

MAHONING COUNTY, OHIO
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2002



**Auditor of State
Betty Montgomery**

Board of Commissioners
Mahoning County
21 West Boardman Street
Youngstown, Ohio 44503

We have reviewed the Independent Auditor's Report of Mahoning County, prepared by Cohen & Company, LTD, for the audit period January 1, 2002 through December 31, 2002. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Mahoning County is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

December 30, 2003

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MAHONING COUNTY, OHIO

DECEMBER 31, 2002

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HONORABLE COUNTY COMMISSIONERS
HONORABLE COUNTY AUDITOR
MAHONING COUNTY, OHIO

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, (General, Department of Human Services, Children Services Board, Board of Mental Retardation and Wastewater) and the aggregate remaining fund information of Mahoning County, Ohio, as of and for the year ended December 31, 2002, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mahoning County, Ohio as of December 31, 2002, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and the Major Special Revenue Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note E, the County has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as of January 1, 2002.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2003 on our consideration of Mahoning 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.

Our audit was performed for the purpose of forming an opinion on the financial statements of Mahoning County, Ohio, taken as a whole. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of Mahoning County, Ohio. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Cohen & Company

June 6, 2003
Youngstown, Ohio

Management's Discussion and Analysis

The discussion and analysis of Mahoning County's financial performance provide an overall review of the County's financial activities for the year ended December 31, 2002. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, and the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2002 are as follows:

- The assets of the County exceeded its liabilities at the close of the year ended December 31, 2002, by \$196.7 million (net assets). Of this amount, \$12.3 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, and \$8.9 million is classified as unrestricted net assets in the Water and Sewer activities.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$52.9 million. Of this amount, \$45 million is available for spending (unreserved fund balance) on behalf of its citizens.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$8.7 million, or a little more than 16.4% of total general fund expenditures and other financing uses.
- Mahoning County's total debt decreased by \$3.4 million which represents a 6% decrease related to governmental activities and a 1.8% decrease in debt related to business-type activities.
- The County's total net assets increased by \$12.8 million, which represents a 6.9% increase from 2001.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Mahoning County as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those assets and liabilities. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column.

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.)

Reporting Mahoning County as a Whole

Government-wide financial statements: Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during 2002?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the County is divided into three kinds of activities:

- ◆ Governmental Activities-Most of the County's services are reported here including public safety, judicial, health and human service programs, administration, and all departments with the exception of our Water and Wastewater funds.
- ◆ Business-Type Activities – These services have a charge based upon the amount of usage. The County charges fees to recoup the cost of the entire operation of our Water and Wastewater Plants as well as all capital expenses associated with these facilities.
- ◆ Component Units – The County includes financial data of the Mahoning Adult Services Company, Inc. (MASCO, Inc.) and the Youngstown/Mahoning County Convention and Visitor's Bureau in its financial statements. The component units are legally separate from the County and are described in Note A of the Notes to the Financial Statements.

The government-wide statements can be found on pages 13-14 of this report.

Reporting Mahoning County's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on restrictions on the use of monies, the County has established many funds that account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most

Management's Discussion and Analysis (Cont'd.)

significant funds. In the case of Mahoning County, our major funds are the General, Department of Human Services, Children Services Board, Board of Mental Retardation and Wastewater Enterprise Funds. The analysis of the County's major funds begins on page 18.

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

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

The County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 15-17 of this report.

Proprietary Funds: The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water and Wastewater operations. Internal Service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its vehicle maintenance, self-insured workers compensation benefits, self-insured hospitalization and the self-insurance for the Children Service Board. The proprietary fund financial statements can be found on pages 30-33 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for the fiduciary funds is much like that of the proprietary funds. The fiduciary fund financial statements can be found on page 34 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements begin on page 35 of this report.

Management's Discussion and Analysis (Cont'd.)

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$196.7 million (\$146.9 million in governmental activities and \$49.8 million in business-type activities) as of December 31, 2002. By far, the largest portion of the County's net assets (52.3%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of other related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

Table 1
Net Assets
(In Millions)

	Governmental Activities	Business-Type Activities	Total
Assets			
Current & Other Assets	\$ 126.2	\$ 17.4	\$ 143.6
Capital Assets, Net	109.0	64.8	173.8
<i>Total Assets</i>	<u>235.2</u>	<u>82.2</u>	<u>317.4</u>
Liabilities			
Current & Other Liabilities	46.1	2.2	48.3
Long-Term Liabilities			
Due Within One Year	11.9	2.2	14.1
Due in More Than One Year	30.3	28.0	58.3
<i>Total Liabilities</i>	<u>88.3</u>	<u>32.4</u>	<u>120.7</u>
Net Assets			
Invested in Capital Assets Net of Debt	67.5	35.3	102.8
Restricted:			
Capital Projects	3.0		3.0
Special Revenue	59.2		59.2
Debt Service	4.9	5.6	10.5
Unrestricted	12.3	8.9	21.2
<i>Total Net Assets</i>	<u>\$ 146.9</u>	<u>\$ 49.8</u>	<u>\$ 196.7</u>

In future years, a comparative analysis of the government-wide data will be presented.

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.)

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented \$72.7 million or 37% of net assets. The remaining \$21.2 million or 10.7% of net assets may be used to meet the County's ongoing obligations to its citizens and creditors and for Water and Wastewater activities.

As of December 31, 2002, the County is able to report positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental and business-type activities.

Table 2 below provides a summary of the changes in net assets for 2002

Table 2
Changes in Net Assets
(In Millions)

	Governmental Activities	Business-Type Activities	Total
Revenues			
<i>Program Revenues:</i>			
Charges for Services	\$ 23.0	\$ 18.6	\$ 41.6
Operating Grants and Contributions	76.6		76.6
Capital Grants and Contributions	4.0	2.5	6.5
<i>General Revenues:</i>			
Property Taxes	30.4		30.4
Sales Tax	25.8		25.8
Other Taxes	11.0		11.0
Unrestricted Grants	10.2		10.2
Other	2.9	0.4	3.3
<i>Total Revenues</i>	<u>183.9</u>	<u>21.5</u>	<u>205.4</u>
Program Expenses			
General Government	15.7		15.7
Judicial	15.2		15.2
Public Safety	25.0		25.0
Public Works	12.0		12.0
Health	45.0		45.0
Human Services	56.0		56.0
Other	4.2		4.2
Interest on Long-term Debt	2.2		2.2
Water and Wastewater		17.3	17.3
<i>Total Expenses</i>	<u>175.3</u>	<u>17.3</u>	<u>192.6</u>
Increase in Net Assets before Transfers	<u>8.6</u>	<u>4.2</u>	<u>12.8</u>
Transfers	<u>(0.4)</u>	<u>0.4</u>	
<i>Increase in Net Assets</i>	<u>\$ 8.2</u>	<u>\$ 4.6</u>	<u>\$ 12.8</u>

In future years, a comparative analysis of the government-wide data will be presented.

Management's Discussion and Analysis (Cont'd.)

Governmental Activities

Human Services accounts for \$56 million of the \$175.3 million total expenses for governmental activities, or 31.9% of total expenses. The next largest program is health, accounting for \$45 million which represents 25.7% of total governmental expenses.

Tax revenue accounts for \$67.2 million of the \$183.9 million in total revenue for governmental activity, or 36.5% of total governmental revenues. Operating grants was the largest program revenue accounting for \$76.6 million, or 41.7% total governmental revenue. The County's Health and Human Service programs continue to be the largest recipients of this intergovernmental revenue.

The County's direct charges to users of governmental services made up \$23 million or 12.5% of total governmental revenue. These charges are for fees for real estate transfers, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits associated with building inspectors.

Business-type Activities

The net assets for the business-type activities for the County increased by \$4.6 million during the year 2002. Major revenue sources were charges for service of \$18.6 million and capital contributions of \$2.5 million.

Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$52.9 million. Approximately \$45 million of this amount constitutes unreserved fund balance, which is available for spending for its citizens. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior year (\$7.4 million), and 2) to account for the reservation of loans (\$.5 million). While the bulk of the governmental fund balances are not reserved in the governmental fund statements, they are restricted net assets on the Statement of Net Assets due to their being restricted for use for a particular purpose mandated by the source of the resources such as the state and federal governments or a tax levy.

Management's Discussion and Analysis (Cont'd.)

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$8.7 million, while the total fund balance reached \$10.6 million. As a measure of the general fund's availability, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents approximately 16.4% of the total general fund expenditures and other financing uses, while total fund balance represents 20% of that same amount.

The fund balance of the County's general fund as restated at December 31, 2001, decreased by \$1.3 million during the current fiscal year. Although there were increases in revenue as mentioned below, there were also increases in expenditures. Key factors in this decline are as follows:

- Although there was an increase in property and other taxes of approximately \$4.8 million in 2002, most of the increase can be attributed to the change in the allocation of the property taxes from Debt Service to the General Fund in 2002. In 2001, the inside millage allocation was .25 for the General Fund and 1.85 for Debt Service. In 2002, the allocation changed to 1.45 and .65 respectively.
- Fees and charges for services increased \$.6 million. Approximately \$.25 million is the result of the County's Recorder's Office recording more mortgages and loans. The fee is charged on a per page basis.
- The County experienced a \$1.7 million decrease in investment earnings and a \$.7 million decrease in the change in fair value of investments.
- The County's judicial expenses increased by \$1.5 million in 2002. There were three main areas where increases occurred: (1) indigent defense (2) hospitalization and (3) the Juvenile Court where salaries and fringes increased over the prior year due to the hiring of probation officers for school placement and implementation of a compensation program with multiple steps.
- The County's public safety expenses increased over \$.7 million. Most of the increase was due to the increase in salaries and fringes in the Sheriff's office with a major portion resulting from the increase in hospitalization.

Significant changes in the fund balances of the major funds were:

In 2001, the Children Service Board's fund balance increased by approximately \$2 million compared to a \$1 million increase in 2002. The majority of the \$1 million difference can be attributed to increased expenses for Boarding Parents and Foster Care in 2002.

In 2001, the Board of Mental Retardation fund balance decreased by approximately \$3 million compared to a \$3 million increase in 2002. Although there were increases in expenses in 2002, there were also increases in property taxes and intergovernmental revenues. The voters approved a property tax levy and the Board received two new subsidies from the State in 2002.

Management's Discussion and Analysis (Cont'd.)

General Fund Budgeting Highlights

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2002, the County amended its general fund budget numerous times; the most significant noted below.

General Fund Revenue Budget:

- Differences between the original budgeted revenues and the final budgeted revenues were \$ 2.1 million. There were several factors attributing to this increase. Following are some of the more material changes between the original and final budgets: (1) the original revenue budgets for sales tax and fees and charges were conservative and were subsequently increased by \$3.1 million, (2) a \$.95 million decrease in intergovernmental revenues, the majority of which (\$.5 million) was due to a cut in Local Government Funding from the State and (3) a decrease of \$.64 million in the budgeted amount for investment earnings.

General Fund Expenditures Budget:

- Overall General Fund expenditures' budgets increased by \$1.8 million. The most significant of these changes were: (1) \$.4 million increase in Judicial spending of which \$.35 million was in indigent defense and (2) \$.9 million increase in Public Safety of which \$.7 million was for the Sheriff's salaries and fringes.
- The transfers out budget was increased by approximately \$1.1 million during 2002. The most significant increase was to account for the General Fund's local match to the Child Support Enforcement Agency.

Capital Assets and Debt Administration

Capital Assets: The County's investment in capital assets for its governmental and business-type activities as of December 31, 2002, amounts to \$102.8 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, improvements, software, furniture, equipment, roads, bridges, sewer and water systems.

Note F (Capital Assets) provides capital asset activity during 2002.

Major capital asset events during the current year included the following:

- During 2002, the Mahoning County Engineer's Office in conjunction with the Ohio Department of Transportation (ODOT) continued work on a major road-widening project on South Avenue from Presidential to Western Reserve. The overall cost for this project to date is \$6.1 million and is anticipated to total \$8.3 million once completed. Funding sources included the Federal Highway Administration Department of Transportation and the County Engineer's funds.

Management's Discussion and Analysis (Cont'd.)

- In March 2002, the County purchased new electronic voting system for use by the County's Board of Elections. The new system uses computerized, touch-screen voting machines instead of the old paper ballots and pencils. The new voting system is expected to allow more efficient vote counting. The County issued \$3 million in bond anticipation notes to fund the purchase.
- In 2002, construction was completed on a new \$570,000 facility to house the County's Emergency Management Agency and the Hazardous Materials Agency (HAZMAT). The building will be used as a training site.
- The Sanitary Engineer's Department finished construction of several major sewer lines, plants and pump stations in 2002 including North Lima, Woodworth, Diehl Lake and Damascus. The overall cost of these projects totaled \$7.3 million and the funding sources included Ohio Water Development (OWDA), Ohio Public Works Commission (OPWC), Community Development Block Grant (CDBG) money, Sanitary Engineer's revenues and special assessments.
- The County received \$1.1 million of sewer lines from developers.

Long-term Debt: At the end of 2002, the County's debt outstanding other than Bond Anticipation Notes consisted of revenue bonds in the amount of \$8.8 million; general obligation debt outstanding of \$33.4 million; Ohio Public Works Commission and Ohio Water Development Authority loans of \$19.9 million and other debt of \$1.1 million. Of the \$33.4 million general obligation debt - debt that is backed by the full faith and credit of the County - \$1.6 million is special assessment debt for which the County is liable in the event of default by the property owner subject to the assessment.

The County's bonded debt decreased by \$5.8 million or 12% during the 2002 fiscal year as no new additional bonds were issued. However, the County's bond anticipation notes increased by \$2.6 million. The County had \$12.1 million in bond anticipation notes outstanding as of December 31, 2002. A schedule of bond anticipation note activity during 2002 can be found in Note K.

State statute limits the total amount of debt a governmental entity may issue. The County's total debt margin at the end of 2002 was \$69.5 million with an unvoted total debt margin of \$16.5 million. Its net general bonded debt per capital for 2002 was \$115.57 as compared with \$130.98 for 2001. The calculation and related discussion of the legal debt margin, and other debt-related statistics, are included in the Statistical Section of this report. The County maintains an underlying "A3" rating from Moody's on its general obligation debt and an underlying "A2" rating on its revenue bonds.

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.)

In addition to the bonded debt, the County's long-term obligations include claims and judgements payable and compensated absences. Additional information on the County's long-term debt can be found in Note H of this report.

Interest and fiscal charges related to governmental activities in 2002 were \$2.2 million or 1% of the total governmental activities expenses.

Economic Factors and Next Year's Budgets

Mahoning County ranks 10th in population among the 88 counties in the State.

The County unemployment rate of 6.3% at December 31, 2002 compares to 5.2% for the State of Ohio and 5.7% for the United States.

Mahoning County, along with most Ohio local government entities, is faced with uncertainty regarding upcoming State legislation dealing with the State's allocation of money to local governments. The County's General Fund is dependent on the local government money that it receives from the State in the amount of approximately \$5.6 million per year. Last year the State legislature froze the allocation. As of the latest legislative draft, there will not be any further cuts. However, we will have to wait until the final version is passed.

The County continues to cut costs, maximize tax collections and maximize reimbursement of costs. The County is currently working with the Federal Marshall on a plan for housing and transporting federal prisoners that will allow the County to spread overhead costs. At the end of 2003, the County expects to have a balanced budget, but there is one material court case filed against the County by the Juvenile Court Judge in the amount of \$2.3 million that is pending.

The County levies a 1% sales tax that is composed of two separate ½% taxes. One of the County's ½% sales taxes which was effective January 2000 is set to expire on December 31, 2004. The County will be placing it on the ballot for renewal in November 2003 or the following year's primary ballot. In November of 2002, the County voters approved a ½% sales tax renewal that was set to expire on December 31, 2002. The renewal passed with 60% of the vote. The renewal of the sales tax was effective January 1, 2003 and will expire December 31, 2007. Each ½% sales tax generates approximately \$13 million a year and funds the County's general operating expenses.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Mahoning County Auditor, 120 Market Street, Youngstown, Ohio 45503, 330 740-2010. You may also visit our website at <http://www.mahoningcountyauditor.org/> or email us at countyappr@mahoningcounty.org.

MAHONING COUNTY, OHIO

Statement of Net Assets

December 31, 2002

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Convention & Visitor's Bureau	MASCO
Assets					
Equity in pooled cash and investments at fair value	\$ 56,107,194	\$ 6,392,120	\$ 62,499,314		
Cash and cash equivalents - segregated accounts				\$ 698,485	\$ 350,597
Cash and cash equivalents with fiscal agent	330,672		330,672		
Net receivables:					
Taxes	39,125,837		39,125,837		
Accounts		3,846,611	3,846,611		74,237
Loans	496,794	165,344	662,138		
Special assessments - current portion		68,105	68,105		
Accrued interest	585,267	62,445	647,712		
Due from external parties	1,930,174		1,930,174		
Other	321,258		321,258		
Internal balances	342,361	(342,361)			
Due from other governments	26,530,162		26,530,162		
Restricted assets:					
Equity in pooled cash and investments at fair value		6,071,344	6,071,344		
Cash and cash equivalents with fiscal agent		830,150	830,150		
Special assessments receivable - noncurrent	441,930	299,174	741,104		
Capital assets:					
Land	4,303,576	264,140	4,567,716		
Utility plant in service		127,955,823	127,955,823		
Buildings, structures and improvements	58,438,967	959,279	59,398,246		
Furniture, fixtures and equipment	24,015,949	2,033,322	26,049,271	123,831	155,980
Infrastructure	59,358,269		59,358,269		
Less: Accumulated depreciation	(38,988,816)	(66,712,261)	(105,701,077)	(101,642)	(142,723)
Construction-in-progress	1,805,870	341,828	2,147,698		
Total Assets	<u>235,145,464</u>	<u>82,235,063</u>	<u>317,380,527</u>	<u>720,674</u>	<u>438,091</u>
Liabilities					
Accounts payable	7,194,145	1,359,181	8,553,326		
Accrued wages and benefits	5,336,609	341,144	5,677,753	24,668	26,045
Retainage payable	189,249	75,000	264,249		
Due to other governments	1,666,332		1,666,332		
Deferred revenue	31,445,510	23,161	31,468,671		
Accrued interest on notes and bonds	275,683	21,867	297,550		
Payable from restricted assets:					
Accrued revenue bond interest		37,069	37,069		
Current portion of revenue bonds		380,000	380,000		
Noncurrent liabilities:					
Due within one year:					
Compensated absences payable	4,543,036	412,578	4,955,614		
Current portion of claims and judgements payable	1,948,225		1,948,225		
Current portion of long-term loans		1,468,896	1,468,896		
Current portion of mortgage and long-term note payable	55,252		55,252		
Current portion of general obligation bonds	5,370,426	80,289	5,450,715		
Current portion of special assessment bonds		254,286	254,286		
Due in more than one year:					
Long-term portion of compensated absences	2,164,191	196,843	2,361,034		
Long-term loans (net of current portion)		18,379,260	18,379,260		
Long-term notes payable	570,363		570,363		
Long-term mortgage note payable	482,000		482,000		
Revenue bonds (net of current portion)		8,460,000	8,460,000		
Less: Unamortized revenue bond charges		(754,672)	(754,672)		
General obligation bonds (net of current portion)	26,029,840	283,058	26,312,898		
Claims and judgements payable	1,018,938		1,018,938		
Special assessment bonds (net of current portion)		1,387,102	1,387,102		
Total Liabilities	<u>88,289,799</u>	<u>32,405,062</u>	<u>120,694,861</u>	<u>24,668</u>	<u>26,045</u>
Net Assets:					
Invested in capital assets, net of related debt	67,485,934	35,269,367	102,755,301		
Restricted for:					
Capital projects	3,078,957		3,078,957		
Special revenue	59,133,862		59,133,862		
Debt service	4,858,239	5,656,851	10,515,090		
Unrestricted	12,298,673	8,903,783	21,202,456	696,006	412,046
Total Net Assets	<u>\$ 146,855,665</u>	<u>\$ 49,830,001</u>	<u>\$ 196,685,666</u>	<u>\$ 696,006</u>	<u>\$ 412,046</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Activities

For the Year Ended December 31, 2002

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		
					Governmental Activities	Business-type Activities	Total	Convention and Visitor's Bureau	MASCO
Primary Government:									
Governmental activities:									
General government	\$ 15,741,222	\$ 7,386,474	\$ 604		\$ (8,354,144)		\$ (8,354,144)		
Judicial	15,235,327	5,041,721	304,751		(9,888,855)		(9,888,855)		
Public safety	25,044,434	2,521,353	4,736,854		(17,786,227)		(17,786,227)		
Public works	11,956,276	371,851	1,796,185	\$ 4,026,279	(5,761,961)		(5,761,961)		
Health	44,975,438	4,434,902	23,757,408		(16,783,128)		(16,783,128)		
Human services	55,945,853	3,241,210	44,388,455		(8,316,188)		(8,316,188)		
Other	4,220,240	56,751	1,603,308		(2,560,181)		(2,560,181)		
Interest on long-term debt	2,211,966				(2,211,966)		(2,211,966)		
Total governmental activities	<u>175,330,756</u>	<u>23,054,262</u>	<u>76,587,565</u>	<u>4,026,279</u>	<u>(71,662,650)</u>		<u>(71,662,650)</u>		
Business-type activities:									
Wastewater	17,016,608	18,327,421		2,381,084		\$ 3,691,897	3,691,897		
Water	314,046	253,342		88,000		27,296	27,296		
Total business-type activities	<u>17,330,654</u>	<u>18,580,763</u>		<u>2,469,084</u>		<u>3,719,193</u>	<u>3,719,193</u>		
Total primary government	<u>\$ 192,661,410</u>	<u>\$ 41,635,025</u>	<u>\$ 76,587,565</u>	<u>\$ 6,495,363</u>	<u>\$ (71,662,650)</u>	<u>\$ 3,719,193</u>	<u>\$ (67,943,457)</u>		
Component units:									
Convention and Visitor's Bureau	\$ 394,147		\$ 40,332				\$ (353,815)		
MASCO	1,099,910	\$ 589,708	482,675					\$ (27,527)	
Total component units	<u>\$ 1,494,057</u>	<u>\$ 589,708</u>	<u>\$ 523,007</u>				<u>(353,815)</u>		<u>(27,527)</u>
General revenues:									
Property taxes					30,438,349		30,438,349		
Sales tax					25,806,159		25,806,159		
Other taxes					11,006,782		11,006,782	446,955	
Grants and contributions not restricted to specific programs					10,247,484		10,247,484		
Unrestricted investment earnings					2,991,006	358,357	3,349,363		
Net change in fair value of investments					(134,537)		(134,537)		
Transfers					(452,397)	452,397			
Total general revenues and transfers					<u>79,902,846</u>	<u>810,754</u>	<u>80,713,600</u>	<u>446,955</u>	
Change in net assets					8,240,196	4,529,947	12,770,143	93,140	(27,527)
Net assets - beginning (See Note E)					138,615,469	45,300,054	183,915,523	602,866	439,573
Net assets - ending					<u>\$ 146,855,665</u>	<u>\$ 49,830,001</u>	<u>\$ 196,685,666</u>	<u>\$ 696,006</u>	<u>\$ 412,046</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Balance Sheet
Governmental Funds

December 31, 2002

	General	Department of Human Services	Children Services Board	Board of Mental Retardation	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments at fair value	\$ 16,088	\$ 319,630	\$ 14,498,997	\$ 7,809,559	\$ 27,179,382	\$ 49,823,656
Cash and cash equivalents with fiscal agent					330,672	330,672
Investments	6,420,000				5,010,000	11,430,000
Net receivables:						
Taxes	3,379,232		8,358,603	17,784,660	9,603,342	39,125,837
Loans					496,794	496,794
Accrued interest	418,527				166,740	585,267
Other					321,258	321,258
Due from external parties	1,199,124	273,000	122,000		336,050	1,930,174
Due from other funds	1,079,892	1,150,783	87,813		1,371,767	3,690,255
Due from other governments	7,772,341	1,275,760	2,410,924	3,030,452	9,474,846	23,964,323
Special assessments receivable - noncurrent					441,930	441,930
Total Assets	\$ 20,285,204	\$ 3,019,173	\$ 25,478,337	\$ 28,624,671	\$ 54,732,781	\$ 132,140,166
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,202,662	\$ 1,970,280	\$ 332,234	\$ 177,655	\$ 3,511,314	\$ 7,194,145
Accrued wages and benefits	1,145,491	525,381	210,815	517,349	693,942	3,092,978
Retainage payable					189,249	189,249
Due to other funds	1,139,637	523,512	163,569	31,700	1,946,214	3,804,632
Due to other governments					70,984	70,984
Deferred revenue	6,199,679		9,827,153	19,727,645	17,601,422	53,355,899
Bond anticipation notes					11,430,000	11,430,000
Accrued interest on notes and bonds					132,870	132,870
Total Liabilities	9,687,469	3,019,173	10,533,771	20,454,349	35,575,995	79,270,757
Fund Balances:						
Reserved for:						
Encumbrances	1,940,739			709,435	4,733,434	7,383,608
Loans					496,794	496,794
Unreserved, reported in:						
General fund	8,656,996					8,656,996
Special revenue funds			14,944,566	7,460,887	17,526,427	39,931,880
Debt service funds					3,721,731	3,721,731
Capital project funds					(7,321,600)	(7,321,600)
Total Fund Balances	10,597,735		14,944,566	8,170,322	19,156,786	52,869,409
Total Liabilities and Fund Balances	\$ 20,285,204	\$ 3,019,173	\$ 25,478,337	\$ 28,624,671	\$ 54,732,781	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 108,933,815

Other long-term assets are not available to pay for current-period expenditures, some are deferred in the funds:

Sales tax	2,565,839	
Intergovernmental revenues	12,908,134	
Property taxes	8,560,325	
Special assessments	441,930	
Total		24,476,228

An internal service fund is used by management to charge the costs of insurance and other services to individual funds.

The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. 3,196,457

Accrued wages and benefits includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds. (2,243,631)

Long-term liabilities, including bonds and notes payable, accrued interest, claims and compensated absences are not due and payable in the current period and therefore are not reported in the funds. (40,376,613)

Net assets of governmental activities \$ 146,855,665

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues,
Expenditures and Changes in Fund Balances
Governmental Funds**

For the Year Ended December 31, 2002

	General	Department of Human Services	Children Services Board	Board of Mental Retardation	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property and other taxes	\$ 6,790,979		\$ 5,296,159	\$ 14,403,627	\$ 13,600,691	\$ 40,091,456
Sales tax	25,819,560					25,819,560
Fees and charges for services	5,940,204	\$ 1,648,846	25,409		9,186,673	16,801,132
Licenses and permits	17,395				402,880	420,275
Fines and forfeitures	1,713,415				157,115	1,870,530
Intergovernmental	7,418,126	32,834,983	6,197,450	8,867,980	35,998,509	91,317,048
Special assessments					299,571	299,571
Investment earnings	2,633,749				357,257	2,991,006
Net decrease in fair value of investments	(134,537)					(134,537)
All other revenue	992,274	1,000,930	52,056	190,962	1,132,980	3,369,202
Total Revenues	51,191,165	35,484,759	11,571,074	23,462,569	61,135,676	182,845,243
Expenditures:						
Current:						
General government	12,406,433				2,358,481	14,764,914
Judicial	13,699,190				1,338,739	15,037,929
Public safety	18,250,973				5,390,662	23,641,635
Public works					9,095,887	9,095,887
Health				20,883,172	24,481,684	45,364,856
Human services	849,766	36,903,731	9,921,001		8,219,731	55,894,229
Other	1,423,245				2,818,311	4,241,556
Capital outlay					9,941,390	9,941,390
Debt service:						
Principal retirement					5,149,361	5,149,361
Interest and fiscal charges					2,281,357	2,281,357
Total Expenditures	46,629,607	36,903,731	9,921,001	20,883,172	71,075,603	185,413,114
Excess (Deficiency) Of Revenues Over (Under) Expenditures	4,561,558	(1,418,972)	1,650,073	2,579,397	(9,939,927)	(2,567,871)
Other Financing Sources (Uses)						
Proceeds from notes				390,000		390,000
Transfers in	399,548	1,120,751		56,526	15,822,952	17,399,777
Transfers out	(6,221,123)		(500,000)		(11,631,051)	(18,352,174)
Total Other Financing Sources (Uses)	(5,821,575)	1,120,751	(500,000)	446,526	4,191,901	(562,397)
Net change in fund balances	(1,260,017)	(298,221)	1,150,073	3,025,923	(5,748,026)	(3,130,268)
Fund Balance At Beginning of Year (See Note E)	11,857,752	298,221	13,794,493	5,144,399	24,904,812	55,999,677
Fund Balance At End of Year	\$ 10,597,735	\$	\$ 14,944,566	\$ 8,170,322	\$ 19,156,786	\$ 52,869,409

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2002**

Net Change in Fund Balances - Total Governmental Funds \$ (3,130,268)

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

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

Fixed asset additions	10,318,239	
Depreciation expense	(5,592,631)	
Excess of capital outlay over depreciation		4,725,608

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

Taxes	1,340,275	
Intergovernmental revenue	(223,060)	
Special assessments	8,461	
Total revenue		1,125,676

The issuance of long-term debt provides current financial resources to government funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Payment of bond principal		5,149,361
Proceeds from mortgage note		(390,000)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		16,954
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences payable		(228,241)
Claims and judgements payable		418,678

The internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.

Change in Net Assets of Governmental Activities		552,428
		\$ 8,240,196

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>				
Property and other taxes	\$ 6,392,000	\$ 6,712,000	\$ 6,777,108	\$ 65,108
Sales tax	23,912,000	25,770,000	25,979,801	209,801
Fees and charges for services	4,023,000	5,277,000	5,865,946	588,946
Licenses and permits	22,000	22,000	17,395	(4,605)
Fines and forfeitures	1,468,000	1,633,000	1,724,536	91,536
Intergovernmental	8,028,731	7,080,000	7,359,989	279,989
Investment earnings	3,565,000	2,925,000	3,214,975	289,975
All other revenue	590,000	711,000	787,536	76,536
<i>Total Revenues</i>	<u>\$ 48,000,731</u>	<u>\$ 50,130,000</u>	<u>\$ 51,727,286</u>	<u>\$ 1,597,286</u>
<i>General Government Expenditures:</i>				
<i>Commissioners</i>				
Personal services	\$ 536,443	\$ 538,903	\$ 528,622	\$ 10,281
Materials and supplies	10,797	7,086	5,853	1,233
Contractual services	4,275	20,021	20,019	2
Travel	17,261	17,637	15,803	1,834
Utilities	2,000	484	484	
Capital outlay	10,000	4,529	2,781	1,748
<i>Total Commissioners</i>	<u>580,776</u>	<u>588,660</u>	<u>573,562</u>	<u>15,098</u>
<i>Personnel</i>				
Personal services	272,706	312,832	304,916	7,916
Materials and supplies	1,900	2,670	1,819	851
Contractual services	507,482	31,493	29,480	2,013
Travel	3,200	5,695	4,283	1,412
Capital outlay	26,000	7,750	5,938	1,812
<i>Total Personnel</i>	<u>811,288</u>	<u>360,440</u>	<u>346,436</u>	<u>14,004</u>
<i>Microfilm</i>				
Personal services	166,378	172,078	170,204	1,874
Materials and supplies	5,000	3,317	2,233	1,084
Contractual services	363,839	353,715	353,714	1
Utilities	700	464		464
Capital outlay	20,736	20,736	20,700	36
<i>Total Microfilm</i>	<u>556,653</u>	<u>550,310</u>	<u>546,851</u>	<u>3,459</u>
<i>Office of Management & Budget</i>				
Personal services	217,030	264,740	261,782	2,958
Materials and supplies		100	93	7
Contractual services		491	491	
Travel	1,000	2,900	1,825	1,075
<i>Total Office of Management & Budget</i>	<u>218,030</u>	<u>268,231</u>	<u>264,191</u>	<u>4,040</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>General Government (Cont'd.)</i>	<i>Purchasing</i>				
	Personal services	\$ 229,197	\$ 230,408	\$ 230,090	\$ 318
	Materials and supplies	86,224	82,463	77,241	5,222
	Contractual services	6,442	5,393	1,730	3,663
	Travel	2,455	2,455	1,013	1,442
	Utilities	1,000			
	Capital outlay	1,000	1,000		1,000
	<i>Total Purchasing</i>	<u>326,318</u>	<u>321,719</u>	<u>310,074</u>	<u>11,645</u>
	<i>Planning Commission</i>				
	Personal services	135,130	135,256	135,143	113
	Materials and supplies	11,050	7,826	6,738	1,088
	Contractual services	28,586	28,881	26,802	2,079
	Travel	3,400	3,325	756	2,569
	Utilities	2,000	2,000	1,982	18
	Capital outlay	1,380	4,553	3,540	1,013
	<i>Total Planning Commission</i>	<u>181,546</u>	<u>181,841</u>	<u>174,961</u>	<u>6,880</u>
	<i>Facilities Management</i>				
	Personal services	1,366,174	1,337,776	1,331,012	6,764
	Materials and supplies	25,000	14,500	5,843	8,657
	Contractual services	39,435	70,268	68,168	2,100
	Travel	7,270	7,370	6,646	724
	Utilities	405,361	579,598	505,420	74,178
	Capital outlay	297,941	360,780	330,116	30,664
	<i>Total Facilities Management</i>	<u>2,141,181</u>	<u>2,370,292</u>	<u>2,247,205</u>	<u>123,087</u>
	<i>Facilities Management - Annex</i>				
	Contractual services	17,683	17,683	6,117	11,566
	Utilities	184,604	158,130	121,062	37,068
	Capital outlay	91,253	91,253		91,253
	<i>Total Facilities Management - Annex</i>	<u>293,540</u>	<u>267,066</u>	<u>127,179</u>	<u>139,887</u>
	<i>Auditor</i>				
	Personal services	1,032,776	1,034,706	1,024,341	10,365
	Materials and supplies	71,250	83,750	78,792	4,958
	Contractual services	9,700	25,460	18,961	6,499
	Travel	18,100	18,100	13,868	4,232
	Utilities	3,000	3,550	2,727	823
	Capital outlay	36,975	36,845	36,072	773
	<i>Total Auditor</i>	<u>1,171,801</u>	<u>1,202,411</u>	<u>1,174,761</u>	<u>27,650</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>General Government (Cont'd.)</i>	<i>Treasurer</i>				
	Personal services	\$ 535,056	\$ 543,499	\$ 534,221	\$ 9,278
	Materials and supplies	127,350	129,270	128,759	511
	Contractual services	131,000	125,384	106,267	19,117
	Travel	8,658	2,741	2,590	151
	Utilities	6,000	3,383	3,382	1
	Capital outlay		5,376	5,376	
	<i>Total Treasurer</i>	<u>808,064</u>	<u>809,653</u>	<u>780,595</u>	<u>29,058</u>
	<i>Prosecutor</i>				
	Personal services	756,899	733,123	716,169	16,954
	Materials and supplies	27,657	27,357	25,584	1,773
	Contractual services	28,112	27,897	24,682	3,215
	Travel	12,978	8,403	8,396	7
	Utilities	14,000	14,600	11,875	2,725
	Capital outlay	2,000	2,300	2,286	14
	Other	50,628	50,628	50,628	
	<i>Total Prosecutor</i>	<u>892,274</u>	<u>864,308</u>	<u>839,620</u>	<u>24,688</u>
	<i>Prosecutor - Criminal</i>				
	Personal services	1,418,913	1,384,502	1,364,976	19,526
	Materials and supplies	28,256	28,446	24,920	3,526
	Contractual services	61,500	77,059	75,932	1,127
	Capital outlay	58,255	58,755	58,230	525
	Other	18,000	4,598		4,598
	<i>Total Prosecutor</i>	<u>1,584,924</u>	<u>1,553,360</u>	<u>1,524,058</u>	<u>29,302</u>
	<i>Recorder</i>				
	Personal services	449,261	450,934	429,328	21,606
	Materials and supplies	12,707	12,707	10,398	2,309
	Contractual services	190,242	189,747	187,523	2,224
	Travel	4,053	4,053	2,971	1,082
	Utilities	6,217	6,217	2,917	3,300
	Capital outlay	1,501	1,501	1,350	151
	<i>Total Recorder</i>	<u>663,981</u>	<u>665,159</u>	<u>634,487</u>	<u>30,672</u>
	<i>Board of Elections</i>				
	Personal services	750,611	895,806	891,531	4,275
	Materials and supplies	248,934	263,398	263,367	31
	Contractual services	386,083	341,308	341,305	3
	Travel	27,495	17,143	17,141	2
	Utilities	22,000	19,907	19,907	
	Capital outlay	33,000	40,103	39,736	367
	<i>Total Board of Elections</i>	<u>1,468,123</u>	<u>1,577,665</u>	<u>1,572,987</u>	<u>4,678</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>General Government (Cont'd.)</i>	<i>Data Processing Board</i>				
	Personal services	\$ 709,902	\$ 691,252	\$ 652,786	\$ 38,466
	Materials and supplies	63,700	65,700	39,858	25,842
	Contractual services	1,132,045	1,155,125	1,060,341	94,784
	Travel	39,000	139,000	131,433	7,567
	Utilities	391,803	431,803	408,836	22,967
	Capital outlay	220,300	264,300	227,108	37,192
	<i>Total Data Processing Board</i>	<u>2,556,750</u>	<u>2,747,180</u>	<u>2,520,362</u>	<u>226,818</u>
	<i>Total General Government</i>	<u>14,255,249</u>	<u>14,328,295</u>	<u>13,637,329</u>	<u>690,966</u>
<i>Judicial</i>	<i>Expenditures:</i>				
	<i>Clerk of Courts - Legal</i>				
	Personal services	\$ 1,020,280	\$ 1,011,932	\$ 1,007,292	\$ 4,640
	Materials and supplies	111,545	163,406	163,080	326
	Contractual services	20,427	19,463	16,661	2,802
	Travel	1,000			
	Utilities	12,000	9,361	5,953	3,408
	Capital outlay	21,300	4,648	1,816	2,832
	<i>Total Clerk of Courts - Legal</i>	<u>1,186,552</u>	<u>1,208,810</u>	<u>1,194,802</u>	<u>14,008</u>
	<i>Common Pleas</i>				
	Personal services	1,564,269	1,571,846	1,569,451	2,395
	Materials and supplies	51,800	53,434	51,811	1,623
	Contractual services	1,097,715	1,447,678	1,437,688	9,990
	Travel	13,000	13,625	13,038	587
	Utilities	17,000	15,400	15,104	296
	Capital outlay	44,077	37,677	36,501	1,176
	<i>Total Common Pleas</i>	<u>2,787,861</u>	<u>3,139,660</u>	<u>3,123,593</u>	<u>16,067</u>
	<i>Jury Commission</i>				
	Personal services	3,174			
	<i>Total Jury Commission</i>	<u>3,174</u>			
	<i>Law Library</i>				
	Personal services	55,026	55,076	53,135	1,941
	Contractual services		99	98	1
	<i>Total Law Library</i>	<u>55,026</u>	<u>55,175</u>	<u>53,233</u>	<u>1,942</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Judicial</i>	<i>Domestic Relations</i>				
(Cont'd.)	Personal services	\$ 682,515	\$ 682,536	\$ 664,884	\$ 17,652
	Materials and supplies	17,500	17,666	13,170	4,496
	Contractual services	15,214	17,188	11,674	5,514
	Travel	10,200	8,600	5,511	3,089
	Utilities	4,000	4,000	3,254	746
	Capital outlay	11,339	11,339	3,402	7,937
	<i>Total Domestic Relations</i>	<u>740,768</u>	<u>741,329</u>	<u>701,895</u>	<u>39,434</u>
	<i>Juvenile Court</i>				
	Personal services	4,556,975	4,631,429	4,575,283	56,146
	Materials and supplies	282,600	247,613	241,217	6,396
	Contractual services	70,612	90,430	89,867	563
	Travel	35,500	28,600	27,868	732
	Utilities	268,280	229,504	229,419	85
	Capital outlay	111,000	108,000	106,813	1,187
	Other	6,500	6,500	6,500	
	<i>Total Juvenile Court</i>	<u>5,331,467</u>	<u>5,342,076</u>	<u>5,276,967</u>	<u>65,109</u>
	<i>Probate Court</i>				
	Personal services	768,149	782,007	777,984	4,023
	Materials and supplies	47,000	47,000	36,082	10,918
	Contractual services	48,200	51,163	47,167	3,996
	Travel	14,000	10,396	7,060	3,336
	Utilities	8,600	8,600	5,605	2,995
	Capital outlay	20,000	8,746	1,613	7,133
	<i>Total Probate Court</i>	<u>905,949</u>	<u>907,912</u>	<u>875,511</u>	<u>32,401</u>
	<i>County Court # 2 - Boardman</i>				
	Personal services	451,174	451,475	448,116	3,359
	Materials and supplies	11,537	26,086	25,761	325
	Contractual services	87,261	89,342	87,335	2,007
	Travel	735	335	200	135
	Utilities	29,760	29,899	28,434	1,465
	Capital outlay	22,645	345	309	36
	Other	92	177	177	
	<i>Total County Court # 2 - Boardman</i>	<u>603,204</u>	<u>597,659</u>	<u>590,332</u>	<u>7,327</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Judicial</i>	<i>Municipal Court - Youngstown</i>				
<i>(Cont'd.)</i>	Personal services	\$ 178,540	\$ 184,226	\$ 184,206	\$ 20
	Contractual services	5,400	3,774	3,691	83
	<i>Total Municipal Court - Youngstown</i>	<u>183,940</u>	<u>188,000</u>	<u>187,897</u>	<u>103</u>
	<i>Municipal Court - Campbell</i>				
	Personal services	47,256	52,244	52,014	230
	Contractual services	900	1,389	673	716
	<i>Total Municipal Court - Campbell</i>	<u>48,156</u>	<u>53,633</u>	<u>52,687</u>	<u>946</u>
	<i>Municipal Court - Struthers</i>				
	Personal services	72,627	78,551	77,314	1,237
	Contractual services	3,500	3,999	2,800	1,199
	<i>Total Municipal Court - Struthers</i>	<u>76,127</u>	<u>82,550</u>	<u>80,114</u>	<u>2,436</u>
	<i>County Court # 3 - Sebring</i>				
	Personal services	227,596	225,391	214,860	10,531
	Materials and supplies	5,112	5,112	4,564	548
	Contractual services	62,625	62,531	61,146	1,385
	Travel	735	400	308	92
	Utilities	17,010	17,160	13,936	3,224
	Capital outlay	5,395	200	26	174
	<i>Total County Court # 3 - Sebring</i>	<u>318,473</u>	<u>310,794</u>	<u>294,840</u>	<u>15,954</u>
	<i>County Court # 4 - Austintown</i>				
	Personal services	507,005	507,705	505,643	2,062
	Materials and supplies	15,512	37,312	37,187	125
	Contractual services	93,725	98,442	95,767	2,675
	Travel	735			
	Utilities	27,810	27,960	25,727	2,233
	Capital outlay	23,295	5,009	3,162	1,847
	<i>Total County Court # 4 - Austintown</i>	<u>668,082</u>	<u>676,428</u>	<u>667,486</u>	<u>8,942</u>
	<i>County Court # 5 - Canfield</i>				
	Personal services	249,920	251,220	249,715	1,505
	Materials and supplies	7,962	13,162	11,009	2,153
	Contractual services	55,964	56,553	52,128	4,425
	Travel	735	395	395	
	Utilities	18,560	18,710	13,807	4,903
	Capital outlay	3,074	1,074	329	745
	<i>Total County Court # 5 - Canfield</i>	<u>336,215</u>	<u>341,114</u>	<u>327,383</u>	<u>13,731</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
Judicial (Cont'd.)	Courts Other				
	Personal services	\$ 281,501	\$ 281,806	\$ 276,977	\$ 4,829
	Contractual services		589	589	
	<i>Total Courts Other</i>	<u>281,501</u>	<u>282,395</u>	<u>277,566</u>	<u>4,829</u>
	<i>County Court - Probation</i>				
	Personal services	148,380	148,780	148,472	308
	Contractual services		393	393	
	<i>Total County Court - Probation</i>	<u>148,380</u>	<u>149,173</u>	<u>148,865</u>	<u>308</u>
	<i>Total Judicial</i>	<u>13,674,875</u>	<u>14,076,708</u>	<u>13,853,171</u>	<u>223,537</u>
<i>Public Safety</i>	<i>Expenditures:</i>				
	<i>Jail Medical</i>				
	Personal services	\$ 82,605	\$ 92,384	\$ 90,567	\$ 1,817
	Materials and supplies	11,300	521	93	428
	Contractual services	1,256,326	1,512,926	1,512,378	548
	Travel	2,100	3,100	2,441	659
	<i>Total Jail Medical</i>	<u>1,352,331</u>	<u>1,608,931</u>	<u>1,605,479</u>	<u>3,452</u>
	<i>Sheriff</i>				
	Personal services	6,177,197	7,284,661	7,279,808	4,853
	Materials and supplies	102,000	70,545	67,331	3,214
	Contractual services	71,023	178,193	177,225	968
	Travel	109,500	106,753	106,393	360
	Utilities	20,000	45,300	45,256	44
	Capital outlay	30,000	10,737	10,250	487
	Other	46,972	49,333	49,331	2
	<i>Total Sheriff</i>	<u>6,556,692</u>	<u>7,745,522</u>	<u>7,735,594</u>	<u>9,928</u>
	<i>Mahoning County Justice Center</i>				
	Personal services	6,375,890	5,649,165	5,625,582	23,583
	Materials and supplies	663,744	667,130	667,129	1
	Contractual services	395,000	353,552	350,954	2,598
	Utilities	722,254	668,211	667,725	486
	Capital outlay	104,000	57,308	57,306	2
	<i>Total Mahoning County Justice Center</i>	<u>8,260,888</u>	<u>7,395,366</u>	<u>7,368,696</u>	<u>26,670</u>
	<i>E-911 Dispatch</i>				
	Personal services	676,295	768,448	749,548	18,900
	Materials and supplies	15,170	3,649	3,648	1
	Contractual services	32,102	35,389	35,387	2
	Travel	3,000	35	35	
	Utilities	15,000	33,537	33,535	2
	Capital outlay	35,000	10,369	10,368	1
	<i>Total E-911 Dispatch</i>	<u>776,567</u>	<u>851,427</u>	<u>832,521</u>	<u>18,906</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Public Safety (Cont'd.)</i>	<i>Minimum Security Facility</i>				
	Personal services	\$ 329,680	\$ 644,434	\$ 642,450	\$ 1,984
	Materials and supplies	89,039	93,539	93,539	
	Contractual services	23,000	6,419	6,332	87
	Utilities	73,836	68,230	67,573	657
	Capital outlay	25,625	5,853	5,852	1
	<i>Total Minimum Security Facility</i>	<u>541,180</u>	<u>818,475</u>	<u>815,746</u>	<u>2,729</u>
	<i>Coroner</i>				
	Personal services	384,866	369,582	368,015	1,567
	Materials and supplies	7,859	7,150	7,150	
	Contractual services	180,648	224,052	223,387	665
	Travel	13,169	4,838	4,837	1
	Utilities	4,500	4,995	4,995	
	Capital outlay	25,300	16,455	16,454	1
	<i>Total Coroner</i>	<u>616,342</u>	<u>627,072</u>	<u>624,838</u>	<u>2,234</u>
	<i>Total Public Safety</i>	<u>18,104,000</u>	<u>19,046,793</u>	<u>18,982,874</u>	<u>63,919</u>
<i>Human Services</i>	<i>Expenditures</i>				
	<i>Soldiers Relief</i>				
	Personal services	\$ 201,522	\$ 226,769	\$ 221,544	\$ 5,225
	Materials and supplies	75,684	66,437	57,019	9,418
	Contractual services	649,286	429,990	408,932	21,058
	Travel	34,225	34,225	4,752	29,473
	Utilities	9,454	2,761	2,737	24
	Capital outlay	30,000	33,000	22,311	10,689
	<i>Total Soldiers Relief</i>	<u>1,000,171</u>	<u>793,182</u>	<u>717,295</u>	<u>75,887</u>
	<i>Veteran Services</i>				
	Personal services	196,626	196,626	182,757	13,869
	Materials and supplies	12,987	12,987	3,965	9,022
	Contractual services		3,589	1,588	2,001
	Travel	32,342	32,342	9,483	22,859
	Capital outlay	20,000	20,000	8,770	11,230
	<i>Total Veteran Services</i>	<u>261,955</u>	<u>265,544</u>	<u>206,563</u>	<u>58,981</u>
	<i>Total Human Services</i>	<u>1,262,126</u>	<u>1,058,726</u>	<u>923,858</u>	<u>134,868</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Other</i>				
<i>Expenditures</i>				
<i>Counsel on Aging</i>				
Personal services	\$ 40,610	\$ 40,288	\$ 39,159	\$ 1,129
Materials and supplies	4,100	4,615	4,360	255
Contractual services	2,025	53,366	41,803	11,563
Travel	400			
Capital outlay		17,000	11,637	5,363
<i>Total Counsel on Aging</i>	<u>47,135</u>	<u>115,269</u>	<u>96,959</u>	<u>18,310</u>
<i>General Fund Administration Costs</i>				
Personal services	21,981	237,317	203,985	33,332
Contractual services	1,051,367	1,244,852	1,223,807	21,045
Utilities	14,500	60,830	59,406	1,424
Capital outlay		721		721
Other	1,037,701	1,132,016	1,128,065	3,951
<i>Total General Fund Administration Costs</i>	<u>2,125,549</u>	<u>2,675,736</u>	<u>2,615,263</u>	<u>60,473</u>
<i>Total Other</i>	<u>2,172,684</u>	<u>2,791,005</u>	<u>2,712,222</u>	<u>78,783</u>
<i>Totals</i>				
<i>Total Expenditures</i>	\$ 49,468,934	\$ 51,301,527	\$ 50,109,454	\$ 1,192,073
<i>Excess (Deficiency) Of</i>				
<i>Revenues Over Expenditures</i>	(1,468,203)	(1,171,527)	1,617,832	2,789,359
<i>Other Financing Sources (Uses)</i>				
Transfers in		315,000	399,548	84,548
Transfers out	(5,291,111)	(6,440,941)	(6,409,284)	31,657
<i>Total Other Financing Sources (Uses)</i>	<u>(5,291,111)</u>	<u>(6,125,941)</u>	<u>(6,009,736)</u>	<u>116,205</u>
<i>Net Change in Fund Balance</i>	(6,759,314)	(7,297,468)	(4,391,904)	2,905,564
<i>Fund Balance at Beginning of Year</i>	3,697,132	3,697,132	3,697,132	
<i>Prior Year Encumbrances Appropriated</i>	3,600,635	3,600,635	3,600,635	
<i>Fund Balance at End of Year</i>	<u>\$ 538,453</u>	<u>\$ 299</u>	<u>\$ 2,905,863</u>	<u>\$ 2,905,564</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Department of Human Services - Special Revenue Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>				
Fees and charges for services		\$ 1,442,445	\$ 1,495,227	\$ 52,782
Intergovernmental	\$ 35,000,000	33,025,000	32,228,596	(796,404)
All other revenue		900,000	941,665	41,665
Total Revenues	35,000,000	35,367,445	34,665,488	(701,957)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	11,686,977	11,793,607	11,720,218	73,389
Materials and supplies	254,203	339,194	337,346	1,848
Contractual services	22,849,097	25,115,663	25,113,032	2,631
Travel	134,550	140,432	133,812	6,620
Utilities	278,174	315,604	313,298	2,306
Capital outlay	325,474	97,740	97,439	301
Other	542,307	435,988	435,988	
Total Expenditures	36,070,782	38,238,228	38,151,133	87,095
Deficiency Of Revenues Over Expenditures	(1,070,782)	(2,870,783)	(3,485,645)	(614,862)
<i>Other Financing Sources</i>				
Transfers in		1,481,925	1,481,925	
Total Other Financing Sources		1,481,925	1,481,925	
Net Change in Fund Balance	(1,070,782)	(1,388,858)	(2,003,720)	(614,862)
Fund Balance At Beginning Of Year	511,561	511,561	511,561	
Prior Year Encumbrances Appropriated	883,563	883,563	883,563	
Fund Balance (Deficit) At End Of Year	\$ 324,342	\$ 6,266	\$ (608,596)	\$ (614,862)

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Children Services Board - Special Revenue Fund**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>				
Property and other taxes	\$ 5,369,000	\$ 5,369,000	\$ 5,190,337	\$ (178,663)
Fees and charges for services			552	552
Intergovernmental	5,437,203	5,437,203	6,177,815	740,612
All other revenue			22,137	22,137
Total Revenues	10,806,203	10,806,203	11,390,841	584,638
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	6,237,835	6,408,556	5,813,697	594,859
Materials and supplies	450,585	460,906	332,199	128,707
Contractual services	4,363,789	4,602,797	3,669,274	933,523
Travel	166,899	186,492	125,188	61,304
Utilities	75,300	72,128	56,265	15,863
Capital outlay	342,325	66,445	36,194	30,251
Other	105,000	84,300	60,688	23,612
Total Expenditures	11,741,733	11,881,624	10,093,505	1,788,119
Excess (Deficiency) Of Revenues Over Expenditures	(935,530)	(1,075,421)	1,297,336	2,372,757
<i>Other Financing Uses</i>				
Transfers out	(500,000)	(500,000)	(500,000)	
Total Other Financing Uses	(500,000)	(500,000)	(500,000)	
Net Change in Fund Balance	(1,435,530)	(1,575,421)	797,336	2,372,757
Fund Balance At Beginning Of Year	12,939,194	12,939,194	12,939,194	
Prior Year Encumbrances Appropriated	550,804	550,804	550,804	
Fund Balance At End Of Year	\$ 12,054,468	\$ 11,914,577	\$ 14,287,334	\$ 2,372,757

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Board of Mental Retardation - Special Revenue Fund**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>				
Property and other taxes	\$ 14,610,000	\$ 14,610,000	\$ 14,178,468	\$ (431,532)
Intergovernmental	8,102,702	8,102,702	8,354,740	252,038
All other revenue	80,000	80,000	115,203	35,203
Total Revenues	22,792,702	22,792,702	22,648,411	(144,291)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Health</i>				
Personal services	15,066,770	15,703,752	14,754,292	949,460
Materials and supplies	286,318	263,079	227,700	35,379
Contractual services	4,282,810	4,581,325	4,418,394	162,931
Travel	468,058	510,727	383,391	127,336
Utilities	492,286	613,291	491,263	122,028
Capital outlay	639,164	1,488,824	1,032,891	455,933
Other	5,000	5,000		5,000
Total Expenditures	21,240,406	23,165,998	21,307,931	1,858,067
Excess (Deficiency) Of Revenues Over Expenditures	1,552,296	(373,296)	1,340,480	1,713,776
<i>Other Financing Sources</i>				
Transfers in			56,526	56,526
Total Other Financing Sources			56,526	56,526
Net Change in Fund Balance	1,552,296	(373,296)	1,397,006	1,770,302
Fund Balance At Beginning Of Year	4,770,036	4,770,036	4,770,036	
Prior Year Encumbrances Appropriated	755,427	755,427	755,427	
Fund Balance At End Of Year	\$ 7,077,759	\$ 5,152,167	\$ 6,922,469	\$ 1,770,302

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Net Assets
Proprietary Funds

December 31, 2002

	<i>Business-type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Total</i>	<i>Internal Service Funds</i>
<i>Assets</i>				
Current Assets:				
Equity in pooled cash and investments at fair value	\$ 6,157,094	\$ 235,026	\$ 6,392,120	\$ 6,283,538
Investments		700,000	700,000	
Net receivables:				
Accounts	3,791,105	55,506	3,846,611	
Loans	165,344		165,344	
Special assessments - current portion		68,105	68,105	
Accrued interest		62,445	62,445	
Due from other funds				1,050,126
Due from other governments				
Restricted assets:				
Equity in pooled cash and investments at fair value	6,071,344		6,071,344	
Cash and cash equivalents with fiscal agent	830,150		830,150	
Total Current Assets	17,015,037	1,121,082	18,136,119	7,333,664
Long-term Assets:				
Special assessments receivable - noncurrent		299,174	299,174	
Capital assets:				
Land	258,359	5,781	264,140	
Utility plant in service	124,583,647	3,372,176	127,955,823	
Buildings, structures and improvements	959,279		959,279	
Furniture, fixtures and equipment	2,025,518	7,804	2,033,322	
Construction-in-progress	341,828		341,828	
Less: Accumulated depreciation	(65,620,660)	(1,091,601)	(66,712,261)	
Total capital assets (net of accumulated depreciation)	62,547,971	2,294,160	64,842,131	
Total Long-term Assets	62,547,971	2,593,334	65,141,305	
Total Assets	79,563,008	3,714,416	83,277,424	7,333,664
Liabilities				
Current Liabilities:				
Accounts payable	1,359,181		1,359,181	
Accrued wages and benefits	341,144		341,144	
Claims and judgements payable				1,948,225
Compensated absences payable	401,689	10,889	412,578	246
Retainage payable	75,000		75,000	
Due to other funds	307,927	34,434	342,361	593,388
Due to other governments				1,595,348
Deferred revenue		23,161	23,161	
Current portion of general obligation bonds	79,229	1,060	80,289	
Current portion of special assessment bonds	215,346	38,940	254,286	
Current portion of long-term loans	1,468,896		1,468,896	
Accrued interest on notes and bonds	8,764	13,103	21,867	
Bond anticipation notes		700,000	700,000	
Current liabilities payable from restricted assets:				
Accrued revenue bond interest	37,069		37,069	
Current portion of revenue bonds	380,000		380,000	
Total Current Liabilities	4,674,245	821,587	5,495,832	4,137,207
Long-term Liabilities:				
Long-term portion of compensated absences	191,648	5,195	196,843	
Long-term loans (net of current portion)	18,379,260		18,379,260	
Revenue bonds (net of current portion)	8,460,000		8,460,000	
Less: Unamortized revenue bond charges	(754,672)		(754,672)	
General obligation bonds (net of current portion)	274,842	8,216	283,058	
Special assessment bonds (net of current portion)	1,085,318	301,784	1,387,102	
Total Long-term Liabilities	27,636,396	315,195	27,951,591	
Total Liabilities	32,310,641	1,136,782	33,447,423	4,137,207
Net Assets:				
Invested in capital assets, net of related debt	33,330,988	1,938,379	35,269,367	
Restricted for:				
Debt service	5,656,851		5,656,851	
Unrestricted	8,264,528	639,255	8,903,783	3,196,457
Total Net Assets	\$ 47,252,367	\$ 2,577,634	\$ 49,830,001	\$ 3,196,457

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues,
Expenses and Changes In Fund Net Assets
Proprietary Funds**

For the Year Ended December 31, 2002

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Wastewater</u>	<u>Water</u>	<u>Totals</u>	<u>Internal Service</u> <u>Funds</u>
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 16,825,854	\$ 244,342	\$ 17,070,196	\$ 103,762
Licenses and permits	1,452,275	9,000	1,461,275	
All other revenue	49,292		49,292	9,256,113
Total Operating Revenues	18,327,421	253,342	18,580,763	9,359,875
<i>Operating Expenses:</i>				
Personal services	5,611,481	65,107	5,676,588	9,262,935
Materials and supplies	330,865	2,262	333,127	
Contractual services	4,226,617	8,301	4,234,918	
Travel	250,598	1,088	251,686	33,484
Utilities	1,497,587	31,834	1,529,421	
Repair and maintenance	614,208	82,302	696,510	
Claims and other expenses	276,700	219	276,919	11,028
Depreciation	2,681,875	82,856	2,764,731	
Total Operating Expenses	15,489,931	273,969	15,763,900	9,307,447
Operating Income (Loss)	2,837,490	(20,627)	2,816,863	52,428
<i>Nonoperating Revenues (Expenses)</i>				
Investment income	302,908	55,449	358,357	
Interest expense and fiscal charges	(1,526,678)	(40,077)	(1,566,755)	
Total Nonoperating Revenues (Expenses)	(1,223,770)	15,372	(1,208,398)	
Income (Loss) Before Contributions and Transfers	1,613,720	(5,255)	1,608,465	52,428
Capital contributions	2,381,085	88,000	2,469,085	
Transfers in	9,762,956	185,500	9,948,456	500,000
Transfers out	(9,324,559)	(171,500)	(9,496,059)	
Change in net assets	4,433,202	96,745	4,529,947	552,428
Total Net Assets at Beginning of Year (See Note E)	42,819,165	2,480,889	45,300,054	2,644,029
Total Net Assets at End of Year	\$ 47,252,367	\$ 2,577,634	\$ 49,830,001	\$ 3,196,457

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2002

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service</i> <i>Funds</i>
<i>Increase in Cash and Cash Equivalents</i>				
<i>Cash flows from operating activities:</i>				
Cash receipts from customers	\$ 17,027,255	\$ 214,523	\$ 17,241,778	\$ 139,606
Cash receipts from quasi-external transactions	65,719		65,719	7,732,505
Cash payments to employees for services	(5,610,353)	(68,554)	(5,678,907)	(69,215)
Cash payments to suppliers for goods and services	(6,731,958)	(131,941)	(6,863,899)	(6,489,442)
Cash from other sources	1,501,567	9,000	1,510,567	
<i>Net cash provided by operating activities</i>	<u>6,252,230</u>	<u>23,028</u>	<u>6,275,258</u>	<u>1,313,454</u>
<i>Cash flows from noncapital financing activities:</i>				
Transfers in	9,762,956	185,500	9,948,456	500,000
Transfers out	(9,324,559)	(171,500)	(9,496,059)	
<i>Net cash provided by noncapital financing activities</i>	<u>438,397</u>	<u>14,000</u>	<u>452,397</u>	<u>500,000</u>
<i>Cash flows from capital and related financing activities:</i>				
Proceeds from notes	768,386	700,000	1,468,386	
Principal paid on long-term debt	(2,045,030)	(35,000)	(2,080,030)	
Interest paid on long-term debt	(1,476,882)	(29,356)	(1,506,238)	
Cash from special assessments		31,539	31,539	
Proceeds from capital contributions	1,171,790		1,171,790	
Acquisition and construction of capital assets	(3,323,878)		(3,323,878)	
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(4,905,614)</u>	<u>667,183</u>	<u>(4,238,431)</u>	
<i>Cash flows from investing activities:</i>				
Cash from investment earnings	302,908	51,159	354,067	
<i>Net cash provided by investing activities</i>	<u>302,908</u>	<u>51,159</u>	<u>354,067</u>	
Net increase in cash and cash equivalents	2,087,921	755,370	2,843,291	1,813,454
Cash and cash equivalents at beginning of year	10,970,667	179,656	11,150,323	4,470,084
Cash and cash equivalents at end of year	<u>\$ 13,058,588</u>	<u>\$ 935,026</u>	<u>\$ 13,993,614</u>	<u>\$ 6,283,538</u>

(Cont'd)

<i>Cash and cash equivalents at end of year:</i>				
Equity in pooled cash and investments at fair value	\$ 6,157,094	\$ 235,026	\$ 6,392,120	\$ 6,283,538
Investments		700,000	700,000	
Restricted assets:				
Equity in pooled cash and investments at fair value	6,071,344		6,071,344	
Cash and cash equivalents with fiscal agent	830,150		830,150	
Cash and cash equivalents at end of year	<u>\$ 13,058,588</u>	<u>\$ 935,026</u>	<u>\$ 13,993,614</u>	<u>\$ 6,283,538</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2002

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Wastewater</u>	<u>Water</u>	<u>Totals</u>	<u>Internal Service</u> <u>Funds</u>
<i>Reconciliation of operating income (loss) to net cash provided by operating activities:</i>				
Operating income (loss)	\$ 2,837,489	\$ (20,626)	\$ 2,816,863	\$ 52,428
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>				
Depreciation	2,681,875	82,856	2,764,731	
(Increase) decrease in accounts receivable	228,563	(29,819)	198,744	
(Increase) decrease in due from other funds	65,719	955	66,674	(968,248)
Increase (decrease) in accounts payable	413,441	(4,808)	408,633	(46,033)
Decrease in retainage payable	(75,270)		(75,270)	
Increase (decrease) in due to other funds	126,446	(1,127)	125,319	(473,482)
Increase (decrease) in accrued wages and benefits	16,753	(3,811)	12,942	(3,314)
Decrease in compensated absences	(42,786)	(592)	(43,378)	(1,836)
Increase in due to other governments				805,714
Increase in claims and judgements payable				1,948,225
<i>Total adjustments</i>	<u>3,414,741</u>	<u>43,654</u>	<u>3,458,395</u>	<u>1,261,026</u>
<i>Net cash provided by operating activities</i>	<u>\$ 6,252,230</u>	<u>\$ 23,028</u>	<u>\$ 6,275,258</u>	<u>\$ 1,313,454</u>

Noncash investing, capital and financing activities:

Non cash contributions were recognized by the water fund in the amount of \$88,000 and the wastewater fund in the amount of \$1,480,745.

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds

December 31, 2002

	<i>Agency Funds</i>
<i>Assets</i>	
Equity in pooled cash and investments at fair value	\$ 13,294,515
Cash and cash equivalents - segregated accounts	4,185,810
Net receivables:	
Taxes	213,267,749
Special assessments - current	13,577,077
Due from other governments	21,809,886
<i>Total Assets</i>	<u>\$ 266,135,037</u>
<i>Liabilities</i>	
Due to other governments	\$ 248,654,712
Other liabilities	17,480,325
<i>Total Liabilities</i>	<u>\$ 266,135,037</u>

The notes to the financial statements are an integral part of this statement.

Notes to the Basic Financial Statements

December 31, 2002

NOTE A - Description of Mahoning County

Mahoning County was created in 1846. It operates as a political subdivision of the State of Ohio exercising only those powers conferred by the Ohio legislature. Mahoning County voters elect a total of eleven legislative and administrative County officials. The three member Board of Commissioners is the legislative and executive body of the County. The County Auditor is the chief fiscal officer and tax assessor and the County Treasurer serves as the custodian of all County funds and as tax collector. In addition, there are six other elected administrative officials provided for by Ohio law, which include: the Clerk of Courts, Recorder, Coroner, Engineer, Prosecuting Attorney, and Sheriff. The judicial branch of the County includes five Common Pleas Court Judges, four County (area) Judges, one Domestic Relations Judge, one Juvenile Court Judge and one Probate Judge.

Mahoning County provides a multitude of services to its approximately 253,300 residents. For example, the County offers a wide range of human and social services, health and community assistance services, law enforcement services, road and building maintenance services as well as other general and administrative support services. Additionally, Mahoning County operates water and wastewater systems.

Reporting Entity

For financial reporting purposes, the County complies with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity." The financial reporting entity consists of the County as the primary government, which also includes all of the elected officials, organizations, activities and functions which are not legally separate from the County and whose corporate powers the County holds. The financial reporting entity also includes the component units for which the elected officials of the County are financially accountable or for which the County is not financially accountable, but the nature and significance of their relationship with the County are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate entities that meet any of the following criteria: (1) The primary government appoints the voting majority of the potential component unit's board, *and* (a) the primary government is able to impose its will on the potential component unit *or* (b) the primary government is in a relationship of financial benefit or burden with the potential component unit; (2) The potential component unit is fiscally dependent upon the primary government or; (3) The financial statements would be misleading if data from the potential component unit were not included. Based on this criteria, the following are presented as component units:

Component Units

Mahoning Adult Services Company, Inc. (MASCO, Inc.) is a legally separate, non-profit organization, which provides sheltered employment for mentally handicapped persons. MASCO, Inc. enters into work service contracts with private businesses that provide the employees of MASCO, Inc. an opportunity to maximize their potential for independence. The County, through the Board of Mental Retardation (MRDD), provides MASCO, Inc. with personnel for its operations. This includes salaries and benefits. The relationship between the County MRDD and MASCO, Inc., results in a significant related party transaction since services and resources are provided by the County to MASCO, Inc., and MASCO, Inc.'s sole purpose is to provide vocational training opportunities for adults with mental retardation/developmental disabilities. Because the relationship is so significant, it would be misleading to exclude MASCO, Inc. from presentation in the County's financial statements. MASCO, Inc. is therefore, reflected as a component unit of Mahoning County.

The component unit is not blended as part of the primary government. It is discretely presented by reporting component unit financial data in a column separate from the financial data of the primary government. The component unit operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from MASCO, Inc., 160 Marwood Circle, Boardman, OH 44512.

The Youngstown/Mahoning County Convention and Visitor's Bureau is a legally separate, non-profit organization, established to promote and encourage tourism in Mahoning County. The authority to form the Bureau is provided under the Ohio Revised Code which permits the County to levy an excise tax on lodgings furnished to transient guests and expend the receipts of the tax on a convention and visitor's bureau. Because the Bureau's major source of revenue is the excise tax levied by the County the Bureau is fiscally dependent on the County, and, therefore, it is reflected as a component unit of Mahoning County.

The component unit is not blended as part of the primary government. It is discretely presented by reporting component unit financial data in a column separate from the financial data of the primary government. The component unit operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from the Youngstown/Mahoning County Convention and Visitor's Bureau, 100 Federal Plaza East, Suite 101 Youngstown, OH 44503.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

General Fund

This fund accounts for all financial resources not required to be accounted for in another fund. The major revenue sources are sales and use tax, charges for services, investment earnings, and intergovernmental revenues. The General Fund is the operating fund of the County.

Department of Human Services

This fund accounts for various federal and state grants and reimbursements as well as mandated transfers from the General Fund. These revenues are used to provide human service programs.

Children Services Board

This fund accounts for a County-wide property tax levy, federal and state monies. Expenditures are for foster homes, emergency shelters, medical, school supplies, counseling and parental training.

Board of Mental Retardation

This fund accounts for a County-wide property tax levy, federal and state monies. Revenues are used for the benefit of the mentally retarded and developmentally disabled.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Enterprise Funds

These funds account for the acquisition, operation, and maintenance of the County's water and wastewater facilities, which are financed primarily by user charges. The County reports the Wastewater Fund as a major fund. The Wastewater fund provides sanitary service to residential, commercial and industrial users also serviced by the water system. Wastewater charges are based on water usage and serve as the major revenue source for financing the operation, maintenance and capital improvement of the wastewater system.

Internal Service Funds

These funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis. The County's internal service funds report on self-insurance for Children Services Board and self-insurance programs for employee medical benefits, worker's compensation and vehicle maintenance

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The County's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities and do not purport to present the financial position or results of operations of related entities). These funds typically involve only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments.

Component Units

A component unit is a legally separate organization for which the elected officials of the County are financially accountable, or for which the nature and significance of its relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the Statement of Net Assets.

Fund Financial Statements

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

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

Basis of Accounting

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

Revenues – Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note L). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the 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. In applying this concept, County revenues accrued at the end of the year include sales tax, investment earnings, charges for services, and reimbursements for grant expenditures.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2002 but which were levied to finance fiscal year 2003 operations have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents and Investments

The County Treasurer pools and invests all active and inactive County funds. The County Treasurer maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet and statement of net assets as "Equity in pooled cash and investments at fair value." If a fund overdraws its account in the Treasury pool, the overdraft is reported as an interfund liability in that fund, with a corresponding interfund receivable reported in the general fund.

For purposes of the Statement of Cash Flows, proprietary fund participation in the Treasurer's investment pool is treated as cash and cash equivalents. In addition, all highly liquid investments held by fiscal agents in segregated accounts, with a maturity of three months or less from the date of purchase, are also considered to be cash equivalents and the investments in the County's bond anticipation notes that the Treasurer is holding are also considered to be cash equivalents.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment revenue earned during 2002 by the primary government amounted to \$3,349,363.

Investments, primarily commercial paper and U.S. Government Obligations, are stated at fair value. Note F provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

Cash in Segregated Accounts

The County has segregated bank accounts for monies held separate from the County's central bank account. These depository accounts are presented in the Statement of Fiduciary Assets and Liabilities as "Cash and cash equivalents in segregated accounts".

Inventories and Prepaid Items

On fund financial statements, the costs of governmental fund-type inventories are recorded as expenditures when purchased (purchases method) rather than when consumed. Inventories of proprietary funds, if material, are recorded as expenses when consumed. Expenditures for insurance and similar services extending over more than one accounting period are considered expenditures when purchased (purchases method) for governmental funds. For proprietary funds, a current asset is recorded at the time of purchase and the expense is reported in the year in which the services are consumed, if material. On government-wide financial statements, inventories are presented at the lower cost or market on a first-in, first-out (FIFO) and are expensed when used, if material.

Special Assessments

The County applies the provisions of GASB Statement No. 6, "Accounting and Financial Reporting for Special Assessments", in accounting for and reporting special assessments and related transactions. Service-type special assessments are reported in the fund type that best reflects the nature of the transaction. Both the assessment revenues and expenditures for which the County levied the assessments are recognized on the modified accrual basis in a special revenue fund. These assessments are recorded as a receivable when levied. On the modified accrual basis, the delinquent special assessments outstanding and available to the County within the first 60 days after year-end are recorded as revenue. The remaining special assessment receivable is offset by a credit to deferred revenue.

The County applies GASB Statement No. 6, Paragraph 23 when capital improvements financed by special assessments provide capital assets to an enterprise fund. All transactions and balances of special assessment projects are reflected on the enterprise fund's balance sheet to properly reflect the actual administration of the project. The entire amount assessed to property owners is recorded as the enterprise fund's assessments receivable at the time of the levy; special assessment debt is recorded as a liability of the enterprise fund and reflected as special assessment debt with governmental commitment. The improvement is capitalized on the proprietary funds' statement of net assets and is offset by recognizing capital contributions.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Sales Tax

The County has levied a 1% sales tax, which is collected by the State of Ohio and remitted to the County monthly. The Board of County Commissioners enacted two separate ½% taxes under the authority of the Ohio Revised Code. The first ½% sales tax was enacted by the County Commissioners effective January 1, 2000 and will expire December 31, 2004. The second ½% sales tax was effective January 1, 2003 and will expire December 31, 2007. The second ½% was a renewal of an existing ½% sales tax which expired December 31, 2002.

Sales tax revenues from the ½% sales tax effective January 1, 2003 are credited to the County’s general fund and provide financing for current operating expenditures; whereas, 25% of sales tax revenues from the ½% sales tax effective January 1, 2000 have been earmarked for special revenue funds. These earmarked sales taxes are shown as transfers out of the general fund into special revenue funds. The remaining sales tax revenues generated from the January 1, 2000 sales tax are credited to the general fund and provide financing for current operating expenditures. On the modified accrual basis, the County accrues sales tax revenues for taxes collected by the State as of year-end, which are remitted to the County within 60 days following year-end. On a full accrual basis, the County accrues all sales tax revenues collected by the State as of year end.

Receivables and Payables

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as “Due from other funds” or “Due to other funds” on the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Restricted Assets

Pursuant to a bond indenture for the Wastewater Proprietary Fund, restricted assets include certain revenue bond debt proceeds, funds reserved for the redemption of matured revenue and general obligation bond coupons, funds reserved for the replacement of assets, and funds to cover unexpected contingencies.

Capital Assets

Capital assets include land, buildings, structures and improvements, furniture, fixtures and equipment and infrastructure assets (e.g. roads and bridges), owned by the County. These assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of \$5,000 or more. Prior to 2002, the capitalization policy for proprietary funds was \$1,000. Capital assets are stated on the basis of historical cost, or, if contributed, at fair market value at the date received. In cases where information supporting original cost is not available, estimated historical costs are developed based on estimated market value that is then indexed to the year acquired using the Consumer Price Index.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives.

Class	Estimated Useful Life
Utility plant in service	40 years
Buildings, structures and improvements	10-40 years
Furniture, fixtures and equipment	5-12 years
Infrastructure - Roads	25 years
Infrastructure - Bridges	40 years

Discretely Presented Component Units

Furniture, fixtures and equipment of MASCO, Inc. and the Youngstown/Mahoning County Convention and Visitor’s Bureau are depreciated using the straight-line method over their useful lives and depreciation is charged as an expense against current operations. The estimated useful lives range from five to seven years for MASCO, Inc. and three to ten years for the Youngstown/Mahoning County Convention and Visitor’s Bureau.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Compensated Absences

The County applies the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Compensated absences payable are accrued for vacation time, personal time, compensatory time, and sick leave time. Vacation, compensatory and personal time is accrued as a liability as the benefits are earned. Sick leave benefits are accrued as a liability using the Vesting Method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments.

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

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 non-current portion of the liability is not reported. The compensated absences liability related to the proprietary funds is reported entirely within those funds, per the National Council on Government Accounting Statements (NCGAS), Statement No. 4.

The accumulated vacation time is accrued as to specific stipulations set forth by either legal statute from the Ohio Revised Code minimums of sections 9.44, 124.18, and 325.19 or specific provisions of collective bargaining agreements for certain departments. The same is true for accrued sick leave time as to the amount to be recognized. Historical data indicates that for various funds and departments, a threshold of either five or nine years dictates on average whether certain employees will attain the employment level of ten years for a sick leave termination payout.

Self Insurance

The County is self-insured for employee health care benefits. The program is administered by Medical Mutual of Ohio, which provides claims review and processing services. Each County department is charged for its proportionate share of covered employees for the premium; however, claims are charged to the actual department. The County has recorded a liability for incurred but not paid and for incurred but unreported claims at year end based on an actuarial estimate by Medical Mutual of Ohio.

Accrued Liabilities and Long-term Obligation

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year. Bonds, long-term notes and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Fund Balance Reserves

The County reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation in future periods.

Net Assets

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

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water distribution, wastewater treatment, vehicle maintenance, and self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses which do not meet this criteria are considered non-operating and reported as such.

Contributions of Capital

Contributions of capital in proprietary fund financial statements are not subject to repayment and represent non-monetary assets contributed to proprietary funds by residential and commercial developers, federal, state, and local grants restricted for capital acquisitions, general fixed assets, and those capital improvements financed by special assessments

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Unamortized Bond Charges

On the fund financials for governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized as expenditures in the period incurred. For proprietary fund types and for governmental fund types on the government-wide statements, bond discounts and issuance costs are capitalized and amortized over the life of the bond using the straight-line method. Unamortized bond charges are shown on the statement of net assets as a contra-liability account.

Capitalization of Interest

The County's policy is to capitalize net interest costs on funds borrowed to finance proprietary fund construction projects until the project is substantially completed. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project and the interest earned from temporary investments of the debt proceeds.

Interfund Activity

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

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, except agency funds and the Revolving Loan Fund, are required to be budgeted and appropriated. Budgets are adopted for each organizational unit by major expenditure/expense category.

Tax Budget

A budget of estimated revenue and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The County Budget Commission reserves the right to waive the requirement of the County Commissioners to adopt the annual tax budget under Ohio Revised Code Section 5705.281.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the County must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate may be further amended during the year if the County Auditor determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the amended certificate when the original certificate was issued and any amendments through March 31. The amounts reported as the final budget amounts in the budgetary statements reflect the amounts in the final amended certificate issued during 2002.

Appropriations

For budgeted funds, the Board of County Commissioners must, at a minimum, adopt a temporary appropriations budget on or around January 1st of a given year, and must adopt a permanent appropriations budget by April 1st. Each County department, in conjunction with the Office of Management and Budget, prepares a budget, which is approved by the Board of County Commissioners.

The Office of Management and Budget processes modifications, throughout the year, to the original budget. The Board of County Commissioners must approve all modifications involving revisions between expenditure/expense categories or to total appropriated amounts through legal resolution. Each final budget includes all modifications that were made throughout the year, including any supplemental appropriations. During the year, supplementary appropriations were necessary. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures/expenses and encumbrances to exceed appropriations at the object level. A separate budgetary report has been issued to reflect compliance at this legal level of control. Unencumbered and unexpended appropriations lapse at year-end. Prior year encumbrances and corresponding prior year appropriations are carried forward as part of the budgetary authority for next year and are included in the final budget amounts

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

shown in the budgetary statements.

The budgetary process does not include MASCO, Inc., the Youngstown/Mahoning County Convention and Visitor’s Bureau (component units) and the Revolving Loan Fund (a special revenue fund). Therefore, comparisons with annually appropriated funds are not available for presentation.

Encumbrances

As part of the formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are encumbered and 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 encumbrances plus expenditures from exceeding appropriations at the legal level of control.

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. Encumbered appropriations are carried forward to the succeeding fiscal year and not re-appropriated.

NOTE C - Reconciliation-GAAP Basis to Budget Basis

Accounting principles used to develop data on a budgetary basis differ from those used to prepare financial statements in conformity with GAAP. The major differences are: (1) revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP), (2) expenditures are recorded when paid in cash (budget) as opposed to when susceptible to accrual (GAAP), and (3) outstanding year-end encumbrances are treated as expenditures (budget) as opposed to reservations of fund balances (GAAP).

The following schedule summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the major special revenue funds.

Net Change in Fund Balance General and Major Special Revenue Funds				
Adjustment Description	General	Department of Human Services	Children Services Board	Board of Mental Retardation
Non-GAAP Budgetary Basis	\$ (4,391,904)	\$ (2,003,720)	\$ 797,336	\$ 1,397,006
Adjustment for Encumbrances	2,963,409	928,228	211,662	887,091
Net Adjustment for Revenue Accruals	(536,121)	458,096	180,233	814,158
Net Adjustment for Expenditure Accruals	704,599	319,175	(39,158)	(462,332)
Proceeds from Notes				390,000
GAAP Basis	<u>\$ (1,260,017)</u>	<u>\$ (298,221)</u>	<u>\$ 1,150,073</u>	<u>\$ 3,025,923</u>

MAHONING COUNTY, OHIO

NOTE D - Interfund Receivables / Payables

Interfund balances at December 31, 2002, consisted of the following amounts and represent charges for services, mandated funding or reimbursable expenses except for \$14,729 due from the general fund to other governmental funds which was for a deficit balance in the Lead Base Paint Abatement Grant at year end.

Due from	Due to					Totals
	General Fund	Department of Human Services	Children Services Board	Other Governmental	Internal Service	
General Fund				\$ 923,800	\$ 215,837	\$ 1,139,637
Department of Human Services	\$ 292,095		\$ 24,857		206,560	523,512
Children Services Board	64,037				99,532	163,569
Board of Mental Retardation					31,700	31,700
Other Governmental	255,347	\$ 1,066,975		204,563	419,329	1,946,214
Wastewater	230,759				77,168	307,927
Water				34,434		34,434
Internal Service	237,654	83,808	62,956	208,970		593,388
Totals	\$ 1,079,892	\$ 1,150,783	\$ 87,813	\$ 1,371,767	\$ 1,050,126	\$ 4,740,381

There were no amounts due to or due from discretely presented component units at the end of the year.

NOTE E – Changes in Accounting Principles and Restatement of Fund Balance

For 2002, the County has implemented GASB Interpretation No. 6 “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements”, GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, GASB Statement No. 37 “Basic Financial Statements-Management’s Discussion and Analysis- for State and Local Governments: Omnibus”, GASB Statement No. 38 “Certain Financial Statement Note Disclosures”. Statement 37 amends, modifies and clarifies certain provisions of GASB Statement 34. Statement 38 modifies, establishes and rescinds certain financial statement disclosure requirements.

GASB 34 creates new basic financial statements for reporting the County’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. The government-wide financial statements split the County’s programs between business-type and government activities. The beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 2001, caused by the elimination of the internal service fund and the conversion to the accrual basis of accounting. The County has adopted these statements effective January 1, 2002. The effect of the change on the December 31, 2001 fund balances/net assets and retained earnings/net assets are as follows:

MAHONING COUNTY, OHIO

NOTE F – Capital Assets

Capital asset activity for the year ended December 31, 2002 was as follows:

Primary Government

	<u>Balance</u> <u>01/01/02</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/02</u>
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,988,758	\$ 314,818		\$ 4,303,576
Construction in progress	3,399,834	566,993	\$ (2,160,957)	1,805,870
<i>Total capital assets not being depreciated</i>	<u>7,388,592</u>	<u>881,811</u>	<u>(2,160,957)</u>	<u>6,109,446</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	56,506,648	2,042,509	(110,190)	58,438,967
Furniture, fixtures and equipment	18,493,743	6,269,863	(747,657)	24,015,949
Infrastructure	56,054,863	3,303,406		59,358,269
<i>Total capital assets being depreciated</i>	<u>131,055,254</u>	<u>11,615,778</u>	<u>(857,847)</u>	<u>141,813,185</u>
<i>Less accumulated depreciation for:</i>				
Buildings, structures and improvements	(12,109,633)	(1,534,609)	56,130	(13,588,112)
Furniture, fixtures and equipment	(11,908,431)	(2,490,872)	712,433	(13,686,870)
Infrastructure	(10,217,575)	(1,496,259)		(11,713,834)
<i>Total accumulated depreciation</i>	<u>(34,235,639)</u>	<u>(5,521,740)</u>	<u>768,563</u>	<u>(38,988,816)</u>
<i>Total capital assets being depreciated, net</i>	<u>96,819,615</u>	<u>6,094,038</u>	<u>(89,284)</u>	<u>102,824,369</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 104,208,207</u>	<u>\$ 6,975,849</u>	<u>\$ (2,250,241)</u>	<u>\$ 108,933,815</u>
Business-Type Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 264,140			\$ 264,140
Construction in progress	4,322,416	\$ 341,829	\$ (4,322,417)	341,828
<i>Total capital assets not being depreciated</i>	<u>4,586,556</u>	<u>341,829</u>	<u>(4,322,417)</u>	<u>605,968</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	959,279			959,279
Utility plant in service	119,320,175	8,635,648		127,955,823
Furniture, fixtures and equipment	2,142,507	237,563	(346,748)	2,033,322
<i>Total capital assets being depreciated</i>	<u>122,421,961</u>	<u>8,873,211</u>	<u>(346,748)</u>	<u>130,948,424</u>
<i>Less accumulated depreciation for:</i>				
Buildings and improvements	(287,372)	(24,521)		(311,893)
Utility plant in service	(62,304,165)	(2,600,657)		(64,904,822)
Furniture, fixtures and equipment	(1,702,741)	(139,553)	346,748	(1,495,546)
<i>Total accumulated depreciation</i>	<u>(64,294,278)</u>	<u>(2,764,731)</u>	<u>346,748</u>	<u>(66,712,261)</u>
<i>Total capital assets being depreciated, net</i>	<u>58,127,683</u>	<u>6,108,480</u>		<u>64,236,163</u>
<i>Business-Type activities capital assets, net</i>	<u>\$ 62,714,239</u>	<u>\$ 6,450,309</u>	<u>\$ (4,322,417)</u>	<u>\$ 64,842,131</u>

MAHONING COUNTY, OHIO

NOTE F – Capital Assets (Cont’d.)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,639,058
Judicial	161,852
Public safety	1,324,935
Public works	1,944,750
Health	426,688
Human services	92,350
Other	<u>2,998</u>
Total depreciation expense -governmental activities	<u>\$ 5,592,631</u>
Business-type activities:	
Wastewater	\$ 2,681,875
Water	<u>82,856</u>
Total depreciation expense -business-type activities	<u>\$ 2,764,731</u>

NOTE G - Cash, Deposits and Investments

Primary Government:

Monies held in the County Treasury are pooled for the purpose of investment management. Earnings on the pooled investments are distributed as prescribed by the Ohio Revised Code to those funds eligible to receive investment income. The County Treasurer maintains a cash and investment pool that is available for use by all funds. The County invests in those instruments identified in section 135.35 of the Ohio Revised Code. Specifically, authorized investment instruments consist of (1) United States Treasury bills, notes, bonds, or any other obligation guaranteed as to principal and interest by the United States; (2) Bonds, notes, or other obligations or securities issued by any federal government agency or instrumentality; (3) Repurchase agreements under the terms of which agreement the County purchases and the seller agrees unconditionally to repurchase any of the securities listed in (1) or (2); (4) Bonds and other obligations of Ohio or of political subdivisions of Ohio, only if the political subdivision is located wholly or partly within Mahoning County; (5) the Ohio Subdivision’s Fund (STAR Ohio); (6) Securities lending agreements with an institution eligible to become a public depository under ORC section 135.12 that is a member of the Federal Reserve System or Federal Home Loan Bank. The terms of the securities lending agreement must provide that the investing authority lends securities and the eligible institution agrees to simultaneously exchange either United States securities or federal agency or instrumentality securities or cash, or both securities and cash, equal value for equal value; (7) Commercial paper issued by an entity that has assets exceeding \$500 million and is a for profit corporation existing under the laws of the United States or a state, if all of the following conditions are met: a) two nationally recognized rating agencies rank the commercial paper in either of their two highest categories; and b) the total amount invested in commercial paper must not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporation; and c) the maturity date of the notes can not exceed 180 days from the purchase date and (8) Banker’s acceptances issued by banks that are insured by the Federal Deposit Insurance Corporation (FDIC), if the following conditions are met: a) the acceptances mature in 180 or fewer days from the date of settlement; and b) the acceptances are eligible for purchase by the Federal Reserve System.

Funds invested by fiscal agents are determined by trust agreements and bond indentures. Like the cash invested by the County Treasurer, eligible investments include U.S. government obligations.

Amounts available for deposit or investment are as follows:

Deposits:	
Pooled	\$ 10,786,230
Segregated	4,185,810
Cash and cash equivalents with fiscal agent	1,158,784
Reconciling items to arrive at bank balance	<u>706,788</u>
	16,837,612
Investments:	<u>83,210,981</u>
Total available for deposit and investment: (Bank balance of deposits/carrying amount of investments)	<u>\$100,048,593</u>

MAHONING COUNTY, OHIO

NOTE G - Cash, Deposits and Investments (Cont'd.)

Any public depository at the time it receives a County deposit or investment is required to pledge to the investing authority, as collateral, eligible securities of aggregate market value that, when added to the portion of the insured deposit by the Federal Deposit Insurance Corporation or the Savings Association Insurance Fund equals or exceeds the amount of County funds deposited. A public depository may, at its option, pledge a single pool of eligible securities to secure the repayment of all public monies held by the depository. The pool of securities so pledged must have a current market value at least equal to 105% of all public monies on deposit with the depository including the amount covered by federal insurance.

The Governmental Accounting Standards Board (GASB Statement No. 3) has established credit risk categories for deposits and investments as follows:

- Category 1 Investments that are insured or registered or securities held by the County or its agent in the County's name.
Deposits that are insured or collateralized with securities held by the County or its agent in the County's name.
- Category 2 Investments that are uninsured and unregistered with securities held by the counterparty's trust department or agent in the County's name.
Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.
- Category 3 Investments that are uninsured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the County's name.
Deposits that are uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the County's name.

Based on the above criteria, the County's deposits and investments at December 31, 2002 are classified as follows:

	Category			Bank Balance	Carrying Amount	Market Value
	1	2	3			
Deposits:						
Federally Insured	\$ 1,846,221			\$ 1,846,221		
Demand Deposits			\$ 14,991,391	14,991,391		
Total Deposits	\$ 1,846,221		\$ 14,991,391	\$ 16,837,612		
Investments:						
Money Market Funds	\$ 295,000		\$ 3,383,392		\$ 3,678,392	\$ 3,678,392
Commercial Paper						
U.S. Government Securities	51,732,373				51,732,373	51,732,373
Repurchase Agreements (1)			15,525,710		15,525,710	15,525,710
Investment in Mahoning						
County Notes	12,130,000				12,130,000	12,130,000
Investment in Beloit						
Township Bonds	144,506				144,506	144,506
Total Investments	\$ 64,301,879		\$ 18,909,102		\$ 83,210,981	\$ 83,210,981

(1) All of the County's repurchase agreements are overnight investments.

The following fund made disbursements from the "equity in pooled cash and investments" account in excess of its individual equity. This amount is reported as "due to/from other funds". The following is the fund with a deficit cash balance:

<u>Fund</u>	<u>Cash Deficit</u>
Special Revenue:	
Federal Grants – Lead Base Paint Abatement Grant	\$ 14,729

Discretely Presented Component Units:

At year-end, the carrying amount of Mahoning Adult Services Company, Inc. (MASCO, Inc.) deposits was \$314,579 and the bank balance was \$337,890. MASCO, Inc.'s fair value of investments was \$36,018 at year-end. MASCO, Inc.'s cash is held in accounts whose balances are all federally insured. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation.

At year-end, the carrying amount of the Youngstown/Mahoning County Convention and Visitor's Bureau's deposits was \$468,603 and the bank balance was \$443,429. The Bureau's fair value of investments was \$229,882 at year-end. The Bureau's cash is held in accounts whose balances exceed the amount of related federal insurance. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation.

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations

Following is a summary of bond and other long-term obligations of the County as of December 31, 2002. The long-term obligations consist of general obligation bonds which will be repaid by unvoted general property tax levies, voted general tax levies, enterprise fund revenues, or county engineer fund revenues. General obligation bonds are direct obligations of the County for which its full faith and credit are pledged. Special assessment bonds with governmental commitment are to be repaid by collections of assessments against affected property owners. The County would be obligated to pay the bonds from general operating revenues should the assessments not be collected. Wastewater revenues will repay Ohio Public Works Commission and Ohio Water Developmental Authority loans. Revenue bonds will also be repaid from wastewater revenues.

Description/Purpose		Maturity	Outstanding	Additions	Reductions	Outstanding	Amounts
Issuance	Interest Rate	Date	Jan. 1, 2002	in 2002	in 2002	Dec. 31, 2002	Due In One Year
Governmental Activities							
General Obligation Bonds - Voted:							
Bridges							
1991	4.30%-8.20%	2004	\$ 285,000		\$ (90,000)	\$ 195,000	\$ 95,000
Bridges							
2000	4.40%-4.50%	2004	2,200,000		(700,000)	1,500,000	735,000
Total General Obligation Bonds - Voted			\$ 2,485,000		\$ (790,000)	\$ 1,695,000	\$ 830,000
General Obligation Bonds - Unvoted:							
Siren							
1991	4.30%-8.20%	2006	\$ 118,897		\$ (20,466)	\$ 98,431	\$ 22,025
Courthouse Renovation							
1991	4.30%-8.20%	2006	1,475,880		(254,045)	1,221,835	273,401
Engineer/Roads							
1994	5.60%-5.70%	2004	625,000		(195,000)	430,000	210,000
Minimum Security Facility							
1994	5.60%-5.70%	2009	500,000		(50,000)	450,000	55,000
County Jail							
1994	5.60%-5.70%	2009	16,150,000		(1,470,000)	14,680,000	1,560,000
County Court Computer System							
2000	4.40%-4.80%	2005	689,607		(161,049)	528,558	168,315
Sheriff Inmate Management							
2000	4.40%-4.80%	2005	635,505		(148,415)	487,090	155,110
County Financial Accounting Software							
2000	4.40%-4.80%	2005	2,816,291		(657,711)	2,158,580	687,383
County GIS							
2000	4.40%-4.80%	2005	1,553,596		(362,824)	1,190,772	379,192
Various Purpose							
2000	4.40%-4.80%	2009	6,725,000		(725,000)	6,000,000	750,000
County Jail							
2000	4.40%-4.80%	2009	1,065,000		(115,000)	950,000	120,000
Canfield Fair Grandstand							
2000	4.40%-4.80%	2010	379,904		(35,366)	344,538	36,507
County Administration Building							
2000	4.40%-4.80%	2010	698,830		(65,057)	633,773	67,155
County Engineer Building							
2000	4.40%-4.80%	2010	586,267		(54,578)	531,689	56,338
Total General Obligation Bonds-Unvoted			\$ 34,019,777		\$ (4,314,511)	\$ 29,705,266	\$ 4,540,426
Long-term Notes:							
West Branch Reservoir							
1968	2.95%	2017	\$ 634,495		\$ (31,600)	\$ 602,895	\$ 32,532

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd)

Description/Purpose Issuance	Interest Rate	Maturity Date	Outstanding Jan. 1, 2002	Additions in 2002	Reductions in 2002	Outstanding Dec. 31, 2002	Amounts Due In One Year
Long-term Mortgage Notes:							
The mortgage notes payable to the Ohio Department of Mental Health and the Ohio Department of Mental Retardation and Developmental Disabilities (MRDD) will be forgiven on a prorata basis over the life of the mortgages provided that the County uses the facilities for mental health and mental retardation services.							
Mental Health Annex 1999	0.00%	2038	\$ 127,970			\$ 127,970	
MRDD Adult Rehab and Retirement Facility 2002	0.00%	2019		390,000	(13,250)	376,750	22,720
Total Long-term Mortgage Notes:			\$ 127,970	\$ 390,000	\$ (13,250)	\$ 504,720	\$ 22,720
Compensated Absences			\$ 6,543,303	\$ 4,992,986	\$ (4,829,062)	\$ 6,707,227	\$ 4,543,036
Claims & Judgements			\$ 1,494,116	\$ 2,052,505	\$ (579,458)	\$ 2,967,163	\$ 1,948,225
Total Governmental Activities Long-term Liabilities			\$ 45,304,661	\$ 7,435,491	\$ (10,557,881)	\$ 42,182,271	\$ 11,916,939
Business-type Activities							
Revenue Bonds Payable from Enterprise Fund Revenues:							
<i>Payable from wastewater revenues:</i>							
Sanitary Sewerage 2000	4.40%-5.38%	2018	\$ 9,205,000		\$ (365,000)	\$ 8,840,000	\$ 380,000
Total Revenue Bonds Payable From Enterprise Fund Revenues			\$ 9,205,000		\$ (365,000)	\$ 8,840,000	\$ 380,000
Self-Supporting General Obligation Bonds Payable from Enterprise Funds:							
<i>Market St. Improvement (#418)</i>							
1991	4.30%-8.20%	2006	\$ 343,240		\$ (59,082)	\$ 284,158	\$ 63,584
<i>Eastlake (#420)</i>							
1991	4.30%-8.20%	2006	84,450		(14,536)	69,914	15,645
Total Payable from Wastewater Revenues			427,690		(73,618)	354,072	79,229
<i>Water System Improvement</i>							
1989	6.10%-7.63%	2009	10,204		(928)	9,276	1,060
Total Payable from Water Revenues			10,204		(928)	9,276	1,060
Total Self-Supporting General Obligation Bonds Payable from Enterprise Funds			\$ 437,894		\$ (74,546)	\$ 363,348	\$ 80,289
Special Assessment Bonds with Governmental Commitment:							
An unvoted property tax levy (special assessment) secures special assessment bonds, which constitutes a lien on assessed properties. The bonds are also backed by the full faith and credit of the County as additional security. As prescribed by GASB Statement No. 6 paragraph 23, these bonds are recorded as special assessment debt with governmental commitment in the enterprise funds.							
<i>Payable from water/wastewater revenues:</i>							
<i>Water System Improvement</i>							
1989	6.10%-7.63%	2009	\$ 374,797		\$ (34,072)	\$ 340,725	\$ 38,940
<i>Eastlake (#420)*</i>							
1991	4.30%-8.20%	2006	748,746		(128,883)	619,863	138,702
<i>Market Street Improvement (#418)*</i>							
1991	4.30%-8.20%	2006	278,787		(47,988)	230,799	51,644
<i>Various Sewer (#429)*</i>							
1994	5.60%-5.70%	2014	475,000		(25,000)	450,000	25,000
Total Special Assessment Bonds			\$ 1,877,330		\$ (235,943)	\$ 1,641,387	\$ 254,286

*Assessments have not yet been levied for these bonds

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd)

Description/Purpose Issuance	Interest Rate	Maturity Date	Outstanding Jan. 1, 2002	Additions in 2002	Reductions in 2002	Outstanding Dec. 31, 2002	Amounts Due In One Year
Ohio Water Development Authority (O.W.D.A.) Loans Payable from Wastewater Revenues:							
Meander							
1977	5.50%	2017	\$ 4,009,092		\$ (178,895)	\$ 3,830,197	\$ 188,734
Campbell Wastewater Plant							
1988	7.65%	2012	3,814,467		(250,052)	3,564,415	269,182
Campbell Wastewater Plant							
1989	7.51%	2012	79,759		(5,259)	74,500	5,654
New Middletown							
1990	5.00%	2011	3,115,390		(281,801)	2,833,589	296,067
Craig Beach							
1990	5.00%	2011	3,534,089		(319,674)	3,214,415	335,857
Campbell Wastewater Plant							
1998	2.20%	2018	291,091		(14,810)	276,281	15,137
Campbell Wastewater Plant							
1998	2.20%	2018	55,513		(2,930)	52,583	2,994
Campbell Wastewater Plant							
2000	4.64%	2020	109,285		(3,839)	105,446	4,019
North Lima Sewer							
2001	0.73%	2020	3,078,427	210,811	(169,064)	3,120,174	162,819
<i>Special Assessment-Governmental Commitment:</i>							
Diehl Lake							
2002	3.64%	2022		607,525	(11,241)	596,284	21,459
Total Ohio Water Development Authority Loans Payable from Wastewater Revenues			\$ 18,087,113	\$ 818,336	\$ (1,237,565)	\$ 17,667,884	\$ 1,301,922
Ohio Public Works Commission (O.P.W.C.) Loans Payable from Wastewater Revenues:							
Kreider Interceptor							
1993	0.00%	2013	\$ 217,209		\$ (19,746)	\$ 197,463	\$ 19,746
Penny Lane							
1994	0.00%	2017	234,936		(15,157)	219,779	15,157
Woodside Lake							
1995	0.00%	2015	194,364		(14,397)	179,967	14,397
Sewer Rehab							
1995	0.00%	2016	619,500		(44,250)	575,250	44,250
Palotta Pump Station							
1995	0.00%	2016	49,167		(3,512)	45,655	3,512
Pump Station Stand By							
1995	0.00%	2016	91,843		(6,560)	85,283	6,560
Axe Factory							
1996	0.00%	2016	343,000		(24,500)	318,500	24,500
Sherwood Forest Rehab							
1997	0.00%	2017	366,067		(24,404)	341,663	24,404
Sherwood Forest Plant							
1998	0.00%	2018	231,160		(14,448)	216,712	14,448
Total Ohio Public Works Commission Loans Payable from Wastewater Revenues			\$ 2,347,246		\$ (166,974)	\$ 2,180,272	\$ 166,974
Other Business Type Activities: Compensated Absences							
			\$ 461,151	\$ 422,726	\$ (274,456)	\$ 609,421	\$ 412,578
Total Business-type Activities			\$ 32,415,734	\$ 1,241,062	\$ (2,354,486)	\$ 31,302,312	\$ 2,596,049

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd.)

The annual requirement to amortize long-term obligations outstanding as of December 31, 2002 are as follows:

Year Ending December 31	Governmental Activities General Obligation Bonds		Long-term Notes	
	Principal	Interest	Principal	Interest
2003	\$ 5,370,426	\$ 1,642,598	\$ 55,252	\$ 17,791
2004	5,656,340	1,371,114	56,212	16,831
2005	5,049,871	1,084,696	57,201	15,843
2006	3,748,629	824,155	58,218	14,825
2007	3,570,000	620,090	59,266	13,778
2008-2012	8,005,000	665,363	313,156	52,061
2013-2017			344,390	20,827
2018-2022			35,950	
2038			127,970	
	<u>\$ 31,400,266</u>	<u>\$ 6,208,016</u>	<u>\$ 1,107,615</u>	<u>\$ 151,956</u>

Year Ending December 31	Business-type Activities Bonds Revenue		General Obligation		Special Assessment	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	\$ 380,000	\$ 444,824	\$ 80,289	\$ 24,076	\$ 254,286	\$ 107,774
2004	395,000	427,724	86,030	18,766	277,630	90,817
2005	415,000	409,949	92,340	13,076	292,790	72,314
2006	435,000	391,066	100,185	6,969	316,187	52,811
2007	455,000	371,056	1,458	344	88,542	31,714
2008-2012	2,615,000	1,510,684	3,046	354	311,952	77,400
2013-2017	3,360,000	768,300			100,000	8,550
2018-2022	785,000	42,194				
	<u>\$ 8,840,000</u>	<u>\$ 4,365,797</u>	<u>\$ 363,348</u>	<u>\$ 63,585</u>	<u>\$ 1,641,387</u>	<u>\$ 441,380</u>

Year Ending December 31	Business-type Activities Loans OWDA		OPWC
	Principal	Interest	Principal
2003	\$ 1,301,922	\$ 839,507	\$ 166,974
2004	1,367,877	773,549	166,975
2005	1,437,686	703,739	166,975
2006	1,511,587	629,838	166,975
2007	1,589,833	551,592	166,975
2008-2012	7,094,898	1,482,674	834,876
2013-2017	2,607,174	302,700	510,522
2018-2022	756,907	25,093	
	<u>\$ 17,667,884</u>	<u>\$ 5,308,692</u>	<u>\$ 2,180,272</u>

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd.)

Legal Debt Margin:

The Ohio Revised Code provides debt margins (limitations) for general obligation debt. The direct debt margin represents the amount of voted and unvoted debt, which is available to be issued by the County. At December 31, 2002, the County had an unvoted debt margin of \$16.5 million and a direct debt margin of \$69.5 million.

Operating Leases:

At December 31, 2002, the County had several operating leases for office and storage space expiring through 2011. Current operating leases provide for set annual payments with options to renegotiate the terms of the agreement at the end of the lease period. The operating lease arrangements range in length from one month to ten years, and do not contain purchase options, escalation clauses, or other restrictions. Total operating lease payments during the year ended 2002 amounted to \$1,367,125. Operating lease payments are recorded in the period paid. The future minimum annual lease payments are as follows:

Year	Lease Payments
2003	\$ 698,676
2004	529,503
2005	408,304
2006	397,543
2007	317,700
2008 – 2011	977,100
Total minimum lease payments	<u>\$3,328,826</u>

Compensated Absences Payable:

Upon retirement, employees with at least 10 years of County service credit are compensated for unused sick leave based on varying percentages of the total number of hours accumulated. Of the total vested sick leave hours accumulated by County employees, approximately 260,078 comprise the year-end liability. Unused vacation cannot be accumulated for more than three years, according to Ohio law, and is payable at the employee's current wage rate. The year-end liability for vacation time consists of approximately 205,820 vacation hours. The remaining portion of compensated absences payable is made up of approximately 23,913 compensatory time hours and 19,775 personal hours.

The compensated absences liability will be paid from the fund from which the employees' salaries were paid. These funds include the general, special revenue, enterprise and internal service funds.

Claims and Judgements Payable:

The claims and judgements will be paid from the funds where the claims and judgements originated.

Revenue Bond Covenants:

The debt agreement for the 2000 Revenue Bond Issue includes various covenants including maintaining certain levels of net revenues to cover debt service payments.

Conduit Debt Obligations:

Periodically, the County has issued Industrial Development and Hospital Revenue Bonds. The proceeds were used to acquire, construct and equip industrial, commercial and health-care facilities deemed to be in the public interest. These bonds are secured by the property financed and are payable solely from payment received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County, and therefore, are not reported in the financial statements. As of December 31, 2002, there were fifty-two series of Industrial Development and Hospital Revenue Bonds outstanding. The aggregate principal amount payable for the seventeen series issued after January 1, 1996, was \$260.0 million at December 31, 2002. The aggregate principal amount payable for the thirty-five series issued prior to January 1, 1996, could not be determined, however, their original issue amounts totaled \$105.8 million.

MAHONING COUNTY, OHIO

NOTE I - Pension Obligations and Other Post-employment Benefits

The County has implemented GASB Statement No. 27 in connection with the following pension plan disclosures. Post-employment benefit disclosures continue to conform to GASB Statement No. 12.

PERS:

All Mahoning County full-time employees, other than teachers, participate in the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple-employer defined benefit public employee retirement system created by the State of Ohio. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report, which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for 2002 was 8.50% for employees other than law enforcement. In January 2001, House Bill 416 divided the PERS law enforcement program into two separate divisions with separate employee contribution rates and benefits. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.10%. All other members of the PERS law enforcement program were placed in a newly named public safety division with a contribution rate of 9.00%. The employer contribution rate was 13.55% of covered payroll; 8.55% was the portion used to fund pension obligations for 2002. The law enforcement employer rate was 16.70% of covered payroll and 11.70% was the portion used to fund pension obligations for 2002. The County's required contributions for pension obligations to PERS for the years ended December 31, 2002, 2001, and 2000 were \$5,729,406, \$5,903,050 and \$4,150,038 respectively. As of December 31, 2002, 72.48% has been contributed for 2002 and 100% for 2001 and 2000. The unpaid contribution for 2002 was \$2,454,777.

Other Postemployment Benefits:

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirants with 10 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). A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to PERS. For 2002, the employer rate for PERS was 13.55% of covered payroll; 5.00% was the portion that was used to fund health care for the year 2002. The law enforcement employer rate for 2002 was 16.70% and 5.00% was used to fund health care.

The portion of the County's 2002 employer contributions actually used to fund postemployment benefits was \$3,189,131.

Benefits are advance-funded using an entry age normal actuarial cost method of valuation to determine the present value of benefit liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability. Investment assets are valued at cost or amortized cost and for actuarial valuation purposes, are subject to adjustment for non-temporary market declines or to reflect 25.00% of unrealized market appreciation or depreciation.

Significant assumptions from the last actuarial review, performed as of December 31, 2001 (latest information available), also include: a rate of return on investments of 8.00%; annual salary increases of 4.00% for inflation and between 0.50% and 6.30% for seniority and merit increases (assuming no change in the number of active employees); and annual health care premium increases of 4.00%.

The number of active contribution participants at December 31, 2001 was 402,041. The net assets available for OPEB at December 31, 2001 (the latest information available) were \$11.6 billion and the actuarial accrued liability, based on the cost method used, was \$16.4 billion, leaving an unfunded actuarial liability of \$4.8 billion.

In December 2001, the OPERS 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 wide 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.

MAHONING COUNTY, OHIO

NOTE I - Pension Obligations and Other Post-employment Benefits (Cont'd.)

STRS:

Certified teachers employed by the County's Board of Mental Retardation participate in the State Teachers Retirement System of Ohio (STRS), a cost sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Chapter 3307 of the Ohio Revised Code establishes benefits. STRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.30% of their annual covered salary and the County is required to contribute 14.00%; 9.50% was the portion used to fund pension obligations for the year 2002. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10.00% for members and 14.00% for employers. The County's required contributions for pension obligations to STRS for the years ended December 31, 2002, 2001, and 2000 were \$144,903, \$147,329 and \$110,353 respectively. As of December 31, 2002, 96.35% has been contributed for 2002 and 100% for 2001 and 2000. The unpaid contribution for 2002 of \$7,789 is recorded as a liability within the respective funds.

Other Postemployment Benefits:

The State Teachers Retirement System of Ohio provides postretirement health care coverage to retirees and their dependents. Coverage includes hospitalization, physician fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB). The plan is financed on a pay-as-you-go basis. A portion of each employer's contribution to STRS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to STRS, and how much, if any, of the health care costs will be absorbed by STRS. For 2002, the employer contribution rate for STRS was 14.00% of covered payroll; 4.50% was the portion that was used to fund health care for the year 2002.

The portion of the County's 2002 employer contributions actually used to fund STRS postemployment benefits was \$68,630.

The balance in the health care reserve was \$3.01 billion at June 30, 2002. During the most recent actuarial study, there were no changes in the actuarial assumptions, benefit provisions, or actuarial funding methods. For the fiscal year ended June 30, 2002, the net health care costs paid by STRS were \$438.2 million. There were 105,300 retirees and beneficiaries receiving benefits.

NOTE J - Deferred Compensation

Mahoning County employees and elected officials may participate in the Ohio Public Employees Deferred Compensation Program, 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 to employees until termination, retirement, and death or in the case of an unforeseeable emergency.

MAHONING COUNTY, OHIO

NOTE K - Bond Anticipation Notes

The full faith and credit of the County backs all notes. Generally, notes are issued in anticipation of long-term bond financing and will mature in one year. The County intends to refinance the notes until such bonds are issued. All notes were financed internally and are held by the issuing funds as investments. The note liability is recorded in the fund that received the proceeds. Notes outstanding at December 31, 2002 are as follows:

	Interest rate	Maturity date	Balance 01/01/02	Increase	Decrease	Balance 12/31/02
<i>Governmental Funds</i>						
County Engineer Capital Projects	1.50	02/27/03	\$	350,000		\$ 350,000
County Engineer Capital Projects	2.50	07/13/03	\$ 1,850,000	1,685,000	\$ 1,850,000	1,685,000
County Engineer Capital Projects	2.50	08/02/03	3,143,800	2,370,000	3,143,800	2,370,000
Buildings and Improvements Capital Projects	1.50	01/31/03		215,000		215,000
Buildings and Improvements Capital Projects	1.50	02/27/03		400,000		400,000
Buildings and Improvements Capital Projects	2.00	02/27/03	4,500,000	4,500,000	5,590,000	3,410,000
Computer Equipment and Software Capital	2.00	03/11/03		3,000,000		3,000,000
<i>Total Governmental Funds</i>			<u>9,493,800</u>	<u>12,520,000</u>	<u>10,583,800</u>	<u>11,430,000</u>
<i>Enterprise Fund</i>						
Water Enterprise Fund	2.50	05/15/03		700,000		700,000
<i>Total Bond Anticipation Notes</i>			<u>\$ 9,493,800</u>	<u>\$ 13,220,000</u>	<u>\$ 10,583,800</u>	<u>\$ 12,130,000</u>

NOTE L – Property Tax Revenues

Property taxes include amounts levied against real, public utility and tangible personal property. The assessed value by property classification, upon which the 2002 tax levy was based, follows:

Real property	\$3,206,304,830
Public utility real property	1,235,180
Tangible personal property	348,147,510
Public utility tangible personal property	187,241,590
Total	<u>\$3,742,929,110</u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 10 mills of assessed value without a vote of the people. Presently, the County levies 2.10 mills of the first 10 mills of assessed value. During 2002, in addition to the 2.10 mills, 9.60 mills were levied based upon mills voted for the Mental Health, Children Services, Mental Retardation School, Library, TB Clinic and Bond Indebted Levies.

A summary of voted millage follows:

Purpose	Voter Levy Year	Authorized Rate (a)	Rate Levied For Current Year		Final Levy Year
			R/A (b)	C/I (b)	
Mental Health	1976	0.85	0.35	0.50	2003
Mental Health	1976	0.50	0.20	0.29	2005
Children Services	1976	0.85	0.35	0.49	2004
Children Services	1995	1.00	0.77	0.85	2004
Children Services	1983	0.50	0.31	0.35	2002(c)
Mental Retardation School	1992	2.00	1.29	1.44	2006
Mental Retardation School	2001	3.00	3.00	3.00	2005
Library	1976	0.60	0.25	0.35	2005
TB Clinic	1976	0.10	0.04	0.06	2002(c)
Bond Indebted	1984	0.20	0.20	0.20	2003
Total		<u>9.60</u>	<u>6.76</u>	<u>7.53</u>	

(a) In mills per \$1,000 of assessed valuation.

(b) Ohio law provides for a tax credit to voted levies to offset increased values resulting from reappraisal of property. To attain this tax credit, reduction factors are applied to authorized levies so that each levy yields the same amount of property taxes as in the year in which the levy was approved. Increases to voted levy revenues are restricted to assessments from new construction. The reduction factors are computed and applied separately for residential/agricultural (R/A) property and commercial/industrial (C/I) property.

(c) Levy was renewed for tax year 2003 with a final levy year of 2007.

MAHONING COUNTY, OHIO

NOTE L – Property Tax Revenues (Cont’d)

Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in 1999. A statistical update (triennial update) was completed in 2002. Public utility property taxes are assessed on tangible personal property, as well as land and land improvements at true value (which is generally net book value). Tangible personal property is assessed at 25% of true value, while inventories are assessed at 24% of average value (excluding the first \$10,000 of value). Tangible personal property taxes collected in a calendar year are levied in the same calendar year, on assessed values during and at the close of the most recent fiscal year of the taxpayer.

The real property collection calendar is as follows:

Assessed valuation date	January 1, 2001
Levy date	October 1, 2001
Lien date	January 1, 2002
Taxpayer payment dates	March 8, 2002 (first half taxes) August 9, 2002 (second half taxes)

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collection of the taxes and their remittance to the taxing districts are accounted for in various agency funds of the County. Property taxes receivable in the governmental funds represent current and delinquent property taxes outstanding, which were measurable as of December 31, 2002. On the modified accrual basis, the delinquent taxes outstanding and available to the County within the first 60 days of 2003 were recorded as 2002 revenue; the remaining taxes receivable are offset by a credit to deferred revenue. On the full accrual basis, all delinquent taxes outstanding and considered available to the County were recorded as 2002 revenue. December 31, 2002 receivables were recorded net of an allowance of \$647,299 for doubtful accounts.

NOTE M – Related Party Transactions

During 2002, Mahoning County provided facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of programs to MASCO, Inc., a discretely presented component unit of Mahoning County. MASCO, Inc. reported \$471,000 for such contributions, recording revenue and expenses at cost or fair value, as applicable, to the extent the contribution is related to the vocational purposes of MASCO, Inc. Additional habilitative services provided directly to MASCO, Inc.’s clients by Mahoning County amounted to \$4,567,000 during 2002.

NOTE N – Jointly Governed Organizations

Western Reserve Port Authority

The Western Reserve Port Authority is statutorily created as a separate and distinct political subdivision of the State. The eight Port Authority Board members are appointed equally by the Mahoning and Trumbull County Commissioners. The Port Authority adopts its own budget, authorizes expenditures, and hires and fires its own staff. The County contributed \$311,194 to the Western Reserve Port Authority in 2002.

Mahoning and Columbiana Training Association, Inc.

The Mahoning and Columbiana Training Association (MCTA) is a jointly governed organization between Mahoning and Columbiana County. MCTA’s purpose is to foster cooperation between the member counties through sharing of facilities, manpower, and grants under the Workforce Investment Act (WIA) for the purpose of providing job training for economically disadvantaged individuals and other individuals facing serious barriers to employment. The Executive Council of the MCTA is made up of three Commissioners from each of the two Counties. Revenues are generated from grants received pursuant to the WIA. Mahoning County contributed \$4,490,222 to the MCTA in 2002.

Mahoning County Family and Children First Council

The Mahoning County Family and Children First Council is a jointly governed organization, which was established to promote collaborative planning of health, education, and social services for children and families. Members of the Council from Mahoning County include the Alcohol & Drug Board, Juvenile Court, Children Services Board, Mental Health Board, Juvenile, Department of Human Services, Board of Health, Board of Mental Retardation and County Administrator. Other members are the United Way, Early Intervention Collaborative, Educational Service Center, Ohio Department of Youth Services, City of Youngstown, Youngstown City Schools, Youngstown State University, Help Hotline, United Methodist Community Center, OCCHA, Associated Neighborhood Centers, Head Start, and a parent representative. All members have an equal vote on the Council. The County does not maintain an ongoing financial interest in or an ongoing responsibility for the Council.

MAHONING COUNTY, OHIO

NOTE N – Jointly Governed Organizations (Cont'd)

EASTGATE Regional Council of Governments

The EASTGATE Regional Council of Governments is a jointly governed organization created under the provisions of Chapter 167 of the Ohio Revised Code. EASTGATE is organized as a voluntary organization of local government subdivisions in Ashtabula, Columbiana, Mahoning, and Trumbull counties. Each of the participating counties has equal representation and no financial responsibility. EASTGATE's purpose is to foster a cooperative effort in regional planning, programming, and the implementation of regional plans and programs. It is a forum for the discussion and study of common problems of a regional nature and for the development of policy and action recommendations relating thereto. Mahoning County paid membership dues totaling \$51,429 and administration fees totaling \$31,571 in 2002.

North East Ohio Network (N.E.O.N.)

The North East Ohio Network (N.E.O.N.) is a council of governments formed to provide a regional effort in administering, managing and operating programs for certain individuals with developmental disabilities. Participating counties include Trumbull, Columbiana, Geauga, Lake, Mahoning, Medina, Portage and Stark counties. N.E.O.N.'s operation is controlled by their board, which is comprised of the superintendent's of Mental Retardation and Development Disabilities of each participating county. N.E.O.N. adopts its own budget, authorized expenditures and hires and fires its own staff. During 2002, Mahoning County paid N.E.O.N. \$2,461,000. The majority of these payments were for the afore-mentioned services.

NOTE O - Fund Balance Deficits

At December 31, 2002, the following funds had deficits:

<u>Fund</u>	<u>Deficit</u>
<i>Special Revenue:</i>	
Federal Grants	\$1,552,813
State Grants	38,577
<i>Capital Projects:</i>	
County Engineer	2,571,311
Computer Equipment & Software	2,911,705
Building & Improvements	376,778

The deficit balance in each of the Special Revenue Funds is due to the recording of deferred revenues as liabilities to these funds. The deficit balance in each of the Capital Projects Funds is because bond anticipation notes are reflected as liabilities of these funds pursuant to statements issued by the Governmental Accounting Standards Board. The notes were issued in anticipation of long-term bond financing, and the County intends to refinance the notes until such bonds are issued.

NOTE P – Interfund Transactions

Transfers are used to 1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds, 4) to provide additional resources for current operations or debt service and 5) to return money to the fund from which it was originally provided once a grant/project is complete.

A summary of interfund transfers is as follows:

Transfer To	Transfer From					Total
	General	Children Services	Other Governmental	Wastewater	Water	
General			\$ 399,548			\$ 399,548
Department of Human Services	\$ 1,120,751					1,120,751
Board of Mental Retardation			56,526			56,526
Other Governmental	5,100,372		10,387,610	\$ 334,970		15,822,952
Wastewater			787,367	8,975,589		9,762,956
Water				14,000	\$ 171,500	185,500
Internal Service		\$ 500,000				500,000
Totals	\$ 6,221,123	\$ 500,000	\$ 11,631,051	\$ 9,324,559	\$ 171,500	\$ 27,848,233

MAHONING COUNTY, OHIO

NOTE Q - Risk Management

The County is exposed to various risks of loss related to torts and general liability; theft of, damage to, and destruction of assets; natural disasters; errors and omissions; and injuries to employees. The County maintains comprehensive auto, real property and contents, and public officials and employee liability insurance. There have been no significant reductions in insurance coverage since the prior year. Settled claims have not exceeded commercial coverage in any of the past five years.

Beginning with the year 2001, the County has maintained an Internal Service fund for its self-insured workers' compensation benefits administered through a retrospective rating plan with the State of Ohio. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees. The County uses a payroll-based rate to charge its various funds for workers' compensation benefits. These charges are contributed into the Self-Funded Workers' Compensation fund and are based on estimates needed to pay current claims and establish a reserve for claims incurred but not reported. Changes to the estimated claims payable recorded in the Self-Funded Workers' Compensation fund during the years ended December 31, 2001 and 2002 were:

	(Amounts in 000's)	
Estimated Claims Payable	2001	2002
Estimated claims payable beginning of year		\$ 400
Plus: Current year claims and changes in estimates	\$ 400	365
Less: Claim payments		(25)
Estimated claims payable end of year	\$ 400	\$ 740

The balance of claims payable at December 31, 2002 represents an estimate of the liability for unpaid claims cost provided by Workers' Compensation. The claims liability of \$740,396 reported in the fund at December 31, 2002 is based on the requirements of GASB statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. No claims were paid in 2001. A total of \$25,332 in claims was paid in 2002.

Effective April 1, 2002, the Board of Mahoning County Commissioners entered into a two-year agreement with Medical Mutual of Ohio for the institution of a self-funded health care plan. The program is administered by Medical Mutual of Ohio, which provides claims review and processing services. The County has maintained an Internal Service fund for the self-funded plan and charges each County department for claims based on the actual claim experience of the department's employees. The County records a liability for incurred but unreported claims at year end based upon an actuarial estimate provided by Medical Mutual of Ohio. The estimated claims payable recorded in the Self-Funded Health Care fund at December 31, 2002 was \$1,948,225. Claims paid in 2002 since the inception of the plan at April 2002 totaled \$6,029,964.

In addition to insurance with private carriers, in 1986, the County established a self-insurance fund to provide coverage for claims arising against the Children Services Board members, employees, volunteers and foster parents from the performance of their duties. During 2002, no claims were incurred or paid by the self-insurance fund.

The County analyzes all outstanding and potential claims, which have arisen or could arise due to the occurrence of a loss contingency on or before December 31, 2002. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities for claims and judgements of governmental funds are recorded as fund liabilities if it is anticipated that they will be paid from expendable available financial resources or as a long-term liability in the Government Wide Statement of Net Assets if payment is not expected to be liquidated with expendable available financial resources. Claims of proprietary funds are recorded as liabilities of the respective funds.

Changes in claims liabilities during 2001 and 2002 were as follows:

	Year Ended Dec. 31, 2001	Year Ended Dec. 31, 2002
Unpaid claims January 1	\$ 1,602,590	\$ 1,494,116
Incurred claims	364,027	104,280
Claim payments	(472,501)	(579,458)
Unpaid claims at December 31	\$ 1,494,116	\$ 1,018,938

MAHONING COUNTY, OHIO

NOTE R - Contingencies and Commitments

Contingencies Under Grant Programs

The County participates in other federal and state assisted grants and programs that are subject to financial compliance audits by the grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The County believes that disallowed claims, if any, will not have a material adverse affect on the County's financial position.

Auditors of the Ohio Department of Job and Family Services have examined grants administered by the Mahoning County Department of Human Services (DHS) and the Child Support Enforcement Agency (CSEA) for calendar year 2000. The preliminary findings originally reported in the amount of \$700,000 were resolved and there were no material findings in the final report that was issued.

Litigation

At December 31, 2002, there were lawsuits pending against the County. The County Prosecutor has used his best judgement as legal counsel for the County to estimate the possible liability that the County could incur. No material liability in excess of amounts already accrued is expected to arise from current pending lawsuits.

In January 2003, the Juvenile Court & Probate Judges filed an original action mandamus forcing the County Commissioners to fund their full 2003 budget requests. The County Commissioners budgeted \$4.6 million and \$.75 million respectively, however the actual budget requests submitted by the judges were \$6.9 million and \$.9 million respectively. If the mandamus actions are successful, they would result in net additions of \$2.3 million and \$.15 million to the judges' general fund budgets.

Contractual Commitments

The County had several outstanding contractual agreements as of December 31, 2002. The projects, which include construction and other commitments, are evidenced by contractual obligations with contractors and include the following:

Projects	Spent To Date	Remaining Commitment
Reported in Governmental Funds:		
Roads	\$ 996,287	\$ 389,416
County Buildings	686,253	680,920
Walton Ave. Bridge	<u> </u>	<u>310,619</u>
Total Governmental Funds:	1,682,540	1,380,955
Reported in Proprietary Funds:		
Sanitary Engineers Replacement	<u>78,261</u>	<u>66,065</u>
Total All Funds:	\$ <u>1,760,801</u>	\$ <u>1,447,020</u>

The sources of funding for the above obligations vary. The County Engineer's road projects are funded by the proceeds of general obligation debt and funding from the State. County Buildings are funded by general obligation debt. The Walton Bridge obtains funding from Federal and State Grants as well as general obligation debt. The Sanitary Engineer replacement projects are funded by operating revenues from the Wastewater Fund and by the State, in the form of grants or loans.

Subsequent to December 31, 2002, the County entered into certain construction contracts and other commitments totaling \$56.8 million.

NOTE S – Subsequent Events

Bond Anticipation Notes

February through May 2003, the County renewed \$6.9 million in existing internally financed bond anticipation notes. In addition, during this same time period, the County issued \$6.0 million in new bond anticipation notes for various capital projects, the most significant being \$4.3 million which were issued to pay for sewer and water enterprise fund capital projects.

MAHONING COUNTY, OHIO

DECEMBER 31, 2002

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

<u>Federal Grantor/Pass-through Grantor/Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
<u>U.S. Department of Agriculture:</u>				
Pass-through from State Department of Education:				
Child Nutrition Cluster:				
National School Lunch Program	10.555	066118	\$ 13,837	
Summer Food Service Program for Children	10.559	12353901605FY01 FY02	10,340 273,638	
			<u>297,815</u>	
Solid Waste Management Grants	10.762	F.M.H.A.FY01 F.M.H.A.FY02	43,751 74,000	\$ 70,000
			<u>117,751</u>	<u>70,000</u>
			<u>415,566</u>	<u>70,000</u>
<u>U.S. Department of Housing and Urban Development:</u>				
Pass-through from State Department of Development:				
CDBG – Entitlement and Small Cities Cluster:				
Litter Law Enforcement	14.218	86016201451	23,917 5,655	
Community Development Block Grants (State Program)	14.228	B-F-98-046-1 B-F-99-046-1 B-F-00-046-1 B-C-98-046-1 B-W-99-046-1 B-F-01-046-1	99,458 12,218 248,727 17,988 10,000 257,899	12,798
			<u>675,862</u>	<u>12,798</u>
Lead Based Paint Hazard Control Program	14.900	OHLHB0146-99	366,742 577,354	
			<u>944,096</u>	
			<u>1,619,958</u>	<u>12,798</u>
<u>U.S. Department of Justice:</u>				
Pass-through from State Office of Criminal Justice:				
Juvenile Accountability Incentive Block Grant				
	16.523	98-JB-013-A048 99-JB-002-A114 00-JB-001-A216 00-JB-013-A048	49 30,945 19,332 56,246	19,679
			<u>106,572</u>	<u>19,679</u>
Juvenile Justice and Delinquency Prevention-Allocation to States	16.540	00-JV-T50-5038 AGOHEMOT FY01 00-JJ-D11-0012	141,671 785 6,056	141,671
			<u>148,512</u>	<u>141,671</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2002

<u>Federal Grantor/Pass-through Grantor/Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
<u>U.S. Department of Justice (continued):</u>				
Drug Control and System Improvement- Formula Grant	16.579	TRUM/PORT FY02 TRUM/PORT FY01 99DGE037058 2001VAGENE083 2002VAGENE	34,639 7,996 142 1,428 64,706 <u>108,911</u>	
Office of Criminal Justice Services	16.588	VOCA FFY02 96-WF-VA3-8213A 99-WF-VA3-8213 00-WF-VA2-8213A 01-WF-VA2-8213	8,387 789 368 7,000 18,424 <u>34,968</u>	
Pass-through from Ohio Department of Youth Services:				
Title V Delinquency Prevention Program	16.548	2000-JV-T50-5044	<u>21,007</u>	
Challenge Grants	16.549	2001-JC-007-6006	<u>42,881</u>	
Pass-through from State Attorney General's Office: Crime Victim Assistance	16.575	VOCA FFY02 VOCA EXT FFY02 2001VAGENE083 03VAGENE083 01VAGENE496	60,792 18,402 17,491 20,881 528 <u>118,094</u>	
Bullet Proof Vests	16.607	15040401754	<u>1,245</u>	
Community Prevention Program	16.609	FY01	<u>36,965</u>	
Local Law Enforcement Block Program	16.592	00LBBX1608	168,499 <u>137,132</u> <u>305,631</u>	<u>64,000</u> <u>64,000</u>
Pass-through from Ohio EMA: Equipment	16.007	FFY99 2002-TE-CX-0049	49,891 <u>26,304</u> <u>76,195</u>	

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2002

<u>Federal Grantor/Pass-through Grantor/Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
Drug Court Planning	16.585	00-DC-VX-0064 00-DC-VX-0065	61,800 <u>166,982</u> <u>228,782</u> <u>1,229,763</u>	35,743 <u>117,463</u> <u>153,206</u> <u>378,556</u>
<u>U.S. Department of Labor:</u>				
Pass-through from Ohio Department of Job and Family Services:				
Workforce Investment Act Cluster				
WIA Adult	17.258		1,286,133	1,286,133
WIA Youth	17.259		1,027,695	1,027,695
WIA Dislocated Worker	17.260		712,037	712,037
WIA Administration			342,410	342,410
One-Stop Implementation			65,652	65,652
Quik-Link			<u>390</u>	<u>390</u>
			<u>3,434,317</u>	<u>3,434,317</u>
<u>Federal Emergency Management Agency:</u>				
Domestic Preparedness Training	83.552	FY02 FY03 TERR 02	21,469 38,539 <u>1,354</u> <u>61,362</u>	
<u>U.S. Department of Education:</u>				
Pass-through from State Department of Education:				
Special Education Cluster:				
Mental Retardation and Developmental Disabilities				
	84.027	066118-6B-SF-01P 066118-6B-SF-02P 066118-6B-SF-03P	1,031 37,197 <u>24,377</u> <u>62,605</u>	
Preschool Disabilities	84.173	0066118PGS12003 0066118PGS12002	7,550 <u>3,601</u> <u>11,151</u>	
Innovative Education Program	84.298	066118C2S12002	<u>4,559</u>	
Pass-through from State Department of Alcohol and Drug Addiction Services:				
Drug Free Schools and Communities State Grants				
	84.186	500136500DFSCAP039059 50136500DFSP019059 500236200DFSCAP039090 Cultural 02	42,401 42,795 45,000 <u>42,459</u> <u>172,655</u> <u>250,970</u>	42,401 42,795 45,000 <u>42,459</u> <u>172,655</u> <u>172,655</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2002

<u>Federal Grantor/Pass-through Grantor/Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
<u>U.S. Department of Health and Human Services:</u>				
Pass-through from State Department of Mental Health: Social Services Block Grant (Title XX)	93.667	MC-30-01	191,979	191,979
Pass-through from State Department of Mental Retardation and Developmental Disabilities: Social Services Block Grant (Title XX)	93.667	MR-50	<u>218,851</u> <u>410,830</u>	<u>191,979</u>
Pass-through from State Department of Mental Health: Alcohol and Drug Abuse and Mental Health Services Block Grant	93.958	COMM/PLNG FY03 CHILD/ADOL FY03 31-AD-02-01 31-CO1G-01-01 COMM/PLNG FY02 CHILD/ADOL FY02 31-AD-02-02	75,160 5,886 48,237 1,500 23,461 105,726 5,887 1,500 <u>17,396</u> <u>284,753</u>	75,160 5,886 48,237 1,500 105,726 5,887 1,500 <u>17,396</u> <u>261,292</u>
Family Preservation and Support Services	93.556	81-CS-99-01	<u>27,533</u>	<u>4,647</u>
Medicaid Cluster: Pass-through from State Department of Alcohol and Drug Addiction Services: Medical Assistance Program (Title XIX)	93.778	FY01 FY02 PSARR FY03	3,299 507,162 16,093 422,839	3,299 507,162 16,093 422,839
Pass-through from State Department of Mental Health: Medical Assistance Program (Title XIX)	93.778	MC-30-00	5,052,046	5,052,046
Pass-through from State Department of Mental Retardation and Development Disabilities: Medical Assistance Program (Title XIX)	93.778	50-00019 50-00019	3,234,347 <u>403,648</u> <u>9,639,434</u>	<u>6,001,439</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2002

<u>Federal Grantor/Pass-through Grantor/Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
Pass-through from State Department of Alcohol and Drug Addiction Services: Block Grants for Prevention and Treatment of Substance Abuse	93.959	500136600WOMENT038980 500111700YMENTP030211 500136500YMENTP030020 50137200WT028990 50136500WT038985 50136600WT018980 500111700UMDPP039155 500111700WOMENT039104 500137200WOMENT038990 500238600DFW030207	78,133 19,318 19,250 64,584 66,499 63,967 64,146 48,803 64,600 48,789 66,713 8,934 9,000 3,502 77,946	78,133 19,318 19,250 64,584 66,499 63,967 64,146 48,803 64,600 48,789 66,713 8,934 9,000 3,502 77,946
Alcohol and Drug Abuse and Mental Health Services Block Grant		FED PER CAPITA FY02 FED PER CAPITA FY03	475,170 619,993	475,170 619,993
TASC Project			49,999	
			<u>1,849,346</u>	<u>1,799,347</u>
			<u>12,211,896</u>	<u>8,258,704</u>
<u>Department of U.S. Army Corps of Engineers:</u>				
Contract for Law Enforcement Services-Berlin Summer Land Patrol	N.A.	CELRP-OR-TR-LECA-02 -A-MAH-BER	42,635 <u>42,635</u>	

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2002

<u>Federal Grantor/Pass-through Grantor/Program Title:</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>	<u>Amounts Provided to Subrecipients</u>
<u>U.S. Department of Transportation:</u>				
Pass-through from Ohio Governor's Office: Highway Safety Cluster: Department of Public Safety	20.600	50000PDO 50000PDO GR-1 #3104.0	85,328 8,775 4,237 <u>98,340</u>	
Pass-through from Ohio Emergency Response Commission: HMEP Training	20.703		<u>3,597</u>	
Pass-through from Ohio Department of Transportation: Federal Aid-Highway	20.205	MAH-224-20.52	<u>90,276</u>	
<u>Corporation for National and Community Service:</u>				
Youth and Community Partnership	94.006	YCP-023-02	<u>9,025</u> <u>9,025</u>	
			<u>\$19,467,705</u>	<u>\$ 12,327,030</u>

See notes to schedule of expenditures of Federal awards.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of Federal awards is a summary of the activity of the County's Federal awards programs. The schedule has been prepared on the accrual basis of accounting.

2. LOAN PROGRAM

Mahoning Valley Economic Development Corporation administers a loan program for Mahoning County with funds provided by the U.S. Department of Housing and Urban Development, under the Community Development Block Grant Program (CFDA Number 14.228). As of December 31, 2002 the total amount of loans outstanding was \$496,794.

HONORABLE COUNTY COMMISSIONERS
HONORABLE COUNTY AUDITOR
MAHONING COUNTY, OHIO

Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

We have audited the financial statements of Mahoning County, Ohio as of and for the year ended December 31, 2002, and have issued our report thereon dated June 6, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Mahoning 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 the management of Mahoning County, Ohio in a separate letter dated June 6, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Mahoning County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other immaterial matters involving the internal control over financial reporting that we have reported to the management of Mahoning County in a separate letter dated June 6, 2003.

This report is intended solely for the information and use of management, others within the Organization 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.



June 6, 2003
Youngstown, Ohio

HONORABLE COUNTY COMMISSIONERS
HONORABLE COUNTY AUDITOR
MAHONING COUNTY, OHIO

Independent Auditors' Report on Compliance with Requirements Applicable
To Each Major Program and Internal Control Over Compliance
in Accordance with OMB Circular A-133

Compliance

We have audited the compliance of Mahoning County, Ohio 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. Mahoning County's major Federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of Mahoning County's management. Our responsibility is to express an opinion on Mahoning 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Mahoning 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 Mahoning County's compliance with those requirements.

In our opinion, Mahoning 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 and questioned costs as items 02-1 and 02-2.

Internal Control Over Compliance

The management of Mahoning 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 Mahoning 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.

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 Mahoning County, Ohio's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 02-1 and 02-2.

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 the 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 weakness. However, we believe that none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of management, others within the Organization 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.

Cohen & Company

June 6, 2003
Youngstown, Ohio

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2002

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes

Unqualified

_____ No

Reportable condition(s) identified

not considered to be material weaknesses? _____ Yes

_____ None reported

Noncompliance material to financial statements

noted? _____ Yes

_____ No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? _____ Yes

_____ No

Reportable condition(s) identified

not considered to be material weaknesses? _____ Yes

_____ None reported

Type of auditors’ report issued on compliance
for major programs:

Unqualified

Any audit findings disclosed that are required
to be reported in accordance with

Circular A-133, Section 6510(a)? _____ Yes

_____ No

Identification of major programs:

CFDA Number

Name of Federal Program or Cluster

14.900 Lead Based Paint Hazard Control Program

17.258/17.259/17.260 Workforce Investment Act Cluster

93.778 Medicaid Cluster

Dollar threshold used to distinguish
between Type A and Type B programs:

\$ 584,031

Auditee qualified as low-risk auditee? _____ Yes

_____ No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2002

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

02-1 Monitoring of Subrecipients

Workforce Investment Act of 1998 (WIA) Cluster

CFDA No. 17.258
17.259
17.260

Condition – The County does not have adequate subrecipient monitoring procedures with respect to the Mahoning and Columbiana Training Association (MCTA) which administers the WIA program for the County.

Criteria – The Single Audit Act requires pass-through entities to monitor subrecipient's use of federal awards through site visits, follow up of recommendations in audit reports and other means.

Effect – Although the County did receive a Single Audit report from MCTA, it has not followed up on the recommendations therein, nor has it performed other monthly or quarterly subrecipient monitoring procedures.

Questioned Costs – None

Recommendation – The County Department of Human Services (DHS) should implement additional subrecipient monitoring procedures with respect to MCTA. This could include timely follow up of issues identified in MCTA management letter, review of monthly MCTA financial reports, periodic site visits and closer monitoring of cash requests.

County Corrective Action Plan – A new fiscal auditor position for the DHS is being created. Responsibilities of the position will involve performing subrecipient monitoring procedures for WIA, including the review of monthly MCTA financial reports, periodic site visits and other procedures as deemed appropriate.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2002

02-2 Cash Management

Workforce Investment Act of 1998 (WIA) Cluster

CFDA No. 17.258
17.259
17.260

Condition – The County has requested and received WIA funds from the Ohio Department of Job and Family Services (ODJFS) in excess of the amounts required for immediate cash needs. In addition it has advanced funds to MCTA in excess of the amounts its subrecipient requires for immediate cash needs.

Criteria – Federal regulations 31 CFR 205 require that cash advances be limited to the minimum amounts needed and be timed in accordance with the actual immediate cash requirements of the organization in carrying out the purpose of the program. Federal regulation 29 CFR 97.20 (a)(7) requires grantees to monitor cash drawdowns by their subgrantees to insure that they conform to those same standards of timing and amount.

Effect – During 2002, the County requested and received amounts in excess of its immediate cash needs of amounts ranging from \$550,000 to \$1,350,000. In addition, based on the MCTA Single Audit report, at June 30, 2002 MCTA had requested more than \$1,000,000 in excess of its immediate requirements.

Questioned Costs – None

Recommendation - The County should monitor the cash requirements of its WIA program separate from all other Human Services Department programs and implement procedures to insure amounts are not requested in excess of its immediate needs.

County Corrective Action Plan – In January 2003, DHS began using a separate account in the general ledger for WIA in order to better monitor the cash position of the program. The new fiscal auditor will utilize the separate account along with forecasted expenditures of the MCTA to evaluate the funding requirements of the program and request only those funds needed for immediate use. The new fiscal auditor will perform monitoring of MCTA's cash expenditures and requests for WIA funds. The fiscal auditor will review the MCTA's monthly financial reports and forecasted expenditures to evaluate the immediate needs of the program in determining of the timing and amount of funds to be disbursed. As of June 6, 2003, the County did not maintain any excess balances of WIA funds.

SECTION IV – PRIOR YEAR FINDINGS AND QUESTIONED COSTS

A revised Single Audit report for 2001 was issued at the same time this report was issued and it contained the same findings related to major program.

**MAHONING COUNTY
INDEPENDENT AUDITORS'
REPORT
DECEMBER 31, 2001**

**Mahoning County,
Ohio
Comprehensive
Annual
Financial
Report**

For the Fiscal Year Ended
December 31, 2002

**Mahoning County,
Ohio
Comprehensive
Annual
Financial
Report**

**George J. Tablack
Mahoning County Auditor**

Prepared by the Mahoning County Auditor's Office

For the Fiscal Year Ended
December 31, 2002

*Comprehensive Annual Financial Report
For the Year Ended December 31, 2002*

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Introductory Section





OFFICE OF THE AUDITOR MAHONING COUNTY, OHIO

www.mahoningcountyauditor.org

GEORGE J. TABLACK
Auditor

Transmittal Letter

June 6, 2003

Citizens of Mahoning County:

I am pleased to present the Mahoning County Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2002. This report contains the financial statements and other financial and statistical data which ensure a complete and full disclosure of all material financial aspects for Mahoning County for the 2002 fiscal year. The County Auditor's Office, and in particular, the Accounting Department, is responsible for the completeness, accuracy and fairness of this report.

This report has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as set forth by the Governmental Accounting Standards Board (GASB) and other recognized sources, and is consistent with the new reporting model as promulgated by GASB Statement No. 34.

The CAFR is comprised of three sections: the Introductory Section, the Financial Section and the Statistical Section. The Introductory Section includes a table of contents, letter of transmittal, list of elected officials, organization chart and a Certificate of Achievement for Excellence in Financial Reporting for the 2001 CAFR. The Financial Section contains the independent auditors' opinion letter; Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the County's financial position and operating results; and the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements. The Statistical Section includes selected financial, economic, demographic, and other socioeconomic information about the County, which may be used to project trends for comparative fiscal years.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Mahoning County's MD&A can be found immediately following the report of the independent auditors'.

FORM OF GOVERNMENT AND REPORTING ENTITY

Mahoning County was established on March 1, 1846. It is 417 square miles and is located in the northeast part of the State of Ohio. It is comprised of four cities, six villages and fourteen townships, with the city of Youngstown being the largest. Mahoning County's population is approximately 253,300 making it the 10th most populous of Ohio's 88 counties.

The County has only those powers conferred upon it by Ohio statutes. A three-member Board of County Commissioners, elected at large in even-numbered years for four-year overlapping terms, is the primary legislative and executive body of the County. The County Auditor serves as the chief financial officer and property tax assessor for the County. The Treasurer collects property taxes and is the custodian of all funds.

Other elected officials, serving four-year terms each, include the Prosecutor, Sheriff, Engineer, Clerk of Courts, Recorder and Coroner. The Probate Judge, Domestic Relations Judge, Juvenile Judge, Common Pleas Judges and County (area) Judges are also elected on a countywide basis. An appointed County Administrator directs and supervises activities of departments directly responsible to the Board of County Commissioners. In addition, the Administrator serves as primary liaison between the Board of County Commissioners, other elected officials, designated boards, and other units of government. The County provides its citizens with a wide range of services that include human and social services, health and community assistance related services, civil and criminal justice system

MAHONING COUNTY, OHIO

Transmittal Letter (Cont'd.)

services, road and bridge maintenance, and other general and administrative support services. The County also operates two enterprise funds that include a water system and wastewater system.

For financial reporting purposes, the County complies with the provisions of GASB Statement No. 14 in defining the financial reporting entity. The financial reporting entity consists of the County as the primary government, which also includes all of the elected officials, organizations, activities and functions which are not legally separate from the County and whose corporate powers the County holds. Also included in the reporting entity are any component units or legally separate organizations for which the County is financially accountable. A complete discussion of the County's reporting entity is provided in Note A to the basic financial statements.

ECONOMIC CONDITIONS AND EMPLOYMENT

Some of the largest private sector employers in the County include: Kaufmann's, Giant Eagle Markets, Forum Health and HM Health Services. Forum Health is comprised of Northside Medical Center, Tod Children's Hospital, Beeghly Medical Park and Ambulatory and Urgent Care Center, and Austintown Medical Park. Six of the largest employers are government agencies.

The unemployment rate at the end of 2002 for the Youngstown-Warren Metropolitan Statistical Area (MSA) was 6.3% compared to the state and national averages, which were 5.2% and 5.7%, respectively. The Ohio Bureau of Employment Services Labor Market Information Division report for the 1998-2008 time period reflects that most of the job growth will be in professional specialty occupations, and service-producing industries. Increased productivity in manufacturing is expected to result in slight declines in manufacturing employment across the metropolitan areas. Professional specialty and service jobs are expected to grow at the fastest rate.

At the end of the year, Mahoning County employed more than 2132 employees. Ohio's Collective Bargaining Law provides that public employees of the State and many local subdivisions (including the County) have the right to organize, bargain collectively and have union representation. The Collective Bargaining Law also designates those actions, which constitute unfair labor practices, and prescribes procedures for their remedy. It also sets forth dispute resolution procedures for contract negotiation, including arbitration or other mutually agreeable methods. If an impasse persists after conciliation procedures, then public safety employees must take the dispute to binding arbitration and do not have the right to strike. All other employees have the right to strike after 10 days written notice. Altogether, there are 21 bargaining units in the County representing 1,262 employees. The County's employee relations are established largely by association with the following labor organizations: AFSCME, Ohio Council 8, AFL-CIO; Communication Workers of America; Fraternal Order of Police; Mahoning County Sanitary Engineer Employee's Union; Mahoning County Trainable Mentally Retarded Education Association; and Teamsters Local 377. Labor relations are considered excellent.

SIGNIFICANT EVENTS FOR 2002

In January 2002, The Ohio Auditor's Office issued a performance audit report listing recommendations for changes in the County government. One of the recommendations was to assess the advantages of a touch-screen voting system. In March 2002, the County issued \$3 million in bond anticipation notes to purchase a new electronic voting system for use by the County's Board of Elections. The new system uses computerized, touch-screen voting machines instead of the old paper ballots and pencils. The implementation began in May 2002 and was completed in November 2002. The new voting system is expected to allow more efficient vote counting and should eliminate over-voting. Another recommendation in the Ohio Auditor's performance audit report was that employee contributions for health care should be negotiated into all contracts and collected. In December 2002, the County Commissioners voted to implement a health plan co-pay effective in 2003.

After undergoing a comprehensive state review, the Mahoning County Board of Mental Retardation received a two-year accreditation from the Ohio Department of MRDD. The accreditation covers the period of June 1, 2002 through May 31, 2004.

County voters approved a ½% sales tax renewal at the November 2002 election. The sales tax was set to expire on December 31, 2002. The renewal of the sales tax was effective January 1, 2003 and will expire December 31, 2007. The sales tax generates approximately \$13 million a year and funds the County's general operating expenses.

MAHONING COUNTY, OHIO

Transmittal Letter (Cont'd.)

The Mahoning County's Lead Based Paint Hazard Control Program received an additional \$2 million grant from the US Department of Housing and Urban Development (HUD) in November 2002. This brings the total HUD grant award received to date to \$4.9 million.

PLANS FOR 2003 AND BEYOND

In 2003, the County Engineer plans major construction on Western Reserve Road and will continue with construction on South Avenue. Both projects are receiving funding in part from the Federal Highway Administration Department of Transportation.

The Mahoning County Clerk of Courts & Common Pleas Court are reviewing plans for overhauling their court computer system to take advantage of new technology. The Mahoning County Auditor's and Treasurer's Office are also reviewing plans to upgrade their technology for processing and storage of all real property, personal property, computer assisted mass appraisal (CAMA) and manufactured homes information for the County.

In February 2003, the County issued approximately \$3 million in bond anticipation notes toward water and sewer expansion projects in Jackson and Milton Townships. The County has long wanted to expand utilities to these areas to foster economic development and to alleviate water problems the residents were experiencing. The County will also be receiving funding from the U.S. Department of Agriculture and U.S. Environmental Protection Agency for these projects.

The County contracted with a consultant in 2001 to have a comprehensive survey conducted of all police and fire radio systems in the County. In 2003, the consultant issued a detailed report listing recommendations for the County's system. The Commissioners will be reviewing the report and will be working closely with township and municipal leaders in coming up with a final plan. One of the primary focuses will be dealing with new regulatory rules from the Federal Communications Commission.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The County's accounting system is organized on a "fund basis" in which each fund is a distinct self-balancing accounting entity. The County's day-to-day accounting and budgetary records are maintained on a basis other than GAAP. For financial reporting purposes, the accounting records are converted to the modified and full accrual basis for all applicable funds. On the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when measurable and incurred. The basis of accounting and presentation of the various funds utilized by Mahoning County are fully described in Note B of the basic financial statements. Additional budgetary information can be found in Note C.

In developing the County's accounting system, much consideration was given to the incorporation of adequate internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

By statute, the Board of Commissioners must at a minimum adopt a temporary appropriations budget on or around January 1st of a given year and must adopt a permanent appropriations budget by April 1st. Budgets are adopted for each organizational unit at the object level. All disbursements and transfers of cash between funds require appropriation authority from the Board of Commissioners. The Auditor's office reviews all vouchers for adequate supporting evidence to ensure the proper use of public funds, the availability of funds prior to payment, and the proper approval and authorization as evidenced by signatures. These and other internal controls ensure that the financial information generated is both accurate and reliable.

CASH MANAGEMENT

The County treasurer serves as the investing authority of Mahoning County. Monies held in the County Treasury are pooled for the purpose of investment management. The County invests in those instruments, which are authorized under the Ohio Revised Code. This includes U.S. Government obligations and obligations of political

MAHONING COUNTY, OHIO

Transmittal Letter (Cont'd.)

subdivisions of Ohio, repurchase agreements and commercial paper. Investment earnings for all County funds during 2002 were approximately \$3.35 million and \$5.63 million for 2001 on a GAAP basis.

RISK MANAGEMENT

Ohio, by statute and court decision, retains only limited tort immunity for local government. In addition to potential tort liabilities, the County is liable for its employees' workers' compensation claims plus the risk of casualty loss to real and personal property owned by the County and must provide faithful performance for certain County officials.

The County maintains comprehensive auto, real property and contents, and public officials and employee liability insurance with private carriers. Also, the County pays the Bureau of Worker's Compensation a yearly premium for injured workers' claims. The County has been on a retrospective rating plan since 2001.

Effective April 1, 2002, the County became self-insured for employee health care benefits.

The County maintains a self-insurance fund to provide coverage to protect the Children Services Board's members, employees, volunteers, and foster parents against liabilities arising from the performance of their duties.

INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered on the County's financial statements for the year ended December 31, 2002, by our independent auditors, Cohen & Company, Ltd., Certified Public Accountants. This audit serves to maintain and strengthen the integrity of the County's accounting and budgetary controls.

GFOA CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mahoning County for its comprehensive annual financial report for the fiscal year ended December 31, 2001. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

ACKNOWLEDGMENTS

I would like to thank the entire staff of both the County Auditor's and Data Processing offices for their efficient and cooperative work throughout this project. I am honored to have worked with such dedicated, professional people.

I would also like to express my appreciation to each Mahoning County elected official and agency that provided information and assistance in the preparation of this report.

Sincerely,



George J. Tablack, CPA
Mahoning County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mahoning 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 Haste

President

Jeffrey R. Emer

Executive Director

MAHONING COUNTY, OHIO

Elected Officials

*Board of
County Commissioners* Edward Reese..... President
 Vicki Sherlock Vice President
 David Ludd Commissioner

Other Elected Officials George Tablack..... Auditor
 Anthony Vivo, Jr..... Clerk of Courts
 Dr. David Kennedy Coroner
 Richard Marsico..... Engineer
 Paul Gains Prosecutor
 Ronald Gerberry..... Recorder
 Randall Wellington Sheriff
 John Reardon Treasurer

Common Pleas Court Honorable James Evans Judge
 Honorable Maureen Cronin Judge
 Honorable John Durkin..... Judge
 Honorable R. Scott Krichbaum..... Judge
 Honorable Robert Lisotto Judge

Domestic Relations Division

Honorable Beth Smith..... Judge

Juvenile Division

Honorable Theresa Dellick Judge

Probate Division

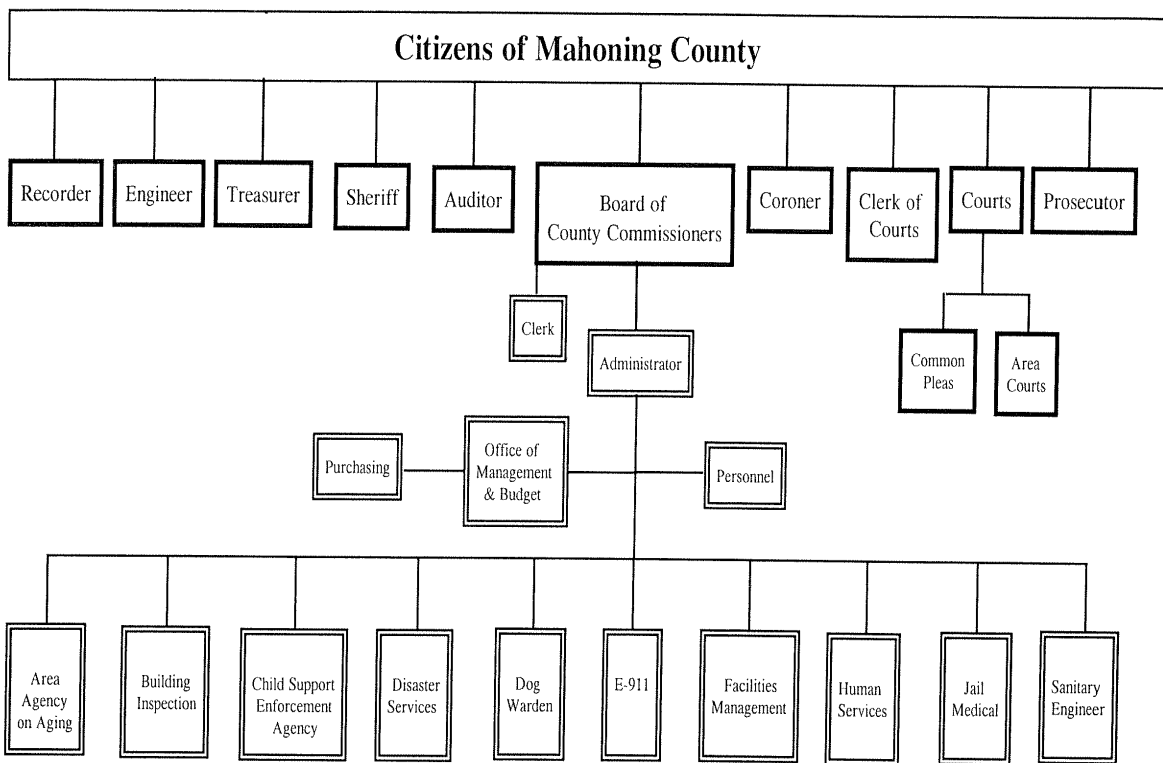
Honorable Timothy Maloney..... Judge

Area Court No. 2 Honorable Joseph Houser Judge

Area Court No. 3 Honorable Diane Vettori-Caraballo Judge

Area Court No. 4 Honorable David D’Apolito Judge

Area Court No. 5 Honorable Scott Hunter Judge



County Boards and Commissions

Alcohol & Drug Addiction Services Board
 Board of Elections
 Board of Health
 Board of Mental Health

Board of Mental Retardation & Developmental Disabilities
 Children Services Board
 Planning Commission
 Veteran Services Commission

Elected Official

Depts. & Agencies

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Financial Section



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HONORABLE COUNTY COMMISSIONERS
HONORABLE COUNTY AUDITOR
MAHONING COUNTY, OHIO

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, (General, Department of Human Services, Children Services Board, Board of Mental Retardation and Wastewater) and the aggregate remaining fund information of Mahoning County, Ohio, as of and for the year ended December 31, 2002, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mahoning County, Ohio as of December 31, 2002, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and the Major Special Revenue Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note E, the County has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis-for State and Local Governments*, as of January 1, 2002.

Management's discussion and analysis on pages 18 through 27, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mahoning County, Ohio basic financial statements. The introductory section, combining financial statements and individual fund schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements and individual fund schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Youngstown, Ohio
June 6, 2003

Cohen & Company

Management's Discussion and Analysis

The discussion and analysis of Mahoning County's financial performance provide an overall review of the County's financial activities for the year ended December 31, 2002. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, and the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2002 are as follows:

- The assets of the County exceeded its liabilities at the close of the year ended December 31, 2002, by \$196.7 million (net assets). Of this amount, \$12.3 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, and \$8.9 million is classified as unrestricted net assets in the Water and Sewer activities.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$52.9 million. Of this amount, \$45 million is available for spending (unreserved fund balance) on behalf of its citizens.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$8.7 million, or a little more than 16.4% of total general fund expenditures and other financing uses.
- Mahoning County's total debt decreased by \$3.4 million which represents a 6% decrease related to governmental activities and a 1.8% decrease in debt related to business-type activities.
- The County's total net assets increased by \$12.8 million, which represents a 6.9% increase from 2001.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Mahoning County as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those assets and liabilities. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column.

Management's Discussion and Analysis (Cont'd.)

Reporting Mahoning County as a Whole

Government-wide financial statements: Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during 2002?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the County is divided into three kinds of activities:

- ◆ Governmental Activities-Most of the County's services are reported here including public safety, judicial, health and human service programs, administration, and all departments with the exception of our Water and Wastewater funds.
- ◆ Business-Type Activities – These services have a charge based upon the amount of usage. The County charges fees to recoup the cost of the entire operation of our Water and Wastewater Plants as well as all capital expenses associated with these facilities.
- ◆ Component Units – The County includes financial data of the Mahoning Adult Services Company, Inc. (MASCO, Inc.) and the Youngstown/Mahoning County Convention and Visitor's Bureau in its financial statements. The component units are legally separate from the County and are described in Note A of the Notes to the Financial Statements.

The government-wide statements can be found on pages 28-29 of this report.

Reporting Mahoning County's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. Fund financial reports provide detailed information about the County's major funds. Based on restrictions on the use of monies, the County has established many funds that account for the multitude of services provided to our residents. However, these fund financial statements focus on the County's most

Management's Discussion and Analysis (Cont'd.)

significant funds. In the case of Mahoning County, our major funds are the General, Department of Human Services, Children Services Board, Board of Mental Retardation and Wastewater Enterprise Funds. The analysis of the County's major funds begins on page 23.

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

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

The County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 30-32 of this report.

Proprietary Funds: The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water and Wastewater operations. Internal Service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its vehicle maintenance, self-insured workers compensation benefits, self-insured hospitalization and the self-insurance for the Children Service Board. The proprietary fund financial statements can be found on pages 45-48 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for the fiduciary funds is much like that of the proprietary funds. The fiduciary fund financial statements can be found on page 49 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements begin on page 50 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules which begin on page 80 of this report.

Management's Discussion and Analysis (Cont'd.)

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$196.7 million (\$146.9 million in governmental activities and \$49.8 million in business-type activities) as of December 31, 2002. By far, the largest portion of the County's net assets (52.3%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of other related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

Table 1
Net Assets
(In Millions)

	Governmental Activities	Business-Type Activities	Total
Assets			
Current & Other Assets	\$ 126.2	\$ 17.4	\$ 143.6
Capital Assets, Net	109.0	64.8	173.8
<i>Total Assets</i>	<u>235.2</u>	<u>82.2</u>	<u>317.4</u>
Liabilities			
Current & Other Liabilities	46.1	2.2	48.3
Long-Term Liabilities			
Due Within One Year	11.9	2.2	14.1
Due in More Than One Year	30.3	28.0	58.3
<i>Total Liabilities</i>	<u>88.3</u>	<u>32.4</u>	<u>120.7</u>
Net Assets			
Invested in Capital Assets Net of Debt	67.5	35.3	102.8
Restricted:			
Capital Projects	3.0		3.0
Special Revenue	59.2		59.2
Debt Service	4.9	5.6	10.5
Unrestricted	12.3	8.9	21.2
<i>Total Net Assets</i>	<u>\$ 146.9</u>	<u>\$ 49.8</u>	<u>\$ 196.7</u>

In future years, a comparative analysis of the government-wide data will be presented.

Management's Discussion and Analysis (Cont'd.)

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. In the current fiscal year, this represented \$72.7 million or 37% of net assets. The remaining \$21.2 million or 10.7% of net assets may be used to meet the County's ongoing obligations to its citizens and creditors and for Water and Wastewater activities.

As of December 31, 2002, the County is able to report positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental and business-type activities.

Table 2 below provides a summary of the changes in net assets for 2002

Table 2
Changes in Net Assets
(In Millions)

	Governmental Activities	Business-Type Activities	Total
Revenues			
<i>Program Revenues:</i>			
Charges for Services	\$ 23.0	\$ 18.6	\$ 41.6
Operating Grants and Contributions	76.6		76.6
Capital Grants and Contributions	4.0	2.5	6.5
<i>General Revenues:</i>			
Property Taxes	30.4		30.4
Sales Tax	25.8		25.8
Other Taxes	11.0		11.0
Unrestricted Grants	10.2		10.2
Other	2.9	0.4	3.3
<i>Total Revenues</i>	<u>183.9</u>	<u>21.5</u>	<u>205.4</u>
Program Expenses			
General Government	15.7		15.7
Judicial	15.2		15.2
Public Safety	25.0		25.0
Public Works	12.0		12.0
Health	45.0		45.0
Human Services	56.0		56.0
Other	4.2		4.2
Interest on Long-term Debt	2.2		2.2
Water and Wastewater		17.3	17.3
<i>Total Expenses</i>	<u>175.3</u>	<u>17.3</u>	<u>192.6</u>
Increase in Net Assets before Transfers	<u>8.6</u>	<u>4.2</u>	<u>12.8</u>
Transfers	<u>(0.4)</u>	<u>0.4</u>	
<i>Increase in Net Assets</i>	<u>\$ 8.2</u>	<u>\$ 4.6</u>	<u>\$ 12.8</u>

In future years, a comparative analysis of the government-wide data will be presented.

Management's Discussion and Analysis (Cont'd.)

Governmental Activities

Human Services accounts for \$56 million of the \$175.3 million total expenses for governmental activities, or 31.9% of total expenses. The next largest program is health, accounting for \$45 million which represents 25.7% of total governmental expenses.

Tax revenue accounts for \$67.2 million of the \$183.9 million in total revenue for governmental activity, or 36.5% of total governmental revenues. Operating grants was the largest program revenue accounting for \$76.6 million, or 41.7% total governmental revenue. The County's Health and Human Service programs continue to be the largest recipients of this intergovernmental revenue.

The County's direct charges to users of governmental services made up \$23 million or 12.5% of total governmental revenue. These charges are for fees for real estate transfers, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits associated with building inspectors.

Business-type Activities

The net assets for the business-type activities for the County increased by \$4.6 million during the year 2002. Major revenue sources were charges for service of \$18.6 million and capital contributions of \$2.5 million.

Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$52.9 million. Approximately \$45 million of this amount constitutes unreserved fund balance, which is available for spending for its citizens. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior year (\$7.4 million), and 2) to account for the reservation of loans (\$.5 million). While the bulk of the governmental fund balances are not reserved in the governmental fund statements, they are restricted net assets on the Statement of Net Assets due to their being restricted for use for a particular purpose mandated by the source of the resources such as the state and federal governments or a tax levy.

Management's Discussion and Analysis (Cont'd.)

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$8.7 million, while the total fund balance reached \$10.6 million. As a measure of the general fund's availability, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents approximately 16.4% of the total general fund expenditures and other financing uses, while total fund balance represents 20% of that same amount.

The fund balance of the County's general fund as restated at December 31, 2001, decreased by \$1.3 million during the current fiscal year. Although there were increases in revenue as mentioned below, there were also increases in expenditures. Key factors in this decline are as follows:

- Although there was an increase in property and other taxes of approximately \$4.8 million in 2002, most of the increase can be attributed to the change in the allocation of the property taxes from Debt Service to the General Fund in 2002. In 2001, the inside millage allocation was .25 for the General Fund and 1.85 for Debt Service. In 2002, the allocation changed to 1.45 and .65 respectively.
- Fees and charges for services increased \$.6 million. Approximately \$.25 million is the result of the County's Recorder's Office recording more mortgages and loans. The fee is charged on a per page basis.
- The County experienced a \$1.7 million decrease in investment earnings and a \$.7 million decrease in the change in fair value of investments.
- The County's judicial expenses increased by \$1.5 million in 2002. There were three main areas where increases occurred: (1) indigent defense (2) hospitalization and (3) the Juvenile Court where salaries and fringes increased over the prior year due to the hiring of probation officers for school placement and implementation of a compensation program with multiple steps.
- The County's public safety expenses increased over \$.7 million. Most of the increase was due to the increase in salaries and fringes in the Sheriff's office with a major portion resulting from the increase in hospitalization.

Significant changes in the fund balances of the major funds were:

In 2001, the Children Service Board's fund balance increased by approximately \$2 million compared to a \$1 million increase in 2002. The majority of the \$1 million difference can be attributed to increased expenses for Boarding Parents and Foster Care in 2002.

In 2001, the Board of Mental Retardation fund balance decreased by approximately \$3 million compared to a \$3 million increase in 2002. Although there were increases in expenses in 2002, there were also increases in property taxes and intergovernmental revenues. The voters approved a property tax levy and the Board received two new subsidies from the State in 2002.

Management's Discussion and Analysis (Cont'd.)

General Fund Budgeting Highlights

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2002, the County amended its general fund budget numerous times; the most significant noted below.

General Fund Revenue Budget:

- Differences between the original budgeted revenues and the final budgeted revenues were \$ 2.1 million. There were several factors attributing to this increase. Following are some of the more material changes between the original and final budgets: (1) the original revenue budgets for sales tax and fees and charges were conservative and were subsequently increased by \$3.1 million, (2) a \$.95 million decrease in intergovernmental revenues, the majority of which (\$.5 million) was due to a cut in Local Government Funding from the State and (3) a decrease of \$.64 million in the budgeted amount for investment earnings.

General Fund Expenditures Budget:

- Overall General Fund expenditures' budgets increased by \$1.8 million. The most significant of these changes were: (1) \$.4 million increase in Judicial spending of which \$.35 million was in indigent defense and (2) \$.9 million increase in Public Safety of which \$.7 million was for the Sheriff's salaries and fringes.
- The transfers out budget was increased by approximately \$1.1 million during 2002. The most significant increase was to account for the General Fund's local match to the Child Support Enforcement Agency.

Capital Assets and Debt Administration

Capital Assets: The County's investment in capital assets for its governmental and business-type activities as of December 31, 2002, amounts to \$102.8 million (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, improvements, software, furniture, equipment, roads, bridges, sewer and water systems.

Note F (Capital Assets) provides capital asset activity during 2002.

Major capital asset events during the current year included the following:

- During 2002, the Mahoning County Engineer's Office in conjunction with the Ohio Department of Transportation (ODOT) continued work on a major road-widening project on South Avenue from Presidential to Western Reserve. The overall cost for this project to date is \$6.1 million and is anticipated to total \$8.3 million once completed. Funding sources included the Federal Highway Administration Department of Transportation and the County Engineer's funds.

Management's Discussion and Analysis (Cont'd.)

- In March 2002, the County purchased new electronic voting system for use by the County's Board of Elections. The new system uses computerized, touch-screen voting machines instead of the old paper ballots and pencils. The new voting system is expected to allow more efficient vote counting. The County issued \$3 million in bond anticipation notes to fund the purchase.
- In 2002, construction was completed on a new \$570,000 facility to house the County's Emergency Management Agency and the Hazardous Materials Agency (HAZMAT). The building will be used as a training site.
- The Sanitary Engineer's Department finished construction of several major sewer lines, plants and pump stations in 2002 including North Lima, Woodworth, Diehl Lake and Damascus. The overall cost of these projects totaled \$7.3 million and the funding sources included Ohio Water Development (OWDA), Ohio Public Works Commission (OPWC), Community Development Block Grant (CDBG) money, Sanitary Engineer's revenues and special assessments.
- The County received \$1.1 million of sewer lines from developers.

Long-term Debt: At the end of 2002, the County's debt outstanding other than Bond Anticipation Notes consisted of revenue bonds in the amount of \$8.8 million; general obligation debt outstanding of \$33.4 million; Ohio Public Works Commission and Ohio Water Development Authority loans of \$19.9 million and other debt of \$1.1 million. Of the \$33.4 million general obligation debt - debt that is backed by the full faith and credit of the County - \$1.6 million is special assessment debt for which the County is liable in the event of default by the property owner subject to the assessment.

The County's bonded debt decreased by \$5.8 million or 12% during the 2002 fiscal year as no new additional bonds were issued. However, the County's bond anticipation notes increased by \$2.6 million. The County had \$12.1 million in bond anticipation notes outstanding as of December 31, 2002. A schedule of bond anticipation note activity during 2002 can be found in Note K.

State statute limits the total amount of debt a governmental entity may issue. The County's total debt margin at the end of 2002 was \$69.5 million with an unvoted total debt margin of \$16.5 million. Its net general bonded debt per capital for 2002 was \$115.57 as compared with \$130.98 for 2001. The calculation and related discussion of the legal debt margin, and other debt-related statistics, are included in the Statistical Section of this report. The County maintains an underlying "A3" rating from Moody's on its general obligation debt and an underlying "A2" rating on its revenue bonds.

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.)

In addition to the bonded debt, the County's long-term obligations include claims and judgements payable and compensated absences. Additional information on the County's long-term debt can be found in Note H of this report.

Interest and fiscal charges related to governmental activities in 2002 were \$2.2 million or 1% of the total governmental activities expenses.

Economic Factors and Next Year's Budgets

Mahoning County ranks 10th in population among the 88 counties in the State.

The County unemployment rate of 6.3% at December 31, 2002 compares to 5.2% for the State of Ohio and 5.7% for the United States.

Mahoning County, along with most Ohio local government entities, is faced with uncertainty regarding upcoming State legislation dealing with the State's allocation of money to local governments. The County's General Fund is dependent on the local government money that it receives from the State in the amount of approximately \$5.6 million per year. Last year the State legislature froze the allocation. As of the latest legislative draft, there will not be any further cuts. However, we will have to wait until the final version is passed.

The County continues to cut costs, maximize tax collections and maximize reimbursement of costs. The County is currently working with the Federal Marshall on a plan for housing and transporting federal prisoners that will allow the County to spread overhead costs. At the end of 2003, the County expects to have a balanced budget, but there is one material court case filed against the County by the Juvenile Court Judge in the amount of \$2.3 million that is pending.

The County levies a 1% sales tax that is composed of two separate ½% taxes. One of the County's ½% sales taxes which was effective January 2000 is set to expire on December 31, 2004. The County will be placing it on the ballot for renewal in November 2003 or the following year's primary ballot. In November of 2002, the County voters approved a ½% sales tax renewal that was set to expire on December 31, 2002. The renewal passed with 60% of the vote. The renewal of the sales tax was effective January 1, 2003 and will expire December 31, 2007. Each ½% sales tax generates approximately \$13 million a year and funds the County's general operating expenses.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Mahoning County Auditor, 120 Market Street, Youngstown, Ohio 45503, 330 740-2010. You may also visit our website at <http://www.mahoningcountyauditor.org/> or email us at countyappr@mahoningcounty.org.

MAHONING COUNTY, OHIO

Statement of Net Assets

December 31, 2002

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Convention & Visitor's Bureau	MASCO
Assets					
Equity in pooled cash and investments at fair value	\$ 56,107,194	\$ 6,392,120	\$ 62,499,314		
Cash and cash equivalents - segregated accounts				\$ 698,485	\$ 350,597
Cash and cash equivalents with fiscal agent	330,672		330,672		
Net receivables:					
Taxes	39,125,837		39,125,837		
Accounts		3,846,611	3,846,611		74,237
Loans	496,794	165,344	662,138		
Special assessments - current portion		68,105	68,105		
Accrued interest	585,267	62,445	647,712		
Due from external parties	1,930,174		1,930,174		
Other	321,258		321,258		
Internal balances	342,361	(342,361)			
Due from other governments	26,530,162		26,530,162		
Restricted assets:					
Equity in pooled cash and investments at fair value		6,071,344	6,071,344		
Cash and cash equivalents with fiscal agent		830,150	830,150		
Special assessments receivable - noncurrent	441,930	299,174	741,104		
Capital assets:					
Land	4,303,576	264,140	4,567,716		
Utility plant in service		127,955,823	127,955,823		
Buildings, structures and improvements	58,438,967	959,279	59,398,246		
Furniture, fixtures and equipment	24,015,949	2,033,322	26,049,271	123,831	155,980
Infrastructure	59,358,269		59,358,269		
Less: Accumulated depreciation	(38,988,816)	(66,712,261)	(105,701,077)	(101,642)	(142,723)
Construction-in-progress	1,805,870	341,828	2,147,698		
Total Assets	235,145,464	82,235,063	317,380,527	720,674	438,091
Liabilities					
Accounts payable	7,194,145	1,359,181	8,553,326		
Accrued wages and benefits	5,336,609	341,144	5,677,753	24,668	26,045
Retainage payable	189,249	75,000	264,249		
Due to other governments	1,666,332		1,666,332		
Deferred revenue	31,445,510	23,161	31,468,671		
Accrued interest on notes and bonds	275,683	21,867	297,550		
Payable from restricted assets:					
Accrued revenue bond interest		37,069	37,069		
Current portion of revenue bonds		380,000	380,000		
Noncurrent liabilities:					
Due within one year:					
Compensated absences payable	4,543,036	412,578	4,955,614		
Current portion of claims and judgements payable	1,948,225		1,948,225		
Current portion of long-term loans		1,468,896	1,468,896		
Current portion of mortgage and long-term note payable	55,252		55,252		
Current portion of general obligation bonds	5,370,426	80,289	5,450,715		
Current portion of special assessment bonds		254,286	254,286		
Due in more than one year:					
Long-term portion of compensated absences	2,164,191	196,843	2,361,034		
Long-term loans (net of current portion)		18,379,260	18,379,260		
Long-term notes payable	570,363		570,363		
Long-term mortgage note payable	482,000		482,000		
Revenue bonds (net of current portion)		8,460,000	8,460,000		
Less: Unamortized revenue bond charges		(754,672)	(754,672)		
General obligation bonds (net of current portion)	26,029,840	283,058	26,312,898		
Claims and judgements payable	1,018,938		1,018,938		
Special assessment bonds (net of current portion)		1,387,102	1,387,102		
Total Liabilities	88,289,799	32,405,062	120,694,861	24,668	26,045
Net Assets:					
Invested in capital assets, net of related debt	67,485,934	35,269,367	102,755,301		
Restricted for:					
Capital projects	3,078,957		3,078,957		
Special revenue	59,133,862		59,133,862		
Debt service	4,858,239	5,656,851	10,515,090		
Unrestricted	12,298,673	8,903,783	21,202,456	696,006	412,046
Total Net Assets	\$ 146,855,665	\$ 49,830,001	\$ 196,685,666	\$ 696,006	\$ 412,046

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Activities

For the Year Ended December 31, 2002

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		Total
					Governmental Activities	Business-type Activities	Convention and Visitor's Bureau	MASCO	
Primary Government:									
Governmental activities:									
General government	\$ 15,741,222	\$ 7,386,474	\$ 604	\$	(8,354,144)	\$	(8,354,144)		
Judicial	15,235,327	5,041,721	304,751		(9,888,855)		(9,888,855)		
Public safety	25,044,434	2,521,353	4,736,854		(17,786,227)		(17,786,227)		
Public works	11,956,276	371,851	1,796,185	\$ 4,026,279	(5,761,961)		(5,761,961)		
Health	44,975,438	4,434,902	23,757,408		(16,783,128)		(16,783,128)		
Human services	55,945,853	3,241,210	44,388,455		(8,316,188)		(8,316,188)		
Other	4,220,240	56,751	1,603,308		(2,560,181)		(2,560,181)		
Interest on long-term debt	2,211,966				(2,211,966)		(2,211,966)		
Total governmental activities	<u>175,330,756</u>	<u>23,054,262</u>	<u>76,587,565</u>	<u>4,026,279</u>	<u>(71,662,650)</u>		<u>(71,662,650)</u>		
Business-type activities:									
Wastewater	17,016,608	18,327,421		2,381,084		\$ 3,691,897	3,691,897		
Water	314,046	253,342		88,000		27,296	27,296		
Total business-type activities	<u>17,330,654</u>	<u>18,580,763</u>		<u>2,469,084</u>		<u>3,719,193</u>	<u>3,719,193</u>		
Total primary government	<u>\$ 192,661,410</u>	<u>\$ 41,635,025</u>	<u>\$ 76,587,565</u>	<u>\$ 6,495,363</u>	<u>\$ (71,662,650)</u>	<u>\$ 3,719,193</u>	<u>\$ (67,943,457)</u>		
Component units:									
Convention and Visitor's Bureau	\$ 394,147		\$ 40,332				\$ (353,815)		
MASCO	1,099,910	\$ 589,708	482,675					\$ (27,527)	
Total component units	<u>\$ 1,494,057</u>	<u>\$ 589,708</u>	<u>\$ 523,007</u>				<u>(353,815)</u>		<u>(27,527)</u>
General revenues:									
Property taxes					30,438,349		30,438,349		
Sales tax					25,806,159		25,806,159		
Other taxes					11,006,782		11,006,782	446,955	
Grants and contributions not restricted to specific programs					10,247,484		10,247,484		
Unrestricted investment earnings					2,991,006	358,357	3,349,363		
Net change in fair value of investments					(134,537)		(134,537)		
Transfers					(452,397)	452,397			
Total general revenues and transfers					<u>79,902,846</u>	<u>810,754</u>	<u>80,713,600</u>	<u>446,955</u>	
Change in net assets					8,240,196	4,529,947	12,770,143	93,140	(27,527)
Net assets - beginning (See Note E)					138,615,469	45,300,054	183,915,523	602,866	439,573
Net assets - ending					<u>\$ 146,855,665</u>	<u>\$ 49,830,001</u>	<u>\$ 196,685,666</u>	<u>\$ 696,006</u>	<u>\$ 412,046</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Balance Sheet
Governmental Funds

December 31, 2002

	General	Department of Human Services	Children Services Board	Board of Mental Retardation	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments at fair value	\$ 16,088	\$ 319,630	\$ 14,498,997	\$ 7,809,559	\$ 27,179,382	\$ 49,823,656
Cash and cash equivalents with fiscal agent					330,672	330,672
Investments	6,420,000				5,010,000	11,430,000
Net receivables:						
Taxes	3,379,232		8,358,603	17,784,660	9,603,342	39,125,837
Loans					496,794	496,794
Accrued interest	418,527				166,740	585,267
Other					321,258	321,258
Due from external parties	1,199,124	273,000	122,000		336,050	1,930,174
Due from other funds	1,079,892	1,150,783	87,813		1,371,767	3,690,255
Due from other governments	7,772,341	1,275,760	2,410,924	3,030,452	9,474,846	23,964,323
Special assessments receivable - noncurrent					441,930	441,930
Total Assets	<u>\$ 20,285,204</u>	<u>\$ 3,019,173</u>	<u>\$ 25,478,337</u>	<u>\$ 28,624,671</u>	<u>\$ 54,732,781</u>	<u>\$ 132,140,166</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,202,662	\$ 1,970,280	\$ 332,234	\$ 177,655	\$ 3,511,314	\$ 7,194,145
Accrued wages and benefits	1,145,491	525,381	210,815	517,349	693,942	3,092,978
Retainage payable					189,249	189,249
Due to other funds	1,139,637	523,512	163,569	31,700	1,946,214	3,804,632
Due to other governments					70,984	70,984
Deferred revenue	6,199,679		9,827,153	19,727,645	17,601,422	53,355,899
Bond anticipation notes					11,430,000	11,430,000
Accrued interest on notes and bonds					132,870	132,870
Total Liabilities	<u>9,687,469</u>	<u>3,019,173</u>	<u>10,533,771</u>	<u>20,454,349</u>	<u>35,575,995</u>	<u>79,270,757</u>
Fund Balances:						
Reserved for:						
Encumbrances	1,940,739			709,435	4,733,434	7,383,608
Loans					496,794	496,794
Unreserved, reported in:						
General fund	8,656,996					8,656,996
Special revenue funds			14,944,566	7,460,887	17,526,427	39,931,880
Debt service funds					3,721,731	3,721,731
Capital project funds					(7,321,600)	(7,321,600)
Total Fund Balances	<u>10,597,735</u>	<u></u>	<u>14,944,566</u>	<u>8,170,322</u>	<u>19,156,786</u>	<u>52,869,409</u>
Total Liabilities and Fund Balances	<u>\$ 20,285,204</u>	<u>\$ 3,019,173</u>	<u>\$ 25,478,337</u>	<u>\$ 28,624,671</u>	<u>\$ 54,732,781</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 108,933,815

Other long-term assets are not available to pay for current-period expenditures, some are deferred in the funds:

Sales tax	2,565,839	
Intergovernmental revenues	12,908,134	
Property taxes	8,560,325	
Special assessments	441,930	
Total		24,476,228

An internal service fund is used by management to charge the costs of insurance and other services to individual funds.

The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. 3,196,457

Accrued wages and benefits includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds. (2,243,631)

Long-term liabilities, including bonds and notes payable, accrued interest, claims and compensated absences are not due and payable in the current period and therefore are not reported in the funds. (40,376,613)

Net assets of governmental activities \$ 146,855,665

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues,
Expenditures and Changes in Fund Balances
Governmental Funds**

For the Year Ended December 31, 2002

	General	Department of Human Services	Children Services Board	Board of Mental Retardation	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property and other taxes	\$ 6,790,979		\$ 5,296,159	\$ 14,403,627	\$ 13,600,691	\$ 40,091,456
Sales tax	25,819,560					25,819,560
Fees and charges for services	5,940,204	\$ 1,648,846	25,409		9,186,673	16,801,132
Licenses and permits	17,395				402,880	420,275
Fines and forfeitures	1,713,415				157,115	1,870,530
Intergovernmental	7,418,126	32,834,983	6,197,450	8,867,980	35,998,509	91,317,048
Special assessments					299,571	299,571
Investment earnings	2,633,749				357,257	2,991,006
Net decrease in fair value of investments	(134,537)					(134,537)
All other revenue	992,274	1,000,930	52,056	190,962	1,132,980	3,369,202
Total Revenues	51,191,165	35,484,759	11,571,074	23,462,569	61,135,676	182,845,243
Expenditures:						
Current:						
General government	12,406,433				2,358,481	14,764,914
Judicial	13,699,190				1,338,739	15,037,929
Public safety	18,250,973				5,390,662	23,641,635
Public works					9,095,887	9,095,887
Health				20,883,172	24,481,684	45,364,856
Human services	849,766	36,903,731	9,921,001		8,219,731	55,894,229
Other	1,423,245				2,818,311	4,241,556
Capital outlay					9,941,390	9,941,390
Debt service:						
Principal retirement					5,149,361	5,149,361
Interest and fiscal charges					2,281,357	2,281,357
Total Expenditures	46,629,607	36,903,731	9,921,001	20,883,172	71,075,603	185,413,114
Excess (Deficiency) Of Revenues Over (Under) Expenditures	4,561,558	(1,418,972)	1,650,073	2,579,397	(9,939,927)	(2,567,871)
Other Financing Sources (Uses)						
Proceeds from notes				390,000		390,000
Transfers in	399,548	1,120,751		56,526	15,822,952	17,399,777
Transfers out	(6,221,123)		(500,000)		(11,631,051)	(18,352,174)
Total Other Financing Sources (Uses)	(5,821,575)	1,120,751	(500,000)	446,526	4,191,901	(562,397)
Net change in fund balances	(1,260,017)	(298,221)	1,150,073	3,025,923	(5,748,026)	(3,130,268)
Fund Balance At Beginning of Year (See Note E)	11,857,752	298,221	13,794,493	5,144,399	24,904,812	55,999,677
Fund Balance At End of Year	\$ 10,597,735	\$	\$ 14,944,566	\$ 8,170,322	\$ 19,156,786	\$ 52,869,409

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2002**

Net Change in Fund Balances - Total Governmental Funds \$ (3,130,268)

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

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

Fixed asset additions	10,318,239	
Depreciation expense	(5,592,631)	
		4,725,608

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

Taxes	1,340,275	
Intergovernmental revenue	(223,060)	
Special assessments	8,461	
		1,125,676

The issuance of long-term debt provides current financial resources to government funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Payment of bond principal		5,149,361
Proceeds from mortgage note		(390,000)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		16,954
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences payable		(228,241)
Claims and judgements payable		418,678

The internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.

		552,428
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Change in Net Assets of Governmental Activities		\$ <u>8,240,196</u>
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The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>				
Property and other taxes	\$ 6,392,000	\$ 6,712,000	\$ 6,777,108	\$ 65,108
Sales tax	23,912,000	25,770,000	25,979,801	209,801
Fees and charges for services	4,023,000	5,277,000	5,865,946	588,946
Licenses and permits	22,000	22,000	17,395	(4,605)
Fines and forfeitures	1,468,000	1,633,000	1,724,536	91,536
Intergovernmental	8,028,731	7,080,000	7,359,989	279,989
Investment earnings	3,565,000	2,925,000	3,214,975	289,975
All other revenue	590,000	711,000	787,536	76,536
<i>Total Revenues</i>	<u>\$ 48,000,731</u>	<u>\$ 50,130,000</u>	<u>\$ 51,727,286</u>	<u>\$ 1,597,286</u>
<i>General Government Expenditures:</i>				
<i>Commissioners</i>				
Personal services	\$ 536,443	\$ 538,903	\$ 528,622	\$ 10,281
Materials and supplies	10,797	7,086	5,853	1,233
Contractual services	4,275	20,021	20,019	2
Travel	17,261	17,637	15,803	1,834
Utilities	2,000	484	484	
Capital outlay	10,000	4,529	2,781	1,748
<i>Total Commissioners</i>	<u>580,776</u>	<u>588,660</u>	<u>573,562</u>	<u>15,098</u>
<i>Personnel</i>				
Personal services	272,706	312,832	304,916	7,916
Materials and supplies	1,900	2,670	1,819	851
Contractual services	507,482	31,493	29,480	2,013
Travel	3,200	5,695	4,283	1,412
Capital outlay	26,000	7,750	5,938	1,812
<i>Total Personnel</i>	<u>811,288</u>	<u>360,440</u>	<u>346,436</u>	<u>14,004</u>
<i>Microfilm</i>				
Personal services	166,378	172,078	170,204	1,874
Materials and supplies	5,000	3,317	2,233	1,084
Contractual services	363,839	353,715	353,714	1
Utilities	700	464		464
Capital outlay	20,736	20,736	20,700	36
<i>Total Microfilm</i>	<u>556,653</u>	<u>550,310</u>	<u>546,851</u>	<u>3,459</u>
<i>Office of Management & Budget</i>				
Personal services	217,030	264,740	261,782	2,958
Materials and supplies		100	93	7
Contractual services		491	491	
Travel	1,000	2,900	1,825	1,075
<i>Total Office of Management & Budget</i>	<u>218,030</u>	<u>268,231</u>	<u>264,191</u>	<u>4,040</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>General Government (Cont'd.)</i>	<i>Purchasing</i>				
	Personal services	\$ 229,197	\$ 230,408	\$ 230,090	\$ 318
	Materials and supplies	86,224	82,463	77,241	5,222
	Contractual services	6,442	5,393	1,730	3,663
	Travel	2,455	2,455	1,013	1,442
	Utilities	1,000			
	Capital outlay	1,000	1,000		1,000
	<i>Total Purchasing</i>	<u>326,318</u>	<u>321,719</u>	<u>310,074</u>	<u>11,645</u>
	<i>Planning Commission</i>				
	Personal services	135,130	135,256	135,143	113
	Materials and supplies	11,050	7,826	6,738	1,088
	Contractual services	28,586	28,881	26,802	2,079
	Travel	3,400	3,325	756	2,569
	Utilities	2,000	2,000	1,982	18
	Capital outlay	1,380	4,553	3,540	1,013
	<i>Total Planning Commission</i>	<u>181,546</u>	<u>181,841</u>	<u>174,961</u>	<u>6,880</u>
	<i>Facilities Management</i>				
	Personal services	1,366,174	1,337,776	1,331,012	6,764
	Materials and supplies	25,000	14,500	5,843	8,657
	Contractual services	39,435	70,268	68,168	2,100
	Travel	7,270	7,370	6,646	724
	Utilities	405,361	579,598	505,420	74,178
	Capital outlay	297,941	360,780	330,116	30,664
	<i>Total Facilities Management</i>	<u>2,141,181</u>	<u>2,370,292</u>	<u>2,247,205</u>	<u>123,087</u>
	<i>Facilities Management - Annex</i>				
	Contractual services	17,683	17,683	6,117	11,566
	Utilities	184,604	158,130	121,062	37,068
	Capital outlay	91,253	91,253		91,253
	<i>Total Facilities Management - Annex</i>	<u>293,540</u>	<u>267,066</u>	<u>127,179</u>	<u>139,887</u>
	<i>Auditor</i>				
	Personal services	1,032,776	1,034,706	1,024,341	10,365
	Materials and supplies	71,250	83,750	78,792	4,958
	Contractual services	9,700	25,460	18,961	6,499
	Travel	18,100	18,100	13,868	4,232
	Utilities	3,000	3,550	2,727	823
	Capital outlay	36,975	36,845	36,072	773
	<i>Total Auditor</i>	<u>1,171,801</u>	<u>1,202,411</u>	<u>1,174,761</u>	<u>27,650</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>General Government</i>	<i>Treasurer</i>				
(Cont'd.)	Personal services	\$ 535,056	\$ 543,499	\$ 534,221	\$ 9,278
	Materials and supplies	127,350	129,270	128,759	511
	Contractual services	131,000	125,384	106,267	19,117
	Travel	8,658	2,741	2,590	151
	Utilities	6,000	3,383	3,382	1
	Capital outlay		5,376	5,376	
	<i>Total Treasurer</i>	<u>808,064</u>	<u>809,653</u>	<u>780,595</u>	<u>29,058</u>
	<i>Prosecutor</i>				
	Personal services	756,899	733,123	716,169	16,954
	Materials and supplies	27,657	27,357	25,584	1,773
	Contractual services	28,112	27,897	24,682	3,215
	Travel	12,978	8,403	8,396	7
	Utilities	14,000	14,600	11,875	2,725
	Capital outlay	2,000	2,300	2,286	14
	Other	50,628	50,628	50,628	
	<i>Total Prosecutor</i>	<u>892,274</u>	<u>864,308</u>	<u>839,620</u>	<u>24,688</u>
	<i>Prosecutor - Criminal</i>				
	Personal services	1,418,913	1,384,502	1,364,976	19,526
	Materials and supplies	28,256	28,446	24,920	3,526
	Contractual services	61,500	77,059	75,932	1,127
	Capital outlay	58,255	58,755	58,230	525
	Other	18,000	4,598		4,598
	<i>Total Prosecutor</i>	<u>1,584,924</u>	<u>1,553,360</u>	<u>1,524,058</u>	<u>29,302</u>
	<i>Recorder</i>				
	Personal services	449,261	450,934	429,328	21,606
	Materials and supplies	12,707	12,707	10,398	2,309
	Contractual services	190,242	189,747	187,523	2,224
	Travel	4,053	4,053	2,971	1,082
	Utilities	6,217	6,217	2,917	3,300
	Capital outlay	1,501	1,501	1,350	151
	<i>Total Recorder</i>	<u>663,981</u>	<u>665,159</u>	<u>634,487</u>	<u>30,672</u>
	<i>Board of Elections</i>				
	Personal services	750,611	895,806	891,531	4,275
	Materials and supplies	248,934	263,398	263,367	31
	Contractual services	386,083	341,308	341,305	3
	Travel	27,495	17,143	17,141	2
	Utilities	22,000	19,907	19,907	
	Capital outlay	33,000	40,103	39,736	367
	<i>Total Board of Elections</i>	<u>1,468,123</u>	<u>1,577,665</u>	<u>1,572,987</u>	<u>4,678</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>General Government (Cont'd.)</i>	<i>Data Processing Board</i>				
	Personal services	\$ 709,902	\$ 691,252	\$ 652,786	\$ 38,466
	Materials and supplies	63,700	65,700	39,858	25,842
	Contractual services	1,132,045	1,155,125	1,060,341	94,784
	Travel	39,000	139,000	131,433	7,567
	Utilities	391,803	431,803	408,836	22,967
	Capital outlay	220,300	264,300	227,108	37,192
	<i>Total Data Processing Board</i>	<u>2,556,750</u>	<u>2,747,180</u>	<u>2,520,362</u>	<u>226,818</u>
	<i>Total General Government</i>	<u>14,255,249</u>	<u>14,328,295</u>	<u>13,637,329</u>	<u>690,966</u>
<i>Judicial</i>	<i>Expenditures:</i>				
	<i>Clerk of Courts - Legal</i>				
	Personal services	\$ 1,020,280	\$ 1,011,932	\$ 1,007,292	\$ 4,640
	Materials and supplies	111,545	163,406	163,080	326
	Contractual services	20,427	19,463	16,661	2,802
	Travel	1,000			
	Utilities	12,000	9,361	5,953	3,408
	Capital outlay	21,300	4,648	1,816	2,832
	<i>Total Clerk of Courts - Legal</i>	<u>1,186,552</u>	<u>1,208,810</u>	<u>1,194,802</u>	<u>14,008</u>
	<i>Common Pleas</i>				
	Personal services	1,564,269	1,571,846	1,569,451	2,395
	Materials and supplies	51,800	53,434	51,811	1,623
	Contractual services	1,097,715	1,447,678	1,437,688	9,990
	Travel	13,000	13,625	13,038	587
	Utilities	17,000	15,400	15,104	296
	Capital outlay	44,077	37,677	36,501	1,176
	<i>Total Common Pleas</i>	<u>2,787,861</u>	<u>3,139,660</u>	<u>3,123,593</u>	<u>16,067</u>
	<i>Jury Commission</i>				
	Personal services	3,174			
	<i>Total Jury Commission</i>	<u>3,174</u>			
	<i>Law Library</i>				
	Personal services	55,026	55,076	53,135	1,941
	Contractual services		99	98	1
	<i>Total Law Library</i>	<u>55,026</u>	<u>55,175</u>	<u>53,233</u>	<u>1,942</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Judicial (Cont'd.)</i>	<i>Domestic Relations</i>				
	Personal services	\$ 682,515	\$ 682,536	\$ 664,884	\$ 17,652
	Materials and supplies	17,500	17,666	13,170	4,496
	Contractual services	15,214	17,188	11,674	5,514
	Travel	10,200	8,600	5,511	3,089
	Utilities	4,000	4,000	3,254	746
	Capital outlay	11,339	11,339	3,402	7,937
	<i>Total Domestic Relations</i>	<u>740,768</u>	<u>741,329</u>	<u>701,895</u>	<u>39,434</u>
	<i>Juvenile Court</i>				
	Personal services	4,556,975	4,631,429	4,575,283	56,146
	Materials and supplies	282,600	247,613	241,217	6,396
	Contractual services	70,612	90,430	89,867	563
	Travel	35,500	28,600	27,868	732
	Utilities	268,280	229,504	229,419	85
	Capital outlay	111,000	108,000	106,813	1,187
	Other	6,500	6,500	6,500	
	<i>Total Juvenile Court</i>	<u>5,331,467</u>	<u>5,342,076</u>	<u>5,276,967</u>	<u>65,109</u>
	<i>Probate Court</i>				
	Personal services	768,149	782,007	777,984	4,023
	Materials and supplies	47,000	47,000	36,082	10,918
	Contractual services	48,200	51,163	47,167	3,996
	Travel	14,000	10,396	7,060	3,336
	Utilities	8,600	8,600	5,605	2,995
	Capital outlay	20,000	8,746	1,613	7,133
	<i>Total Probate Court</i>	<u>905,949</u>	<u>907,912</u>	<u>875,511</u>	<u>32,401</u>
	<i>County Court # 2 - Boardman</i>				
	Personal services	451,174	451,475	448,116	3,359
	Materials and supplies	11,537	26,086	25,761	325
	Contractual services	87,261	89,342	87,335	2,007
	Travel	735	335	200	135
	Utilities	29,760	29,899	28,434	1,465
	Capital outlay	22,645	345	309	36
	Other	92	177	177	
	<i>Total County Court # 2 - Boardman</i>	<u>603,204</u>	<u>597,659</u>	<u>590,332</u>	<u>7,327</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Judicial</i>	<i>Municipal Court - Youngstown</i>				
<i>(Cont'd.)</i>	Personal services	\$ 178,540	\$ 184,226	\$ 184,206	\$ 20
	Contractual services	5,400	3,774	3,691	83
	<i>Total Municipal Court - Youngstown</i>	<u>183,940</u>	<u>188,000</u>	<u>187,897</u>	<u>103</u>
	<i>Municipal Court - Campbell</i>				
	Personal services	47,256	52,244	52,014	230
	Contractual services	900	1,389	673	716
	<i>Total Municipal Court - Campbell</i>	<u>48,156</u>	<u>53,633</u>	<u>52,687</u>	<u>946</u>
	<i>Municipal Court - Struthers</i>				
	Personal services	72,627	78,551	77,314	1,237
	Contractual services	3,500	3,999	2,800	1,199
	<i>Total Municipal Court - Struthers</i>	<u>76,127</u>	<u>82,550</u>	<u>80,114</u>	<u>2,436</u>
	<i>County Court # 3 - Sebring</i>				
	Personal services	227,596	225,391	214,860	10,531
	Materials and supplies	5,112	5,112	4,564	548
	Contractual services	62,625	62,531	61,146	1,385
	Travel	735	400	308	92
	Utilities	17,010	17,160	13,936	3,224
	Capital outlay	5,395	200	26	174
	<i>Total County Court # 3 - Sebring</i>	<u>318,473</u>	<u>310,794</u>	<u>294,840</u>	<u>15,954</u>
	<i>County Court # 4 - Austintown</i>				
	Personal services	507,005	507,705	505,643	2,062
	Materials and supplies	15,512	37,312	37,187	125
	Contractual services	93,725	98,442	95,767	2,675
	Travel	735			
	Utilities	27,810	27,960	25,727	2,233
	Capital outlay	23,295	5,009	3,162	1,847
	<i>Total County Court # 4 - Austintown</i>	<u>668,082</u>	<u>676,428</u>	<u>667,486</u>	<u>8,942</u>
	<i>County Court # 5 - Canfield</i>				
	Personal services	249,920	251,220	249,715	1,505
	Materials and supplies	7,962	13,162	11,009	2,153
	Contractual services	55,964	56,553	52,128	4,425
	Travel	735	395	395	
	Utilities	18,560	18,710	13,807	4,903
	Capital outlay	3,074	1,074	329	745
	<i>Total County Court # 5 - Canfield</i>	<u>336,215</u>	<u>341,114</u>	<u>327,383</u>	<u>13,731</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
Judicial (Cont'd.)	Courts Other				
	Personal services	\$ 281,501	\$ 281,806	\$ 276,977	\$ 4,829
	Contractual services		589	589	
	<i>Total Courts Other</i>	<u>281,501</u>	<u>282,395</u>	<u>277,566</u>	<u>4,829</u>
	<i>County Court - Probation</i>				
	Personal services	148,380	148,780	148,472	308
	Contractual services		393	393	
	<i>Total County Court - Probation</i>	<u>148,380</u>	<u>149,173</u>	<u>148,865</u>	<u>308</u>
	<i>Total Judicial</i>	<u>13,674,875</u>	<u>14,076,708</u>	<u>13,853,171</u>	<u>223,537</u>
<i>Public Safety</i>	<i>Expenditures:</i>				
	<i>Jail Medical</i>				
	Personal services	\$ 82,605	\$ 92,384	\$ 90,567	\$ 1,817
	Materials and supplies	11,300	521	93	428
	Contractual services	1,256,326	1,512,926	1,512,378	548
	Travel	2,100	3,100	2,441	659
	<i>Total Jail Medical</i>	<u>1,352,331</u>	<u>1,608,931</u>	<u>1,605,479</u>	<u>3,452</u>
	<i>Sheriff</i>				
	Personal services	6,177,197	7,284,661	7,279,808	4,853
	Materials and supplies	102,000	70,545	67,331	3,214
	Contractual services	71,023	178,193	177,225	968
	Travel	109,500	106,753	106,393	360
	Utilities	20,000	45,300	45,256	44
	Capital outlay	30,000	10,737	10,250	487
	Other	46,972	49,333	49,331	2
	<i>Total Sheriff</i>	<u>6,556,692</u>	<u>7,745,522</u>	<u>7,735,594</u>	<u>9,928</u>
	<i>Mahoning County Justice Center</i>				
	Personal services	6,375,890	5,649,165	5,625,582	23,583
	Materials and supplies	663,744	667,130	667,129	1
	Contractual services	395,000	353,552	350,954	2,598
	Utilities	722,254	668,211	667,725	486
	Capital outlay	104,000	57,308	57,306	2
	<i>Total Mahoning County Justice Center</i>	<u>8,260,888</u>	<u>7,395,366</u>	<u>7,368,696</u>	<u>26,670</u>
	<i>E-911 Dispatch</i>				
	Personal services	676,295	768,448	749,548	18,900
	Materials and supplies	15,170	3,649	3,648	1
	Contractual services	32,102	35,389	35,387	2
	Travel	3,000	35	35	
	Utilities	15,000	33,537	33,535	2
	Capital outlay	35,000	10,369	10,368	1
	<i>Total E-911 Dispatch</i>	<u>776,567</u>	<u>851,427</u>	<u>832,521</u>	<u>18,906</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

		<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Public Safety (Cont'd.)</i>	<i>Minimum Security Facility</i>				
	Personal services	\$ 329,680	\$ 644,434	\$ 642,450	\$ 1,984
	Materials and supplies	89,039	93,539	93,539	
	Contractual services	23,000	6,419	6,332	87
	Utilities	73,836	68,230	67,573	657
	Capital outlay	25,625	5,853	5,852	1
	<i>Total Minimum Security Facility</i>	<u>541,180</u>	<u>818,475</u>	<u>815,746</u>	<u>2,729</u>
	<i>Coroner</i>				
	Personal services	384,866	369,582	368,015	1,567
	Materials and supplies	7,859	7,150	7,150	
	Contractual services	180,648	224,052	223,387	665
	Travel	13,169	4,838	4,837	1
	Utilities	4,500	4,995	4,995	
	Capital outlay	25,300	16,455	16,454	1
	<i>Total Coroner</i>	<u>616,342</u>	<u>627,072</u>	<u>624,838</u>	<u>2,234</u>
	<i>Total Public Safety</i>	<u>18,104,000</u>	<u>19,046,793</u>	<u>18,982,874</u>	<u>63,919</u>
<i>Human Services</i>	<i>Expenditures</i>				
	<i>Soldiers Relief</i>				
	Personal services	\$ 201,522	\$ 226,769	\$ 221,544	\$ 5,225
	Materials and supplies	75,684	66,437	57,019	9,418
	Contractual services	649,286	429,990	408,932	21,058
	Travel	34,225	34,225	4,752	29,473
	Utilities	9,454	2,761	2,737	24
	Capital outlay	30,000	33,000	22,311	10,689
	<i>Total Soldiers Relief</i>	<u>1,000,171</u>	<u>793,182</u>	<u>717,295</u>	<u>75,887</u>
	<i>Veteran Services</i>				
	Personal services	196,626	196,626	182,757	13,869
	Materials and supplies	12,987	12,987	3,965	9,022
	Contractual services		3,589	1,588	2,001
	Travel	32,342	32,342	9,483	22,859
	Capital outlay	20,000	20,000	8,770	11,230
	<i>Total Veteran Services</i>	<u>261,955</u>	<u>265,544</u>	<u>206,563</u>	<u>58,981</u>
	<i>Total Human Services</i>	<u>1,262,126</u>	<u>1,058,726</u>	<u>923,858</u>	<u>134,868</u>

(Cont'd)

MAHONING COUNTY, OHIO

**General Fund Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Other</i>				
<i>Expenditures</i>				
<i>Counsel on Aging</i>				
Personal services	\$ 40,610	\$ 40,288	\$ 39,159	\$ 1,129
Materials and supplies	4,100	4,615	4,360	255
Contractual services	2,025	53,366	41,803	11,563
Travel	400			
Capital outlay		17,000	11,637	5,363
<i>Total Counsel on Aging</i>	<u>47,135</u>	<u>115,269</u>	<u>96,959</u>	<u>18,310</u>
<i>General Fund Administration Costs</i>				
Personal services	21,981	237,317	203,985	33,332
Contractual services	1,051,367	1,244,852	1,223,807	21,045
Utilities	14,500	60,830	59,406	1,424
Capital outlay		721		721
Other	1,037,701	1,132,016	1,128,065	3,951
<i>Total General Fund Administration Costs</i>	<u>2,125,549</u>	<u>2,675,736</u>	<u>2,615,263</u>	<u>60,473</u>
<i>Total Other</i>	<u>2,172,684</u>	<u>2,791,005</u>	<u>2,712,222</u>	<u>78,783</u>
<i>Totals</i>				
<i>Total Expenditures</i>	\$ 49,468,934	\$ 51,301,527	\$ 50,109,454	\$ 1,192,073
<i>Excess (Deficiency) Of</i>				
<i>Revenues Over Expenditures</i>	(1,468,203)	(1,171,527)	1,617,832	2,789,359
<i>Other Financing Sources (Uses)</i>				
Transfers in		315,000	399,548	84,548
Transfers out	(5,291,111)	(6,440,941)	(6,409,284)	31,657
<i>Total Other Financing Sources (Uses)</i>	<u>(5,291,111)</u>	<u>(6,125,941)</u>	<u>(6,009,736)</u>	<u>116,205</u>
<i>Net Change in Fund Balance</i>	(6,759,314)	(7,297,468)	(4,391,904)	2,905,564
<i>Fund Balance at Beginning of Year</i>	3,697,132	3,697,132	3,697,132	
<i>Prior Year Encumbrances Appropriated</i>	3,600,635	3,600,635	3,600,635	
<i>Fund Balance at End of Year</i>	<u>\$ 538,453</u>	<u>\$ 299</u>	<u>\$ 2,905,863</u>	<u>\$ 2,905,564</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Department of Human Services - Special Revenue Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2002

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>				
Fees and charges for services		\$ 1,442,445	\$ 1,495,227	\$ 52,782
Intergovernmental	\$ 35,000,000	33,025,000	32,228,596	(796,404)
All other revenue		900,000	941,665	41,665
Total Revenues	35,000,000	35,367,445	34,665,488	(701,957)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	11,686,977	11,793,607	11,720,218	73,389
Materials and supplies	254,203	339,194	337,346	1,848
Contractual services	22,849,097	25,115,663	25,113,032	2,631
Travel	134,550	140,432	133,812	6,620
Utilities	278,174	315,604	313,298	2,306
Capital outlay	325,474	97,740	97,439	301
Other	542,307	435,988	435,988	
Total Expenditures	36,070,782	38,238,228	38,151,133	87,095
Deficiency Of Revenues Over Expenditures	(1,070,782)	(2,870,783)	(3,485,645)	(614,862)
<i>Other Financing Sources</i>				
Transfers in		1,481,925	1,481,925	
Total Other Financing Sources		1,481,925	1,481,925	
Net Change in Fund Balance	(1,070,782)	(1,388,858)	(2,003,720)	(614,862)
Fund Balance At Beginning Of Year	511,561	511,561	511,561	
Prior Year Encumbrances Appropriated	883,563	883,563	883,563	
Fund Balance (Deficit) At End Of Year	\$ 324,342	\$ 6,266	\$ (608,596)	\$ (614,862)

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Children Services Board - Special Revenue Fund**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>				
Property and other taxes	\$ 5,369,000	\$ 5,369,000	\$ 5,190,337	\$ (178,663)
Fees and charges for services			552	552
Intergovernmental	5,437,203	5,437,203	6,177,815	740,612
All other revenue			22,137	22,137
Total Revenues	10,806,203	10,806,203	11,390,841	584,638
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	6,237,835	6,408,556	5,813,697	594,859
Materials and supplies	450,585	460,906	332,199	128,707
Contractual services	4,363,789	4,602,797	3,669,274	933,523
Travel	166,899	186,492	125,188	61,304
Utilities	75,300	72,128	56,265	15,863
Capital outlay	342,325	66,445	36,194	30,251
Other	105,000	84,300	60,688	23,612
Total Expenditures	11,741,733	11,881,624	10,093,505	1,788,119
Excess (Deficiency) Of Revenues Over Expenditures	(935,530)	(1,075,421)	1,297,336	2,372,757
<i>Other Financing Uses</i>				
Transfers out	(500,000)	(500,000)	(500,000)	
Total Other Financing Uses	(500,000)	(500,000)	(500,000)	
Net Change in Fund Balance	(1,435,530)	(1,575,421)	797,336	2,372,757
Fund Balance At Beginning Of Year	12,939,194	12,939,194	12,939,194	
Prior Year Encumbrances Appropriated	550,804	550,804	550,804	
Fund Balance At End Of Year	\$ 12,054,468	\$ 11,914,577	\$ 14,287,334	\$ 2,372,757

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Board of Mental Retardation - Special Revenue Fund**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>				
Property and other taxes	\$ 14,610,000	\$ 14,610,000	\$ 14,178,468	\$ (431,532)
Intergovernmental	8,102,702	8,102,702	8,354,740	252,038
All other revenue	80,000	80,000	115,203	35,203
Total Revenues	22,792,702	22,792,702	22,648,411	(144,291)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Health</i>				
Personal services	15,066,770	15,703,752	14,754,292	949,460
Materials and supplies	286,318	263,079	227,700	35,379
Contractual services	4,282,810	4,581,325	4,418,394	162,931
Travel	468,058	510,727	383,391	127,336
Utilities	492,286	613,291	491,263	122,028
Capital outlay	639,164	1,488,824	1,032,891	455,933
Other	5,000	5,000		5,000
Total Expenditures	21,240,406	23,165,998	21,307,931	1,858,067
Excess (Deficiency) Of Revenues Over Expenditures	1,552,296	(373,296)	1,340,480	1,713,776
<i>Other Financing Sources</i>				
Transfers in			56,526	56,526
Total Other Financing Sources			56,526	56,526
Net Change in Fund Balance	1,552,296	(373,296)	1,397,006	1,770,302
Fund Balance At Beginning Of Year	4,770,036	4,770,036	4,770,036	
Prior Year Encumbrances Appropriated	755,427	755,427	755,427	
Fund Balance At End Of Year	\$ 7,077,759	\$ 5,152,167	\$ 6,922,469	\$ 1,770,302

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Net Assets
Proprietary Funds

December 31, 2002

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Wastewater</u>	<u>Water</u>	<u>Total</u>	<u>Activities</u>
				<u>Internal Service</u>
				<u>Funds</u>
Assets				
Current Assets:				
Equity in pooled cash and investments at fair value	\$ 6,157,094	\$ 235,026	\$ 6,392,120	\$ 6,283,538
Investments		700,000	700,000	
Net receivables:				
Accounts	3,791,105	55,506	3,846,611	
Loans	165,344		165,344	
Special assessments - current portion		68,105	68,105	
Accrued interest		62,445	62,445	
Due from other funds				1,050,126
Due from other governments				
Restricted assets:				
Equity in pooled cash and investments at fair value	6,071,344		6,071,344	
Cash and cash equivalents with fiscal agent	830,150		830,150	
Total Current Assets	17,015,037	1,121,082	18,136,119	7,333,664
Long-term Assets:				
Special assessments receivable - noncurrent		299,174	299,174	
Capital assets:				
Land	258,359	5,781	264,140	
Utility plant in service	124,583,647	3,372,176	127,955,823	
Buildings, structures and improvements	959,279		959,279	
Furniture, fixtures and equipment	2,025,518	7,804	2,033,322	
Construction-in-progress	341,828		341,828	
Less: Accumulated depreciation	(65,620,660)	(1,091,601)	(66,712,261)	
Total capital assets (net of accumulated depreciation)	62,547,971	2,294,160	64,842,131	
Total Long-term Assets	62,547,971	2,593,334	65,141,305	
Total Assets	79,563,008	3,714,416	83,277,424	7,333,664
Liabilities				
Current Liabilities:				
Accounts payable	1,359,181		1,359,181	
Accrued wages and benefits	341,144		341,144	
Claims and judgements payable				1,948,225
Compensated absences payable	401,689	10,889	412,578	246
Retainage payable	75,000		75,000	
Due to other funds	307,927	34,434	342,361	593,388
Due to other governments				1,595,348
Deferred revenue		23,161	23,161	
Current portion of general obligation bonds	79,229	1,060	80,289	
Current portion of special assessment bonds	215,346	38,940	254,286	
Current portion of long-term loans	1,468,896		1,468,896	
Accrued interest on notes and bonds	8,764	13,103	21,867	
Bond anticipation notes		700,000	700,000	
Current liabilities payable from restricted assets:				
Accrued revenue bond interest	37,069		37,069	
Current portion of revenue bonds	380,000		380,000	
Total Current Liabilities	4,674,245	821,587	5,495,832	4,137,207
Long-term Liabilities:				
Long-term portion of compensated absences	191,648	5,195	196,843	
Long-term loans (net of current portion)	18,379,260		18,379,260	
Revenue bonds (net of current portion)	8,460,000		8,460,000	
Less: Unamortized revenue bond charges	(754,672)		(754,672)	
General obligation bonds (net of current portion)	274,842	8,216	283,058	
Special assessment bonds (net of current portion)	1,085,318	301,784	1,387,102	
Total Long-term Liabilities	27,636,396	315,195	27,951,591	
Total Liabilities	32,310,641	1,136,782	33,447,423	4,137,207
Net Assets:				
Invested in capital assets, net of related debt	33,330,988	1,938,379	35,269,367	
Restricted for:				
Debt service	5,656,851		5,656,851	
Unrestricted	8,264,528	639,255	8,903,783	3,196,457
Total Net Assets	\$ 47,252,367	\$ 2,577,634	\$ 49,830,001	\$ 3,196,457

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

**Statement of Revenues,
Expenses and Changes In Fund Net Assets
Proprietary Funds**

For the Year Ended December 31, 2002

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Wastewater</u>	<u>Water</u>	<u>Totals</u>	<u>Internal Service</u> <u>Funds</u>
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 16,825,854	\$ 244,342	\$ 17,070,196	\$ 103,762
Licenses and permits	1,452,275	9,000	1,461,275	
All other revenue	49,292		49,292	9,256,113
Total Operating Revenues	18,327,421	253,342	18,580,763	9,359,875
<i>Operating Expenses:</i>				
Personal services	5,611,481	65,107	5,676,588	9,262,935
Materials and supplies	330,865	2,262	333,127	
Contractual services	4,226,617	8,301	4,234,918	
Travel	250,598	1,088	251,686	33,484
Utilities	1,497,587	31,834	1,529,421	
Repair and maintenance	614,208	82,302	696,510	
Claims and other expenses	276,700	219	276,919	11,028
Depreciation	2,681,875	82,856	2,764,731	
Total Operating Expenses	15,489,931	273,969	15,763,900	9,307,447
Operating Income (Loss)	2,837,490	(20,627)	2,816,863	52,428
<i>Nonoperating Revenues (Expenses)</i>				
Investment income	302,908	55,449	358,357	
Interest expense and fiscal charges	(1,526,678)	(40,077)	(1,566,755)	
Total Nonoperating Revenues (Expenses)	(1,223,770)	15,372	(1,208,398)	
Income (Loss) Before Contributions and Transfers	1,613,720	(5,255)	1,608,465	52,428
Capital contributions	2,381,085	88,000	2,469,085	
Transfers in	9,762,956	185,500	9,948,456	500,000
Transfers out	(9,324,559)	(171,500)	(9,496,059)	
Change in net assets	4,433,202	96,745	4,529,947	552,428
Total Net Assets at Beginning of Year (See Note E)	42,819,165	2,480,889	45,300,054	2,644,029
Total Net Assets at End of Year	\$ 47,252,367	\$ 2,577,634	\$ 49,830,001	\$ 3,196,457

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2002

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service</i> <i>Funds</i>
<i>Increase in Cash and Cash Equivalents</i>				
<i>Cash flows from operating activities:</i>				
Cash receipts from customers	\$ 17,027,255	\$ 214,523	\$ 17,241,778	\$ 139,606
Cash receipts from quasi-external transactions	65,719		65,719	7,732,505
Cash payments to employees for services	(5,610,353)	(68,554)	(5,678,907)	(69,215)
Cash payments to suppliers for goods and services	(6,731,958)	(131,941)	(6,863,899)	(6,489,442)
Cash from other sources	1,501,567	9,000	1,510,567	
<i>Net cash provided by operating activities</i>	<u>6,252,230</u>	<u>23,028</u>	<u>6,275,258</u>	<u>1,313,454</u>
<i>Cash flows from noncapital financing activities:</i>				
Transfers in	9,762,956	185,500	9,948,456	500,000
Transfers out	(9,324,559)	(171,500)	(9,496,059)	
<i>Net cash provided by noncapital financing activities</i>	<u>438,397</u>	<u>14,000</u>	<u>452,397</u>	<u>500,000</u>
<i>Cash flows from capital and related financing activities:</i>				
Proceeds from notes	768,386	700,000	1,468,386	
Principal paid on long-term debt	(2,045,030)	(35,000)	(2,080,030)	
Interest paid on long-term debt	(1,476,882)	(29,356)	(1,506,238)	
Cash from special assessments		31,539	31,539	
Proceeds from capital contributions	1,171,790		1,171,790	
Acquisition and construction of capital assets	(3,323,878)		(3,323,878)	
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(4,905,614)</u>	<u>667,183</u>	<u>(4,238,431)</u>	
<i>Cash flows from investing activities:</i>				
Cash from investment earnings	302,908	51,159	354,067	
<i>Net cash provided by investing activities</i>	<u>302,908</u>	<u>51,159</u>	<u>354,067</u>	
Net increase in cash and cash equivalents	2,087,921	755,370	2,843,291	1,813,454
Cash and cash equivalents at beginning of year	10,970,667	179,656	11,150,323	4,470,084
Cash and cash equivalents at end of year	<u>\$ 13,058,588</u>	<u>\$ 935,026</u>	<u>\$ 13,993,614</u>	<u>\$ 6,283,538</u>

(Cont'd)

<i>Cash and cash equivalents at end of year:</i>				
Equity in pooled cash and investments at fair value	\$ 6,157,094	\$ 235,026	\$ 6,392,120	\$ 6,283,538
Investments		700,000	700,000	
Restricted assets:				
Equity in pooled cash and investments at fair value	6,071,344		6,071,344	
Cash and cash equivalents with fiscal agent	830,150		830,150	
Cash and cash equivalents at end of year	<u>\$ 13,058,588</u>	<u>\$ 935,026</u>	<u>\$ 13,993,614</u>	<u>\$ 6,283,538</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Statement of Cash Flows
Proprietary Funds

For the Year Ended December 31, 2002

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Wastewater</u>	<u>Water</u>	<u>Totals</u>	<u>Internal Service</u> <u>Funds</u>
<i>Reconciliation of operating income (loss) to net cash provided by operating activities:</i>				
Operating income (loss)	\$ 2,837,489	\$ (20,626)	\$ 2,816,863	\$ 52,428
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>				
Depreciation	2,681,875	82,856	2,764,731	
(Increase) decrease in accounts receivable	228,563	(29,819)	198,744	
(Increase) decrease in due from other funds	65,719	955	66,674	(968,248)
Increase (decrease) in accounts payable	413,441	(4,808)	408,633	(46,033)
Decrease in retainage payable	(75,270)		(75,270)	
Increase (decrease) in due to other funds	126,446	(1,127)	125,319	(473,482)
Increase (decrease) in accrued wages and benefits	16,753	(3,811)	12,942	(3,314)
Decrease in compensated absences	(42,786)	(592)	(43,378)	(1,836)
Increase in due to other governments				805,714
Increase in claims and judgements payable				1,948,225
<i>Total adjustments</i>	<u>3,414,741</u>	<u>43,654</u>	<u>3,458,395</u>	<u>1,261,026</u>
<i>Net cash provided by operating activities</i>	<u>\$ 6,252,230</u>	<u>\$ 23,028</u>	<u>\$ 6,275,258</u>	<u>\$ 1,313,454</u>

Noncash investing, capital and financing activities:

Non cash contributions were recognized by the water fund in the amount of \$88,000 and the wastewater fund in the amount of \$1,480,745.

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds

December 31, 2002

	<i>Agency Funds</i>
<i>Assets</i>	
Equity in pooled cash and investments at fair value	\$ 13,294,515
Cash and cash equivalents - segregated accounts	4,185,810
Net receivables:	
Taxes	213,267,749
Special assessments - current	13,577,077
Due from other governments	21,809,886
<i>Total Assets</i>	<u>\$ 266,135,037</u>
<i>Liabilities</i>	
Due to other governments	\$ 248,654,712
Other liabilities	17,480,325
<i>Total Liabilities</i>	<u>\$ 266,135,037</u>

The notes to the financial statements are an integral part of this statement.

Notes to the Basic Financial Statements

December 31, 2002

NOTE A - Description of Mahoning County

Mahoning County was created in 1846. It operates as a political subdivision of the State of Ohio exercising only those powers conferred by the Ohio legislature. Mahoning County voters elect a total of eleven legislative and administrative County officials. The three member Board of Commissioners is the legislative and executive body of the County. The County Auditor is the chief fiscal officer and tax assessor and the County Treasurer serves as the custodian of all County funds and as tax collector. In addition, there are six other elected administrative officials provided for by Ohio law, which include: the Clerk of Courts, Recorder, Coroner, Engineer, Prosecuting Attorney, and Sheriff. The judicial branch of the County includes five Common Pleas Court Judges, four County (area) Judges, one Domestic Relations Judge, one Juvenile Court Judge and one Probate Judge.

Mahoning County provides a multitude of services to its approximately 253,300 residents. For example, the County offers a wide range of human and social services, health and community assistance services, law enforcement services, road and building maintenance services as well as other general and administrative support services. Additionally, Mahoning County operates water and wastewater systems.

Reporting Entity

For financial reporting purposes, the County complies with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity." The financial reporting entity consists of the County as the primary government, which also includes all of the elected officials, organizations, activities and functions which are not legally separate from the County and whose corporate powers the County holds. The financial reporting entity also includes the component units for which the elected officials of the County are financially accountable or for which the County is not financially accountable, but the nature and significance of their relationship with the County are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate entities that meet any of the following criteria: (1) The primary government appoints the voting majority of the potential component unit's board, *and* (a) the primary government is able to impose its will on the potential component unit *or* (b) the primary government is in a relationship of financial benefit or burden with the potential component unit; (2) The potential component unit is fiscally dependent upon the primary government or; (3) The financial statements would be misleading if data from the potential component unit were not included. Based on this criteria, the following are presented as component units:

Component Units

Mahoning Adult Services Company, Inc. (MASCO, Inc.) is a legally separate, non-profit organization, which provides sheltered employment for mentally handicapped persons. MASCO, Inc. enters into work service contracts with private businesses that provide the employees of MASCO, Inc. an opportunity to maximize their potential for independence. The County, through the Board of Mental Retardation (MRDD), provides MASCO, Inc. with personnel for its operations. This includes salaries and benefits. The relationship between the County MRDD and MASCO, Inc., results in a significant related party transaction since services and resources are provided by the County to MASCO, Inc., and MASCO, Inc.'s sole purpose is to provide vocational training opportunities for adults with mental retardation/developmental disabilities. Because the relationship is so significant, it would be misleading to exclude MASCO, Inc. from presentation in the County's financial statements. MASCO, Inc. is therefore, reflected as a component unit of Mahoning County.

The component unit is not blended as part of the primary government. It is discretely presented by reporting component unit financial data in a column separate from the financial data of the primary government. The component unit operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from MASCO, Inc., 160 Marwood Circle, Boardman, OH 44512.

The Youngstown/Mahoning County Convention and Visitor's Bureau is a legally separate, non-profit organization, established to promote and encourage tourism in Mahoning County. The authority to form the Bureau is provided under the Ohio Revised Code which permits the County to levy an excise tax on lodgings furnished to transient guests and expend the receipts of the tax on a convention and visitor's bureau. Because the Bureau's major source of revenue is the excise tax levied by the County the Bureau is fiscally dependent on the County, and, therefore, it is reflected as a component unit of Mahoning County.

The component unit is not blended as part of the primary government. It is discretely presented by reporting component unit financial data in a column separate from the financial data of the primary government. The component unit operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from the Youngstown/Mahoning County Convention and Visitor's Bureau, 100 Federal Plaza East, Suite 101 Youngstown, OH 44503.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

General Fund

This fund accounts for all financial resources not required to be accounted for in another fund. The major revenue sources are sales and use tax, charges for services, investment earnings, and intergovernmental revenues. The General Fund is the operating fund of the County.

Department of Human Services

This fund accounts for various federal and state grants and reimbursements as well as mandated transfers from the General Fund. These revenues are used to provide human service programs.

Children Services Board

This fund accounts for a County-wide property tax levy, federal and state monies. Expenditures are for foster homes, emergency shelters, medical, school supplies, counseling and parental training.

Board of Mental Retardation

This fund accounts for a County-wide property tax levy, federal and state monies. Revenues are used for the benefit of the mentally retarded and developmentally disabled.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Enterprise Funds

These funds account for the acquisition, operation, and maintenance of the County's water and wastewater facilities, which are financed primarily by user charges. The County reports the Wastewater Fund as a major fund. The Wastewater fund provides sanitary service to residential, commercial and industrial users also serviced by the water system. Wastewater charges are based on water usage and serve as the major revenue source for financing the operation, maintenance and capital improvement of the wastewater system.

Internal Service Funds

These funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis. The County's internal service funds report on self-insurance for Children Services Board and self-insurance programs for employee medical benefits, worker's compensation and vehicle maintenance

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The County's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities and do not purport to present the financial position or results of operations of related entities). These funds typically involve only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments.

Component Units

A component unit is a legally separate organization for which the elected officials of the County are financially accountable, or for which the nature and significance of its relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the Statement of Net Assets.

Fund Financial Statements

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

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

Basis of Accounting

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

Revenues – Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note L). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the 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. In applying this concept, County revenues accrued at the end of the year include sales tax, investment earnings, charges for services, and reimbursements for grant expenditures.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2002 but which were levied to finance fiscal year 2003 operations have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

Cash and Cash Equivalents and Investments

The County Treasurer pools and invests all active and inactive County funds. The County Treasurer maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet and statement of net assets as "Equity in pooled cash and investments at fair value." If a fund overdraws its account in the Treasury pool, the overdraft is reported as an interfund liability in that fund, with a corresponding interfund receivable reported in the general fund.

For purposes of the Statement of Cash Flows, proprietary fund participation in the Treasurer's investment pool is treated as cash and cash equivalents. In addition, all highly liquid investments held by fiscal agents in segregated accounts, with a maturity of three months or less from the date of purchase, are also considered to be cash equivalents and the investments in the County's bond anticipation notes that the Treasurer is holding are also considered to be cash equivalents.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment revenue earned during 2002 by the primary government amounted to \$3,349,363.

Investments, primarily commercial paper and U.S. Government Obligations, are stated at fair value. Note F provides a detailed disclosure regarding cash, cash equivalents and investments held by the County.

Cash in Segregated Accounts

The County has segregated bank accounts for monies held separate from the County's central bank account. These depository accounts are presented in the Statement of Fiduciary Assets and Liabilities as "Cash and cash equivalents in segregated accounts".

Inventories and Prepaid Items

On fund financial statements, the costs of governmental fund-type inventories are recorded as expenditures when purchased (purchases method) rather than when consumed. Inventories of proprietary funds, if material, are recorded as expenses when consumed. Expenditures for insurance and similar services extending over more than one accounting period are considered expenditures when purchased (purchases method) for governmental funds. For proprietary funds, a current asset is recorded at the time of purchase and the expense is reported in the year in which the services are consumed, if material. On government-wide financial statements, inventories are presented at the lower cost or market on a first-in, first-out (FIFO) and are expensed when used, if material.

Special Assessments

The County applies the provisions of GASB Statement No. 6, "Accounting and Financial Reporting for Special Assessments", in accounting for and reporting special assessments and related transactions. Service-type special assessments are reported in the fund type that best reflects the nature of the transaction. Both the assessment revenues and expenditures for which the County levied the assessments are recognized on the modified accrual basis in a special revenue fund. These assessments are recorded as a receivable when levied. On the modified accrual basis, the delinquent special assessments outstanding and available to the County within the first 60 days after year-end are recorded as revenue. The remaining special assessment receivable is offset by a credit to deferred revenue.

The County applies GASB Statement No. 6, Paragraph 23 when capital improvements financed by special assessments provide capital assets to an enterprise fund. All transactions and balances of special assessment projects are reflected on the enterprise fund's balance sheet to properly reflect the actual administration of the project. The entire amount assessed to property owners is recorded as the enterprise fund's assessments receivable at the time of the levy; special assessment debt is recorded as a liability of the enterprise fund and reflected as special assessment debt with governmental commitment. The improvement is capitalized on the proprietary funds' statement of net assets and is offset by recognizing capital contributions.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Sales Tax

The County has levied a 1% sales tax, which is collected by the State of Ohio and remitted to the County monthly. The Board of County Commissioners enacted two separate ½% taxes under the authority of the Ohio Revised Code. The first ½% sales tax was enacted by the County Commissioners effective January 1, 2000 and will expire December 31, 2004. The second ½% sales tax was effective January 1, 2003 and will expire December 31, 2007. The second ½% was a renewal of an existing ½% sales tax which expired December 31, 2002.

Sales tax revenues from the ½% sales tax effective January 1, 2003 are credited to the County’s general fund and provide financing for current operating expenditures; whereas, 25% of sales tax revenues from the ½% sales tax effective January 1, 2000 have been earmarked for special revenue funds. These earmarked sales taxes are shown as transfers out of the general fund into special revenue funds. The remaining sales tax revenues generated from the January 1, 2000 sales tax are credited to the general fund and provide financing for current operating expenditures. On the modified accrual basis, the County accrues sales tax revenues for taxes collected by the State as of year-end, which are remitted to the County within 60 days following year-end. On a full accrual basis, the County accrues all sales tax revenues collected by the State as of year end.

Receivables and Payables

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as “Due from other funds” or “Due to other funds” on the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Restricted Assets

Pursuant to a bond indenture for the Wastewater Proprietary Fund, restricted assets include certain revenue bond debt proceeds, funds reserved for the redemption of matured revenue and general obligation bond coupons, funds reserved for the replacement of assets, and funds to cover unexpected contingencies.

Capital Assets

Capital assets include land, buildings, structures and improvements, furniture, fixtures and equipment and infrastructure assets (e.g. roads and bridges), owned by the County. These assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of \$5,000 or more. Prior to 2002, the capitalization policy for proprietary funds was \$1,000. Capital assets are stated on the basis of historical cost, or, if contributed, at fair market value at the date received. In cases where information supporting original cost is not available, estimated historical costs are developed based on estimated market value that is then indexed to the year acquired using the Consumer Price Index.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives.

Class	Estimated Useful Life
Utility plant in service	40 years
Buildings, structures and improvements	10-40 years
Furniture, fixtures and equipment	5-12 years
Infrastructure - Roads	25 years
Infrastructure - Bridges	40 years

Discretely Presented Component Units

Furniture, fixtures and equipment of MASCO, Inc. and the Youngstown/Mahoning County Convention and Visitor’s Bureau are depreciated using the straight-line method over their useful lives and depreciation is charged as an expense against current operations. The estimated useful lives range from five to seven years for MASCO, Inc. and three to ten years for the Youngstown/Mahoning County Convention and Visitor’s Bureau.

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Compensated Absences

The County applies the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Compensated absences payable are accrued for vacation time, personal time, compensatory time, and sick leave time. Vacation, compensatory and personal time is accrued as a liability as the benefits are earned. Sick leave benefits are accrued as a liability using the Vesting Method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments.

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

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 non-current portion of the liability is not reported. The compensated absences liability related to the proprietary funds is reported entirely within those funds, per the National Council on Government Accounting Statements (NCGAS), Statement No. 4.

The accumulated vacation time is accrued as to specific stipulations set forth by either legal statute from the Ohio Revised Code minimums of sections 9.44, 124.18, and 325.19 or specific provisions of collective bargaining agreements for certain departments. The same is true for accrued sick leave time as to the amount to be recognized. Historical data indicates that for various funds and departments, a threshold of either five or nine years dictates on average whether certain employees will attain the employment level of ten years for a sick leave termination payout.

Self Insurance

The County is self-insured for employee health care benefits. The program is administered by Medical Mutual of Ohio, which provides claims review and processing services. Each County department is charged for its proportionate share of covered employees for the premium; however, claims are charged to the actual department. The County has recorded a liability for incurred but not paid and for incurred but unreported claims at year end based on an actuarial estimate by Medical Mutual of Ohio.

Accrued Liabilities and Long-term Obligation

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally due for payment during the current year. Bonds, long-term notes and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Fund Balance Reserves

The County reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation in future periods.

Net Assets

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

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water distribution, wastewater treatment, vehicle maintenance, and self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses which do not meet this criteria are considered non-operating and reported as such.

Contributions of Capital

Contributions of capital in proprietary fund financial statements are not subject to repayment and represent non-monetary assets contributed to proprietary funds by residential and commercial developers, federal, state, and local grants restricted for capital acquisitions, general fixed assets, and those capital improvements financed by special assessments

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

Unamortized Bond Charges

On the fund financials for governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized as expenditures in the period incurred. For proprietary fund types and for governmental fund types on the government-wide statements, bond discounts and issuance costs are capitalized and amortized over the life of the bond using the straight-line method. Unamortized bond charges are shown on the statement of net assets as a contra-liability account.

Capitalization of Interest

The County's policy is to capitalize net interest costs on funds borrowed to finance proprietary fund construction projects until the project is substantially completed. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project and the interest earned from temporary investments of the debt proceeds.

Interfund Activity

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

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

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, except agency funds and the Revolving Loan Fund, are required to be budgeted and appropriated. Budgets are adopted for each organizational unit by major expenditure/expense category.

Tax Budget

A budget of estimated revenue and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The County Budget Commission reserves the right to waive the requirement of the County Commissioners to adopt the annual tax budget under Ohio Revised Code Section 5705.281.

Estimated Resources

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the County must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate may be further amended during the year if the County Auditor determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the amended certificate when the original certificate was issued and any amendments through March 31. The amounts reported as the final budget amounts in the budgetary statements reflect the amounts in the final amended certificate issued during 2002.

Appropriations

For budgeted funds, the Board of County Commissioners must, at a minimum, adopt a temporary appropriations budget on or around January 1st of a given year, and must adopt a permanent appropriations budget by April 1st. Each County department, in conjunction with the Office of Management and Budget, prepares a budget, which is approved by the Board of County Commissioners.

The Office of Management and Budget processes modifications, throughout the year, to the original budget. The Board of County Commissioners must approve all modifications involving revisions between expenditure/expense categories or to total appropriated amounts through legal resolution. Each final budget includes all modifications that were made throughout the year, including any supplemental appropriations. During the year, supplementary appropriations were necessary. The County maintains budgetary control within an organizational unit and fund by not permitting expenditures/expenses and encumbrances to exceed appropriations at the object level. A separate budgetary report has been issued to reflect compliance at this legal level of control. Unencumbered and unexpended appropriations lapse at year-end. Prior year encumbrances and corresponding prior year appropriations are carried forward as part of the budgetary authority for next year and are included in the final budget amounts

MAHONING COUNTY, OHIO

NOTE B – Summary of Significant Accounting Policies (Cont'd.)

shown in the budgetary statements.

The budgetary process does not include MASCO, Inc., the Youngstown/Mahoning County Convention and Visitor’s Bureau (component units) and the Revolving Loan Fund (a special revenue fund). Therefore, comparisons with annually appropriated funds are not available for presentation.

Encumbrances

As part of the formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are encumbered and 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 encumbrances plus expenditures from exceeding appropriations at the legal level of control.

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. Encumbered appropriations are carried forward to the succeeding fiscal year and not re-appropriated.

NOTE C - Reconciliation-GAAP Basis to Budget Basis

Accounting principles used to develop data on a budgetary basis differ from those used to prepare financial statements in conformity with GAAP. The major differences are: (1) revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP), (2) expenditures are recorded when paid in cash (budget) as opposed to when susceptible to accrual (GAAP), and (3) outstanding year-end encumbrances are treated as expenditures (budget) as opposed to reservations of fund balances (GAAP).

The following schedule summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and for the major special revenue funds.

Net Change in Fund Balance General and Major Special Revenue Funds				
Adjustment Description	General	Department of Human Services	Children Services Board	Board of Mental Retardation
Non-GAAP Budgetary Basis	\$ (4,391,904)	\$ (2,003,720)	\$ 797,336	\$ 1,397,006
Adjustment for Encumbrances	2,963,409	928,228	211,662	887,091
Net Adjustment for Revenue Accruals	(536,121)	458,096	180,233	814,158
Net Adjustment for Expenditure Accruals	704,599	319,175	(39,158)	(462,332)
Proceeds from Notes				390,000
GAAP Basis	<u>\$ (1,260,017)</u>	<u>\$ (298,221)</u>	<u>\$ 1,150,073</u>	<u>\$ 3,025,923</u>

MAHONING COUNTY, OHIO

NOTE D - Interfund Receivables / Payables

Interfund balances at December 31, 2002, consisted of the following amounts and represent charges for services, mandated funding or reimbursable expenses except for \$14,729 due from the general fund to other governmental funds which was for a deficit balance in the Lead Base Paint Abatement Grant at year end.

Due from	Due to					Totals
	General Fund	Department of Human Services	Children Services Board	Other Governmental	Internal Service	
General Fund				\$ 923,800	\$ 215,837	\$ 1,139,637
Department of Human Services	\$ 292,095		\$ 24,857		206,560	523,512
Children Services Board	64,037				99,532	163,569
Board of Mental Retardation					31,700	31,700
Other Governmental	255,347	\$ 1,066,975		204,563	419,329	1,946,214
Wastewater	230,759				77,168	307,927
Water				34,434		34,434
Internal Service	237,654	83,808	62,956	208,970		593,388
Totals	<u>\$ 1,079,892</u>	<u>\$ 1,150,783</u>	<u>\$ 87,813</u>	<u>\$ 1,371,767</u>	<u>\$ 1,050,126</u>	<u>\$ 4,740,381</u>

There were no amounts due to or due from discretely presented component units at the end of the year.

NOTE E – Changes in Accounting Principles and Restatement of Fund Balance

For 2002, the County has implemented GASB Interpretation No. 6 “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements”, GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, GASB Statement No. 37 “Basic Financial Statements-Management’s Discussion and Analysis- for State and Local Governments: Omnibus”, GASB Statement No. 38 “Certain Financial Statement Note Disclosures”. Statement 37 amends, modifies and clarifies certain provisions of GASB Statement 34. Statement 38 modifies, establishes and rescinds certain financial statement disclosure requirements.

GASB 34 creates new basic financial statements for reporting the County’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. The government-wide financial statements split the County’s programs between business-type and government activities. The beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 2001, caused by the elimination of the internal service fund and the conversion to the accrual basis of accounting. The County has adopted these statements effective January 1, 2002. The effect of the change on the December 31, 2001 fund balances/net assets and retained earnings/net assets are as follows:

MAHONING COUNTY, OHIO

NOTE F – Capital Assets

Capital asset activity for the year ended December 31, 2002 was as follows:

Primary Government

	<u>Balance 01/01/02</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/02</u>
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,988,758	\$ 314,818		\$ 4,303,576
Construction in progress	3,399,834	566,993	\$ (2,160,957)	1,805,870
<i>Total capital assets not being depreciated</i>	<u>7,388,592</u>	<u>881,811</u>	<u>(2,160,957)</u>	<u>6,109,446</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	56,506,648	2,042,509	(110,190)	58,438,967
Furniture, fixtures and equipment	18,493,743	6,269,863	(747,657)	24,015,949
Infrastructure	56,054,863	3,303,406		59,358,269
<i>Total capital assets being depreciated</i>	<u>131,055,254</u>	<u>11,615,778</u>	<u>(857,847)</u>	<u>141,813,185</u>
<i>Less accumulated depreciation for:</i>				
Buildings, structures and improvements	(12,109,633)	(1,534,609)	56,130	(13,588,112)
Furniture, fixtures and equipment	(11,908,431)	(2,490,872)	712,433	(13,686,870)
Infrastructure	(10,217,575)	(1,496,259)		(11,713,834)
<i>Total accumulated depreciation</i>	<u>(34,235,639)</u>	<u>(5,521,740)</u>	<u>768,563</u>	<u>(38,988,816)</u>
<i>Total capital assets being depreciated, net</i>	<u>96,819,615</u>	<u>6,094,038</u>	<u>(89,284)</u>	<u>102,824,369</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 104,208,207</u>	<u>\$ 6,975,849</u>	<u>\$ (2,250,241)</u>	<u>\$ 108,933,815</u>
Business-Type Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 264,140			\$ 264,140
Construction in progress	4,322,416	\$ 341,829	\$ (4,322,417)	341,828
<i>Total capital assets not being depreciated</i>	<u>4,586,556</u>	<u>341,829</u>	<u>(4,322,417)</u>	<u>605,968</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	959,279			959,279
Utility plant in service	119,320,175	8,635,648		127,955,823
Furniture, fixtures and equipment	2,142,507	237,563	(346,748)	2,033,322
<i>Total capital assets being depreciated</i>	<u>122,421,961</u>	<u>8,873,211</u>	<u>(346,748)</u>	<u>130,948,424</u>
<i>Less accumulated depreciation for:</i>				
Buildings and improvements	(287,372)	(24,521)		(311,893)
Utility plant in service	(62,304,165)	(2,600,657)		(64,904,822)
Furniture, fixtures and equipment	(1,702,741)	(139,553)	346,748	(1,495,546)
<i>Total accumulated depreciation</i>	<u>(64,294,278)</u>	<u>(2,764,731)</u>	<u>346,748</u>	<u>(66,712,261)</u>
<i>Total capital assets being depreciated, net</i>	<u>58,127,683</u>	<u>6,108,480</u>		<u>64,236,163</u>
<i>Business-Type activities capital assets, net</i>	<u>\$ 62,714,239</u>	<u>\$ 6,450,309</u>	<u>\$ (4,322,417)</u>	<u>\$ 64,842,131</u>

MAHONING COUNTY, OHIO

NOTE F – Capital Assets (Cont’d.)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,639,058
Judicial	161,852
Public safety	1,324,935
Public works	1,944,750
Health	426,688
Human services	92,350
Other	<u>2,998</u>
Total depreciation expense -governmental activities	<u>\$ 5,592,631</u>
Business-type activities:	
Wastewater	\$ 2,681,875
Water	<u>82,856</u>
Total depreciation expense -business-type activities	<u>\$ 2,764,731</u>

NOTE G - Cash, Deposits and Investments

Primary Government:

Monies held in the County Treasury are pooled for the purpose of investment management. Earnings on the pooled investments are distributed as prescribed by the Ohio Revised Code to those funds eligible to receive investment income. The County Treasurer maintains a cash and investment pool that is available for use by all funds. The County invests in those instruments identified in section 135.35 of the Ohio Revised Code. Specifically, authorized investment instruments consist of (1) United States Treasury bills, notes, bonds, or any other obligation guaranteed as to principal and interest by the United States; (2) Bonds, notes, or other obligations or securities issued by any federal government agency or instrumentality; (3) Repurchase agreements under the terms of which agreement the County purchases and the seller agrees unconditionally to repurchase any of the securities listed in (1) or (2); (4) Bonds and other obligations of Ohio or of political subdivisions of Ohio, only if the political subdivision is located wholly or partly within Mahoning County; (5) the Ohio Subdivision’s Fund (STAR Ohio); (6) Securities lending agreements with an institution eligible to become a public depository under ORC section 135.12 that is a member of the Federal Reserve System or Federal Home Loan Bank. The terms of the securities lending agreement must provide that the investing authority lends securities and the eligible institution agrees to simultaneously exchange either United States securities or federal agency or instrumentality securities or cash, or both securities and cash, equal value for equal value; (7) Commercial paper issued by an entity that has assets exceeding \$500 million and is a for profit corporation existing under the laws of the United States or a state, if all of the following conditions are met: a) two nationally recognized rating agencies rank the commercial paper in either of their two highest categories; and b) the total amount invested in commercial paper must not exceed 10% of the aggregate value of the outstanding commercial paper of the issuing corporation; and c) the maturity date of the notes can not exceed 180 days from the purchase date and (8) Banker’s acceptances issued by banks that are insured by the Federal Deposit Insurance Corporation (FDIC), if the following conditions are met: a) the acceptances mature in 180 or fewer days from the date of settlement; and b) the acceptances are eligible for purchase by the Federal Reserve System.

Funds invested by fiscal agents are determined by trust agreements and bond indentures. Like the cash invested by the County Treasurer, eligible investments include U.S. government obligations.

Amounts available for deposit or investment are as follows:

Deposits:	
Pooled	\$ 10,786,230
Segregated	4,185,810
Cash and cash equivalents with fiscal agent	1,158,784
Reconciling items to arrive at bank balance	<u>706,788</u>
	16,837,612
Investments:	<u>83,210,981</u>
Total available for deposit and investment: (Bank balance of deposits/carrying amount of investments)	<u>\$100,048,593</u>

MAHONING COUNTY, OHIO

NOTE G - Cash, Deposits and Investments (Cont'd.)

Any public depository at the time it receives a County deposit or investment is required to pledge to the investing authority, as collateral, eligible securities of aggregate market value that, when added to the portion of the insured deposit by the Federal Deposit Insurance Corporation or the Savings Association Insurance Fund equals or exceeds the amount of County funds deposited. A public depository may, at its option, pledge a single pool of eligible securities to secure the repayment of all public monies held by the depository. The pool of securities so pledged must have a current market value at least equal to 105% of all public monies on deposit with the depository including the amount covered by federal insurance.

The Governmental Accounting Standards Board (GASB Statement No. 3) has established credit risk categories for deposits and investments as follows:

- Category 1 Investments that are insured or registered or securities held by the County or its agent in the County's name.
Deposits that are insured or collateralized with securities held by the County or its agent in the County's name.
- Category 2 Investments that are uninsured and unregistered with securities held by the counterparty's trust department or agent in the County's name.
Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.
- Category 3 Investments that are uninsured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the County's name.
Deposits that are uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the County's name.

Based on the above criteria, the County's deposits and investments at December 31, 2002 are classified as follows:

	Category			Bank Balance	Carrying Amount	Market Value
	1	2	3			
Deposits:						
Federally Insured	\$ 1,846,221			\$ 1,846,221		
Demand Deposits			\$ 14,991,391	14,991,391		
Total Deposits	\$ 1,846,221		\$ 14,991,391	\$ 16,837,612		
Investments:						
Money Market Funds	\$ 295,000		\$ 3,383,392		\$ 3,678,392	\$ 3,678,392
Commercial Paper						
U.S. Government Securities	51,732,373				51,732,373	51,732,373
Repurchase Agreements (1)			15,525,710		15,525,710	15,525,710
Investment in Mahoning						
County Notes	12,130,000				12,130,000	12,130,000
Investment in Beloit						
Township Bonds	144,506				144,506	144,506
Total Investments	\$ 64,301,879		\$ 18,909,102		\$ 83,210,981	\$ 83,210,981

(1) All of the County's repurchase agreements are overnight investments.

The following fund made disbursements from the "equity in pooled cash and investments" account in excess of its individual equity. This amount is reported as "due to/from other funds". The following is the fund with a deficit cash balance:

<u>Fund</u>	<u>Cash Deficit</u>
Special Revenue:	
Federal Grants – Lead Base Paint Abatement Grant	\$ 14,729

Discretely Presented Component Units:

At year-end, the carrying amount of Mahoning Adult Services Company, Inc. (MASCO, Inc.) deposits was \$314,579 and the bank balance was \$337,890. MASCO, Inc.'s fair value of investments was \$36,018 at year-end. MASCO, Inc.'s cash is held in accounts whose balances are all federally insured. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation.

At year-end, the carrying amount of the Youngstown/Mahoning County Convention and Visitor's Bureau's deposits was \$468,603 and the bank balance was \$443,429. The Bureau's fair value of investments was \$229,882 at year-end. The Bureau's cash is held in accounts whose balances exceed the amount of related federal insurance. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation.

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations

Following is a summary of bond and other long-term obligations of the County as of December 31, 2002. The long-term obligations consist of general obligation bonds which will be repaid by unvoted general property tax levies, voted general tax levies, enterprise fund revenues, or county engineer fund revenues. General obligation bonds are direct obligations of the County for which its full faith and credit are pledged. Special assessment bonds with governmental commitment are to be repaid by collections of assessments against affected property owners. The County would be obligated to pay the bonds from general operating revenues should the assessments not be collected. Wastewater revenues will repay Ohio Public Works Commission and Ohio Water Developmental Authority loans. Revenue bonds will also be repaid from wastewater revenues.

Description/Purpose		Maturity	Outstanding	Additions	Reductions	Outstanding	Amounts
Issuance	Interest Rate	Date	Jan. 1, 2002	in 2002	in 2002	Dec. 31, 2002	Due In One Year
Governmental Activities							
General Obligation Bonds - Voted:							
Bridges							
1991	4.30%-8.20%	2004	\$ 285,000		\$ (90,000)	\$ 195,000	\$ 95,000
Bridges							
2000	4.40%-4.50%	2004	2,200,000		(700,000)	1,500,000	735,000
Total General Obligation Bonds - Voted			\$ 2,485,000		\$ (790,000)	\$ 1,695,000	\$ 830,000
General Obligation Bonds - Unvoted:							
Siren							
1991	4.30%-8.20%	2006	\$ 118,897		\$ (20,466)	\$ 98,431	\$ 22,025
Courthouse Renovation							
1991	4.30%-8.20%	2006	1,475,880		(254,045)	1,221,835	273,401
Engineer/Roads							
1994	5.60%-5.70%	2004	625,000		(195,000)	430,000	210,000
Minimum Security Facility							
1994	5.60%-5.70%	2009	500,000		(50,000)	450,000	55,000
County Jail							
1994	5.60%-5.70%	2009	16,150,000		(1,470,000)	14,680,000	1,560,000
County Court Computer System							
2000	4.40%-4.80%	2005	689,607		(161,049)	528,558	168,315
Sheriff Inmate Management							
2000	4.40%-4.80%	2005	635,505		(148,415)	487,090	155,110
County Financial Accounting Software							
2000	4.40%-4.80%	2005	2,816,291		(657,711)	2,158,580	687,383
County GIS							
2000	4.40%-4.80%	2005	1,553,596		(362,824)	1,190,772	379,192
Various Purpose							
2000	4.40%-4.80%	2009	6,725,000		(725,000)	6,000,000	750,000
County Jail							
2000	4.40%-4.80%	2009	1,065,000		(115,000)	950,000	120,000
Canfield Fair Grandstand							
2000	4.40%-4.80%	2010	379,904		(35,366)	344,538	36,507
County Administration Building							
2000	4.40%-4.80%	2010	698,830		(65,057)	633,773	67,155
County Engineer Building							
2000	4.40%-4.80%	2010	586,267		(54,578)	531,689	56,338
Total General Obligation Bonds-Unvoted			\$ 34,019,777		\$ (4,314,511)	\$ 29,705,266	\$ 4,540,426
Long-term Notes:							
West Branch Reservoir							
1968	2.95%	2017	\$ 634,495		\$ (31,600)	\$ 602,895	\$ 32,532

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd)

Description/Purpose Issuance	Interest Rate	Maturity Date	Outstanding Jan. 1, 2002	Additions in 2002	Reductions in 2002	Outstanding Dec. 31, 2002	Amounts Due In One Year
Long-term Mortgage Notes:							
The mortgage notes payable to the Ohio Department of Mental Health and the Ohio Department of Mental Retardation and Developmental Disabilities (MRDD) will be forgiven on a prorata basis over the life of the mortgages provided that the County uses the facilities for mental health and mental retardation services.							
Mental Health Annex 1999	0.00%	2038	\$ 127,970			\$ 127,970	
MRDD Adult Rehab and Retirement Facility 2002	0.00%	2019		390,000	(13,250)	376,750	22,720
Total Long-term Mortgage Notes:			\$ 127,970	\$ 390,000	\$ (13,250)	\$ 504,720	\$ 22,720
Compensated Absences			\$ 6,543,303	\$ 4,992,986	\$ (4,829,062)	\$ 6,707,227	\$ 4,543,036
Claims & Judgements			\$ 1,494,116	\$ 2,052,505	\$ (579,458)	\$ 2,967,163	\$ 1,948,225
Total Governmental Activities Long-term Liabilities			\$ 45,304,661	\$ 7,435,491	\$ (10,557,881)	\$ 42,182,271	\$ 11,916,939
Business-type Activities							
Revenue Bonds Payable from Enterprise Fund Revenues:							
<i>Payable from wastewater revenues:</i>							
Sanitary Sewerage 2000	4.40%-5.38%	2018	\$ 9,205,000		\$ (365,000)	\$ 8,840,000	\$ 380,000
Total Revenue Bonds Payable From Enterprise Fund Revenues			\$ 9,205,000		\$ (365,000)	\$ 8,840,000	\$ 380,000
Self-Supporting General Obligation Bonds Payable from Enterprise Funds:							
<i>Market St. Improvement (#418)</i>							
1991	4.30%-8.20%	2006	\$ 343,240		\$ (59,082)	\$ 284,158	\$ 63,584
<i>Eastlake (#420)</i>							
1991	4.30%-8.20%	2006	84,450		(14,536)	69,914	15,645
Total Payable from Wastewater Revenues			427,690		(73,618)	354,072	79,229
<i>Water System Improvement</i>							
1989	6.10%-7.63%	2009	10,204		(928)	9,276	1,060
Total Payable from Water Revenues			10,204		(928)	9,276	1,060
Total Self-Supporting General Obligation Bonds Payable from Enterprise Funds			\$ 437,894		\$ (74,546)	\$ 363,348	\$ 80,289
Special Assessment Bonds with Governmental Commitment:							
An unvoted property tax levy (special assessment) secures special assessment bonds, which constitutes a lien on assessed properties. The bonds are also backed by the full faith and credit of the County as additional security. As prescribed by GASB Statement No. 6 paragraph 23, these bonds are recorded as special assessment debt with governmental commitment in the enterprise funds.							
<i>Payable from water/wastewater revenues:</i>							
Water System Improvement 1989	6.10%-7.63%	2009	\$ 374,797		\$ (34,072)	\$ 340,725	\$ 38,940
Eastlake (#420)* 1991	4.30%-8.20%	2006	748,746		(128,883)	619,863	138,702
Market Street Improvement (#418)* 1991	4.30%-8.20%	2006	278,787		(47,988)	230,799	51,644
Various Sewer (#429)* 1994	5.60%-5.70%	2014	475,000		(25,000)	450,000	25,000
Total Special Assessment Bonds			\$ 1,877,330		\$ (235,943)	\$ 1,641,387	\$ 254,286

*Assessments have not yet been levied for these bonds

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd)

Description/Purpose Issuance	Interest Rate	Maturity Date	Outstanding Jan. 1, 2002	Additions in 2002	Reductions in 2002	Outstanding Dec. 31, 2002	Amounts Due In One Year
Ohio Water Development Authority (O.W.D.A.) Loans Payable from Wastewater Revenues:							
Meander							
1977	5.50%	2017	\$ 4,009,092		\$ (178,895)	\$ 3,830,197	\$ 188,734
Campbell Wastewater Plant							
1988	7.65%	2012	3,814,467		(250,052)	3,564,415	269,182
Campbell Wastewater Plant							
1989	7.51%	2012	79,759		(5,259)	74,500	5,654
New Middletown							
1990	5.00%	2011	3,115,390		(281,801)	2,833,589	296,067
Craig Beach							
1990	5.00%	2011	3,534,089		(319,674)	3,214,415	335,857
Campbell Wastewater Plant							
1998	2.20%	2018	291,091		(14,810)	276,281	15,137
Campbell Wastewater Plant							
1998	2.20%	2018	55,513		(2,930)	52,583	2,994
Campbell Wastewater Plant							
2000	4.64%	2020	109,285		(3,839)	105,446	4,019
North Lima Sewer							
2001	0.73%	2020	3,078,427	210,811	(169,064)	3,120,174	162,819
<i>Special Assessment-Governmental Commitment:</i>							
Diehl Lake							
2002	3.64%	2022		607,525	(11,241)	596,284	21,459
Total Ohio Water Development Authority Loans Payable from Wastewater Revenues			\$ 18,087,113	\$ 818,336	\$ (1,237,565)	\$ 17,667,884	\$ 1,301,922
Ohio Public Works Commission (O.P.W.C.) Loans Payable from Wastewater Revenues:							
Kreider Interceptor							
1993	0.00%	2013	\$ 217,209		\$ (19,746)	\$ 197,463	\$ 19,746
Penny Lane							
1994	0.00%	2017	234,936		(15,157)	219,779	15,157
Woodside Lake							
1995	0.00%	2015	194,364		(14,397)	179,967	14,397
Sewer Rehab							
1995	0.00%	2016	619,500		(44,250)	575,250	44,250
Palotta Pump Station							
1995	0.00%	2016	49,167		(3,512)	45,655	3,512
Pump Station Stand By							
1995	0.00%	2016	91,843		(6,560)	85,283	6,560
Axe Factory							
1996	0.00%	2016	343,000		(24,500)	318,500	24,500
Sherwood Forest Rehab							
1997	0.00%	2017	366,067		(24,404)	341,663	24,404
Sherwood Forest Plant							
1998	0.00%	2018	231,160		(14,448)	216,712	14,448
Total Ohio Public Works Commission Loans Payable from Wastewater Revenues			\$ 2,347,246		\$ (166,974)	\$ 2,180,272	\$ 166,974
Other Business Type Activities: Compensated Absences							
			\$ 461,151	\$ 422,726	\$ (274,456)	\$ 609,421	\$ 412,578
Total Business-type Activities			\$ 32,415,734	\$ 1,241,062	\$ (2,354,486)	\$ 31,302,312	\$ 2,596,049

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd.)

The annual requirement to amortize long-term obligations outstanding as of December 31, 2002 are as follows:

Year Ending December 31	Governmental Activities General Obligation Bonds		Long-term Notes	
	Principal	Interest	Principal	Interest
2003	\$ 5,370,426	\$ 1,642,598	\$ 55,252	\$ 17,791
2004	5,656,340	1,371,114	56,212	16,831
2005	5,049,871	1,084,696	57,201	15,843
2006	3,748,629	824,155	58,218	14,825
2007	3,570,000	620,090	59,266	13,778
2008-2012	8,005,000	665,363	313,156	52,061
2013-2017			344,390	20,827
2018-2022			35,950	
2038			127,970	
	<u>\$ 31,400,266</u>	<u>\$ 6,208,016</u>	<u>\$ 1,107,615</u>	<u>\$ 151,956</u>

Year Ending December 31	Business-type Activities Bonds Revenue		General Obligation		Special Assessment	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	\$ 380,000	\$ 444,824	\$ 80,289	\$ 24,076	\$ 254,286	\$ 107,774
2004	395,000	427,724	86,030	18,766	277,630	90,817
2005	415,000	409,949	92,340	13,076	292,790	72,314
2006	435,000	391,066	100,185	6,969	316,187	52,811
2007	455,000	371,056	1,458	344	88,542	31,714
2008-2012	2,615,000	1,510,684	3,046	354	311,952	77,400
2013-2017	3,360,000	768,300			100,000	8,550
2018-2022	785,000	42,194				
	<u>\$ 8,840,000</u>	<u>\$ 4,365,797</u>	<u>\$ 363,348</u>	<u>\$ 63,585</u>	<u>\$ 1,641,387</u>	<u>\$ 441,380</u>

Year Ending December 31	Business-type Activities Loans OWDA		OPWC
	Principal	Interest	Principal
2003	\$ 1,301,922	\$ 839,507	\$ 166,974
2004	1,367,877	773,549	166,975
2005	1,437,686	703,739	166,975
2006	1,511,587	629,838	166,975
2007	1,589,833	551,592	166,975
2008-2012	7,094,898	1,482,674	834,876
2013-2017	2,607,174	302,700	510,522
2018-2022	756,907	25,093	
	<u>\$ 17,667,884</u>	<u>\$ 5,308,692</u>	<u>\$ 2,180,272</u>

MAHONING COUNTY, OHIO

NOTE H - Long-term Debt and Other Obligations (Cont'd.)

Legal Debt Margin:

The Ohio Revised Code provides debt margins (limitations) for general obligation debt. The direct debt margin represents the amount of voted and unvoted debt, which is available to be issued by the County. At December 31, 2002, the County had an unvoted debt margin of \$16.5 million and a direct debt margin of \$69.5 million.

Operating Leases:

At December 31, 2002, the County had several operating leases for office and storage space expiring through 2011. Current operating leases provide for set annual payments with options to renegotiate the terms of the agreement at the end of the lease period. The operating lease arrangements range in length from one month to ten years, and do not contain purchase options, escalation clauses, or other restrictions. Total operating lease payments during the year ended 2002 amounted to \$1,367,125. Operating lease payments are recorded in the period paid. The future minimum annual lease payments are as follows:

Year	Lease Payments
2003	\$ 698,676
2004	529,503
2005	408,304
2006	397,543
2007	317,700
2008 – 2011	977,100
Total minimum lease payments	<u>\$3,328,826</u>

Compensated Absences Payable:

Upon retirement, employees with at least 10 years of County service credit are compensated for unused sick leave based on varying percentages of the total number of hours accumulated. Of the total vested sick leave hours accumulated by County employees, approximately 260,078 comprise the year-end liability. Unused vacation cannot be accumulated for more than three years, according to Ohio law, and is payable at the employee's current wage rate. The year-end liability for vacation time consists of approximately 205,820 vacation hours. The remaining portion of compensated absences payable is made up of approximately 23,913 compensatory time hours and 19,775 personal hours.

The compensated absences liability will be paid from the fund from which the employees' salaries were paid. These funds include the general, special revenue, enterprise and internal service funds.

Claims and Judgements Payable:

The claims and judgements will be paid from the funds where the claims and judgements originated.

Revenue Bond Covenants:

The debt agreement for the 2000 Revenue Bond Issue includes various covenants including maintaining certain levels of net revenues to cover debt service payments.

Conduit Debt Obligations:

Periodically, the County has issued Industrial Development and Hospital Revenue Bonds. The proceeds were used to acquire, construct and equip industrial, commercial and health-care facilities deemed to be in the public interest. These bonds are secured by the property financed and are payable solely from payment received on the underlying mortgage loans. The bonds do not constitute a debt or pledge of the full faith and credit of the County, and therefore, are not reported in the financial statements. As of December 31, 2002, there were fifty-two series of Industrial Development and Hospital Revenue Bonds outstanding. The aggregate principal amount payable for the seventeen series issued after January 1, 1996, was \$260.0 million at December 31, 2002. The aggregate principal amount payable for the thirty-five series issued prior to January 1, 1996, could not be determined, however, their original issue amounts totaled \$105.8 million.

MAHONING COUNTY, OHIO

NOTE I - Pension Obligations and Other Post-employment Benefits

The County has implemented GASB Statement No. 27 in connection with the following pension plan disclosures. Post-employment benefit disclosures continue to conform to GASB Statement No. 12.

PERS:

All Mahoning County full-time employees, other than teachers, participate in the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple-employer defined benefit public employee retirement system created by the State of Ohio. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report, which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for 2002 was 8.50% for employees other than law enforcement. In January 2001, House Bill 416 divided the PERS law enforcement program into two separate divisions with separate employee contribution rates and benefits. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.10%. All other members of the PERS law enforcement program were placed in a newly named public safety division with a contribution rate of 9.00%. The employer contribution rate was 13.55% of covered payroll; 8.55% was the portion used to fund pension obligations for 2002. The law enforcement employer rate was 16.70% of covered payroll and 11.70% was the portion used to fund pension obligations for 2002. The County's required contributions for pension obligations to PERS for the years ended December 31, 2002, 2001, and 2000 were \$5,729,406, \$5,903,050 and \$4,150,038 respectively. As of December 31, 2002, 72.48% has been contributed for 2002 and 100% for 2001 and 2000. The unpaid contribution for 2002 was \$2,454,777.

Other Postemployment Benefits:

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirants with 10 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). A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to PERS. For 2002, the employer rate for PERS was 13.55% of covered payroll; 5.00% was the portion that was used to fund health care for the year 2002. The law enforcement employer rate for 2002 was 16.70% and 5.00% was used to fund health care.

The portion of the County's 2002 employer contributions actually used to fund postemployment benefits was \$3,189,131.

Benefits are advance-funded using an entry age normal actuarial cost method of valuation to determine the present value of benefit liabilities and normal cost. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability. Investment assets are valued at cost or amortized cost and for actuarial valuation purposes, are subject to adjustment for non-temporary market declines or to reflect 25.00% of unrealized market appreciation or depreciation.

Significant assumptions from the last actuarial review, performed as of December 31, 2001 (latest information available), also include: a rate of return on investments of 8.00%; annual salary increases of 4.00% for inflation and between 0.50% and 6.30% for seniority and merit increases (assuming no change in the number of active employees); and annual health care premium increases of 4.00%.

The number of active contribution participants at December 31, 2001 was 402,041. The net assets available for OPEB at December 31, 2001 (the latest information available) were \$11.6 billion and the actuarial accrued liability, based on the cost method used, was \$16.4 billion, leaving an unfunded actuarial liability of \$4.8 billion.

In December 2001, the OPERS 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 wide 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.

MAHONING COUNTY, OHIO

NOTE I - Pension Obligations and Other Post-employment Benefits (Cont'd.)

STRS:

Certified teachers employed by the County's Board of Mental Retardation participate in the State Teachers Retirement System of Ohio (STRS), a cost sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Chapter 3307 of the Ohio Revised Code establishes benefits. STRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.30% of their annual covered salary and the County is required to contribute 14.00%; 9.50% was the portion used to fund pension obligations for the year 2002. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10.00% for members and 14.00% for employers. The County's required contributions for pension obligations to STRS for the years ended December 31, 2002, 2001, and 2000 were \$144,903, \$147,329 and \$110,353 respectively. As of December 31, 2002, 96.35% has been contributed for 2002 and 100% for 2001 and 2000. The unpaid contribution for 2002 of \$7,789 is recorded as a liability within the respective funds.

Other Postemployment Benefits:

The State Teachers Retirement System of Ohio provides postretirement health care coverage to retirees and their dependents. Coverage includes hospitalization, physician fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB). The plan is financed on a pay-as-you-go basis. A portion of each employer's contribution to STRS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to STRS, and how much, if any, of the health care costs will be absorbed by STRS. For 2002, the employer contribution rate for STRS was 14.00% of covered payroll; 4.50% was the portion that was used to fund health care for the year 2002.

The portion of the County's 2002 employer contributions actually used to fund STRS postemployment benefits was \$68,630.

The balance in the health care reserve was \$3.01 billion at June 30, 2002. During the most recent actuarial study, there were no changes in the actuarial assumptions, benefit provisions, or actuarial funding methods. For the fiscal year ended June 30, 2002, the net health care costs paid by STRS were \$438.2 million. There were 105,300 retirees and beneficiaries receiving benefits.

NOTE J - Deferred Compensation

Mahoning County employees and elected officials may participate in the Ohio Public Employees Deferred Compensation Program, 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 to employees until termination, retirement, and death or in the case of an unforeseeable emergency.

MAHONING COUNTY, OHIO

NOTE K - Bond Anticipation Notes

The full faith and credit of the County backs all notes. Generally, notes are issued in anticipation of long-term bond financing and will mature in one year. The County intends to refinance the notes until such bonds are issued. All notes were financed internally and are held by the issuing funds as investments. The note liability is recorded in the fund that received the proceeds. Notes outstanding at December 31, 2002 are as follows:

	Interest rate	Maturity date	Balance 01/01/02	Increase	Decrease	Balance 12/31/02
<i>Governmental Funds</i>						
County Engineer Capital Projects	1.50	02/27/03	\$	350,000		\$ 350,000
County Engineer Capital Projects	2.50	07/13/03	\$ 1,850,000	1,685,000	\$ 1,850,000	1,685,000
County Engineer Capital Projects	2.50	08/02/03	3,143,800	2,370,000	3,143,800	2,370,000
Buildings and Improvements Capital Projects	1.50	01/31/03		215,000		215,000
Buildings and Improvements Capital Projects	1.50	02/27/03		400,000		400,000
Buildings and Improvements Capital Projects	2.00	02/27/03	4,500,000	4,500,000	5,590,000	3,410,000
Computer Equipment and Software Capital	2.00	03/11/03		3,000,000		3,000,000
<i>Total Governmental Funds</i>			<u>9,493,800</u>	<u>12,520,000</u>	<u>10,583,800</u>	<u>11,430,000</u>
<i>Enterprise Fund</i>						
Water Enterprise Fund	2.50	05/15/03		700,000		700,000
<i>Total Bond Anticipation Notes</i>			<u>\$ 9,493,800</u>	<u>\$ 13,220,000</u>	<u>\$ 10,583,800</u>	<u>\$ 12,130,000</u>

NOTE L – Property Tax Revenues

Property taxes include amounts levied against real, public utility and tangible personal property. The assessed value by property classification, upon which the 2002 tax levy was based, follows:

Real property	\$3,206,304,830
Public utility real property	1,235,180
Tangible personal property	348,147,510
Public utility tangible personal property	187,241,590
Total	<u>\$3,742,929,110</u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 10 mills of assessed value without a vote of the people. Presently, the County levies 2.10 mills of the first 10 mills of assessed value. During 2002, in addition to the 2.10 mills, 9.60 mills were levied based upon mills voted for the Mental Health, Children Services, Mental Retardation School, Library, TB Clinic and Bond Indebted Levies.

A summary of voted millage follows:

Purpose	Voter Levy Year	Authorized Rate (a)	Rate Levied For Current Year		Final Levy Year
			R/A (b)	C/I (b)	
Mental Health	1976	0.85	0.35	0.50	2003
Mental Health	1976	0.50	0.20	0.29	2005
Children Services	1976	0.85	0.35	0.49	2004
Children Services	1995	1.00	0.77	0.85	2004
Children Services	1983	0.50	0.31	0.35	2002(c)
Mental Retardation School	1992	2.00	1.29	1.44	2006
Mental Retardation School	2001	3.00	3.00	3.00	2005
Library	1976	0.60	0.25	0.35	2005
TB Clinic	1976	0.10	0.04	0.06	2002(c)
Bond Indebted	1984	0.20	0.20	0.20	2003
Total		<u>9.60</u>	<u>6.76</u>	<u>7.53</u>	

(a) In mills per \$1,000 of assessed valuation.

(b) Ohio law provides for a tax credit to voted levies to offset increased values resulting from reappraisal of property. To attain this tax credit, reduction factors are applied to authorized levies so that each levy yields the same amount of property taxes as in the year in which the levy was approved. Increases to voted levy revenues are restricted to assessments from new construction. The reduction factors are computed and applied separately for residential/agricultural (R/A) property and commercial/industrial (C/I) property.

(c) Levy was renewed for tax year 2003 with a final levy year of 2007.

MAHONING COUNTY, OHIO

NOTE L – Property Tax Revenues (Cont’d)

Assessed values are established by the County Auditor at 35% of appraised market value. A revaluation of real property is required to be completed no less than every six years, with a statistical update every third year. The most recent revaluation was completed in 1999. A statistical update (triennial update) was completed in 2002. Public utility property taxes are assessed on tangible personal property, as well as land and land improvements at true value (which is generally net book value). Tangible personal property is assessed at 25% of true value, while inventories are assessed at 24% of average value (excluding the first \$10,000 of value). Tangible personal property taxes collected in a calendar year are levied in the same calendar year, on assessed values during and at the close of the most recent fiscal year of the taxpayer.

The real property collection calendar is as follows:

Assessed valuation date	January 1, 2001
Levy date	October 1, 2001
Lien date	January 1, 2002
Taxpayer payment dates	March 8, 2002 (first half taxes) August 9, 2002 (second half taxes)

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collection of the taxes and their remittance to the taxing districts are accounted for in various agency funds of the County. Property taxes receivable in the governmental funds represent current and delinquent property taxes outstanding, which were measurable as of December 31, 2002. On the modified accrual basis, the delinquent taxes outstanding and available to the County within the first 60 days of 2003 were recorded as 2002 revenue; the remaining taxes receivable are offset by a credit to deferred revenue. On the full accrual basis, all delinquent taxes outstanding and considered available to the County were recorded as 2002 revenue. December 31, 2002 receivables were recorded net of an allowance of \$647,299 for doubtful accounts.

NOTE M – Related Party Transactions

During 2002, Mahoning County provided facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of programs to MASCO, Inc., a discretely presented component unit of Mahoning County. MASCO, Inc. reported \$471,000 for such contributions, recording revenue and expenses at cost or fair value, as applicable, to the extent the contribution is related to the vocational purposes of MASCO, Inc. Additional habilitative services provided directly to MASCO, Inc.’s clients by Mahoning County amounted to \$4,567,000 during 2002.

NOTE N – Jointly Governed Organizations

Western Reserve Port Authority

The Western Reserve Port Authority is statutorily created as a separate and distinct political subdivision of the State. The eight Port Authority Board members are appointed equally by the Mahoning and Trumbull County Commissioners. The Port Authority adopts its own budget, authorizes expenditures, and hires and fires its own staff. The County contributed \$311,194 to the Western Reserve Port Authority in 2002.

Mahoning and Columbiana Training Association, Inc.

The Mahoning and Columbiana Training Association (MCTA) is a jointly governed organization between Mahoning and Columbiana County. MCTA’s purpose is to foster cooperation between the member counties through sharing of facilities, manpower, and grants under the Workforce Investment Act (WIA) for the purpose of providing job training for economically disadvantaged individuals and other individuals facing serious barriers to employment. The Executive Council of the MCTA is made up of three Commissioners from each of the two Counties. Revenues are generated from grants received pursuant to the WIA. Mahoning County contributed \$4,490,222 to the MCTA in 2002.

Mahoning County Family and Children First Council

The Mahoning County Family and Children First Council is a jointly governed organization, which was established to promote collaborative planning of health, education, and social services for children and families. Members of the Council from Mahoning County include the Alcohol & Drug Board, Juvenile Court, Children Services Board, Mental Health Board, Juvenile, Department of Human Services, Board of Health, Board of Mental Retardation and County Administrator. Other members are the United Way, Early Intervention Collaborative, Educational Service Center, Ohio Department of Youth Services, City of Youngstown, Youngstown City Schools, Youngstown State University, Help Hotline, United Methodist Community Center, OCCHA, Associated Neighborhood Centers, Head Start, and a parent representative. All members have an equal vote on the Council. The County does not maintain an ongoing financial interest in or an ongoing responsibility for the Council.

MAHONING COUNTY, OHIO

NOTE N – Jointly Governed Organizations (Cont'd)

EASTGATE Regional Council of Governments

The EASTGATE Regional Council of Governments is a jointly governed organization created under the provisions of Chapter 167 of the Ohio Revised Code. EASTGATE is organized as a voluntary organization of local government subdivisions in Ashtabula, Columbiana, Mahoning, and Trumbull counties. Each of the participating counties has equal representation and no financial responsibility. EASTGATE's purpose is to foster a cooperative effort in regional planning, programming, and the implementation of regional plans and programs. It is a forum for the discussion and study of common problems of a regional nature and for the development of policy and action recommendations relating thereto. Mahoning County paid membership dues totaling \$51,429 and administration fees totaling \$31,571 in 2002.

North East Ohio Network (N.E.O.N.)

The North East Ohio Network (N.E.O.N.) is a council of governments formed to provide a regional effort in administering, managing and operating programs for certain individuals with developmental disabilities. Participating counties include Trumbull, Columbiana, Geauga, Lake, Mahoning, Medina, Portage and Stark counties. N.E.O.N.'s operation is controlled by their board, which is comprised of the superintendent's of Mental Retardation and Development Disabilities of each participating county. N.E.O.N. adopts its own budget, authorized expenditures and hires and fires its own staff. During 2002, Mahoning County paid N.E.O.N. \$2,461,000. The majority of these payments were for the afore-mentioned services.

NOTE O - Fund Balance Deficits

At December 31, 2002, the following funds had deficits:

<u>Fund</u>	<u>Deficit</u>
<i>Special Revenue:</i>	
Federal Grants	\$1,552,813
State Grants	38,577
<i>Capital Projects:</i>	
County Engineer	2,571,311
Computer Equipment & Software	2,911,705
Building & Improvements	376,778

The deficit balance in each of the Special Revenue Funds is due to the recording of deferred revenues as liabilities to these funds. The deficit balance in each of the Capital Projects Funds is because bond anticipation notes are reflected as liabilities of these funds pursuant to statements issued by the Governmental Accounting Standards Board. The notes were issued in anticipation of long-term bond financing, and the County intends to refinance the notes until such bonds are issued.

NOTE P – Interfund Transactions

Transfers are used to 1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds, 4) to provide additional resources for current operations or debt service and 5) to return money to the fund from which it was originally provided once a grant/project is complete.

A summary of interfund transfers is as follows:

Transfer To	Transfer From					Total
	General	Children Services	Other Governmental	Wastewater	Water	
General			\$ 399,548			\$ 399,548
Department of Human Services	\$ 1,120,751					1,120,751
Board of Mental Retardation			56,526			56,526
Other Governmental	5,100,372		10,387,610	\$ 334,970		15,822,952
Wastewater			787,367	8,975,589		9,762,956
Water				14,000	\$ 171,500	185,500
Internal Service		\$ 500,000				500,000
Totals	<u>\$ 6,221,123</u>	<u>\$ 500,000</u>	<u>\$ 11,631,051</u>	<u>\$ 9,324,559</u>	<u>\$ 171,500</u>	<u>\$ 27,848,233</u>

MAHONING COUNTY, OHIO

NOTE Q - Risk Management

The County is exposed to various risks of loss related to torts and general liability; theft of, damage to, and destruction of assets; natural disasters; errors and omissions; and injuries to employees. The County maintains comprehensive auto, real property and contents, and public officials and employee liability insurance. There have been no significant reductions in insurance coverage since the prior year. Settled claims have not exceeded commercial coverage in any of the past five years.

Beginning with the year 2001, the County has maintained an Internal Service fund for its self-insured workers' compensation benefits administered through a retrospective rating plan with the State of Ohio. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees. The County uses a payroll-based rate to charge its various funds for workers' compensation benefits. These charges are contributed into the Self-Funded Workers' Compensation fund and are based on estimates needed to pay current claims and establish a reserve for claims incurred but not reported. Changes to the estimated claims payable recorded in the Self-Funded Workers' Compensation fund during the years ended December 31, 2001 and 2002 were:

	(Amounts in 000's)	
Estimated Claims Payable	2001	2002
Estimated claims payable beginning of year		\$ 400
Plus: Current year claims and changes in estimates	\$ 400	365
Less: Claim payments		(25)
Estimated claims payable end of year	\$ 400	\$ 740

The balance of claims payable at December 31, 2002 represents an estimate of the liability for unpaid claims cost provided by Workers' Compensation. The claims liability of \$740,396 reported in the fund at December 31, 2002 is based on the requirements of GASB statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. No claims were paid in 2001. A total of \$25,332 in claims was paid in 2002.

Effective April 1, 2002, the Board of Mahoning County Commissioners entered into a two-year agreement with Medical Mutual of Ohio for the institution of a self-funded health care plan. The program is administered by Medical Mutual of Ohio, which provides claims review and processing services. The County has maintained an Internal Service fund for the self-funded plan and charges each County department for claims based on the actual claim experience of the department's employees. The County records a liability for incurred but unreported claims at year end based upon an actuarial estimate provided by Medical Mutual of Ohio. The estimated claims payable recorded in the Self-Funded Health Care fund at December 31, 2002 was \$1,948,225. Claims paid in 2002 since the inception of the plan at April 2002 totaled \$6,029,964.

In addition to insurance with private carriers, in 1986, the County established a self-insurance fund to provide coverage for claims arising against the Children Services Board members, employees, volunteers and foster parents from the performance of their duties. During 2002, no claims were incurred or paid by the self-insurance fund.

The County analyzes all outstanding and potential claims, which have arisen or could arise due to the occurrence of a loss contingency on or before December 31, 2002. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities for claims and judgements of governmental funds are recorded as fund liabilities if it is anticipated that they will be paid from expendable available financial resources or as a long-term liability in the Government Wide Statement of Net Assets if payment is not expected to be liquidated with expendable available financial resources. Claims of proprietary funds are recorded as liabilities of the respective funds.

Changes in claims liabilities during 2001 and 2002 were as follows:

	Year Ended Dec. 31, 2001	Year Ended Dec. 31, 2002
Unpaid claims January 1	\$ 1,602,590	\$ 1,494,116
Incurred claims	364,027	104,280
Claim payments	(472,501)	(579,458)
Unpaid claims at December 31	\$ 1,494,116	\$ 1,018,938

MAHONING COUNTY, OHIO

NOTE R - Contingencies and Commitments

Contingencies Under Grant Programs

The County participates in other federal and state assisted grants and programs that are subject to financial compliance audits by the grantor agencies or their representatives. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The County believes that disallowed claims, if any, will not have a material adverse affect on the County's financial position.

Auditors of the Ohio Department of Job and Family Services have examined grants administered by the Mahoning County Department of Human Services (DHS) and the Child Support Enforcement Agency (CSEA) for calendar year 2000. The preliminary findings originally reported in the amount of \$700,000 were resolved and there were no material findings in the final report that was issued.

Litigation

At December 31, 2002, there were lawsuits pending against the County. The County Prosecutor has used his best judgement as legal counsel for the County to estimate the possible liability that the County could incur. No material liability in excess of amounts already accrued is expected to arise from current pending lawsuits.

In January 2003, the Juvenile Court & Probate Judges filed an original action mandamus forcing the County Commissioners to fund their full 2003 budget requests. The County Commissioners budgeted \$4.6 million and \$.75 million respectively, however the actual budget requests submitted by the judges were \$6.9 million and \$.9 million respectively. If the mandamus actions are successful, they would result in net additions of \$2.3 million and \$.15 million to the judges' general fund budgets.

Contractual Commitments

The County had several outstanding contractual agreements as of December 31, 2002. The projects, which include construction and other commitments, are evidenced by contractual obligations with contractors and include the following:

Projects	Spent To Date	Remaining Commitment
Reported in Governmental Funds:		
Roads	\$ 996,287	\$ 389,416
County Buildings	686,253	680,920
Walton Ave. Bridge		310,619
Total Governmental Funds:	1,682,540	1,380,955
 Reported in Proprietary Funds:		
Sanitary Engineers Replacement	78,261	66,065
Total All Funds:	\$ 1,760,801	\$ 1,447,020

The sources of funding for the above obligations vary. The County Engineer's road projects are funded by the proceeds of general obligation debt and funding from the State. County Buildings are funded by general obligation debt. The Walton Bridge obtains funding from Federal and State Grants as well as general obligation debt. The Sanitary Engineer replacement projects are funded by operating revenues from the Wastewater Fund and by the State, in the form of grants or loans.

Subsequent to December 31, 2002, the County entered into certain construction contracts and other commitments totaling \$56.8 million.

NOTE S – Subsequent Events

Bond Anticipation Notes

February through May 2003, the County renewed \$6.9 million in existing internally financed bond anticipation notes. In addition, during this same time period, the County issued \$6.0 million in new bond anticipation notes for various capital projects, the most significant being \$4.3 million which were issued to pay for sewer and water enterprise fund capital projects.

MAHONING COUNTY, OHIO

Combining Financial Statements and Individual Fund Schedules

MAHONING COUNTY, OHIO

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues and expenditures requiring separate accounting because of legal or regulatory provisions or administrative action.

Real Estate Assessment Fund - To account for state mandated County-wide real estate appraisals that are funded by charges to the County's political subdivisions which are deducted from their tax settlements semi-annually.

Motor Vehicle Gas Tax -To account for revenues derived from motor vehicle license and gasoline taxes. Expenditures in this special revenue fund are restricted by state law to County road and bridges repair/improvement programs within the County.

Revolving Loans - To account for initial loans made by the County to local businesses and the subsequent repayment of these loans. This fund is not budgeted annually.

Board of Mental Health - To account for a County-wide property tax levy along with federal and state revenues used for various mental health programs.

Child Support Enforcement Agency - To account for the administration of the collection and distribution of child support payments. It derives its revenue from poundage fees, federal and state revenues, and General Fund monies.

Federal Grants - To account for federal grant programs administered by the various County offices. (2 funds)

State Grants - To account for state grant programs administered by the various County offices.

MAHONING COUNTY, OHIO

Other Nonmajor Special Revenue Funds – Smaller special revenue funds operated by the County. The sources of revenue are fees, fines, licenses and other miscellaneous sources. These funds are as follows:

County Engineer - U.S.T.	County Court Mediation
Dog and Kennel	Probate Computerization Fees
Building Regulations Department	Probate Computerization Legal Research Fees
Delinquent Tax & Assessment Collection	Common Pleas Court Mediation
Solid Waste Management	Domestic Relations Special Projects
Board of Mental Retardation - U.S.T.	Community Development Projects
Alcohol & Drug Addiction Board	County Roadway Improvements
Indigent Guardianship	County Programs & Agencies
Probate Business	County Economic Development Projects
Drug Law Enforcement - Prosecutor	Common Pleas Drug Court
Indigent Drivers Alcohol Treatment	Tax Certificate Administration
Clerk of Common Pleas Computerization Fees	Enterprise GIS
Common Pleas Computerization - Legal Research Fees	County Court Drug Court
911 Operations	Combined State and Federal Grants
Certificate Of Title Administration	JJC - Drug Court
Recorder Equipment	JJC - Security
Tax Incentive Review	JJC - Special Projects
County Probation Services	Children's Trust
County Felony Delinquent Care & Custody	Unclaimed Funds Mfgd Homes
County Courts Computerization Fees	MRDD Board Student Activity
County Courts Computerization - Legal Research Fees	Unclaimed Funds General
Juvenile Court Computerization Fees	Unclaimed Funds Real Estate
Juvenile Court Computerization - Legal Research Fees	Unclaimed Funds CSEA

Debt Service Funds

These funds account for the accumulation of financial resources for, and payment of, principal, interest and related costs of general long-term debt. The Debt Service Fund reflects the activity of the Improvement Bonds and Other Long-term Debt and Bridge Levy Funds in the basic financial statements in accordance with GAAP. The activity of the Notes, Special Assessment, Bond Refunding and Refunding Bridge Bonds Funds are shown in the budgetary format only. Their activity is reclassified on a GAAP basis to the appropriate funds as explained below.

Notes - To account for the accumulation of financial resources for, and the payment of, general short-term debt principal, interest and related costs. To demonstrate compliance with Ohio law, this fund is used for budgetary purposes; however, on a GAAP basis the activity of this fund is reclassified to the funds that received the note proceeds.

Improvement Bonds and other Long-term Debt - To account for the accumulation of financial resources for, and the payment of, principal, interest and related costs on various improvement bonds and other long-term debt.

Bond Refunding - To account for the proceeds and disbursements of monies associated with the refunding of improvement bonds. This fund is used for budgetary purposes only. On a GAAP basis the activity of this fund is reflected in the Improvement Bonds and Other Long-term Debt Fund.

Bridge Levy - To account for tax levy money collected and expended for the payment of principal, interest and related costs on general obligation bonds.

Refunding Bridge Bonds - To account for the proceeds and disbursements of monies associated with the refunding of the bridge bonds. This fund is used for budgetary purposes only. On a GAAP basis the activity of this fund is reflected in the Bridge Levy Fund.

Special Assessment - To account for the accumulation of special assessment charges collected on the tax duplicate, and the payment of, bond principal, interest and related costs for a water assessment bond issue. In order to demonstrate compliance with Ohio law, this fund is used for budgetary purposes; however, on a GAAP basis the activity of this fund is reflected in the Water Enterprise Fund.

Capital Projects Funds

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

County Engineer Capital Projects – to account for the financing and construction, renovation and improvements of County roads and bridges. The activity of the following capital project funds are reported as the County Engineer Capital Project Fund:

- Bridges
- County Engineer
- Walton Ave. Bridge

Computer Equipment and Software – to account for the financing and expenditures associated with acquiring and installing various computer equipment and software systems. The activity of the following capital project funds are reported as the Computer Equipment and Software Capital Project Fund:

- Computer System (Courts)
- GIS Information System
- Data Processing Board
- Electronic Voting Equipment

Buildings and Improvements – to account for financing and expenditures associated with renovation and construction of various County facilities. The activity of the following capital project funds are reported as the Buildings and Improvements Capital Project Fund:

- Courthouse
- Mahoning County Justice Center
- Solid Waste Lab
- Mahoning County Citizens Center
- County Administration Building
- Board of Mental Retardation
- Southside Annex
- Hazmat Building
- Roofing Project
- Board of Mental Health

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MAHONING COUNTY, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds**

December 31, 2002

	<i>Nonmajor Special Revenue Funds</i>					
	<i>Real Estate Assessment</i>	<i>Motor Vehicle Gas Tax</i>	<i>Revolving Loans</i>	<i>Board of Mental Health</i>	<i>Child Support Enforcement Agency</i>	<i>Federal Grants</i>
Assets						
Equity in pooled cash and investments at fair value	\$ 2,789,220	\$ 390,347		\$ 3,396,025	\$ 467,467	\$ 398,689
Cash and cash equivalents with fiscal agent			\$ 328,688			
Investments		1,685,000				
Net receivables:						
Taxes				4,801,671		
Loans			496,794			
Accrued interest		19,660				
Other						
Due from external parties		65,271			117,000	
Due from other funds	10,631	101,704	34,434	204,563	429,580	
Due from other governments		5,143,207		456,983	531,169	2,689,902
Special assessments receivable - noncurrent						
Total Assets	<u>\$ 2,799,851</u>	<u>\$ 7,405,189</u>	<u>\$ 859,916</u>	<u>\$ 8,859,242</u>	<u>\$ 1,545,216</u>	<u>\$ 3,088,591</u>
Liabilities and Fund Balances:						
Liabilities						
Accounts payable		\$ 200,907		\$ 103,009		\$ 2,267,700
Accrued wages and benefits	\$ 37,102	257,411		16,797	\$ 192,103	\$ 40,603
Retainage payable						
Due to other funds	34,545	130,261			1,353,113	271,194
Due to other governments						
Deferred revenue		4,051,723		5,119,798		2,061,907
Bond anticipation notes						
Accrued interest on notes and bonds						
Total Liabilities	<u>71,647</u>	<u>4,640,302</u>		<u>5,239,604</u>	<u>1,545,216</u>	<u>4,641,404</u>
Fund Balances (Deficits):						
Reserved for:						
Encumbrances	201,000	646,521		415,508	195,181	82,814
Loans			\$ 496,794			
Unreserved/undesignated	2,527,204	2,118,366	363,122	3,204,130	(195,181)	(1,635,627)
Total Fund Balances (Deficits)	<u>2,728,204</u>	<u>2,764,887</u>	<u>859,916</u>	<u>3,619,638</u>	<u>(195,181)</u>	<u>(1,552,813)</u>
Total Liabilities and Fund Balances	<u>\$ 2,799,851</u>	<u>\$ 7,405,189</u>	<u>\$ 859,916</u>	<u>\$ 8,859,242</u>	<u>\$ 1,545,216</u>	<u>\$ 3,088,591</u>

The notes to the financial statements are an integral part of this statement.

(Cont'd)

MAHONING COUNTY, OHIO

		<i>Nonmajor Debt Service Funds</i>		<i>Nonmajor Capital Project Funds</i>			<i>Total Nonmajor</i>
<i>State Grants</i>	<i>Other Special Revenue Funds</i>	<i>Improvement Bonds and Other Long-term Debt</i>	<i>Bridge Levy</i>	<i>County Engineer</i>	<i>Computer Equipment and Software</i>	<i>Buildings and Improvements</i>	<i>Governmental Funds</i>
\$ 767,220	\$ 12,691,591	\$ 61,412	\$ 49,396	\$ 2,028,904	\$ 136,645	\$ 4,002,466	\$ 27,179,382
		1,491	493				330,672
		3,025,000	300,000				5,010,000
		4,090,451	711,220				9,603,342
		147,080					496,794
	321,258						166,740
	153,779						321,258
	590,855						336,050
38,578		389,295	67,688	90,110		67,914	1,371,767
	425,290	16,640					9,474,846
<u>\$ 805,798</u>	<u>\$ 14,182,773</u>	<u>\$ 7,731,369</u>	<u>\$ 1,128,797</u>	<u>\$ 2,119,014</u>	<u>\$ 136,645</u>	<u>\$ 4,070,380</u>	<u>\$ 54,732,781</u>
\$ 48,009	\$ 528,959			\$ 43,515		\$ 319,215	\$ 3,511,314
	149,926						693,942
	157,101			133,511		55,738	189,249
				70,984			1,946,214
796,366	435,189	\$ 4,378,098	\$ 758,341				70,984
				4,405,000	\$ 3,000,000	4,025,000	17,601,422
				37,315	48,350	47,205	11,430,000
<u>844,375</u>	<u>1,271,175</u>	<u>4,378,098</u>	<u>758,341</u>	<u>4,690,325</u>	<u>3,048,350</u>	<u>4,447,158</u>	<u>132,870</u>
233,117	1,495,492	770	1,225	771,535	85,653	604,618	4,733,434
							496,794
<u>(271,694)</u>	<u>11,416,106</u>	<u>3,352,501</u>	<u>369,231</u>	<u>(3,342,846)</u>	<u>(2,997,358)</u>	<u>(981,396)</u>	<u>13,926,558</u>
<u>(38,577)</u>	<u>12,911,598</u>	<u>3,353,271</u>	<u>370,456</u>	<u>(2,571,311)</u>	<u>(2,911,705)</u>	<u>(376,778)</u>	<u>19,156,786</u>
<u>\$ 805,798</u>	<u>\$ 14,182,773</u>	<u>\$ 7,731,369</u>	<u>\$ 1,128,797</u>	<u>\$ 2,119,014</u>	<u>\$ 136,645</u>	<u>\$ 4,070,380</u>	<u>\$ 54,732,781</u>

MAHONING COUNTY, OHIO

**Combining Statement of Revenues,
Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds**

For the Year Ended December 31, 2002

	<i>Nonmajor Special Revenue Funds</i>					
	<i>Real Estate Assessment</i>	<i>Motor Vehicle Gas Tax</i>	<i>Revolving Loans</i>	<i>Board of Mental Health</i>	<i>Child Support Enforcement Agency</i>	<i>Federal Grants</i>
<i>Revenues:</i>						
Property and other taxes		\$ 8,415,758		\$ 2,371,320		
Fees and charges for services	\$ 1,719,949				\$ 389,588	
Licenses and permits	340					
Fines and forfeitures		103,573				
Intergovernmental		1,764,892		6,236,880	5,614,840	\$ 12,400,913
Special assessments						
Investment earnings		78,167	\$ 34,964		4,689	
All other revenue	11,824	167,443		12,750	132,565	60,115
Total Revenues	1,732,113	10,529,833	34,964	8,620,950	6,141,682	12,461,028
<i>Expenditures:</i>						
<i>Current:</i>						
General government	1,232,396					
Judicial						
Public safety						1,625,276
Public works		8,604,973				
Health				5,101,161		12,758,473
Human services					7,845,612	286,724
Other			140,000			753,965
Capital outlay						
<i>Debt service:</i>						
Principal retirement						
Interest and fiscal charges		3,275	17,726			
Total Expenditures	1,232,396	8,608,248	157,726	5,101,161	7,845,612	15,424,438
<i>Excess (Deficiency) Of</i>						
<i>Revenues Over (Under) Expenditures</i>	499,717	1,921,585	(122,762)	3,519,789	(1,703,930)	(2,963,410)
<i>Other Financing Sources (Uses)</i>						
Transfers in		134,760		334,767	1,590,761	3,500,188
Transfers out	(334,970)	(2,740,517)		(2,948,968)		(1,048,776)
Total Other Financing Sources (Uses)	(334,970)	(2,605,757)		(2,614,201)	1,590,761	2,451,412
<i>Net change in fund balance</i>	164,747	(684,172)	(122,762)	905,588	(113,169)	(511,998)
<i>Fund Balance (Deficit) At Beginning of Year (See Note E)</i>	2,563,457	3,449,059	982,678	2,714,050	113,169	(1,040,815)
<i>Fund Balance (Deficit) At End of Year</i>	\$ 2,728,204	\$ 2,764,887	\$ 859,916	\$ 3,619,638	\$	\$ (1,552,813)

The notes to the financial statements are an integral part of this statement.

(Cont'd)

MAHONING COUNTY, OHIO

State Grants	Other Special Revenue Funds	Nonmajor Debt Service Funds		Nonmajor Capital Project Funds			Total Nonmajor Governmental Funds
		Improvement Bonds and Other Long-term Debt	Bridge Levy	County Engineer	Computer Equipment and Software	Buildings and Improvements	
	\$ 7,077,136	\$ 2,128,924	\$ 649,862		\$ 22,901	\$ 11,926	\$ 13,600,691
	402,540						9,186,673
	53,542						402,880
\$ 4,806,347	676,889	358,041	78,901	\$ 4,060,806			157,115
	298,549	1,022					35,998,509
		53,769	294	55,630	33,675	96,069	299,571
800	623,982	13,250		100,835		9,416	357,257
4,807,147	9,132,638	2,555,006	729,057	4,217,271	56,576	117,411	1,132,980
	1,126,085						61,135,676
1,070	1,337,669						2,358,481
2,430,581	1,334,805						1,338,739
	490,914						5,390,662
2,207,962	4,414,088						9,095,887
	87,395						24,481,684
84,847	1,839,499						8,219,731
				5,078,509	3,070,211	1,792,670	2,818,311
		4,359,361	790,000				9,941,390
		1,839,649	129,974	141,483	48,350	100,900	5,149,361
4,724,460	10,630,455	6,199,010	919,974	5,219,992	3,118,561	1,893,570	2,281,357
							71,075,603
82,687	(1,497,817)	(3,644,004)	(190,917)	(1,002,721)	(3,061,985)	(1,776,159)	(9,939,927)
173,546	4,215,853	897,151		2,461,142		2,514,784	15,822,952
(294,353)	(2,196,239)			(134,760)	(217,726)	(1,714,742)	(11,631,051)
(120,807)	2,019,614	897,151		2,326,382	(217,726)	800,042	4,191,901
(38,120)	521,797	(2,746,853)	(190,917)	1,323,661	(3,279,711)	(976,117)	(5,748,026)
(457)	12,389,801	6,100,124	561,373	(3,894,972)	368,006	599,339	24,904,812
\$ (38,577)	\$ 12,911,598	\$ 3,353,271	\$ 370,456	\$ (2,571,311)	\$ (2,911,705)	\$ (376,778)	\$ 19,156,786

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Real Estate Assessment - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 1,618,000	\$ 1,719,949	\$ 101,949
Licenses and permits		340	340
All other revenue	7,000	6,729	(271)
Total Revenues	1,625,000	1,727,018	102,018
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Personal services	1,251,103	1,015,152	235,951
Materials and supplies	72,495	26,235	46,260
Contractual services	444,920	339,280	105,640
Travel	47,250	5,673	41,577
Utilities	7,000	2,709	4,291
Capital outlay	113,192	7,617	105,575
Other	80,000	15,379	64,621
Total Expenditures	2,015,960	1,412,045	603,915
Excess (Deficiency) Of Revenues Over Expenditures	(390,960)	314,973	705,933
<i>Other Financing Uses</i>			
Transfers out	(400,000)	(334,970)	65,030
Total Other Financing Uses	(400,000)	(334,970)	65,030
Net Change in Fund Balance	(790,960)	(19,997)	770,963
Fund Balance At Beginning Of Year	2,582,491	2,582,491	
Prior Year Encumbrances Appropriated	25,725	25,725	
Fund Balance At End Of Year	\$ 1,817,256	\$ 2,588,219	\$ 770,963

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Motor Vehicle Gas Tax - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 8,330,000	\$ 8,535,088	\$ 205,088
Fines and forfeitures	91,000	119,377	28,377
Intergovernmental	1,650,000	1,637,402	(12,598)
Investment earnings	100,000	58,507	(41,493)
All other revenue	78,837	78,837	78,837
Total Revenues	10,171,000	10,429,211	258,211
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Works</i>			
Personal services	6,624,299	6,356,172	268,127
Materials and supplies	216,065	180,660	35,405
Contractual services	665,197	628,287	36,910
Travel	403,977	357,572	46,405
Utilities	179,914	176,546	3,368
Capital outlay	1,702,991	1,575,504	127,487
Other	19,100	19,100	78,837
Total Expenditures	9,811,543	9,293,841	517,702
Excess Of Revenues Over Expenditures	359,457	1,135,370	775,913
<i>Other Financing Sources (Uses)</i>			
Transfers in	84,807	134,760	49,953
Transfers out	(2,865,425)	(2,864,017)	1,408
Total Other Financing Sources (Uses)	(2,780,618)	(2,729,257)	51,361
Net Change in Fund Balance	(2,421,161)	(1,593,887)	827,274
Fund Balance At Beginning Of Year	1,653,547	1,653,547	
Prior Year Encumbrances Appropriated	884,817	884,817	
Fund Balance At End Of Year	\$ 117,203	\$ 944,477	\$ 827,274

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Board of Mental Health - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 2,394,000	\$ 2,310,530	\$ (83,470)
Intergovernmental	6,250,802	6,236,880	(13,922)
All other revenue		12,750	12,750
Total Revenues	8,644,802	8,560,160	(84,642)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	571,312	501,263	70,049
Materials and supplies	34,600	24,109	10,491
Contractual services	5,395,567	5,009,343	386,224
Travel	44,298	35,401	8,897
Utilities	22,000	14,340	7,660
Capital outlay	62,120	28,957	33,163
Other	15,000		15,000
Total Expenditures	6,144,897	5,613,413	531,484
Excess Of Revenues Over Expenditures	2,499,905	2,946,747	446,842
<i>Other Financing Sources (Uses)</i>			
Transfers in		334,767	334,767
Transfers out	(3,615,000)	(3,457,061)	157,939
Total Other Financing Sources (Uses)	(3,615,000)	(3,122,294)	492,706
Net Change in Fund Balance	(1,115,095)	(175,547)	939,548
Fund Balance At Beginning Of Year	2,771,903	2,771,903	
Prior Year Encumbrances Appropriated	281,153	281,153	
Fund Balance At End Of Year	\$ 1,937,961	\$ 2,877,509	\$ 939,548

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Child Support Enforcement Agency - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 383,000	\$ 389,588	\$ 6,588
Intergovernmental	5,458,500	5,480,652	22,152
Investment earnings	5,000	4,689	(311)
All other revenue	107,500	104,392	(3,108)
Total Revenues	5,954,000	5,979,321	25,321
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Human Services</i>			
Personal services	5,342,614	5,310,147	32,467
Materials and supplies	49,208	49,205	3
Contractual services	744,506	744,504	2
Travel	34,876	34,875	1
Utilities	49,048	49,048	
Capital outlay	28,177	28,177	
Other	1,666,221	1,650,221	16,000
Total Expenditures	7,914,650	7,866,177	48,473
Deficiency Of Revenues Over Expenditures	(1,960,650)	(1,886,856)	73,794
<i>Other Financing Sources</i>			
Transfers in	1,381,000	1,381,000	
Total Other Financing Sources	1,381,000	1,381,000	
Net Change in Fund Balance	(579,650)	(505,856)	73,794
Fund Balance At Beginning Of Year	90,860	90,860	
Prior Year Encumbrances Appropriated	687,282	687,282	
Fund Balance At End Of Year	\$ 198,492	\$ 272,286	\$ 73,794

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Federal Grants - Special Revenue Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 15,536,389	\$ 11,435,118	\$ (4,101,271)
All other revenue	55,236	60,115	4,879
Total Revenues	15,591,625	11,495,233	(4,096,392)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	852,149	775,953	76,196
Materials and supplies	23,953	21,896	2,057
Contractual services	371,977	357,680	14,297
Travel	10,294	8,503	1,791
Utilities	7,024	6,482	542
Capital outlay	569,401	535,929	33,472
Other	41,299	41,297	2
<i>Health</i>			
Personal services	643,638	557,903	85,735
Materials and supplies	16,862	13,203	3,659
Contractual services	13,014,612	12,719,198	295,414
Travel	6,777	6,472	305
Utilities	81	71	10
Capital outlay	2,046	1,772	274
Other	37,276	34,864	2,412
<i>Human Services</i>			
Personal services	63,324	63,322	2
Materials and supplies	219,685	219,683	2
Travel	2,202	2,201	1
Utilities	605	605	
Capital outlay	913	913	
<i>Other</i>			
Personal services	99,606	98,930	676
Materials and supplies	17,594	16,752	842
Contractual services	239,422	211,828	27,594
Capital outlay	981,494	752,882	228,612
Total Expenditures	17,222,234	16,448,339	773,895
Deficiency Of Revenues Over Expenditures	(1,630,609)	(4,953,106)	(3,322,497)
<i>Other Financing Sources (Uses)</i>			
Transfers in	4,023,776	4,023,770	(6)
Transfers out	(1,049,163)	(1,048,776)	387
Total Other Financing Sources (Uses)	2,974,613	2,974,994	381
Net Change in Fund Balance	1,344,004	(1,978,112)	(3,322,116)
Fund Deficit At Beginning Of Year	(874,099)	(874,099)	
Prior Year Encumbrances Appropriated	1,757,017	1,757,017	
Fund Balance (Deficit) At End Of Year	\$ 2,226,922	\$ (1,095,194)	\$ (3,322,116)

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
State Grants - Special Revenue Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 4,655,132	\$ 4,856,558	\$ 201,426
All other revenue	800	800	
Total Revenues	4,655,932	4,857,358	201,426
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	956	955	1
Contractual services	29,892	29,892	
Capital outlay	8,597	8,597	
Other	162	162	
<i>Public Safety</i>			
Personal services	108,842	94,572	14,270
Materials and supplies	20,744	9,478	11,266
Contractual services	2,374,282	2,363,142	11,140
Travel	12,390	7,483	4,907
Utilities	1,438	788	650
Capital outlay	43,103	39,603	3,500
<i>Health</i>			
Personal services	420	420	
Materials and supplies	2,313	2,312	1
Contractual services	2,632,717	2,587,610	45,107
Travel	3,526	1,198	2,328
Other	5,815	5,814	1
<i>Other</i>			
Personal services	34,190	28,088	6,102
Materials and supplies	4,200	4,187	13
Contractual services	63,000	63,000	
Capital outlay	61,807	35,501	26,306
Total Expenditures	5,408,394	5,282,802	125,592
Deficiency Of Revenues Over Expenditures	(752,462)	(425,444)	327,018
<i>Other Financing Sources (Uses)</i>			
Transfers in	173,549	173,546	(3)
Transfers out	(294,360)	(294,353)	7
Total Other Financing Sources (Uses)	(120,811)	(120,807)	4
Net Change in Fund Balance	(873,273)	(546,251)	327,022
Fund Balance At Beginning Of Year	626,237	626,237	
Prior Year Encumbrances Appropriated	406,109	406,109	
Fund Balance At End Of Year	\$ 159,073	\$ 486,095	\$ 327,022

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Engineer - U.S.T. - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
Current:			
<i>Public Works</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	\$ 165,000	\$ 165,000	
<i>Fund Balance At End Of Year</i>	\$ 165,000	\$ 165,000	

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Dog and Kennel - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 19,000	\$ 22,842	\$ 3,842
Licenses and permits	378,500	402,540	24,040
Fines and forfeitures		5,253	5,253
All other revenue	20,000	26,158	6,158
Total Revenues	417,500	456,793	39,293
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	383,712	371,355	12,357
Materials and supplies	35,299	23,306	11,993
Contractual services	29,904	25,602	4,302
Travel	12,237	6,835	5,402
Utilities	16,987	12,448	4,539
Capital outlay	29,171	19,606	9,565
Other	32,185	32,085	100
Total Expenditures	539,495	491,237	48,258
Deficiency Of Revenues Over Expenditures	(121,995)	(34,444)	87,551
<i>Other Financing Sources</i>			
Transfers in	52,478	52,478	
Total Other Financing Sources	52,478	52,478	
Net Change in Fund Balance	(69,517)	18,034	87,551
Fund Balance At Beginning Of Year	118,765	118,765	
Prior Year Encumbrances Appropriated	15,277	15,277	
Fund Balance At End Of Year	\$ 64,525	\$ 152,076	\$ 87,551

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Building Regulations Department - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 550,000	\$ 598,174	\$ 48,174
Total Revenues	550,000	598,174	48,174
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	563,280	490,986	72,294
Materials and supplies	20,459	7,387	13,072
Contractual services	71,369	53,888	17,481
Travel	19,625	2,465	17,160
Utilities	9,107	4,123	4,984
Capital outlay	12,430	3,786	8,644
Other	20,755	20,520	235
Total Expenditures	717,025	583,155	133,870
Excess (Deficiency) Of Revenues Over Expenditures	(167,025)	15,019	182,044
 <i>Net Change in Fund Balance</i>	 (167,025)	 15,019	 182,044
 <i>Fund Balance At Beginning Of Year</i>	 268,188	 268,188	
 <i>Prior Year Encumbrances Appropriated</i>	 15,706	 15,706	
 <i>Fund Balance At End Of Year</i>	 \$ 116,869	 \$ 298,913	 \$ 182,044

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Delinquent Tax & Assessment Collection - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 494,000	\$ 495,646	\$ 1,646
All other revenue	83,000	83,343	343
Total Revenues	577,000	578,989	1,989
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Personal services	508,027	433,407	74,620
Materials and supplies	101,077	91,178	9,899
Contractual services	25,076	22,796	2,280
Travel	569	180	389
Capital outlay	16,769	16,191	578
Other	32,429	30,421	2,008
Total Expenditures	683,947	594,173	89,774
Deficiency Of Revenues Over Expenditures	(106,947)	(15,184)	91,763
 <i>Net Change in Fund Balance</i>	 (106,947)	 (15,184)	 91,763
 <i>Fund Balance At Beginning Of Year</i>	 410,012	 410,012	
 <i>Prior Year Encumbrances Appropriated</i>	 27,012	 27,012	
 Fund Balance At End Of Year	 \$ 330,077	 \$ 421,840	 \$ 91,763

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Solid Waste Management - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 3,100,000	\$ 3,829,313	\$ 729,313
All other revenue	22,369	34,539	12,170
Total Revenues	3,122,369	3,863,852	741,483
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	771,243	515,736	255,507
Materials and supplies	143,996	86,542	57,454
Contractual services	3,718,666	3,230,292	488,374
Travel	48,750	15,656	33,094
Utilities	15,000	6,227	8,773
Capital outlay	146,000	75,289	70,711
Other	55,000		55,000
Total Expenditures	4,898,655	3,929,742	968,913
Deficiency Of Revenues Over Expenditures	(1,776,286)	(65,890)	1,710,396
<i>Other Financing Sources (Uses)</i>			
Transfers in	143,620	165,560	21,940
Transfers out	(1,615,119)	(1,389,576)	225,543
Total Other Financing Sources (Uses)	(1,471,499)	(1,224,016)	247,483
Net Change in Fund Balance	(3,247,785)	(1,289,906)	1,957,879
Fund Balance At Beginning Of Year	2,483,503	2,483,503	
Prior Year Encumbrances Appropriated	764,282	764,282	
Fund Balance At End Of Year	\$ 764,282	\$ 1,957,879	\$ 1,957,879

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Board of Mental Retardation - U.S.T. - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
Current:			
<i>Health</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	\$ 11,000	\$ 11,000	
<i>Fund Balance At End Of Year</i>	\$ 11,000	\$ 11,000	

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Alcohol & Drug Addiction Board - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 211,018	\$ 211,018	
Intergovernmental	72,000	72,000	
All other revenue		187	\$ 187
Total Revenues	283,018	283,205	187
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	288,602	283,181	5,421
Materials and supplies	15,983	15,208	775
Contractual services	129,567	128,090	1,477
Travel	17,264	16,191	1,073
Utilities	8,211	7,699	512
Capital outlay	4,801	4,767	34
Total Expenditures	464,428	455,136	9,292
Deficiency Of Revenues Over Expenditures	(181,410)	(171,931)	9,479
<i>Other Financing Uses</i>			
Transfers out	(3,000)	(3,000)	
Total Other Financing Uses	(3,000)	(3,000)	
Net Change in Fund Balance	(184,410)	(174,931)	9,479
Fund Balance At Beginning Of Year	324,599	324,599	
Prior Year Encumbrances Appropriated	13,216	13,216	
Fund Balance At End Of Year	\$ 153,405	\$ 162,884	\$ 9,479

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Indigent Guardianship - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 45,000	\$ 45,098	\$ 98
Total Revenues	45,000	45,098	98
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	63,971	62,631	1,340
Materials and supplies	1,295	145	1,150
Contractual services	4,197	1,122	3,075
Total Expenditures	69,463	63,898	5,565
Deficiency Of Revenues Over Expenditures	(24,463)	(18,800)	5,663
 <i>Net Change in Fund Balance</i>	 (24,463)	 (18,800)	 5,663
 <i>Fund Balance At Beginning Of Year</i>	 59,369	 59,369	
 <i>Fund Balance At End Of Year</i>	 \$ 34,906	 \$ 40,569	 \$ 5,663

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Probate Business - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 1,600	\$ 1,457	\$ (143)
Total Revenues	1,600	1,457	(143)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	173		173
Contractual services	463	424	39
Total Expenditures	636	424	212
Excess Of Revenues Over Expenditures	964	1,033	69
 <i>Net Change in Fund Balance</i>	 964	 1,033	 69
 <i>Fund Balance At Beginning Of Year</i>	 2,833	 2,833	
 <i>Fund Balance At End Of Year</i>	 <u><u>\$ 3,797</u></u>	 <u><u>\$ 3,866</u></u>	 <u><u>\$ 69</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Drug Law Enforcement - Prosecutor - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fines and forfeitures	\$	2,100	\$ 2,100
<i>Total Revenues</i>		2,100	2,100
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>		2,100	2,100
<i>Other Financing Sources (Uses)</i>			
Transfers in	\$ 7,000	7,000	
Transfers out	(7,100)		7,100
<i>Total Other Financing Sources (Uses)</i>	(100)	7,000	7,100
<i>Net Change in Fund Balance</i>	(100)	9,100	9,200
<i>Fund Balance At Beginning Of Year</i>	20,068	20,068	
<i>Fund Balance At End Of Year</i>	\$ 19,968	\$ 29,168	\$ 9,200

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Indigent Drivers Alcohol Treatment - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 27,000	\$ 30,113	\$ 3,113
Fines and forfeitures	26,000	26,654	654
<i>Total Revenues</i>	<u>53,000</u>	<u>56,767</u>	<u>3,767</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Contractual services	172,334	107,543	64,791
<i>Total Expenditures</i>	<u>172,334</u>	<u>107,543</u>	<u>64,791</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(119,334)</u>	<u>(50,776)</u>	<u>68,558</u>
<i>Other Financing Uses</i>			
Transfers out	<u>(114,870)</u>	<u> </u>	<u>114,870</u>
<i>Total Other Financing Uses</i>	<u>(114,870)</u>	<u> </u>	<u>114,870</u>
 <i>Net Change in Fund Balance</i>	 <u>(234,204)</u>	 <u>(50,776)</u>	 <u>183,428</u>
 <i>Fund Balance At Beginning Of Year</i>	 232,225	 232,225	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>44,960</u>	 <u>44,960</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 42,981</u>	 <u>\$ 226,409</u>	 <u>\$ 183,428</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Clerk of Common Pleas Computerization Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 40,000	\$ 45,280	\$ 5,280
<i>Total Revenues</i>	<u>40,000</u>	<u>45,280</u>	<u>5,280</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	1,580	1,070	510
Capital outlay	30,882	3,600	27,282
<i>Total Expenditures</i>	<u>32,462</u>	<u>4,670</u>	<u>27,792</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>7,538</u>	<u>40,610</u>	<u>33,072</u>
<i>Net Change in Fund Balance</i>	7,538	40,610	33,072
<i>Fund Balance At Beginning Of Year</i>	<u>243,535</u>	<u>243,535</u>	
<i>Fund Balance At End Of Year</i>	<u><u>\$ 251,073</u></u>	<u><u>\$ 284,145</u></u>	<u><u>\$ 33,072</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Common Pleas Computerization - Legal Research Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 12,000	\$ 13,584	\$ 1,584
Total Revenues	12,000	13,584	1,584
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	41,508	30,817	10,691
Total Expenditures	41,508	30,817	10,691
Deficiency Of Revenues Over Expenditures	(29,508)	(17,233)	12,275
 <i>Net Change in Fund Balance</i>	 (29,508)	 (17,233)	 12,275
 <i>Fund Balance At Beginning Of Year</i>	 12,009	 12,009	
 <i>Prior Year Encumbrances Appropriated</i>	 29,273	 29,273	
 Fund Balance At End Of Year	 \$ 11,774	 \$ 24,049	 \$ 12,275

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
911 Operations - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Special assessments	\$ 290,000	\$ 298,549	\$ 8,549
<i>Total Revenues</i>	<u>290,000</u>	<u>298,549</u>	<u>8,549</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	129,814	115,052	14,762
Materials and supplies	11,478	4,151	7,327
Contractual services	124,100	115,918	8,182
Travel	10,296	2,439	7,857
Utilities	72,416	69,228	3,188
Capital outlay	168,350	126,739	41,611
Other	26,062	26,062	
<i>Total Expenditures</i>	<u>542,516</u>	<u>459,589</u>	<u>82,927</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(252,516)</u>	<u>(161,040)</u>	<u>91,476</u>
 <i>Net Change in Fund Balance</i>	 <u>(252,516)</u>	 <u>(161,040)</u>	 <u>91,476</u>
 <i>Fund Balance At Beginning Of Year</i>	 173,619	 173,619	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>92,331</u>	 <u>92,331</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 13,434</u>	 <u>\$ 104,910</u>	 <u>\$ 91,476</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Certificate Of Title Administration - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 900,000	\$ 1,014,919	\$ 114,919
All other revenue		1,103	1,103
<i>Total Revenues</i>	<u>900,000</u>	<u>1,016,022</u>	<u>116,022</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	995,713	980,189	15,524
Materials and supplies	41,770	24,889	16,881
Contractual services	22,146	12,544	9,602
Travel	18,102	14,849	3,253
Utilities	14,800	3,893	10,907
Capital outlay	28,892	14,025	14,867
<i>Total Expenditures</i>	<u>1,121,423</u>	<u>1,050,389</u>	<u>71,034</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(221,423)</u>	<u>(34,367)</u>	<u>187,056</u>
<i>Net Change in Fund Balance</i>	<u>(221,423)</u>	<u>(34,367)</u>	<u>187,056</u>
<i>Fund Balance At Beginning Of Year</i>	496,914	496,914	
<i>Prior Year Encumbrances Appropriated</i>	<u>11,812</u>	<u>11,812</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 287,303</u>	<u>\$ 474,359</u>	<u>\$ 187,056</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Recorder Equipment - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 190,000	\$ 220,532	\$ 30,532
<i>Total Revenues</i>	<u>190,000</u>	<u>220,532</u>	<u>30,532</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Materials and supplies	2,943	752	2,191
Contractual services	30,107	1,100	29,007
Travel	200		200
Capital outlay	6,387	5,389	998
<i>Total Expenditures</i>	<u>39,637</u>	<u>7,241</u>	<u>32,396</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>150,363</u>	<u>213,291</u>	<u>62,928</u>
<i>Net Change in Fund Balance</i>	150,363	213,291	62,928
<i>Fund Balance At Beginning Of Year</i>	619,926	619,926	
<i>Prior Year Encumbrances Appropriated</i>	<u>540</u>	<u>540</u>	
<i>Fund Balance At End Of Year</i>	<u><u>\$ 770,829</u></u>	<u><u>\$ 833,757</u></u>	<u><u>\$ 62,928</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Tax Incentive Review - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
Current:			
<i>General Government</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	\$ 11,200	\$ 11,200	
<i>Fund Balance At End Of Year</i>	<u>\$ 11,200</u>	<u>\$ 11,200</u>	<u>\$</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Probation Services - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 70,000	\$ 85,943	\$ 15,943
<i>Total Revenues</i>	<u>70,000</u>	<u>85,943</u>	<u>15,943</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	10,975	5,657	5,318
Contractual services	5,675		5,675
Travel	5,520	2,409	3,111
Utilities	5,000	2,141	2,859
Capital outlay	5,000	404	4,596
<i>Total Expenditures</i>	<u>32,170</u>	<u>10,611</u>	<u>21,559</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>37,830</u>	<u>75,332</u>	<u>37,502</u>
<i>Net Change in Fund Balance</i>	37,830	75,332	37,502
<i>Fund Balance At Beginning Of Year</i>	263,843	263,843	
<i>Prior Year Encumbrances Appropriated</i>	<u>4,940</u>	<u>4,940</u>	
<i>Fund Balance At End Of Year</i>	<u><u>\$ 306,613</u></u>	<u><u>\$ 344,115</u></u>	<u><u>\$ 37,502</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Felony Delinquent Care & Custody - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 407,350	\$ 407,350	
Total Revenues	407,350	407,350	
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	253,949	211,914	\$ 42,035
Materials and supplies	7,477	4,732	2,745
Contractual services	119,934	117,476	2,458
Travel	5,638	4,637	1,001
Utilities	4,043	1,746	2,297
Other	10,589	8,769	1,820
Total Expenditures	401,630	349,274	52,356
Excess Of Revenues Over Expenditures	5,720	58,076	52,356
<i>Other Financing Sources (Uses)</i>			
Transfers in	108,482	108,480	(2)
Transfers out	(105,398)	(105,396)	2
Total Other Financing Sources (Uses)	3,084	3,084	
Net Change in Fund Balance	8,804	61,160	52,356
Fund Balance At Beginning Of Year	290,244	290,244	
Prior Year Encumbrances Appropriated	24,242	24,242	
Fund Balance At End Of Year	\$ 323,290	\$ 375,646	\$ 52,356

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Courts Computerization Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 122,000	\$ 143,203	\$ 21,203
<i>Total Revenues</i>	<u>122,000</u>	<u>143,203</u>	<u>21,203</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	440		440
<i>Total Expenditures</i>	<u>440</u>		<u>440</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>121,560</u>	<u>143,203</u>	<u>21,643</u>
<i>Net Change in Fund Balance</i>	121,560	143,203	21,643
<i>Fund Balance At Beginning Of Year</i>	<u>560,072</u>	<u>560,072</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 681,632</u>	<u>\$ 703,275</u>	<u>\$ 21,643</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Courts Computerization - Legal Research Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 90,800	\$ 101,544	\$ 10,744
<i>Total Revenues</i>	<u>90,800</u>	<u>101,544</u>	<u>10,744</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	275	275	
<i>Total Expenditures</i>	<u>275</u>	<u>275</u>	
<i>Excess Of Revenues Over Expenditures</i>	<u>90,525</u>	<u>101,269</u>	<u>10,744</u>
<i>Net Change in Fund Balance</i>	90,525	101,269	10,744
<i>Fund Balance At Beginning Of Year</i>	<u>416,412</u>	<u>416,412</u>	
<i>Fund Balance At End Of Year</i>	<u><u>\$ 506,937</u></u>	<u><u>\$ 517,681</u></u>	<u><u>\$ 10,744</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Juvenile Court Computerization Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 10,000	\$ 28,248	\$ 18,248
Total Revenues	10,000	28,248	18,248
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	3,000		3,000
Capital outlay	16,091	9,556	6,535
Total Expenditures	19,091	9,556	9,535
Excess (Deficiency) Of Revenues Over Expenditures	(9,091)	18,692	27,783
 <i>Net Change in Fund Balance</i>	 (9,091)	 18,692	 27,783
 <i>Fund Balance At Beginning Of Year</i>	 40,982	 40,982	
 <i>Prior Year Encumbrances Appropriated</i>	 9,556	 9,556	
 Fund Balance At End Of Year	 \$ 41,447	 \$ 69,230	 \$ 27,783

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Juvenile Court Computerization - Legal Research Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 4,000	\$ 9,370	\$ 5,370
Total Revenues	4,000	9,370	5,370
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	2,059		2,059
Total Expenditures	2,059		2,059
Excess Of Revenues Over Expenditures	1,941	9,370	7,429
 <i>Net Change in Fund Balance</i>	 1,941	 9,370	 7,429
 <i>Fund Balance At Beginning Of Year</i>	 20,412	 20,412	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 22,353</u>	 <u>\$ 29,782</u>	 <u>\$ 7,429</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Court Mediation - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fines and forfeitures	\$ 6,300	\$ 7,112	\$ 812
Total Revenues	6,300	7,112	812
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	6,500	5,000	1,500
Total Expenditures	6,500	5,000	1,500
Excess (Deficiency) Of Revenues Over Expenditures	(200)	2,112	2,312
 <i>Net Change in Fund Balance</i>	 (200)	 2,112	 2,312
 <i>Fund Balance At Beginning Of Year</i>	 8,463	 8,463	
 <i>Fund Balance At End Of Year</i>	 \$ 8,263	 \$ 10,575	 \$ 2,312

MAHONING COUNTY, OHIO
*Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Probate Computerization Fees - Special Revenue Fund
(Non-GAAP Budgetary Basis)*

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 68,400	\$ 71,265	\$ 2,865
<i>Total Revenues</i>	<u>68,400</u>	<u>71,265</u>	<u>2,865</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	44,385		44,385
Contractual services	22,000	19,459	2,541
Capital outlay	30,000	230	29,770
<i>Total Expenditures</i>	<u>96,385</u>	<u>19,689</u>	<u>76,696</u>
<i>Excess (Deficiency) Of Revenues Over Expenditures</i>	<u>(27,985)</u>	51,576	79,561
<i>Net Change in Fund Balance</i>	(27,985)	51,576	79,561
<i>Fund Balance At Beginning Of Year</i>	37,514	37,514	
<i>Prior Year Encumbrances Appropriated</i>	<u>37,943</u>	<u>37,943</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 47,472</u>	<u>\$ 127,033</u>	<u>\$ 79,561</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Probate Computerization Legal Research Fees - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 33,000	\$ 31,048	\$ (1,952)
<i>Total Revenues</i>	<u>33,000</u>	<u>31,048</u>	<u>(1,952)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	28,000	23,428	4,572
<i>Total Expenditures</i>	<u>28,000</u>	<u>23,428</u>	<u>4,572</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>5,000</u>	<u>7,620</u>	<u>2,620</u>
<i>Net Change in Fund Balance</i>	5,000	7,620	2,620
<i>Fund Balance At Beginning Of Year</i>	<u>79,249</u>	<u>79,249</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 84,249</u>	<u>\$ 86,869</u>	<u>\$ 2,620</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Common Pleas Court Mediation - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 70,000	\$ 92,500	\$ 22,500
Total Revenues	70,000	92,500	22,500
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	71,397	67,665	3,732
Total Expenditures	71,397	67,665	3,732
Excess (Deficiency) Of Revenues Over Expenditures	(1,397)	24,835	26,232
 <i>Net Change in Fund Balance</i>	 (1,397)	 24,835	 26,232
 <i>Fund Balance At Beginning Of Year</i>	 116,865	 116,865	
 <i>Fund Balance At End Of Year</i>	 \$ 115,468	 \$ 141,700	 \$ 26,232

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Domestic Relations Special Projects - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 26,000	\$ 25,180	\$ (820)
Total Revenues	26,000	25,180	(820)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	23,300	838	22,462
Materials and supplies	3,000	922	2,078
Contractual services	29,876	27,778	2,098
Travel	1,500	263	1,237
Capital outlay	3,850		3,850
Other	10,000	8,386	1,614
Total Expenditures	71,526	38,187	33,339
Deficiency Of Revenues Over Expenditures	(45,526)	(13,007)	32,519
<i>Other Financing Uses</i>			
Transfers out	(2,064)		2,064
Total Other Financing Uses	(2,064)		2,064
Net Change in Fund Balance	(47,590)	(13,007)	34,583
Fund Balance At Beginning Of Year	46,678	46,678	
Prior Year Encumbrances Appropriated	912	912	
Fund Balance At End Of Year	\$ 34,583	\$ 34,583	\$ 34,583

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Community Development Projects - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
<i>Total Revenues</i>			
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Other</i>			
Contractual services	\$ 1,817,657	\$ 1,744,868	\$ 72,789
<i>Total Expenditures</i>	<u>1,817,657</u>	<u>1,744,868</u>	<u>72,789</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(1,817,657)</u>	<u>(1,744,868)</u>	<u>72,789</u>
<i>Other Financing Sources</i>			
Transfers in	<u>1,285,600</u>	<u>1,295,486</u>	<u>9,886</u>
<i>Total Other Financing Sources</i>	<u>1,285,600</u>	<u>1,295,486</u>	<u>9,886</u>
<i>Net Change in Fund Balance</i>	<u>(532,057)</u>	<u>(449,382)</u>	<u>82,675</u>
<i>Fund Balance At Beginning Of Year</i>	87,768	87,768	
<i>Prior Year Encumbrances Appropriated</i>	<u>646,110</u>	<u>646,110</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 201,821</u>	<u>\$ 284,496</u>	<u>\$ 82,675</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Roadway Improvements - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
<i>Total Revenues</i>			
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Works</i>			
Capital outlay	\$ 597,800	\$ 490,914	\$ 106,886
<i>Total Expenditures</i>	<u>597,800</u>	<u>490,914</u>	<u>106,886</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(597,800)</u>	<u>(490,914)</u>	<u>106,886</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	642,800	647,743	4,943
Transfers out	<u>(13,166)</u>	<u>(13,166)</u>	
<i>Total Other Financing Sources (Uses)</i>	<u>629,634</u>	<u>634,577</u>	<u>4,943</u>
<i>Net Change in Fund Balance</i>	31,834	143,663	111,829
<i>Fund Balance At Beginning Of Year</i>	<u> </u>	<u> </u>	<u> </u>
<i>Fund Balance At End Of Year</i>	<u>\$ 31,834</u>	<u>\$ 143,663</u>	<u>\$ 111,829</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Programs & Agencies - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
<i>Total Revenues</i>			
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Other</i>			
Materials and supplies	\$ 2,600	\$ 2,600	
Contractual services	46,149	45,000	\$ 1,149
Other	292,000	292,000	
<i>Total Expenditures</i>	<u>340,749</u>	<u>339,600</u>	<u>1,149</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(340,749)</u>	<u>(339,600)</u>	<u>1,149</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	652,056	661,307	9,251
Transfers out	(334,406)	(327,329)	7,077
<i>Total Other Financing Sources (Uses)</i>	<u>317,650</u>	<u>333,978</u>	<u>16,328</u>
<i>Net Change in Fund Balance</i>	<u>(23,099)</u>	<u>(5,622)</u>	<u>17,477</u>
<i>Fund Balance At Beginning Of Year</i>	<u>34,401</u>	<u>34,401</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 11,302</u>	<u>\$ 28,779</u>	<u>\$ 17,477</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Economic Development Projects - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 5,044	\$ 4,323	\$ (721)
Total Revenues	5,044	4,323	(721)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Other</i>			
Personal services	312,244	299,844	12,400
Materials and supplies	4,111	3,610	501
Contractual services	513,154	513,153	1
Travel	3,500	924	2,576
Utilities	100	7	93
Capital outlay	30,584	18,257	12,327
Other	104,032		104,032
Total Expenditures	967,725	835,795	131,930
Deficiency Of Revenues Over Expenditures	(962,681)	(831,472)	131,209
<i>Other Financing Sources (Uses)</i>			
Transfers in	642,800	647,743	4,943
Transfers out	(414,851)	(355,625)	59,226
Total Other Financing Sources (Uses)	227,949	292,118	64,169
Net Change in Fund Balance	(734,732)	(539,354)	195,378
Fund Balance At Beginning Of Year	427,037	427,037	
Prior Year Encumbrances Appropriated	378,753	378,753	
Fund Balance At End Of Year	\$ 71,058	\$ 266,436	\$ 195,378

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Common Pleas Drug Court - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 11,800	\$ 25,126	\$ 13,326
Fines and forfeitures	200	260	60
Total Revenues	12,000	25,386	13,386
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	3,493	3,492	1
Contractual services	12,389	9,045	3,344
Travel	1,230	612	618
Capital outlay	674	673	1
Total Expenditures	17,786	13,822	3,964
Excess (Deficiency) Of Revenues Over Expenditures	(5,786)	11,564	17,350
 <i>Net Change in Fund Balance</i>	 (5,786)	 11,564	 17,350
 <i>Fund Balance At Beginning Of Year</i>	 13,867	 13,867	
 <i>Prior Year Encumbrances Appropriated</i>	 6,930	 6,930	
 <i>Fund Balance At End Of Year</i>	 \$ 15,011	 \$ 32,361	 \$ 17,350

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Tax Certificate Administration - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 148,117	\$ 145,002	\$ (3,115)
Total Revenues	148,117	145,002	(3,115)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	96,202	84,408	11,794
Materials and supplies	15,619	14,201	1,418
Contractual services	9,322	9,161	161
Capital outlay	1,885	946	939
Total Expenditures	123,028	108,716	14,312
Excess Of Revenues Over Expenditures	25,089	36,286	11,197
 <i>Net Change in Fund Balance</i>	 25,089	 36,286	 11,197
 <i>Fund Balance At Beginning Of Year</i>	 28,441	 28,441	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 53,530</u>	 <u>\$ 64,727</u>	 <u>\$ 11,197</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Enterprise GIS - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$ 1,000	\$ 1,385	\$ 385
Total Revenues	1,000	1,385	385
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Personal services	151,050	143,998	7,052
Materials and supplies	17,764	5,301	12,463
Contractual services	261,262	238,008	23,254
Travel	12,224	4,713	7,511
Utilities	2,500		2,500
Capital outlay	505,084	252,104	252,980
Total Expenditures	949,884	644,124	305,760
Deficiency Of Revenues Over Expenditures	(948,884)	(642,739)	306,145
<i>Other Financing Sources</i>			
Transfers in	650,000	650,000	
Total Other Financing Sources	650,000	650,000	
Net Change in Fund Balance	(298,884)	7,261	306,145
Fund Balance At Beginning Of Year	77,614	77,614	
Prior Year Encumbrances Appropriated	242,566	242,566	
Fund Balance At End Of Year	\$ 21,296	\$ 327,441	\$ 306,145

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Court Drug Court - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 7,500	\$ 5,397	\$ (2,103)
Fines and forfeitures	150		(150)
Total Revenues	7,650	5,397	(2,253)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	350		350
Total Expenditures	350		350
Excess Of Revenues Over Expenditures	7,300	5,397	(1,903)
 <i>Net Change in Fund Balance</i>	 7,300	 5,397	 (1,903)
 <i>Fund Balance At Beginning Of Year</i>	 901	 901	
 <i>Fund Balance At End Of Year</i>	 <u><u>\$ 8,201</u></u>	 <u><u>\$ 6,298</u></u>	 <u><u>\$ (1,903)</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Combined State and Federal Grants**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 149,829	\$ 140,817	\$ (9,012)
Total Revenues	149,829	140,817	(9,012)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	11,867	11,864	3
<i>Health</i>			
Contractual services	147,654	147,654	
Total Expenditures	159,521	159,518	3
Deficiency Of Revenues Over Expenditures	(9,692)	(18,701)	(9,009)
<i>Other Financing Sources</i>			
Transfers in	1,315	1,314	(1)
Total Other Financing Sources	1,315	1,314	(1)
Net Change in Fund Balance	(8,377)	(17,387)	(9,010)
Fund Balance At Beginning Of Year	2,868	2,868	
Prior Year Encumbrances Appropriated	6,554	6,554	
Fund Balance (Deficit) At End Of Year	\$ 1,045	\$ (7,965)	\$ (9,010)

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
JJC - Drug Court - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 2,500	\$ 1,105	\$ (1,395)
Total Revenues	2,500	1,105	(1,395)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	1,775	267	1,508
Contractual services	700		700
Total Expenditures	2,475	267	2,208
Excess Of Revenues Over Expenditures	25	838	813
 <i>Net Change in Fund Balance</i>	 25	 838	 813
 <i>Fund Balance At Beginning Of Year</i>	 25	 25	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 50</u>	 <u>\$ 863</u>	 <u>\$ 813</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
JJC - Security - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 15,000	\$ 21,740	\$ 6,740
Total Revenues	15,000	21,740	6,740
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	1,500	993	507
Travel	1,675		1,675
Total Expenditures	3,175	993	2,182
Excess Of Revenues Over Expenditures	11,825	20,747	8,922
<i>Other Financing Uses</i>			
Transfers out	(2,148)	(2,148)	
Total Other Financing Uses	(2,148)	(2,148)	
Net Change in Fund Balance	9,677	18,599	8,922
Fund Balance At Beginning Of Year	2,970	2,970	
Fund Balance At End Of Year	\$ 12,647	\$ 21,569	\$ 8,922

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
JJC - Special Projects - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 50,000	\$ 52,308	\$ 2,308
<i>Total Revenues</i>	<u>50,000</u>	<u>52,308</u>	<u>2,308</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	3,000	388	2,612
Contractual services	2,000	545	1,455
Travel	11,512	265	11,247
Capital outlay	19,000	13,096	5,904
<i>Total Expenditures</i>	<u>35,512</u>	<u>14,294</u>	<u>21,218</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>14,488</u>	<u>38,014</u>	<u>23,526</u>
 <i>Net Change in Fund Balance</i>	 14,488	 38,014	 23,526
 <i>Fund Balance At Beginning Of Year</i>	 <u>2,658</u>	 <u>2,658</u>	 <u></u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 17,146</u>	 <u>\$ 40,672</u>	 <u>\$ 23,526</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Children's Trust - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 55,700	\$ 55,700	
<i>Total Revenues</i>	<u>55,700</u>	<u>55,700</u>	
<i>Expenditures:</i>			
<i>Current:</i>			
Other	83,550	83,550	
<i>Total Expenditures</i>	<u>83,550</u>	<u>83,550</u>	
<i>Net Change in Fund Balance</i>	<u>(27,850)</u>	<u>(27,850)</u>	
 <i>Fund Balance At Beginning Of Year</i>	 <u>32,955</u>	 <u>32,955</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 5,105</u>	 <u>\$ 5,105</u>	 <u>\$</u>

MAHONING COUNTY, OHIO
*Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Unclaimed Funds Mfgd Homes - Special Revenue Fund
(Non-GAAP Budgetary Basis)*

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$	25	\$ 25
<i>Total Revenues</i>	<u> </u>	<u>25</u>	<u>25</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Other	\$	4	
<i>Total Expenditures</i>	<u>4</u>	<u>4</u>	<u> </u>
<i>Net Change in Fund Balance</i>	<u>(4)</u>	<u>21</u>	<u>25</u>
 <i>Fund Balance At Beginning Of Year</i>	 <u>68</u>	 <u>68</u>	 <u> </u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 64</u>	 <u>\$ 89</u>	 <u>\$ 25</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
MRDD Board Student Activity - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$ 10,000	\$ 3,845	\$ (6,155)
<i>Total Revenues</i>	<u>10,000</u>	<u>3,845</u>	<u>(6,155)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Materials and supplies	10,000	4,814	5,186
<i>Total Expenditures</i>	<u>10,000</u>	<u>4,814</u>	<u>5,186</u>
<i>Net Change in Fund Balance</i>		<u>(969)</u>	<u>(969)</u>
<i>Fund Balance At Beginning Of Year</i>	_____	_____	_____
<i>Fund Balance At End Of Year</i>	<u>\$ _____</u>	<u>\$ (969)</u>	<u>\$ (969)</u>

MAHONING COUNTY, OHIO
*Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Unclaimed Funds General -Special Revenue Fund
(Non-GAAP Budgetary Basis)*

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$	238,021	\$ 238,021
<i>Total Revenues</i>		238,021	238,021
<i>Expenditures:</i>			
<i>Current:</i>			
Other	\$	30,000	4,967
<i>Total Expenditures</i>		30,000	4,967
<i>Net Change in Fund Balance</i>		(30,000)	233,054
 <i>Fund Balance At Beginning Of Year</i>		640,616	640,616
 <i>Fund Balance At End Of Year</i>	\$	610,616	\$ 873,670
		\$ 263,054	

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Unclaimed Funds Real Estate - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	_____	\$ 239,095	\$ 239,095
<i>Total Revenues</i>	_____	239,095	239,095
<i>Expenditures:</i>			
<i>Current:</i>			
Other	\$ 221,480	191,961	29,519
<i>Total Expenditures</i>	221,480	191,961	29,519
<i>Net Change in Fund Balance</i>	(221,480)	47,134	268,614
<i>Fund Balance At Beginning Of Year</i>	865,447	865,447	_____
<i>Fund Balance At End Of Year</i>	\$ 643,967	\$ 912,581	\$ 268,614

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Unclaimed Funds CSEA - Special Revenue Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Net Change in Fund Balance</i>			
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	\$ 23,678	\$ 23,678	
<i>Fund Balance At End Of Year</i>	<u>\$ 23,678</u>	<u>\$ 23,678</u>	<u>\$</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual**
Notes - Debt Service Fund
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 425,000	\$ 300,000	\$ (125,000)
Total Revenues	425,000	300,000	(125,000)
<i>Expenditures:</i>			
Principal retirement	10,615,400	10,615,400	
Interest and fiscal charges	739,185	421,422	317,763
Total Expenditures	11,354,585	11,036,822	317,763
Deficiency Of Revenues Over Expenditures	(10,929,585)	(10,736,822)	192,763
<i>Other Financing Sources (Uses)</i>			
Proceeds from notes	12,843,800	8,555,000	(4,288,800)
Transfers in	1,774,600	2,129,566	354,966
Transfers out	(27,793)	(27,792)	1
Total Other Financing Sources (Uses)	14,590,607	10,656,774	(3,933,833)
Net Change in Fund Balance	3,661,022	(80,048)	(3,741,070)
Fund Balance At Beginning Of Year	125,931	125,931	
Fund Balance At End Of Year	\$ 3,786,953	\$ 45,883	\$ (3,741,070)

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Improvement Bonds and Other Long-term Debt - Debt Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 1,703,200	\$ 1,783,054	\$ 79,854
Intergovernmental	359,312	358,042	(1,270)
Special assessments	1,022	1,022	1,022
<i>Total Revenues</i>	<u>2,062,512</u>	<u>2,142,118</u>	<u>79,606</u>
<i>Expenditures:</i>			
Principal retirement	4,314,540	4,314,511	29
Interest and fiscal charges	1,914,125	1,821,696	92,429
<i>Total Expenditures</i>	<u>6,228,665</u>	<u>6,136,207</u>	<u>92,458</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(4,166,153)</u>	<u>(3,994,089)</u>	<u>172,064</u>
<i>Other Financing Sources</i>			
Transfers in	663,000	869,627	206,627
<i>Total Other Financing Sources</i>	<u>663,000</u>	<u>869,627</u>	<u>206,627</u>
<i>Net Change in Fund Balance</i>	<u>(3,503,153)</u>	<u>(3,124,462)</u>	<u>378,691</u>
<i>Fund Balance At Beginning Of Year</i>	<u>6,057,634</u>	<u>6,057,634</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 2,554,481</u>	<u>\$ 2,933,172</u>	<u>\$ 378,691</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Bond Refunding - Debt Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	960	\$ 960
<i>Total Revenues</i>	<u>960</u>	<u>960</u>	<u>960</u>
<i>Expenditures:</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>		<u>960</u>	<u>960</u>
<i>Net Change in Fund Balance</i>		960	960
<i>Fund Balance At Beginning Of Year</i>	\$ <u>532</u>	<u>532</u>	
<i>Fund Balance At End Of Year</i>	\$ <u><u>532</u></u>	\$ <u><u>1,492</u></u>	\$ <u><u>960</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Bridge Levy - Debt Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 654,100	\$ 640,857	\$ (13,243)
Intergovernmental	79,300	78,901	(399)
<i>Total Revenues</i>	<u>733,400</u>	<u>719,758</u>	<u>(13,642)</u>
<i>Expenditures:</i>			
Principal retirement	790,000	790,000	
Interest and fiscal charges	151,965	131,199	20,766
<i>Total Expenditures</i>	<u>941,965</u>	<u>921,199</u>	<u>20,766</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(208,565)</u>	<u>(201,441)</u>	<u>7,124</u>
<i>Net Change in Fund Balance</i>	(208,565)	(201,441)	7,124
<i>Fund Balance At Beginning Of Year</i>	<u>549,611</u>	<u>549,611</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 341,046</u>	<u>\$ 348,170</u>	<u>\$ 7,124</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Refunding Bridge Bonds - Debt Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	293	\$ 293
<i>Total Revenues</i>		293	293
<i>Expenditures:</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>		293	293
<i>Net Change in Fund Balance</i>		293	293
<i>Fund Balance At Beginning Of Year</i>	\$ 200	200	
<i>Fund Balance At End Of Year</i>	\$ 200	\$ 493	\$ 293

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Special Assessment - Debt Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Special assessments	\$ 63,000	\$ 70,008	\$ 7,008
<i>Total Revenues</i>	<u>63,000</u>	<u>70,008</u>	<u>7,008</u>
<i>Expenditures:</i>			
Principal retirement	34,075	34,072	3
Interest and fiscal charges	33,080	32,037	1,043
<i>Total Expenditures</i>	<u>67,155</u>	<u>66,109</u>	<u>1,046</u>
<i>Excess (Deficiency) Of Revenues Over Expenditures</i>	<u>(4,155)</u>	<u>3,899</u>	<u>8,054</u>
 <i>Net Change in Fund Balance</i>	 <u>(4,155)</u>	 <u>3,899</u>	 <u>8,054</u>
 <i>Fund Balance At Beginning Of Year</i>	 <u>11,085</u>	 <u>11,085</u>	 <u></u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 6,930</u>	 <u>\$ 14,984</u>	 <u>\$ 8,054</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Bridges - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 195,320	\$ 163,185	\$ (32,135)
Investment earnings		22,194	22,194
<i>Total Revenues</i>	<u>195,320</u>	<u>185,379</u>	<u>(9,941)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	147,432	147,430	2
Capital outlay	259,048	231,585	27,463
<i>Total Expenditures</i>	<u>406,480</u>	<u>379,015</u>	<u>27,465</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(211,160)</u>	<u>(193,636)</u>	<u>17,524</u>
<i>Other Financing Uses</i>			
Transfers out	<u>(99,953)</u>	<u>(99,953)</u>	
<i>Total Other Financing Uses</i>	<u>(99,953)</u>	<u>(99,953)</u>	
 <i>Net Change in Fund Balance</i>	 <u>(311,113)</u>	 <u>(293,589)</u>	 <u>17,524</u>
 <i>Fund Balance At Beginning Of Year</i>	 530,717	 530,717	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>238,176</u>	 <u>238,176</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 457,780</u>	 <u>\$ 475,304</u>	 <u>\$ 17,524</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Engineer - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 1,022,062	\$ 1,016,434	\$ (5,628)
Investment earnings		30,505	30,505
All other revenue	100,837	100,835	(2)
<i>Total Revenues</i>	<u>1,122,899</u>	<u>1,147,774</u>	<u>24,875</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	439,346	431,256	8,090
Capital outlay	1,958,018	1,939,722	18,296
<i>Total Expenditures</i>	<u>2,397,364</u>	<u>2,370,978</u>	<u>26,386</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(1,274,465)</u>	<u>(1,223,204)</u>	<u>51,261</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	1,196,882	1,196,881	(1)
Transfers out	(84,808)	(84,807)	1
<i>Total Other Financing Sources (Uses)</i>	<u>1,112,074</u>	<u>1,112,074</u>	
<i>Net Change in Fund Balance</i>	<u>(162,391)</u>	<u>(111,130)</u>	<u>51,261</u>
<i>Fund Balance At Beginning Of Year</i>	333,137	333,137	
<i>Prior Year Encumbrances Appropriated</i>	<u>279,042</u>	<u>279,042</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 449,788</u>	<u>\$ 501,049</u>	<u>\$ 51,261</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Walton Ave. Bridge - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	2,931	\$ 2,931
Total Revenues		2,931	2,931
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	\$ 315,000	310,619	4,381
Total Expenditures	315,000	310,619	4,381
Deficiency Of Revenues Over Expenditures	(315,000)	(307,688)	7,312
<i>Other Financing Sources</i>			
Proceeds of notes	350,000	350,000	
Transfers in	350,000	350,000	
Total Other Financing Sources	700,000	700,000	
Net Change in Fund Balance	385,000	392,312	7,312
<i>Fund Balance At Beginning Of Year</i>			
Fund Balance At End Of Year	\$ 385,000	\$ 392,312	\$ 7,312

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Computer System (Courts) - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 4,182	\$ 4,084	\$ (98)
Total Revenues	4,182	4,084	(98)
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	73,438	73,438	
Total Expenditures	73,438	73,438	
Deficiency Of Revenues Over Expenditures	(69,256)	(69,354)	(98)
<i>Other Financing Uses</i>			
Transfers out	(96,764)	(96,666)	98
Total Other Financing Uses	(96,764)	(96,666)	98
 <i>Net Change in Fund Balance</i>	 (166,020)	 (166,020)	
 <i>Fund Balance At Beginning Of Year</i>	 92,582	 92,582	
 <i>Prior Year Encumbrances Appropriated</i>	 73,438	 73,438	
 <i>Fund Balance At End Of Year</i>	 \$ <u><u> </u></u>	 \$ <u><u> </u></u>	 \$ <u><u> </u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
GIS Information System - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 5,090	\$ 5,090	\$
Total Revenues	5,090	5,090	
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	259,925	259,925	
Total Expenditures	259,925	259,925	
Deficiency Of Revenues Over Expenditures	(254,835)	(254,835)	
<i>Other Financing Uses</i>			
Transfers out	(65,741)	(65,741)	
Total Other Financing Uses	(65,741)	(65,741)	
Net Change in Fund Balance	(320,576)	(320,576)	
Fund Balance At Beginning Of Year	5,893	5,893	
Prior Year Encumbrances Appropriated	314,683	314,683	
Fund Balance At End Of Year	\$	\$	\$

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Data Processing Board - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	2,361	\$ 2,361
Total Revenues		2,361	2,361
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	\$ 98,519	98,518	1
Total Expenditures	98,519	98,518	1
Deficiency Of Revenues Over Expenditures	(98,519)	(96,157)	2,362
 <i>Net Change in Fund Balance</i>	 (98,519)	 (96,157)	 2,362
 <i>Fund Balance At Beginning Of Year</i>	 282	 282	
 <i>Prior Year Encumbrances Appropriated</i>	 98,518	 98,518	
 <i>Fund Balance At End Of Year</i>	 \$ 281	 \$ 2,643	 \$ 2,362

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Electronic Voting Equipment - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 22,140	\$ 22,140	
Total Revenues	22,140	22,140	
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	2,996,691	2,996,691	
Total Expenditures	2,996,691	2,996,691	
Deficiency Of Revenues Over Expenditures	(2,974,551)	(2,974,551)	
<i>Other Financing Sources (Uses)</i>			
Proceeds of notes	3,000,000	3,000,000	
Transfers out	(25,449)	(25,449)	
Total Other Financing Sources (Uses)	2,974,551	2,974,551	
 <i>Net Change in Fund Balance</i>			
 <i>Fund Balance At Beginning Of Year</i>			
	_____	_____	_____
 <i>Fund Balance At End Of Year</i>			
	\$ _____	\$ _____	\$ _____

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Courthouse - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 23,852	\$ 25,404	\$ 1,552
Total Revenues	23,852	25,404	1,552
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	292,130	135,122	157,008
Total Expenditures	292,130	135,122	157,008
Deficiency Of Revenues Over Expenditures	(268,278)	(109,718)	158,560
<i>Other Financing Uses</i>			
Transfers out	(831,764)	(831,764)	
Total Other Financing Uses	(831,764)	(831,764)	
Net Change in Fund Balance	(1,100,042)	(941,482)	158,560
Fund Balance At Beginning Of Year	1,010,757	1,010,757	
Prior Year Encumbrances Appropriated	90,534	90,534	
Fund Balance At End Of Year	\$ 1,249	\$ 159,809	\$ 158,560

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Mahoning County Justice Center - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 26,410	\$ 31,926	\$ 5,516
Total Revenues	26,410	31,926	5,516
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	4,105	4,105	
Travel	8,321	8,321	
Capital outlay	1,158,005	419,432	738,573
Total Expenditures	1,170,431	431,858	738,573
Deficiency Of Revenues Over Expenditures	(1,144,021)	(399,932)	744,089
<i>Other Financing Sources (Uses)</i>			
Transfers in	1,106,892	1,106,892	
Transfers out	(1,299,228)	(1,299,225)	3
Total Other Financing Sources (Uses)	(192,336)	(192,333)	3
Net Change in Fund Balance	(1,336,357)	(592,265)	744,092
Fund Balance At Beginning Of Year	915,268	915,268	
Prior Year Encumbrances Appropriated	421,089	421,089	
Fund Balance At End Of Year	\$ 744,092	\$ 744,092	\$ 744,092

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Solid Waste Lab - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Other Financing Sources</i>			
Transfers in	\$ 1,232,891	\$ 1,232,892	\$ 1
<i>Total Other Financing Sources</i>	<u>1,232,891</u>	<u>1,232,892</u>	<u>1</u>
<hr/>			
<i>Net Change in Fund Balance</i>	1,232,891	1,232,892	1
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	<u>267,108</u>	<u>267,108</u>	
<hr/>			
<i>Fund Balance At End Of Year</i>	<u><u>\$ 1,499,999</u></u>	<u><u>\$ 1,500,000</u></u>	<u><u>\$ 1</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Mahoning County Citizens Center - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Other Financing Uses</i>			
Transfers out	\$ (107,158)	\$ (107,158)	
<i>Total Other Financing Uses</i>	<u>(107,158)</u>	<u>(107,158)</u>	
<hr/>			
<i>Net Change in Fund Balance</i>	(107,158)	(107,158)	
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	<u>107,158</u>	<u>107,158</u>	
<hr/>			
<i>Fund Balance At End Of Year</i>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
County Administration Building - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	10,132	\$ 10,132
Total Revenues		10,132	10,132
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	\$ 634,255	622,705	11,550
Total Expenditures	634,255	622,705	11,550
Deficiency Of Revenues Over Expenditures	(634,255)	(612,573)	21,682
<i>Other Financing Sources (Uses)</i>			
Proceeds of notes	215,000	215,000	
Transfers out	(29,202)	(29,202)	
Total Other Financing Sources (Uses)	185,798	185,798	
Net Change in Fund Balance	(448,457)	(426,775)	21,682
Fund Balance At Beginning Of Year	369,678	369,678	
Prior Year Encumbrances Appropriated	80,068	80,068	
Fund Balance At End Of Year	\$ 1,289	\$ 22,971	\$ 21,682

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Board of Mental Retardation - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	\$ 355,992	\$ 355,992	
<i>Fund Balance At End Of Year</i>	<u>\$ 355,992</u>	<u>\$ 355,992</u>	<u>\$</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Southside Annex - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 15,312	\$ 17,614	\$ 2,302
All other revenue		9,416	9,416
Total Revenues	<u>15,312</u>	<u>27,030</u>	<u>11,718</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	726,228	346,703	379,525
Total Expenditures	<u>726,228</u>	<u>346,703</u>	<u>379,525</u>
Deficiency Of Revenues Over Expenditures	<u>(710,916)</u>	<u>(319,673)</u>	<u>391,243</u>
<i>Other Financing Uses</i>			
Transfers out	(17,332)	(17,332)	
Total Other Financing Uses	<u>(17,332)</u>	<u>(17,332)</u>	
Net Change in Fund Balance	<u>(728,248)</u>	<u>(337,005)</u>	<u>391,243</u>
Fund Balance At Beginning Of Year	656,574	656,574	
Prior Year Encumbrances Appropriated	<u>71,674</u>	<u>71,674</u>	
Fund Balance At End Of Year	<u>\$</u>	<u>\$ 391,243</u>	<u>\$ 391,243</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Hazmat Building - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 8,534	\$ 8,724	\$ 190
Total Revenues	8,534	8,724	190
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	568,226	568,083	143
Total Expenditures	568,226	568,083	143
Deficiency Of Revenues Over Expenditures	(559,692)	(559,359)	333
<i>Other Financing Uses</i>			
Transfers out	(10,113)	(10,113)	
Total Other Financing Uses	(10,113)	(10,113)	
Net Change in Fund Balance	(569,805)	(569,472)	333
Fund Balance At Beginning Of Year	40,878	40,878	
Prior Year Encumbrances Appropriated	528,928	528,928	
Fund Balance At End Of Year	\$ 1	\$ 334	\$ 333

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Roofing Project - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	2,270	\$ 2,270
Total Revenues		2,270	2,270
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	\$ 400,000	396,186	3,814
Total Expenditures	400,000	396,186	3,814
Deficiency Of Revenues Over Expenditures	(400,000)	(393,916)	6,084
<i>Other Financing Sources</i>			
Proceeds of notes	400,000	400,000	
Total Other Financing Sources	400,000	400,000	
 <i>Net Change in Fund Balance</i>		 6,084	 6,084
 <i>Fund Balance At Beginning Of Year</i>			
 <i>Fund Balance At End Of Year</i>	 \$	 6,084	 \$ 6,084

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Board of Mental Health - Capital Project Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Revenues:</i>			
<i>Total Revenues</i>			
<hr/>			
<i>Expenditures:</i>			
Current:			
<i>Total Expenditures</i>			
<hr/>			
<i>Excess Of Revenues Over Expenditures</i>			
<hr/>			
<i>Other Financing Uses</i>			
Transfers out	\$ (311,304)	\$ (311,304)	
<i>Total Other Financing Uses</i>	<u>(311,304)</u>	<u>(311,304)</u>	
<hr/>			
<i>Net Change in Fund Balance</i>	(311,304)	(311,304)	
<hr/>			
<i>Fund Balance At Beginning Of Year</i>	<u>311,304</u>	<u>311,304</u>	
<hr/>			
<i>Fund Balance At End Of Year</i>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>

Enterprise Funds

Enterprise Funds account for operations that are financed and operated in a manner similar to those found in the private sector. The acquisition, operation and maintenance of the enterprise fund operations are financed primarily through user charges.

Wastewater - The County provides sanitary sewer service to residential, commercial and industrial users also serviced by the water system. Wastewater charges are based on water usage and serve as the major revenue source for financing the operation, maintenance and capital improvement of the wastewater system. The activity of the following funds are reported as the Wastewater Enterprise Fund:

- Sewer Revenue
- Sewer Debt Service Fund
- Sewer Replacement Fund
- Sewer System Reserve
- Sewer – U.S.T.
- Sewer Capital Improvements
- Sewer Replacement/Issue II/O.P.W.C.
- Sewer Trustee Accounts *
- Construction Fund

*The Sewer Trustee Accounts Fund includes the activity from trustee accounts that were established pursuant to sewer revenue bond indentures. The trustee accounts that were established are the Bond Interest, Principal and Bond Reserve accounts.

Water - The County provides water services to residential, commercial and industrial customers. Revenue generated through user charges is used for the operation, maintenance and capital improvement of the water distribution system. The activity of the following funds are reported as the Water Enterprise Fund:

- Metro Water Revenue
- Metro Water Debt Service
- Craig Beach Waterline project

In order to report in accordance with GAAP, the Special Assessment Fund is included in the Water Enterprise Fund. However, for non-GAAP budgetary purposes, the Special Assessment Fund is reflected with the Debt Service Funds in budgetary format only.

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual**
Wastewater Enterprise Fund
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 16,874,210	\$ 16,874,210	\$ 17,078,893	\$ 204,683
Licenses and permits	1,490,000	1,490,000	1,427,797	(62,203)
All other revenue	10,000	10,000	22,132	12,132
Total Operating Revenues	18,374,210	18,374,210	18,528,822	154,612
<i>Operating Expenses:</i>				
Personal services	5,469,413	5,764,936	5,277,428	487,508
Materials and supplies	491,636	503,386	387,834	115,552
Contractual services	5,299,146	5,218,054	5,028,495	189,559
Travel	318,484	313,234	263,989	49,245
Utilities	1,770,747	1,839,097	1,737,665	101,432
Capital outlay	2,833,726	5,107,376	4,541,594	565,782
Claims and other expenses	230,889	252,389	227,682	24,707
Total Operating Expenses	16,414,041	18,998,472	17,464,687	1,533,785
Operating Income (Loss)	1,960,169	(624,262)	1,064,135	1,688,397
<i>Nonoperating Revenues (Expenses)</i>				
Interest income	265,000	344,132	302,908	(41,224)
Interest expense and fiscal charges	(1,587,627)	(1,530,187)	(1,476,882)	53,305
Proceeds from notes/bonds	118,925	768,456	768,386	(70)
Principal retirement	(1,993,157)	(2,093,726)	(2,045,030)	48,696
Other nonoperating revenue	104,500	1,179,977	1,171,788	(8,189)
Total Nonoperating Revenues (Expenses)	(3,092,359)	(1,331,348)	(1,278,830)	52,518
Loss Before Transfers	(1,132,190)	(1,955,610)	(214,695)	1,740,915
Transfers in	4,035,463	9,851,689	9,762,956	(88,733)
Transfers out	(7,068,279)	(10,478,561)	(9,474,559)	1,004,002
Net Income (Loss)	(4,165,006)	(2,582,482)	73,702	2,656,184
<i>Net Assets At Beginning Of Year</i>	9,333,709	9,333,709	9,333,709	
<i>Prior Year Encumbrances Appropriated</i>	1,636,959	1,636,959	1,636,959	
Net Assets At End Of Year	\$ 6,805,662	\$ 8,388,186	\$ 11,044,370	\$ 2,656,184

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual
Water Enterprise Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final</i>	<i>Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 241,000	\$ 214,523	\$ (26,477)	
Licenses and permits	5,000	9,000	4,000	
All other revenue	500		(500)	
Total Operating Revenues	246,500	223,523	(22,977)	
<i>Operating Expenses:</i>				
Personal services	73,698	68,554	5,144	
Materials and supplies	4,469	2,623	1,846	
Contractual services	11,055	7,477	3,578	
Travel	2,164	1,248	916	
Utilities	39,120	35,352	3,768	
Capital outlay	101,850	93,389	8,461	
Claims and other expenses	2,076	1,346	730	
Total Operating Expenses	234,432	209,989	24,443	
Operating Income	12,068	13,534	1,466	
<i>Nonoperating Revenues (Expenses)</i>				
Interest income	15,000	12,690	(2,310)	
Interest expense and fiscal charges	(780)	(778)	2	
Proceeds from notes/bonds	700,000	700,000		
Principal retirement	(930)	(928)	2	
Total Nonoperating Revenues (Expenses)	713,290	710,984	(2,306)	
Income Before Transfers	725,358	724,518	(840)	
Transfers in	186,600	185,500	(1,100)	
Transfers out	(194,029)	(171,500)	22,529	
Net Income	717,929	738,518	20,589	
Net Assets at Beginning of Year	160,417	160,417		
Prior Year Encumbrances Appropriated	8,153	8,153		
Net Assets at End of Year	\$ 886,499	\$ 907,088	\$ 20,589	

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MAHONING COUNTY, OHIO

Internal Service Funds

These funds are used to account for the financing of goods and services provided by one department to other departments of the County or to other governments on a cost-reimbursement basis.

Vehicle Maintenance - To account for the maintenance costs of the County vehicle pool. The user funds are charged for their respective share of the costs.

Children Services Board (CSB) Self-Insurance - To account for the accumulation of resources to provide coverage to protect Children Service Board members, employees, volunteers and foster parents against liabilities arising from the performance of their official duties.

Workers Compensation Retrospective - To account for workers' compensation cost associated with the County's retrospective program. Individual user funds are charged for their respective share of the cost.

Self-funded Hospitalization – This fund is used to account for claims and administration of the health care program for covered County employees and eligible dependents, and the accumulation and allocation of costs associated with health care.

MAHONING COUNTY, OHIO

Combining Statement of Net Assets
All Internal Service Funds

December 31, 2002

	<i>Vehicle Maintenance</i>	<i>CSB Self- Insurance</i>	<i>Workers Compensation Retrospective</i>	<i>Self-funded Hospitalization</i>	<i>Totals</i>
<i>Assets</i>					
Equity in pooled cash and investments at fair value	\$ 46,928	\$ 3,055,682	\$ 1,968,499	\$ 1,212,429	\$ 6,283,538
Due from other funds			46,033	1,004,093	1,050,126
<i>Total Assets</i>	<u>46,928</u>	<u>3,055,682</u>	<u>2,014,532</u>	<u>2,216,522</u>	<u>7,333,664</u>
<i>Liabilities</i>					
Claims and judgements payable				1,948,225	1,948,225
Compensated absences payable	246				246
Due to other funds			325,091	268,297	593,388
Due to other governments			1,595,348		1,595,348
<i>Total Liabilities</i>	<u>246</u>	<u></u>	<u>1,920,439</u>	<u>2,216,522</u>	<u>4,137,207</u>
<i>Net Assets:</i>					
Unrestricted	46,682	3,055,682	94,093		3,196,457
<i>Total Net Assets</i>	<u>\$ 46,682</u>	<u>\$ 3,055,682</u>	<u>\$ 94,093</u>	<u>\$</u>	<u>\$ 3,196,457</u>

MAHONING COUNTY, OHIO

**Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
All Internal Service Funds**

For the Year Ended December 31, 2002

	<i>Vehicle Maintenance</i>	<i>CSB Self- Insurance</i>	<i>Workers Compensation Retrospective</i>	<i>Self-funded Hospitalization</i>	<i>Totals</i>
<i>Operating Revenues:</i>					
Fees and charges for services	\$ 103,762			\$ 103,762	\$ 103,762
All other revenue			\$ 1,277,924	\$ 7,978,189	9,256,113
<i>Total Operating Revenues</i>	<u>103,762</u>		<u>1,277,924</u>	<u>7,978,189</u>	<u>9,359,875</u>
<i>Operating Expenses:</i>					
Personal services	64,067		1,220,679	7,978,189	9,262,935
Materials and supplies	33,484				33,484
Claims and other expenses	11,028				11,028
<i>Total Operating Expenses</i>	<u>108,579</u>		<u>1,220,679</u>	<u>7,978,189</u>	<u>9,307,447</u>
<i>Income (Loss) Before Transfers</i>	<u>(4,817)</u>		57,245		52,428
Transfers in		\$ 500,000			500,000
<i>Change in Net Assets</i>	<u>(4,817)</u>	<u>500,000</u>	<u>57,245</u>		<u>552,428</u>
<i>Net Assets at Beginning of Year</i>	<u>51,499</u>	<u>2,555,682</u>	<u>36,848</u>		<u>2,644,029</u>
<i>Net Assets at End of Year</i>	<u>\$ 46,682</u>	<u>\$ 3,055,682</u>	<u>\$ 94,093</u>	<u>\$</u>	<u>\$ 3,196,457</u>

MAHONING COUNTY, OHIO

Combining Statement of Cash Flows
Internal Service Funds

For the Year Ended December 31, 2002

<i>Increase in Cash and Cash Equivalents</i>	<i>Vehicle Maintenance</i>	<i>CSB Self- Insurance</i>	<i>Workers Compensation Retrospective</i>	<i>Self-funded Hospitalization</i>	<i>Totals</i>
<i>Cash flows from operating activities:</i>					
Cash receipts from customers	\$ 139,606			\$	\$ 139,606
Cash receipts from quasi-external transactions			\$ 490,113	\$ 7,242,392	7,732,505
Cash payments to employees for services	(69,216)				(69,216)
Cash payments to suppliers for goods and services	(44,512)		(414,966)	(6,029,963)	(6,489,441)
<i>Net cash provided by operating activities</i>	<u>25,878</u>		<u>75,147</u>	<u>1,212,429</u>	<u>1,313,454</u>
<i>Cash flows from noncapital financing activities:</i>					
Transfers in		\$ 500,000			500,000
<i>Net cash provided by noncapital financing activities</i>		<u>500,000</u>			<u>500,000</u>
Net increase in cash and cash equivalents	25,878	500,000	75,147	1,212,429	1,813,454
Cash and cash equivalents at beginning of year	21,050	2,555,682	1,893,352		4,470,084
Cash and cash equivalents at end of year	<u>\$ 46,928</u>	<u>\$ 3,055,682</u>	<u>\$ 1,968,499</u>	<u>\$ 1,212,429</u>	<u>\$ 6,283,538</u>

(Cont'd)

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO

Combining Statement of Cash Flows
Internal Service Funds

For the Year Ended December 31, 2002

	Vehicle Maintenance	CSB Self- Insurance	Workers Compensation Retrospective	Self-funded Hospitalization	Totals
<i>Reconciliation of operating income (loss) to net cash provided by operating activities:</i>					
Operating income (loss)	\$ (4,817)		\$ 57,245		\$ 52,428
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>					
Increase (decrease) in due from other funds	35,845			\$ (1,004,093)	(968,248)
Decrease in accounts payable			(46,033)		(46,033)
Increase (decrease) in due to other funds			(741,778)	268,297	(473,481)
Decrease in accrued wages and benefits	(3,314)				(3,314)
Decrease in compensated absences	(1,836)				(1,836)
Increase in due to other governments			805,714		805,714
Increase in claims and judgements payable				1,948,225	1,948,225
<i>Total adjustments</i>	<u>30,695</u>		<u>17,903</u>	<u>1,212,429</u>	<u>1,261,027</u>
<i>Net cash provided by operating activities</i>	<u>\$ 25,878</u>	<u>\$</u>	<u>\$ 75,148</u>	<u>\$ 1,212,429</u>	<u>\$ 1,313,455</u>

The notes to the financial statements are an integral part of this statement.

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual
Vehicle Maintenance - Internal Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>			
Fees and charges for services	\$ 138,840	\$ 138,840	
Total Operating Revenues	138,840	138,840	
<i>Operating Expenses:</i>			
Personal services	71,980	68,448	\$ 3,532
Materials and supplies	48,384	48,065	319
Utilities	200		200
Claims and other expenses	15,402	11,028	4,374
Total Operating Expenses	135,966	127,541	8,425
Change in Net Assets	2,874	11,299	8,425
 <i>Net Assets At Beginning Of Year</i>	 19,193	 19,193	
 <i>Prior Year Encumbrances Appropriated</i>	 1,856	 1,856	
 <i>Net Assets at End of Year</i>	 <u>\$ 23,923</u>	 <u>\$ 32,348</u>	 <u>\$ 8,425</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual
Children Service Board Self-Insurance - Internal Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<hr/>			
<i>Operating Revenues:</i>			
<i>Total Operating Revenues</i>			
<hr/>			
<i>Operating Expenses:</i>			
<i>Total Operating Expenses</i>			
<hr/>			
<i>Income Before Transfers</i>			
Transfers in	\$ 500,000	\$ 500,000	
<i>Change in Net Assets</i>	<u>500,000</u>	<u>500,000</u>	
<hr/>			
<i>Net Assets At Beginning Of Year</i>	<u>2,555,682</u>	<u>2,555,682</u>	
<i>Net Assets at End of Year</i>	<u>\$ 3,055,682</u>	<u>\$ 3,055,682</u>	<u>\$</u>

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual
Workers Compensation - Retrospective - Internal Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>			
All other revenue	\$	490,113	\$ 490,113
<i>Total Operating Revenues</i>		490,113	490,113
<i>Operating Expenses:</i>			
Personal services	\$	428,015	414,966
<i>Total Operating Expenses</i>		428,015	414,966
<i>Change in Net Assets</i>		(428,015)	75,147
<i>Net Assets At Beginning Of Year</i>		1,893,352	1,893,352
<i>Net Assets at End of Year</i>	\$	1,465,337	\$ 1,968,499
		\$ 503,162	\$ 503,162

MAHONING COUNTY, OHIO
**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual
Self Funded Hospitalization - Internal Service Fund**
(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2002

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>			
All other revenue	\$ 7,237,747	\$ 7,242,392	\$ 4,645
Total Operating Revenues	7,237,747	7,242,392	4,645
<i>Operating Expenses:</i>			
Personal services	7,237,747	6,029,964	1,207,783
Total Operating Expenses	7,237,747	6,029,964	1,207,783
Change in Net Assets		1,212,428	1,212,428
<i>Net Assets At Beginning Of Year</i>	_____	_____	_____
<i>Net Assets at End of Year</i>	\$ _____	\$ 1,212,428	\$ 1,212,428

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MAHONING COUNTY, OHIO

Agency Funds

Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or funds.

Payroll Agency - To account for collections of gross payroll for respective funds and disbursement of net pay to employees and withholding to proper vendors.

Undivided Tax Agency Funds - To account for all undivided taxes collected by the County and their distribution to the proper recipient.

Other Agency Funds – This fund is used to account for miscellaneous monies for which the County acts as a custodian.

MAHONING COUNTY, OHIO

**Combining Statement of Changes in Assets
and Liabilities - All Agency Funds**

For the Year Ended December 31, 2002

		Balance at Beginning of Year	Total Additions	Total Deductions	Final Balance
Payroll Agency Funds					
<i>Assets</i>					
	Equity in pooled cash and investments at fair value	\$ 292,660	\$ 22,325,915	\$ 22,420,777	\$ 197,798
	Total Assets	<u>\$ 292,660</u>	<u>\$ 22,325,915</u>	<u>\$ 22,420,777</u>	<u>\$ 197,798</u>
<i>Liabilities</i>					
	Payroll withholdings	\$ 292,660	\$ 47,470,422	\$ 47,565,284	\$ 197,798
	Total Liabilities	<u>\$ 292,660</u>	<u>\$ 47,470,422</u>	<u>\$ 47,565,284</u>	<u>\$ 197,798</u>
Undivided Tax Agency Funds					
<i>Assets</i>					
	Equity in pooled cash and investments at fair value	\$ 7,411,451	\$ 255,461,960	\$ 254,105,042	\$ 8,768,369
	Receivables:				
	Taxes	207,963,276	221,165,974	215,895,730	213,233,520
	Special assessments - current portion	12,971,498	13,577,077	12,971,498	13,577,077
	Due from other governments	21,218,681	22,221,080	21,629,875	21,809,886
	Total Assets	<u>\$ 249,564,906</u>	<u>\$ 512,426,091</u>	<u>\$ 504,602,145</u>	<u>\$ 257,388,852</u>
<i>Liabilities</i>					
	Due to other governments	\$ 242,153,455	\$ 249,031,677	\$ 242,564,649	\$ 248,620,483
	Unapportioned monies	7,411,451	255,461,960	254,105,042	8,768,369
	Total Liabilities	<u>\$ 249,564,906</u>	<u>\$ 504,493,637</u>	<u>\$ 496,669,691</u>	<u>\$ 257,388,852</u>
Other Agency Funds					
<i>Assets</i>					
	Equity in pooled cash and investments at fair value	\$ 4,850,871	\$ 23,047,842	\$ 23,570,365	\$ 4,328,348
	Cash and cash equivalents - segregated accounts	4,007,159	45,310,115	45,131,464	4,185,810
	Cash and cash equivalents with fiscal agent	1,308		1,308	
	Receivables:				
	Taxes	41,679	35,600	43,050	34,229
	Due from other funds	80,676		80,676	
	Due from other governments	5,442		5,442	
	Total Assets	<u>\$ 8,987,135</u>	<u>\$ 68,393,557</u>	<u>\$ 68,832,305</u>	<u>\$ 8,548,387</u>
<i>Liabilities</i>					
	Due to other funds	\$ 632,352		\$ 632,352	
	Due to other governments	127,797	34,229	127,797	34,229
	Unapportioned monies	7,895,609	67,483,548	67,204,915	8,174,242
	Deposits held and due to others	331,377	875,780	867,241	339,916
	Total Liabilities	<u>\$ 8,987,135</u>	<u>\$ 68,393,557</u>	<u>\$ 68,832,305</u>	<u>\$ 8,548,387</u>
Total Agency Funds					
<i>Assets</i>					
	Equity in pooled cash and investments at fair value	\$ 12,554,982	\$ 300,835,717	\$ 300,096,184	\$ 13,294,515
	Cash and cash equivalents - segregated accounts	4,007,159	45,310,115	45,131,464	4,185,810
	Cash and cash equivalents with fiscal agent	1,308		1,308	
	Receivables:				
	Taxes	208,004,955	221,201,574	215,938,780	213,267,749
	Special assessments - current portion	12,971,498	13,577,077	12,971,498	13,577,077
	Due from other funds	80,676		80,676	
	Due from other governments	21,224,123	22,221,080	21,635,317	21,809,886
	Total Assets	<u>\$ 258,844,701</u>	<u>\$ 603,145,563</u>	<u>\$ 595,855,227</u>	<u>\$ 266,135,037</u>
<i>Liabilities</i>					
	Due to other funds	\$ 632,352		\$ 632,352	
	Due to other governments	242,281,252	249,065,906	242,692,446	248,654,712
	Unapportioned monies	15,307,060	322,945,508	321,309,957	16,942,611
	Deposits held and due to others	331,377	875,780	867,241	339,916
	Payroll withholdings	292,660	47,470,422	47,565,284	197,798
	Total Liabilities	<u>\$ 258,844,701</u>	<u>\$ 620,357,616</u>	<u>\$ 613,067,280</u>	<u>\$ 266,135,037</u>

Statistical Section



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MAHONING COUNTY, OHIO

**General Government
General Fund Revenues By Source and
Expenditures By Function
(Including Operating Transfers)
Last Ten Fiscal Years**

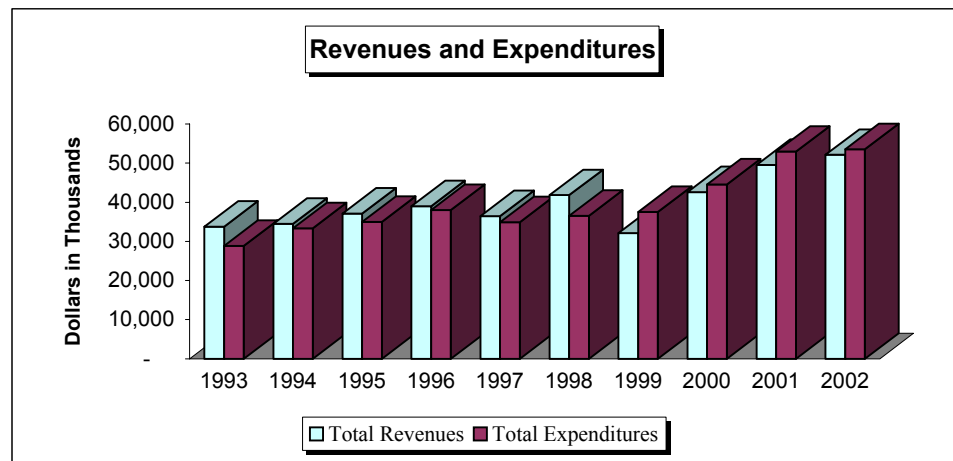
	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
<u>Revenues</u>					
Property and other taxes	\$ 4,401,758	\$ 2,476,744	\$ 2,867,467	\$ 2,671,628	\$ 3,307,983
Sales tax	17,133,782	19,072,250	20,509,795	20,955,118	17,008,608
Fees and charges for services	4,697,486	4,112,447	3,945,188	4,452,146	4,269,733
Licenses and permits	35,953	31,045	30,565	28,841	31,167
Fines and forfeitures	947,153	934,269	1,013,471	1,041,137	1,220,187
Intergovernmental	4,935,697	5,218,224	5,652,660	5,538,564	6,527,634
Investment earnings	1,099,866	1,741,319	2,491,597	3,736,482	2,888,965
All other revenue	511,833	693,855	514,793	556,637	1,136,017
Operating transfers in	<u>28,532</u>	<u>250,000</u>	<u>84,204</u>	<u>2,345</u>	<u>44,430</u>
Total Revenues	\$ <u>33,792,060</u>	\$ <u>34,530,153</u>	\$ <u>37,109,740</u>	\$ <u>38,982,898</u>	\$ <u>36,434,724</u>
<u>Expenditures</u>					
General government	\$ 9,100,535	\$ 9,888,619	\$ 9,357,913	\$ 9,474,622	\$ 8,235,031
Judicial	8,287,523	8,656,278	9,313,072	9,888,753	9,255,101
Public safety	6,189,325	8,414,116	10,553,188	13,770,500	14,032,832
Public works	136,798	128,222	107,161	131,406	1,535
Human services	757,681	1,078,212	920,196	961,930	777,334
Other	481,007	1,109,663	1,633,080	1,761,467	1,415,950
Operating transfers out	<u>3,915,277</u>	<u>4,083,639</u>	<u>3,093,091</u>	<u>2,034,119</u>	<u>1,218,667</u>
Total Expenditures	\$ <u>28,868,146</u>	\$ <u>33,358,749</u>	\$ <u>34,977,701</u>	\$ <u>38,022,797</u>	\$ <u>34,936,450</u>
Fund Balance 12/31	\$ 6,929,500	\$ 8,100,904	\$ 10,232,943	\$ 11,193,044	\$ 12,691,318

Notes: General Government defined includes only the General Fund for reporting purposes.

All figures are budgetary basis, less any encumbrances, to reflect actual cash receipts and disbursements.

**General Government
General Fund Revenues By Source and
Expenditures By Function
(Including Operating Transfers)
Last Ten Fiscal Years**

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<u>Revenues</u>					
Property and other taxes	\$ 6,767,780	\$ 2,622,877	\$ 2,747,460	\$ 2,832,978	\$ 6,777,108
Sales tax	14,839,417	12,340,520	21,901,775	25,170,289	25,979,801
Fees and charges for services	4,473,952	4,071,641	4,057,265	5,616,908	5,865,946
Licenses and permits	30,668	28,260	41,654	18,663	17,395
Fines and forfeitures	1,425,859	1,514,965	1,543,742	1,611,243	1,724,536
Intergovernmental	7,572,400	7,137,842	6,826,646	7,678,743	7,359,989
Investment earnings	4,224,500	3,612,172	4,647,275	4,363,903	3,214,975
All other revenue	2,200,368	816,197	847,160	2,015,809	787,536
Operating transfers in	280,569	12,124	4,616	263,994	399,548
Total Revenues	\$ 41,815,513	\$ 32,156,598	\$ 42,617,593	\$ 49,572,530	\$ 52,126,834
<u>Expenditures</u>					
General government	\$ 8,118,038	\$ 8,793,440	\$ 10,563,924	\$ 13,081,320	\$ 12,451,852
Judicial	9,550,289	10,410,216	10,797,678	12,784,471	13,598,129
Public safety	13,833,469	14,523,167	14,711,053	18,600,899	18,473,504
Public works					
Human services	750,354	752,691	953,316	924,022	864,405
Other	1,414,896	1,227,952	2,189,969	1,935,458	1,758,155
Operating transfers out	2,858,575	1,826,456	5,336,380	5,617,758	6,409,284
Total Expenditures	\$ 36,525,621	\$ 37,533,922	\$ 44,552,320	\$ 52,943,928	\$ 53,555,329
Fund Balance 12/31	\$ 17,981,210	\$ 12,603,886	\$ 10,669,159	\$ 7,297,761	\$ 5,869,266



MAHONING COUNTY, OHIO

**Property Tax Levies and Collections
Real and Public Utility**

Last Ten Fiscal Years

<i>Tax Year</i>	<i>Collection Year</i>	<i>Current Taxes Levied</i>	<i>Current Taxes Collected</i>	<i>Percent of Levy Collected</i>	<i>Current Delinquent Tax Collections</i>	<i>Total Tax Collection</i>
1992	1993	\$19,894,349	\$19,239,472	96.71%	\$712,424	\$19,951,896
1993	1994	20,946,164	20,090,977	95.92%	661,002	20,751,979
1994	1995	19,394,549	18,837,065	97.13%	602,520	19,439,585
1995	1996	22,038,238	21,375,311	96.99%	574,146	21,949,457
1996	1997	22,797,230	22,093,950	96.92%	535,821	22,629,771
1997	1998	23,179,721	22,353,347	96.43%	675,135	23,028,482
1998	1999	23,821,465	22,955,370	96.36%	807,765	23,763,135
1999	2000	25,268,305	24,343,889	96.34%	810,332	25,154,221
2000	2001	25,074,538	23,973,692	95.61%	962,339	24,936,031
2001	2002	30,620,624	28,872,375	94.29%	1,304,814	30,177,189

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Tangible Personal Property Tax

Last Ten Fiscal Years

<i>Collection Year</i>	<i>Current Billed (1)</i>	<i>Total Collected (2)</i>	<i>Percent Collected</i>	<i>Accumulated Delinquent</i>
1993	\$3,138,336	\$3,284,479	104.66%	\$2,120,846
1994	3,162,841	3,166,617	100.12%	2,299,060
1995	2,860,933	2,981,776	104.22%	2,473,360
1996	3,309,171	3,743,352	113.12%	2,508,854
1997	3,366,358	3,602,120	107.00%	2,532,516
1998	3,339,028	3,137,540	93.97%	2,711,131
1999	3,314,246	3,187,275	96.17%	2,802,467
2000	3,516,470	3,290,487	93.57%	2,712,880
2001	3,640,605	3,386,031	93.01%	2,877,543
2002	3,767,959	3,448,489	91.52%	3,334,030

(1) Does not include current exemption

(2) Includes delinquent collections prior to collection year 1998

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

<i>Tax Year/ Collection Year</i>	<u>Real Property (1)</u>		<u>Personal Property</u>		<u>Total</u>	
	<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Assessed Value</i>	<i>Estimated Actual Value</i>
93/94	\$2,354,632,450	\$6,727,521,286	\$281,282,586	\$1,125,130,344	\$2,635,915,036	\$7,852,651,630
94/95	2,384,178,770	6,811,939,343	287,530,967	1,150,123,868	2,671,709,737	7,962,063,211
95/96	2,415,182,380	6,900,521,086	298,093,370	1,192,373,480	2,713,275,750	8,092,894,566
96/97	2,612,824,170	7,465,211,914	328,254,680	1,313,018,720	2,941,078,850	8,778,230,634
97/98	2,685,584,690	7,673,099,114	333,858,390	1,335,433,560	3,019,443,080	9,008,532,674
98/99	2,756,980,130	7,877,086,086	332,269,940	1,329,079,760	3,089,250,070	9,206,165,846
99/00(2)	3,281,374,300	9,375,355,143	331,190,930	1,324,763,720	3,612,565,230	10,700,118,863
00/01	3,329,927,570	9,514,078,771	350,342,720	1,401,370,880	3,680,270,290	10,915,449,651
01/02	3,337,884,740	9,536,813,543	366,340,570	1,465,362,280	3,704,225,310	11,002,175,823
02/03	3,394,781,600	9,699,376,000	348,147,510	1,392,590,040	3,742,929,110	11,091,966,040

(1) Includes public utility property values

(2) Six Year reappraisal per ORC 5715.33

Source: Mahoning County Auditor's Office

Property Tax Rates - County and All Overlapping Governments

(Per \$1,000 of Assessed Value)

Last Ten Tax Years

Townships	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Austintown	14.70	17.10	17.10	17.10	17.10	17.10	17.10	18.10	18.10	18.10
Beaver	12.80	12.80	12.80	12.80	12.80	14.30	14.30	15.40	15.40	15.40
Berlin	5.80	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Boardman	14.75	14.75	16.05	15.05	15.05	15.05	15.05	15.05	15.05	15.05
Canfield	4.75	4.75	4.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Coitsville	18.00	18.00	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50
Ellsworth	3.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Fairfield										2.00
Goshen	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Green	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Jackson	6.95	8.95	8.95	8.95	10.95	10.95	10.95	10.95	10.95	8.95
Milton	3.80	7.20	7.20	7.20	7.20	7.20	7.20	9.20	9.20	9.20
Poland	8.80	8.80	8.80	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Smith	7.70	7.70	7.70	7.70	8.90	8.90	12.80	12.80	12.80	12.80
Springfield	12.40	12.40	12.40	12.40	14.40	14.40	14.40	14.40	14.40	14.40
Other Units										
Boardman Twp. Park	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Cardinal Joint Fire District	1.90	1.90	1.90	1.90	1.90	1.90	1.90	3.15	3.15	3.15
Mill Creek Metro Park	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.75	1.75
Western Reserve Fire District	1.80	1.80	1.80	1.80	1.80	2.80	2.80	2.80	2.80	2.80
Western Reserve Transit Authority	3.00	3.00	3.00	3.00	5.00	5.00	5.00	5.00	5.00	5.00
Out of County School Districts										
Alliance	50.90	50.70	50.70	50.70	50.70	50.40	54.60	54.40	54.40	54.40
Columbiana	48.50	48.50	48.50	46.50	45.80	45.26	43.80	42.60	42.83	34.53
Hubbard	51.10	51.10	50.50	49.67	49.70	49.60	48.26	48.22	54.35	54.25
Leetonia	44.60	44.60	44.60	42.50	42.50	45.56	43.95	43.95	43.26	42.06
Weathersfield	46.10	46.10	50.70	50.10	50.31	49.25	48.70	50.27	50.60	50.90
Cities										
Alliance	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Campbell	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Canfield	6.95	6.95	6.95	5.00	4.80	4.50	4.15	3.75	4.00	3.90
Columbiana	2.80	2.80	2.80	2.80	2.80	2.80	4.30	4.30	4.30	4.30
Sebring	4.90	5.40	5.40	5.40	8.40	8.40	8.40	8.40	8.40	8.40
Struthers	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Youngstown	3.80	3.80	3.80	3.70	3.70	3.70	3.70	3.70	3.70	3.70

Property Tax Rates - County and All Overlapping Governments

(Per \$1,000 of Assessed Value) (Cont'd.)

Last Ten Tax Years

Villages	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Beloit	17.20	22.20	16.50	16.30	16.30	16.30	16.00	16.00	16.00	16.00
Craig Beach	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	6.70	6.70
Lowellville	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
New Middletown	9.20	9.20	9.20	8.20	8.20	11.20	11.20	11.20	11.40	11.40
Poland	9.40	9.40	9.40	7.60	7.60	7.60	7.60	7.60	7.60	7.60
Washingtonville	20.90	20.90	20.90	16.70	16.70	16.70	16.70	16.70	16.70	16.70
County Units										
Bond Retirement	2.20	1.95	2.15	2.05	0.70	2.20	2.20	2.05	0.85	1.35
Children's Services	1.35	1.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35
General	0.40	0.60	0.40	0.50	1.75	0.25	0.25	0.25	1.45	0.95
Library	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Mental Health	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Mental Retardation School	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00
TB Clinic	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Total Rates	11.00	9.95	10.95	10.95	10.85	10.85	10.85	10.70	11.70	11.70
School Districts										
Austintown	47.30	47.30	47.30	54.60	54.60	54.60	54.60	54.60	54.60	54.60
Boardman	43.80	43.70	43.55	49.00	48.85	48.70	48.05	48.05	48.00	48.00
Campbell	35.30	35.20	35.20	39.60	39.60	39.50	40.90	41.15	41.45	41.45
Canfield	42.60	49.30	49.15	48.75	48.65	51.00	50.45	50.45	50.45	56.25
Jackson-Milton	42.05	42.20	42.20	41.95	41.95	51.10	48.50	48.20	48.00	47.65
Lowellville	55.90	55.90	55.90	55.90	55.90	55.90	61.60	61.50	61.50	61.50
Poland	45.90	45.25	46.00	44.90	45.30	44.95	43.15	43.05	42.90	42.80
Sebring	55.70	55.70	55.70	55.70	55.70	59.30	59.30	59.30	59.30	59.30
South Range	49.70	49.55	49.55	55.80	55.40	54.75	52.15	51.90	51.70	51.55
Springfield	41.00	39.60	39.60	39.60	39.60	39.60	37.00	37.00	37.00	37.00
Struthers	49.10	49.10	49.10	59.10	59.10	59.10	62.20	62.20	62.20	62.20
West Branch	36.60	36.60	36.20	35.85	35.85	30.00	30.00	34.50	34.50	34.35
Western Reserve	47.50	47.35	47.35	46.05	45.75	45.05	43.40	43.05	43.10	42.95
Youngstown	46.50	46.50	46.50	46.60	46.60	46.60	46.60	51.00	51.00	51.00
Mahoning Co. Career and Technical Center	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Special Assessment Billings and Collections

Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>Special Assessment Billings</i>	<i>Total Assessments Collected</i>	<i>Ratio of Total Collections to Billings</i>
1993	\$369,125	\$339,777	92.05%
1994	353,672	345,290	97.63%
1995	353,602	349,644	98.88%
1996	372,783	353,350	94.79%
1997	370,076	350,678	94.76%
1998	365,763	345,422	94.44%
1999	365,618	346,576	94.79%
2000	370,279	361,830	97.72%
2001	374,999	359,294	95.81%
2002	371,883	364,845	98.11%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Last Ten Fiscal Years

Year	Population	Assessed Value (1)	Gross Bonded Debt	Less: Self Supporting Debt (2)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1993	264,891	\$2,635,915,036	\$39,985,001	\$26,277,603	\$13,707,398	0.52%	51.75
1994	263,884	2,671,709,737	65,445,000	27,371,851	38,073,149	1.43%	144.28
1995	262,338	2,713,275,750	62,480,000	25,956,558	36,523,442	1.35%	139.22
1996	263,884	2,941,078,850	59,365,000	24,489,336	34,875,664	1.19%	132.16
1997	257,489	3,019,443,080	56,065,000	22,945,187	33,119,813	1.10%	128.63
1998	255,165	3,089,250,070	52,585,000	21,334,109	31,250,891	1.01%	122.47
1999	252,597	3,612,565,230	48,870,000	19,618,718	29,251,282	0.81%	115.80
2000	257,555	3,680,270,290	53,685,000	16,364,013	37,320,987	1.01%	144.90
2001	254,958	3,704,225,310	48,025,000	14,630,222	33,394,778	0.90%	130.98
2002	253,308	3,742,929,110	42,245,001	12,969,735	29,275,266	0.78%	115.57

(1) Mahoning County Auditor's Office, Budget Commission - tax year data

(2) Self-supporting debt consists of Revenue Bonds, Special Assessment Bonds and General Obligation Bonds paid from Enterprise Fund Revenues, County Engineer Fund Revenues and Voted General Tax Levies

Sources: Mahoning County Auditor's Office
 Youngstown-Warren Regional Chamber of Commerce
 The Office of Strategic Resource
 The U.S. Census Bureau

Ratio of Annual Debt Service for General Bonded Debt to Total General Fund Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Fund Expenditures (1)	Ratio of Debt Service to Total General Fund Expenditures
1993	\$598,791	\$976,886	\$1,575,677	\$28,868,146	5.46%
1994	634,249	1,532,577	2,166,826	33,358,749	6.50%
1995	1,549,707	2,321,382	3,871,089	34,977,701	11.07%
1996	1,647,778	2,231,979	3,879,757	38,022,797	10.20%
1997	1,755,851	2,136,367	3,892,218	34,936,450	11.14%
1998	1,868,922	2,033,680	3,902,602	36,525,621	10.68%
1999	1,999,609	1,923,826	3,923,435	37,533,922	10.45%
2000	2,135,295	1,805,389	3,940,684	44,552,320	8.85%
2001	3,926,210	2,011,743	5,937,953	52,943,930	11.22%
2002	4,119,511	1,746,065	5,865,576	53,555,329	10.95%

(1) Budgetary basis excluding encumbrances.

Source: Mahoning County Auditor's Office

COMPUTATION OF LEGAL DEBT MARGIN

December 31, 2002

Total of all County Debt Outstanding \$ 56,555,272 (1)

Debt Exempt from Computation:

Jail and other Correctional Facilities	\$ 16,080,000
Ohio Public Works Commission Loans	2,180,271
Revenue Bonds	8,840,000
Road and Bridge Improvements	4,160,000
Sewer System	354,072
Special Assessments	1,641,386
Water System	<u>709,277</u>

Total Exempt Debt 0 33,965,006

**Total Net Indebtedness Subject to Direct
Debt Limitation (Voted and Unvoted) \$ 22,590,266 (2)**

Assessed Valuation of County (2002 tax year) \$ 3,742,929,110

Direct Debt Limitation - (3% of first
\$100,000,000 assessed valuation; 1 1/2% amount in excess of
\$100,000,000 not in excess of \$300,000,000; 2 1/2% of amount
in excess of \$300,000,000) \$ 92,073,228

Total Net Indebtedness (Voted and Unvoted) 22,590,266

Direct Debt Margin \$ 69,482,962

Unvoted Debt Limitation (1% of County Assessed Valuation) 37,429,291

Total Unvoted Net Indebtedness Subject to 1% Debt Limitation 20,895,266 (2)

Unvoted Debt Margin \$ 16,534,025

(1) For the purpose of computing the legal debt margin, the Ohio Water Developmental Authority loans, Mental Health Mortgage Note, and West Branch Reservoir long-term obligation are excluded.

(2) Leeway determined without reference to monies in Debt Retirement Fund.

Computation of Direct and Overlapping Debt

December 31, 2002

	Net Debt	Percent Applicable (1)	County Share
Mahoning County	\$29,275,266	100%	\$29,275,266
Mahoning County Cities, Villages, and Townships wholly within the County	19,529,213	100%	19,529,213
Mahoning County School Districts wholly within the County	68,667,427	100%	68,667,427
Total of entities wholly within the County	<u>\$117,471,906</u>		<u>\$117,471,906</u>
Entities not wholly within the County:			
<u>Cities</u>			
Alliance	\$4,049,000	0.21%	\$8,503
<u>Villages</u>			
Columbiana	605,000	16.99%	102,790
Washingtonville		50.17%	-
<u>School Districts</u>			
Alliance City	11,289,990	4.79%	540,791
Columbiana Exempted Village	930,000	23.94%	222,642
Hubbard Exempted Village	1,300,000	0.37%	4,810
Jackson-Milton Local		98.18%	-
Leetonia Exempted Village	1,817,810	7.41%	134,700
Weathersfield Local	1,919,999	7.59%	145,728
West Branch Local	8,564,999	50.19%	4,298,773
<u>Joint Vocational Schools</u>			
Columbiana County		4.24%	-
Mahoning County		97.06%	-
Trumbull County		0.03%	-
Mahoning Valley Sanitary Sewer District		67.76%	-
Total of entities not wholly within the County	<u>\$30,476,798</u>		<u>\$5,458,737</u>
Net Overlapping Debt, Including Mahoning County	<u>\$147,948,704</u>		<u>\$122,930,643</u>

(1) Determined on a percentage basis by dividing the amount of assessed valuation of that territory of the political subdivision which is within the boundaries of the county by the total of assessed valuation of the political subdivision.

Sources: Mahoning County Auditor

Ohio Municipal Advisory Council

Debt Service Coverage

Last Seven Fiscal Years

Year	Usage Revenues	Interest Earnings	Total Revenues	Operation and Maintenance Expenses (1)	Net Income Available for Debt Service	Debt Service on Series 1989 Bonds	Debt Service on Series 2000 Bonds	Debt Service Coverage on Bonds (2)	OWDA and OPWC Payments	Debt Service Coverage on Bonds, OPWC and OWDA (3)
1996	\$12,204,118	\$187,949	\$12,392,067	\$9,748,494	\$2,643,573	\$932,718	-	2.83	\$1,345,174	1.09
1997	13,262,153	180,921	13,443,074	8,681,427	4,761,647	930,423	-	5.12	1,470,866	1.87
1998	14,483,189	242,640	14,725,829	9,180,926	5,544,903	932,155	-	5.95	1,492,893	2.16
1999	14,774,751	329,114	15,103,865	9,505,179	5,598,686	927,904	-	6.03	1,514,739	2.17
2000	16,484,509	539,395	17,023,904	11,698,423	5,325,481	932,475	-	5.71	2,135,330	1.66
2001	17,348,987	535,752	17,884,739	11,987,123	5,897,616	-	866,369	6.81	2,278,401	1.80
2002	18,327,421	302,908	18,630,329	12,808,055	5,822,274	-	826,249	7.05	2,297,079	1.79

(1) Expenses excludes depreciation, in accordance with the bond indenture test for purposes of calculating debt service coverage

(2) Debt Service coverage is based on 100% of debt service on the bonds

(3) Debt Service coverage is based on 115% of debt service on the bonds and 100% of the debt service on the OWDA and OPWC loans

(4) All figures are on a GAAP basis

Source: Mahoning County Auditor

Debt Service Coverage

Last Seven Fiscal Years

Year	Usage Revenues	Operation and Maintenance Expenses (1)	Net Revenues	Debt Service on Series 1989 Bonds	Debt Service on Series 2000 Bonds	Debt Service Coverage on Bonds (2)
1996	\$12,204,118	\$9,748,494	\$2,455,624	\$932,718	-	2.63
1997	13,262,153	8,681,427	4,580,726	930,423	-	4.92
1998	14,483,189	9,180,926	5,302,263	932,155	-	5.69
1999	14,774,751	9,505,179	5,269,572	927,904	-	5.68
2000	16,484,509	11,698,423	4,786,086	932,475	-	5.13
2001	17,348,987	11,987,123	5,361,864	-	866,369	6.19
2002	18,327,421	12,808,055	5,519,366	-	826,249	6.68

(1) Expenses excludes depreciation, in accordance with the bond indenture test for purposes of calculating debt service coverage

(2) Debt Service coverage is based on 100% of debt service on the bonds

(3) All figures are on a GAAP basis

Source: Mahoning County Auditor

Sewer System Historical Operating Results

Last Ten Fiscal Years

<i>Year</i>	<i>Retained Earnings January 1</i>	<i>Revenues</i>	<i>Expenditures (2)</i>	<i>Prior Year Encumbrances Appropriated</i>	<i>Retained Earnings December 31</i>
1993	\$6,565,521	\$14,504,437	\$17,784,158	\$1,431,126	\$4,716,926
1994	4,716,926	15,236,867	16,517,380	726,313	4,162,726
1995	4,162,726	15,854,493	16,889,220	679,018	3,807,017
1996	3,807,017	16,219,850	17,129,796	674,662	3,571,733
1997	3,571,733	16,183,473	17,462,165	1,360,351	3,653,392
1998	3,653,392	17,821,913	16,409,542	547,996	5,613,759
1999	5,613,759	21,536,853	21,048,278	1,585,063	7,687,397
2000	7,687,397	36,824,923	38,177,942	1,959,984	8,294,362
2001	8,294,362	26,068,680	27,090,817	2,061,484	9,333,709
2002	9,333,709	30,534,860	30,461,158	1,636,959	11,044,370

(1) All figures are on a non-GAAP budgetary basis

(2) Includes open encumbrances as of December 31

Source: Mahoning County Auditor

Demographic Statistics

Population

	County	MSA *
1940	240,720	463,156
1950	257,629	515,464
1960	300,480	615,990
1970	303,424	644,313
1980	289,487	644,922
1990	264,806	600,895
2000	257,555	586,000

* Youngstown-Warren Metropolitan Statistical Area

Population for the Last Ten Years

1993	264,891
1994	263,884
1995	262,338
1996	263,884
1997	257,489
1998	255,165
1999	252,597
2000	257,555
2001	254,958
2002	253,308

Sources: Youngstown-Warren Regional Chamber of Commerce, The Office of Strategic Research and
United States Census Bureau

Racial/Ethnic Composition of Population 2000

	Number	Percentage
White	208,727	81.05%
Black or African American	40,884	15.87%
Two or more races	3,561	1.38%
Asian	1,220	0.47%
American Indian and Alaska Native	445	0.17%
Some other race	2,718	1.06%
Total	257,555	100.00%

Source: United States Census Bureau

Demographic Statistics (cont'd)

Age Distribution 2000

Age	Number	Percentage
Under 5 years	15,332	5.96%
5-19 years	52,549	20.40%
20-24 years	14,810	5.75%
25-44 years	68,043	26.42%
45-54 years	37,187	14.44%
55-59 years	12,801	4.97%
60-64 years	11,104	4.31%
65-74 years	22,750	8.83%
75-84 years	17,757	6.89%
85 years and over	5,222	2.03%
Total	257,555	100.00%
Median Age 40-44		
Source: Department of Urban Studies at Youngstown State University		

Large Employers

Private Sector

HM Health Services	Giant Eagle Markets
Forum Health	Youngstown Sparkle Markets
Diocese of Youngstown	Home Savings and Loan
General Electric Co.	Infocision Management
Kaufmann's	

Public Sector

Mahoning County	Youngstown State University
City of Youngstown	Boardman Local School District
U.S. Postal Service	Youngstown City School District

Source: Youngstown-Warren Regional Chamber of Commerce

Property Value, Building Permits and Banking Activity

Last Ten Fiscal Years

<i>Tax Year</i>	<i>Total Permits Issued (1)</i>	<i>Building Permits Total Estimated Value of Buildings (1)</i>	<i>Real Property Assessed Value (2)</i>	<i>Real Property Estimated Actual Value</i>	<i>Banking Activity Bank Deposits (3)</i>
1993	2,143	\$121,896,140	\$2,354,632,450	\$6,727,521,286	\$2,861,568,000
1994	2,251	129,869,496	2,384,178,770	6,811,939,343	2,047,871,000
1995	2,142	148,796,521	2,415,182,380	6,900,521,086	2,034,029,000
1996	2,159	161,215,141	2,612,824,170	7,465,211,914	2,034,029,000
1997	2,055	173,880,380	2,685,584,690	7,673,099,114	1,074,333,000
1998	2,289	185,387,725	2,756,980,130	7,877,086,086	1,108,268,000
1999	2,216	164,890,309	3,281,374,300	9,375,355,143	1,095,935,000
2000	2,139	162,319,473	3,329,927,570	9,514,078,771	728,121,000
2001	1,931	203,711,985	3,337,884,740	9,536,813,543	778,000,707
2002	2,288	185,855,660	3,394,781,600	9,699,376,000	588,953,000

(1) Source: Mahoning County Building Inspection Department

(2) Source: Mahoning County Auditor's Office

(3) Source: Federal Reserve Bank of Cleveland

MAHONING COUNTY, OHIO

Real Property Principal Taxpayers

December 31, 2002

Company	Value	Percentage of Total County Assessed Valuation
CCA Prison	\$23,699,210	0.74%
Debartolo Capital Partnership	15,901,810	0.50%
GS Boardman LLC	10,583,450	0.33%
P&S Equities	6,169,770	0.19%
Simon Capital Ltd. Partnership	5,011,770	0.16%
Jackson Acquisition Corporation	4,684,650	0.15%
Cope Methodist Home	4,319,050	0.13%
Brandywime Apartments	3,891,160	0.12%
Equity Industrial Partner	3,724,700	0.12%
Handel and Monus	3,597,220	0.11%
<i>Total Real Property Valuation</i>	\$81,582,790	2.55%
All Others	\$3,125,957,220	97.45%
<i>Total Assessed Valuation</i>	\$3,207,540,010	100.00%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Personal Property Public Utility Principal Taxpayers

December 31, 2002

Company	Value	Percentage of Total County Assessed Valuation
Ohio Edison	\$72,640,370	38.79%
Ohio Bell	33,249,890	17.76%
American Transmissions Systems Inc.	19,852,380	10.60%
East Ohio Gas	14,321,730	7.65%
Consumers Ohio Water Co.	12,350,060	6.60%
Sygnel Communications Inc.	8,355,370	4.46%
Qwest Communications	4,128,360	2.20%
Norfolk Southern Combined Railroad	3,717,660	1.99%
Youngstown Warren MSA	3,408,290	1.82%
CSX Transportation Inc.	2,158,000	1.15%
<i>Total Personal Property Public Utility Valuation</i>	\$174,182,110	93.02%
All Others	\$13,059,480	6.98%
<i>Total Assessed Valuation</i>	\$187,241,590	100.00%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Tangible Personal Property Principal Taxpayers

December 31, 2002

Company	Value	Percentage of Total County Assessed Valuation
North Star Steel Company	\$17,537,610	5.04%
Parker Hannifin	5,722,660	1.64%
Buick Youngstown Inc.	4,044,400	1.16%
Tamarkin Company	3,347,260	0.96%
Astro Shapes Inc.	3,211,990	0.92%
May Department Stores	3,080,500	0.88%
Hynes Industries	2,893,240	0.83%
Rubbermaid Inc.	2,514,980	0.72%
Steel Forming Inc.	2,460,320	0.71%
Armstrong Utilities Inc.	2,451,460	0.70%
<i>Total Tangible Personal Property Valuation</i>	\$47,264,420	13.56%
All Others	\$300,883,090	86.44%
<i>Total Assessed Valuation</i>	\$348,147,510	100.00%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Miscellaneous Statistics

December 31, 2002

Population Rank Among Ohio Counties	10
Elevation (ft. above sea level)	1,257
Universities and Colleges	1
School Systems	15
Public Libraries	21

Recreation

Bowling	8
Golf	13
Tennis	60
Parks	16

Health Care

Hospitals (Including Ambulatory Centers)	8
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Enrollment in College

Youngstown State University	12,698
Source: Youngstown State University	

November 2002 General Election

Total Number of Registered Voters	182,510
Voters in 2002 General Election	90,065
Percentage of Registered Voters Voting	49.35%
Source: Mahoning County Board of Elections	

Sanitary Engineering

Number of Miles of Sewer Lines	820
Number of Miles of Water Lines	32
Number of Sewer Customers	40,000
Number of Water Customers	983
Source: Mahoning County Sanitary Engineer's Office	

Solid Waste Management

Number of Tons of Recycled Material From Residential Homes and Commercial	40,806
Annual Number of Tons of Industrial, Commercial and Residential Waste Landfilled	294,590
Percentage From Residential	N/A
Source: Mahoning County Solid Waste Management	

Additional copies of this report
may be obtained by contacting:

The Mahoning County Auditor's Office
120 Market Street
Youngstown, OH 44503
(330) 740-2010



**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

MAHONING 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
JANUARY 15, 2004**