.....	127
Capital Projects Funds:	
Fund Descriptions	128
Combining Balance Sheet.....	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	132
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis):	
Ditch Construction Fund.....	135
Jail Construction Fund.....	136
Permanent Improvement Fund.....	137
Human Services Building Fund	138
County Road 24 Guardrail Project Fund	139
County Highways 41/24/14/97 Guardrail Projects Fund	140
Eaton Lewisburg Bridge Replacement Fund.....	141
Design and Build Project Fund.....	142
County Road 24 Bridge Replacement Fund.....	143
Brubaker Covered Bridge Fund.....	144
All Capital Projects Funds	145
Enterprise Funds:	
Fund Descriptions	147
Combining Balance Sheet.....	148
Combining Statement of Revenues, Expenses and Changes in Retained Earnings.....	150
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis):	
Sewer Fund.....	151
Landfill Fund.....	152
All Enterprise Funds	153
Combining Statement of Cash Flows.....	154
Internal Service Fund:	
Fund Description	156
Fiduciary Funds:	
Fund Type Description	157
Combining Balance Sheet.....	158

PREBLE COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2002

Table of Contents
 (Continued)

Expendable Trust Funds:	
Fund Descriptions	159
Combining Balance Sheet.....	160
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	161
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis):	
Scholarship Fund	162
Unclaimed Money Fund	163
All Expendable Trust Funds	164
Nonexpendable Trust Funds:	
Fund Descriptions	165
Combining Balance Sheet.....	166
Combining Statement of Revenues, Expenses and Changes in Fund Balances	167
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis):	
Nellie Gregg Trust Fund	168
John Foran Trust Fund.....	169
All Nonexpendable Trust Funds	170
Agency Funds:	
Fund Descriptions	171
Combining Balance Sheet.....	174
Combining Statement of Changes in Assets and Liabilities.....	176
General Fixed Assets Account Group:	
General Fixed Assets Account Group Description	181
Schedule of General Fixed Assets by Sources	182
Schedule of General Fixed Assets by Function and Activity	183
Schedule of Changes in General Fixed Assets by Function and Activity	184
STATISTICAL SECTION	
Statistical Section Description	185
General Governmental Expenditures by Function - Last Ten Years	186
General Governmental Revenues by Source - Last Ten Years	187
Property Tax Levies and Collections - Last Ten Years	188
Assessed Value and Estimated True Value of Taxable Property - Last Ten Years	189
Property Tax Rates - Direct and Overlapping Governments (Per \$1,000 of Assessed Value) - Last Ten Years	190
Special Assessment Billings and Collections - Last Ten Years	191
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Last Ten Years	192

PREBLE COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2002

Table of Contents
(Continued)

Statistical Section (Continued)	
Computation of Legal Debt Margin.....	193
Computation of Direct and Overlapping Debt.....	194
Percent of Annual Debt Service for General Bonded Debt to General Governmental Expenditures - Last Ten Years	195
Demographic Statistics - Last Ten Years	196
Property Values, Construction and Bank Deposits - Last Ten Years.....	197
Principal Taxpayers.....	198
Miscellaneous Statistics	199

Preble County Auditor
HAROLD E. "HAL" YODER
Courthouse, 2nd Floor
Eaton, Ohio 45320



Phone: (937) 456-8148

Fax: (937) 456-8108

June 27, 2003

The Citizens of Preble County
and
Preble County Board of Commissioners
100 East Main Street
Eaton, Ohio 45320

As Auditor of Preble County, I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of Preble County for the year ended December 31, 2002. The CAFR was prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental entities, and represents a significant achievement brought about by the combined efforts of many County departments.

Responsibility for both the accuracy of the data, and the completeness of the presentation, including all disclosures, rests with the management of the County, and in particular the office of the County Auditor. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and operation of the various funds and account groups of the County.

This CAFR is divided into three sections as follows:

1. The Introductory Section contains the table of contents, this letter of transmittal, a GFOA Certificate of Achievement, a list of elected officials and the County's organizational chart.
2. The Financial Section begins with the Report of Independent Accountants and includes the general purpose financial statements and notes and the combining, individual fund and account group statements and schedules, which provide detailed information relative to the general purpose financial statements.
3. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

THE COUNTY

The County was formed by an Act of the Ohio General Assembly on February 15, 1808, and was named for Revolutionary War Naval Commander, Edward Preble.

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

Reporting Entity and Services

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For Preble County, this includes the Preble County Board of Mental Retardation and Developmental Disabilities, Preble County Community Development, and the departments and activities that are directly operated by the elected County officials. The County also operates and maintains a wastewater treatment system and landfill.

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 that are fiscally dependent on the County in that the County approves their budget, the issuance of their debt or the levying of their taxes. L & M Products is a discretely presented component unit of the County.

The Preble County Library Board and the Preble Metropolitan Housing Authority were determined to be related organizations of the County. The Preble County Emergency Management Agency was determined to be a joint venture and the County Commissioner's Association of Ohio Workers' Compensation Group Rating Program provided by The County Commissioner's Association of Ohio Service Corporation (CCAOSC) was determined to be a group purchasing pool.

ECONOMIC CONDITIONS AND OUTLOOK

The County is an agriculturally rich county, with approximately 77 percent or 213,000 acres of County land used for agriculture. The County currently produces corn and soybeans. Ohio Agriculture Statistics for 2001, (the latest information available) state that the 1,170 farms in the County average 182 acres per farm. The average corn yield in 2001 was approximately 164 bushels per acre, with soybeans averaging approximately 46 bushels per acre.

The County's location and transportation routes have contributed greatly to growth in population and industry. The County is conveniently located near State Route 127 and Interstate 70. The County's financial base includes a diverse range of manufacturing and utility companies. The County population has risen nearly 70 percent since 1940; that is well ahead of the pace of most of the Midwest and Ohio.

The County has a mixed economic outlook. One manufacturing facility has closed and a warehouse facility has closed. Several manufacturing companies are continuing to expand their facilities in the County. These companies include (1) Iams (pet foods), which is now a subsidiary of Procter and Gamble, (2) Carl Akey (feed and trucking), (3) Neaton Auto Products, (4) Henny Penny Corporation (food service equipment) and (5) Parker Hannifin Corporation (hydraulic fittings manufacturer).

MAJOR INITIATIVES

Geographical Information System

Preble County has continued to implement a fully functional Geographical Information System (GIS) in 2002. The Preble County GIS was awarded the 2001 Best Practice Award by the Ohio Geographically Referenced Information Program which is a State office made to oversee County GIS programs in the State of Ohio.

With the completion of our digital tax maps, geographic positioned road centerlines, digital pictures of structures, geographically located addresses, and digital aerial photography, we hope to help save lives by giving dispatchers a map tool to speed response time. The Auditor will use the GIS to more accurately tax property. The Engineer will use the GIS to help road and bridge maintenance and planning. These are only a couple of ways the GIS will be used. Many other departments, villages, and the City of Eaton will use the GIS; all trying to better serve Preble County citizens.

A complete review of the County – owned landfill was started during 2002. Many operational options were reviewed. In early 2003, it was decided to continue the status quo operations. Two villages, who did not support the landfill in 2002, have now agreed to support the landfill beginning in 2003.

FINANCIAL INFORMATION

Internal Controls

The management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

In addition, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions in the annual appropriated budget approved by the Board of County Commissioners. Activities of all funds except Agency Funds and the Drug Law Enforcement Special Revenue Fund are included in the annual appropriation budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by object within each department and fund. The County also maintains an encumbrance accounting system as one technique for accomplishing budgetary control. Encumbered amounts outstanding at year-end carry forward to the subsequent year as an authority for expenditure.

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

General Fund

The following schedule presents a summary of General Fund revenues for the year ended December 31, 2002, and the amount and percentage of increases and decreases in relation to prior year revenues.

	2001 Amount	2002 Amount	Percent of Total	Increase (Decrease) From 2001	Percent of Increase (Decrease)
Property Taxes	\$1,412,348	\$1,408,725	16.04%	(\$3,623)	(0.26%)
Permissive Sales Tax	3,932,793	3,788,125	43.13	(144,668)	(3.68)
Charges for Services	1,716,189	1,981,704	22.56	265,515	15.47
Licenses and Permits	3,646	3,415	0.04	(231)	(6.34)
Fines and Forfeitures	107,853	36,058	0.41	(71,795)	(66.57)
Intergovernmental	1,104,916	1,169,551	13.32	64,635	5.85
Interest	726,826	348,647	3.96	(378,179)	(52.03)
Miscellaneous	348,860	47,457	0.54	(301,403)	(86.40)
Total	<u>\$9,353,431</u>	<u>\$8,783,682</u>	<u>100.00%</u>	<u>(\$569,749)</u>	

Charges for services increased due to an increase in receipts for housing of prisoners.

Fines and forfeitures decreased by \$71,795 due to a decrease in court fines in the County.

Interest decreased by \$378,179 due to lower interest rates.

Miscellaneous revenues decreased by \$301,403 due to an decrease in Workers' Compensation refunds, and decreased activities in segregated accounts.

The following schedule presents a summary of General Fund expenditures for the year ended December 31, 2002, and the amount and percentages of increases and decreases in relation to prior year expenditures.

	2001 Amount	2002 Amount	Percent of Total	Increase (Decrease) From 2001	Percent of Increase (Decrease)
General Government					
Legislative and Executive	\$2,900,577	\$3,016,097	33.23%	\$115,520	3.98%
Judicial	1,124,067	1,159,982	12.78	35,915	3.20
Public Safety	3,973,521	4,041,117	44.53	67,596	1.70
Public Works	54,000	27,000	0.30	(27,000)	(50.00)
Health	63,036	71,787	0.80	8,751	13.88
Human Services	211,294	161,941	1.78	(49,353)	23.36
Miscellaneous	400,789	267,941	2.95	(132,848)	(33.15)
Intergovernmental	251,489	329,480	3.63	77,991	31.01
Total	<u>\$8,978,773</u>	<u>\$9,075,345</u>	<u>100.00%</u>	<u>\$173,955</u>	

Public Works decreased by \$27,000 due to the General Fund paying wages for the Motor Vehicle and Gas Tax Special Revenue Fund in 2001.

Health increased by \$8,751 due to an increase in vital statistics expenditures.

Human Services decreased by \$49,353 due to a decrease in soldier's relief expenditures.

Miscellaneous decreased by \$132,848 due to a decrease in attorney fees and payments made to Dayton Power and Light in 2002.

Intergovernmental increased by \$77,991 due an increase in payments made to the Ohio State University Extension Service program.

Special Revenue Funds

The special revenue funds consist primarily of the Motor Vehicle and Gas Tax, Human Services, Community Mental Health, and Mental Retardation Levy Funds.

Special revenue funds, on a combined basis, operated with \$16,375,995 in revenues and other financing sources and \$16,381,239 in expenditures and other financing uses in 2002.

Debt Service Funds

The debt service funds consist of the Earl Ditch Special Assessment, Jail Bond Retirement, Human Services Bond Retirement and Agricultural Society Bond Retirement Funds. Debt service funds, on a combined basis, operated with \$3,913,719 in revenues and other financing sources and \$3,959,160 in debt service expenditures and other financing uses in 2002.

Capital Projects Funds

The capital projects funds consist of the Ditch Construction, Jail Construction, Engineer Building Construction, Issue II, Permanent Improvement, Human Services Building, County Road 24 Guardrail Project, County Highways 41/24/14/97 Guardrail Projects, Eaton Lewisburg Bridge Replacement, Design and Build Project, County Road 24 Bridge Replacement, and Brubaker Covered Bridge funds. Capital projects funds, on a combined basis, operated with \$2,751,897 in revenues and other financing sources and \$2,590,176 in expenditures in 2002. Fund balance of all capital projects funds at December 31, 2002 was \$1,913,818. Capital projects funds will continue to be used to provide resources for capital improvements and renovations, and to acquire fixed assets as the Commissioners authorize expenditures of the cash balance and/or bond and note proceeds.

Proprietary Operations

The enterprise funds operated by the County consist of the Sewer and Landfill Funds. Enterprise funds, on a combined basis, operated with \$2,328,635 in operating and non-operating revenues. The net loss of \$164,113 in 2002 resulted from user charges not covering operational costs. The County anticipates increased revenue and a corresponding decrease in the retained earnings deficit in future years. The County approved a special assessment on each residential dwelling and commercial and industrial properties to finance landfill operations. Collections began in 2002. Revenue from this special assessment is expected to be \$865,000 annually. Also, in April 2002, two additional villages are having their waste disposed of at the landfill, generating additional revenue. Finally, EPA granted approval to the County in 2002 to expand the landfill, which is expected to generate additional revenue.

The internal service fund operated by the County is the Employees Health Insurance Fund. It had \$1,681,605 in operating revenues and transfers - in and recorded a net loss of \$324,624.

Fiduciary Operations

At December 31, 2002, assets recorded in the expendable trust funds, the nonexpendable trust funds and the agency funds were \$144,238, \$34,610 and \$38,124,475, respectively.

DEBT ADMINISTRATION

At December 31, 2002, the County had several debt issues outstanding. These debt issues consisted of \$3,923,437 in governmental general obligation bonds, and \$3,835,812 in proprietary general obligation bonds. The County also had \$758,257 in notes outstanding that were issued in anticipation of long-term bond financing. All notes are backed by the full faith and credit of the County. The County also had \$63,075 in OWDA loans, and \$204,444 in OPWC loans outstanding. These loans were assumed by the County from the Village of West Elkton.

The County's legal debt margin, the ratio of property tax supported by general bonded debt to assessed value, and the amount of bonded debt per capita, are considered to be good indicators of the County's debt position.

The County's debt position as of December 31, 2002, was as follows:

Overall Legal Debt Margin	\$16,617,125
Unvoted Legal Debt Margin	7,246,850
Net General Obligation Bonds	
Payable from Property Taxes	3,040,921
Net General Bonded Debt as a	
Percentage of Assessed Value	0.42%
Net General Bonded Debt per Capita	72.70

CASH MANAGEMENT

The County Treasurer is required by State law to collect certain taxes and to distribute them to various governmental units. The Treasurer is the disbursing agent for expenditures authorized by the Board of Commissioners. The Treasurer must make daily reports showing receipts, payments and balances to the County Auditor, and the books of accounts must always balance with those of the County Auditor. The Treasurer deposits inactive County funds in commercial banks and savings and loans and invests in Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Company Notes, and STAR Ohio. The County pools its cash, other than cash held in segregated accounts and investments with fiscal agents, for investment purposes and for 2002, interest is distributed to the general, special revenue, capital projects, and enterprise funds.

A majority of the County's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent of the public funds on deposit. The collateral is held by trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions.

RISK MANAGEMENT

During 2002, the County contracted with Cincinnati Insurance Company and Monticello Insurance Company for liability, property, boiler and machinery and law enforcement coverage. Coverage provided by the insurance companies is as follows:

Cincinnati Insurance:

Liability	General and Auto Liability (per occurrence)	\$1,000,000
Property		23,513,666
Boiler and Machinery		4,623,683

Monticello Insurance:

Liability	Public Official Errors and Omissions Liability (per occurrence)	1,000,000
Law Enforcement		1,000,000

The County is self-insured for medical, dental, vision and life insurance claims for its employees. An internal service fund was created for this purpose. Claims liabilities and expenses are determined through a case by case review of all claims.

INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered by the Auditor of State with respect to the general purpose financial statements for the fund types and the account groups of the County for the year ended December 31, 2002. As part of the annual preparation of a CAFR, the County submits all financial statements for an annual independent audit. This annual audit arrangement should serve to strengthen the County's accounting and budgetary controls.

AWARDS

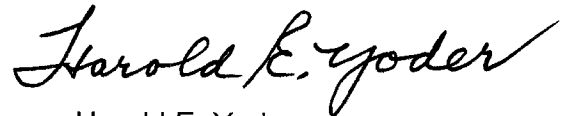
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2001. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe our current report continues to conform to the Certificate of Achievement program requirements; thus, we are submitting it to GFOA for review.

ACKNOWLEDGMENTS

The preparation of the CAFR was made possible by the dedicated service of the entire staff of the County Auditor's office. I would also like to express my appreciation to the County Board of Commissioners and all other County Departments for their support in preparation of this Comprehensive Annual Financial Report.

Sincerely,

A handwritten signature in cursive script that reads "Harold E. Yoder". The signature is written in black ink and is positioned above the printed name and title.

Harold E. Yoder
Preble County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Preble County,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2001

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.



William Patrick Baker

President

Jeffrey R. Emer

Executive Director

PREBLE COUNTY, OHIO

ELECTED OFFICIALS

DECEMBER 31, 2002

Board of County Commissioners

Gene Krebs
David Wesler
Stanley Spencer

Auditor

Harold E. Yoder

Clerk of Common Pleas Court

Christopher B. Washington

Coroner

Dr. John Vosler

Common Pleas Court

David Abruzzo – General
Wilfred G. Dues - Probate and Juvenile

Engineer

J. Stephen Simmons

Prosecuting Attorney

Rebecca J. Ferguson

Recorder

William J. Spahr

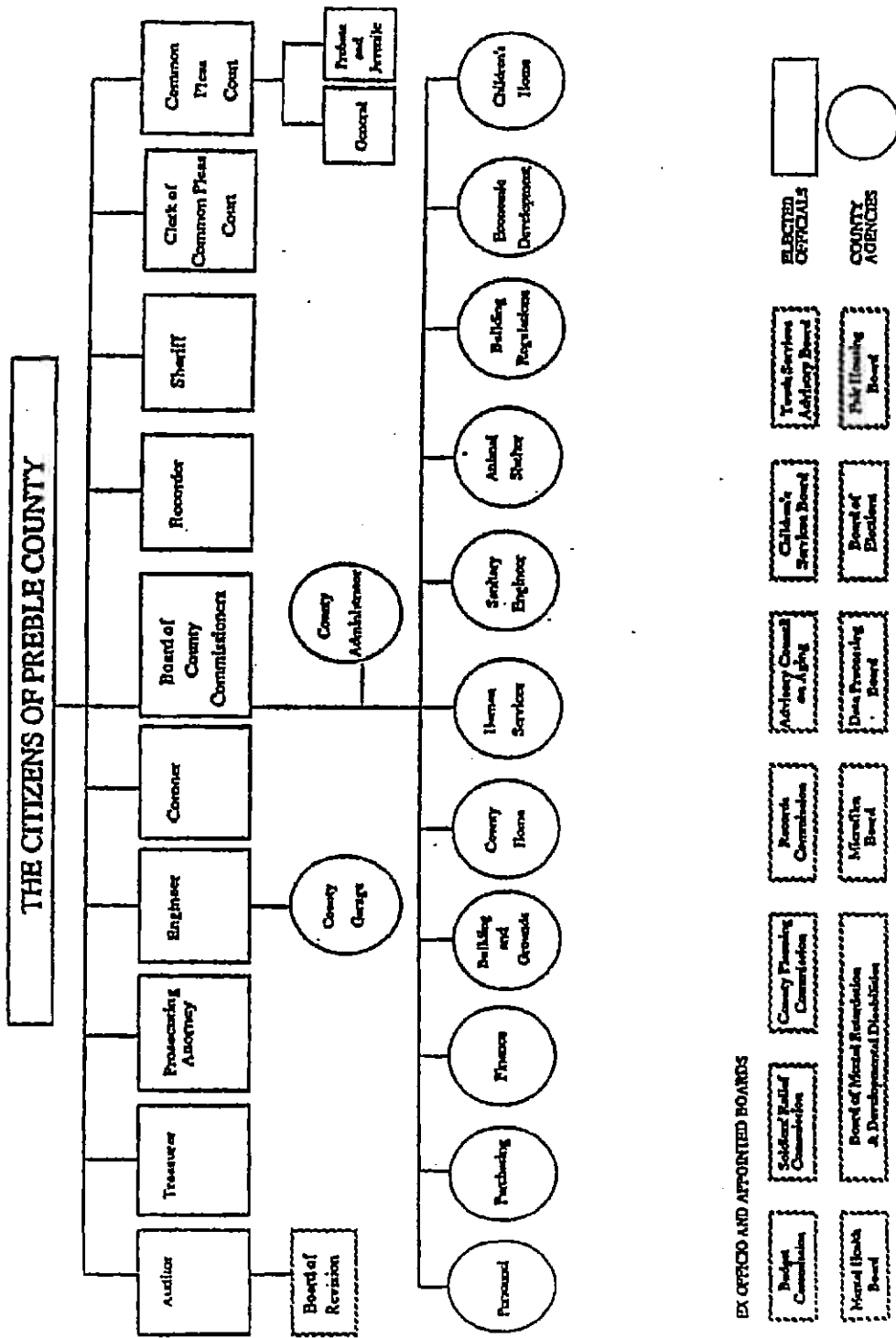
Sheriff

Thomas A. Hayes















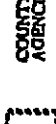



Treasurer

Brenda K. White

PREBLE COUNTY GOVERNMENT ORGANIZATIONAL CHART



EX OFFICIO AND APPOINTED BOARDS

	Budget Commission		Salary Review Commission		County Planning Commission		Records Commission		Advisory Council on Aging		Citizens' Service Board		Youth Services Advisory Board		Plan. Housing Board
	Mental Health Board		Board of Mental Retardation & Developmental Disabilities		Microfilm Board		Data Processing Board		Board of Elections		Animal Shelter		Building Regulations		Economic Development
	Elected Officials		County Agencies												

This Page Intentionally Left Blank



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Preble County
100 East Main Street
Eaton, Ohio 45320

To the Board of County Commissioners:

We have audited the accompanying general-purpose financial statements of Preble County, Ohio (the County), as of and for the year ended December 31, 2002, as listed in the table of contents. These general-purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of the component unit (L & M Products), which represents 100 percent of the component unit column. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component unit (L & M Products), is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Preble County, Ohio, as of December 31, 2002, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Sewer and Landfill funds (representing all Enterprise Funds), have accumulated deficits as of December 31, 2002 of \$251,988 and \$4,120,252, respectively. This deficit and management's plan in regard to this matter is described in Note 5 to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2003 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

250 W. Court St. / Suite 150 E / Cincinnati, OH 45202
Telephone: (513) 361-8550 (800) 368-7419 Fax: (513) 361-8577
www.auditor.state.oh.us

The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the general-purpose financial statements. We subjected this information to the auditing procedures applied in the audit of the general-purpose financial statements. In our opinion, it is fairly stated in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical section of this report and therefore express no opinion thereon.



Betty Montgomery
Auditor of State

June 27, 2003

GENERAL PURPOSE FINANCIAL STATEMENTS

The following general purpose financial statements, along with the notes to the general purpose financial statements, present an overview of the County's financial position at December 31, 2002, and the results of operations and cash flows of the Proprietary Funds and the Nonexpendable Trust Funds for the year then ended.

PREBLE COUNTY, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
 DECEMBER 31, 2002

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
Assets and Other Debits						
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$1,701,352	\$4,388,451	\$837,476	\$2,138,733	\$448,999	\$369,077
Cash and Cash Equivalents in Segregated Account	2,066	103,361	0	0	0	0
Cash and Cash Equivalents With Fiscal Agent	0	0	0	25,642	0	0
Receivables:						
Taxes	600,427	0	0	0	0	0
Accounts	29,367	43,556	0	0	165,118	3,660
Special Assessments	0	0	0	0	0	0
Accrued Interest	88,141	0	0	0	0	0
Interfund	378,599	0	0	29,648	0	0
Due from Other Funds	2,105,105	1,909,169	290,540	11,650	59,065	0
Due from Other Governments	79,596	3,173,635	0	565,403	1,535	0
Materials and Supplies Inventory	4,633	109,694	0	0	0	0
Prepaid Items	11,665	12,233	0	0	0	0
Bond Issuance Costs	0	0	0	0	101,311	0
Advance Deposit	0	0	0	0	0	0
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	824,313	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0	1,079,138	0
Other Debits:						
Amount Available in Debt Service Funds	0	0	0	0	0	0
Amount to be Provided for Retirement of General Long-Term Obligations	0	0	0	0	0	0
Total Assets and Other Debits	<u>\$5,000,951</u>	<u>\$9,740,099</u>	<u>\$1,128,016</u>	<u>\$2,771,076</u>	<u>\$2,679,479</u>	<u>\$372,737</u>

Fiduciary Fund Types	Account Groups		Total Primary Government (Memorandum Only)	Component Unit	Total Reporting Entity (Memorandum Only)
	General Fixed Assets	General Long-Term Obligations			
\$1,912,750	\$0	\$0	\$11,796,838	\$0	\$11,796,838
770,325	0	0	875,752	192,937	1,068,689
0	0	0	25,642	0	25,642
30,647,603	0	0	31,248,030	0	31,248,030
109,318	0	0	351,019	17,241	368,260
1,304,695	0	0	1,304,695	0	1,304,695
0	0	0	88,141	73	88,214
0	0	0	408,247	0	408,247
328,993	0	0	4,704,522	0	4,704,522
3,229,639	0	0	7,049,808	0	7,049,808
0	0	0	114,327	0	114,327
0	0	0	23,898	2,524	26,422
0	0	0	101,311	0	101,311
0	0	0	0	186	186
0	0	0	824,313	0	824,313
0	18,442,515	0	19,521,653	43,324	19,564,977
0	0	837,476	837,476	0	837,476
0	0	4,326,020	4,326,020	0	4,326,020
<u>\$38,303,323</u>	<u>\$18,442,515</u>	<u>\$5,163,496</u>	<u>\$83,601,692</u>	<u>\$256,285</u>	<u>\$83,857,977</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
 DECEMBER 31, 2002
 (Continued)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
Liabilities, Fund Equity, Net Assets and Other Credits						
Liabilities:						
Accounts Payable	\$49,790	\$34,262	\$0	\$2,748	\$8,495	\$0
Contracts Payable	50,849	343,084	0	795,060	202,231	0
Retainage Payable	0	2,536	0	40,741	0	0
Accrued Salaries Payable	275,114	299,069	0	0	16,560	0
Interfund Payable	0	90,000	0	1,215	317,032	0
Due to Other Funds	28,490	37,542	0	0	2,500	0
Due to Other Governments	58,062	99,113	0	0	14,283	0
Payroll Taxes and Withholdings	0	0	0	0	0	0
Deferred Revenue	1,972,965	3,851,182	290,540	11,650	0	0
Notes Payable	0	200,000	0	5,824	432,433	0
Accrued Interest Payable	0	687	0	20	22,702	0
OWDA Loans Payable	0	0	0	0	63,075	0
OPWC Loans Payable	0	0	0	0	204,444	0
General Obligation Bonds Payable	0	0	0	0	3,835,812	0
Compensated Absences Payable	50,759	21,776	0	0	33,438	0
Claims Payable	0	0	0	0	0	350,190
Landfill Closure and Postclosure Costs	0	0	0	0	1,872,317	0
Undistributed Money	0	0	0	0	0	0
Deposits Held and Due to Others	0	0	0	0	0	0
Total Liabilities	2,486,029	4,979,251	290,540	857,258	7,025,322	350,190
Fund Equity, Net Assets and Other Credits:						
Investment in General Fixed Assets	0	0	0	0	0	0
Contributed Capital	0	0	0	0	26,397	0
Retained Earnings:						
Unreserved (Deficit)	0	0	0	0	(4,372,240)	22,547
Net Assets:						
Unrestricted	0	0	0	0	0	0
Fund Balances:						
Reserved for Encumbrances	221,920	531,982	0	338,796	0	0
Reserved for Materials and Supplies Inventory	4,633	109,694	0	0	0	0
Reserved for Nonexpendable Trust Principal	0	0	0	0	0	0
Unreserved	2,288,369	4,119,172	837,476	1,575,022	0	0
Total Fund Equity (Deficit), Net Assets and Other Credits	2,514,922	4,760,848	837,476	1,913,818	(4,345,843)	22,547
Total Liabilities, Fund Equity, Net Assets and Other Credits	\$5,000,951	\$9,740,099	\$1,128,016	\$2,771,076	\$2,679,479	\$372,737

See Accompanying Notes to the General Purpose Financial Statements

Fiduciary Fund Types	Account Groups		Total Primary Government (Memorandum Only)	Component Unit	Total Reporting Entity (Memorandum Only)
	General Fixed Assets	General Long-Term Obligations			
	\$0	\$0	\$95,295	\$1,301	\$96,596
303	0	0	1,391,527	0	1,391,527
0	0	0	43,277	0	43,277
59,118	0	0	649,861	952	650,813
0	0	0	408,247	0	408,247
4,635,990	0	0	4,704,522	0	4,704,522
30,583,372	0	364,566	31,119,396	0	31,119,396
0	0	0	0	656	656
0	0	0	6,126,337	0	6,126,337
0	0	120,000	758,257	0	758,257
0	0	0	23,409	0	23,409
0	0	0	63,075	0	63,075
0	0	0	204,444	0	204,444
0	0	3,923,437	7,759,249	0	7,759,249
0	0	755,493	861,466	0	861,466
0	0	0	350,190	0	350,190
0	0	0	1,872,317	0	1,872,317
1,400,788	0	0	1,400,788	0	1,400,788
1,444,904	0	0	1,444,904	0	1,444,904
<u>38,124,475</u>	<u>0</u>	<u>5,163,496</u>	<u>59,276,561</u>	<u>2,909</u>	<u>59,279,470</u>
0	18,442,515	0	18,442,515	0	18,442,515
0	0	0	26,397	0	26,397
0	0	0	(4,349,693)	0	(4,349,693)
0	0	0	0	253,376	253,376
0	0	0	1,092,698	0	1,092,698
0	0	0	114,327	0	114,327
13,906	0	0	13,906	0	13,906
164,942	0	0	8,984,981	0	8,984,981
<u>178,848</u>	<u>18,442,515</u>	<u>0</u>	<u>24,325,131</u>	<u>253,376</u>	<u>24,578,507</u>
<u>\$38,303,323</u>	<u>\$18,442,515</u>	<u>\$5,163,496</u>	<u>\$83,601,692</u>	<u>\$256,285</u>	<u>\$83,857,977</u>

This Page Intentionally Left Blank

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Governmental Fund Types				Fiduciary Fund Type	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
Property Taxes	\$1,408,725	\$1,570,081	\$258,730	\$0	\$0	\$3,237,536
Permissive Sales Tax	3,788,125	0	0	0	0	3,788,125
Charges for Services	1,981,704	1,798,846	0	0	0	3,780,550
Licenses and Permits	3,415	57,779	0	0	0	61,194
Fines and Forfeitures	36,058	97,833	0	0	0	133,891
Intergovernmental	1,169,551	12,244,315	31,701	1,820,288	0	15,265,855
Special Assessments	0	69,995	0	15,252	0	85,247
Interest	348,647	13,762	0	155	0	362,564
Miscellaneous	47,457	63,415	136,971	56,839	7,261	311,943
Total Revenues	8,783,682	15,916,026	427,402	1,892,534	7,261	27,026,905
Expenditures:						
Current:						
General Government						
Legislative and Executive	3,016,097	340,913	0	0	0	3,357,010
Judicial	1,159,982	239,307	0	0	0	1,399,289
Public Safety	4,041,117	470,840	0	0	0	4,511,957
Public Works	27,000	3,542,577	0	0	0	3,569,577
Health	71,787	2,780,638	0	0	0	2,852,425
Human Services	161,941	8,696,010	0	0	0	8,857,951
Community and Economic Development	0	280,558	0	0	0	280,558
Miscellaneous	267,941	0	0	0	302	268,243
Capital Outlay	0	0	0	2,589,829	0	2,589,829
Intergovernmental	329,480	0	0	0	0	329,480
Debt Service:						
Principal Retirement	0	25,000	330,000	0	0	355,000
Interest and Fiscal Charges	0	5,396	273,044	347	0	278,787
Total Expenditures	9,075,345	16,381,239	603,044	2,590,176	302	28,650,106
Excess of Revenues Over (Under) Expenditures	(291,663)	(465,213)	(175,642)	(697,642)	6,959	(1,623,201)
Other Financing Sources (Uses):						
Proceeds from Sale of Long - Term Notes	0	120,000	0	0	0	120,000
Proceeds from Sale of Bonds	0	0	0	759,111	0	759,111
Payment to Refunded Bond Escrow Agent	0	0	(3,352,510)	0	0	(3,352,510)
Proceeds of Refunding Bonds	0	0	3,245,889	0	0	3,245,889
Premium on Refunding Bonds	0	0	240,428	0	0	240,428
Discount on Refunding Bonds	0	0	(3,606)	0	0	(3,606)
Proceeds from Sale of Fixed Assets	0	0	0	100,252	0	100,252
Operating Transfers - In	0	339,969	0	0	841	340,810
Operating Transfers - Out	(352,417)	0	0	0	0	(352,417)
Total Other Financing Sources (Uses)	(352,417)	459,969	130,201	859,363	841	1,097,957
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(644,080)	(5,244)	(45,441)	161,721	7,800	(525,244)
Fund Balances at Beginning of Year - Restated (See Note 3)	3,163,535	4,836,357	882,917	1,752,097	136,438	10,771,344
Decrease in Reserve for Inventory	(4,533)	(70,265)	0	0	0	(74,798)
Fund Balances at End of Year	\$2,514,922	\$4,760,848	\$837,476	\$1,913,818	\$144,238	\$10,171,302

See Accompanying Notes to General Purpose Financial Statements

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGET BASIS)
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Property Taxes	\$1,408,725	\$1,408,725	\$0	\$1,594,579	\$1,570,081	(\$24,498)
Permissive Sales Tax	3,886,725	3,886,725	0	0	0	0
Charges for Services	1,945,338	1,960,442	15,104	1,327,718	1,686,520	358,802
Licenses and Permits	3,365	3,415	50	56,776	57,779	1,003
Fines and Forfeitures	74,190	74,190	0	66,643	56,733	(9,910)
Intergovernmenta	1,155,985	1,155,985	0	12,998,198	12,030,094	(968,104)
Special Assessments	0	0	0	69,995	69,995	0
Interest	352,343	352,343	0	52,897	13,752	(39,145)
Miscellaneous	35,717	65,912	30,195	81,955	44,555	(37,400)
Total Revenues	8,862,388	8,907,737	45,349	16,248,761	15,529,509	(719,252)
Expenditures:						
Current:						
General Government						
Legislative and Executive	3,342,648	3,172,484	170,164	515,862	363,008	152,854
Judicial	1,274,160	1,182,605	91,555	298,972	247,573	51,399
Public Safety	4,264,438	4,047,404	217,034	462,913	354,405	108,508
Public Works	54,000	54,000	0	3,798,862	3,589,317	209,545
Health	79,202	75,147	4,055	3,485,286	3,163,132	322,154
Human Services	273,030	176,197	96,833	10,472,986	8,937,937	1,535,049
Community and Economic Development	0	0	0	572,780	309,821	262,959
Miscellaneous	338,729	321,566	17,163	0	0	0
Capital Outlay	0	0	0	0	0	0
Intergovernmental	332,393	329,480	2,913	0	0	0
Debt Service:						
Principal Retirement	0	0	0	256,300	250,000	6,300
Interest and Fiscal Charges	0	0	0	5,950	5,950	0
Total Expenditures	9,958,600	9,358,883	599,717	19,869,911	17,221,143	2,648,768
Excess of Revenues Over (Under) Expenditures	(1,096,212)	(451,146)	645,066	(3,621,150)	(1,691,634)	1,929,516
Other Financing Sources (Uses):						
Proceeds from Sale of Notes	0	0	0	200,000	200,000	0
Proceeds from Sale of Long - Term Notes	0	0	0	120,000	120,000	0
Proceeds from Sale of Bonds	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0
Proceeds of Refunding Bonds	0	0	0	0	0	0
Premium on Refunded Bonds	0	0	0	0	0	0
Discount on Refunding Bonds	0	0	0	0	0	0
Proceeds from Sale of Fixed Assets	0	0	0	0	0	0
Advances - In	0	2,510	2,510	60,000	60,000	0
Advances - Out	(27,490)	(60,000)	(32,510)	0	0	0
Operating Transfers - In	0	0	0	690,327	339,969	(350,358)
Operating Transfers - Out	(362,341)	(352,417)	9,924	(7,220)	0	7,220
Total Other Financing Sources (Uses)	(389,831)	(409,907)	(20,076)	1,063,107	719,969	(343,138)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,486,043)	(861,053)	624,990	(2,558,043)	(971,665)	1,586,378
Fund Balances at Beginning of Year	1,652,672	1,652,672	0	3,412,202	3,412,202	0
Prior Year Encumbrances Appropriated	455,897	455,897	0	1,078,194	1,078,194	0
Fund Balances at End of Year	\$622,526	\$1,247,516	\$624,990	\$1,932,353	\$3,518,731	\$1,586,378

See Accompanying Notes to the General Purpose Financial Statements

Debt Service Funds			Capital Projects Funds			Expendable Trust Funds		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$258,730	\$258,730	\$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	0	0	0	0	0	0
33,240	33,240	0	2,527,746	1,254,885	(1,272,861)	0	0	0
0	0	0	15,252	15,252	0	0	0	0
0	0	0	159	159	0	0	0	0
130,676	136,971	6,295	56,839	56,839	0	8,094	8,094	0
422,646	428,941	6,295	2,599,996	1,327,135	(1,272,861)	8,094	8,094	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
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	2,000	302	1,698
0	0	0	3,469,831	2,844,082	625,749	0	0	0
0	0	0	0	0	0	0	0	0
339,015	330,000	9,015	17,154	17,154	0	0	0	0
140,647	273,044	(132,397)	449	449	0	0	0	0
479,662	603,044	(123,382)	3,487,434	2,861,685	625,749	2,000	302	1,698
(57,016)	(174,103)	(117,087)	(887,438)	(1,534,550)	(647,112)	6,094	7,792	1,698
0	0	0	5,824	5,824	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	759,111	759,111	0	0	0	0
0	(3,352,510)	(3,352,510)	0	0	0	0	0	0
0	3,245,889	3,245,889	0	0	0	0	0	0
0	240,428	240,428	0	0	0	0	0	0
0	(3,606)	(3,606)	0	0	0	0	0	0
0	0	0	100,252	100,252	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	(32,158)	(32,158)	0	0	0	0
0	0	0	0	0	0	841	841	0
0	0	0	0	0	0	0	0	0
0	130,201	130,201	833,029	833,029	0	841	841	0
(57,016)	(43,902)	13,114	(54,409)	(701,521)	(647,112)	6,935	8,633	1,698
881,378	881,378	0	1,740,287	1,740,287	0	135,605	135,605	0
0	0	0	37,686	37,686	0	0	0	0
\$824,362	\$837,476	\$13,114	\$1,723,564	\$1,076,452	(\$647,112)	\$142,540	\$144,238	\$1,698

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNINGS (DEFICIT)/FUND BALANCES
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Proprietary Fund Types		Fiduciary Fund Type	Total Primary Government (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
Operating Revenues:				
Charges for Services	\$2,274,055	\$1,666,338	\$0	\$3,940,393
Other	0	3,660	0	3,660
Total Operating Revenues	<u>2,274,055</u>	<u>1,669,998</u>	<u>0</u>	<u>3,944,053</u>
Operating Expenses:				
Personal Services	364,012	0	0	364,012
Materials and Supplies	143,146	0	0	143,146
Charges and Services	1,412,013	267,156	0	1,679,169
Claims	0	1,739,073	0	1,739,073
Depreciation	219,222	0	0	219,222
Closure and Postclosure Care Costs	128,816	0	0	128,816
Miscellaneous	1,799	0	0	1,799
Total Operating Expenses	<u>2,269,008</u>	<u>2,006,229</u>	<u>0</u>	<u>4,275,237</u>
Operating Income (Loss)	<u>5,047</u>	<u>(336,231)</u>	<u>0</u>	<u>(331,184)</u>
Non-Operating Revenues (Expenses):				
Grants	31,823	0	0	31,823
Interest	22,757	0	0	22,757
Interest and Fiscal Charges	(223,740)	0	0	(223,740)
Total Non-Operating Revenues (Expenses)	<u>(169,160)</u>	<u>0</u>	<u>0</u>	<u>(169,160)</u>
Net Loss before Operating Transfers	(164,113)	(336,231)	0	(500,344)
Operating Transfers - In	0	11,607	0	11,607
Net Income (Loss)	(164,113)	(324,624)	0	(488,737)
Retained Earnings (Deficit)/Fund Balances at Beginning of Year - Restated (See Note 3)	(4,208,127)	347,171	34,610	(3,826,346)
Retained Earnings (Deficit)/Fund Balances at End of Year	<u>(\$4,372,240)</u>	<u>\$22,547</u>	<u>\$34,610</u>	<u>(\$4,315,083)</u>

See Accompanying Notes to the General Purpose Financial Statements

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Enterprise Funds			Internal Service Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Charges for Services	\$2,153,577	\$2,156,867	\$3,290	\$1,692,961	\$1,692,961	\$0
Grants	38,196	40,313	2,117	0	0	0
Proceeds from Sale of Notes	459,100	432,433	(26,667)	0	0	0
Interest	0	23,953	23,953	0	0	0
Total Revenues	2,650,873	2,653,566	2,693	1,692,961	1,692,961	0
Expenses:						
Personal Services	409,806	361,402	48,404	0	0	0
Materials and Supplies	111,132	77,383	33,749	0	0	0
Charges and Services	2,200,101	1,782,034	418,067	290,439	267,156	23,283
Claims	0	0	0	1,767,538	1,717,423	50,115
Miscellaneous	2,858	1,899	959	0	0	0
Capital Outlay	380,234	377,802	2,432	0	0	0
Debt Service:						
Principal Retirement	408,618	408,618	0	0	0	0
Interest and Fiscal Charges	214,018	214,018	0	0	0	0
Total Expenses	3,726,767	3,223,156	503,611	2,057,977	1,984,579	73,398
Excess of Revenues Over (Under) Expenses	(1,075,894)	(569,590)	506,304	(365,016)	(291,618)	73,398
Advances - In	104,648	29,648	(75,000)	0	0	0
Operating Transfers - In	11,288	0	(11,288)	11,607	11,607	0
Operating Transfers - Out	(8)	0	8	0	0	0
Excess of Revenues Over (Under) Expenses, Advances, and Operating Transfers	(959,966)	(539,942)	420,024	(353,409)	(280,011)	73,398
Fund Equity at Beginning of Year	907,560	907,560	0	468,711	468,711	0
Prior Year Encumbrances Appropriated	681,259	681,259	0	180,377	180,377	0
Fund Equity at End of Year	\$628,853	\$1,048,877	\$420,024	\$295,679	\$369,077	\$73,398

(Continued)

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND EQUITY - BUDGET AND ACTUAL (BUDGET BASIS)
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	Nonexpendable Trust Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$0	\$0	\$0
Grants	0	0	0
Proceeds from Sale of Notes	0	0	0
Interest	0	0	0
Total Revenues	0	0	0
Expenses:			
Personal Services	0	0	0
Materials and Supplies	0	0	0
Charges and Services	0	0	0
Claims	0	0	0
Miscellaneous	5,000	0	5,000
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
Total Expenses	5,000	0	5,000
Excess of Revenues Over (Under) Expenses	(5,000)	0	5,000
Advances - In	0	0	0
Operating Transfers - In	0	0	0
Operating Transfers - Out	0	0	0
Excess of Revenues Over (Under) Expenses, Advances, and Operating Transfers	(5,000)	0	5,000
Fund Equity at Beginning of Year	34,610	34,610	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Equity at End of Year	\$29,610	\$34,610	\$5,000

See Accompanying Notes to the General Purpose Financial Statements

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Enterprise	Internal Service	Total Primary Government (Memorandum Only)
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Cash Received From Customers	\$2,155,338	\$0	\$2,155,338
Cash Received From Quasi-External Transactions with Other Funds	0	1,666,338	1,666,338
Cash Payments for Employee Services and Benefits	(359,974)	0	(359,974)
Cash Payments to Suppliers	(1,645,722)	(267,156)	(1,912,878)
Cash Payments for Other Operating Expenses	(1,799)	0	(1,799)
Cash Payments for Claims	0	(1,717,423)	(1,717,423)
Net Cash Provided by (Used for) Operating Activities	147,843	(318,241)	(170,398)
Cash Flows from Noncapital Financing Activities:			
Grants	40,313	0	40,313
Advances - In	29,648	0	29,648
Operating Transfers - In	0	11,607	11,607
Net Cash Provided by Noncapital Financing Activities	69,961	11,607	81,568
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	(369,979)	0	(369,979)
Loans Payable Principal Payments	(18,618)	0	(18,618)
General Obligation Bond Principal Payments	(190,000)	0	(190,000)
General Obligation Bond Interest Payments	(207,118)	0	(207,118)
Notes Principal Payments	(200,000)	0	(200,000)
Notes Interest Payments	(6,900)	0	(6,900)
Proceeds of Notes	432,433	0	432,433
Net Cash Used for Capital and Related Financing Activities	(560,182)	0	(560,182)
Cash Flows from Investing Activities:			
Interest	22,757	0	22,757
Net Decrease in Cash and Cash Equivalents	(319,621)	(306,634)	(626,255)
Cash and Cash Equivalents Beginning of Year	1,592,933	675,711	2,268,644
Cash and Cash Equivalents End of Year	\$1,273,312	\$369,077	\$1,642,389

(Continued)

PREBLE COUNTY, OHIO
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	Enterprise	Internal Service	Total Primary Government (Memorandum Only)
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$5,047	(\$336,231)	(\$331,184)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	219,222	0	219,222
Landfill Closure and Postclosure Costs	128,816	0	128,816
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(59,172)	(3,660)	(62,832)
Increase in Due from Other Funds	(58,010)	0	(58,010)
Increase in Due from Other Governments	(1,535)	0	(1,535)
Decrease in Materials and Supplies Inventory	618	0	618
Decrease in Prepaid Items	354	0	354
Increase in Accounts Payable	5,142	0	5,142
Decrease in Contracts Payable	(98,882)	0	(98,882)
Increase in Accrued Salaries Payable	1,769	0	1,769
Increase in Due to Other Funds	2,500	0	2,500
Increase in Due to Other Governments	303	0	303
Increase in Compensated Absences Payable	1,671	0	1,671
Increase in Claims Payable	0	21,650	21,650
	\$147,843	(\$318,241)	(\$170,398)
Net Cash Provided by (Used for) Operating Activities	\$147,843	(\$318,241)	(\$170,398)

See Accompanying Notes to the General Purpose Financial Statements

PREBLE COUNTY, OHIO
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 2002

	L & M Products
Operating Revenues:	
Sales	\$182,505
Equivalent Value of Donated Services	1,154,126
Equivalent Value of Donated Facilities	447,744
Donations	7,130
Interest Income	6,705
Other	1,270
	1,799,480
Operating Expenses:	
Personal Services	87,766
Payroll Taxes	6,843
Subcontractor Labor	11,554
Materials and Supplies	42,544
Mileage and Gasoline	2,957
Maintenance and Repairs	9,430
Depreciation	8,165
Special Events and Benefits	2,571
Professional Fees	10,980
Insurance and Bonds	4,115
Public Relations	2,395
Staff Training	473
Equivalent Cost of Donated Services	1,154,126
Equivalent Cost of Donated Facilities	447,744
Other	2,036
	1,793,699
Total Expenses	1,793,699
Increase in Unrestricted Net Assets	5,781
Net Assets at Beginning of Year	247,595
Net Assets at End of Year	\$253,376

See Accompanying Notes to the General Purpose Financial Statements

PREBLE COUNTY, OHIO
STATEMENT OF CASH FLOWS
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 2002

	L & M Products
<u>Net Increase (Decrease) in Cash and Cash Equivalents:</u>	
Cash Flows from Operating Activities:	
Increase in Unrestricted Net Assets	\$5,781
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	8,165
Equivalent Value of Donated Services and Facilities	(1,601,870)
Equivalent Cost of Donated Services and Facilities	1,601,870
Decrease in Accounts Receivable	4,943
Decrease in Accrued Interest Receivable	1,057
Increase in Prepaid Items	(2,524)
Decrease in Accounts Payable	(2,202)
Decrease in Accrued Salaries Payable	(546)
Increase in Payroll Taxes and Withholdings	9
Total Adjustments	8,902
Net Cash and Cash Equivalents Provided by Operating Activities	14,683
Cash Flows from Investing Activities:	
Purchases of Property and Equipment	(11,452)
Net Cash and Cash Equivalents Used for Investing Activities	(11,452)
Net Increase in Cash and Cash Equivalents	3,231
Cash and Cash Equivalents at Beginning of Year	189,706
Cash and Cash Equivalents at End of Year	\$192,937
See Accompanying Notes to the General Purpose Financial Statements	

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION

Preble County, Ohio (the County), was formed by an Act of the Ohio General Assembly 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 Auditor, Treasurer, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, a Common Pleas Court-Domestic Relations Court Judge and a Juvenile Court-Probate Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budgeting and taxing authority, contracting body and the chief administrators of public services for the County, including each of these departments.

Reporting Entity

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this includes the Preble County Board of Mental Retardation and Developmental Disabilities, Preble County Community Development, Children Services Board, and the departments and activities that are directly operated by the elected County officials. The County also operates and maintains a wastewater treatment system and landfill.

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 that are fiscally dependent on the County in that the County approves their budget, the issuance of their debt or the levying of their taxes. The County has one component unit included in its reporting entity.

Discretely Presented Component Unit

The component unit column in the combined financial statements identifies the financial data of the County's discretely presented component unit, L & M Products. It is reported separately to emphasize that it is legally separate from the County.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)

L & M Products - L & M Products (the "Workshop") is a legally separate, nongovernmental, not-for-profit corporation, served by a board whose members are elected at large from nominations submitted by a nominating committee appointed by the President. The Workshop, under contractual agreement with the Preble County Board of Mental Retardation and Developmental Disabilities (MRDD), provides sheltered employment for mentally retarded or handicapped individuals in the County. The Preble County Board of MRDD provides the Workshop with personnel necessary for the operation of the habilitation services to the clients, land and buildings for the operation of the center, maintenance and repair of the buildings and professional staff to supervise and train clients of L & M Products. Based on the significant services and resources provided by the County to the Workshop and the Workshop's sole purpose of providing assistance to the retarded and handicapped adults of the County, the Workshop is reflected as a component unit of the County. L & M Products operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from L & M Products at 201 East Lexington Road, Eaton, Ohio 45320 (See Note 19).

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

- Preble County General Health District
- Preble County Soil and Water Conservation District
- Preble County Disaster Services
- Preble County Emergency Planning Committee - Right to Know
- Preble County Council on Aging

The County participates in two organizations which are defined as related organizations, one organization which is defined as a joint venture, and one organization which is defined as a group purchasing pool. These organizations are presented in Notes 20, 21 and 22 of the general purpose financial statements. These organizations are:

Related Organizations:

- Preble County Library Board
- Preble Metropolitan Housing Authority (PMHA)

Joint Venture:

- Preble County Emergency Management Agency (EMA)

Group Purchasing Pool:

- County Commissioner's Association of Ohio Service Corporation (CCAOSC)

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)

Basis of Presentation - Fund Accounting

The County uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain County functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the County are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

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 and trust funds) are accounted for through governmental funds. The following are the County's governmental fund types:

General Fund - This fund is the operating fund of the County and 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.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds - These funds are used to account for the accumulation of financial resources for, and the payment of, general long-term obligation principal, interest and related costs.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)

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

Proprietary Fund Types

The 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 proprietary fund types utilized by the County:

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Fund - This fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following are the County's fiduciary fund types:

Expendable Trust Funds - These funds are used to account for financial resources used for a specific purpose as stated in the individual trust agreements. These funds are accounted for in essentially the same manner as governmental funds.

Nonexpendable Trust Funds - These funds are used to account for financial resources of which only the interest earnings may be used for specific purposes as stated in the individual trust agreements. They are accounted for in essentially the same manner as proprietary funds.

Agency Funds - These funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for all fixed assets of the County, other than those fixed assets accounted for in the proprietary funds or nonexpendable trust funds.

General Long-Term Obligations Account Group - The General Long-Term Obligations Account Group is used to account for all unmatured general long-term obligations of the County, except those accounted for in the proprietary funds or nonexpendable trust funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) statements issued on or before November 30, 1989, to the proprietary funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the County's accounting policies are described below. Information regarding the Workshop is presented in Note 19.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All proprietary funds and nonexpendable trust funds 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 balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund and nonexpendable trust fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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, expendable trust, and agency funds. The full accrual basis of accounting is followed for the proprietary and nonexpendable trust funds.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within 60 days of year end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include permissive sales tax, property taxes, grants, entitlements and shared revenues. On an accrual basis, revenue from permissive sales tax is recognized in the period in which the sale occurs. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). 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 a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: permissive sales taxes, state-levied locally shared taxes (including gasoline tax), earnings on investments, federal and state grants, and charges for services.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Delinquent property taxes and property taxes for which there is an enforceable legal claim as of December 31, 2002, but which were levied to finance 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On a modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

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 appropriations 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 legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than Agency Funds and the Drug Law Enforcement Special Revenue Fund, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level (personal services, materials and supplies, charges and services, capital purchases and other) within each department and fund. Budgetary modifications at the object level may only be made by resolution of the County Commissioners. Budgetary information has not been presented for the discretely presented component unit because it is not included in the entity for which the "appropriated budget" is adopted nor does the entity maintain separate budgetary records.

Tax Budget

A tax budget of estimated revenues and expenditures for all budgeted funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 15 of each year, for the period January 1 to December 31 of the following year.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimated Resources

The County Budget Commission reviews estimated revenues 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 October 1. As part of this certification, the County receives the official certificate of estimated resources, which states the estimated beginning of year fund balance and 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 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 resolution. 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 amended further during the year if the County Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the amended certificate in effect at the time the final appropriations were adopted.

Appropriations

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period 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.

Several supplemental appropriation resolutions were legally enacted by the County Commissioners during the year; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Budgeted Level of Expenditures/Expenses

Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation resolution. Commissioners' appropriations are made to fund, department and object level (i.e., General Fund - County Commissioners - personal services, materials and supplies, charges and services, capital purchases and other).

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditures for governmental funds and expendable trust funds, and are reported in the notes to the financial statements for proprietary funds and nonexpendable trust funds.

Lapsing of Appropriations

At the close of each 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 calendar year and is not reappropriated.

Cash and Cash Equivalents

To improve cash management, cash received by the County, except for cash held in segregated accounts or with a fiscal agent, is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet.

Cash and cash equivalents that are held separately within departments of the County and not held by the County Treasurer are recorded on the balance sheet as "Cash and Cash Equivalents in Segregated Accounts."

Retainage amounts are held by the County in a separate bank account. The balance of this account is presented on the statement of net assets as "Cash and Cash Equivalents with Fiscal Agent."

During 2002, investments were limited to Federal National Mortgage Association (FNMA) Notes, Federal Home Loan Bank (FHLB) Notes, Federal Home Loan Mortgage Company (FHLMC) Notes, a certificate of deposit and STAR Ohio.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments are reported at fair value which is based on quoted market prices, except for certificates of deposit, which are reported at cost.

The County has invested funds in the State Treasury Assets Reserve of Ohio (STAR Ohio) during 2002. 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, 2002.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the County are considered to be cash equivalents.

Following Ohio statutes, the County has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2002 amounted to \$348,647, which includes \$302,325 assigned from other County funds.

Inventory of Supplies

Inventories of governmental funds are stated at cost while the inventories of the proprietary funds are stated at cost or market, whichever is lower. For all funds, cost is determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund type when used. Reported supplies inventory is equally offset by a fund balance reserve in the governmental fund types which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2002, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Receivables/Payables

Receivables and payables resulting from transactions between funds for services provided or goods received and for property taxes received that will be collected by the agency fund and distributed to governmental funds in the next fiscal year, are classified as "Due from Other Funds" or "Due to Other Funds" on the balance sheet.

Short-term interfund loans are classified as "Interfund Receivables" and "Interfund Payables."

Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents which have been set aside to satisfy the Ohio Environmental Protection Agency guidelines related to landfill closure and postclosure costs.

Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets Account Group. Fund fixed assets are those fixed assets utilized in the proprietary funds for the provision of goods and services.

All purchased fixed assets are valued at cost when historical records are available and at estimated historical cost when no historic records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The fixed assets threshold for the County is \$500.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed asset. Interest incurred during the construction of general fixed assets is not capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs, gutters, sidewalks, and drainage systems are not capitalized, as these assets are immovable and of value only to the County. Sewer Fund infrastructure (sewer lines and distribution system) is capitalized and depreciated over the useful life of the asset.

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets in the General Fixed Assets Account Group are not depreciated. Depreciation for proprietary fund fixed assets is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings, Structures and Improvements	5-40 years
Furniture, Fixtures and Equipment	5-20 years

Interest is capitalized on proprietary assets acquired with tax-exempt debt. The County's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest is equal to the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of debt proceeds over the same period. Capitalized interest on proprietary fund construction is amortized on a straight-line basis over the estimated useful life of the asset. For 2002, interest costs incurred on construction projects were not material.

Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity between funds are reported as residual equity transfers. There were no residual equity transfers in 2002. All remaining interfund transfers are reported as operating transfers.

Self-Insurance Fund

The County has created a Self-Insurance Internal Service Fund for the purpose of paying employee medical, dental, vision and life insurance bills. Contributions to the fund are made in lieu of insurance premium payments.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Vacation and compensatory time 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 the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation and compensatory time when earned for all employees with more than one year of service.

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

The County records a liability for accumulated unused sick leave for all employees after 15 years of current service with the County.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the General Long-Term Obligations Account Group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Debt

In general, governmental fund and expendable trust fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences and contractually required pension contributions are reported as a liability in the General Long-Term Obligations Account Group to the extent that they will not be paid with current expendable available financial resources. Payments made more than 60 days after year end are generally considered not to have been paid with current available financial resources. Bonds are recognized as a liability of the General Long-Term Obligations Account Group until due. Capital appreciation bonds are accreted over the term of the bonds.

Long-term debt and other obligations financed by proprietary funds and nonexpendable trust funds are reported as liabilities in the appropriate funds.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bond Discounts/Issuance Costs

Bond discounts and issuance costs for Proprietary Fund types are deferred and amortized over the term of the bonds using the straight line method since the results are not significantly different from the effective interest method. Bond discounts are presented as a reduction of the face amount of the bonds payable whereas issuance costs are recorded as deferred charges.

Contributed Capital

Prior to 2001, contributed capital represented resources from other funds, other governments, and private sources provided to enterprise funds that is not subject to repayment. Because the City had not prepared financial statements in accordance with Generally Accepted Accounting Principles prior to 1994, the exact amount of contributed capital pertaining to prior years cannot be determined. Consequently, only those amounts that have been able to be identified specifically have been classified as contributed capital in the accompanying combined financial statements.

Capital contributions received after 2001 from other governments and private sources have been recorded as revenues and are reported as retained earnings. Contributions from other funds are still recorded as contributed capital.

Reservations of Fund Balance

Reservations of fund balance are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure, or the portion of fund equity that is legally segregated for a specific future use. Fund balance has been reserved for encumbrances, materials and supplies inventory and principal contributions to the nonexpendable trust funds that must be kept intact.

Estimates

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

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Total Columns on General Purpose Financial Statements

Total columns on the General Purpose Financial Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data. When the title of a statement indicates that a component unit is included, two total columns are presented. The first is captioned "Primary Government" to indicate that only those activities that comprise the County's legal entity have been included. The second is captioned "Reporting Entity" and includes the activity and operations of the County's legally separate discretely presented component unit (See Note 19). The total columns on statements which do not include the component unit have no additional caption.

NOTE 3 – RESTATEMENT OF FUND BALANCE/RETAINED EARNINGS/ACCOUNT GROUP BALANCE

Fund balance in the special revenue funds was restated due to an error associated with the calculation of due from other governments. Notes payable in the special revenue funds was restated due to an error associated with the calculation of the payable. The effect of these changes on fund balance as previously reported at December 31, 2001, is as follows:

	Special Revenue
Fund Balance at December 31, 2001	\$5,466,066
Restatement:	
Due From Other Governments	(654,709)
Notes Payable	25,000
Restated Fund Balance at December 31, 2001	\$4,836,357

Retained earnings at December 31, 2001 decreased in the enterprise funds by \$286,137 from (\$3,921,990) to (\$4,208,127) due to the Sewer Enterprise Fund assuming OWDA and OPWC Loans from the Village of West Elkton in 2000.

Notes payable in the General Long-Term Obligations Account Group increased by \$25,000 from \$0 to \$25,000 causing total liabilities to increase from \$4,461,582 to \$4,486,582.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 4 - BUDGET TO GAAP RECONCILIATION

While reporting financial position, results of operations and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Budget Basis) - All Proprietary Fund Types and Nonexpendable Trust Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/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 for all funds (budget basis) rather than as a reservation of fund balance for Governmental Fund Types and Expendable Trust Funds or note disclosure for Proprietary Fund Types and Nonexpendable Trust Funds (GAAP basis).
4. Proceeds from and principal payments on short-term note obligations and advances are reported on the operating statement (budget basis) rather than as a balance sheet transaction (GAAP basis).
5. Revenues and expenditures were not presented for non-budgeted funds (budget basis) but were recorded on the operating statement (GAAP basis).
6. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. The amounts are included as revenue on the GAAP basis operating statements.
7. For the enterprise funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
8. The change of fair value of investments is not included on the budget basis operating statement. This amount is included on the GAAP basis operating statement.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 4 - BUDGET TO GAAP RECONCILIATION (Continued)

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

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses All Governmental Fund Types and Expendable Trust Funds				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>
GAAP Basis:	(\$644,080)	(\$5,244)	(\$45,441)	\$161,721	\$7,800
Adjustments:					
Revenue Accruals	124,925	(397,613)	1,539	(565,403)	833
Expenditure Accruals	134,400	242,077	0	807,915	0
Encumbrances	(376,862)	(865,705)	0	(1,062,270)	0
Advances	(57,490)	60,000	0	(32,158)	0
Debt Principal Payments	0	(225,000)	0	(17,154)	0
Proceeds from Sale of Notes	0	200,000	0	5,824	0
Prepaid Items	(41,076)	(4,538)	0	0	0
Unrecorded Cash – 2001	41,754	30,189	0	15	0
Unrecorded Cash – 2002	(12,169)	(4,015)	0	(11)	0
Increase in Fair Value of Cash Equivalents – 2001	34,350	0	0	0	0
Increase in Fair Value of Cash Equivalents - 2002	(64,805)	0	0	0	0
Non-Budgeted Activity	0	(1,816)	0	0	0
Budget Basis	<u>(\$861,053)</u>	<u>(\$971,665)</u>	<u>(\$43,902)</u>	<u>(\$701,521)</u>	<u>\$8,633</u>

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 4 - BUDGET TO GAAP RECONCILIATION (Continued)

	Enterprise	Internal Service
Net Loss/Excess of Revenues Under Expenses, Advances, and Operating Transfers All Proprietary Fund Types		
GAAP Basis:	(\$164,113)	(\$324,624)
Adjustments:		
Revenue Accruals	(110,227)	(3,660)
Expense Accruals	(75,748)	21,650
Prepaid Items	(354)	0
Closure and Postclosure Care Costs	128,733	0
Debt Principal Payments	(408,618)	0
Note Proceeds	432,433	0
Depreciation	219,222	0
Materials and Supplies Inventory	(618)	0
Unrecorded Cash 2001	4,114	0
Unrecorded Cash 2002	(1,389)	0
Acquisition of Capital Assets	(369,979)	0
Advances	29,648	0
Non-Budgeted Activity	0	26,623
Encumbrances	(223,046)	0
Budget Basis	(\$539,942)	(\$280,011)

NOTE 5 - COMPLIANCE AND ACCOUNTABILITY

Compliance

The following budgetary objects had an excess of expenditures plus encumbrances over appropriations for the year ended December 31, 2002:

	Excess
<u>General Fund</u>	
Other Financing Uses	
Advances Out	\$32,510
 <u>Debt Service Funds</u>	
Jail Bond Retirement	
Debt Service	
Interest and Fiscal Charges	71,707
Other Financing Uses	
Payment to Refunded Bond Escrow Agent	2,734,927

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 5 - COMPLIANCE AND ACCOUNTABILITY (Continued)

	Excess
Human Services Bond Retirement	
Debt Service	
Interest and Fiscal Charges	60,690
Other Financing Uses	
Payment to Refunded Bond Escrow Agent	617,583
Discount on Refunded Bonds	3,606
<u>Expendable Trust Fund</u>	
Unclaimed Money	
Miscellaneous	
Other	302

Accountability

The following funds had fund balance/retained earnings deficits at December 31, 2002:

	Deficit
<u>Special Revenue Fund:</u>	
Ditch Maintenance	\$80,206
<u>Enterprise Funds:</u>	
Sewer	251,988
Landfill	4,120,252

The general fund is liable for the deficit in the special revenue fund and will provide operating transfers when cash is required, not when accruals occur.

The deficit in the Sewer Enterprise Fund is a result of user charges not covering operational costs. The County will continue to monitor this deficit and raise user charges to alleviate this deficit, if necessary.

The landfill anticipates increased revenue and a corresponding decrease in the retained earnings deficit in future years. The County approved a special assessment on each residential dwelling and commercial and industrial properties to finance landfill operations. Collections began in 2002. Revenue from this special assessment is expected to be \$865,000 annually. Also, in April 2002, two additional villages are having their waste disposed of at the landfill, generating additional revenue. Finally, EPA granted approval to the County in 2001 to expand the landfill, which is expected to generate additional revenue.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed five percent of the County's total average portfolio; and
10. Bankers' acceptances for a period not to exceed 270 days and in an amount not to exceed ten percent of the County's total average portfolio.

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

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

At year-end, the County had \$6,688 in undeposited cash on hand which is included on the balance sheet of the County as part of "Equity in Pooled Cash and Cash Equivalents."

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

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

Deposits

At year-end, the carrying amount of the County's deposits was \$2,972,514, and the bank balance was \$4,365,346. Of the bank balance, \$843,866 was covered by federal deposit insurance, \$400,000 was covered by a surety bond in the County's name, \$1,500,000 was covered by a letter of credit with Federal Home Loan Bank of Cincinnati listing Preble County as the beneficiary, and \$1,621,480 was uncollateralized and uninsured. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the Federal Deposit Insurance Corporation.

Investments

GASB Statement No. 3 requires the County to categorize investments to give an indication of the level of risk assumed by the County at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held in the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the County's name. STAR Ohio, an investment pool operated by the Ohio State Treasurer, is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Primary Government		Carrying/Fair Value
	Category 2	Unclassified	
Federal National Mortgage Association (FNMA) Notes	\$3,992,605	\$0	\$3,992,605
Federal Home Loan Bank (FHLB) Notes	505,080	0	505,080
Federal Home Loan Mortgage Company (FHLMC) Notes	499,018	0	499,018
STAR Ohio	0	5,546,640	5,546,640
	<u>\$4,996,703</u>	<u>\$5,546,640</u>	<u>\$10,543,343</u>

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 6 - DEPOSITS AND INVESTMENTS (Continued)

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting." Cash equivalents are defined to include investments with original maturities of three months or less, and the County's cash management pool.

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

	Primary Government	
	Cash & Cash Equivalents/ Deposits	Investments
	GASB Statement No. 9	\$13,522,545
Cash on Hand	(6,688)	0
Investments:		
Federal National Mortgage Association (FNMA) Note	(3,992,605)	3,992,605
Federal Home Loan Bank (FHLB) Notes	(505,080)	505,080
Federal Home Loan Mortgage Company (FHLMC) Notes	(499,018)	499,018
STAR Ohio	(5,546,640)	5,546,640
GASB Statement No. 3	\$2,972,514	\$10,543,343

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal property (other than public utility) located in the County. Property tax revenue received during 2002 for real and public utility property taxes represents collections of 2001 taxes. Property tax payments received during 2002 for tangible personal property (other than public utility property) are for 2002 taxes.

2002 real property taxes are levied after October 1, 2002, on the assessed value as of January 1, 2002, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2002 real property taxes are collected in and intended to finance 2003.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 7- PROPERTY TAXES (Continued)

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

2002 tangible personal property taxes are levied after October 1, 2001, on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are 25 percent of true value for capital assets and 24 percent of true value for inventory.

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

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

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to itself its share of the taxes collected.

The collection and distribution of taxes and special assessments for the County and for all subdivisions within the County is accounted for through the Undivided General Tax Agency Fund. The amount of the County's tax collections which flow through the agency fund is reported as "Taxes Receivable" on the combined balance sheet. The amount of the County's special assessment collections which will flow through an agency fund is reported as "Special Assessments Receivable" on the combined balance sheet. Taxes and special assessments receivable for individual funds have been recorded as "Due from Other Funds" in the various funds and "Due to Other Funds" in the Undivided General Tax Agency Fund.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 7- PROPERTY TAXES (Continued)

The full tax rate for all County operations for the year ended December 31, 2002, was \$7.28 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2002 property tax receipts were bases are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$603,905,830
Public Utility Property	40,128,730
Tangible Personal Property	80,650,420
Totals	<u>\$724,684,980</u>

Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2002 and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2002 operations. The receivable is offset by deferred revenue.

NOTE 8 - PERMISSIVE SALES AND USE TAX

The County Commissioners, by resolution, imposed a 1.5 percent continuing tax on all retail sales made in the County, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The State Auditor then has five days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General Fund. Amounts that are measurable and are to be received within the available period are accrued as revenue. Permissive sales tax revenue received in 2002 amounted to \$3,788,125.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2002, consisted of taxes, charges for services, utility accounts, special assessments, interest on investments, interfund amounts and intergovernmental receivables arising from grants, entitlements and shared revenues. Utility accounts receivable at December 31, 2002, were \$165,118. All receivables are considered fully collectible.

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 9 - RECEIVABLES (Continued)

A summary of intergovernmental receivables follows:

<u>General Fund</u>	
Election Costs	\$1,737
Department Refund	82
Reimbursement for Housing	23,032
Indigent Defense	48,948
Mediation	5,797
Total General Fund	<u>79,596</u>
<u>Special Revenue Funds</u>	
Gasoline Cents Per Gallon	430,831
Gasoline Excise Tax	223,920
Auto License	744,040
State Child Subsidy	54,224
Jefferson House	11,635
Mental Health State Subsidy	454,968
Mental Health Block Grant	19,111
SAPT Block Grant	61,440
Jail House Help Grant	15,658
Title XX	7,317
Social Services Block Grant – Title XX	9,136
Title 19	64,817
Community Development Block Grant	409,390
CASA Program	625
Youth Services Subsidy – Reclaim Fund	116,347
Public Assistance (Over/Under Approach)	236,634
Homemaker PERS Care	52,661
VOCA Expansion	40,553
OJFS 2820 Reimbursement	5,000
Title VI B	21,942
Title VI E	77,629
CSEA Advances (Over/Under Approach)	36,287
Clerk of Court Title Fees	1,077
Reimbursement for Housing	115
R.F.W. – Room and Board	1,714
Medicaid Reimbursement	73,119
Domestic Violence Fees	357
Equipment Rentals	78
Salt	3,010
Total Special Revenue Funds	<u>\$3,173,635</u>
	(Continued)

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 9 - RECEIVABLES (Continued)

<u>Capital Projects Funds</u>	
Grant Reimbursement	\$11,524
Design and Build Project	462,016
CR 24 Bridge Replacement	89,947
Brubaker Covered Bridge	1,916
Total Capital Projects Funds	<u>565,403</u>
<u>Enterprise Fund</u>	
Rumpke Fees – Montgomery County	<u>1,535</u>
<u>Agency Funds</u>	
Gasoline Cents Per Gallon	186,862
Gasoline Excise Tax	97,284
Auto License	449,033
Local Government Revenue Assistance	233,343
Local Government	901,961
Homestead and Rollback	265,851
Undivided Library	1,095,305
Total Agency Funds	<u>3,229,639</u>
Total All Funds	<u><u>\$7,049,808</u></u>

NOTE 10 - FIXED ASSETS

A summary of the Sewer and Landfill Enterprise Funds fixed assets at December 31, 2002, follows:

Land	\$279,610
Buildings, Structures and Improvements	739,452
Furniture, Fixtures and Equipment	1,510,238
Total	<u>2,529,300</u>
Less: Accumulated Depreciation	<u>(1,450,162)</u>
Total Fixed Assets	<u><u>\$1,079,138</u></u>

The changes in general fixed assets during 2002 were as follows:

<u>Asset Category</u>	<u>Balance at January 1, 2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2002</u>
Land	\$1,660,161	\$242,600	\$0	\$1,902,761
Buildings, Structures and Improvements	8,595,310	704,140	0	9,299,450
Furniture, Fixtures and Equipment	6,603,462	742,692	105,850	7,240,304
Total General Fixed Assets	<u>\$16,858,933</u>	<u>\$1,689,432</u>	<u>\$105,850</u>	<u>\$18,442,515</u>

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 11- RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. With the exception of health insurance, dental insurance, vision insurance, life insurance, and workers' compensation, during 2002, the County contracted with Cincinnati Insurance Company and Monticello Insurance Company for liability, property and law enforcement. Coverage provided by the insurance companies is as follows:

Cincinnati Insurance:

Liability	General and Auto Liability (per occurrence)	\$1,000,000
Property		23,513,666
Boiler and Machinery		4,623,683

Monticello Insurance:

Liability	Public Official Errors and Omissions Liability (per occurrence)	\$1,000,000
Law Enforcement		1,000,000

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

The County pays all elected officials' bonds by statute.

The County is self-insured for medical, dental, vision and life insurance benefits. This plan provides medical plans with a \$250 deductible for single and a \$500 deductible for employee + 1 and families, dental plans with no deductible, and \$10,000 in accidental life insurance. A third party administrator, MCA Administrator, reviews all claims which are then paid by the County. The County purchases stop-loss coverage for claims in excess of \$70,000 per individual. The County contributed to the Employees Health Insurance Internal Service Fund \$269.46 per month for single employees, \$509.67 per month for employee + 1 and \$707.40 per month for family plans which represents a portion of the entire contribution required. This contribution is paid by the fund that pays the employee's salary and is based on historic cost information.

The liability for unpaid claims of \$350,190 reported in the fund at December 31, 2002, as estimated by an analysis of claim payments, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for claims, including incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 11 - RISK MANAGEMENT (Continued)

Changes in the Fund's claim liability amount in 2000 and 2001 were:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2001	\$197,459	\$1,542,363	\$1,411,282	\$328,540
2002	328,540	1,739,073	1,717,423	350,190

Workers' compensation benefits are provided through the State Bureau of Workers' Compensation. For 2002, the County participated in the County Commissioner's Association of Ohio Workers' Compensation Group Rating Program, provided by the County Commissioner's Association of Ohio Service Corporation (CCAOSC), a workers' compensation group purchasing pool (See Note 22). The intent of the CCAOSC is to achieve lower workers' compensation rates while establishing safe working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the CCAOSC. Each participant pays its workers' compensation premium to the State based on the rate for the CCAOSC rather than its individual rate.

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

The County may withdraw from the CCAOSC if written notice is provided 60 days prior to the prescribed applicant deadline of the Ohio Bureau of Workers' Compensation. The participant is not relieved of the obligation to pay any amounts owed to the CCAOSC prior to withdrawal. Any participant leaving the CCAOSC allows representatives of the CCAOSC to access loss experience for three years following the last year of participation.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 12 - DEFINED BENEFIT PENSION PLAN

Ohio Public Employees Retirement System

All County employees participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple employer public employee retirement system administered by the Ohio Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members, other than those engaged in law enforcement, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations; law enforcement employees contribute 10.10 percent. The 2002 employer pension contribution rate other than those engaged in law enforcement, for the County was 8.55 percent of covered payroll, a decrease from 9.25 percent in 2001. The County contribution for law enforcement employees for 2002 was 11.7 percent of covered payroll, a decrease from 12.40 percent in 2001.

Contributions are authorized by State statute. The contribution rates are determined actuarially. The County's contributions to OPERS for the years ended December 31, 2002, 2001, and 2000 were \$895,759, \$1,462,994, and \$1,250,516, respectively. The full amount has been contributed for 2001 and 2000. The amount contributed for 2002 was 73.76 percent with the remainder being reported as a fund liability and within the General Long-Term Obligations Account Group.

NOTE 13 - POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2002 employer contribution rate was 13.55 percent of covered payroll; 5 percent was the portion that was used to fund health care for 2002. For 2001, the contribution rate was 13.55 percent of covered payroll; 4.3 percent was used to fund health care.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 13 - POSTEMPLOYMENT BENEFITS (Continued)

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2001, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4 percent annually.

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

The number of active contributing participants was 402,041. The County's actual contributions for 2002 which were used to fund postemployment benefits were \$529,629. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2001, (the latest information available) were \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$16.4 billion and \$4.8 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of Health Care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

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

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 14 - EMPLOYEE BENEFITS

Deferred Compensation Plan

County employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan is created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency. Plan assets belong to the individual employees, and the County has no responsibility for the plan assets.

NOTE 15 - LONG-TERM DEBT

The changes in the County's long-term obligations during 2002 consist of the following:

	Restated Balance at January 1, 2002	Increases	Decreases	Balance at December 31, 2002
Notes Payable:				
2.25% Gradall Acquisition Note	\$0	\$100,000	\$0	\$100,000
2.50% Court Computer Equipment Note	25,000	20,000	25,000	20,000
Total Notes Payable	<u>25,000</u>	<u>120,000</u>	<u>25,000</u>	<u>120,000</u>
General Obligation Bonds:				
3.00 to 5.55% - 1993 County Jail Project - Voted	2,565,000	0	2,565,000	0
County Jail Refunding Bonds – Voted				
2.00 to 3.00% - Current Interest Bonds	0	2,325,000	255,000	2,070,000
11.69 to 12.08% Original Issue on Capital Appreciation Bonds	0	240,000	0	240,000
Accretion on Capital Appreciation Bonds	0	8,437	0	8,437
6.50 to 7.125% - 1989 Human Services Building - Unvoted	660,000	0	660,000	0
2.00 to 3.50% - 2002 Various Purpose - Unvoted	0	1,440,000	0	1,440,000
4.40% to 6.15% - 1996 Fairgrounds Project - Unvoted	175,000	0	10,000	165,000
TOTAL General Obligation Bonds	<u>3,400,000</u>	<u>4,013,437</u>	<u>3,490,000</u>	<u>3,923,437</u>
Other Long-Term Obligations:				
Compensated Absences Payable	710,542	44,951	0	755,493
Due to Other Governments	351,040	364,566	351,040	364,566
TOTAL - Other Long-Term Obligations	<u>1,061,582</u>	<u>409,517</u>	<u>351,040</u>	<u>1,120,059</u>
TOTAL - General Long-Term Obligations	<u>\$4,486,582</u>	<u>\$4,542,954</u>	<u>\$3,866,040</u>	<u>\$5,163,496</u>

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 15 - LONG-TERM DEBT (Continued)

The notes outstanding at December 31, 2002, are general obligation notes which were paid off when general obligation bonds were issued. The notes are backed by the full faith and credit of the County.

On October 1, 2002, the County issued \$2,325,000 Current Interest Refunding Bonds, Series 2002, \$240,000 Capital Appreciation Refunding Bonds, Series 2002, and \$1,440,000 Various Purpose Bonds, Series 2002. \$595,000 of the Various Purpose Bonds, Series 2002, along with the \$2,325,000 Current Interest Refunding Bonds, Series 2002, and \$240,000 Capital Appreciation Refunding Bonds, Series 2002, were used to retire \$3,160,000 of the general obligation bonds. The remaining proceeds of the Various Purpose Bonds, Series 2002, were used to finance renovations to the County Human Services Building. The new general obligation bonds have interest rates varying from 2.00% to 3.50%. An analysis of the current refunding follows:

Outstanding at 12/31/01	\$3,225,000
Principal Paid Prior to Refunding	<u>(65,000)</u>
Amount Refunded	<u>\$3,160,000</u>

The County decreased its total debt service payments by \$314,555 as a result of the current refunding. The County also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$288,872.

General obligation bonds presented as a liability in the General Long-Term Obligations Account Group will be paid from property taxes which are received in the Jail Bond Retirement Fund, transfers from the General Fund received in the Human Services Bond Retirement Fund, and monies received from the Preble County Agricultural Society received in the Agricultural Society Bond Retirement Fund.

Compensated absences and due to other governments (which represent contractually required pension contributions paid outside the available period) will be paid from the funds from which the employees' salaries are paid.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 15 - LONG-TERM DEBT (Continued)

Changes in the long-term obligations reported in the proprietary funds during 2002 were as follows:

	Restated Balance at January 1, 2002	Increases	Decreases	Balance at December 31, 2002
Loans Payable:				
0% - OWDA Loan	\$20,335	\$0	\$2,260	\$18,075
0% - OWDA Loan	50,000	0	5,000	45,000
0% - OPWC Loan	215,802	0	11,358	204,444
Total Loans Payable	286,137	0	18,618	267,519
General Obligation Bond Payable:				
3.75% to 5.50% - 1996 Landfill				
Improvement Bond	4,024,798	0	188,986	3,835,812
Compensated Absences	31,767	650	0	32,417
Due to Other Governments	13,980	7,953	13,980	7,953
Landfill Closure and Postclosure	1,743,501	128,816	0	1,872,317
TOTAL - Enterprise Funds	\$6,100,183	\$137,419	\$221,584	\$6,016,018

The County has two OWDA Loans and an OPWC loan outstanding at December 31, 2002, in the amounts of \$18,075, \$45,000, and \$204,444 for a total of \$267,519. The OWDA loans bear interest rates of 0 percent per annum and are payable in annual installments through 2010 and 2011, respectively. The County also agreed to pay 2% interest on \$21,778, which are the amount of the OWDA loans currently in arrears. The OPWC loan bears an interest rate of 0 percent and is payable in semi-annual installments through 2021. The loans were originally received by the Village of West Elkton during 1994 and 1995 in the amount of \$299,755, and were assumed by the County, in 2000, when the village could not repay the loans. Current operations of the sewer fund are expected to provide sufficient cash flows to fund debt service requirements.

The Landfill Improvement General Obligation Bond is reported at carrying value. Principal paid in 2002 was \$190,000, and the amortized bond discount for 2002 was \$1,014, and the unamortized amount is \$14,188. The general obligation bond payable will be paid off with user charges which are received in the Landfill Enterprise Fund.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 15 - LONG-TERM DEBT (Continued)

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed 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 should not 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 at December 31, 2002, are an overall legal debt margin of \$16,617,125 and an unvoted legal debt margin of \$7,246,850.

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

General Long-Term Obligations					
Year	Notes Payable		General Obligation Term Bonds		General Obligation Capital Appreciation Bonds
	Principal	Interest	Principal	Interest	Principal
2003	\$120,000	\$2,750	\$400,000	\$111,062	\$0
2004	0	0	415,000	95,284	0
2005	0	0	425,000	86,625	0
2006	0	0	430,000	77,755	0
2007	0	0	440,000	67,936	0
2008-2012	0	0	1,060,000	183,435	650,000
2013-2017	0	0	285,000	89,103	0
2018-2021	0	0	220,000	25,143	0
Total	\$120,000	\$2,750	\$3,675,000	\$736,343	\$650,000

Proprietary Funds				
Year	Loans Payable		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2003	\$12,938	\$435	\$200,000	\$198,852
2004	18,618	436	205,000	189,952
2005	18,617	435	215,000	180,624
2006	18,618	436	225,000	170,628
2007	25,395	435	235,000	160,052
2008-2012	76,790	1,172	1,380,000	609,130
2013-2017	56,790	0	1,390,000	196,076
2018-2021	39,753	0	0	0
Total	\$267,519	\$3,349	\$3,850,000	\$1,705,314

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 16 - NOTES PAYABLE

A summary of the short-term note transactions for the year ended December 31, 2002, follows:

Fund Type/Fund/Issue	Interest Rate	Restated Balance at January 1, 2002	Increases	Decreases	Balance at December 31, 2002
Special Revenue Fund:					
Mental Retardation Development	2.20%	\$225,000	\$200,000	\$225,000	\$200,000
Capital Projects Funds:					
Plummer Ditch Construction	3.50%	5,500	0	5,500	0
West Alex Ditch Construction	1.89%	11,654	5,824	11,654	5,824
Total Capital Projects Funds		17,154	5,824	17,154	5,824
Enterprise Funds:					
Landfill Compactor	2.25%	0	299,100	0	299,100
Landfill Construction	2.25%	200,000	133,333	200,000	133,333
Total Enterprise Funds		200,000	432,433	200,000	432,433
Grand Total All Funds		\$442,154	\$638,257	\$442,154	\$638,257

All of the notes are backed by the full faith and credit of the County and mature within one year. The notes are issued in anticipation of long-term bond financing, and the County intends to refinance the notes until such bonds are issued. The liability for the notes is presented in the fund that received the note proceeds.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 17 - INTERFUND TRANSACTIONS

Interfund balances at December 31, 2002, consist of the following individual fund receivables and payables:

<u>Fund Type/Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$2,105,105	\$28,490	\$378,599	\$0
Special Revenue Funds:				
Motor Vehicle and Gas Tax	41,839	5,350	0	0
Human Services	0	6,615	0	0
Community Mental Health	277,146	0	0	0
Children Services	384,973	0	0	0
Mental Retardation Levy	1,082,737	0	0	0
Real Estate Assessment	0	14,839	0	0
Ditch Maintenance	114,902	0	0	90,000
9-1-1 Emergency Services	6,082	0	0	0
Computer Maintenance	1,490	0	0	0
Child Support Enforcement	0	6,255	0	0
Community Development Block Grant	0	4,483	0	0
Certificate of Title Administration	0	0	0	0
Total Special Revenue Funds	<u>1,909,169</u>	<u>37,542</u>	<u>0</u>	<u>90,000</u>
Debt Service Fund:				
Jail Bond Retirement	290,540	0	0	0
Capital Projects Funds:				
Ditch Construction	11,650	0	0	1,215
Permanent Improvements	0	0	29,648	0
Total Capital Projects Funds	<u>11,650</u>	<u>0</u>	<u>29,648</u>	<u>1,215</u>
Enterprise Funds:				
Sewer	821	0	0	29,648
Landfill	58,244	2,500	0	287,384
Total Enterprise Funds	<u>59,065</u>	<u>2,500</u>	<u>0</u>	<u>317,032</u>
Agency Funds:				
Health	290,154	355	0	0
Family and Children's First Council	6,615	7,787	0	0
Undivided General Tax	0	4,060,192	0	0
Local Government	0	567,656	0	0
Council on Aging	32,224	0	0	0
Total Agency Funds	<u>328,993</u>	<u>4,635,990</u>	<u>0</u>	<u>0</u>
Total All Funds	<u>\$4,704,522</u>	<u>\$4,704,522</u>	<u>\$408,247</u>	<u>\$408,247</u>

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 18 - SEGMENT INFORMATION

The County's enterprise funds account for sewer and landfill services. Key financial information as of and for the year ended December 31, 2002, for each enterprise fund is as follows:

	Sewer Fund	Landfill Fund	Total
Operating Revenues	\$16,967	\$2,257,088	\$2,274,055
Depreciation Expense	600	218,622	219,222
Operating Income (Loss)	(6,340)	11,387	5,047
Non-Operating Revenues (Expenses) excluding Grants	0	(200,983)	(200,983)
Grants	0	31,823	31,823
Net Income (Loss)	(6,340)	(157,773)	(164,113)
Net Working Capital	14,976	(466,870)	(451,894)
Fixed Asset Additions	0	369,979	369,979
Fixed Asset Deletions	0	83,300	83,300
Total Assets	71,769	2,607,710	2,679,479
Long-Term Liabilities Payable	248,964	5,548,436	5,797,400
Total Equity (Deficit)	(225,591)	(4,120,252)	(4,345,843)
Total Encumbrances	914	222,132	223,046

NOTE 19 - DISCRETELY PRESENTED COMPONENT UNIT

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION - L & M Products (the company) is incorporated as a not-for-profit organization under the laws of the State of Ohio.

NATURE OF OPERATIONS - The company provides employment, training, and rehabilitation opportunities in support of the Preble County, Ohio, Board of Mental Retardation and Developmental Disabilities (MRDD Board) programs. The company enters into month-to-month contracts for assembly of component parts for local businesses. Excess net revenues generated by these operations are used to fund rehabilitative programs, including nursing services and a senior/retirement program.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 19 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

BASIS OF ACCOUNTING - The financial statements of the company have been prepared on the accrual basis.

BASIS OF PRESENTATION - Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) 117, Financial Statements of Not-for-Profit Organizations. Under SFAS 117, the company is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

USE OF ESTIMATES - The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

PROPERTY AND EQUIPMENT - Assets are recorded at cost and depreciation is computed principally using the straight-line method over the estimated useful lives of the assets (10-20 years for leasehold improvements, 3-5 years for vehicles, 5-10 years for machinery and equipment). Donated assets are recorded at estimated fair market value at the time of donation. Routine maintenance, repairs and renewals are charged to income as incurred. Renewals and betterments which substantially increase the life of an asset are capitalized. At retirement or sale, the cost of assets, less the related accumulated depreciation, is removed from the accounts and resulting gains or losses are included in income.

CONTRIBUTIONS - Contributions, if any, are considered to be available for unrestricted use unless specifically restricted by the donor. Donated services, materials, and facilities are reflected as contributions in the accompanying statements at their estimated values at date of receipt. An equivalent expense is also recognized.

FUNCTIONAL ALLOCATION OF EXPENSES - The costs of providing the various programs have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs benefited based upon usage by each program.

INCOME TAXES - The company is exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, and does not currently conduct any activities which management believes would result in the imposition of the unrelated business income tax.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 19 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

CASH AND CASH EQUIVALENTS - For purposes of reporting cash flows, the company considers all checking accounts, savings accounts, and certificates of deposit to be cash equivalents.

B. CONCENTRATIONS OF CREDIT RISK

Financial instruments which subject the company to concentrations of credit risk include cash accounts in financial institutions which may, from time to time, exceed federal insurance limits.

Two customers represent 80% of total assembly contract billings for 2002, and 91% of accounts receivable at December 31, 2002.

C. DEPOSITS AND INVESTMENTS

Cash and cash equivalents that are held by the company are classified as "Cash and Cash Equivalents in Segregated Accounts." At year-end, the carrying amount of the company's deposits was \$192,937.

D. PROPERTY AND EQUIPMENT

Property and equipment consists of:

2002	Cost	Accumulated Depreciation	Book Value
Leasehold Improvements	\$38,009	\$19,033	\$18,976
Machinery and Equipment	118,505	94,157	24,348
Vehicles	71,671	71,671	0
Total	<u>\$228,185</u>	<u>\$184,861</u>	<u>\$43,324</u>

These assets are subject to general restrictions imposed by law or by the terms of various grants regarding use and disposal of such assets.

E. DONATED FACILITIES AND SERVICES

The MRDD Board pays the salaries and benefits of the company's non-client staff, and provides the facilities for the operations of the company. The company reimburses the MRDD Board for a portion of these costs. The reimbursements are reported in the financial statements as subcontract labor and occupancy expense in the management and general category. The unreimbursed value of these items is reported as a contribution at fair value, and a corresponding expense is recognized.

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 19 - DISCRETELY PRESENTED COMPONENT UNIT (Continued)

The donated portion is computed as follows:

	2002
Salaries and benefits expense incurred by MRDD Board	\$1,164,099
Less payments from L&M Products	(11,293)
Value of MRDD Board Contribution	1,152,806
Other donated services	1,320
Value of all donated services	\$1,154,126
Costs paid by MRDD Board	\$367,430
Estimated Equivalent Rental Value of Facilities Owned by MRDD Board	80,314
Value of facilities donated by MRDD Board	\$447,744

F. RELATED PARTY TRANSACTIONS

Two board members are employed by customers of the company. Another board member also serves on the Preble County Board of Mental Retardation and Developmental Disabilities.

G. COMMITMENTS AND CONTINGENCIES

At December 31, 2002, the company had committed to purchase a van through the Ohio Department of Transportation van grant program for the benefit of the MRDD Board. The total cost of the van will be \$45,186. The company was required to pay \$9,037 (20% of the cost) in 2002, and was reimbursed for this amount by the MRDD Board. The company anticipates receiving the van in May 2003.

**PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 20 - RELATED ORGANIZATIONS

Preble County Library Board

The Preble County Library Board is a related organization to the County. The County Officials (the Commissioners, the Probate Court and the Common Pleas Court) are responsible for appointing the trustees of the Library Board; however, the County Officials cannot influence the Library's operation nor does the Library represent a potential financial benefit or burden to the County. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the Library Board, its role is limited to a ministerial function. Once the Library Board determines to present a levy to the voters, including the determination of the rate and duration, the County must place the levy on the ballot. The Library may issue debt and determines its own budget. During 2002, the County did not make any significant financial contributions to the operation of the Library. Financial information for the Library may be obtained by writing to Beverly Keefe, Treasurer of the Preble County Library Board, 450 S. Barron Street, Eaton, Ohio 45320.

Preble Metropolitan Housing Authority

The Preble Metropolitan Housing Authority (PMHA) is a related organization to the County. The general purpose of the PMHA is to provide decent, safe, and sanitary housing for qualified persons within the County. The ability to influence operations depends on the County's representation on the Board. The PMHA Board is composed of five representatives: one member appointed by the County Common Pleas Court Judge; one member appointed by the County Commissioners; one member appointed by the County Probate Court Judge; and two members appointed by the Mayor of Eaton. During 2002, the County did not make any significant financial contributions to the operation of the PMHA. Financial information may be obtained by writing to Alice Flora, Director of the Preble Metropolitan Housing Authority, 100 East Main Street, Eaton, Ohio 45320.

NOTE 21 - JOINT VENTURE

Preble County Emergency Management Agency

The Preble County Emergency Management Agency (EMA) is a joint venture between the County, the City of Eaton, and townships and villages within the County. The degree of control exercised by any participating government is limited to its representation on the Board.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 21 - JOINT VENTURE (Continued)

The Board is composed of the following seven members: one County Commissioner representing the Board of County Commissioners; five chief executives representing the municipal corporations and townships entering into the agreement; and one non-elected representative. The County contributed \$20,849 for the operation of the agency during 2002.

The EMA is a joint venture because its continued existence depends on contributed funding by the County. The EMA is not accumulating significant financial resources and is not experiencing fiscal stress that may cause an additional financial benefit to or burden on members in the future. Complete financial statements can be obtained from Charles Biggs, Director of the EMA located at 100 East Main Street, Eaton, Ohio 45320.

NOTE 22 - GROUP PURCHASING POOL

County Commissioner's Association of Ohio Service Corporation

The County is participating in the County Commissioner's Association of Ohio Workers' Compensation Group Rating Program as established under Section 4123.29 of the Ohio Revised Code. The County Commissioner's Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioner's Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates; approving the selection of a third party administrator; reviewing and approving proposed third party fees, fees for risk management services, and general management fees; determining ongoing responsibility of each participant; and performing any other acts and functions which may be delegated to it by the participating employers.

The group executive committee consists of seven members. Two members are the president and the treasurer of the CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member on the group executive committee in any year and each elected member shall be a County Commissioner.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 23 - CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require that the County place a final cover on its landfill when it stops accepting waste. These laws and regulations also require the County to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$1,872,317 reported as landfill closure and postclosure care liability at December 31, 2002, represents the cumulative amount reported to date based on the use of 23.95 percent of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,944,243 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2002. The County expects to close the landfill in the year 2044.

Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County is required by state and federal laws and regulations to provide financial assurance for the closure and postclosure care liabilities.

NOTE 24 - CONTINGENT LIABILITIES

Litigation

The County is involved in a number of claims and lawsuits which may be classified as routine litigation in which minimal non-material damages are being sought. In addition, the County is a defendant in numerous other claims and lawsuits ranging from tort liability to civil rights litigation in which the County believes the amounts claimed are overstated and not fair estimates of the ultimate settlements, if any, of these claims. Amounts paid by the County in 2002 for litigation settled were not material.

Federal and State Grants

The County participates in a number of Federal and State assisted grant programs. The major programs are: Community Development Block Grant; Ohio Department of Human Services; and Ohio Commission of Aging. These programs are subject to financial and compliance audits by grantors or representatives. At December 31, 2002, the audits of certain programs had not been completed. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The County believes that disallowed claims, if any, will not have a material adverse effect on the County's financial position.

PREBLE COUNTY, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 25 - RELATED PARTY TRANSACTIONS

L & M Products has entered into a contractual agreement with the Preble County Board of Mental Retardation/Developmental Disabilities (MRDD), whereby the MRDD provides sheltered employment for mentally retarded or handicapped individuals in the County. The MRDD provides the workshop with personnel necessary for the operation of the habilitation services to the client, land and buildings for the operation of the center, maintenance and repair of the buildings and professional staff to supervise and train clients of L & M Products.

NOTE 26 - CONTRACTUAL COMMITMENTS

As of December 31, 2002, Preble County had contractual purchase commitments as follows:

<u>Company</u>	<u>Project</u>	<u>Amount</u>
Kossler Electric	Human Services Building	\$23,252
Frebco Inc.	Human Services Building	31,106
Kramer & Associates	Design and Build	12,600
CDS Associates Inc.	Design and Build	21,276
SK Construction	Design and Build	119,042
DLZ Engineers	Brubaker Covered Bridge	16,286

NOTE 27 - SUBSEQUENT EVENTS

On March 26, 2003, the Commissioner's passed a resolution and have issued \$15,000 in notes for the purpose of procuring and maintaining computer systems for the Clerk of the Common Pleas Court. The interest rate on the note is 1.89%, and it matures on March 26, 2004.

On April 30, 2003 the Commissioner's passed resolutions and have issued three notes in the amounts of \$66,667, \$239,280 and \$50,000. The \$66,667 note was issued for the purpose of construction of Phase IIB of the county landfill. The \$239,280 note was issued for the purpose of acquiring a landfill compactor. The \$50,000 note was issued for the purpose of acquiring a gradall for the County Engineer. The interest rate on all three notes is 1.49% and they all mature on April 30, 2004.

FINANCIAL STATEMENTS AND SCHEDULES
OF INDIVIDUAL
FUNDS AND ACCOUNT GROUPS

GENERAL FUND

To account for government resources which are not accounted for in any other 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.

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$1,408,725	\$1,408,725	\$0
Permissive Sales Tax	3,886,725	3,886,725	0
Charges for Services	1,945,338	1,960,442	15,104
Licenses and Permits	3,365	3,415	50
Fines and Forfeitures	74,190	74,190	0
Intergovernmental	1,155,985	1,155,985	0
Interest	352,343	352,343	0
Miscellaneous	35,717	65,912	30,195
Total Revenues	<u>8,862,388</u>	<u>8,907,737</u>	<u>45,349</u>
Expenditures:			
Current:			
General Government			
Legislative and Executive			
County Commissioners			
Personal Services	318,357	316,096	2,261
Materials and Supplies	7,209	6,298	911
Charges and Services	402,763	384,315	18,448
Capital Purchases	388	388	0
Other	22,881	10,555	12,326
Total County Commissioners	<u>751,598</u>	<u>717,652</u>	<u>33,946</u>
Microfilm			
Personal Services	64,022	63,644	378
Materials and Supplies	6,647	5,532	1,115
Charges and Services	9,828	9,064	764
Other	2,775	2,549	226
Total Microfilm	<u>83,272</u>	<u>80,789</u>	<u>2,483</u>
County Auditor			
Personal Services	172,483	172,145	338
Materials and Supplies	6,598	4,877	1,721
Charges and Services	10,103	5,807	4,296
Capital Purchases	2,000	536	1,464
Other	2,895	2,835	60
Total County Auditor	<u>194,079</u>	<u>186,200</u>	<u>7,879</u>
County Treasurer			
Personal Services	78,056	75,698	2,358
Materials and Supplies	8,866	7,544	1,322
Charges and Services	12,079	11,057	1,022
Other	240	207	33
Total County Treasurer	<u>\$99,241</u>	<u>\$94,506</u>	<u>\$4,735</u>

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Prosecutor			
Personal Services	\$524,985	\$512,030	\$12,955
Materials and Supplies	23,343	19,392	3,951
Charges and Services	24,123	20,505	3,618
Capital Purchases	3,200	572	2,628
Other	36,646	34,700	1,946
	<u>612,297</u>	<u>587,199</u>	<u>25,098</u>
Bureau of Inspection			
Charges and Services	120,000	109,660	10,340
Data Processing			
Personal Services	29,744	29,672	72
Materials and Supplies	10,350	8,424	1,926
Charges and Services	51,044	41,148	9,896
Capital Purchases	12,500	1,149	11,351
Other	7,035	5,990	1,045
	<u>110,673</u>	<u>86,383</u>	<u>24,290</u>
Board of Elections			
Personal Services	84,362	84,161	201
Materials and Supplies	25,000	20,161	4,839
Charges and Services	71,608	55,084	16,524
Capital Purchases	1,843	1,843	0
Other	1,500	1,146	354
	<u>184,313</u>	<u>162,395</u>	<u>21,918</u>
Buildings and Grounds			
Capital Purchases	56	50	6
Other	15,465	14,798	667
	<u>15,521</u>	<u>14,848</u>	<u>673</u>
Total Buildings and Grounds			
Building Maintenance			
Personal Services	179,390	178,862	528
Materials and Supplies	31,651	25,909	5,742
Charges and Services	181,052	166,334	14,718
Capital Purchases	500	400	100
Other	500	36	464
	<u>393,093</u>	<u>371,541</u>	<u>21,552</u>
Total Building Maintenance			
Recorder			
Personal Services	105,675	105,459	216
Materials and Supplies	14,268	12,342	1,926
Charges and Services	4,749	3,962	787
	<u>\$124,692</u>	<u>\$121,763</u>	<u>\$2,929</u>
Total Recorder			

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Rural Zoning			
Personal Services	\$8,225	\$8,150	\$75
Materials and Supplies	3,127	3,084	43
Capital Purchases	4,050	4,040	10
Other	1,001	814	187
	<u>16,403</u>	<u>16,088</u>	<u>315</u>
Total Rural Zoning			
Insurance			
Charges and Services	628,428	614,434	13,994
	<u>628,428</u>	<u>614,434</u>	<u>13,994</u>
Real Estate Appraisal			
Personal Services	9,038	9,026	12
	<u>9,038</u>	<u>9,026</u>	<u>12</u>
Total General Government Legislative and Executive	<u>3,342,648</u>	<u>3,172,484</u>	<u>170,164</u>
General Government Judicial			
Appeals Court			
Charges and Services	25,000	22,470	2,530
Other	1,001	0	1,001
	<u>26,001</u>	<u>22,470</u>	<u>3,531</u>
Total Appeals Court			
Common Pleas Court			
Personal Services	118,276	115,097	3,179
Materials and Supplies	6,516	4,515	2,001
Charges and Services	23,119	19,325	3,794
Other	7,000	5,487	1,513
	<u>154,911</u>	<u>144,424</u>	<u>10,487</u>
Total Common Pleas Court			
Jury Commission			
Personal Services	800	800	0
Materials and Supplies	1,100	651	449
	<u>1,900</u>	<u>1,451</u>	<u>449</u>
Total Jury Commission			
Adult Probation			
Charges and Services	100	0	100
Capital Purchases	900	810	90
Other	350	336	14
	<u>1,350</u>	<u>1,146</u>	<u>204</u>
Total Adult Probation			
Common Pleas Referee			
Personal Services	47,743	46,328	1,415
Charges and Services	300	50	250
	<u>\$48,043</u>	<u>\$46,378</u>	<u>\$1,665</u>
Total Common Pleas Referee			

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Juvenile Court			
Personal Services	\$284,354	\$282,319	\$2,035
Materials and Supplies	14,983	14,730	253
Charges and Services	242,668	218,583	24,085
Other	<u>17,671</u>	<u>17,497</u>	<u>174</u>
Total Juvenile Court	<u>559,676</u>	<u>533,129</u>	<u>26,547</u>
Probate Court			
Personal Services	87,818	85,036	2,782
Materials and Supplies	14,165	13,789	376
Charges and Services	27,755	8,722	19,033
Capital Purchases	11,942	1,275	10,667
Other	<u>642</u>	<u>604</u>	<u>38</u>
Total Probate Court	<u>142,322</u>	<u>109,426</u>	<u>32,896</u>
Clerk of Courts			
Personal Services	172,023	165,948	6,075
Materials and Supplies	11,511	11,223	288
Charges and Services	26,837	26,001	836
Other	<u>4,109</u>	<u>4,049</u>	<u>60</u>
Total Clerk of Courts	<u>214,480</u>	<u>207,221</u>	<u>7,259</u>
Municipal Court			
Personal Services	113,128	107,238	5,890
Charges and Services	4,000	1,476	2,524
Other	<u>8,349</u>	<u>8,246</u>	<u>103</u>
Total Municipal Court	<u>125,477</u>	<u>116,960</u>	<u>8,517</u>
Total General Government Judicial	<u>1,274,160</u>	<u>1,182,605</u>	<u>91,555</u>
Public Safety			
Coroner			
Personal Services	45,822	45,545	277
Materials and Supplies	650	317	333
Charges and Services	43,373	38,140	5,233
Other	<u>3,000</u>	<u>2,618</u>	<u>382</u>
Total Coroner	<u>92,845</u>	<u>86,620</u>	<u>6,225</u>
Sheriff Dispatch			
Personal Services	359,203	342,319	16,884
Materials and Supplies	3,225	2,546	679
Charges and Services	<u>2,600</u>	<u>2,586</u>	<u>14</u>
Total Sheriff Dispatch	<u>\$365,028</u>	<u>\$347,451</u>	<u>\$17,577</u>

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Sheriff			
Personal Services	\$2,739,822	\$2,689,297	\$50,525
Materials and Supplies	64,221	57,064	7,157
Charges and Services	622,165	514,748	107,417
Capital Purchases	137,859	118,817	19,042
Other	23,281	17,973	5,308
Total Sheriff	<u>3,587,348</u>	<u>3,397,899</u>	<u>189,449</u>
Building Regulations			
Personal Services	191,953	188,737	3,216
Materials and Supplies	1,400	1,399	1
Charges and Services	4,227	3,726	501
Other	788	723	65
Total Building Regulations	<u>198,368</u>	<u>194,585</u>	<u>3,783</u>
Disaster Services			
Charges and Services	20,849	20,849	0
Total Public Safety	<u>4,264,438</u>	<u>4,047,404</u>	<u>217,034</u>
Public Works			
Highways			
Charges and Services	54,000	54,000	0
Health			
Tuberculosis			
Other	1,000	0	1,000
Vital Statistics			
Charges and Services	69,202	66,747	2,455
Other	9,000	8,400	600
Total Vital Statistics	<u>78,202</u>	<u>75,147</u>	<u>3,055</u>
Total Health	<u>79,202</u>	<u>75,147</u>	<u>4,055</u>
Human Services			
Soldier's Relief			
Personal Services	18,464	17,766	698
Materials and Supplies	1,136	715	421
Charges and Services	42,518	22,846	19,672
Capital Purchases	1,840	0	1,840
Total Soldier's Relief	<u>\$63,958</u>	<u>\$41,327</u>	<u>\$22,631</u>

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	Budget	Actual	Variance Favorable (Unfavorable)
Veteran's Services			
Personal Services	\$115,556	\$107,009	\$8,547
Charges and Services	44,809	25,362	19,447
Other	3,000	2,499	501
	<u>163,365</u>	<u>134,870</u>	<u>28,495</u>
Public Assistance			
Charges and Services	45,707	0	45,707
	<u>45,707</u>	<u>0</u>	<u>45,707</u>
Total Human Services	<u>273,030</u>	<u>176,197</u>	<u>96,833</u>
Miscellaneous			
Other			
Charges and Services	286,700	269,961	16,739
Other	52,029	51,605	424
	<u>338,729</u>	<u>321,566</u>	<u>17,163</u>
Intergovernmental			
Agriculture			
Charges and Services	332,393	329,480	2,913
	<u>332,393</u>	<u>329,480</u>	<u>2,913</u>
Total Expenditures	<u>9,958,600</u>	<u>9,358,883</u>	<u>599,717</u>
Excess of Revenues Under			
Expenditures	(1,096,212)	(451,146)	645,066
	<u>(1,096,212)</u>	<u>(451,146)</u>	<u>645,066</u>
Other Financing Sources (Uses):			
Advances - In	0	2,510	2,510
Advances - Out	(27,490)	(60,000)	(32,510)
Operating Transfers - Out	(362,341)	(352,417)	9,924
	<u>(389,831)</u>	<u>(409,907)</u>	<u>(20,076)</u>
Excess of Revenues and Other Financing			
Sources Under Expenditures and			
Other Financing Uses	(1,486,043)	(861,053)	624,990
	<u>(1,486,043)</u>	<u>(861,053)</u>	<u>624,990</u>
Fund Balance at Beginning of Year	1,652,672	1,652,672	0
Prior Year Encumbrances Appropriated	455,897	455,897	0
	<u>1,652,672</u>	<u>1,652,672</u>	<u>0</u>
Fund Balance at End of Year	<u>\$622,526</u>	<u>\$1,247,516</u>	<u>\$624,990</u>

SPECIAL REVENUE FUNDS

To account for the proceeds of specific revenue sources (other than expendable trust or for major capital projects) that are legally restricted to expenditures for specific purposes.

Motor Vehicle and Gas Tax

To account for revenue derived from motor vehicle licenses, gasoline taxes and interest. Expenditures in this fund are restricted by State law to County road and bridge repair/improvement programs.

Dog and Kennel

To account for the dog warden's operations, financed by the collection of fines and the sale of dog tags and kennel permits.

Human Services

To account for various federal and State grants as well as mandated transfers from the General Fund used to provide public assistance to general relief recipients and to pay providers of medical assistance and certain public social services.

Marriage License

To account for revenue from the issuance of marriage licenses. The fees are used to provide assistance to battered women.

Community Mental Health

To account for a county-wide property tax levy and federal and State grants that are expended primarily to pay the cost of contracts with local mental health agencies that provide services to the public.

Children Services

To account for various federal and State grants, a county-wide tax levy, and Social Security payments. Major expenditures are for daily operations of the children's home, foster homes, emergency shelters, medical costs, counseling and contracted services with other agencies.

Mental Retardation Levy

To account for a county-wide property tax levy, State grants and reimbursements used to care and provide services for the mentally handicapped and retarded.

Preble Victim Witness

To account for federal grant money from the Ohio Department of Criminal Justice. This revenue is used to assist the battered women's program.

Real Estate Assessment

To account for State mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located in the County.

Ditch Maintenance

To account for special assessment revenues that will be used to maintain existing ditches in the County.

(Continued)

SPECIAL REVENUE FUNDS
(Continued)

9-1-1 Emergency Services

To account for grant monies received to provide equipment and administrative support for 9-1-1 operations at the City of Eaton and County dispatch locations, as well as training dispatchers in EMS procedures.

Ohio Children's Trust

To account for grant monies received from the Ohio Children's Trust Fund Board to provide for child abuse and neglect prevention programs as required by Section 3109.00 of the Ohio Revised Code.

Preble County Jail Inmates

To account for monies that the jail inmates contribute to a bank account that can only be used by the inmates for personal items.

Preble County Intervention Team

To account for monies received from a grant from the Ohio Criminal Justice Division to combat drug abuse and crime.

Computer Maintenance

To account for fees collected that are used for the computerization and the acquisition and maintenance of legal research services.

Indigent Guardianship

To account for the collection of probate court fees used to pay for any cost, fee, or charge associated with the establishment, opening, maintenance, or termination of a guardianship for an indigent ward. This fund was established under Section 2111.51 of the Ohio Revised Code.

Probate Court - Conduct of Business

To account for fees collected by the Probate Court that are used for miscellaneous expenditures to run the office.

Enforcement and Education

To account for revenue received under Section 4511.00 of the Ohio Revised Code from the portion of fines charged for driving while intoxicated that are used for enforcement and education programs to prevent DUI from occurring.

Westview Acres

To account for the daily operation of the County home, Westview Acres, that the County formerly owned. The revenue was generated from resident fees and charges for services, and expenditures were used to contract with other agencies for services, to fund the daily costs of operation and to provide services to the residents such as laundry, transportation, personal care items, and incidental medical supplies. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented.

(Continued)

SPECIAL REVENUE FUNDS (Continued)

Child Support Enforcement

To account for the poundage fees collected by the Child Support Enforcement Agency (CSEA) that are used for the operation of the Agency and for the Title IV-D grants that reimburse expenditures for support enforcement.

Computer Legal Research

To account for additional fees collected by the courts under Sections 2303.201 of the Ohio Revised Code that are used for legal research and computer maintenance for the Law Library.

Ohio Law Enforcement

To account for revenue received under Section 2933.43 of the Ohio Revised Code from the sale of forfeited property that is used for the furtherance of investigation and prosecution of criminal cases in the County and costs of training and providing technical expertise.

Youth Services Subsidy

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

Community Development Block Grant

To account for grant revenue received from the federal government used for expenditures to the regional planning commission as prescribed under the Community Development Block Grant program.

Certificate of Title Administration

To account for revenue used to pay costs incurred by the Clerk of Courts while processing titles.

Ohio Election Commission

To account for additional State fees required by the Ohio Revised Code Sec. 3513.10(b) collected by the Board of Elections to fund election costs.

Indigent Driver's Alcohol Treatment

To account for fines imposed by the Municipal Court for the purpose of paying the costs of attendance of indigent OMVI offenders at alcohol and drug addiction treatment programs.

Drug Law Enforcement

To account for revenue received under Section 2933.43 of the Ohio Revised Code from the sale of forfeited property that is used for the furtherance of investigation and prosecution of criminal cases in the County, and costs of training and providing technical expertise. Budgetary information for this fund is not presented because it is not included in the entity for which the "appropriated budget" is adopted and does not maintain separate budgetary financial records.

(Continued)

SPECIAL REVENUE FUNDS
(Continued)

Geographical Information System

To account for a Geographical Information System set up by the County to be used for various projects by various departments.

Preble County CASA/GAL Program

To account for grant monies received from the Ohio CASA/GAL Association used to provide court appointed special advocates for dependent, abused, neglected, delinquent, and unruly child cases, and for child custody cases in the court system.

Delinquent Real Estate Assessment

To account for five percent of all certified delinquent taxes and assessments collected by the County Treasurer on any tax duplicate, i.e., real property, personal property, and manufactured home taxes.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 DECEMBER 31, 2002

	Motor Vehicle and Gas Tax	Dog and Kennel	Human Services	Marriage License	Community Mental Health	Children Services
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$236,584	\$22,441	\$344,792	\$2,398	\$699,387	\$263,218
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0	0
Receivables:						
Accounts	2,533	0	1,111	0	13,128	1,910
Due from Other Funds	41,839	0	0	0	277,146	384,973
Due from Other Governments	1,401,879	0	236,634	357	643,248	174,961
Materials and Supplies Inventory	102,982	0	5,102	0	0	0
Prepaid Items	0	0	6,395	0	5,345	493
Total Assets	<u>\$1,785,817</u>	<u>\$22,441</u>	<u>\$594,034</u>	<u>\$2,755</u>	<u>\$1,638,254</u>	<u>\$825,555</u>
Liabilities:						
Accounts Payable	\$11,955	\$670	\$12,424	\$2,134	\$836	\$422
Contracts Payable	25,200	717	36,711	518	93,314	93,939
Retainage Payable	0	0	0	0	0	0
Accrued Salaries Payable	62,181	3,460	93,578	0	18,125	0
Interfund Payable	0	0	0	0	0	0
Due to Other Funds	5,350	0	6,615	0	0	0
Due to Other Governments	6,532	334	11,071	0	25,716	6,716
Deferred Revenue	1,042,711	0	165,071	0	594,581	431,645
Notes Payable	0	0	0	0	0	0
Accrued Interest Payable	0	0	0	0	0	0
Compensated Absences Payable	8,484	316	3,878	0	2,925	0
Total Liabilities	<u>1,162,413</u>	<u>5,497</u>	<u>329,348</u>	<u>2,652</u>	<u>735,497</u>	<u>532,722</u>
Fund Equity:						
Fund Balances:						
Reserved for Encumbrances	32,356	1,931	131,050	0	189,790	16,782
Reserved for Materials and Supplies Inventory	102,982	0	5,102	0	0	0
Unreserved (Deficit)	488,066	15,013	128,534	103	712,967	276,051
Total Fund Equity (Deficit)	<u>623,404</u>	<u>16,944</u>	<u>264,686</u>	<u>103</u>	<u>902,757</u>	<u>292,833</u>
Total Liabilities and Fund Equity	<u>\$1,785,817</u>	<u>\$22,441</u>	<u>\$594,034</u>	<u>\$2,755</u>	<u>\$1,638,254</u>	<u>\$825,555</u>

Mental Retardation Levy	Preble Victim Witness	Real Estate Assessment	Ditch Maintenance	9-1-1 Emergency Services	Ohio Chirdren's Trust	Preble County Jail Inmates	Computer Maintenance
\$1,068,112	\$28,661	\$805,046	\$13,883	\$134,275	\$1,042	\$4,552	\$57,021
0	0	0	0	0	0	4,055	0
840	768	0	0	0	0	0	1,427
1,082,737	0	0	114,902	6,082	0	0	1,490
128,328	40,553	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$2,280,017</u>	<u>\$69,982</u>	<u>\$805,046</u>	<u>\$128,785</u>	<u>\$140,357</u>	<u>\$1,042</u>	<u>\$8,607</u>	<u>\$59,938</u>
\$3,854	\$356	\$0	\$0	\$331	\$0	\$0	\$0
7,940	0	1,275	0	0	0	0	0
2,536	0	0	0	0	0	0	0
70,169	4,639	6,398	7,977	0	0	0	0
0	0	0	90,000	0	0	0	0
0	0	14,839	0	0	0	0	0
7,198	435	2,225	759	0	0	0	0
1,074,950	35,484	0	109,552	6,082	0	0	0
200,000	0	0	0	0	0	0	0
687	0	0	0	0	0	0	0
3,531	0	0	703	0	0	0	0
<u>1,370,865</u>	<u>40,914</u>	<u>24,737</u>	<u>208,991</u>	<u>6,413</u>	<u>0</u>	<u>0</u>	<u>0</u>
54,130	604	0	180	6,846	0	0	6,260
0	0	0	0	0	0	0	0
855,022	28,464	780,309	(80,386)	127,098	1,042	8,607	53,678
<u>909,152</u>	<u>29,068</u>	<u>780,309</u>	<u>(80,206)</u>	<u>133,944</u>	<u>1,042</u>	<u>8,607</u>	<u>59,938</u>
<u>\$2,280,017</u>	<u>\$69,982</u>	<u>\$805,046</u>	<u>\$128,785</u>	<u>\$140,357</u>	<u>\$1,042</u>	<u>\$8,607</u>	<u>\$59,938</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 DECEMBER 31, 2002
 (Continued)

	Indigent Guardianship	Probate Court - Conduct of Business	Enforcement and Education	Westview Acres	Child Support Enforcement
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$4,612	\$502	\$2,908	\$2,018	\$384,458
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Receivables:					
Accounts	911	42	0	0	9,751
Due from Other Funds	0	0	0	0	0
Due from Other Governments	0	0	115	0	36,287
Materials and Supplies Inventory	0	0	0	0	1,610
Prepaid Items	0	0	0	0	0
Total Assets	<u>\$5,523</u>	<u>\$544</u>	<u>\$3,023</u>	<u>\$2,018</u>	<u>\$432,106</u>
Liabilities:					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0
Retainage Payable	0	0	0	0	0
Accrued Salaries Payable	0	0	0	0	17,482
Interfund Payable	0	0	0	0	0
Due to Other Funds	0	0	0	0	6,255
Due to Other Governments	0	0	0	0	1,685
Deferred Revenue	0	0	0	0	36,287
Notes Payable	0	0	0	0	0
Accrued Interest Payable	0	0	0	0	0
Compensated Absences Payable	0	0	0	0	1,117
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>62,826</u>
Fund Equity:					
Fund Balances:					
Reserved for Encumbrances	0	0	1,000	0	6,380
Reserved for Materials and Supplies Inventory	0	0	0	0	1,610
Unreserved (Deficit)	5,523	544	2,023	2,018	361,290
Total Fund Equity (Deficit)	<u>5,523</u>	<u>544</u>	<u>3,023</u>	<u>2,018</u>	<u>369,280</u>
Total Liabilities and Fund Equity	<u>\$5,523</u>	<u>\$544</u>	<u>\$3,023</u>	<u>\$2,018</u>	<u>\$432,106</u>

<u>Computer Legal Research</u>	<u>Ohio Law Enforcement</u>	<u>Youth Services Subsidy</u>	<u>Community Development Block Grant</u>	<u>Certificate of Title Administration</u>	<u>Ohio Election Commission</u>	<u>Indigent Driver's Alcohol Treatment</u>
\$7,877	\$11,544	\$129,639	\$23,719	\$71,136	\$220	\$313
0	48,507	0	0	0	0	0
291	0	0	0	10,844	0	0
0	0	0	0	0	0	0
0	0	116,347	393,224	1,077	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$8,168</u>	<u>\$60,051</u>	<u>\$245,986</u>	<u>\$416,943</u>	<u>\$83,057</u>	<u>\$220</u>	<u>\$313</u>
\$0	\$0	\$0	\$1,280	\$0	\$0	\$0
0	0	0	81,370	0	0	0
0	0	0	0	0	0	0
0	0	6,444	0	5,789	0	0
0	0	0	0	0	0	0
0	0	0	4,483	0	0	0
0	0	601	35,000	561	0	0
0	0	81,519	273,300	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	822	0	0	0	0
<u>0</u>	<u>0</u>	<u>89,386</u>	<u>395,433</u>	<u>6,350</u>	<u>0</u>	<u>0</u>
587	0	687	60,010	489	0	0
0	0	0	0	0	0	0
<u>7,581</u>	<u>60,051</u>	<u>155,913</u>	<u>(38,500)</u>	<u>76,218</u>	<u>220</u>	<u>313</u>
<u>8,168</u>	<u>60,051</u>	<u>156,600</u>	<u>21,510</u>	<u>76,707</u>	<u>220</u>	<u>313</u>
<u>\$8,168</u>	<u>\$60,051</u>	<u>\$245,986</u>	<u>\$416,943</u>	<u>\$83,057</u>	<u>\$220</u>	<u>\$313</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 DECEMBER 31, 2002
 (Continued)

	Drug Law Enforcement	Geographical Information System	Preble County CASA/GAL Program	Delinquent Real Estate Assessment	Total
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$0	\$8,099	\$12,901	\$47,093	\$4,388,451
Cash and Cash Equivalents in Segregated Accounts	50,799	0	0	0	103,361
Receivables:					
Accounts	0	0	0	0	43,556
Due from Other Funds	0	0	0	0	1,909,169
Due from Other Governments	0	0	625	0	3,173,635
Materials and Supplies Inventory	0	0	0	0	109,694
Prepaid Items	0	0	0	0	12,233
Total Assets	<u>\$50,799</u>	<u>\$8,099</u>	<u>\$13,526</u>	<u>\$47,093</u>	<u>\$9,740,099</u>
Liabilities:					
Accounts Payable	\$0	\$0	\$0	\$0	\$34,262
Contracts Payable	0	1,500	0	600	343,084
Retainage Payable	0	0	0	0	2,536
Accrued Salaries Payable	0	0	1,050	1,777	299,069
Interfund Payable	0	0	0	0	90,000
Due to Other Funds	0	0	0	0	37,542
Due to Other Governments	0	0	51	229	99,113
Deferred Revenue	0	0	0	0	3,851,182
Notes Payable	0	0	0	0	200,000
Accrued Interest Payable	0	0	0	0	687
Compensated Absences Payable	0	0	0	0	21,776
Total Liabilities	<u>0</u>	<u>1,500</u>	<u>1,101</u>	<u>2,606</u>	<u>4,979,251</u>
Fund Equity:					
Fund Balances:					
Reserved for Encumbrances	0	0	0	22,900	531,982
Reserved for Materials and Supplies Inventory	0	0	0	0	109,694
Unreserved (Deficit)	50,799	6,599	12,425	21,587	4,119,172
Total Fund Equity (Deficit)	<u>50,799</u>	<u>6,599</u>	<u>12,425</u>	<u>44,487</u>	<u>4,760,848</u>
Total Liabilities and Fund Equity	<u>\$50,799</u>	<u>\$8,099</u>	<u>\$13,526</u>	<u>\$47,093</u>	<u>\$9,740,099</u>

This Page Intentionally Left Blank

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Motor Vehicle and Gas Tax	Dog and Kennel	Human Services	Marriage License	Community Mental Health	Children Services
Revenues:						
Property Taxes	\$0	\$0	\$0	\$0	\$258,495	\$360,649
Charges for Services	124,986	0	540,994	5,100	29,584	76,623
Licenses and Permits	0	57,779	0	0	0	0
Fines and Forfeitures	33,090	12,879	0	0	0	0
Intergovernmental	3,040,155	0	2,903,271	0	2,212,154	849,795
Special Assessments	0	0	0	0	0	0
Interest	10,546	0	0	0	0	0
Miscellaneous	6,724	848	0	0	17,609	1,557
Total Revenues	3,215,501	71,506	3,444,265	5,100	2,517,842	1,288,624
Expenditures:						
Current:						
General Government						
Legislative and Executive	0	0	0	0	0	0
Judicial	0	0	0	0	0	0
Public Safety	0	0	0	0	0	0
Public Works	3,347,488	0	0	0	0	0
Health	0	103,998	0	6,758	2,669,882	0
Human Services	0	0	3,459,954	0	383,045	1,394,031
Community and Economic Development	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	3,347,488	103,998	3,459,954	6,758	3,052,927	1,394,031
Excess of Revenues Over (Under) Expenditures	(131,987)	(32,492)	(15,689)	(1,658)	(535,085)	(105,407)
Other Financing Sources:						
Proceeds From Sale of Long - Term Notes	100,000	0	0	0	0	0
Operating Transfers - In	0	24,311	112,049	0	0	184,244
Total Other Financing Sources	100,000	24,311	112,049	0	0	184,244
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(31,987)	(8,181)	96,360	(1,658)	(535,085)	78,837
Fund Balances at Beginning of Year	718,979	25,125	172,851	1,761	1,437,842	213,996
Decrease in Reserve for Inventory	(63,588)	0	(4,525)	0	0	0
Fund Balances (Deficit) at End of Yea	\$623,404	\$16,944	\$264,686	\$103	\$902,757	\$292,833

Mental Retardation Levy	Preble Victim Witness	Real Estate Assessment	Ditch Maintenance	9-1-1 Emergency Services	Ohio Children's Trust	Preble County Jail Inmates	Preble County Intervention Team	Computer Maintenance
\$905,360	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
54,345	0	316,808	28,255	84,289	0	117,037	0	86,967
0	0	0	0	0	0	0	0	0
0	9,568	0	0	0	0	0	0	0
2,158,963	77,632	0	0	0	17,000	0	0	0
0	0	0	69,995	0	0	0	0	0
0	0	0	0	2,925	0	0	0	0
28,185	7,742	0	346	16	0	0	0	0
<u>3,146,853</u>	<u>94,942</u>	<u>316,808</u>	<u>98,596</u>	<u>87,230</u>	<u>17,000</u>	<u>117,037</u>	<u>0</u>	<u>86,967</u>
0	0	273,524	0	0	0	0	0	0
0	0	0	0	0	0	0	0	68,408
0	0	0	0	58,584	15,958	110,943	28,434	0
0	0	0	195,089	0	0	0	0	0
0	0	0	0	0	0	0	0	0
2,781,796	119,933	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	25,000
5,067	0	0	0	0	0	0	0	329
<u>2,786,863</u>	<u>119,933</u>	<u>273,524</u>	<u>195,089</u>	<u>58,584</u>	<u>15,958</u>	<u>110,943</u>	<u>28,434</u>	<u>93,737</u>
<u>359,990</u>	<u>(24,991)</u>	<u>43,284</u>	<u>(96,493)</u>	<u>28,646</u>	<u>1,042</u>	<u>6,094</u>	<u>(28,434)</u>	<u>(6,770)</u>
0	0	0	0	0	0	0	0	20,000
0	19,365	0	0	0	0	0	0	0
0	19,365	0	0	0	0	0	0	20,000
359,990	(5,626)	43,284	(96,493)	28,646	1,042	6,094	(28,434)	13,230
549,162	34,694	737,025	16,287	105,298	0	2,513	28,434	46,708
0	0	0	0	0	0	0	0	0
<u>\$909,152</u>	<u>\$29,068</u>	<u>\$780,309</u>	<u>(\$80,206)</u>	<u>\$133,944</u>	<u>\$1,042</u>	<u>\$8,607</u>	<u>\$0</u>	<u>\$59,938</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	Indigent Guardianship	Probate Court- Conduct of Business	Enforcement and Education	Westview Acres	Child Support Enforcement
Revenues:					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	7,577	616	0	0	119,473
Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	1,256	0	0
Intergovernmental	0	0	0	0	407,860
Special Assessments	0	0	0	0	0
Interest	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Revenues	7,577	616	1,256	0	527,333
Expenditures:					
Current:					
General Government					
Legislative and Executive	0	0	0	0	0
Judicial	0	275	0	0	0
Public Safety	0	0	1,725	0	0
Public Works	0	0	0	0	0
Health	0	0	0	0	0
Human Services	10,974	0	0	0	546,277
Community and Economic Development	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
Total Expenditures	10,974	275	1,725	0	546,277
Excess of Revenues Over (Under) Expenditures	(3,397)	341	(469)	0	(18,944)
Other Financing Sources (Uses):					
Proceeds From Sale of Long - Term Notes	0	0	0	0	0
Operating Transfers - In	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,397)	341	(469)	0	(18,944)
Fund Balances at Beginning of Year	8,920	203	3,492	2,018	390,376
Decrease in Reserve for Inventory	0	0	0	0	(2,152)
Fund Balances (Deficit) at End of Yea	\$5,523	\$544	\$3,023	\$2,018	\$369,280

Computer Legal Research	Ohio Law Enforcement	Youth Services Subsidy	Community Development Block Grant	Certificate of Title Administration	Ohio Election Commission	Indigent Driver's Alcohol Treatment
\$0	\$0	\$0	\$0	\$0	\$0	\$0
4,239	0	0	0	176,384	270	0
0	0	0	0	0	0	0
0	25,887	0	0	0	0	75
0	13,178	269,806	273,496	0	0	0
0	0	0	0	0	0	0
0	291	0	0	0	0	0
0	0	278	0	0	0	0
<u>4,239</u>	<u>39,356</u>	<u>270,084</u>	<u>273,496</u>	<u>176,384</u>	<u>270</u>	<u>75</u>
0	0	0	0	0	270	0
2,787	0	0	0	159,257	0	0
0	32,141	209,793	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	280,558	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>2,787</u>	<u>32,141</u>	<u>209,793</u>	<u>280,558</u>	<u>159,257</u>	<u>270</u>	<u>0</u>
<u>1,452</u>	<u>7,215</u>	<u>60,291</u>	<u>(7,062)</u>	<u>17,127</u>	<u>0</u>	<u>75</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,452	7,215	60,291	(7,062)	17,127	0	75
6,716	52,836	96,309	28,572	59,580	220	238
0	0	0	0	0	0	0
<u>\$8,168</u>	<u>\$60,051</u>	<u>\$156,600</u>	<u>\$21,510</u>	<u>\$76,707</u>	<u>\$220</u>	<u>\$313</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	Drug Law Enforcement	Geographical Information System	Preble County CASA/GAL Program	Delinquent Real Estate Assessment	Total
Revenues:					
Property Taxes	\$0	\$0	\$0	\$45,577	\$1,570,081
Charges for Services	0	25,299	0	0	1,798,846
Licenses and Permits	0	0	0	0	57,779
Fines and Forfeitures	15,078	0	0	0	97,833
Intergovernmental	0	0	21,005	0	12,244,315
Special Assessments	0	0	0	0	69,995
Interest	0	0	0	0	13,762
Miscellaneous	0	0	0	110	63,415
Total Revenues	15,078	25,299	21,005	45,687	15,916,026
Expenditures:					
Current:					
General Government					
Legislative and Executive	0	18,700	0	48,419	340,913
Judicial	0	0	8,580	0	239,307
Public Safety	13,262	0	0	0	470,840
Public Works	0	0	0	0	3,542,577
Health	0	0	0	0	2,780,638
Human Services	0	0	0	0	8,696,010
Community and Economic Development	0	0	0	0	280,558
Debt Service:					
Principal Retirement	0	0	0	0	25,000
Interest and Fiscal Charges	0	0	0	0	5,396
Total Expenditures	13,262	18,700	8,580	48,419	16,381,239
Excess of Revenues Over (Under) Expenditures	1,816	6,599	12,425	(2,732)	(465,213)
Other Financing Sources (Uses):					
Proceeds From Sale of Long - Term Notes	0	0	0	0	120,000
Operating Transfers - In	0	0	0	0	339,969
Total Other Financing Sources (Uses)	0	0	0	0	459,969
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,816	6,599	12,425	(2,732)	(5,244)
Fund Balances at Beginning of Year	48,983	0	0	47,219	4,836,357
Decrease in Reserve for Inventory	0	0	0	0	(70,265)
Fund Balances (Deficit) at End of Yea	\$50,799	\$6,599	\$12,425	\$44,487	\$4,760,848

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
MOTOR VEHICLE AND GAS TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$65,000	\$119,464	\$54,464
Fines and Forfeitures	43,000	33,090	(9,910)
Intergovernmental	3,050,000	3,037,343	(12,657)
Interest	50,000	10,855	(39,145)
Miscellaneous	<u>45,000</u>	<u>6,724</u>	<u>(38,276)</u>
Total Revenues	<u>3,253,000</u>	<u>3,207,476</u>	<u>(45,524)</u>
Expenditures:			
Public Works			
Engineer			
Personal Services	1,450,123	1,419,305	30,818
Materials and Supplies	489,804	398,187	91,617
Charges and Services	1,152,880	1,079,269	73,611
Capital Purchases	497,432	489,522	7,910
Other	<u>9,114</u>	<u>7,558</u>	<u>1,556</u>
Total Engineer	<u>3,599,353</u>	<u>3,393,841</u>	<u>205,512</u>
Excess of Revenues Under Expenditures	(346,353)	(186,365)	159,988
Other Financing Sources:			
Proceeds From Sale of Long - Term Notes	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Under Expenditures	(246,353)	(86,365)	159,988
Fund Balance at Beginning of Year	168,579	168,579	0
Prior Year Encumbrances Appropriated	<u>77,774</u>	<u>77,774</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$159,988</u></u>	<u><u>\$159,988</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
DOG AND KENNEL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Licenses and Permits	\$56,776	\$57,779	\$1,003
Fines and Forfeitures	12,879	12,879	0
Miscellaneous	848	848	0
	<u>70,503</u>	<u>71,506</u>	<u>1,003</u>
Total Revenues			
Expenditures:			
Health			
Dog and Kennel			
Personal Services	73,671	70,226	3,445
Materials and Supplies	5,523	4,357	1,166
Charges and Services	23,590	21,592	1,998
Capital Purchases	6,650	6,404	246
Other	3,000	2,956	44
	<u>112,434</u>	<u>105,535</u>	<u>6,899</u>
Total Dog and Kennel			
Excess of Revenues Under Expenditures	(41,931)	(34,029)	7,902
Other Financing Sources:			
Operating Transfers - In	24,311	24,311	0
	<u>24,311</u>	<u>24,311</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Under Expenditures	(17,620)	(9,718)	7,902
Fund Balance at Beginning of Year	27,866	27,866	0
Prior Year Encumbrances Appropriated	973	973	0
	<u>28,839</u>	<u>28,839</u>	<u>0</u>
Fund Balance at End of Year	<u>\$11,219</u>	<u>\$19,121</u>	<u>\$7,902</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
HUMAN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$142,000	\$542,612	\$400,612
Intergovernmental	<u>3,439,793</u>	<u>2,887,256</u>	<u>(552,537)</u>
Total Revenues	<u>3,581,793</u>	<u>3,429,868</u>	<u>(151,925)</u>
Expenditures:			
Human Services			
Public Assistance			
Personal Services	2,014,602	1,909,410	105,192
Materials and Supplies	53,445	47,279	6,166
Charges and Services	1,950,238	1,575,856	374,382
Capital Purchases	175,954	127,574	48,380
Other	<u>16,105</u>	<u>8,542</u>	<u>7,563</u>
Total Public Assistance	<u>4,210,344</u>	<u>3,668,661</u>	<u>541,683</u>
Excess of Revenues Under Expenditures	<u>(628,551)</u>	<u>(238,793)</u>	<u>389,758</u>
Other Financing Sources (Uses):			
Operating Transfers - In	392,651	112,049	(280,602)
Operating Transfers - Out	<u>(2,070)</u>	<u>0</u>	<u>2,070</u>
Total Other Financing Sources (Uses)	<u>390,581</u>	<u>112,049</u>	<u>(278,532)</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(237,970)	(126,744)	111,226
Fund Balance at Beginning of Year	201,656	201,656	0
Prior Year Encumbrances Appropriated	<u>85,434</u>	<u>85,434</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$49,120</u></u>	<u><u>\$160,346</u></u>	<u><u>\$111,226</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 MARRIAGE LICENSE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$4,879	\$4,879	\$0
Expenditures:			
Health			
Marriage License			
Charges and Services	<u>5,261</u>	<u>5,261</u>	<u>0</u>
Excess of Revenues Under Expenditures	(382)	(382)	0
Fund Balance at Beginning of Year	1,625	1,625	0
Prior Year Encumbrances Appropriated	<u>637</u>	<u>637</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,880</u></u>	<u><u>\$1,880</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
COMMUNITY MENTAL HEALTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$258,495	\$258,495	\$0
Charges for Services	22,090	22,090	0
Intergovernmental	1,987,883	1,984,756	(3,127)
Miscellaneous	<u>8,380</u>	<u>8,380</u>	<u>0</u>
Total Revenues	<u>2,276,848</u>	<u>2,273,721</u>	<u>(3,127)</u>
Expenditures:			
Health			
648 Board			
Personal Services	231,493	217,346	14,147
Materials and Supplies	10,731	10,022	709
Charges and Services	3,110,961	2,811,898	299,063
Capital Purchases	13,006	12,162	844
Other	<u>1,400</u>	<u>908</u>	<u>492</u>
Total 648 Board	<u>3,367,591</u>	<u>3,052,336</u>	<u>315,255</u>
Human Services			
Treatment Alternatives to Street Crime			
Personal Services	189,865	178,590	11,275
Materials and Supplies	9,102	4,240	4,862
Charges and Services	57,400	50,478	6,922
Capital Purchases	3,550	3,239	311
Other	<u>9,730</u>	<u>8,479</u>	<u>1,251</u>
Total Treatment Alternatives to Street Crime	<u>269,647</u>	<u>245,026</u>	<u>24,621</u>
Jail House Program			
Charges and Services	<u>72,242</u>	<u>26,393</u>	<u>45,849</u>
Total Human Services	<u>341,889</u>	<u>271,419</u>	<u>70,470</u>
Total Expenditures	<u>3,709,480</u>	<u>3,323,755</u>	<u>385,725</u>
Excess of Revenues Under Expenditures	(1,432,632)	(1,050,034)	382,598
Fund Balance at Beginning of Year	1,119,655	1,119,655	0
Prior Year Encumbrances Appropriated	<u>328,575</u>	<u>328,575</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$15,598</u></u>	<u><u>\$398,196</u></u>	<u><u>\$382,598</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
CHILDREN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$381,600	\$360,649	(\$20,951)
Charges for Services	75,000	84,046	9,046
Intergovernmental	830,800	816,636	(14,164)
Miscellaneous	<u>791</u>	<u>1,557</u>	<u>766</u>
Total Revenues	<u>1,288,191</u>	<u>1,262,888</u>	<u>(25,303)</u>
Expenditures:			
Human Services			
Children Services Special Levy			
Personal Services	342,330	228,273	114,057
Materials and Supplies	19,071	15,009	4,062
Charges and Services	<u>1,306,391</u>	<u>1,179,703</u>	<u>126,688</u>
Total Children Services Special Levy	<u>1,667,792</u>	<u>1,422,985</u>	<u>244,807</u>
Excess of Revenues Over (Under) Expenditures	(379,601)	(160,097)	219,504
Other Financing Sources:			
Operating Transfers - In	<u>254,000</u>	<u>184,244</u>	<u>(69,756)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(125,601)	24,147	149,748
Fund Balance at Beginning of Year	136,543	136,543	0
Prior Year Encumbrances Appropriated	<u>55,518</u>	<u>55,518</u>	<u>0</u>
Fund Balance at End of Year	<u>\$66,460</u>	<u>\$216,208</u>	<u>\$149,748</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
MENTAL RETARDATION LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$905,360	\$905,360	\$0
Charges for Services	55,364	55,364	0
Intergovernmental	2,283,642	2,283,642	0
Miscellaneous	<u>20,793</u>	<u>20,793</u>	<u>0</u>
Total Revenues	<u>3,265,159</u>	<u>3,265,159</u>	<u>0</u>
Expenditures:			
Human Services			
Mental Retardation Levy			
Personal Services	1,609,262	1,577,783	31,479
Materials and Supplies	24,281	19,552	4,729
Charges and Services	1,521,518	1,273,559	247,959
Capital Purchases	<u>337,257</u>	<u>1,424</u>	<u>335,833</u>
Total Mental Retardation Levy	<u>3,492,318</u>	<u>2,872,318</u>	<u>620,000</u>
Debt Service			
Principal Retirement	231,300	225,000	6,300
Interest and Fiscal Charges	<u>4,950</u>	<u>4,950</u>	<u>0</u>
Total Debt Service	<u>236,250</u>	<u>229,950</u>	<u>6,300</u>
Total Expenditures	<u>3,728,568</u>	<u>3,102,268</u>	<u>626,300</u>
Excess of Revenues Over (Under) Expenditures	<u>(463,409)</u>	<u>162,891</u>	<u>626,300</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Notes	200,000	200,000	0
Operating Transfers - Out	<u>(1,331)</u>	<u>0</u>	<u>1,331</u>
Total Other Financing Sources (Uses)	<u>198,669</u>	<u>200,000</u>	<u>1,331</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(264,740)	362,891	627,631
Fund Balance at Beginning of Year	219,348	219,348	0
Prior Year Encumbrances Appropriated	<u>424,020</u>	<u>424,020</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$378,628</u></u>	<u><u>\$1,006,259</u></u>	<u><u>\$627,631</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
PREBLE VICTIM WITNESS FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Fines and Forfeitures	\$9,440	\$9,440	\$0
Intergovernmental	82,703	82,703	0
Miscellaneous	5,194	5,194	0
	<u>97,337</u>	<u>97,337</u>	<u>0</u>
Total Revenues			
Expenditures:			
Human Services			
Victim Witness			
Personal Services	96,086	93,950	2,136
Materials and Supplies	2,276	1,846	430
Charges and Services	23,775	22,129	1,646
Other	2,882	2,854	28
	<u>125,019</u>	<u>120,779</u>	<u>4,240</u>
Total Victim Witness			
Excess of Revenues Under Expenditures	(27,682)	(23,442)	4,240
Other Financing Sources:			
Operating Transfers - In	19,365	19,365	0
	<u>19,365</u>	<u>19,365</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Under Expenditures	(8,317)	(4,077)	4,240
Fund Balance at Beginning of Year	30,693	30,693	0
Prior Year Encumbrances Appropriated	1,085	1,085	0
	<u>31,778</u>	<u>31,778</u>	<u>0</u>
Fund Balance at End of Year	<u>\$23,461</u>	<u>\$27,701</u>	<u>\$4,240</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
REAL ESTATE ASSESSMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	<u>\$316,808</u>	<u>\$316,808</u>	<u>\$0</u>
Expenditures:			
General Government			
Legislative and Executive			
Real Estate Assessment			
Personal Services	122,996	121,461	1,535
Materials and Supplies	4,500	2,938	1,562
Charges and Services	187,657	129,983	57,674
Capital Purchases	<u>25,000</u>	<u>19,877</u>	<u>5,123</u>
Total Real Estate Assessment	<u>340,153</u>	<u>274,259</u>	<u>65,894</u>
Excess of Revenues Over (Under) Expenditures	(23,345)	42,549	65,894
Fund Balance at Beginning of Year	733,056	733,056	0
Prior Year Encumbrances Appropriated	<u>26,179</u>	<u>26,179</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$735,890</u></u>	<u><u>\$801,784</u></u>	<u><u>\$65,894</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
DITCH MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$20,873	\$20,873	\$0
Special Assessments	\$69,995	\$69,995	0
Miscellaneous	346	346	0
	<u>91,214</u>	<u>91,214</u>	<u>0</u>
Total Revenues			
Expenditures:			
Public Works			
Ditch Maintenance			
Personal Services	171,254	170,393	861
Materials and Supplies	12,468	11,255	1,213
Charges and Services	6,899	6,805	94
Capital Purchases	8,388	6,827	1,561
Other	500	196	304
	<u>199,509</u>	<u>195,476</u>	<u>4,033</u>
Total Ditch Maintenance			
Excess of Revenues Under Expenditures	(108,295)	(104,262)	4,033
Other Financing Sources:			
Advances - In	60,000	60,000	0
	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Under Expenditures	(48,295)	(44,262)	4,033
Fund Balance at Beginning of Year	51,397	51,397	0
Prior Year Encumbrances Appropriated	4,509	4,509	0
	<u>55,906</u>	<u>55,906</u>	<u>0</u>
Fund Balance at End of Year	<u>\$7,611</u>	<u>\$11,644</u>	<u>\$4,033</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
9-1-1 EMERGENCY SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$84,289	\$84,289	\$0
Interest	2,897	2,897	0
Miscellaneous	16	16	0
	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>87,202</u>	<u>87,202</u>	<u>0</u>
Expenditures:			
Public Safety			
9-1-1 Emergency Services			
Personal Services	20	20	0
Charges and Services	38,537	21,113	17,424
Capital Purchases	49,980	41,277	8,703
Other	1,000	1,000	0
	<u> </u>	<u> </u>	<u> </u>
Total 9-1-1 Emergency Services	<u>89,537</u>	<u>63,410</u>	<u>26,127</u>
Excess of Revenues Over (Under) Expenditures	(2,335)	23,792	26,127
Fund Balance at Beginning of Year	101,761	101,761	0
Prior Year Encumbrances Appropriated	1,337	1,337	0
	<u> </u>	<u> </u>	<u> </u>
Fund Balance at End of Year	<u><u>\$100,763</u></u>	<u><u>\$126,890</u></u>	<u><u>\$26,127</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 OHIO CHILDREN'S TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	<u>\$17,000</u>	<u>\$17,000</u>	<u>\$0</u>
Expenditures:			
Human Services			
Ohio Children's Trust			
Materials and Supplies	2,000	2,000	0
Charges and Services	<u>15,000</u>	<u>13,958</u>	<u>1,042</u>
Total Ohio Children's Trust	<u>17,000</u>	<u>15,958</u>	<u>1,042</u>
Excess of Revenues Over Expenditures	0	1,042	1,042
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$1,042</u></u>	<u><u>\$1,042</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
PREBLE COUNTY JAIL INMATES FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	<u>\$48,000</u>	<u>\$23,923</u>	<u>(\$24,077)</u>
Expenditures:			
Public Safety			
Jail Inmates Commissary			
Materials and Supplies	9,600	857	8,743
Charges and Services	<u>35,000</u>	<u>19,499</u>	<u>15,501</u>
Total Jail Inmates Commissary	<u>44,600</u>	<u>20,356</u>	<u>24,244</u>
Excess of Revenues Over Expenditures	3,400	3,567	167
Fund Balance at Beginning of Year	<u>985</u>	<u>985</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$4,385</u></u>	<u><u>\$4,552</u></u>	<u><u>\$167</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 PREBLE COUNTY INTERVENTION TEAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:	\$0	\$0	\$0
Expenditures:			
Public Safety			
Preble County Intervention Team			
Charges and Services	<u>28,434</u>	<u>28,434</u>	<u>0</u>
Excess of Revenues Under Expenditures	(28,434)	(28,434)	0
Fund Balance at Beginning of Year	<u>28,434</u>	<u>28,434</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
COMPUTER MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$111,528	\$87,513	(\$24,015)
Expenditures:			
General Government			
Judicial			
Court Computerization			
Charges and Services	107,002	74,668	32,334
Debt Service			
Principal Retirement	25,000	25,000	0
Interest and Fiscal Charges	1,000	1,000	0
Total Debt Service	26,000	26,000	0
Total Expenditures	133,002	100,668	32,334
Excess of Revenues Under Expenditures	(21,474)	(13,155)	8,319
Other Financing Sources:			
Proceeds from Sale of Long - Term Notes	20,000	20,000	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(1,474)	6,845	8,319
Fund Balance at Beginning of Year	38,712	38,712	0
Prior Year Encumbrances Appropriated	5,202	5,202	0
Fund Balance at End of Year	\$42,440	\$50,759	\$8,319

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 INDIGENT GUARDIANSHIP FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$6,936	\$6,936	\$0
Expenditures:			
Human Services			
Indigent Guardianship			
Charges and Services	14,000	10,974	3,026
Excess of Revenues Under Expenditures	(7,064)	(4,038)	3,026
Fund Balance at Beginning of Year	8,650	8,650	0
Fund Balance at End of Year	\$1,586	\$4,612	\$3,026

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 PROBATE COURT - CONDUCT OF BUSINESS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$574	\$574	\$0
Expenditures:			
General Government			
Judicial			
Probate Court - Conduct of Business Charges and Services	<u>450</u>	<u>275</u>	<u>175</u>
Excess of Revenues Over Expenditures	124	299	175
Fund Balance at Beginning of Year	<u>203</u>	<u>203</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$327</u></u>	<u><u>\$502</u></u>	<u><u>\$175</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 ENFORCEMENT AND EDUCATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fines and Forfeitures	\$1,249	\$1,249	\$0
Expenditures:			
Public Safety			
Enforcement and Education			
Charges and Services	<u>3,725</u>	<u>2,725</u>	<u>1,000</u>
Excess of Revenues Under Expenditures	(2,476)	(1,476)	1,000
Fund Balance at Beginning of Year	<u>3,384</u>	<u>3,384</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$908</u></u>	<u><u>\$1,908</u></u>	<u><u>\$1,000</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
CHILD SUPPORT ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$103,749	\$109,722	\$5,973
Intergovernmental	<u>482,427</u>	<u>482,427</u>	<u>0</u>
Total Revenues	<u>586,176</u>	<u>592,149</u>	<u>5,973</u>
Expenditures:			
Human Services			
Child Support Enforcement			
Personal Services	348,064	343,316	4,748
Materials and Supplies	8,000	7,989	11
Charges and Services	236,894	191,872	45,022
Capital Purchases	<u>11,666</u>	<u>11,666</u>	<u>0</u>
Total Child Support Enforcement	<u>604,624</u>	<u>554,843</u>	<u>49,781</u>
Excess of Revenues Over Expenditures	(18,448)	37,306	55,754
Other Financing Uses:			
Operating Transfers - Out	<u>(3,819)</u>	<u>0</u>	<u>3,819</u>
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	(22,267)	37,306	59,573
Fund Balance at Beginning of Year	330,832	330,832	0
Prior Year Encumbrances Appropriated	<u>3,679</u>	<u>3,679</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$312,244</u></u>	<u><u>\$371,817</u></u>	<u><u>\$59,573</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 COMPUTER LEGAL RESEARCH FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$4,195	\$4,195	\$0
Expenditures:			
General Government			
Judicial			
Court Computerization-Legal Research			
Other	<u>5,100</u>	<u>3,375</u>	<u>1,725</u>
Excess of Revenues Over (Under) Expenditures	(905)	820	1,725
Fund Balance at Beginning of Year	<u>6,469</u>	<u>6,469</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$5,564</u></u>	<u><u>\$7,289</u></u>	<u><u>\$1,725</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
OHIO LAW ENFORCEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$13,178	\$13,178	\$0
Interest	<u>309</u>	<u>309</u>	<u>0</u>
Total Revenues	<u>13,487</u>	<u>13,487</u>	<u>0</u>
Expenditures:			
Public Safety			
Law Enforcement			
Personal Services	<u>20,909</u>	<u>20,516</u>	<u>393</u>
Excess of Revenues Under Expenditures	(7,422)	(7,029)	393
Fund Balance at Beginning of Year	<u>18,559</u>	<u>18,559</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$11,137</u></u>	<u><u>\$11,530</u></u>	<u><u>\$393</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
YOUTH SERVICES SUBSIDY FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$251,201	\$251,201	\$0
Miscellaneous	278	278	0
	<u>251,479</u>	<u>251,479</u>	<u>0</u>
Total Revenues			
Expenditures:			
Public Safety			
Felony Delinquent Care and Custody			
Personal Services	129,764	120,695	9,069
Charges and Services	145,944	98,269	47,675
	<u>275,708</u>	<u>218,964</u>	<u>56,744</u>
Total Felony Delinquent Care and Custody			
Excess of Revenues Over (Under) Expenditures	(24,229)	32,515	\$56,744
Fund Balance at Beginning of Year	75,261	75,261	0
Prior Year Encumbrances Appropriated	21,176	21,176	0
	<u>21,176</u>	<u>21,176</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$72,208</u></u>	<u><u>\$128,952</u></u>	<u><u>\$56,744</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$539,191	\$153,572	(\$385,619)
Expenditures:			
Community and Economic Development CDBG			
Charges and Services	572,780	309,821	262,959
Excess of Revenues Under Expenditures	(33,589)	(156,249)	(122,660)
Fund Balance at Beginning of Year	28,998	28,998	0
Prior Year Encumbrances Appropriated	15,211	15,211	0
Fund Balance (Deficit) at End of Year	\$10,620	(\$112,040)	(\$122,660)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
CERTIFICATE OF TITLE ADMINISTRATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	<u>\$177,663</u>	<u>\$177,663</u>	<u>\$0</u>
Expenditures:			
Judicial			
Certificate of Title Administration			
Personal Services	130,338	127,643	2,695
Materials and Supplies	13,200	12,965	235
Charges and Services	<u>22,882</u>	<u>21,168</u>	<u>1,714</u>
Total Certificate of Title Administration	<u>166,420</u>	<u>161,776</u>	<u>4,644</u>
Excess of Revenues Over Expenditures	11,243	15,887	4,644
Fund Balance at Beginning of Year	51,838	51,838	0
Prior Year Encumbrances Appropriated	<u>2,922</u>	<u>2,922</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$66,003</u></u>	<u><u>\$70,647</u></u>	<u><u>\$4,644</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 OHIO ELECTION COMMISSION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$270	\$270	\$0
Expenditures:			
General Government			
Legislative and Executive			
Ohio Election Commission			
Charges and Services	<u>400</u>	<u>270</u>	<u>130</u>
Excess of Revenues Over (Under) Expenditures	(130)	0	130
Fund Balance at Beginning of Year	<u>220</u>	<u>220</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$90</u></u>	<u><u>\$220</u></u>	<u><u>\$130</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 INDIGENT DRIVER'S ALCOHOL TREATMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fines and Forfeitures	\$75	\$75	\$0
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	75	75	0
Fund Balance at Beginning of Year	<u>238</u>	<u>238</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$313</u></u>	<u><u>\$313</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 GEOGRAPHICAL INFORMATION SYSTEM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges and Services	<u>\$88,500</u>	<u>\$25,299</u>	<u>(\$63,201)</u>
Expenditures:			
General Government			
Legislative and Executive			
Geographical Information System			
Materials and Supplies	1,000	0	1,000
Charges and Services	<u>76,000</u>	<u>17,200</u>	<u>58,800</u>
Total Geographical Information System	<u>77,000</u>	<u>17,200</u>	<u>59,800</u>
Excess of Revenues Over Expenditures	11,500	8,099	(3,401)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$11,500</u></u>	<u><u>\$8,099</u></u>	<u><u>(\$3,401)</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 PREBLE COUNTY CASA/GAL PROGRAM FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$20,380	\$20,380	\$0
Expenditures:			
Judicial			
CASA/GAL Program			
Personal Services	20,000	7,479	12,521
Excess of Revenues Over Expenditures	380	12,901	12,521
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$380	\$12,901	\$12,521

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
DELINQUENT REAL ESTATE ASSESSMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$49,124	\$45,577	(\$3,547)
Miscellaneous	0	110	110
Total Revenues	49,124	45,687	(3,437)
Expenditures:			
General Government			
Legislative and Executive			
Delinquent Real Estate and Tax Collection			
Personal Services	56,366	31,144	25,222
Charges and Services	41,943	40,135	1,808
Total Delinquent Real Estate and Tax Collection	98,309	71,279	27,030
Excess of Revenues Under Expenditures	(49,185)	(25,592)	23,593
Fund Balance at Beginning of Year	25,222	25,222	0
Prior Year Encumbrances Appropriated	23,963	23,963	0
Fund Balance at End of Year	\$0	\$23,593	\$23,593

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$1,594,579	\$1,570,081	(\$24,498)
Charges for Services	1,327,718	1,686,520	358,802
Licenses and Permits	56,776	57,779	1,003
Fines and Forfeitures	66,643	56,733	(9,910)
Intergovernmental	12,998,198	12,030,094	(968,104)
Special Assessments	69,995	69,995	0
Interest	52,897	13,752	(39,145)
Miscellaneous	81,955	44,555	(37,400)
Total Revenues	<u>16,248,761</u>	<u>15,529,509</u>	<u>(719,252)</u>
Expenditures:			
General Government			
Legislative and Executive			
Real Estate Assessment			
Personal Services	122,996	121,461	1,535
Materials and Supplies	4,500	2,938	1,562
Charges and Services	187,657	129,983	57,674
Capital Purchases	25,000	19,877	5,123
Total Real Estate Assessment	<u>340,153</u>	<u>274,259</u>	<u>65,894</u>
Ohio Election Commission			
Charges and Services	400	270	130
Geographical Information System			
Materials and Supplies	1,000	0	1,000
Charges and Services	76,000	17,200	58,800
Total Geographical Information System	<u>77,000</u>	<u>17,200</u>	<u>59,800</u>
Delinquent Real Estate and Tax Collection			
Personal Services	56,366	31,144	25,222
Charges and Services	41,943	40,135	1,808
Total Delinquent Real Estate and Tax Collection	<u>98,309</u>	<u>71,279</u>	<u>27,030</u>
Total General Government - Legislative and Executive	<u>515,862</u>	<u>363,008</u>	<u>152,854</u>
Judicial			
Court Computerization			
Charges and Services	107,002	74,668	32,334
Court Computerization-Legal Research			
Other	5,100	3,375	1,725
Probate Court - Conduct of Business			
Charges and Services	\$450	\$275	\$175

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	Budget	Actual	Variance Favorable (Unfavorable)
Certificate of Title Administration			
Personal Services	\$130,338	\$127,643	\$2,695
Materials and Supplies	13,200	12,965	235
Charges and Services	22,882	21,168	1,714
Total Certificate of Title Administration	166,420	161,776	4,644
CASA/GAL Program			
Personal Services	20,000	7,479	12,521
Total General Government - Judicial	298,972	247,573	51,399
Public Safety			
9-1-1 Emergency Services			
Personal Services	20	20	0
Charges and Services	38,537	21,113	17,424
Capital Purchases	49,980	41,277	8,703
Other	1,000	1,000	0
Total 9-1-1 Emergency Services	89,537	63,410	26,127
Felony Delinquent Care and Custody			
Personal Services	129,764	120,695	9,069
Charges and Services	145,944	98,269	47,675
Total Felony Delinquent Care and Custody	275,708	218,964	56,744
Jail Inmates Commissary			
Materials and Supplies	9,600	857	8,743
Charges and Services	35,000	19,499	15,501
Total Jail Inmates Commissary	44,600	20,356	24,244
Preble County Intervention Team			
Charges and Services	28,434	28,434	0
Enforcement and Education			
Charges and Services	3,725	2,725	1,000
Law Enforcement			
Personal Services	20,909	20,516	393
Total Public Safety	462,913	354,405	108,508
Public Works			
Engineer			
Personal Services	1,450,123	1,419,305	30,818
Materials and Supplies	489,804	398,187	91,617
Charges and Services	1,152,880	1,079,269	73,611
Capital Purchases	497,432	489,522	7,910
Other	9,114	7,558	1,556
Total Engineer	\$3,599,353	\$3,393,841	\$205,512

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	Budget	Actual	Variance Favorable (Unfavorable)
Ditch Maintenance			
Personal Services	\$171,254	\$170,393	\$861
Materials and Supplies	12,468	11,255	1,213
Charges and Services	6,899	6,805	94
Capital Purchases	8,388	6,827	1,561
Other	500	196	304
Total Ditch Maintenance	<u>199,509</u>	<u>195,476</u>	<u>4,033</u>
Total Public Works	<u>3,798,862</u>	<u>3,589,317</u>	<u>209,545</u>
Health			
Dog and Kennel			
Personal Services	73,671	70,226	3,445
Materials and Supplies	5,523	4,357	1,166
Charges and Services	23,590	21,592	1,998
Capital Purchases	6,650	6,404	246
Other	3,000	2,956	44
Total Dog and Kennel	<u>112,434</u>	<u>105,535</u>	<u>6,899</u>
Marriage License			
Charges and Services	5,261	5,261	0
648 Board			
Personal Services	231,493	217,346	14,147
Materials and Supplies	10,731	10,022	709
Charges and Services	3,110,961	2,811,898	299,063
Capital Purchases	13,006	12,162	844
Other	1,400	908	492
Total 648 Board	<u>3,367,591</u>	<u>3,052,336</u>	<u>315,255</u>
Total Health	<u>3,485,286</u>	<u>3,163,132</u>	<u>322,154</u>
Human Services			
Public Assistance			
Personal Services	2,014,602	1,909,410	105,192
Materials and Supplies	53,445	47,279	6,166
Charges and Services	1,950,238	1,575,856	374,382
Capital Purchases	175,954	127,574	48,380
Other	16,105	8,542	7,563
Total Public Assistance	<u>4,210,344</u>	<u>3,668,661</u>	<u>541,683</u>
Treatment Alternatives to Street Crime			
Personal Services	189,865	178,590	11,275
Materials and Supplies	9,102	4,240	4,862
Charges and Services	57,400	50,478	6,922
Capital Purchases	3,550	3,239	311
Other	9,730	8,479	1,251
Total Treatment Alternatives to Street Crime	<u>\$269,647</u>	<u>\$245,026</u>	<u>\$24,621</u>

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Children Services Special Levy			
Personal Services	\$342,330	\$228,273	\$114,057
Materials and Supplies	19,071	15,009	4,062
Charges and Services	<u>1,306,391</u>	<u>1,179,703</u>	<u>126,688</u>
Total Children Services Special Levy	<u>1,667,792</u>	<u>1,422,985</u>	<u>244,807</u>
Jail House Program			
Charges and Services	<u>72,242</u>	<u>26,393</u>	<u>45,849</u>
Mental Retardation Levy			
Personal Services	1,609,262	1,577,783	31,479
Materials and Supplies	24,281	19,552	4,729
Charges and Services	1,521,518	1,273,559	247,959
Capital Purchases	<u>337,257</u>	<u>1,424</u>	<u>335,833</u>
Total Mental Retardation Levy	<u>3,492,318</u>	<u>2,872,318</u>	<u>620,000</u>
Victim Witness			
Personal Services	96,086	93,950	2,136
Materials and Supplies	2,276	1,846	430
Charges and Services	23,775	22,129	1,646
Other	<u>2,882</u>	<u>2,854</u>	<u>28</u>
Total Victim Witness	<u>125,019</u>	<u>120,779</u>	<u>4,240</u>
Ohio Children's Trust			
Materials and Supplies	2,000	2,000	0
Charges and Services	<u>15,000</u>	<u>13,958</u>	<u>1,042</u>
Total Ohio Children's Trust	<u>17,000</u>	<u>15,958</u>	<u>1,042</u>
Child Support Enforcement			
Personal Services	348,064	343,316	4,748
Materials and Supplies	8,000	7,989	11
Charges and Services	236,894	191,872	45,022
Capital Purchases	<u>11,666</u>	<u>11,666</u>	<u>0</u>
Total Child Support Enforcement	<u>604,624</u>	<u>554,843</u>	<u>49,781</u>
Indigent Guardianship			
Charges and Services	<u>14,000</u>	<u>10,974</u>	<u>3,026</u>
Total Human Services	<u>10,472,986</u>	<u>8,937,937</u>	<u>1,535,049</u>
Community and Economic Development CDBG			
Charges and Services	<u>\$572,780</u>	<u>\$309,821</u>	<u>\$262,959</u>

(Continued)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(Continued)

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Debt Service:			
Principal Retirement	\$256,300	\$250,000	\$6,300
Interest and Fiscal Charges	<u>5,950</u>	<u>5,950</u>	<u>0</u>
Total Debt Service	<u>262,250</u>	<u>255,950</u>	<u>6,300</u>
Total Expenditures	<u>19,869,911</u>	<u>17,221,143</u>	<u>2,648,768</u>
Excess of Revenues Under Expenditures	<u>(3,621,150)</u>	<u>(1,691,634)</u>	<u>1,929,516</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Notes	200,000	200,000	0
Proceeds from Sale of Long - Term Notes	120,000	120,000	0
Advances - In	60,000	60,000	0
Operating Transfers - In	690,327	339,969	(350,358)
Operating Transfers - Out	<u>(7,220)</u>	<u>0</u>	<u>7,220</u>
Total Other Financing Sources (Uses)	<u>1,063,107</u>	<u>719,969</u>	<u>(343,138)</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	<u>(2,558,043)</u>	<u>(971,665)</u>	<u>1,586,378</u>
Fund Balances at Beginning of Year	3,412,202	3,412,202	0
Prior Year Encumbrances Appropriated	<u>1,078,194</u>	<u>1,078,194</u>	<u>0</u>
Fund Balances at End of Year	<u><u>\$1,932,353</u></u>	<u><u>\$3,518,731</u></u>	<u><u>\$1,586,378</u></u>

DEBT SERVICE FUNDS

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Earl Ditch Special Assessment

To account for the balance in this fund after principal and interest payments that were owed on special assessment debt with governmental commitment were paid. This debt was paid off during 1998. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented.

Jail Bond Retirement

To account for principal and interest payments owed for the construction of the Preble County jail facilities. The debt is being funded by general property taxes.

Human Services Bond Retirement

To account for principal and interest payments owed for the construction of the Human Services Building. The debt is being financed by General Fund transfers.

Agricultural Society Bond Retirement

To account for principal and interest payments owed for the improvements to the Preble County Fairgrounds. The debt is being funded by monies received by the Preble County Agricultural Society.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL DEBT SERVICE FUNDS
 DECEMBER 31, 2002

	Earl Ditch Special Assessment	Jail Bond Retirement	Human Services Bond Retirement	Agricultural Society Bond Retirement	Total
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$401	\$678,275	\$145,026	\$13,774	\$837,476
Due from Other Funds	0	290,540	0	0	290,540
Total Assets	<u>\$401</u>	<u>\$968,815</u>	<u>\$145,026</u>	<u>\$13,774</u>	<u>\$1,128,016</u>
Liabilities:					
Deferred Revenue	\$0	\$290,540	\$0	\$0	\$290,540
Fund Equity:					
Fund Balances:					
Unreserved	401	678,275	145,026	13,774	837,476
Total Liabilities and Fund Equity	<u>\$401</u>	<u>\$968,815</u>	<u>\$145,026</u>	<u>\$13,774</u>	<u>\$1,128,016</u>

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Earl Ditch Special Assessment	Jail Bond Retirement	Human Services Bond Retirement	Agricultural Society Bond Retirement	Total
Revenues:					
Property Taxes	\$0	\$258,730	\$0	\$0	\$258,730
Intergovernmental	0	31,701	0	0	31,701
Miscellaneous	0	1,206	111,488	24,277	136,971
Total Revenues	0	291,637	111,488	24,277	427,402
Expenditures:					
Debt Service:					
Principal Retirement	0	255,000	65,000	10,000	330,000
Interest and Fiscal Charges	0	148,812	113,784	10,448	273,044
Total Expenditures	0	403,812	178,784	20,448	603,044
Excess of Revenues Over (Under) Expenditures	0	(112,175)	(67,296)	3,829	(175,642)
Other Financing Sources (Uses):					
Payment to Refunded Bond Escrow Agent	0	(2,734,927)	(617,583)	0	(3,352,510)
Proceeds of Refunding Bonds	0	2,565,000	680,889	0	3,245,889
Premium on Refunding Bonds	0	240,428	0	0	240,428
Discount on Refunding Bonds	0	0	(3,606)	0	(3,606)
Total Other Financing Sources (Uses)	0	70,501	59,700	0	130,201
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	(41,674)	(7,596)	3,829	(45,441)
Fund Balances at Beginning of Year	401	719,949	152,622	9,945	882,917
Fund Balances at End of Year	<u>\$401</u>	<u>\$678,275</u>	<u>\$145,026</u>	<u>\$13,774</u>	<u>\$837,476</u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
JAIL BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$258,730	\$258,730	\$0
Intergovernmental	33,240	33,240	0
Miscellaneous	0	1,206	1,206
Total Revenues	291,970	293,176	1,206
Expenditures:			
Debt Service:			
Principal Retirement	264,015	255,000	9,015
Interest and Fiscal Charges	77,105	148,812	(71,707)
Total Debt Service	341,120	403,812	(62,692)
Excess of Revenues Under Expenditures	(49,150)	(110,636)	(61,486)
Other Financing Sources (Uses):			
Payment to Refunded Bond Escrow Agent	0	(2,734,927)	(2,734,927)
Proceeds of Refunding Bonds	0	2,565,000	2,565,000
Premium on Refunding Bonds	0	240,428	240,428
Total Other Financing Sources (Uses)	0	70,501	70,501
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(49,150)	(40,135)	9,015
Fund Balance at Beginning of Year	718,410	718,410	0
Fund Balance at End of Year	\$669,260	\$678,275	\$9,015

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
HUMAN SERVICES BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	<u>\$110,498</u>	<u>\$111,488</u>	<u>\$990</u>
Expenditures:			
Debt Service:			
Principal Retirement	65,000	65,000	0
Interest and Fiscal Charges	<u>53,094</u>	<u>113,784</u>	<u>(60,690)</u>
Total Debt Service	<u>118,094</u>	<u>178,784</u>	<u>(60,690)</u>
Excess of Revenues Under Expenditures	<u>(7,596)</u>	<u>(67,296)</u>	<u>(59,700)</u>
Other Financing Sources (Uses):			
Payment to Refunded Bond Escrow Agent	0	(617,583)	(617,583)
Proceeds of Refunding Bonds	0	680,889	680,889
Discount on Refunding Bonds	<u>0</u>	<u>(3,606)</u>	<u>(3,606)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>59,700</u>	<u>59,700</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(7,596)	(7,596)	0
Fund Balance at Beginning of Year	<u>152,622</u>	<u>152,622</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$145,026</u></u>	<u><u>\$145,026</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
AGRICULTURAL SOCIETY BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Miscellaneous	<u>\$20,178</u>	<u>\$24,277</u>	<u>\$4,099</u>
Expenditures:			
Debt Service:			
Principal Retirement	10,000	10,000	0
Interest and Fiscal Charges	<u>10,448</u>	<u>10,448</u>	<u>0</u>
Total Debt Service	<u>20,448</u>	<u>20,448</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(270)	3,829	4,099
Fund Balance at Beginning of Year	<u>9,945</u>	<u>9,945</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$9,675</u></u>	<u><u>\$13,774</u></u>	<u><u>\$4,099</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Property Taxes	\$258,730	\$258,730	\$0
Intergovernmental	33,240	33,240	0
Miscellaneous	130,676	136,971	6,295
	<u>422,646</u>	<u>428,941</u>	<u>6,295</u>
Total Revenues			
Expenditures:			
Debt Service			
Principal Retirement	339,015	330,000	9,015
Interest and Fiscal Charges	140,647	273,044	(132,397)
	<u>479,662</u>	<u>603,044</u>	<u>(123,382)</u>
Total Debt Service			
Excess of Revenues Under Expenditures	<u>(57,016)</u>	<u>(174,103)</u>	<u>(117,087)</u>
Other Financing Sources (Uses):			
Payment to Refunded Bond Escrow Agent	0	(3,352,510)	(3,352,510)
Proceeds of Refunding Bonds	0	3,245,889	3,245,889
Premium on Refunded Bonds	0	240,428	240,428
Discount on Refunding Bonds	0	(3,606)	(3,606)
	<u>0</u>	<u>130,201</u>	<u>130,201</u>
Total Other Financing Sources (Uses)			
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(57,016)	(43,902)	13,114
Fund Balances at Beginning of Year	<u>881,378</u>	<u>881,378</u>	<u>0</u>
Fund Balances at End of Year	<u>\$824,362</u>	<u>\$837,476</u>	<u>\$13,114</u>

CAPITAL PROJECTS FUNDS

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

Ditch Construction

To account for special assessment revenue used for construction of and improvements to various ditches.

Jail Construction

To account for the financing and construction of the County jail facility.

Engineer Building Construction

To account for the construction costs of the Preble County Engineer's building that are financed by notes and transfers from the General Fund. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented.

Issue II

To account for capital grants received from the Ohio Public Works Commission for an improvement project for multiple bridge and culvert replacements. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented.

Permanent Improvement

To account for monies received from the sale of County property that are used for construction and improvements to County buildings.

Human Services Building

To account for the construction costs of an expansion to the Preble County Human Service's building that are financed through the issuance of a bond.

County Road 24 Guardrail Project

To account for financing from the Federal Highway Administration that is used for construction and improvement costs of the guardrails on County Road 24.

County Highways 41/24/14/97 Guardrail Projects

To account for financing from the Federal Highway Administration that is used for construction and improvement costs of the guardrails on various County highways.

Eaton Lewisburg Bridge Replacement

To account for financing from the Federal Highway Administration that is used for construction and improvement costs of the bridges on Eaton Lewisburg Road.

(Continued)

CAPITAL PROJECTS FUNDS
(Continued)

Design and Build Project

To account for financing from the Federal Highway Administration that is used for construction and improvement costs of structurally unsound and obsolete bridges within the County.

County Road 24 Bridge Replacement

To account for financing from the Federal Highway Administration that is used for the replacement of the bridge on Camden College Corner Road in Israel Township.

Brubaker Covered Bridge

To account for financing from the Federal Highway Administration that is used for the restoration of the Brubaker Covered Bridge.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2002

	Ditch Construction	Jail Construction	Engineer Building Construction	Issue II
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$12,390	\$8,630	\$44	\$2,800
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0
Receivable:				
Interfund	0	0	0	0
Due from Other Funds	11,650	0	0	0
Due from Other Governments	0	0	0	0
Total Assets	\$24,040	\$8,630	\$44	\$2,800
Liabilities:				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Retainage Payable	0	0	0	0
Interfund Payable	1,215	0	0	0
Deferred Revenue	11,650	0	0	0
Notes Payable	5,824	0	0	0
Accrued Interest Payable	20	0	0	0
Total Liabilities	18,709	0	0	0
Fund Equity:				
Fund Balances:				
Reserved for Encumbrances	0	0	0	0
Unreserved (Deficit)	5,331	8,630	44	2,800
Total Fund Equity	5,331	8,630	44	2,800
Total Liabilities and Fund Equity	\$24,040	\$8,630	\$44	\$2,800

<u>Permanent Improvement</u>	<u>Human Services Building</u>	<u>Design and Build Project</u>	<u>County Road 24 Bridge Replacement</u>	<u>Brubaker Covered Bridge</u>	<u>Total</u>
\$1,674,625	\$440,244	\$0	\$0	\$0	\$2,138,733
0	25,642	0	0	0	25,642
29,648	0	0	0	0	29,648
0	0	0	0	0	11,650
11,524	0	462,016	89,947	1,916	565,403
<u>\$1,715,797</u>	<u>\$465,886</u>	<u>\$462,016</u>	<u>\$89,947</u>	<u>\$1,916</u>	<u>\$2,771,076</u>
\$2,748	\$0	\$0	\$0	\$0	\$2,748
5,500	235,681	462,016	89,947	1,916	795,060
0	40,741	0	0	0	40,741
0	0	0	0	0	1,215
0	0	0	0	0	11,650
0	0	0	0	0	5,824
0	0	0	0	0	20
<u>8,248</u>	<u>276,422</u>	<u>462,016</u>	<u>89,947</u>	<u>1,916</u>	<u>857,258</u>
7,293	170,915	140,319	3,983	16,286	338,796
1,700,256	18,549	(140,319)	(3,983)	(16,286)	1,575,022
<u>1,707,549</u>	<u>189,464</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,913,818</u>
<u>\$1,715,797</u>	<u>\$465,886</u>	<u>\$462,016</u>	<u>\$89,947</u>	<u>\$1,916</u>	<u>\$2,771,076</u>

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Ditch Construction	Jail Construction	Engineer Building Construction	Issue II
Revenues:				
Intergovernmental	\$0	\$0	\$0	\$0
Special Assessments	15,252	0	0	0
Interest	0	155	0	0
Miscellaneous	0	0	0	0
Total Revenues	<u>15,252</u>	<u>155</u>	<u>0</u>	<u>0</u>
Expenditures:				
Capital Outlay	305	0	0	0
Debt Service:				
Interest and Fiscal Charges	<u>347</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>652</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>14,600</u>	<u>155</u>	<u>0</u>	<u>0</u>
Other Financing Sources:				
Proceeds from Sale of Bonds	0	0	0	0
Proceeds from Sale of Fixed Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	14,600	155	0	0
Fund Balances (Deficit) at Beginning of Year	<u>(9,269)</u>	<u>8,475</u>	<u>44</u>	<u>2,800</u>
Fund Balances at End of Yea	<u><u>\$5,331</u></u>	<u><u>\$8,630</u></u>	<u><u>\$44</u></u>	<u><u>\$2,800</u></u>

<u>Permanent Improvement</u>	<u>Human Services Building</u>	<u>County Road 24 Guardrail Project</u>	<u>County Highways 41/24/14/97 Guardrail Projects</u>	<u>Eaton Lewisburg Bridge Replacement</u>	<u>Design and Build Project</u>
\$11,524	\$0	\$7,804	\$10,587	\$326,638	\$1,272,163
0	0	0	0	0	0
0	0	0	0	0	0
56,839	0	0	0	0	0
<u>68,363</u>	<u>0</u>	<u>7,804</u>	<u>10,587</u>	<u>326,638</u>	<u>1,272,163</u>
211,113	569,647	7,804	10,587	326,638	1,272,163
0	0	0	0	0	0
<u>211,113</u>	<u>569,647</u>	<u>7,804</u>	<u>10,587</u>	<u>326,638</u>	<u>1,272,163</u>
<u>(142,750)</u>	<u>(569,647)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	759,111	0	0	0	0
100,252	0	0	0	0	0
<u>100,252</u>	<u>759,111</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(42,498)	189,464	0	0	0	0
<u>1,750,047</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$1,707,549</u>	<u>\$189,464</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	County Road 24 Bridge Replacement	Brubaker Covered Bridge	Total
Revenues:			
Intergovernmental	\$183,908	\$7,664	\$1,820,288
Special Assessments	0	0	15,252
Interest	0	0	155
Miscellaneous	0	0	56,839
Total Revenues	183,908	7,664	1,892,534
Expenditures:			
Capital Outlay	183,908	7,664	2,589,829
Debt Service:			
Interest and Fiscal Charges	0	0	347
Total Expenditures	183,908	7,664	2,590,176
Excess of Revenues Over (Under) Expenditures	0	0	(697,642)
Other Financing Sources:			
Proceeds from Sale of Bonds	0	0	759,111
Proceeds from Sale of Fixed Assets	0	0	100,252
Total Other Financing Sources	0	0	859,363
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	0	0	161,721
Fund Balances (Deficit) at Beginning of Year	0	0	1,752,097
Fund Balances at End of Yea	\$0	\$0	\$1,913,818

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
DITCH CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Special Assessments	\$15,252	\$15,252	\$0
Expenditures:			
Capital Outlay			
Charges and Services	905	605	300
Debt Service:			
Principal Retirement	17,154	17,154	0
Interest and Fiscal Charges	449	449	0
Total Debt Service	17,603	17,603	0
Total Expenditures	18,508	18,208	300
Excess of Revenues Under Expenditures	(3,256)	(2,956)	300
Other Financing Sources (Uses):			
Proceeds from Sale of Notes	5,824	5,824	0
Advances - Out	(2,510)	(2,510)	0
Total Other Financing Sources (Uses)	3,314	3,314	0
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	58	358	300
Fund Balance at Beginning of Year	11,431	11,431	0
Prior Year Encumbrances Appropriated	601	601	0
Fund Balance at End of Year	\$12,090	\$12,390	\$300

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 JAIL CONSTRUCTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$159	\$159	\$0
Expenditures:	0	0	0
Excess of Revenues Over Expenditures	159	159	0
Fund Balance at Beginning of Year	8,460	8,460	0
Fund Balance at End of Year	\$8,619	\$8,619	\$0

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	<u>\$56,839</u>	<u>\$56,839</u>	<u>\$0</u>
Expenditures:			
Capital Outlay			
Materials and Supplies	16,120	12,404	3,716
Charges and Services	103,356	88,577	14,779
Capital Purchases	<u>122,078</u>	<u>122,015</u>	<u>63</u>
Total Capital Outlay	<u>241,554</u>	<u>222,996</u>	<u>18,558</u>
Excess of Revenues Under Expenditures	<u>(184,715)</u>	<u>(166,157)</u>	<u>18,558</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Fixed Assets	100,252	100,252	0
Advance Out	<u>(29,648)</u>	<u>(29,648)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>70,604</u>	<u>70,604</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(114,111)	(95,553)	18,558
Fund Balance at Beginning of Year	1,735,994	1,735,994	0
Prior Year Encumbrances Appropriated	<u>18,643</u>	<u>18,643</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,640,526</u></u>	<u><u>\$1,659,084</u></u>	<u><u>\$18,558</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
HUMAN SERVICES BUILDING FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures:			
Capital Outlay			
Charges and Services	74,500	74,355	145
Capital Purchases	<u>625,500</u>	<u>576,775</u>	<u>48,725</u>
Total Capital Outlay	<u>700,000</u>	<u>651,130</u>	<u>48,870</u>
Excess of Revenues Under Expenditures	<u>(700,000)</u>	<u>(651,130)</u>	<u>48,870</u>
Other Financing Sources:			
Proceeds from Sale of Notes	<u>759,111</u>	<u>759,111</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over Expenditures	59,111	107,981	48,870
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$59,111</u></u>	<u><u>\$107,981</u></u>	<u><u>\$48,870</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
COUNTY ROAD 24 GUARDRAIL PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$15,659	\$7,804	(\$7,855)
Expenditures:			
Capital Outlay			
Charges and Services	<u>15,659</u>	<u>7,804</u>	<u>7,855</u>
Excess of Revenues Over Expenditures	0	0	0
Fund Balance (Deficit) at Beginning of Year	(7,855)	(7,855)	0
Prior Year Encumbrances Appropriated	<u>7,855</u>	<u>7,855</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
COUNTY HIGHWAYS 41/24/14/97 GUARDRAIL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$21,174	\$10,587	(\$10,587)
Expenditures:			
Capital Outlay			
Charges and Services	<u>21,174</u>	<u>10,587</u>	<u>10,587</u>
Excess of Revenues Over Expenditures	0	0	0
Fund Balance (Deficit) at Beginning of Year	(10,587)	(10,587)	0
Prior Year Encumbrances Appropriated	<u>10,587</u>	<u>10,587</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 EATON LEWISBURG BRIDGE REPLACEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	<u>\$534,260</u>	<u>\$326,638</u>	<u>(\$207,622)</u>
Expenditures:			
Capital Outlay			
Charges and Services	62,360	28,827	33,533
Capital Purchases	<u>471,900</u>	<u>297,811</u>	<u>174,089</u>
Total Capital Outlay	<u>534,260</u>	<u>326,638</u>	<u>207,622</u>
Excess of Revenues Over Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
DESIGN AND BUILD PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$1,711,000	\$810,147	(\$900,853)
Expenditures:			
Capital Outlay			
Charges and Services	100,000	100,000	0
Capital Purchases	1,611,000	1,312,481	298,519
Total Capital Outlay	1,711,000	1,412,481	298,519
Excess of Revenues Over (Under) Expenditures	0	(602,334)	(602,334)
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	\$0	(\$602,334)	(\$602,334)

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
COUNTY ROAD 24 BRIDGE REPLACEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$205,663	\$93,961	(\$111,702)
Expenditures:			
Capital Outlay			
Charges and Services	25,000	10,000	15,000
Capital Purchases	180,289	177,891	2,398
Total Capital Outlay	205,289	187,891	17,398
Excess of Revenues Over (Under) Expenditures	374	(93,930)	(94,304)
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	\$374	(\$93,930)	(\$94,304)

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 BRUBAKER COVERED BRIDGE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues:			
Intergovernmental	\$39,990	\$5,748	(\$34,242)
Expenditures:			
Capital Outlay			
Capital Purchases	<u>39,990</u>	<u>23,950</u>	<u>16,040</u>
Excess of Revenues Over (Under) Expenditures	0	(18,202)	(18,202)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>\$0</u></u>	<u><u>(\$18,202)</u></u>	<u><u>(\$18,202)</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$2,527,746	\$1,254,885	(\$1,272,861)
Special Assessments	15,252	15,252	0
Interest	159	159	0
Miscellaneous	56,839	56,839	0
Total Revenues	2,599,996	1,327,135	(1,272,861)
Expenditures:			
Capital Outlay			
Materials and Supplies	16,120	12,404	3,716
Charges and Services	402,954	320,755	82,199
Capital Purchases	3,050,757	2,510,923	539,834
Total Capital Outlay	3,469,831	2,844,082	625,749
Debt Service:			
Principal Retirement	17,154	17,154	0
Interest and Fiscal Charges	449	449	0
Total Debt Service	17,603	17,603	0
Total Expenditures	3,487,434	2,861,685	625,749
Excess of Revenues Under Expenditures	(887,438)	(1,534,550)	(647,112)
Other Financing Sources (Uses):			
Proceeds from Sale of Notes	5,824	5,824	0
Proceeds from Sale of Bonds	759,111	759,111	0
Proceeds from Sale of Fixed Assets	100,252	100,252	0
Advances - Out	(32,158)	(32,158)	0
Total Other Financing Sources (Uses)	833,029	833,029	0
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(54,409)	(701,521)	(647,112)
Fund Balances at Beginning of Year	1,740,287	1,740,287	0
Prior Year Encumbrances Appropriated	37,686	37,686	0
Fund Balances at End of Year	\$1,723,564	\$1,076,452	(\$647,112)

This Page Intentionally Left Blank

ENTERPRISE FUNDS

To account for operations that are financed and operated in a manner similar to private business enterprises (a) where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Sewer

To account for revenue received from user charges for sewer services provided to residents of the County.

Landfill

To account for fees collected by the waste disposal department for the dumping of waste. The costs of providing the services are financed primarily through these fees and assessments.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 DECEMBER 31, 2002

	Sewer	Landfill	Total
Assets:			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$58,790	\$390,209	\$448,999
Receivables:			
Accounts	3,761	161,357	165,118
Due from Other Funds	821	58,244	59,065
Due from Other Governments	0	1,535	1,535
Bond Issuance Costs	0	101,311	101,311
	63,372	712,656	776,028
Total Current Assets			
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	0	824,313	824,313
Fixed Assets:			
Land	2,397	277,213	279,610
Buildings, Structures and Improvements	24,000	715,452	739,452
Furniture, Fixtures and Equipment	0	1,510,238	1,510,238
Accumulated Depreciation	(18,000)	(1,432,162)	(1,450,162)
	8,397	1,070,741	1,079,138
Net Fixed Assets			
Total Assets	\$71,769	\$2,607,710	\$2,679,479

(Continued)

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 DECEMBER 31, 2002
 (Continued)

	Sewer	Landfill	Total
Liabilities:			
Current Liabilities:			
Accounts Payable	\$0	\$8,495	\$8,495
Contracts Payable	0	202,231	202,231
Accrued Salaries Payable	118	16,442	16,560
Interfund Payable	29,648	287,384	317,032
Due to Other Funds	0	2,500	2,500
Due to Other Governments	12	6,318	6,330
Notes Payable	0	432,433	432,433
Accrued Interest Payable	0	22,702	22,702
OWDA Loans Payable	7,260	0	7,260
OPWC Loans Payable	11,358	0	11,358
General Obligation Bonds Payable	0	200,000	200,000
Compensated Absences Payable	0	1,021	1,021
Total Current Liabilities	48,396	1,179,526	1,227,922
Long Term Liabilities:			
Due to Other Governments	63	7,890	7,953
OWDA Loans Payable	55,815	0	55,815
OPWC Loans Payable	193,086	0	193,086
General Obligation Bonds Payable	0	3,635,812	3,635,812
Compensated Absences Payable	0	32,417	32,417
Landfill Closure and Postclosure Costs	0	1,872,317	1,872,317
Total Long Term Liabilities	248,964	5,548,436	5,797,400
Total Liabilities	297,360	6,727,962	7,025,322
Fund Equity:			
Contributed Capital	26,397	0	26,397
Retained Earnings:			
Unreserved (Deficit)	(251,988)	(4,120,252)	(4,372,240)
Total Fund Equity (Deficit)	(225,591)	(4,120,252)	(4,345,843)
Total Liabilities and Fund Equity	\$71,769	\$2,607,710	\$2,679,479

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNINGS
 ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Sewer	Landfill	Total
Operating Revenues:			
Charges for Services	\$16,967	\$2,257,088	\$2,274,055
Operating Expenses:			
Personal Services	2,406	361,606	364,012
Materials and Supplies	1,884	141,262	143,146
Charges and Services	16,618	1,395,395	1,412,013
Depreciation	600	218,622	219,222
Closure and Postclosure Care Costs	0	128,816	128,816
Miscellaneous	1,799	0	1,799
Total Operating Expenses	23,307	2,245,701	2,269,008
Operating Income (Loss)	(6,340)	11,387	5,047
Non-Operating Revenues (Expenses):			
Grants	0	31,823	31,823
Interest	0	22,757	22,757
Interest and Fiscal Charges	0	(223,740)	(223,740)
Total Non-Operating Revenues (Expenses)	0	(169,160)	(169,160)
Net Loss	(6,340)	(157,773)	(164,113)
Retained Earnings (Deficit) at Beginning of Year	(245,648)	(3,962,479)	(4,208,127)
Retained Earnings (Deficit) at End of Year	(<u>\$251,988</u>)	(<u>\$4,120,252</u>)	(<u>\$4,372,240</u>)

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND
 CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
 (BUDGET BASIS)
 SEWER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	<u>\$17,253</u>	<u>\$17,253</u>	<u>\$0</u>
Expenses:			
Operating Expenses:			
Personal Services	2,626	2,392	234
Materials and Supplies	2,900	2,384	516
Charges and Services	17,680	16,932	748
Miscellaneous	2,858	1,899	959
Debt Service:			
Principal Retirement	<u>18,618</u>	<u>18,618</u>	<u>0</u>
Total Expenses	<u>44,682</u>	<u>42,225</u>	<u>2,457</u>
Excess of Revenues Under Expenses	(27,429)	(24,972)	2,457
Advance In	<u>29,648</u>	<u>29,648</u>	<u>0</u>
Excess of Revenues Over Expenses and Advances	2,219	4,676	2,457
Fund Equity at Beginning of Year	51,892	51,892	0
Prior Year Encumbrances Appropriated	<u>1,308</u>	<u>1,308</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$55,419</u></u>	<u><u>\$57,876</u></u>	<u><u>\$2,457</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - BUDGET AND ACTUAL
(BUDGET BASIS)
LANDFILL FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$2,136,324	\$2,139,614	\$3,290
Grants	38,196	40,313	2,117
Interest	0	23,953	23,953
Proceeds of Notes	459,100	432,433	(26,667)
Total Revenues	2,633,620	2,636,313	2,693
Expenses:			
Personal Services	407,180	359,010	48,170
Materials and Supplies	108,232	74,999	33,233
Charges and Services	2,182,421	1,765,102	417,319
Capital Outlay	380,234	377,802	2,432
Debt Service:			
Principal Retirement	390,000	390,000	0
Interest and Fiscal Charges	214,018	214,018	0
Total Expenses	3,682,085	3,180,931	501,154
Excess of Revenues Under Expenses	(1,048,465)	(544,618)	503,847
Advances - In	75,000	0	(75,000)
Operating Transfers - In	11,288	0	(11,288)
Operating Transfers - Out	(8)	0	8
Excess of Revenues Under Expenses, Advances, and Operating Transfers	(962,185)	(544,618)	417,567
Fund Equity at Beginning of Year	855,668	855,668	0
Prior Year Encumbrances Appropriated	679,951	679,951	0
Fund Equity at End of Year	\$573,434	\$991,001	\$417,567

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND EQUITY - BUDGET AND ACTUAL
(BUDGET BASIS)
ALL ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$2,153,577	\$2,156,867	\$3,290
Grants	38,196	40,313	2,117
Proceeds from Sale of Notes	459,100	432,433	(26,667)
Interest	0	23,953	23,953
Total Revenues	<u>2,650,873</u>	<u>2,653,566</u>	<u>2,693</u>
Expenses:			
Personal Services	409,806	361,402	48,404
Materials and Supplies	111,132	77,383	33,749
Charges and Services	2,200,101	1,782,034	418,067
Miscellaneous	2,858	1,899	959
Capital Outlay	380,234	377,802	2,432
Debt Service:			
Principal Retirement	408,618	408,618	0
Interest and Fiscal Charges	214,018	214,018	0
Total Expenses	<u>3,726,767</u>	<u>3,223,156</u>	<u>503,611</u>
Excess of Revenues Under Expenses	(1,075,894)	(569,590)	506,304
Advances - In	104,648	29,648	(75,000)
Operating Transfers - In	11,288	0	(11,288)
Operating Transfers - Out	(8)	0	8
Excess of Revenues Under Expenses, Advances, and Operating Transfers	(959,966)	(539,942)	420,024
Fund Equity at Beginning of Year	907,560	907,560	0
Prior Year Encumbrances Appropriated	<u>681,259</u>	<u>681,259</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$628,853</u></u>	<u><u>\$1,048,877</u></u>	<u><u>\$420,024</u></u>

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Sewer	Landfill	Total
<u>Net Increase (Decrease) in Cash and Cash Equivalents:</u>			
Cash Flows from Operating Activities:			
Cash Received From Customers	\$17,253	\$2,138,085	\$2,155,338
Cash Payments for Employee Services and Benefits	(2,392)	(357,582)	(359,974)
Cash Payments to Suppliers	(18,502)	(1,627,220)	(1,645,722)
Cash Payments for Other Operating Expenses	(1,799)	0	(1,799)
Net Cash Provided by (Used for) Operating Activities	(5,440)	153,283	147,843
Cash Flows from Noncapital Financing Activities:			
Grants	0	40,313	40,313
Advances - In	29,648	0	29,648
Net Cash Provided by Noncapital Financing Activities	29,648	40,313	69,961
Cash Flows from Capital and Related Financing Activities:			
Acquisition of Capital Assets	0	(369,979)	(369,979)
Loans Payable Principal Payments	(18,618)	0	(18,618)
General Obligation Bond Principal Payments	0	(190,000)	(190,000)
General Obligation Bond Interest Payments	0	(207,118)	(207,118)
Notes Principal Payment	0	(200,000)	(200,000)
Notes Interest Payments	0	(6,900)	(6,900)
Proceeds of Notes	0	432,433	432,433
Net Cash Used for Capital And Related Financing Activities	(18,618)	(541,564)	(560,182)
Cash Flows from Investing Activities:			
Interest	0	22,757	22,757
Net Increase (Decrease) in Cash and Cash Equivalents	5,590	(325,211)	(319,621)
Cash and Cash Equivalents at Beginning of Year	53,200	1,539,733	1,592,933
Cash and Cash Equivalents at End of Year	<u>\$58,790</u>	<u>\$1,214,522</u>	<u>\$1,273,312</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	<u>Sewer</u>	<u>Landfill</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	(\$6,340)	\$11,387	\$5,047
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	600	218,622	219,222
Landfill Closure and Postclosure Costs	0	128,816	128,816
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	52	(59,224)	(59,172)
(Increase) Decrease in Due from Other Funds	234	(58,244)	(58,010)
Increase in Due from Other Governments	0	(1,535)	(1,535)
Decrease in Materials and Supplies Inventory	0	618	618
Decrease in Prepaid Items	0	354	354
Increase in Accounts Payable	0	5,142	5,142
Decrease in Contracts Payable	0	(98,882)	(98,882)
Increase in Accrued Salaries Payable	5	1,764	1,769
Increase in Due to Other Funds	0	2,500	2,500
Increase in Due to Other Governments	9	294	303
Increase in Compensated Absences Payable	0	1,671	1,671
Net Cash Provided by (Used for) Operating Activities	<u><u>(\$5,440)</u></u>	<u><u>\$153,283</u></u>	<u><u>\$147,843</u></u>

INTERNAL SERVICE FUND

To account for the financing of goods and services provided by one department to other departments within the County.

Employees Health Insurance

To account for the payment of all County employees' medical insurance claims.

FIDUCIARY FUNDS

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

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUNDS
 DECEMBER 31, 2002

	Expendable Trust	Nonexpendable Trust	Agency	Total
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$144,238	\$34,610	\$1,733,902	\$1,912,750
Cash and Cash Equivalents in Segregated Accounts	0	0	770,325	770,325
Receivables:				
Taxes	0	0	30,647,603	30,647,603
Accounts	0	0	109,318	109,318
Special Assessments	0	0	1,304,695	1,304,695
Due from Other Funds	0	0	328,993	328,993
Due from Other Governments	0	0	3,229,639	3,229,639
Total Assets	<u>\$144,238</u>	<u>\$34,610</u>	<u>\$38,124,475</u>	<u>\$38,303,323</u>
Liabilities:				
Contracts Payable	\$0	\$0	\$303	\$303
Accrued Salaries Payable	0	0	59,118	59,118
Due to Other Funds	0	0	4,635,990	4,635,990
Due to Other Governments	0	0	30,583,372	30,583,372
Undistributed Money	0	0	1,400,788	1,400,788
Deposits Held and Due to Others	0	0	1,444,904	1,444,904
Total Liabilities	<u>0</u>	<u>0</u>	<u>38,124,475</u>	<u>38,124,475</u>
Fund Equity:				
Fund Balances:				
Reserved for Nonexpendable Trust Principal	0	13,906	0	13,906
Unreserved	144,238	20,704	0	164,942
Total Fund Equity	<u>144,238</u>	<u>34,610</u>	<u>0</u>	<u>178,848</u>
Total Liabilities and Fund Equity	<u>\$144,238</u>	<u>\$34,610</u>	<u>\$38,124,475</u>	<u>\$38,303,323</u>

EXPENDABLE TRUST FUNDS

To account for financial resources used for specific purposes as stated in individual trust agreements.

Scholarship

To account for monies donated by the Country Cooker restaurant. The money is to be used as financial aid for any Preble County youth who is or has been a resident of St. Clair Springs Children's Home. The money is used to continue his or her education after graduating from high school.

Heirs and Legatees

To account for receipts from an estate that has a bequest to a certain heir that cannot be found. Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented.

Unclaimed Money

To account for unclaimed monies which are yet to be claimed by their rightful owners.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL EXPENDABLE TRUST FUNDS
 DECEMBER 31, 2002

	Scholarship	Heirs and Legatees	Unclaimed Money	Total
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$3,541	\$49,720	\$90,977	\$144,238
 Liabilities	 \$0	 \$0	 \$0	 \$0
Fund Equity:				
Fund Balances:				
Unreserved	3,541	49,720	90,977	144,238
 Total Liabilities and Fund Equity	 \$3,541	 \$49,720	 \$90,977	 \$144,238

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 ALL EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Scholarship</u>	<u>Heirs and Legatees</u>	<u>Unclaimed Money</u>	<u>Total</u>
Revenues:				
Miscellaneous	\$0	\$0	\$7,261	\$7,261
Expenditures:				
Miscellaneous	<u>0</u>	<u>0</u>	<u>302</u>	<u>302</u>
Excess of Revenues Over Expenditures	0	0	6,959	6,959
Other Financing Sources:				
Operating Transfers - In	<u>0</u>	<u>0</u>	<u>841</u>	<u>841</u>
Excess of Revenues and Other Financing Sources Over Expenditures	0	0	7,800	7,800
Fund Balances at Beginning of Year	<u>3,541</u>	<u>49,720</u>	<u>83,177</u>	<u>136,438</u>
Fund Balances at End of Year	<u><u>\$3,541</u></u>	<u><u>\$49,720</u></u>	<u><u>\$90,977</u></u>	<u><u>\$144,238</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (BUDGET BASIS)
 SCHOLARSHIP FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:	\$0	\$0	\$0
Expenditures:			
Miscellaneous Charges and Services	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Excess of Revenues Over (Under) Expenditures	(2,000)	0	2,000
Fund Balance at Beginning of Year	<u>3,541</u>	<u>3,541</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,541</u></u>	<u><u>\$3,541</u></u>	<u><u>\$2,000</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGET BASIS)
UNCLAIMED MONEY FUND
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Miscellaneous	\$8,094	\$8,094	\$0
Expenditures:			
Miscellaneous			
Other	<u>0</u>	<u>302</u>	<u>(302)</u>
Excess of Revenues Over Expenditures	8,094	7,792	302
Other Financing Sources:			
Operating Transfers - In	<u>841</u>	<u>841</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over Expenditures	8,935	8,633	302
Fund Balance at Beginning of Year	<u>82,344</u>	<u>82,344</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$91,279</u></u>	<u><u>\$90,977</u></u>	<u><u>\$302</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 (BUDGET BASIS)
 ALL EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$8,094	\$8,094	\$0
Expenditures:			
Miscellaneous			
Charges and Services	2,000	0	2,000
Other	0	302	(302)
Total Expenses	2,000	302	1,698
Excess of Revenues Over Expenditures	6,094	7,792	1,698
Other Financing Sources:			
Operating Transfers - In	841	841	0
Excess of Revenues and Other Financing Sources Over Expenditures	6,935	8,633	1,698
Fund Balances at Beginning of Year	135,605	135,605	0
Fund Balances at End of Year	\$142,540	\$144,238	\$1,698

NONEXPENDABLE TRUST FUNDS

To account for assets held by a government in a trustee capacity, when only the earnings on principal may be expended and the principal must remain intact.

Nellie Gregg Trust

To account for financial assistance for high school graduates of the Children's Home who desire to continue their education at a college or institute of higher learning.

John Foran Trust

To account for interest applied for the benefit of the Children's Home.

James W. Bruce Trust

To account for interest used annually for a dinner on April 15th (Mr. Bruce's Birthday). Because there were no anticipated revenues/expenditures in this fund and none occurred, no budgetary information was presented.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL NONEXPENDABLE TRUST FUNDS
 DECEMBER 31, 2002

	Nellie Gregg Trust	John Foran Trust	James W. Bruce Trust	Total
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$31,674	\$2,025	\$911	\$34,610
Liabilities:	\$0	\$0	\$0	\$0
Fund Equity:				
Fund Balances:				
Reserved for Nonexpendable Trust Principal	11,906	1,000	1,000	13,906
Unreserved (Deficit)	19,768	1,025	(89)	20,704
Total Fund Equity	31,674	2,025	911	34,610
Total Liabilities and Fund Equity	\$31,674	\$2,025	\$911	\$34,610

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND BALANCES
 ALL NONEXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Nellie Gregg Trust	John Foran Trust	James W. Bruce Trust	Total
Operating Revenues:	\$0	\$0	\$0	\$0
Operating Expenses:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income	0	0	0	0
Fund Balances at Beginning of Year	<u>31,674</u>	<u>2,025</u>	<u>911</u>	<u>34,610</u>
Fund Balances at End of Year	<u><u>\$31,674</u></u>	<u><u>\$2,025</u></u>	<u><u>\$911</u></u>	<u><u>\$34,610</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES
 IN FUND EQUITY - BUDGET AND ACTUAL
 (BUDGET BASIS)
 NELLIE GREGG TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:	\$0	\$0	\$0
Expenses:			
Miscellaneous	4,000	0	4,000
Excess of Revenues Over (Under) Expenses	(4,000)	0	4,000
Fund Equity at Beginning of Year	31,674	31,674	0
Fund Equity at End of Year	\$27,674	\$31,674	\$4,000

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES
 IN FUND EQUITY - BUDGET AND ACTUAL
 (BUDGET BASIS)
 JOHN FORAN TRUST FUND
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:	\$0	\$0	\$0
Expenses:			0
Miscellaneous	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Excess of Revenues Over (Under) Expenses	(1,000)	0	1,000
Fund Equity at Beginning of Year	<u>2,025</u>	<u>2,025</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$1,025</u></u>	<u><u>\$2,025</u></u>	<u><u>\$1,000</u></u>

PREBLE COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES
 IN FUND EQUITY - BUDGET AND ACTUAL
 (BUDGET BASIS)
 ALL NONEXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:	\$0	\$0	\$0
Expenses:			
Miscellaneous	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Excess of Revenues Over (Under) Expenses	(5,000)	0	5,000
Fund Equity at Beginning of Year	<u>34,610</u>	<u>34,610</u>	<u>0</u>
Fund Equity at End of Year	<u><u>\$29,610</u></u>	<u><u>\$34,610</u></u>	<u><u>\$5,000</u></u>

AGENCY FUNDS

To account for assets held by the County as an agent for individuals, private organizations, other governmental units and/or other funds.

Health

To account for the funds and subfunds of the Board of Health for which the County Auditor is the ex officio fiscal agent as required under Section 1515.23 of the Ohio Revised Code. The following funds are combined into the Health Fund:

- C&FHS Medicaid
- Preble County Child and Family Health Grant
- Preventive Health and Health Services
- Swimming Pool
- Immunization Action Plan
- Rural Health Outreach Demonstration Program
- Food Service
- Solid Waste
- Trailer Park
- Water Systems
- Women and Independent Children
- Welcome Home Newborn
- Family and Children's First Council
- Public Health Infrastructure
- Regular Children Passenger

Payroll Distribution

To account for payroll taxes and other related payroll deductions accumulated from all funds for distribution to other governmental units and private organizations.

Soil and Water Conservation

To account for the funds and subfunds of the Soil and Water Conservation District, established under Chapter 1515, Revised Code, for which the County Auditor is fiscal agent.

Forfeited Land Sales

To account for receipts from a foreclosure sale. The money belongs to the individuals. The money is distributed to cover various real estate taxes.

Disaster Services

Provides emergency management coordination for the County, bringing together volunteers and contractors from the private sector with emergency responders and other government officials. The County is serving as fiscal agent for this program.

(Continued)

AGENCY FUNDS

(Continued)

Emergency Planning Committee - Right to Know

To account for revenue received through SARA Title III legislation regarding the public's right to know about local chemicals. It also provides hazardous materials training and equipment for emergency responders. The County is serving as fiscal agent for this organization.

Family and Children's First Council

To account for the activities for the family and children's first council.

Law Library

To account for a percent of all fines collected by the County distributed to the Law Library, as outlined by State statute. Annually, any unused monies are refunded to the various participating governments.

Undivided General Tax

To account for monies apportioned to local governments in the County (including Preble County itself). The following funds are included in this Fund:

- Homestead and Rollback
- Undivided General Personal Tax
- Undivided General Personal Property Tax (Delinquent)
- Trailer Tax
- Cigarette Tax
- Estate Tax
- Out of County Estate Tax
- Auto Vehicle License Tax
- Treasurer of State
- Township Gas Tax
- Fines
- Out of County Ditches

Fines

To account for receipts from Municipal Court fines and costs that are distributed to other funds, i.e., Law Library, General Fund, Dog and Kennel and Motor Vehicle and Gas Tax. The Railroad Crossing Fund is included in this fund.

Local Government

To account for the collection of shared revenues within the State of Ohio that represent a portion of State income taxes, State sales taxes, and corporate franchise taxes. These monies are returned to the County and subsequently apportioned to various local governments on a monthly basis. These monies are allocated by the budget commission according to the alternate method.

(Continued)

AGENCY FUNDS
(Continued)

Council on Aging

To account for receipts and distribution of tax revenue.

Sheriff Agency

To account for the activities of the inmate work release account and foreclosure account.

Alimony and Child Support

To account for the collection and distribution of alimony and child support payments.

County Court Agency

To account for Clerk of Courts fees, Probate Court fees, Juvenile Court fees, and County Municipal Court fees.

PREBLE COUNTY, OHIO
 COMBINING BALANCE SHEET
 ALL AGENCY FUNDS
 DECEMBER 31, 2002

	Health	Payroll Distribution	Soil and Water Conservation	Forfeited Land Sales	Disaster Services	Emergency Planning Committee- Right to Know
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$195,372	\$30,033	\$32,140	\$29,042	\$73,082	\$33,875
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0	0
Receivables:						
Taxes	0	0	0	0	0	0
Accounts	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0
Due from Other Funds	290,154	0	0	0	0	0
Due from Other Governments	0	0	0	0	0	0
Total Assets	<u>\$485,526</u>	<u>\$30,033</u>	<u>\$32,140</u>	<u>\$29,042</u>	<u>\$73,082</u>	<u>\$33,875</u>
Liabilities:						
Contracts Payable	\$0	\$0	\$0	\$0	\$303	\$0
Accrued Salaries Payable	41,647	0	11,706	0	1,673	0
Due to Other Funds	355	0	0	0	0	0
Due to Other Governments	3,837	0	1,142	0	180	0
Undistributed Money	0	30,033	19,292	0	70,926	33,875
Deposits Held and Due to Others	439,687	0	0	29,042	0	0
Total Liabilities	<u>\$485,526</u>	<u>\$30,033</u>	<u>\$32,140</u>	<u>\$29,042</u>	<u>\$73,082</u>	<u>\$33,875</u>

Family and Children's First Council	Law Library	Undivided General Tax	Fines	Local Government	Council On Aging	Sheriff Agency	Alimony and Child Support	County Court Agency	Total
\$125,920	\$0	\$1,214,138	\$300	\$0	\$0	\$0	\$0	\$0	\$1,733,902
0	42,075	0	0	0	0	172,263	18,763	537,224	770,325
0	0	30,647,603	0	0	0	0	0	0	30,647,603
0	0	23,913	0	0	0	0	0	85,405	109,318
0	0	1,304,695	0	0	0	0	0	0	1,304,695
6,615	0	0	0	0	32,224	0	0	0	328,993
0	0	2,094,335	0	1,135,304	0	0	0	0	3,229,639
<u>\$132,535</u>	<u>\$42,075</u>	<u>\$35,284,684</u>	<u>\$300</u>	<u>\$1,135,304</u>	<u>\$32,224</u>	<u>\$172,263</u>	<u>\$18,763</u>	<u>\$622,629</u>	<u>\$38,124,475</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$303
4,092	0	0	0	0	0	0	0	0	59,118
7,787	0	4,060,192	0	567,656	0	0	0	0	4,635,990
211	0	30,010,354	0	567,648	0	0	0	0	30,583,372
0	0	1,214,138	300	0	32,224	0	0	0	1,400,788
120,445	42,075	0	0	0	0	172,263	18,763	622,629	1,444,904
<u>\$132,535</u>	<u>\$42,075</u>	<u>\$35,284,684</u>	<u>\$300</u>	<u>\$1,135,304</u>	<u>\$32,224</u>	<u>\$172,263</u>	<u>\$18,763</u>	<u>\$622,629</u>	<u>\$38,124,475</u>

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002

HEALTH	Beginning Balance 1/1/02	Additions	Reductions	Ending Balance 12/31/02
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$129,596	\$1,214,577	\$1,148,801	\$195,372
Due from Other Funds	<u>96,371</u>	<u>290,154</u>	<u>96,371</u>	<u>290,154</u>
Total Assets	<u>\$225,967</u>	<u>\$1,504,731</u>	<u>\$1,245,172</u>	<u>\$485,526</u>
Liabilities:				
Accounts Payable	\$779	\$0	\$779	\$0
Accrued Salaries Payable	37,659	41,647	37,659	41,647
Due to Other Funds	109	355	109	355
Due to Other Governments	4,108	3,837	4,108	3,837
Deposits Held and Due to Others	<u>183,312</u>	<u>1,547,386</u>	<u>1,291,011</u>	<u>439,687</u>
Total Liabilities	<u>\$225,967</u>	<u>\$1,593,225</u>	<u>\$1,333,666</u>	<u>\$485,526</u>
 PAYROLL DISTRIBUTION				
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$27,928</u>	<u>\$2,105</u>	<u>\$0</u>	<u>\$30,033</u>
Liabilities:				
Undistributed Money	<u>\$27,928</u>	<u>\$2,105</u>	<u>\$0</u>	<u>\$30,033</u>
 SOIL AND WATER CONSERVATION				
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$25,265</u>	<u>\$301,676</u>	<u>\$294,801</u>	<u>\$32,140</u>
Liabilities:				
Accrued Salaries Payable	\$10,822	\$11,706	\$10,822	\$11,706
Due to Other Governments	809	1,142	809	1,142
Undistributed Money	<u>13,634</u>	<u>313,307</u>	<u>307,649</u>	<u>19,292</u>
Total Liabilities	<u>\$25,265</u>	<u>\$326,155</u>	<u>\$319,280</u>	<u>\$32,140</u>
 FORFEITED LAND SALES				
Assets:				
Equity in Pooled Cash and Cash Equivalents	<u>\$29,042</u>	<u>\$0</u>	<u>\$0</u>	<u>\$29,042</u>
Liabilities:				
Deposits Held and Due to Others	<u>\$29,042</u>	<u>\$0</u>	<u>\$0</u>	<u>\$29,042</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

DISASTER SERVICES	Beginning Balance 1/1/02	Additions	Reductions	Ending Balance 12/31/02
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$59,060	\$75,000	\$60,978	\$73,082
Liabilities:				
Contracts Payable	\$0	\$303	\$0	\$303
Accrued Salaries Payable	1,896	1,673	1,896	1,673
Due to Other Funds	9,120	0	9,120	0
Due to Other Governments	159	180	159	180
Undistributed Money	47,885	86,175	63,134	70,926
Total Liabilities	\$59,060	\$88,331	\$74,309	\$73,082
EMERGENCY PLANNING COMMITTEE-RIGHT TO KNOW				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$21,237	\$18,154	\$5,516	\$33,875
Receivables:				
Accounts	1,678	0	1,678	0
Total Assets	\$22,915	\$18,154	\$7,194	\$33,875
Liabilities:				
Due to Other Governments	\$19	\$0	\$19	\$0
Undistributed Money	22,896	18,173	7,194	33,875
Total Liabilities	\$22,915	\$18,173	\$7,213	\$33,875
FAMILY AND CHILDREN'S FIRST COUNCIL				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$295,714	\$169,794	\$125,920
Due from Other Funds	0	6,615	0	6,615
Total Assets	\$0	\$302,329	\$169,794	\$132,535
Liabilities:				
Accrued Salaries Payable	\$0	\$4,092	\$0	\$4,092
Due to Other Funds	0	7,787	0	7,787
Due to Other Governments	0	211	0	211
Deposits Held and Due to Others	0	302,329	181,884	120,445
Total Liabilities	\$0	\$314,419	\$181,884	\$132,535

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	Beginning Balance 1/1/02	Additions	Reductions	Ending Balance 12/31/02
LAW LIBRARY				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$96,029	\$252,283	\$306,237	\$42,075
Liabilities:				
Deposits Held and Due to Others	\$96,029	\$252,283	\$306,237	\$42,075
UNDIVIDED GENERAL TAX				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,251,118	\$57,653,920	\$57,690,900	\$1,214,138
Receivables:				
Taxes	26,884,682	30,647,603	26,884,682	30,647,603
Accounts	11,974	23,913	11,974	23,913
Special Assessments	771,415	1,304,695	771,415	1,304,695
Due from Other Governments	1,871,137	2,094,335	1,871,137	2,094,335
Total Assets	<u>\$30,790,326</u>	<u>\$91,724,466</u>	<u>\$87,230,108</u>	<u>\$35,284,684</u>
Liabilities:				
Due to Other Funds	\$3,340,916	\$4,060,192	\$3,340,916	\$4,060,192
Due to Other Governments	26,186,318	30,010,354	26,186,318	30,010,354
Undistributed Money	1,263,092	57,653,920	57,702,874	1,214,138
Total Liabilities	<u>\$30,790,326</u>	<u>\$91,724,466</u>	<u>\$87,230,108</u>	<u>\$35,284,684</u>
FINES				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$300	\$162,559	\$162,559	\$300
Liabilities:				
Undistributed Money	\$300	\$162,559	\$162,559	\$300
LOCAL GOVERNMENT				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$1,789,327	\$1,789,327	\$0
Due from Other Governments	1,030,611	1,135,304	1,030,611	1,135,304
Total Assets	<u>\$1,030,611</u>	<u>\$2,924,631</u>	<u>\$2,819,938</u>	<u>\$1,135,304</u>
Liabilities:				
Due to Other Funds	\$518,342	\$567,656	\$518,342	\$567,656
Due to Other Governments	512,269	567,648	512,269	567,648
Undistributed Money	0	1,789,327	1,789,327	0
Total Liabilities	<u>\$1,030,611</u>	<u>\$2,924,631</u>	<u>\$2,819,938</u>	<u>\$1,135,304</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

	Beginning Balance 1/1/02	Additions	Reductions	Ending Balance 12/31/02
COUNCIL ON AGING				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$568,571	\$568,571	\$0
Due from Other Funds	44,064	32,224	44,064	32,224
Total Assets	<u>\$44,064</u>	<u>\$600,795</u>	<u>\$612,635</u>	<u>\$32,224</u>
Liabilities:				
Undistributed Money	<u>\$44,064</u>	<u>\$600,795</u>	<u>\$612,635</u>	<u>\$32,224</u>
SHERIFF AGENCY				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	<u>\$131,531</u>	<u>\$1,640,440</u>	<u>\$1,599,708</u>	<u>\$172,263</u>
Liabilities:				
Deposits Held and Due to Others	<u>\$131,531</u>	<u>\$1,640,440</u>	<u>\$1,599,708</u>	<u>\$172,263</u>
ALIMONY AND CHILD SUPPORT				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	<u>\$21,491</u>	<u>\$334,413</u>	<u>\$337,141</u>	<u>\$18,763</u>
Liabilities:				
Deposits Held and Due to Others	<u>\$21,491</u>	<u>\$334,413</u>	<u>\$337,141</u>	<u>\$18,763</u>
COUNTY COURT AGENCY				
Assets:				
Cash and Cash Equivalents in Segregated Accounts	\$329,391	\$5,640,083	\$5,432,250	\$537,224
Investments in Segregated Accounts	25,000	0	25,000	0
Receivables:				
Accounts	<u>120,505</u>	<u>85,405</u>	<u>120,505</u>	<u>85,405</u>
Total Assets	<u>\$474,896</u>	<u>\$5,725,488</u>	<u>\$5,577,755</u>	<u>\$622,629</u>
Liabilities:				
Deposits Held and Due to Others	<u>\$474,896</u>	<u>\$5,725,488</u>	<u>\$5,577,755</u>	<u>\$622,629</u>

(Continued)

PREBLE COUNTY, OHIO
 COMBINING STATEMENT OF CHANGES
 IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
 (Continued)

TOTAL AGENCY FUNDS	Beginning Balance 1/1/02	Additions	Reductions	Ending Balance 12/31/02
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$1,543,546	\$62,081,603	\$61,891,247	\$1,733,902
Cash and Cash Equivalents in Segregated Accounts	578,442	7,867,219	7,675,336	770,325
Investments in Segregated Accounts	25,000	0	25,000	0
Receivables:				
Taxes	26,884,682	30,647,603	26,884,682	30,647,603
Accounts	134,157	109,318	134,157	109,318
Special Assessments	771,415	1,304,695	771,415	1,304,695
Due from Other Funds	140,435	328,993	140,435	328,993
Due from Other Governments	2,901,748	3,229,639	2,901,748	3,229,639
Total Assets	<u><u>\$32,979,425</u></u>	<u><u>\$105,569,070</u></u>	<u><u>\$100,424,020</u></u>	<u><u>\$38,124,475</u></u>
Liabilities:				
Accounts Payable	\$779	\$0	\$779	\$0
Contracts Payable	0	303	0	303
Accrued Salaries Payable	50,377	59,118	50,377	59,118
Due to Other Funds	3,868,487	4,635,990	3,868,487	4,635,990
Due to Other Governments	26,703,682	30,583,372	26,703,682	30,583,372
Undistributed Money	1,419,799	60,626,361	60,645,372	1,400,788
Deposits Held and Due to Others	936,301	9,802,339	9,293,736	1,444,904
Total Liabilities	<u><u>\$32,979,425</u></u>	<u><u>\$105,707,483</u></u>	<u><u>\$100,562,433</u></u>	<u><u>\$38,124,475</u></u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets other than those accounted for in the proprietary funds.

PREBLE COUNTY, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCES
DECEMBER 31, 2002

General Fixed Assets:

Land	\$1,902,761
Buildings, Structures and Improvements	9,299,450
Furniture, Fixtures and Equipment	<u>7,240,304</u>
Total General Fixed Assets	<u><u>\$18,442,515</u></u>

Investment in General Fixed Assets From:

General Fund Revenues	\$7,182,127
Special Revenue Fund Revenues	8,075,528
Capital Projects Funds	681,577
Donated Fixed Assets	6,175
Acquired before 12/31/88	<u>2,497,108</u>
Total Investment in General Fixed Assets	<u><u>\$18,442,515</u></u>

PREBLE COUNTY, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2002

FUNCTION AND ACTIVITY	LAND	BUILDINGS, STRUCTURES AND IMPROVEMENTS	FURNITURE, FIXTURES AND EQUIPMENT	TOTAL
General Government:				
Legislative and Executive				
County Commissioners	\$1,173,666	\$5,847,697	\$59,898	\$7,081,261
Microfilm	0	0	47,662	47,662
County Auditor	0	0	284,720	284,720
County Treasurer	0	0	17,027	17,027
Prosecutor	0	0	181,943	181,943
Board of Elections	0	0	129,069	129,069
Building Maintenance	0	161,433	131,616	293,049
Recorder	0	0	31,713	31,713
Data Processing	0	0	79,846	79,846
Judicial				
Common Pleas Court	0	1,313	44,380	45,693
Juvenile Court	0	0	137,714	137,714
Adult Probation	0	0	8,079	8,079
Probate Court	0	0	24,771	24,771
Clerk of Courts	0	0	138,652	138,652
Public Safety				
Sheriff	0	2,246	1,280,853	1,283,099
Building Regulations	0	0	56,925	56,925
9-1-1	0	0	402,403	402,403
Public Works				
Engineer	97,693	573,772	2,706,319	3,377,784
Drainage	0	0	102,074	102,074
Health				
Dog and Kennel	0	0	17,678	17,678
Human Services				
Childrens Services	57,554	246,581	78,517	382,652
Job Training and Partnership Act	0	0	6,487	6,487
648 Board	261,461	131,988	126,278	519,727
Mental Retardation Levy	112,387	996,901	460,267	1,569,555
Veterans Services	0	0	20,752	20,752
Public Assistance	0	1,116,031	334,349	1,450,380
Soldier's Relief	0	0	32,671	32,671
Victim Witness	0	0	20,463	20,463
Other				
Jail Construction	0	0	183,715	183,715
Permanent Improvement	200,000	221,488	71,716	493,204
Federal Revenue Sharing	0	0	21,747	21,747
	<u>\$1,902,761</u>	<u>\$9,299,450</u>	<u>\$7,240,304</u>	<u>\$18,442,515</u>

PREBLE COUNTY, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2002

FUNCTION AND ACTIVITY	GENERAL FIXED ASSETS 1/1/02	ADDITIONS	DELETIONS	TRANSFERS IN (OUT)	GENERAL FIXED ASSETS 12/31/02
General Government:					
Legislative and Executive					
County Commissioners	\$6,842,191	\$243,560	\$4,490	\$0	\$7,081,261
Microfilm	42,762	0	0	4,900	47,662
County Auditor	270,278	23,660	1,299	(7,919)	284,720
County Treasurer	9,108	0	0	7,919	17,027
Prosecutor	181,943	0	0	0	181,943
Board of Elections	130,664	0	1,595	0	129,069
Building Maintenance	293,049	0	0	0	293,049
Recorder	31,713	0	0	0	31,713
Data Processing	79,846	0	0	0	79,846
Judicial					
Common Pleas Court	43,993	1,700	0	0	45,693
Juvenile Court	145,771	0	6,320	(1,737)	137,714
Adult Probation	8,079	0	0	0	8,079
Probate Court	21,019	2,015	0	1,737	24,771
Clerk of Courts	138,334	4,449	0	(4,131)	138,652
Public Safety					
Sheriff	1,178,552	104,547	0	0	1,283,099
Building Regulations	61,825	0	0	(4,900)	56,925
9-1-1	359,506	42,897	0	0	402,403
Public Works					
Engineer	3,073,383	343,145	38,744	0	3,377,784
Drainage	102,074	0	0	0	102,074
Health					
Dog and Kennel	16,336	1,342	0	0	17,678
Human Services					
Childrens Services	367,317	3,012	1,763	14,086	382,652
Job Training and Partnership Act	5,843	644	0	0	6,487
648 Board	515,596	0	0	4,131	519,727
Mental Retardation Levy	977,033	607,095	14,573	0	1,569,555
Veterans Services	16,094	4,658	0	0	20,752
Public Assistance	1,357,949	139,429	32,912	(14,086)	1,450,380
Soldier's Relief	36,825	0	4,154	0	32,671
Victim Witness	20,463	0	0	0	20,463
Other					
Jail Construction	183,715	0	0	0	183,715
Permanent Improvement	325,925	167,279	0	0	493,204
Federal Revenue Sharing	21,747	0	0	0	21,747
	<u>\$16,858,933</u>	<u>\$1,689,432</u>	<u>\$105,850</u>	<u>\$0</u>	<u>\$18,442,515</u>

STATISTICAL SECTION

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

PREBLE COUNTY, OHIO
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN YEARS

Year	General Government	Public Safety	Public Works	Health	Human Services	Community and Economic Development	Miscellaneous	Capital Outlay	Intergovernmental	Debt Service	Total
1993	\$2,596,340	\$1,537,147	\$2,970,814	\$1,064,852	\$6,055,044	\$96,690	\$374,582	\$3,586,309	\$0	\$293,610	\$18,575,388
1994	3,023,008	1,781,247	2,801,881	1,467,147	6,267,713	339,189	209,276	1,716,658	0	479,885	18,086,004
1995	3,388,433	2,562,664	3,137,801	1,676,373	6,951,626	222,674	273,999	268,066	0	486,014	18,967,650
1996	3,176,660	2,860,306	2,607,197	1,887,794	7,022,486	194,613	557,509	471,481	0	492,369	19,270,415
1997	3,933,614	3,202,474	3,062,046	1,980,154	7,642,402	160,762	285,068	79,344	234,720	502,940	21,083,524
1998	4,939,209	3,668,337	3,293,890	2,146,321	6,039,855	309,864	216,772	11,236	261,634	487,924	21,375,042
1999	5,242,641	4,364,072	3,622,233	2,100,113	6,285,276	572,144	246,961	701,495	266,110	478,674	23,859,719
2000	4,302,189	4,583,154	3,356,047	1,468,818	7,034,462	219,312	179,089	896,843	292,235	476,589	22,808,738
2001	4,538,539	4,597,401	3,630,173	1,865,454	8,092,728	226,321	400,789	936,874	251,489	486,212	25,025,980
2002	4,756,299	4,511,957	3,569,577	2,852,425	8,857,951	280,558	267,941	2,589,829	329,480	633,787	28,649,804

SOURCE: Preble County Auditor's Office

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

PREBLE COUNTY, OHIO
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN YEARS

Year	Taxes	Charges for Services	Licenses and Permits	Fines and Forfeitures	Intergovernmental	Special Assessments	Interest	Gifts and Donations	Miscellaneous	Total
1993	\$6,590,536	\$3,146,733	\$49,116	\$81,630	\$6,242,151	\$146,831	\$263,686	\$0	\$502,920	\$17,023,603
1994	5,333,081	3,127,753	54,727	72,985	8,204,237	89,546	340,577	0	647,260	17,870,166
1995	8,788,798	3,278,668	55,380	124,115	6,382,796	134,708	518,864	0	698,737	19,982,066
1996	7,271,911	2,408,265	60,387	112,836	8,951,002	133,399	504,510	0	1,038,133	20,480,443
1997	7,783,850	3,748,717	60,519	192,963	9,322,979	185,249	664,276	0	166,555	22,125,108
1998	7,815,457	2,962,098	62,080	208,416	9,085,263	201,277	786,443	0	258,409	21,379,443
1999	8,220,292	2,821,500	65,859	149,220	11,046,409	214,445	646,994	7,803	265,247	23,437,769
2000	8,267,897	3,466,909	67,120	200,416	9,929,063	139,479	925,118	8,547	184,145	23,188,694
2001	6,841,179	3,310,274	63,313	208,089	13,234,029	131,503	765,092	0	382,135	24,935,614
2002	7,025,661	3,780,550	61,194	133,891	15,265,855	85,247	362,564	0	304,682	27,019,644

SOURCE: Preble County Auditor's Office

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

PREBLE COUNTY, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN YEARS

Collection Year	Total Current Tax Levy	Current Tax Collections	Percent of Total Tax Collections To Tax Levy	Delinquent Taxes Collected	Total Taxes Collected	Total Collections as a percent of Current Taxes Levied	Accumulated Delinquencies
1993	\$15,475,110	\$14,915,419	96.38%	\$618,692	\$15,534,112	100.38%	\$1,258,647
1994	17,151,837	16,541,490	96.44	614,469	17,155,959	100.02	1,267,387
1995	17,501,326	16,923,219	96.70	655,554	17,578,773	100.44	1,232,655
1996	17,660,029	15,967,880	90.42	610,659	16,578,539	93.88	1,256,452
1997	18,684,560	16,640,307	89.06	670,168	17,310,475	92.65	1,333,032
1998	18,944,704	18,640,060	98.39	658,260	19,298,320	101.87	1,232,645
1999	19,885,617	19,429,417	97.71	880,656	20,310,073	102.13	1,095,670
2000	2,924,594	2,839,626	97.09	90,581	2,930,207	100.19	154,172
2001	3,238,806	3,035,092	93.71	111,980	3,147,072	103.69	245,906
2002	3,881,668	3,528,898	90.91	255,646	3,784,544	97.50	343,030

SOURCE: Preble County Auditor's Office

(1) All years with the exception of 2000, 2001, and 2002 include property tax levies and collections for all County districts. 2000, 2001, and 2002 includes property tax levies and collections for the County itself.

PREBLE COUNTY, OHIO
 ASSESSED VALUE AND ESTIMATED
 TRUE VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS

Year	Real Property		Personal Property		Public Utility Property		Totals		Percentage of Assessed Value To Estimated True Value
	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	
1993	\$344,367,700	\$983,907,714	\$52,564,425	\$210,257,700	\$57,852,990	\$231,411,960	\$454,785,115	\$1,425,577,374	31.90%
1994	351,943,130	1,005,551,800	54,676,350	218,705,400	58,177,860	232,711,440	464,797,340	1,456,968,640	31.90
1995	360,199,000	1,029,140,000	58,988,347	235,953,388	49,943,750	199,775,000	469,131,097	1,464,868,388	32.03
1996	405,445,920	1,158,416,914	67,720,288	270,881,152	49,556,290	198,225,160	522,722,498	1,627,523,226	32.12
1997	417,422,840	1,192,636,686	72,609,640	280,438,560	47,954,760	191,819,040	537,987,240	1,674,894,286	32.12
1998	428,491,480	1,223,878,170	69,307,870	277,231,480	49,714,690	198,858,760	547,514,040	1,699,968,410	32.21
1999	527,731,770	1,507,381,370	67,982,700	271,930,800	49,940,120	200,353,640	645,654,590	1,979,665,810	32.61
2000	539,406,360	1,541,161,028	72,259,640	289,038,560	45,677,980	130,508,514	657,343,980	1,960,708,102	33.53
2001	549,811,270	1,570,889,342	77,869,080	311,476,320	39,348,060	157,392,240	667,028,410	2,039,757,902	32.70
2002	603,905,830	1,725,445,228	80,650,420	322,601,680	40,128,730	160,514,920	724,684,980	2,208,561,828	32.81

SOURCE: Preble County Auditor's Office

PREBLE COUNTY, OHIO
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Collection Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
County Entity										
General Fund	\$2.80	\$2.80	\$2.80	\$2.80	\$2.80	\$2.80	\$2.80	\$2.45	\$2.45	\$2.45
Childrens Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mental 169-Special Levy	1.72	1.72	1.72	1.72	1.72	1.72	1.72	1.72	1.73	1.73
Mental Health Board #648	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
Council on Aging	0.50	0.50	0.50	0.50	1.50	1.50	1.50	1.50	1.00	1.00
Jail Construction	1.00	1.00	1.00	1.00	0.70	0.70	0.70	0.45	0.45	0.45
Total County Entity	7.67	7.67	7.67	7.67	8.37	8.37	8.37	7.77	7.28	7.28
Other Entities:										
Health District	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.60	0.60
Total County-Wide Rates	7.97	7.97	7.97	7.97	8.67	8.67	8.67	8.07	7.88	7.88
School Districts										
College Corner	41.45	41.45	41.45	40.65	32.10	32.10	32.10	32.10	32.10	32.10
Eaton City	34.90	34.90	34.40	33.90	33.20	33.20	33.20	33.20	38.60	38.60
National Trail	31.50	31.50	30.75	34.00	34.50	34.50	34.30	33.90	33.00	33.00
Preble Shawnee	27.50	27.50	25.50	25.00	22.50	22.50	25.49	25.49	25.49	25.49
Tri County North	36.35	33.95	42.95	42.70	43.47	41.17	40.85	40.55	39.75	39.75
Twin Valley	41.44	46.74	44.60	41.50	44.42	44.42	44.00	43.70	42.50	42.50
MVCTC	1.98	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58
Townships										
Dixon	3.40	3.40	5.30	5.30	5.30	5.30	5.30	5.80	5.80	5.80
Gasper	1.70	1.70	1.70	2.70	2.70	2.70	2.70	2.70	4.80	4.80
Gratis	5.30	5.30	5.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Harrison	5.15	5.55	5.55	5.55	6.55	6.55	6.55	6.80	6.80	6.80
Israel	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Jackson	4.70	4.70	4.70	4.70	4.95	4.95	4.95	4.95	4.95	4.95
Jefferson	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
Lanier	4.20	4.20	4.20	5.20	5.20	5.20	5.20	5.20	5.20	5.20
Monroe	4.60	4.60	4.60	4.60	5.60	5.60	5.60	5.60	5.60	5.60
Somers	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	6.70	6.70
Twin	5.62	5.62	5.62	5.62	6.12	6.12	6.12	6.12	6.12	6.12
Washington	8.20	8.20	8.20	8.20	8.20	8.20	8.20	8.20	9.20	9.20
Municipalities										
Camden	7.70	6.20	6.20	6.20	6.30	6.30	6.30	7.30	5.30	5.30
College Corner	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40	14.40
Eaton	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60
Eldorado	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84	6.84
Gratis	7.80	7.80	7.80	8.80	8.80	8.80	8.80	8.80	8.80	8.80
Lewisburg	10.85	10.85	10.85	8.45	9.45	9.45	9.45	9.45	9.45	9.45
New Paris	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Verona	8.30	8.30	8.30	8.30	13.30	13.30	13.30	14.30	14.30	14.30
West Alexandria	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80
West Elkton	10.10	10.10	10.10	10.10	11.10	11.10	11.10	11.10	11.10	11.10
West Manchester	6.40	7.15	7.15	9.15	11.15	11.15	11.10	11.15	11.15	11.15

Source: Preble County Auditor's Office

PREBLE COUNTY, OHIO
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
LAST TEN YEARS

Collection Year	Current Billed (1)	Current Amount Collected	Percent Collected	Delinquent Assessments Collected	Total Assessments Collected (2)	Delinquent Assessments Collected as a Percent of Total Assessments Collected	Total Collections as a Percent of Current Assessments Levied	Accumulated Delinquencies
1993	\$18,280	\$17,939	98.13%	\$220	\$18,159	1.21%	99.34%	\$516
1994	12,764	12,474	97.73	518	12,992	3.99	101.79	353
1995	12,560	12,348	98.31	217	12,565	1.73	100.04	348
1996	11,327	11,157	98.50	226	11,383	1.99	102.03	414
1997	0	0	0.00	42	42	100.00	100.00	372
1998	14,298	14,298	100.00	330	14,739	2.24	103.08	42
1999	6,852	6,852	100.00	0	6,852	0.00	100.00	46
2000	6,852	6,852	100.00	0	6,852	0.00	100.00	46
2001	13,701	11,177	81.58	46	11,223	0.41	100.41	2,524
2002	12,877	12,877	100.00	2,375	15,252	15.57	118.44	149

SOURCE: County Auditor; Preble County, Ohio

(1) Includes only special assessments for capital projects.

PREBLE COUNTY, OHIO
RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN YEARS

Year	Population (1)	Assessed Value	Gross Bonded Debt (2)	Debt Service Monies Available (3)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1993	40,113	\$454,785,115	\$4,890,000	\$422,071	\$4,467,929	.982%	\$111.00
1994	40,113	464,797,340	4,780,000	534,389	4,245,611	.913	106.00
1995	40,113	469,131,097	4,585,000	644,999	3,940,001	.838	98.22
1996	40,113	522,722,498	4,580,000	789,180	3,790,820	.725	94.50
1997	40,113	537,987,240	4,365,000	817,785	3,547,215	.659	88.43
1998	40,113	547,514,040	4,140,000	846,161	3,293,839	.602	82.11
1999	40,113	645,654,590	3,905,000	985,001	2,919,999	.452	72.79
2000	42,337	657,343,980	3,660,000	931,998	2,728,002	.415	64.44
2001	42,337	667,028,410	3,400,000	882,516	2,517,484	.377	59.46
2002	42,337	724,684,980	3,915,000	837,075	3,077,925	.420	72.70

(1) Source: 1990 and 2000 Census

(2) Includes only general obligation bonds supported by general revenue. Does not include general obligation bonds recorded in enterprise funds.

(3) Excludes debt service money available to pay special assessment general obligation debt.

PREBLE COUNTY, OHIO
 COMPUTATION OF LEGAL DEBT MARGIN
 DECEMBER 31, 2002

	Total Debt Limit (1)	Total Unvoted Debt Limit (2)
Assessed Value of County, Collection Year 2001	\$724,684,980	\$724,684,980
Debt Limitation	16,617,125	7,246,850
Outstanding Debt:		
General Obligation Bonds and Notes	8,790,776	6,480,776
Total Outstanding Debt	8,790,776	6,480,776
Less Exempt Debt:		
2002 County Jail Project Current Interest Bonds	2,070,000	0
2002 County Jail Project Capital Appreciation Bonds	240,000	0
2002 Human Service Building Bonds	1,440,000	1,440,000
1996 Fairground Project Bonds	165,000	165,000
2002 OWDA Loans	63,075	63,075
2002 OPWC Loans	204,444	204,444
1996 Landfill Improvement Bonds	3,850,000	3,850,000
Court Computer Equipment Note	20,000	20,000
Mental Retardation Development Note	200,000	200,000
Gradall Acquisition Note	100,000	100,000
West Alexandria Ditch Construction Note	5,824	5,824
Landfill Compactor Note	299,100	299,100
Landfill Construction Note	133,333	133,333
Total Exempt Debt	8,790,776	6,480,776
Total Net Debt Subject to Limitation	0	0
Total Legal Debt Margin (Debt Limitation minus Net Debt)	\$16,617,125	\$7,246,850

(1) The Debt Limitation is calculated as follows:

3% of first \$100,000,000 of assessed value	\$3,000,000
1 1/2% of next \$200,000,000 of assessed value	3,000,000
2 1/2% of amount of assessed value in excess of \$300,000,000	10,617,125
	\$16,617,125

(2) The Debt Limitation equals 1% of the assessed value.

SOURCE: Preble County Auditor's Office

PREBLE COUNTY, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 DECEMBER 31, 2002

Jurisdiction	Net Debt Outstanding (1)	Percentage Applicable to Preble County	Amount Applicable to Preble County
Direct Debt:			
County	\$3,077,925	100.00%	\$3,077,925
Overlapping Debt			
School Districts: (2)			
Eaton City	1,215,000	100.00	1,215,000
Preble Shawnee Local	3,075,000	99.57	3,061,778
Tri-County North Local	4,030,900	96.10	3,873,695
Twin Valley Local	2,045,000	91.75	1,876,288
National Trail Local	3,550,000	100.00	3,550,000
Total Overlapping Debt			13,576,761
Total Direct and Overlapping Debt			<u>\$16,654,686</u>

SOURCE: Preble County Auditor's Office

- (1) Includes only general obligation bonds supported by general revenue. Does not include general obligation bonds recorded in Enterprise Funds.
- (2) Includes only Preble County based schools. Does not include foreign school districts. Preble County portion of foreign school debt is immaterial.

PREBLE COUNTY, OHIO
 PERCENT OF ANNUAL DEBT SERVICE FOR GENERAL BONDED
 DEBT TO GENERAL GOVERNMENTAL EXPENDITURES
 LAST TEN YEARS

Year	Debt Principal and Interest (1)	Total General Governmental Expenditures (2)	Ratio of Debt Principal and Interest to General Governmental Expenditures
1993	\$109,675	\$18,575,388	0.59%
1994	445,702	18,086,004	2.46
1995	450,990	18,967,650	2.37
1996	450,915	19,270,415	2.34
1997	463,983	21,083,524	2.20
1998	464,456	21,375,042	2.17
1999	464,041	23,859,719	1.94
2000	476,589	22,808,738	2.09
2001	486,212	25,025,980	1.94
2002	633,787	28,539,306	2.22

(1) Excluding general obligation debt reported in the Enterprise Funds

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

PREBLE COUNTY, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN YEARS

Year	Population (1)	School Enrollment (2)	Unemployment Rate Preble County (3)
1993	40,113	8,072	6.50%
1994	40,113	8,040	5.20
1995	40,113	8,148	4.34
1996	40,113	8,231	4.30
1997	40,113	8,228	4.10
1998	40,113	8,173	4.00
1999	40,113	8,057	4.10
2000	42,337	7,882	4.20
2001	42,337	7,918	4.50
2002	42,337	7,992	4.64

- SOURCE:
- (1) U.S. Bureau of the Census, both 1990 and 2000
 - (2) Preble County Educational Service Center
 - (3) Ohio Bureau of Employment Services

PREBLE COUNTY, OHIO
PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS
LAST TEN YEARS

Year	Assessed Values (1)	Bank Deposits at December 31, (2)	Building Permits Issued (3)
1993	\$454,785,115	\$125,744,000	290
1994	464,797,340	121,909,000	284
1995	469,131,097	121,157,000	287
1996	522,722,498	127,809,000	304
1997	537,987,240	138,869,000	274
1998	547,514,040	144,073,000	285
1999	645,654,590	151,057,000	253
2000	657,343,980	166,193,000	208
2001	667,028,410	171,949,000	245
2002	724,684,980	128,873,000	229

(1) See Assessed Value and Estimated True Value of Taxable Property Statistical Table

(2) SOURCE: Federal Reserve Bank of Cleveland; no main office in Preble County

(3) SOURCE: Building Inspection Department

PREBLE COUNTY, OHIO
 PRINCIPAL TAXPAYERS
 DECEMBER 31, 2002

Taxpayer	2001 Real Property Assessed Value	Percentage of Total Assessed Value
Proctor & Gamble	\$16,148,850	2.23 %
Dayton Power & Light	15,545,750	2.15
Neaton Auto Products	11,560,220	1.60
Parker Hannifin Corporation	10,044,150	1.39
North American Nutrition	9,205,080	1.27
Henny Penny Corporation	6,620,070	0.91
Lewisburg Container Company	5,809,620	0.80
Bullen Transonics	5,678,380	0.78
Texas Eastern	5,366,640	0.74
United Telephone Company	4,249,420	0.59
	<u>\$90,228,180</u>	<u>12.46 %</u>

SOURCE: Preble County Auditor's Office

PREBLE COUNTY, OHIO
 MISCELLANEOUS STATISTICS
 DECEMBER 31, 2002

Year of Incorporation	1808
County Seat	City of Eaton
<u>County Employees:</u>	
Full-Time	350
Part-Time	50
<u>Number of Political Subdivisions Totally or Partially Within the County</u>	
Municipalities	11
Townships	12
School Districts	10
<u>Higher Educational Facilities Within 25 Miles of Preble County</u>	
Miami University	
University of Dayton	
Indiana University - Richmond	
Sinclair Community College	
Earlham College	
<u>Major Metropolitan Areas and Neighboring Communities</u>	<u>Miles from County Seat</u>
Richmond, Indiana	13
Dayton, Ohio	24
Hamilton, Ohio	28
Cincinnati, Ohio	55
Indianapolis, Indiana	82
Columbus, Ohio	95
<u>Seven Largest Employers</u>	<u>Number of Employees</u>
Neaton Auto Products	675
Parker Hannifan Corporation	575
Henny Penny Corporation	513
Lewisburg Container Company	310
Iams Company	270
Bullen	225
Maxxium Medical Corporation	115
	111

This Page Intentionally Left Blank



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

FINANCIAL CONDITION

PREBLE 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 16, 2003**