

MAHONING COUNTY, OHIO
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2003



**Auditor of State
Betty Montgomery**

Board of County Commissioners
Mahoning County
120 Market 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, 2003 through December 31, 2003. 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.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

April 18, 2005

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MAHONING COUNTY, OHIO

DECEMBER 31, 2003

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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 discretely presented component unit, 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, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Mahoning County, Ohio as of December 31, 2003, 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 discussed in Note T and managements' discussion and analysis, the defeat of the County's sales tax renewal is expected to significantly affect the County's financial condition beginning in 2005.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2004 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.

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.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Mahoning County, Ohio, basic financial statements. 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 basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Cohen & Company

December 17, 2004
Youngstown, Ohio

MAHONING COUNTY, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2003 Unaudited

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, 2003. 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 2003 are as follows:

- The assets of the County exceeded its liabilities at the close of the year ended December 31, 2003, by \$219.5 million (net assets). Of this amount, \$12.6 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, and \$9.6 million is classified as unrestricted net assets in the Water and Wastewater activities.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$63.7 million. Of this amount, \$50.5 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 \$8.1 million, or approximately 16.0% of total general fund expenditures and other financing uses.
- The County's total net assets increased by \$8.3 million. This represents a 3.9% increase from 2002.

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.) For the Year Ended December 31, 2003 Unaudited

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 2003?" 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 Unit** – The County includes financial data of the Mahoning Adult Services Company, Inc. (MASCO, Inc.) in its financial statements. The component unit is legally separate from the County and is described in Note A of the Notes to the Financial Statements. Separately issued financial statements can be obtained from MASCO, Inc., 160 Marwood Circle, Boardman, OH 44512.

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.)
For the Year Ended December 31, 2003 Unaudited***

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 8.

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 15-16 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 statement 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.)
For the Year Ended December 31, 2003 Unaudited**

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 \$219.5 million (\$166.7 million in governmental activities and \$52.8 million in business-type activities) as of December 31, 2003, an increase of \$8.3 million over the prior year as at December 31, 2002 assets exceeded liabilities by \$211.2 million. By far, the largest portion of the County's net assets (56.4%) 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 2003 and 2002.

	2003			2002		
	Governmental Activities	Business-Type Activities	Total	(1) Governmental Activities	Business-Type Activities	Total
Assets						
Current & Other Assets	\$ 126.9	\$ 18.0	\$ 144.9	\$ 126.2	\$ 17.4	\$ 143.6
Capital Assets, Net (1)	124.3	64.6	188.9	123.5	64.8	188.3
Total Assets	251.2	82.6	333.8	249.7	82.2	331.9
Liabilities						
Current & Other Liabilities	47.8	1.6	49.4	46.1	2.2	48.3
Long-Term Liabilities						
Due Within One Year	10.1	1.9	12	11.9	2.2	14.1
Due in More Than One Year	26.6	26.3	52.9	30.3	28.0	58.3
Total Liabilities	84.5	29.8	114.3	88.3	32.4	120.7
Net Assets						
Invested in Capital						
Assets Net of Debt	87.6	36.1	123.7	82.0	35.3	117.3
Restricted:						
Capital projects	7.8		7.8	3.0		3.0
Special Revenue	54.7		54.7	59.2		59.2
Debt Service	4.0	7.1	11.1	4.9	5.6	10.5
Unrestricted	12.6	9.6	22.2	12.3	8.9	21.2
Total Net Assets	\$ 166.7	\$ 52.8	\$ 219.5	\$ 161.4	\$ 49.8	\$ 211.2

(1) 2002 Capital Assets, Net restated for correction of error - see Note E

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.)
For the Year Ended December 31, 2003 Unaudited

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 \$73.6 million or 33.5% of net assets. The remaining \$22.2 million or 10.1% 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, 2003, 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 2003 and 2002.

Table 2
Changes in Net Assets
(In Millions)

	2003			2002		
	Governmental Activities	Business-Type Activities	Total	(1) Governmental Activities	Business-Type Activities	Total
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 25.1	\$ 18.8	\$ 43.9	\$ 23.0	\$ 18.6	\$ 41.6
Operating Grants and Contributions	79.0	0.1	79.1	76.6		76.6
Capital Grants and Contributions	5.3	1.6	6.9	4.0	2.5	6.5
<i>General Revenues:</i>						
Property Taxes	25.8		25.8	30.4		30.4
Sales Tax	26.8		26.8	25.8		25.8
Other Taxes	10.7		10.7	11.0		11.0
Unrestricted Grants	10.0		10	10.2		10.2
Other	1.5		1.5	2.9	0.4	3.3
Total Revenues	184.2	20.5	204.7	183.9	21.5	205.4
Program Expenses:						
General Government	15.4		15.4	15.7		15.7
Judicial	15.8		15.8	15.2		15.2
Public Safety	23.2		23.2	25.0		25.0
Public Works	13.4		13.4	12.5		12.5
Health	46.1		46.1	45.0		45.0
Human Services	58.4		58.4	56.0		56.0
Other	4.6		4.6	4.2		4.2
Interest on Long-Term Debt	1.8		1.8	2.2		2.2
Water and Wastewater		17.7	17.7		17.3	17.3
Total Expenses	178.7	17.7	196.4	175.8	17.3	193.1
Increase in Net Assets before Transfers	5.5	2.8	8.3	8.1	4.2	12.3
Transfers	(0.1)	0.1		(0.4)	0.4	
Increase in Net Assets	\$ 5.4	\$ 2.9	\$ 8.3	\$ 7.7	\$ 4.6	\$ 12.3

(1) 2002 expenses restated for correction of error to include depreciation expense had the assets been reported - see Note E

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.) For the Year Ended December 31, 2003 Unaudited

Governmental Activities

Human Services accounts for \$58.4 million of the \$178.7 million total expenses for governmental activities, or 32.7% of total expenses. The next largest program is Health, accounting for \$46.1 million which represents 25.8% of total governmental expenses.

Tax revenue accounts for \$63.3 million of the \$184.2 million in total revenue for governmental activity, or 34.4% of total governmental revenues. Operating grants was the largest program revenue accounting for \$79.0 million, or 42.9% of 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 \$25.1 million or 13.6% 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 \$2.9 million during the year 2003. Major revenue sources were charges for service of \$18.8 million and capital grants and contributions of \$1.6 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 \$63.7 million. \$50.5 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 (\$12.7 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.)
For the Year Ended December 31, 2003 Unaudited***

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 \$8.1 million, while the total fund balance decreased to \$10.1 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 16.0% of the total general fund expenditures and other financing uses, while total fund balance represents 20.0% of that same amount.

The fund balance of the County's general fund decreased by \$0.5 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:

- The County experienced a \$0.9 million decrease in investment earnings and a \$0.3 million decrease in the change in fair value of investments.
- Although there was a decrease in property and other taxes of approximately \$1.2 million in 2003, most of the decrease can be attributed to the change in the allocation of the property taxes from the General Fund to Debt Service in 2003. In 2002, the inside millage allocation was 1.45 for the General Fund and .65 for Debt Service. In 2003, the allocation changed to .95 and 1.15, respectively.
- The County's general government expenses decreased by \$1.1 million in 2003. The majority of the decrease was due to personnel costs related to layoffs, while \$0.3 million was attributed to savings the Board of Elections realized with the implementation of new electronic voting machines.
- The County's judicial expenses increased by \$0.7 million due to increased indigent defense spending and increased juvenile court expenses.
- The County's public safety expenses decreased by \$1.4 million. This was due primarily to layoffs in the Sheriff's department at the beginning of 2003.

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

In 2002, the Children Service Board's fund balance increased by approximately \$1 million compared to a \$3 million decrease in 2003. The \$4 million difference can be attributed primarily to an increase in the revenues from the Foster Care Maintenance program of \$1.4 million offset by the transfer of funds (\$5.0 million) to the Capital Projects fund for construction of a new building.

In 2002, the Board of Mental Retardation fund balance increased by approximately \$3 million compared to breakeven in 2003. There were increases in expenses in 2003, and there were decreases in intergovernmental revenues, primarily from the Community Alternative Funding System (CAFS).

***Management's Discussion and Analysis (Cont'd.)
For the Year Ended December 31, 2003 Unaudited***

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 2003, 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 \$2.2 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, property, and other taxes and fees and charges were all conservative and were subsequently increased by \$2.2 million, (2) a \$0.5 million increase in intergovernmental revenues that can be attributed to working with the Federal Marshal on a reimbursement plan for housing and transporting federal prisoners and (3) a decrease of \$0.9 million in the budgeted amount for investment earnings.

General Fund Expenditures Budget:

- Overall General Fund expenditures' budgets increased by \$2.4 million mostly all of it attributed to increases in the judicial budgets. The major increases were in the Common Pleas Courts for indigent defense fees and the Juvenile Court for hospitalization and pension obligations.

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, 2003, amounts to \$188.9 million (net of accumulated depreciation). 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 2003.

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

- During 2003, the Mahoning County Engineer's Office in conjunction with the Ohio Department of Transportation (ODOT) completed work on a major road-widening project on South Avenue from Presidential to Western Reserve. The overall cost for this project to date is \$7.9 million. Funding sources included the Federal Highway Administration Department of Transportation and the County Engineer's funds.
- The County received \$0.3 million of sewer lines from developers.

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.) For the Year Ended December 31, 2003 Unaudited

- During 2003, the Mahoning County Engineer's office in conjunction with the Ohio Department of Transportation (ODOT) completed work on a bridge on Canfield-Poland Road in Poland, Ohio. The total costs of the project were \$1.9 million. Funding sources included the Federal Highway Administration Department and the County Engineer's funds.
- The Sanitary Engineer's Department finished construction of several major sewer lines, plants and pump stations in 2003 including Palmyra and Damascus. The overall cost of these projects totaled \$1.1 million and the funding sources included Ohio Water Development (OWDA), Ohio Public Works Commission (OPWC), Sanitary Engineer's revenues and special assessments.

Major capital asset events for 2004 are:

- Construction began on a nearly \$4 million project - Walton Avenue bridge. Funding is being provided by the U.S. Economic Development Agency, the Ohio Department of Development, the County Economic Development Fund, the County Recycling Division and the County Engineer's funds.
- The Board of Mental Retardation began a \$3 million capital improvement project which will include three of its facilities.
- The Mahoning County Clerk of Courts and Common Pleas Court began overhauling their court computer system to take advantage of new technology. The project was paid for from court fees.

Long-term Debt: At the end of 2003, the County's debt outstanding other than Bond Anticipation Notes and long-term internal notes consisted of revenue bonds in the amount of \$8.5 million; general obligation debt outstanding of \$27.7 million; Ohio Public Works Commission and Ohio Water Development Authority loans of \$18.6 million and other debt of \$1.1 million. Of the \$27.7 million general obligation debt - debt that is backed by the full faith and credit of the County - \$1.4 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 \$6.1 million or 14.4% during the 2003 fiscal year as no new additional bonds were issued. However, the County's bond anticipation notes increased by \$7.6 million. \$10.1 million of the \$19.7 million in bond anticipation notes are classified as long-term internal notes as of December 31, 2003 as bonds were issued in January 2004 to retire the Notes. In addition, bonds were issued in January 2004 to refund Series 1991 and Series 1994 bond issues along with financing some additional capital projects in 2004. A schedule of the long-term internal note and bond anticipation note activity during 2003 can be found in Notes H & L.

State statute limits the total amount of debt a governmental entity may issue. The County's total debt margin at the end of 2003 was \$72.4 million with an unvoted total debt margin of \$17.7 million. Its net general bonded debt per capital for 2003 was \$99.12 as compared with \$115.57 for 2002. 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.) For the Year Ended December 31, 2003 Unaudited

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 2003 were \$1.8 million or 1.0% 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 7.8% at December 31, 2003 compares to 6.1% for the State of Ohio and 6.0% for the United States.

Mahoning County, along with most Ohio local government entities, continues to be faced with uncertainty regarding 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.

The County levies a 1% sales tax that is composed of two separate ½% taxes. One of the County's ½% sales taxes was effective January 1, 2003 and will expire December 31, 2007. Mahoning County voters rejected the renewal of the other ½% sales tax in the March 2004 primary election with a 54% vote. As a result, the Board of Mahoning County Commissioners contracted with the State Auditor's office to perform a forecast of the County's general fund. The State's report concluded that structural deficits would occur as early as 2005 and would rise to approximately \$70 million through 2008 should the ½% sales tax not be renewed. The tax which generates approximately \$13 million is used to fund the County's general operating expenses and is set to expire on December 31, 2004. On August 17, 2004, the Board of Mahoning County Commissioners passed a resolution to place this sales tax on the November 2004 ballot as a continuous ½% sales tax. The voters again rejected it by a very narrow margin. Hearings have been held to consider imposing the tax. No decision will be made before December 30, 2004.

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.

Statement of Net Assets

December 31, 2003

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	MASCO
Assets				
Equity in pooled cash and investments at fair value	\$ 63,806,817	\$ 4,981,434	\$ 68,788,251	
Cash and cash equivalents - segregated accounts				\$ 335,624
Cash and cash equivalents with fiscal agent	383,234		383,234	
Net receivables:				
Taxes	35,061,457		35,061,457	
Accounts		4,061,936	4,061,936	62,525
Loans	442,604	89,210	531,814	
Special assessments - current portion		77,995	77,995	
Accrued interest	322,002	56,444	378,446	
Due from external parties	444,184		444,184	
Other	476,430		476,430	
Internal balances	(36,854)	36,854		
Due from other governments	25,597,144	35,148	25,632,292	
Restricted assets:				
Equity in pooled cash and investments at fair value		7,557,772	7,557,772	
Cash and cash equivalents with fiscal agent		829,412	829,412	
Special assessments receivable - noncurrent	444,612	307,717	752,329	
Capital assets:				
Land	4,392,441	264,140	4,656,581	
Utility plant in service		129,707,466	129,707,466	
Buildings, structures and improvements	59,186,955	959,279	60,146,234	
Furniture, fixtures and equipment	24,352,629	2,225,865	26,578,494	58,193
Infrastructure	84,164,316		84,164,316	
Less: Accumulated depreciation	(50,816,021)	(69,623,025)	(120,439,046)	(41,622)
Construction-in-progress	2,981,946	1,071,938	4,053,884	
Total Assets	251,203,896	82,639,585	333,843,481	414,720
Liabilities				
Accounts payable	6,886,940	799,066	7,686,006	
Accrued wages and benefits	3,965,895	271,428	4,237,323	33,182
Retainage payable	124,190		124,190	
Due to other governments	4,233,245		4,233,245	
Deferred revenue	32,485,108	71,050	32,556,158	
Accrued interest on notes and bonds	142,814		142,814	
Payable from restricted assets:				
Accrued revenue bond interest		35,644	35,644	
Current portion of revenue bonds		395,000	395,000	
Noncurrent liabilities:				
Due within one year:				
Compensated absences payable	5,088,656	357,154	5,445,810	
Current portion of claims and judgements payable	1,543,275		1,543,275	
Current portion of long-term loans		1,544,979	1,544,979	
Current portion of mortgage and long-term note payable	56,212		56,212	
Current portion of general obligation bonds	3,395,000	1,194	3,396,194	
Current portion of special assessment bonds		43,807	43,807	
Due in more than one year:				
Long-term portion of compensated absences	2,266,470	330,413	2,596,883	
Long-term loans (net of current portion)		17,033,976	17,033,976	
Long-term notes payable	536,871		536,871	
Long-term mortgage note payable	459,280		459,280	
Revenue bonds (net of current portion)		8,065,000	8,065,000	
Less: Unamortized revenue bond charges		(707,505)	(707,505)	
General obligation bonds (net of current portion)	22,634,840	281,865	22,916,705	
Claims and judgements payable	670,605		670,605	
Special assessment bonds (net of current portion)		1,343,295	1,343,295	
Total Liabilities	84,489,401	29,866,366	114,355,767	33,182
Net Assets:				
Invested in capital assets, net of related debt	87,608,563	36,093,840	123,702,403	
Restricted for:				
Capital projects	7,837,930		7,837,930	
Special revenue	54,729,665		54,729,665	
Debt service	3,963,387	7,128,966	11,092,353	
Unrestricted	12,574,950	9,550,413	22,125,363	381,538
Total Net Assets	\$ 166,714,495	\$ 52,773,219	\$ 219,487,714	\$ 381,538

MAHONING COUNTY, OHIO

Statement of Activities
For the Year Ended December 31, 2003

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		Component Unit	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities		Total
Primary Government:								
Governmental activities:								
General government	\$ 15,386,977	\$ 8,470,421	\$ 728	\$ 0	(6,915,828)	\$	(6,915,828)	
Judicial	15,764,700	5,505,837	422,280	0	(9,836,583)		(9,836,583)	
Public safety	23,163,784	2,810,413	4,462,532	0	(15,890,839)		(15,890,839)	
Public works	13,463,837	225,138	1,833,184	5,327,007	(6,078,508)		(6,078,508)	
Health	46,077,309	4,557,526	23,969,011	0	(17,550,772)		(17,550,772)	
Human services	58,494,478	3,372,708	47,635,312	0	(7,486,458)		(7,486,458)	
Other	4,659,796	143,426	651,920	0	(3,864,450)		(3,864,450)	
Interest on long-term debt	1,787,910				(1,787,910)		(1,787,910)	
Total governmental activities	178,798,791	25,085,469	78,974,967	5,327,007	(69,411,348)		(69,411,348)	
Business-type activities:								
Wastewater	17,410,257	18,207,750	56,432	1,006,857		\$ 1,860,782	1,860,782	
Water	355,518	538,947		574,787		758,216	758,216	
Total business-type activities	17,765,775	18,746,697	56,432	1,581,644		2,618,998	2,618,998	
Total primary government	196,564,566	43,832,166	79,031,399	6,908,651	(69,411,348)	\$ 2,618,998	(66,792,350)	
Component unit:								
MASCO	\$ 1,065,554	\$ 545,517	\$ 489,529				\$ (30,508)	
Total component unit	\$ 1,065,554	\$ 545,517	\$ 489,529				\$ (30,508)	
General revenues:								
Property taxes					25,827,235		25,827,235	
Sales tax					26,803,475		26,803,475	
Other taxes					10,644,478		10,644,478	
Grants and contributions not restricted to specific programs					10,015,678		10,015,678	
Unrestricted investment earnings					2,298,695	379,768	2,298,695	
Net change in fair value of investments					(463,503)	(55,548)	(463,503)	
Transfers					55,548		55,548	
Total general revenues and transfers					74,801,838	324,220	75,126,058	
Change in net assets					5,390,490	2,943,218	8,333,708	
Net assets - beginning (See Note E)					161,324,005	49,830,001	211,154,006	
Net assets - ending					166,714,495	52,773,219	219,487,714	

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

MAHONING COUNTY, OHIO

Balance Sheet
Governmental Funds

December 31, 2003

	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	\$ 555,979	\$ 3,035,541	\$ 11,766,589	\$ 8,922,016	\$ 32,202,574	\$ 56,482,698
Cash and cash equivalents with fiscal agent					383,234	383,234
Investments	5,017,500				9,700,000	14,717,500
Net receivables:						
Taxes	6,671,477		6,244,514	16,918,760	5,226,706	35,061,457
Loans					442,604	442,604
Accrued interest	322,002					322,002
Other					476,430	476,430
Due from external parties	618,534				164,420	782,954
Due from other funds	2,595,487	1,338,427	81,814		1,535,974	5,551,702
Due from other governments	11,263,196		1,761,291	3,962,098	8,610,559	25,597,144
Special assessments receivable - noncurrent					444,612	444,612
Total Assets	<u>\$ 27,044,175</u>	<u>\$ 4,373,968</u>	<u>\$ 19,854,208</u>	<u>\$ 29,802,874</u>	<u>\$ 59,187,113</u>	<u>\$ 140,262,337</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,026,870	\$ 1,666,950	\$ 495,030	\$ 196,720	\$ 3,501,370	\$ 6,886,940
Accrued wages and benefits	1,471,886	623,353	297,549	708,445	864,663	3,965,896
Retainage payable					124,190	124,190
Due to other funds	2,035,835	1,067,363	57,908	418,600	2,032,205	5,611,911
Due to other governments		1,016,302			558,427	1,574,729
Deferred revenue	12,375,580		7,260,553	20,221,223	13,930,745	53,788,101
Bond anticipation notes					4,660,000	4,660,000
Total Liabilities	<u>16,910,171</u>	<u>4,373,968</u>	<u>8,111,040</u>	<u>21,544,988</u>	<u>25,671,600</u>	<u>76,611,767</u>
Fund Balances:						
Reserved for:						
Encumbrances	2,057,358	1,417,330	4,123	1,214,921	8,051,501	12,745,233
Loans					442,604	442,604
Unreserved, reported in:						
General fund	8,076,646					8,076,646
Special revenue funds		(1,417,330)	11,739,045	7,042,965	15,119,268	32,483,948
Debt service funds					2,295,919	2,295,919
Capital project funds					7,606,221	7,606,221
Total Fund Balances	<u>10,134,004</u>	<u></u>	<u>11,743,168</u>	<u>8,257,886</u>	<u>33,515,513</u>	<u>63,650,571</u>
Total Liabilities and Fund Balances	<u>\$ 27,044,175</u>	<u>\$ 4,373,968</u>	<u>\$ 19,854,208</u>	<u>\$ 29,802,874</u>	<u>\$ 59,187,113</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 124,262,266

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

Sales tax	5,776,599
Intergovernmental revenues	10,862,872
Property taxes	3,880,140
Special assessments	444,612
Total	<u>20,964,223</u>

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. 3,278,712

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 (see note K). (45,441,277)

Net assets of governmental activities \$ 166,714,495

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, 2003

	General	Department of Human Services	Children Services Board	Board of Mental Retardation	Other Governmental Funds	Total Governmental Funds
<i>Revenues:</i>						
Property and other taxes	\$ 5,612,279		\$ 5,436,492	\$ 14,911,179	\$ 15,744,114	\$ 41,704,064
Sales tax	26,657,490					26,657,490
Fees and charges for services	5,904,031	\$ 1,787,909			10,591,310	18,283,250
Licenses and permits					527,390	527,390
Fines and forfeitures	1,873,506				225,109	2,098,615
Intergovernmental	7,646,292	35,013,656	7,853,424	7,505,145	35,488,020	93,506,537
Special assessments					302,510	302,510
Investment earnings	1,765,059				153,869	1,918,928
Net decrease in fair value of investments	(463,503)					(463,503)
All other revenue	1,059,151	953,872	6,081	110,603	898,651	3,028,358
Total Revenues	50,054,305	37,755,437	13,295,997	22,526,927	63,930,973	187,563,639
<i>Expenditures:</i>						
<i>Current:</i>						
General government	11,295,007				2,969,784	14,264,791
Judicial	14,427,797				1,442,994	15,870,791
Public safety	16,870,182				5,132,787	22,002,969
Public works					9,597,942	9,597,942
Health				22,439,492	24,119,210	46,558,702
Human services	898,581	38,615,329	11,497,395		7,939,700	58,951,005
Other	1,240,812				3,911,692	5,152,504
Capital outlay					7,197,546	7,197,546
<i>Debt service:</i>						
Bond issuance costs					847	847
Principal retirement					5,425,678	5,425,678
Interest and fiscal charges					1,872,597	1,872,597
Total Expenditures	44,732,379	38,615,329	11,497,395	22,439,492	69,610,777	186,895,372
<i>Excess (Deficiency) Of Revenues Over (Under) Expenditures</i>	5,321,926	(859,892)	1,798,602	87,435	(5,679,804)	668,267
<i>Other Financing Sources (Uses)</i>						
Proceeds from notes					10,057,500	10,057,500
Transfers in	131,359	859,892		129	17,058,644	18,050,024
Transfers out	(5,917,016)		(5,000,000)		(7,077,613)	(17,994,629)
Total Other Financing Sources (Uses)	(5,785,657)	859,892	(5,000,000)	129	20,038,531	10,112,895
<i>Net change in fund balances</i>	(463,731)		(3,201,398)	87,564	14,358,727	10,781,162
<i>Fund Balance At Beginning of Year</i>	10,597,735		14,944,566	8,170,322	19,156,786	52,869,409
Fund Balance At End of Year	\$ 10,134,004	\$	\$ 11,743,168	\$ 8,257,886	\$ 33,515,513	\$ 63,650,571

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, 2003**

Net Change in Fund Balances - Total Governmental Funds	\$	10,781,162
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>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.</p>		
Capital asset additions	7,277,969	
Depreciation expense	<u>(6,388,873)</u>	
Excess of capital outlay over depreciation		889,096
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.</p>		
Taxes	(5,086,364)	
Intergovernmental revenue	1,571,677	
Special assessments	<u>2,682</u>	
Total revenue		(3,512,005)
<p>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.</p>		
Payment of bond principal		5,425,678
Proceeds from mortgage note		(10,057,500)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Compensated absences payable		1,595,732
Claims and judgements payable		186,073
<p>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.</p>		
		82,254
Change in Net Assets of Governmental Activities	\$	<u><u>5,390,490</u></u>

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

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

(Non-GAAP Budgetary Basis)

For the Year ended December 31, 2003

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
Revenues:				
Property and other taxes	\$ 4,776,000	\$ 5,376,000	\$ 5,546,806	\$ 170,806
Sales tax	25,920,000	26,180,000	26,424,593	244,593
Fees and charges for services	4,348,000	5,593,000	5,915,085	322,085
Licenses and permits	22,000	22,000	23,980	1,980
Fines and forfeitures	1,488,000	1,755,000	1,836,723	81,723
Intergovernmental	6,893,731	7,343,731	7,313,293	(30,438)
Investment earnings	2,825,000	1,911,000	1,861,584	(49,416)
All other revenue	565,000	808,000	904,380	96,380
Total Revenues	\$ 46,837,731	\$ 48,988,731	\$ 49,826,444	\$ 837,713
General Government Expenditures:				
Commissioners				
Personal services	\$ 516,051	\$ 601,681	\$ 598,242	\$ 3,439
Materials and supplies	9,199	11,124	10,614	510
Contractual services	13,356	7,478	5,065	2,413
Travel	16,000	15,173	15,172	1
Utilities		100	99	1
Capital outlay	3,500	190	190	
Total Commissioners	558,106	635,746	629,382	6,364
Personnel				
Personal services	296,020	320,913	312,590	8,323
Materials and supplies	5,934	6,706	6,168	538
Contractual services	28,182	32,909	32,078	831
Travel	2,700	2,287	1,271	1,016
Capital outlay	750	300	296	4
Total Personnel	333,586	363,115	352,403	10,712
Microfilm				
Personal services	176,405	179,125	177,339	1,786
Materials and supplies	5,411	4,241	2,705	1,536
Contractual services	108,639	108,639	108,611	28
Utilities	700	700		700
Capital outlay	1,605	2,775	2,755	20
Total Microfilm	292,760	295,480	291,410	4,070
Office of Management & Budget				
Personal services	184,960	148,020	142,954	5,066
Materials and supplies	100			
Contractual services	540	540	93	447
Travel	4,100	4,200	3,507	693
Capital outlay	2,500	2,440	481	1,959
Total Office of Management & Budget	192,200	155,200	147,035	8,165

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

(Cont'd)

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

(Non-GAAP Budgetary Basis)

For the Year ended December 31, 2003

		<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	\$ 226,468	\$ 213,968	\$ 206,861	\$ 7,107
	Materials and supplies	31,780	31,780	28,578	3,202
	Contractual services	1,972	1,972	1,239	733
	Travel	2,060	2,060	1,015	1,045
	Utilities	1,000	1,000		1,000
	Capital outlay	1,400	1,400	1,399	1
	<i>Total Purchasing</i>	<u>264,680</u>	<u>252,180</u>	<u>239,092</u>	<u>13,088</u>
	<i>Planning Commission</i>				
	Personal services	134,731	137,268	133,069	4,199
	Materials and supplies	6,158	7,444	7,434	10
	Contractual services	28,275	28,906	28,246	660
	Travel	2,950	1,087	1,087	
	Utilities	2,194	2,194	2,194	
	Capital outlay	2,286	2,232	2,226	6
	<i>Total Planning Commission</i>	<u>176,594</u>	<u>179,131</u>	<u>174,256</u>	<u>4,875</u>
	<i>Facilities Management</i>				
	Personal services	1,214,761	1,265,353	1,259,868	5,485
	Materials and supplies	26,779	13,629	6,550	7,079
	Contractual services	36,156	42,658	40,858	1,800
	Travel	5,160	6,799	5,531	1,268
	Utilities	596,415	546,136	513,065	33,071
	Capital outlay	277,249	271,355	260,012	11,343
	<i>Total Facilities Management</i>	<u>2,156,520</u>	<u>2,145,930</u>	<u>2,085,884</u>	<u>60,046</u>
	<i>Facilities Management - Annex</i>				
	Utilities	213,094	260,594	180,084	80,510
	Capital outlay	15,000	15,000	6,098	8,902
	<i>Total Facilities Management - Annex</i>	<u>228,094</u>	<u>275,594</u>	<u>186,182</u>	<u>89,412</u>
	<i>Auditor</i>				
	Personal services	960,070	897,670	886,503	11,167
	Materials and supplies	88,354	156,779	148,813	7,966
	Contractual services	13,011	11,036	7,765	3,271
	Travel	22,325	20,325	16,928	3,397
	Utilities	4,001	8,207	7,836	371
	Capital outlay	6,525	4,475	2,131	2,344
	<i>Total Auditor</i>	<u>1,094,286</u>	<u>1,098,492</u>	<u>1,069,976</u>	<u>28,516</u>

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

(Cont'd)

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

(Non-GAAP Budgetary Basis)

For the Year ended December 31, 2003

		<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	\$ 469,445	\$ 452,100	\$ 440,586	\$ 11,514
	Materials and supplies	138,666	150,798	139,298	11,500
	Contractual services	133,172	141,353	138,252	3,101
	Travel	4,130	5,824	5,092	732
	Utilities	4,950	7,754	7,577	177
	Capital outlay	2,255	1,800	1,609	191
	<i>Total Treasurer</i>	<u>752,618</u>	<u>759,629</u>	<u>732,414</u>	<u>27,215</u>
	<i>Prosecutor</i>				
	Personal services	617,146	701,136	696,798	4,338
	Materials and supplies	16,571	27,918	27,917	1
	Contractual services	22,760	20,251	20,250	1
	Travel	8,400	8,231	8,231	
	Utilities	5,500	14,123	14,122	1
	Capital outlay	548	548	548	
	Other	97,294	51,145	51,145	
	<i>Total Prosecutor</i>	<u>768,219</u>	<u>823,352</u>	<u>819,011</u>	<u>4,341</u>
	<i>Prosecutor - Criminal</i>				
	Personal services	1,323,783	1,372,719	1,372,523	196
	Materials and supplies	18,247	23,888	23,886	2
	Contractual services	36,357	43,400	43,290	110
	Travel		4,186	4,186	
	Capital outlay	451	811	691	120
	Other	38,767	4,653	4,653	
	<i>Total Prosecutor</i>	<u>1,417,605</u>	<u>1,449,657</u>	<u>1,449,229</u>	<u>428</u>
	<i>Recorder</i>				
	Personal services	396,336	394,700	386,367	8,333
	Materials and supplies	11,177	18,127	13,134	4,993
	Contractual services	132,229	152,508	147,593	4,915
	Travel	3,315	3,315	2,907	408
	Utilities	6,200	7,836	4,707	3,129
	Capital outlay	1,337	1,337	210	1,127
	Other	21,629			
	<i>Total Recorder</i>	<u>572,223</u>	<u>577,823</u>	<u>554,918</u>	<u>22,905</u>
	<i>Board of Elections</i>				
	Personal services	759,110	804,529	799,260	5,269
	Materials and supplies	174,800	148,161	144,336	3,825
	Contractual services	326,105	299,881	281,165	18,716
	Travel	10,890	11,240	8,702	2,538
	Utilities	21,964	23,764	22,152	1,612
	Capital outlay	18,930	30,580	28,011	2,569
	<i>Total Board of Elections</i>	<u>1,311,799</u>	<u>1,318,155</u>	<u>1,283,626</u>	<u>34,529</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		<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	\$ 842,509	\$ 668,279	\$ 623,175	\$ 45,104
	Materials and supplies	65,783	47,533	46,915	618
	Contractual services	1,531,932	931,461	918,700	12,761
	Travel	161,100	137,827	137,828	(1)
	Utilities	184,080	138,611	138,611	
	Capital outlay	152,456	1,021,547	983,195	38,352
	<i>Total Data Processing Board</i>	<u>2,937,860</u>	<u>2,945,258</u>	<u>2,848,424</u>	<u>96,834</u>
	<i>Total General Government</i>	<u>13,057,150</u>	<u>13,274,742</u>	<u>12,863,242</u>	<u>411,500</u>
<i>Judicial</i>	<i>Expenditures:</i>				
	<i>Clerk of Courts - Legal</i>				
	Personal services	\$ 813,548	\$ 1,042,634	\$ 1,027,102	\$ 15,532
	Materials and supplies	173,031	178,308	174,937	3,371
	Contractual services	22,229	17,229	14,585	2,644
	Utilities	11,522	10,792	8,408	2,384
	Capital outlay	12,601	3,324	2,003	1,321
	<i>Total Clerk of Courts - Legal</i>	<u>1,032,931</u>	<u>1,252,287</u>	<u>1,227,035</u>	<u>25,252</u>
	<i>Common Pleas</i>				
	Personal services	1,754,605	1,677,335	1,642,194	35,141
	Materials and supplies	34,572	44,710	42,343	2,367
	Contractual services	781,169	1,678,149	1,604,480	73,669
	Travel	7,400	13,430	10,634	2,796
	Utilities	17,286	21,744	20,212	1,532
	Capital outlay	14,727	34,305	33,145	1,160
	Other	20,000	15,400	15,400	
	<i>Total Common Pleas</i>	<u>2,629,759</u>	<u>3,485,073</u>	<u>3,368,408</u>	<u>116,665</u>
	<i>Law Library</i>				
	Personal services	54,895	55,781	54,840	941
	Contractual services	105	105	93	12
	<i>Total Law Library</i>	<u>55,000</u>	<u>55,886</u>	<u>54,933</u>	<u>953</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		<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	\$ 692,215	\$ 691,715	\$ 635,749	\$ 55,966
	Materials and supplies	20,183	15,383	14,211	1,172
	Contractual services	16,077	15,681	13,437	2,244
	Travel	10,200	6,496	5,542	954
	Utilities	4,000	6,337	6,065	272
	Capital outlay	11,400	20,800	19,499	1,301
	<i>Total Domestic Relations</i>	<u>754,075</u>	<u>756,412</u>	<u>694,503</u>	<u>61,909</u>
	<i>Juvenile Court</i>				
	Personal services	4,204,071	4,855,401	4,656,116	199,285
	Materials and supplies	161,307	232,400	222,734	9,666
	Contractual services	71,706	126,809	125,774	1,035
	Travel	9,461	28,105	28,023	82
	Utilities	163,322	313,481	311,581	1,900
	Capital outlay	69,945	96,205	92,411	3,794
	Other				
	<i>Total Juvenile Court</i>	<u>4,679,812</u>	<u>5,652,401</u>	<u>5,436,639</u>	<u>215,762</u>
	<i>Probate Court</i>				
	Personal services	687,232	786,136	764,051	22,085
	Materials and supplies	27,843	50,178	44,057	6,121
	Contractual services	31,400	68,230	59,726	8,504
	Travel	3,779	12,450	7,480	4,970
	Utilities	1,830	1,830	1,291	539
	Capital outlay	1,663	52,895	52,846	49
	Other	17,888	8,156		8,156
	<i>Total Probate Court</i>	<u>771,635</u>	<u>979,875</u>	<u>929,451</u>	<u>50,424</u>
	<i>County Court # 2 - Boardman</i>				
	Personal services	358,615	374,582	374,391	191
	Materials and supplies	9,903	28,403	28,108	295
	Contractual services	42,731	89,621	89,148	473
	Travel	70	330	328	2
	Utilities	19,093	27,313	27,059	254
	Capital outlay	209	858	852	6
	Other	20,574	160	160	
	<i>Total County Court # 2 - Boardman</i>	<u>451,195</u>	<u>521,267</u>	<u>520,046</u>	<u>1,221</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		<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>Municipal Court - Youngstown</i>				
	Personal services	\$ 195,200	\$ 201,966	\$ 201,551	\$ 415
	Contractual services	4,275	4,300	3,566	734
	<i>Total Municipal Court - Youngstown</i>	<u>199,475</u>	<u>206,266</u>	<u>205,117</u>	<u>1,149</u>
	<i>Municipal Court - Campbell</i>				
	Personal services	58,052	58,998	53,047	5,951
	Contractual services	700	700	603	97
	<i>Total Municipal Court - Campbell</i>	<u>58,752</u>	<u>59,698</u>	<u>53,650</u>	<u>6,048</u>
	<i>Municipal Court - Struthers</i>				
	Personal services	78,935	78,936	74,705	4,231
	Contractual services	3,775	3,275	2,325	950
	<i>Total Municipal Court - Struthers</i>	<u>82,710</u>	<u>82,211</u>	<u>77,030</u>	<u>5,181</u>
	<i>County Court # 3 - Sebring</i>				
	Personal services	120,155	119,799	119,647	152
	Materials and supplies	9,163	10,263	9,966	297
	Contractual services	66,145	67,766	65,886	1,880
	Travel		517	441	76
	Utilities	18,745	17,452	16,834	618
	Capital outlay	3,726	648	648	
	<i>Total County Court # 3 - Sebring</i>	<u>217,934</u>	<u>216,445</u>	<u>213,422</u>	<u>3,023</u>
	<i>County Court # 4 - Austintown</i>				
	Personal services	377,525	425,025	424,624	401
	Materials and supplies	16,442	36,042	35,434	608
	Contractual services	44,829	102,629	102,402	227
	Travel		738	737	1
	Utilities	18,765	27,782	26,425	1,357
	Capital outlay	1,989	3,659	3,651	8
	Other	62,615	4,239	105	4,134
	<i>Total County Court # 4 - Austintown</i>	<u>522,165</u>	<u>600,114</u>	<u>593,378</u>	<u>6,736</u>
	<i>County Court # 5 - Canfield</i>				
	Personal services	220,163	228,346	225,855	2,491
	Materials and supplies	7,011	16,050	15,775	275
	Contractual services	25,130	53,664	53,501	163
	Travel		260	260	
	Utilities	10,831	17,412	17,246	166
	Capital outlay		527	127	400
	Other	14,995	393		393
	<i>Total County Court # 5 - Canfield</i>	<u>278,130</u>	<u>316,652</u>	<u>312,764</u>	<u>3,888</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Judicial (Cont'd.)	Courts Other				
	Personal services	\$ 456,139	\$ 457,421	\$ 446,887	\$ 10,534
	Contractual services	800	800	555	245
	Other	61	61		61
	<i>Total Courts Other</i>	<u>457,000</u>	<u>458,282</u>	<u>447,442</u>	<u>10,840</u>
	County Court - Probation				
	Personal services	152,481	155,355	155,197	158
	Contractual services	500	371	370	1
	Other	19			
	<i>Total County Court - Probation</i>	<u>153,000</u>	<u>155,726</u>	<u>155,567</u>	<u>159</u>
	<i>Total Judicial</i>	<u>12,343,573</u>	<u>14,798,595</u>	<u>14,289,385</u>	<u>509,210</u>
Public Safety	Expenditures:				
	Jail Medical				
	Personal services	\$ 86,107	\$ 87,027	\$ 84,249	\$ 2,778
	Materials and supplies	460	655	449	206
	Contractual services	1,669,787	1,706,787	1,706,781	6
	Travel	1,840	1,645	1,582	63
	Utilities	100	100	100	
	Capital outlay	949	949	949	
	<i>Total Jail Medical</i>	<u>1,759,243</u>	<u>1,797,163</u>	<u>1,794,110</u>	<u>3,053</u>
	Sheriff				
	Personal services	9,986,811	10,975,038	10,955,002	20,036
	Materials and supplies	343,593	335,747	335,495	252
	Contractual services	164,028	188,692	184,389	4,303
	Travel	121,917	114,985	107,909	7,076
	Utilities	130,213	131,162	131,088	74
	Capital outlay	66,135	47,953	37,417	10,536
	Other	56,690	98,808	97,810	998
	<i>Total Sheriff</i>	<u>10,869,387</u>	<u>11,892,385</u>	<u>11,849,110</u>	<u>43,275</u>
	Mahoning County Justice Center				
	Materials and supplies	8,469	8,469	7,283	1,186
	Contractual services	36,671	36,671	28,529	8,142
	Utilities	43,238	43,238	41,630	1,608
	Capital outlay	5,676	5,676	4,808	868
	<i>Total Mahoning County Justice Center</i>	<u>94,054</u>	<u>94,054</u>	<u>82,250</u>	<u>11,804</u>
	E-911 Dispatch				
	Personal services	685,915	683,950	676,005	7,945
	Materials and supplies	1,689	3,978	3,782	196
	Contractual services	14,164	27,915	27,763	152
	Travel		2,270	1,925	345
	Utilities	31,933	63,873	63,646	227
	Capital outlay	3,316	29,430	28,136	1,294
	Other	20,692	3		3
	<i>Total E-911 Dispatch</i>	<u>757,709</u>	<u>811,419</u>	<u>801,257</u>	<u>10,162</u>
	Sheriff - Public safety in general				
	Materials and supplies	700,000	579,193	579,192	1
	Contractual services	265,000	295,116	295,112	4
	Utilities	707,500	579,239	579,237	2
	<i>Total Sheriff - Public safety in general</i>	<u>1,672,500</u>	<u>1,453,548</u>	<u>1,453,541</u>	<u>7</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		<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>				
	Materials and supplies	\$ 2,144	\$ 2,144	\$ 2,143	\$ 1
	Contractual services	954	954	927	27
	Utilities	4,829	4,829	4,749	80
	Capital outlay	1,055	1,055	728	327
	<i>Total Minimum Security Facility</i>	<u>8,982</u>	<u>8,982</u>	<u>8,547</u>	<u>435</u>
	<i>Coroner</i>				
	Personal services	388,795	314,680	281,837	32,843
	Materials and supplies	4,617	6,327	5,602	725
	Contractual services	147,153	325,256	320,220	5,036
	Travel	2,443	9,702	7,595	2,107
	Utilities	3,808	4,543	4,338	205
	Capital outlay	16,163	16,163	16,104	59
	Other				
	<i>Total Coroner</i>	<u>562,979</u>	<u>676,671</u>	<u>635,696</u>	<u>40,975</u>
	<i>Total Public Safety</i>	<u>15,724,854</u>	<u>16,734,222</u>	<u>16,624,511</u>	<u>109,711</u>
<i>Human Services</i>	<i>Expenditures</i>				
	<i>Soldiers Relief</i>				
	Personal services	\$ 256,989	\$ 289,239	\$ 264,900	\$ 24,339
	Materials and supplies	73,168	63,168	44,570	18,598
	Contractual services	1,134,306	488,836	360,083	128,753
	Travel	9,331	10,431	4,907	5,524
	Utilities	4,598	4,598	3,535	1,063
	Capital outlay	100,699	60,699	41,775	18,924
	<i>Total Soldiers Relief</i>	<u>1,579,091</u>	<u>916,971</u>	<u>719,770</u>	<u>197,201</u>
	<i>Veteran Services</i>				
	Personal services	196,107	201,814	172,670	29,144
	Materials and supplies	34,548	24,548	7,806	16,742
	Contractual services	5,000	5,370	1,339	4,031
	Travel	13,005	18,005	10,257	7,748
	Capital outlay	83,770	46,770	21,296	25,474
	<i>Total Veteran Services</i>	<u>332,430</u>	<u>296,507</u>	<u>213,368</u>	<u>83,139</u>
	<i>Total Human Services</i>	<u>1,911,521</u>	<u>1,213,478</u>	<u>933,138</u>	<u>280,340</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

	<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>				
Contractual services	\$ 40,000	\$ 40,000	\$ 40,000	
Capital outlay	11,637	11,450	11,450	
	<u>51,637</u>	<u>51,450</u>	<u>51,450</u>	
<i>General Fund Administration Costs</i>				
Personal services	604,707	219,554	8,740	210,814
Materials and supplies		3,175	3,175	
Contractual services	1,099,660	993,293	913,368	79,925
Utilities	33,836	14,419	14,402	17
Other	748,009	694,363	690,951	3,412
<i>Total General Fund Administration Costs</i>	<u>2,486,212</u>	<u>1,924,804</u>	<u>1,630,636</u>	<u>294,168</u>
<i>Total Other</i>	<u>2,537,849</u>	<u>1,976,254</u>	<u>1,682,086</u>	<u>294,168</u>
<i>Totals</i>				
<i>Total Expenditures</i>	\$ 45,574,947	\$ 47,997,291	\$ 46,392,362	\$ 1,604,929
<i>Excess Of</i>				
<i>Revenues Over Expenditures</i>	1,262,784	991,440	3,434,082	2,442,642
<i>Other Financing Sources (Uses)</i>				
Transfers in		110,000	131,359	21,359
Transfers out	(6,646,035)	(6,970,714)	(6,970,713)	1
<i>Total Other Financing Sources (Uses)</i>	<u>(6,646,035)</u>	<u>(6,860,714)</u>	<u>(6,839,354)</u>	<u>21,360</u>
<i>Net Change in Fund Balance</i>	(5,383,251)	(5,869,274)	(3,405,272)	2,464,002
<i>Fund Balance at Beginning of Year</i>	2,905,863	2,905,863	2,905,863	
<i>Prior Year Encumbrances Appropriated</i>	2,963,401	2,963,401	2,963,401	
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 486,013</u>	<u>\$ (10)</u>	<u>\$ 2,463,992</u>	<u>\$ 2,464,002</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, 2003

	<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				
Fees and charges for services	\$ 1,440,000	\$ 1,440,000	\$ 1,990,786	\$ 550,786
Intergovernmental	33,000,000	38,000,000	37,305,718	(694,282)
All other revenue	900,000	900,000	841,692	(58,308)
Total Revenues	35,340,000	40,340,000	40,138,196	(201,804)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	13,029,517	13,313,671	13,284,265	29,406
Materials and supplies	334,641	405,141	403,943	1,198
Contractual services	22,690,218	27,257,774	27,228,842	28,932
Travel	203,611	176,239	169,190	7,049
Utilities	334,780	381,820	374,024	7,796
Capital outlay	141,863	76,663	74,201	2,462
Other	425,000	548,322	548,322	
Total Expenditures	37,159,630	42,159,630	42,082,787	76,843
Deficiency Of Revenues Over Expenditures	(1,819,630)	(1,819,630)	(1,944,591)	(124,961)
<i>Other Financing Sources</i>				
Transfers in	1,500,000	1,500,000	1,576,222	76,222
Total Other Financing Sources	1,500,000	1,500,000	1,576,222	76,222
Net Change in Fund Balance	(319,630)	(319,630)	(368,369)	(48,739)
Fund Deficit At Beginning Of Year	(608,596)	(608,596)	(608,596)	
Prior Year Encumbrances Appropriated	928,228	928,228	928,228	
Fund Deficit At End Of Year	\$ 2	\$ 2	\$ (48,737)	\$ (48,739)

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, 2003

	<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	\$ 5,413,000	\$ 5,413,000	\$ 5,529,742	\$ 116,742
Fees and charges for services			462	462
Intergovernmental	5,719,962	5,719,962	7,981,691	2,261,729
All other revenue			6,081	6,081
Total Revenues	11,132,962	11,132,962	13,517,976	2,385,014
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	6,328,494	6,184,410	6,130,001	54,409
Materials and supplies	448,910	470,024	401,157	68,867
Contractual services	4,544,025	4,745,445	4,653,000	92,445
Travel	161,821	168,371	137,873	30,498
Utilities	69,750	71,350	68,298	3,052
Capital outlay	60,368	52,968	41,585	11,383
Other	100,000	58,300	57,909	391
Total Expenditures	11,713,368	11,750,868	11,489,823	261,045
Excess (Deficiency) Of Revenues Over Expenditures	(580,406)	(617,906)	2,028,153	2,646,059
<i>Other Financing Uses</i>				
Transfers out	(4,417,037)	(5,000,000)	(5,000,000)	
Total Other Financing Uses	(4,417,037)	(5,000,000)	(5,000,000)	
Net Change in Fund Balance	(4,997,443)	(5,617,906)	(2,971,847)	2,646,059
Fund Balance At Beginning Of Year	14,287,334	14,287,334	14,287,334	
Prior Year Encumbrances Appropriated	211,662	211,662	211,662	
Fund Balance At End Of Year	\$ 9,501,553	\$ 8,881,090	\$ 11,527,149	\$ 2,646,059

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, 2003

	<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	\$ 14,750,000	\$ 14,750,000	\$ 15,014,800	\$ 264,800
Intergovernmental	8,146,702	8,146,702	7,829,356	(317,346)
All other revenue	102,000	102,000	110,603	8,603
Total Revenues	22,998,702	22,998,702	22,954,759	(43,943)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Health</i>				
Personal services	16,034,502	16,187,407	15,949,603	237,804
Materials and supplies	290,819	321,904	253,045	68,859
Contractual services	4,415,565	5,338,382	4,812,165	526,217
Travel	420,727	497,600	445,970	51,630
Utilities	506,570	582,700	483,186	99,514
Capital outlay	2,697,160	2,147,690	1,309,780	837,910
Other				
Total Expenditures	24,365,343	25,075,683	23,253,749	1,821,934
Deficiency Of Revenues Over Expenditures	(1,366,641)	(2,076,981)	(298,990)	1,777,991
<i>Other Financing Sources</i>				
Operating transfers in			129	129
Total Other Financing Sources			129	129
Net Change in Fund Balance	(1,366,641)	(2,076,981)	(298,861)	1,778,120
Fund Balance At Beginning Of Year	6,922,469	6,922,469	6,922,469	
Prior Year Encumbrances Appropriated	887,090	887,090	887,090	
Fund Balance At End Of Year	\$ 6,442,918	\$ 5,732,578	\$ 7,510,698	\$ 1,778,120

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

MAHONING COUNTY, OHIO

Statement of Net Assets
Proprietary Funds

December 31, 2003

	<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	\$ 4,793,791	\$ 187,643	\$ 4,981,434	\$ 7,324,119
Investments	1,848,000	3,156,000	5,004,000	
Net receivables:				
Accounts	3,767,845	294,091	4,061,936	
Loans	89,210		89,210	
Special assessments - current portion		77,995	77,995	
Accrued interest		56,444	56,444	
Due from other funds	393,871	18,686	412,557	1,862,531
Due from other governments		35,148	35,148	
Restricted assets:				
Equity in pooled cash and investments at fair value	7,557,772		7,557,772	
Cash and cash equivalents with fiscal agent	829,412		829,412	
Total Current Assets	19,279,901	3,826,007	23,105,908	9,186,650
Long-term Assets:				
Special assessments receivable - noncurrent	52,350	255,367	307,717	
Capital assets:				
Land	258,359	5,781	264,140	
Utility plant in service	126,013,810	3,693,656	129,707,466	
Buildings, structures and improvements	959,279		959,279	
Furniture, fixtures and equipment	2,218,061	7,804	2,225,865	
Construction-in-progress	427,311	644,627	1,071,938	
Less: Accumulated depreciation	(68,446,368)	(1,176,657)	(69,623,025)	
Total capital assets (net of accumulated depreciation)	61,430,452	3,175,211	64,605,663	
Total Long-term Assets	61,482,802	3,430,578	64,913,380	
Total Assets	80,762,703	7,256,585	88,019,288	9,186,650
Liabilities				
Current Liabilities:				
Accounts payable	634,179	164,887	799,066	
Accrued wages and benefits	271,428		271,428	
Claims and judgements payable				1,410,000
Compensated absences payable	349,540	7,614	357,154	246
Due to other funds	341,269	34,434	375,703	1,839,176
Due to other governments				2,658,516
Deferred revenue	52,350	18,700	71,050	
Current portion of long-term loans	1,544,979		1,544,979	
Current portion of general obligation bonds		1,194	1,194	
Current portion of special assessment bonds		43,807	43,807	
Bond anticipation notes	1,848,000	3,156,000	5,004,000	
Current liabilities payable from restricted assets:				
Accrued revenue bond interest	35,644		35,644	
Current portion of revenue bonds	395,000		395,000	
Total Current Liabilities	5,472,389	3,426,636	8,899,025	5,907,938
Long-term Liabilities:				
Long-term portion of compensated absences	323,370	7,043	330,413	
Long-term loans (net of current portion)	17,033,976		17,033,976	
Revenue bonds (net of current portion)	8,065,000		8,065,000	
Less: Unamortized revenue bond charges	(707,505)		(707,505)	
General obligation bonds (net of current portion)	274,842	7,023	281,865	
Special assessment bonds (net of current portion)	1,085,318	257,977	1,343,295	
Total Long-term Liabilities:	26,075,001	272,043	26,347,044	
Total Liabilities	31,547,390	3,698,679	35,246,069	5,907,938
Net Assets:				
Invested in capital assets, net of related debt	33,726,454	2,367,386	36,093,840	
Restricted for:				
Debt service	7,128,966		7,128,966	
Unrestricted	8,359,893	1,190,520	9,550,413	3,278,712
Total Net Assets	\$ 49,215,313	\$ 3,557,906	\$ 52,773,219	\$ 3,278,712

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, 2003

	<i>Business-type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service Funds</i>
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 16,995,433	\$ 510,482	\$ 17,505,915	\$ 223,056
Licenses and permits	1,178,199	28,465	1,206,664	
All other revenue	34,118		34,118	11,956,578
Total Operating Revenues	18,207,750	538,947	18,746,697	12,179,634
<i>Operating Expenses:</i>				
Personal services	5,334,098	65,207	5,399,305	12,075,485
Materials and supplies	358,412	9,341	367,753	
Contractual services	4,172,951	7,554	4,180,505	93
Travel	323,625	571	324,196	15,340
Utilities	1,694,487	109,950	1,804,437	
Repair and maintenance	995,999	38,914	1,034,913	
Claims and other expenses	287,201	7,840	295,041	6,613
Depreciation	2,825,708	85,056	2,910,764	
Total Operating Expenses	15,992,481	324,433	16,316,914	12,097,531
Operating Income	2,215,269	214,514	2,429,783	82,103
<i>Nonoperating Revenues (Expenses)</i>				
Investment income	274,764	105,004	379,768	
Interest expense and fiscal charges	(1,417,776)	(31,085)	(1,448,861)	
Total Nonoperating Revenues (Expenses)	(1,143,012)	73,919	(1,069,093)	
Income Before Contributions and Transfers	1,072,257	288,433	1,360,690	82,103
Capital contributions	1,063,289	574,787	1,638,076	
Transfers in	8,655,558	138,437	8,793,995	152
Transfers out	(8,828,158)	(21,385)	(8,849,543)	
Change in net assets	1,962,946	980,272	2,943,218	82,255
Total Net Assets at Beginning of Year	47,252,367	2,577,634	49,830,001	3,196,457
Total Net Assets at End of Year	\$ 49,215,313	\$ 3,557,906	\$ 52,773,219	\$ 3,278,712

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, 2003

<i>Increase in Cash and Cash Equivalents</i>	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service Funds</i>
<i>Cash flows from operating activities:</i>				
Cash receipts from customers	\$ 17,018,693	\$ 271,897	\$ 17,290,590	\$ 223,056
Cash receipts from interfund services provided				12,459,278
Cash payments to employees for services	(5,849,834)	(85,320)	(5,935,154)	(45,904)
Cash payments to suppliers for goods and services	(8,557,398)	(174,170)	(8,731,568)	(11,596,001)
Cash from other sources	1,239,477	28,465	1,267,942	
<i>Net cash provided by operating activities</i>	<u>3,850,938</u>	<u>40,872</u>	<u>3,891,810</u>	<u>1,040,429</u>
<i>Cash flows from noncapital financing activities:</i>				
Transfers in	8,655,558	138,437	8,793,995	152
Transfers out	(8,828,158)	(21,385)	(8,849,543)	
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>(172,600)</u>	<u>117,052</u>	<u>(55,548)</u>	<u>152</u>
<i>Cash flows from capital and related financing activities:</i>				
Proceeds from notes	1,848,000	3,156,000	5,004,000	
Proceeds from loans	294,774		294,774	
Principal paid on bond anticipation notes		(700,000)	(700,000)	
Principal paid on long-term debt	(2,152,018)	(40,000)	(2,192,018)	
Interest paid on bond anticipation notes		(17,500)	(17,500)	
Interest paid on long-term debt	(1,380,798)	(26,687)	(1,407,485)	
Cash from special assessments		33,917	33,917	
Proceeds from capital contributions	676,548	539,639	1,216,187	
Acquisition and construction of capital assets	(1,269,221)	(801,220)	(2,070,441)	
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(1,982,715)</u>	<u>2,144,149</u>	<u>161,434</u>	
<i>Cash flows from investing activities:</i>				
Cash from investment earnings	274,764	106,544	381,308	
<i>Net cash provided by investing activities</i>	<u>274,764</u>	<u>106,544</u>	<u>381,308</u>	
Net increase in cash and cash equivalents	1,970,387	2,408,617	4,379,004	1,040,581
Cash and cash equivalents at beginning of year	13,058,588	935,026	13,993,614	6,283,538
Cash and cash equivalents at end of year	<u>\$ 15,028,975</u>	<u>\$ 3,343,643</u>	<u>\$ 18,372,618</u>	<u>\$ 7,324,119</u>

(Cont'd)

Cash and cash equivalents at end of year:				
Equity in pooled cash and investments at fair value	\$ 4,793,791	\$ 187,643	\$ 4,981,434	\$ 7,324,119
Investments	1,848,000	3,156,000	5,004,000	
Restricted assets:				
Equity in pooled cash and investments at fair value	7,557,772		7,557,772	
Cash and cash equivalents with fiscal agent	829,412		829,412	
Cash and cash equivalents at end of year	<u>\$ 15,028,975</u>	<u>\$ 3,343,643</u>	<u>\$ 18,372,618</u>	<u>\$ 7,324,119</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, 2003

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service Funds</i>
<i>Reconciliation of operating income to net cash provided by operating activities:</i>				
Operating income	\$ 2,215,269	\$ 214,514	\$ 2,429,783	\$ 82,103
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>				
Depreciation	2,825,708	85,056	2,910,764	
(Increase) decrease in accounts receivable	23,260	(238,585)	(215,325)	
(Increase) decrease in due from other funds	(393,871)	(18,686)	(412,557)	681,547
Decrease in accounts payable	(655,905)		(655,905)	(1,493,951)
Decrease in retainage payable	(75,000)		(75,000)	
Increase in due to other funds	33,342		33,342	1,245,787
Decrease in accrued wages and benefits	(69,716)		(69,716)	
Decrease in compensated absences	(52,149)	(1,427)	(53,576)	
Increase in due to other governments				1,063,168
Decrease in claims and judgements payable				(538,225)
<i>Total adjustments</i>	<u>1,635,669</u>	<u>(173,642)</u>	<u>1,462,027</u>	<u>958,326</u>
<i>Net cash provided by operating activities</i>	<u>\$ 3,850,938</u>	<u>\$ 40,872</u>	<u>\$ 3,891,810</u>	<u>\$ 1,040,429</u>

Noncash investing, capital and financing activities:

Non cash contributions recognized by the enterprise funds in the amount of \$386,741

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

MAHONING COUNTY, OHIO

Statement of Fiduciary Net Assets
Fiduciary Funds

December 31, 2003

	<i>Agency Funds</i>
<i>Assets</i>	
Equity in pooled cash and investments at fair value	\$ 13,749,973
Cash and cash equivalents - segregated accounts	3,551,392
Net receivables:	
Taxes	191,663,274
Special assessments - current	3,335,249
Due from other governments	23,024,022
<i>Total Assets</i>	<u>\$ 235,323,910</u>
<i>Liabilities</i>	
Due to other governments	218,022,545
Other liabilities:	
Unapportioned monies	16,658,740
Deposits held and due to others	424,645
Payroll withholdings	217,980
<i>Total Liabilities</i>	<u>\$ 235,323,910</u>

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

Notes to the Basic Financial Statements

December 31, 2003

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 251,660 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 is presented as a component unit:

Component Unit

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.

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 Unit

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 M). 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, 2003 but which were levied to finance fiscal year 2004 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 2003 by the primary government amounted to \$2,298,695.

Investments, primarily commercial paper and U.S. Government Obligations, are stated at fair value. Note G 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 (see Note T). 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. 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.

<u>Class</u>	<u>Estimated Useful Life</u>
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 Unit

Furniture, fixtures and equipment of MASCO, Inc. are depreciated using the straight-line method over their useful lives of five to seven years and depreciation is charged as an expense against current operations.

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 2003.

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 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 shown in the budgetary statements.

MAHONING COUNTY, OHIO

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

The budgetary process does not include MASCO, Inc. (component unit) 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	\$ (3,405,272)	\$ (368,369)	\$ (2,971,847)	\$ (298,861)
Adjustment for Encumbrances	3,084,234	3,084,280	239,441	1,411,317
Net Adjustment for Revenue Accruals	227,861	(3,099,088)	(221,979)	(427,832)
Net Adjustment for Expenditure Accruals	(370,554)	383,177	(247,013)	(597,060)
GAAP Basis	\$ <u>(463,731)</u>	\$ <u> </u>	\$ <u>(3,201,398)</u>	\$ <u>87,564</u>

MAHONING COUNTY, OHIO

NOTE D - Interfund Receivables / Payables

Interfund balances at December 31, 2003, consisted of the following amounts and represent charges for services, mandated funding or reimbursable expenses except for \$92,798 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	Wastewater	Water	Internal Service	
General Fund				\$ 925,202			\$ 1,110,633	\$ 2,035,835
Department of Human Services	\$ 1,008,446						58,917	1,067,363
Children Services Board	57,908							57,908
Board of Mental Retardation							418,600	418,600
Other Governmental	558,132	\$ 976,278		335,483			162,312	2,032,205
Wastewater	229,200						112,069	341,269
Water				34,434				34,434
Internal Service	741,801	362,149	\$ 81,814	240,855	\$ 393,871	\$ 18,686		1,839,176
Totals	<u>\$ 2,595,487</u>	<u>\$ 1,338,427</u>	<u>\$ 81,814</u>	<u>\$ 1,535,974</u>	<u>\$ 393,871</u>	<u>\$ 18,686</u>	<u>\$ 1,862,531</u>	<u>\$ 7,826,790</u>

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

NOTE E –Restatement of Net Assets – Correction of an Error

During the year ended December 31, 2003, the County discovered an accounting error in the Capital Assets – Infrastructure. The correction of the accounting error resulted in the restatement of the net assets at December 31, 2002 for the governmental activities as follows.

The changes to beginning net assets are as follows:

Net Assets as previously reported, December 31, 2002	<u>\$ 146,855,665</u>
Prior Period Adjustments:	
Capital Assets - Infrastructure	20,549,195
Infrastructure - Accumulated Depreciation	<u>(6,080,855)</u>
	<u>14,468,340</u>
Restated Net Assets, December 31, 2002	<u>\$ 161,324,005</u>

Had the error not been made, the change in net assets for 2002 would have decreased by \$513,730.

It was determined that the Youngstown/Mahoning County Convention and Visitor’s Bureau should not be included as a discretely presented component unit. The effect on the net assets as previously reported for the Discretely Presented Component Units for the year ended December 31, 2002 is as follows:

Net Assets, December 31, 2002	<u>\$602,866</u>
Adjustment	(602,866)
Net Assets, December 31, 2002	<u><u> </u></u>

MAHONING COUNTY, OHIO

NOTE F – Capital Assets

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

Primary Government

	<u>Balance 37,622</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 37,986</u>
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 4,303,576	\$ 117,850	\$ (28,985)	\$ 4,392,441
Construction in progress	1,805,870	1,549,789	(373,713)	2,981,946
<i>Total capital assets not being depreciated</i>	<u>6,109,446</u>	<u>1,667,639</u>	<u>(402,698)</u>	<u>7,374,387</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	58,438,967	747,988		59,186,955
Furniture, fixtures and equipment	24,015,949	979,203	(642,523)	24,352,629
Infrastructure	79,907,464	4,256,852		84,164,316
<i>Total capital assets being depreciated</i>	<u>162,362,380</u>	<u>5,984,043</u>	<u>(642,523)</u>	<u>167,703,900</u>
<i>Less accumulated depreciation for:</i>				
Buildings, structures and improvements	(13,588,112)	(1,634,613)		(15,222,725)
Furniture, fixtures and equipment	(13,686,870)	(2,556,116)	642,523	(15,600,463)
Infrastructure	(17,794,689)	(2,198,144)		(19,992,833)
<i>Total accumulated depreciation</i>	<u>(45,069,671)</u>	<u>(6,388,873)</u>	<u>642,523</u>	<u>(50,816,021)</u>
<i>Total capital assets being depreciated, net</i>	<u>117,292,709</u>	<u>(404,830)</u>		<u>116,887,879</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 123,402,155</u>	<u>\$ 1,262,809</u>	<u>\$ (402,698)</u>	<u>\$ 124,262,266</u>
Business-Type Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 264,140			\$ 264,140
Construction in progress	341,828	1,071,939	(341,829)	1,071,938
<i>Total capital assets not being depreciated</i>	<u>605,968</u>	<u>1,071,939</u>	<u>(341,829)</u>	<u>1,336,078</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	959,279			959,279
Utility plant in service	127,955,823	1,751,643		129,707,466
Furniture, fixtures and equipment	2,033,322	192,543		2,225,865
<i>Total capital assets being depreciated</i>	<u>130,948,424</u>	<u>1,944,186</u>		<u>132,892,610</u>
<i>Less accumulated depreciation for:</i>				
Buildings and improvements	(311,893)	(24,521)		(336,414)
Utility plant in service	(64,904,822)	(2,728,695)		(67,633,517)
Furniture, fixtures and equipment	(1,495,546)	(157,548)		(1,653,094)
<i>Total accumulated depreciation</i>	<u>(66,712,261)</u>	<u>(2,910,764)</u>		<u>(69,623,025)</u>
<i>Total capital assets being depreciated, net</i>	<u>64,236,163</u>	<u>(966,578)</u>		<u>63,269,585</u>
<i>Business-Type activities capital assets, net</i>	<u>\$ 64,842,131</u>	<u>\$ 105,361</u>	<u>\$ (341,829)</u>	<u>\$ 64,605,663</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	\$ 1,732,205
Judicial	167,946
Public safety	1,351,526
Public works	2,581,681
Health	456,130
Human services	95,001
Other	4,384
Total depreciation expense -governmental activities	<u>\$ 6,388,873</u>
Business-type activities:	
Wastewater	\$ 2,825,708
Water	85,056
Total depreciation expense -business-type activities	<u>\$ 2,910,764</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) Time certificates of deposit or savings or deposit accounts; (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) No load money market mutual funds consisting of obligations described in (1) or (2) and repurchase agreements secured by such obligations provided that investments in securities are made only through eligible institutions under ORC Section 135.32; (6) the Ohio Subdivision’s Fund (STAR Ohio); (7) Securities lending agreements with an institution eligible to become a public depository under ORC section 135.32 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; (8) 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 (9) 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	\$ 10,878,217
Segregated	3,551,392
Cash and cash equivalents with fiscal agent	1,212,646
Reconciling items to arrive at bank balance	5,607,046
	<u>21,249,301</u>
Investments:	<u>98,939,279</u>
Total available for deposit and investment: (Bank balance of deposits/carrying amount of investments)	<u>\$120,188,580</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, 2003 are classified as follows:

	Category			Bank Balance	Carrying Amount	Fair Value
	1	2	3			
Deposits:						
Federally Insured	\$ 1,786,295			\$ 1,786,295		
Demand Deposits			\$ 19,463,006	19,463,006		
Total Deposits	\$ 1,786,295		\$ 19,463,006	\$ 21,249,301		
Investments:						
Money Market Funds	\$ 295,000		\$ 2,396,022	\$ 2,691,022	\$ 2,691,022	
U.S. Government Securities	56,103,453			56,103,453	56,103,453	
Repurchase Agreements (1)			18,610,798	18,610,798	18,610,798	
City of Youngstown Bond	1,680,000			1,680,000	1,680,000	
Investment in Mahoning County Notes	19,721,500			19,721,500	19,721,500	
Investment in Beloit Township Bonds	132,506			132,506	132,506	
Total Investments	\$ 77,932,459		\$ 21,006,820	\$ 98,939,279	\$ 98,939,279	

(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	\$ 92,798

Discretely Presented Component Unit:

At year-end, the carrying amount of Mahoning Adult Services Company, Inc. (MASCO, Inc.) deposits was \$298,162 and the bank balance was \$316,749. MASCO, Inc.'s fair value of investments was \$37,462 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.

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, 2003. 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.

	January 1 2003	Additions	Deletions	December 31 2003	Due within one year
Governmental Activities:					
General obligation bonds - voted	\$ 1,695,000		\$ (830,000)	\$ 865,000	\$ 865,000
General obligation bonds - unvoted	29,705,266		(4,540,426)	25,164,840	2,530,000
Long-term notes	602,895		(32,532)	570,363	33,492
Long-term internal notes		\$ 10,057,500		10,057,500	
Long-term mortgage notes	504,720		(22,720)	482,000	22,720
Compensated absences	6,707,227	5,288,236	(4,640,337)	7,355,126	5,088,656
Claims & judgements	2,967,163	8,105,512	(8,858,795)	2,213,880	1,543,275
Subtotal	<u>42,182,271</u>	<u>23,451,248</u>	<u>(18,924,810)</u>	<u>46,708,709</u>	<u>10,083,143</u>
Less internal balances eliminated from the Statement of Net Assets:					
Long-term internal notes		(10,057,500)		(10,057,500)	
Total Governmental Activities	<u>\$ 42,182,271</u>	<u>\$ 13,393,748</u>	<u>\$ (18,924,810)</u>	<u>\$ 36,651,209</u>	<u>\$ 10,083,143</u>
Business-type Activities:					
Wastewater revenue bonds	\$ 8,840,000		\$ (380,000)	\$ 8,460,000	\$ 395,000
Self-supporting wastewater general obligation bonds	354,072		(79,228)	274,844	
Self-supporting water general obligation bonds	9,276		(1,061)	8,215	1,194
Special assessment bonds with governmental commitment from wastewater revenues	1,300,662		(215,346)	1,085,316	
Special assessment bonds with governmental commitment from water revenues	340,725		(38,939)	301,786	43,807
Ohio Water Development Authority (OWDA) wastewater loans	17,667,884	4,176	(1,310,469)	16,361,591	1,367,801
Ohio Public Works Commission wastewater loans	2,180,272	204,068	(166,976)	2,217,364	177,178
Compensated absences	609,421	394,707	(316,561)	687,567	357,154
Claims & judgements		487,000	(487,000)		
Total Business-type Activities	<u>\$ 31,302,312</u>	<u>\$ 1,089,951</u>	<u>\$ (2,995,580)</u>	<u>\$ 29,396,683</u>	<u>\$ 2,342,134</u>

MAHONING COUNTY, OHIO

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

Following are the interest rates on the various long-term debt issues. The County is not charged interest on the long-term mortgage notes or Ohio Public Works Commission loans.

	<u>Interest rates</u>
Governmental Activities:	
General obligation bonds - voted	4.5 - 6.4%
General obligation bonds - unvoted	2.0 - 4.8%
Long-term notes	2.95%
Long-term internal notes	2.0 - 4.6%
Business-type Activities:	
Revenue bonds	4.4 - 5.38%
Self-supporting general obligation bonds	2.0 - 7.63%
Special assessment general obligation bonds	2.0 - 7.63%
OWDA loans	.73 - 7.65%

The annual requirement to amortize long-term obligations outstanding as of December 31, 2003 are:

Year Ending December 31	Governmental Activities			
	General Obligation Bonds		Long-term Notes	
	Principal	Interest	Principal	Interest
2004	\$ 3,395,000	\$ 1,371,114	\$ 56,212	\$ 319,272
2005	5,279,923	1,065,371	1,109,374	345,781
2006	4,247,576	645,759	1,133,870	323,720
2007	3,851,557	526,407	1,147,014	301,158
2008	3,993,778	414,397	979,859	275,269
2009-2013	5,001,240	648,387	4,099,050	919,999
2014-2018	260,766	44,711	1,694,291	362,769
2019-2023			762,223	126,875
2038			127,970	
	<u>\$ 26,029,840</u>	<u>\$ 4,716,146</u>	<u>\$ 11,109,863</u>	<u>\$ 2,974,843</u>

Year Ending December 31	Business-type Activities Bonds					
	Revenue		General Obligation		Special Assessment	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$ 395,000	\$ 427,724	\$ 1,194	\$ 18,766	\$ 43,807	\$ 90,817
2005	415,000	409,949	141,419	6,243	460,240	45,272
2006	435,000	391,066	135,942	3,348	453,584	33,603
2007	455,000	371,056	1,458	344	137,431	21,289
2008	475,000	349,899	1,458	232	139,683	15,318
2009-2013	2,745,000	1,381,409	1,588	121	143,501	13,057
2014-2018	3,540,000	589,870			8,856	332
2019-2023						
	<u>\$ 8,460,000</u>	<u>\$ 3,920,973</u>	<u>\$ 283,059</u>	<u>\$ 29,054</u>	<u>\$ 1,387,102</u>	<u>\$ 219,688</u>

Year Ending December 31	Business-type Activities Loans		
	OWDA		OPWC
	Principal	Interest	Principal
2004	\$ 1,367,801	\$ 752,040	\$ 177,178
2005	1,437,606	684,119	177,178
2006	1,511,501	612,251	177,178
2007	1,589,741	536,194	177,178
2008	1,672,595	455,690	177,178
2009-2013	5,978,812	1,093,706	866,144
2014-2018	2,286,161	208,891	414,310
2019-2023	517,374	14,443	51,020
	<u>\$ 16,361,591</u>	<u>\$ 4,357,334</u>	<u>\$ 2,217,364</u>

MAHONING COUNTY, OHIO

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

Defeased Debt:

On January 15, 2004, the County issued \$34 million in general obligation bonds with interest rates varying from 2.0% percent to 4.6%. Proceeds were used to refund \$14 million of Series 1994 Bonds, \$1.96 million of Series 1991 Bonds and to redeem \$10 million of outstanding notes held by the County as investments as of December 31, 2003. The County refunded the Series 1994 and Series 1991 bonds to reduce its total debt service payments over the next eleven years by \$.3 million and \$.13 million, respectively, and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$.6 million and \$.15 million. The balance of the proceeds after underwriting fees and other issuance costs were used to fund various capital projects.

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, 2003, the County had an unvoted debt margin of \$17.7 million and a direct debt margin of \$72.4 million.

Operating Leases:

At December 31, 2003, 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 2003 amounted to \$1,832,888. Operating lease payments are recorded in the period paid. The future minimum annual lease payments are as follows:

Year	Lease Payments
2004	\$ 701,528
2005	538,165
2006	486,214
2007	413,858
2008	328,764
2009 – 2011	675,481
Total minimum lease payments	<u>\$3,144,010</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 157,298 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 214,533 vacation hours. The remaining portion of compensated absences payable is made up of approximately 36,225 compensatory time hours and 20,940 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, 2003, there were forty-six series of Industrial Development and Hospital Revenue Bonds outstanding. The aggregate principal amount payable for the seventeen series issued after January 1, 1996, was \$257.0 million at December 31, 2003. The aggregate principal amount payable for the twenty-nine series issued prior to January 1, 1996, could not be determined, however, their original issue amounts totaled \$100.6 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 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for 2003 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 2003. The law enforcement employer rate was 16.70% of covered payroll and 11.70% was the portion used to fund pension obligations for 2003. The County's required contributions for pension obligations to PERS for the years ended December 31, 2003, 2002, and 2001 were \$5,622,200, \$5,729,406, and \$5,903,050 respectively. As of December 31, 2003, 92.29% has been contributed for 2003 and 100% for 2002 and 2001. The unpaid contribution for 2003 was \$677,085.

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 2003, 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 2003. The law enforcement employer rate for 2003 was 16.70% and 5.00% was used to fund health care.

The portion of the County's 2003 employer contributions actually used to fund postemployment benefits was \$3,155,648.

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, 2002 (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, 2003 was 364,881. The net assets available for OPEB at December 31, 2002 (the latest information available) were \$10.0 billion and the actuarial accrued liability, based on the cost method used, was \$18.7 billion, leaving an unfunded actuarial liability of \$8.7 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%; 13.00% was the portion used to fund pension obligations for the year 2003. 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, 2003, 2002, and 2001 were \$198,243, \$144,903, and \$147,329 respectively. As of December 31, 2003, 96.15% has been contributed for 2003 and 100% for 2002 and 2001. The unpaid contribution for 2003 of \$8,222 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 2003, the employer contribution rate for STRS was 14.00% of covered payroll; 1.0% was the portion that was used to fund health care for the year 2003.

The portion of the County’s 2003 employer contributions actually used to fund STRS postemployment benefits was \$15,243.

The balance in the health care reserve was \$2.8 billion at June 30, 2003. 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, 2003, the net health care costs paid by STRS were \$352.3 million. There were 108,294 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.

NOTE K – Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds and net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable 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.” The details of this \$45,441,277 difference are as follows:

Accrued interest on notes and bonds	\$ 142,814
Compensated absences payable	5,088,656
Current portion of claims and judgements payable	1,543,275
Current portion of mortgage and long-term note payable	56,212
Current portion of general obligation bonds	3,395,000
Long-term portion of compensated absences	2,266,470
Long-term notes payable	536,871
Long-term mortgage note payable	459,280
General obligation bonds (net of current portion)	22,634,840
Claims and judgements payable	670,605
Long-term liabilities applicable to internal service fund	(1,410,246)
Long-term internal notes (internal balance eliminated from the Statement of Net Assets)	10,057,500
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 45,441,277</u>

MAHONING COUNTY, OHIO

NOTE L - 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, 2003 are as follows:

	Interest rate	Maturity date	Balance 01/01/03	Increase	Decrease	Balance 12/31/03
<i>Governmental Funds</i>						
County Engineer Capital Projects	1.50	10/23/04	\$ 350,000	\$ 170,000	\$ 350,000	\$ 170,000
County Engineer Capital Projects	1.50	07/11/04	1,685,000	1,500,000	1,685,000	1,500,000
County Engineer Capital Projects	1.50	07/31/04	2,370,000	1,710,000	2,370,000	1,710,000
County Engineer Capital Projects	1.50	05/28/04		1,125,000		1,125,000
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	1.50	02/27/04	3,410,000	297,500	3,552,500	155,000
Computer Equipment and Software Capital	1.50	10/21/04	3,000,000	240,000	3,240,000	-
<i>Total Governmental Funds</i>			<u>11,430,000</u>	<u>5,042,500</u>	<u>11,812,500</u>	<u>4,660,000</u>
<i>Enterprise Funds</i>						
Water Enterprise Fund	1.50	02/27/04	700,000	680,000	700,000	680,000
Water Enterprise Fund	1.50	05/15/04		2,476,000		2,476,000
WasteWater Enterprise Fund	1.50	02/27/04		1,788,000		1,788,000
WasteWater Enterprise Fund	1.50	05/15/04		60,000		60,000
<i>Total Enterprise Funds</i>			<u>700,000</u>	<u>5,004,000</u>	<u>700,000</u>	<u>5,004,000</u>
<i>Total Bond Anticipation Notes</i>			<u>\$ 12,130,000</u>	<u>\$ 10,046,500</u>	<u>\$ 12,512,500</u>	<u>\$ 9,664,000</u>

NOTE M – 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 2003 tax levy was based, follows:

Real property	\$3,266,071,700
Public utility real property	1,299,570
Tangible personal property	346,010,474
Public utility tangible personal property	189,059,450
Total	<u>\$3,802,441,194</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 tax year 2003, in addition to the 2.10 mills, 9.55 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:

<i>Purpose</i>	<i>Voter Levy Year</i>	<i>Authorized Rate (a)</i>	<i>Rate Levied For Current Year</i>		<i>Final Levy Year</i>
			<i>R/A (b)</i>	<i>C/I (b)</i>	
Mental Health	1976	0.85	0.35	0.50	2003(c)
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	2007
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	2007
Bond Indebted	1984	0.15	0.15	0.15	2003
Total		<u>9.55</u>	<u>6.71</u>	<u>7.48</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 replaced for tax year 2004 with a final levy year of 2008.

MAHONING COUNTY, OHIO

NOTE M – 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 23% 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, 2002
Levy date	October 1, 2002
Lien date	January 1, 2003
Taxpayer payment dates	March 7, 2003 (first half taxes) August 8, 2003 (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. In 2003, approximately \$1.8 million of personal property taxes were written off. Property taxes receivable in the governmental funds represent current and delinquent property taxes outstanding, which were measurable as of December 31, 2003. On the modified accrual basis, the delinquent taxes outstanding and available to the County within the first 60 days of 2004 were recorded as 2003 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 2003 revenue. December 31, 2003 receivables were recorded net of an allowance of \$202,879 for doubtful accounts.

NOTE N – Related Party Transactions

During 2003, 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 \$475,000 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 \$4,961,819 during 2003.

NOTE O – 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 did not make any contributions to the Western Reserve Port Authority in 2003.

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 \$4,786,002 to the MCTA in 2003.

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 O – 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 \$91,618 and administration fees totaling \$41,528 in 2003.

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 2003, Mahoning County paid N.E.O.N. \$2,745,595. The majority of these payments were for the afore-mentioned services.

NOTE P - Fund Balance Deficits

At December 31, 2003, the following funds had deficits:

<u>Fund</u>	<u>Deficit</u>
<i>Special Revenue:</i>	
Federal Grants	\$1,788,559
State Grants	6,629
<i>Capital Projects:</i>	
County Engineer	1,938,110

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 the Capital Project Fund is because bond anticipation notes are reflected as a liability of this fund 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 Q – 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			\$ 131,259	\$ 100		\$ 131,359
Department of Human Services	\$ 859,892					859,892
Board of Mental Retardation			129			129
Other Governmental	5,057,124	\$ 5,000,000	6,679,020	322,500		17,058,644
Wastewater			150,000	8,505,558		8,655,558
Water			117,052		\$ 21,385	138,437
Internal Service			152			152
Totals	<u>\$ 5,917,016</u>	<u>\$ 5,000,000</u>	<u>\$ 7,077,612</u>	<u>\$ 8,828,158</u>	<u>\$ 21,385</u>	<u>\$ 26,844,171</u>

MAHONING COUNTY, OHIO

NOTE R - 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. These claims are reflected in the Statement of Net Assets as "Due to Other Governments". Changes to the estimated claims payable recorded in the Self-Funded Workers' Compensation fund during the years ended December 31, 2002 and 2003 were:

	(Amounts in 000's)	
	2,002	2,003
Estimated Claims Payable		
Estimated claims payable beginning of year	\$ 400	\$ 740
Plus: Current year claims and changes in estimates	365	885
Less: Claim payments	(25)	(265)
Estimated claims payable end of year	\$ 740	\$ 1,360

The balance of claims payable at December 31, 2003 represents an estimate of the liability for unpaid claims cost provided by Workers' Compensation. The claims liability of \$1,360,000 reported in the fund at December 31, 2003 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. Claims paid in 2002 and 2003 were \$25,332 and \$264,870 respectively.

Effective April 1, 2002, the Board of Mahoning County Commissioners entered into a two-year agreement (subsequently renewed thru December 31, 2004) 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, 2003 was \$1,410,000. Claims paid in 2002 since the inception of the plan at April 2002 totaled \$6 million and claims paid in 2003 totaled \$9.2 million. Changes to the estimated claims payable recorded in the Self-Funded Health Care Plan fund during the years ended December 31, 2002 and 2003 were:

	(Amounts in 000's)	
	2,002	2,003
Estimated Claims Payable		
Estimated claims payable beginning of year*	\$ 0	\$ 1,948
Plus: Current year claims and changes in estimates	7,948	8,696
Less: Claim payments	(6,000)	(9,234)
Estimated claims payable end of year	\$ 1,948	\$ 1,410

*The plan started in April 2002.

MAHONING COUNTY, OHIO

NOTE R - Risk Management (Cont'd)

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 2003, 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, 2003. 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 2002 and 2003 were as follows:

	Year Ended	Year Ended
	Dec. 31, 2002	Dec. 31, 2003
Unpaid claims January 1	\$ 1,494,116	\$ 1,018,938
Current year claims and changes in estimates	104,280	(103,891)
Claim payments	(579,458)	(111,167)
Unpaid claims at December 31	\$ 1,018,938	\$ 803,880

NOTE S - 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.

Litigation

At December 31, 2003, 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.

Contractual Commitments

The County had several outstanding contractual agreements as of December 31, 2003. 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	\$ 49,904	\$ 172,695
Bridges	411,112	1,455,621
County Buildings	107,793	453,385
Total Governmental Funds:	568,809	2,081,701
Reported in Proprietary Funds:		
Water Fund Projects	644,627	211,296
Wastewater Fund Projects	427,312	528,985
Total Proprietary Funds:	1,071,939	740,281
Total All Funds:	\$ 1,640,748	\$ 2,821,982

The sources of funding for the above obligations vary. The County Engineer's road and bridge projects are funded by the proceeds of general obligation debt and funding from the State. County Buildings are funded by general obligation debt. The Water Fund and Wastewater Fund 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, 2003, the County entered into certain construction contracts and other commitments totaling \$79.0 million.

MAHONING COUNTY, OHIO

NOTE T – Subsequent Events

Bond Anticipation Notes

During February through October 2004, the County renewed \$8.0 million in existing internally financed bond anticipation notes. In addition, during this same time period, the County issued \$3.7 million in new bond anticipation notes for various capital projects. In December 2004, the Board of Mahoning County Commissioners passed a resolution authorizing the issuance of \$3.85 million in bond anticipation notes to finance the construction of new office space for the 7th District Court of Appeals.

Sales tax

Mahoning County voters rejected the renewal of a ½% sales tax in the March 2004 primary election with a 54% vote. As a result, the Board of Mahoning County Commissioners contracted with the State Auditor's office to perform a forecast of the County's general fund. The State's report concluded that structural deficits would occur as early as 2005 and would rise to approximately \$70 million through 2008 should the ½% sales tax not be renewed. The tax which generates approximately \$13 million is used to fund the County's general operating expenses and is set to expire on December 31, 2004. On August 17, 2004, the Board of Mahoning County Commissioners passed a resolution to place this sales tax on the November 2004 ballot as a continuous ½% sales tax. Voters again rejected it by a very narrow margin. Hearings have been held to consider imposing the tax. No decision will be made before December 30, 2004.

Tax Lien Sale

In April 2004, the Mahoning County Treasurer conducted a negotiated lien sale. In a lien sale, the treasurer sells the County's lien against delinquent property to the highest bidder. The delinquencies on the properties are then written off net of the proceeds of the lien sale. As a result of the sale, \$4.1 million in real estate taxes were written off as uncollectible. These write offs were recorded effective December 31, 2003.

MAHONING COUNTY, OHIO

DECEMBER 31, 2003

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

<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	\$ 16,470	
Summer Food Service Program for Children	10.559	12353901605FY03	<u>197,341</u>	
			<u>213,811</u>	
Child and Adult Care Food Program	10.558		<u>281</u>	
Solid Waste Management Grants	10.762	F.M.H.A.FY03	<u>25,432</u>	
			<u>239,524</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	5,774	
			<u>25,377</u>	
			<u>31,151</u>	
Community Development Block Grants (State Program)	14.228	B-F-02-046-1	209,568	\$ 89,800
		B-F-00-046-1	14,838	
		B-C-98-046-1	9,520	2,925
		B-W-01-046-1	109,794	2,000
		B-F-01-046-1	<u>327,708</u>	<u>6,663</u>
			<u>671,428</u>	<u>101,388</u>
Lead Based Paint Hazard Control Program	14.900		471,815	17,496
		OHLHB0146-99	688,215	<u>98,181</u>
			<u>1,160,030</u>	<u>115,677</u>
			<u>1,862,609</u>	<u>217,065</u>
<u>U.S. Department of Justice:</u>				
Pass-through from State Office of Criminal Justice:				
Juvenile Accountability Incentive Block Grant	16.523	2002-TB-013-A234	<u>24,643</u>	
Juvenile Justice and Delinquency Prevention-Allocation to States	16.540	2001-JJ-M01-00855	1,159	
		2001-JV-T50-5038	140,903	140,903
		2001-JJ-M01-0085	20,610	
		00-JJ-D11-0012	<u>16,088</u>	
			<u>178,760</u>	<u>140,903</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2003

<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	2004VAGENE083 2000-RS-SAT-122 2001-DG-H01-7605 2002VAGENE	56,501 110,864 4,167 1,205 <u>172,737</u>	
Office of Criminal Justice Services	16.588	02-WF-VA8-8213 01-WF-VA2-8213	33,482 3,075 <u>36,557</u>	
Grants to Encourage Arrest Policies	16.590	00-RS-SAT-122A	<u>9,000</u>	
Residential Substance Abuse Treatment	16.593	98-RS-SAT-122	<u>12,633</u>	
Pass-through from Ohio Department of Youth Services:				
Title V Delinquency Prevention Program	16.548	2002-JV-T50-5101 2002-RS-SAT-122	8,259 63,493 <u>71,752</u>	7,597 <u>7,597</u>
Challenge Grants	16.549	2001-JC-007-6006	<u>22,894</u>	
Pass-through from State Attorney General's Office: Crime Victim Assistance	16.575	2003VAGENE496 2004SAGENE083 2004VAGENE083 03VAGENE083	20,660 4,680 9,960 49,031 <u>84,331</u>	
Community Prevention Program	16.609	2001-GP-CX-0014		<u>35,499</u>
Local Law Enforcement Block Program	16.592	2001-LB-BX-1563 02LBBX2766 00LBBX1608	89 116,101 721 <u>116,911</u>	
Drug Court Planning	16.585	00-DC-VX-0065	<u>75,167</u>	<u>33,975</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2003

<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>				
Discretionary Drug and Criminal Justice Assistance Program	16.580	03-DD-BX-0207	56,250	56,250
Gun Violence Prosecution Program	16.600	03-GP-CX-0144	41,144	
			<u>938,278</u>	<u>238,725</u>
<u>U.S. Department of Labor:</u>				
Pass-through from Ohio Department of Job and Family Services:				
Workforce Investment Act Cluster				
WIA - Adult			871,483	871,483
WIA – Adult Administrative			55,511	55,511
WIA – Adult Total	17.258		<u>926,994</u>	<u>926,994</u>
WIA - Youth			1,197,368	1,197,368
WIA – Youth Administrative			76,269	76,269
WIA – Youth Total	17.259		<u>1,273,637</u>	<u>1,273,637</u>
WIA - Dislocated Worker			759,219	759,219
WIA – Dislocated Worker Administrative			48,360	48,360
WIA – Dislocated Worker Total	17.260		<u>807,579</u>	<u>807,579</u>
			<u>3,008,210</u>	<u>3,008,210</u>
<u>U.S. Department of Transportation:</u>				
Pass-through from Ohio Governor's Office:				
Highway Safety Cluster:				
Department of Public Safety	20.600	GR-1 #4149.0	4,264	
		GR-1 #3104.0	74,599	
			<u>78,863</u>	
Pass-through from Ohio Emergency Response Commission:				
HMEP Training	20.703		7,803	
Pass-through from Ohio Department of Transportation:				
Highway Planning and Construction Cluster:				
Federal Aid-Highway	20.205	TE21-G020-346	192,463	
		TE21-G010-573	286,667	
			<u>479,130</u>	
			<u>565,796</u>	

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2003

<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 Homeland Security:</u>				
Domestic Preparedness Training	97.005	FEMA-1484-DR-099-06EA3	79,773	
	97.042	EMC-2003-GR-7006 TERR 02	31,142 4,497 <u>35,639</u>	
	97.047	EMC-2002-GR-7037	<u>16,480</u>	
	97.051	EMC-2003-GR-7037 EMC-2003-GR-7026	3,512 42,754 <u>46,266</u>	1,200 <u>1,200</u>
Pass-through from Ohio EMA: Equipment	97.004	2002-TE-CX-0049 2002-TE-CX-0106 2002-TE-CX-0106 2001-TE-CX-0016 2003-TE-CX-0199	31,143 150,501 1,641 1,818 44,579 <u>229,682</u> <u>407,840</u>	728 3,725 <u>4,453</u> <u>5,653</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-03P 066118-6B-SF-04P	39,332 22,840	
Preschool Disabilities	84.173	0066118PGS12003 0066118PGSI-2004P	6,029 7,849 <u>76,050</u>	
Innovative Education Program	84.298	066118C2S12002	<u>1,003</u>	
Pass-through from State Department of Alcohol and Drug Addiction Services: Drug Free Schools and Communities State Grants	84.186	COME-ADA-WP03N5 500136500DFSCAP039059 500236200DFSCAP039090	72,835 42,400 45,000 <u>160,235</u> <u>237,288</u>	72,835 42,400 45,000 <u>160,235</u> <u>160,235</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2003

<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>				
Temporary Assistance for Needy Families	93.558		<u>45,322</u>	<u>45,322</u>
Pass-through from State Department of Mental Retardation and Developmental Disabilities: Social Services Block Grant (Title XX)	93.667	MR-50	<u>192,866</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	75,171 5,887 197,358 10,000 7,500	75,171 5,887 197,358 10,000 7,500
		COMM/PLNG FY04 CHILD/ADOL FY04	101,595 5,861 5,000	101,595 5,861 5,000
			<u>120,067</u>	<u>26,524</u>
			<u>528,439</u>	<u>434,896</u>
Medicaid Cluster: Pass-through from State Department of Alcohol and Drug Addiction Services: Medical Assistance Program (Title XIX)	93.778	PSARR FY03 FY04	11,246 384,510 396,151	11,246 384,510 396,151
Pass-through from State Department of Mental Health: Medical Assistance Program (Title XIX)	93.778	MC-30-00	4,211,669	4,211,669
Pass-through from State Department of Mental Retardation and Development Disabilities: Medical Assistance Program (Title XIX)	93.778	50-00019 50-00019	4,000,413 443,652	
			<u>9,447,641</u>	<u>5,003,576</u>

See notes to schedule of expenditures of Federal awards.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

YEAR ENDED DECEMBER 31, 2003

<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 500136500YMENTP030020 5001372WOMENT048990 50136500WT038985 500111700UMDPP039155 500111700WOMENT039104 500137200WOMENT038990 5001366WOMENT048980 500238600DFW030207 50-01365-W-T-04-8985 50-01365-PAWP-P-04-0207 50-01365-YMENT-D-04-0020 50-01117-UMDUP-P-04-9155	78,133 19,251 76,684 64,145 64,605 48,790 66,713 78,132 9,000 64,146 9,600 16,041 113,546	78,133 19,251 76,684 64,145 64,605 48,790 66,713 78,132 9,000 64,146 9,600 16,041 113,546
Alcohol and Drug Abuse and Mental Health Services Block Grant		FED PER CAPITA FY01 FED PER CAPITA FY03 FED PER CAPITA FY04	2,924 598,160 489,900	2,924 572,660 489,900
TASC Project			<u>124,998</u>	<u>124,998</u>
			<u>1,924,768</u>	<u>1,899,268</u>
			<u>12,139,036</u>	<u>7,383,062</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-03- A-MAH-BER	19,783 <u>19,783</u>	
<u>Corporation for National and Community Service:</u>				
Youth and Community Partnership	94.006	YCP-023-03	19,031 <u>19,031</u>	
			<u>\$19,437,395</u>	<u>\$ 11,012,950</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, 2003 the total amount of loans outstanding was \$442,604.

3. U.S. DEPARTMENT OF HOMELAND SECURITY FEDERAL AWARDS

The Federal Homeland Security Act of 2002 established the Department of Homeland Security (the "Department") to consolidate functions of other Federal agencies related to homeland security. Effective January 24, 2003, the Department began to issue certain Federal awards that Mahoning County previously received from other Federal agencies. While the purposes and compliance requirements of these programs have not changed, the CFDA numbers have. In 2003, Mahoning County expended awards under the original grants and have reported these amounts under the new CFDA number in the accompanying schedule of expenditures of Federal awards. A comparison of the original Federal agencies and CFDA numbers with the newly issued Department's CFDA numbers follows:

Previous Federal Agency	<u>Original CFDA No.</u>	<u>Homeland Security CFDA No.</u>
Federal Emergency Management Agency	83.552	97.042
Department of Justice	16.007	97.004
Federal Emergency Management Agency	83.562	97.051
Federal Emergency Management Agency	83.557	97.047

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2003

DEPARTMENT OF LABOR

FINDING 02-1 Monitoring of Subrecipients

Workforce Investment Act of 1998 (WIA) Cluster
CFDA No. 17.258, 17.259, 17.260

Condition

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

Recommendation

It was recommended that the County Department of Human Services (DHS) implement additional subrecipient monitoring procedures with respect to MCTA. This would include timely follow up of issues identified in the MCTA management letter, review of monthly MCTA financial reports, periodic site visits and closer monitoring of cash requests.

Current Status

A new fiscal auditor for the DHS was hired. In 2003, this auditor was performing subrecipient monitoring procedures for WIA, including the review of monthly MCTA financial reports, periodic site visits and other procedures as deemed appropriate.

FINDING 02-2 Cash Management

Workforce Investment Act of 1998 (WIA) Cluster
CFDA No. 17.258, 17.259, 17.260

Condition

The County had 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.

Recommendation

It was recommended that the County 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.

Current Status

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 utilizes 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 performs monitoring of MCTA's cash expenditures and requests for WIA funds. The fiscal auditor reviews 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. No similar findings were noted in the 2003 audit. As of June 30, 2004, the County no longer acts as a pass through of WIA funds.

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, 2003, and have issued our report thereon dated December 17, 2004. 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 December 17, 2004.

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 December 17, 2004.

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

December 17, 2004
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, 2003. 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, 2003.

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.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with 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. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

December 17, 2004
Youngstown, Ohio

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2003

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:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
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:

\$ 583,122

Auditee qualified as low-risk auditee? _____ Yes

_____ No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2003 (continued)

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

SECTION IV – STATUS OF PRIOR YEAR FEDERAL AWARD FINDINGS

See Summary Schedule of Prior Audit Findings.

**MAHONING COUNTY
INDEPENDENT AUDITORS'
REPORT
DECEMBER 31, 2003**

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

For the Fiscal Year Ended
December 31, 2003

**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, 2003

*Comprehensive Annual Financial Report
For the Year Ended December 31, 2003*

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Introductory Section





OFFICE OF THE AUDITOR

MAHONING COUNTY, OHIO

www.mahoningcountyauditor.org

GEORGE J. TABLACK
Auditor

Transmittal Letter

December 18, 2004

Citizens of Mahoning County:

I am pleased to present the Mahoning County Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2003. 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 2003 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.

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 2002 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 251,660 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: General Electric, 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 2003 for the Youngstown-Warren Metropolitan Statistical Area (MSA) was 7.8% compared to the state and national averages, which were 6.1% and 6.0%, 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 1,912 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 20 bargaining units in the County representing 1,352 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 2003

In November 2003, Commissioners voted to place a ½% sales tax renewal issue on the March 2004 ballot. Mahoning County voters rejected the renewal of the ½% sales tax in the March 2004 primary election with a 54% vote. As a result, the Board of Mahoning County Commissioners contracted with the Ohio State Auditor's office to perform a forecast of the County's general fund. The State's report concluded that structural deficits would occur as early as next year and would rise to approximately \$70 million through 2008 should the ½% sales tax not be renewed. The tax which generates approximately \$13 million is used to fund the County's general operating expenses and is set to expire on December 31, 2004. On August 17, 2004, the Board of Mahoning County Commissioners passed a resolution to place this sales tax on the November 2004 ballot as a continuous ½% sales tax. The voters again rejected it by a very narrow margin. Hearings have been held to consider imposing the tax. No decision will be made before December 30, 2004.

Plans were finalized for the construction of a new government office building to house the County's Children Service's Board. The building is expected to open in late 2004 or early 2005. Also, plans were finalized for the Mahoning County Auditor's and Treasurer's Office to upgrade their technology for processing and storage of all real property, personal property, computer assisted mass appraisal and manufactured homes information for the County.

During 2003, the Mahoning County Engineer's Office in conjunction with the Ohio Department of Transportation (ODOT) completed work on a major road-widening project on South Avenue from Presidential to Western Reserve. The overall cost for this project to date is \$7.9 million. Funding sources included the Federal Highway Administration Department of Transportation and the County Engineer's funds.

PLANS FOR 2004 AND BEYOND

In August 2004, the County received a Special Achievement in GIS award at ESRI's 24th Annual User Conference. The award was in recognition of the County's Geographical Information System (GIS) website. The County was selected to receive this award from over 100,000 user sites worldwide.

Construction began on the Walton Avenue bridge. Funding for the nearly \$4 million project is being provided by the U.S. Economic Development Agency, the Ohio Department of Development, the County Economic Development Fund, the County Division of Recycling/Green Team and the County Engineer's funds.

The Board of Mental Retardation began a \$3 million capital improvement project which will include three of its facilities. Improvements will include roof replacement, parking lot repair/reconstruction and renovation of an existing facility.

The Mahoning County Clerk of Courts & Common Pleas Court began overhauling their court computer system to take advantage of new technology. The project was paid for from court fees already collected.

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 subdivisions of Ohio, repurchase agreements and commercial paper. Investment earnings for all County funds during 2003 were approximately \$2.30 million and \$3.35 million for 2002 on a GAAP basis.

MAHONING COUNTY, OHIO

Transmittal Letter (Cont'd.)

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, 2003, 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, 2002. 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.

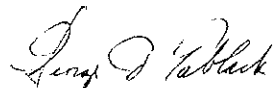
A Certificate of Achievement is valid for a period of one year only. Mahoning County has received a Certificate of Achievement for the last eight consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

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, 2002

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



President

Executive Director

MAHONING COUNTY, OHIO

Elected Officials

<i>Board of County Commissioners</i>	Edward Reese.....President
	Vicki Sherlock Vice President
	David Ludt Commissioner

<i>Other Elected Officials</i>	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

<i>Common Pleas Court</i>	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

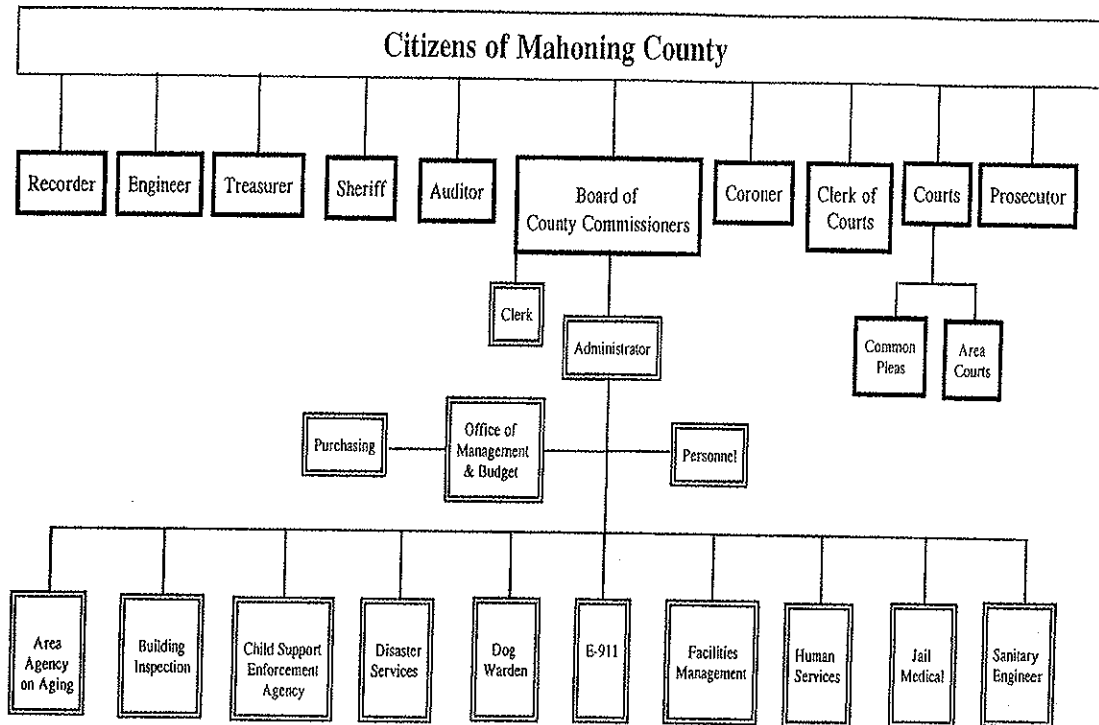
Honorable Timothy Maloney..... Judge

<i>Area Court No. 2</i>	Honorable Joseph Houser Judge
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<i>Area Court No. 3</i>	Honorable Diane Vettori-Caraballo Judge
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<i>Area Court No. 4</i>	Honorable David D'Apolito Judge
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<i>Area Court No. 5</i>	Honorable Scott Hunter Judge
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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

MAHONING COUNTY, OHIO

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Financial Section



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 discretely presented component unit, 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, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Mahoning County, Ohio as of December 31, 2003, 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 discussed in Note T and managements' discussion and analysis, the defeat of the County's sales tax renewal is expected to significantly affect the County's financial condition beginning in 2005.

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 inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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.

Cohen & Company

December 17, 2004
Youngstown, Ohio

MAHONING COUNTY, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2003 Unaudited

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, 2003. 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 2003 are as follows:

- The assets of the County exceeded its liabilities at the close of the year ended December 31, 2003, by \$219.5 million (net assets). Of this amount, \$12.6 million (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors, and \$9.6 million is classified as unrestricted net assets in the Water and Wastewater activities.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$63.7 million. Of this amount, \$50.5 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 \$8.1 million, or approximately 16.0% of total general fund expenditures and other financing uses.
- The County's total net assets increased by \$8.3 million. This represents a 3.9% increase from 2002.

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.) For the Year Ended December 31, 2003 Unaudited

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 2003?" 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 Unit – The County includes financial data of the Mahoning Adult Services Company, Inc. (MASCO, Inc.) in its financial statements. The component unit is legally separate from the County and is described in Note A of the Notes to the Financial Statements. Separately issued financial statements can be obtained from MASCO, Inc., 160 Marwood Circle, Boardman, OH 44512.

The government-wide statements can be found on pages 29-30 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.)
For the Year Ended December 31, 2003 Unaudited*

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 24.

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 31-32 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 46-49 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 statement can be found on page 50 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 51 of this report.

Management's Discussion and Analysis (Cont'd.)
For the Year Ended December 31, 2003 Unaudited

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 \$219.5 million (\$166.7 million in governmental activities and \$52.8 million in business-type activities) as of December 31, 2003, an increase of \$8.3 million over the prior year as at December 31, 2002 assets exceeded liabilities by \$211.2 million. By far, the largest portion of the County's net assets (56.4%) 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 2003 and 2002.

Table 1
Net Assets
(In Millions)

	2003			2002		
	Governmental Activities	Business-Type Activities	Total	(1) Governmental Activities	Business-Type Activities	Total
Assets						
Current & Other Assets	\$ 126.9	\$ 18.0	\$ 144.9	\$ 126.2	\$ 17.4	\$ 143.6
Capital Assets, Net (1)	124.3	64.6	188.9	123.5	64.8	188.3
Total Assets	251.2	82.6	333.8	249.7	82.2	331.9
Liabilities						
Current & Other Liabilities	47.8	1.6	49.4	46.1	2.2	48.3
Long-Term Liabilities						
Due Within One Year	10.1	1.9	12	11.9	2.2	14.1
Due in More Than One Year	26.6	26.3	52.9	30.3	28.0	58.3
Total Liabilities	84.5	29.8	114.3	88.3	32.4	120.7
Net Assets						
Invested in Capital Assets Net of Debt	87.6	36.1	123.7	82.0	35.3	117.3
Restricted:						
Capital projects	7.8		7.8	3.0		3.0
Special Revenue	54.7		54.7	59.2		59.2
Debt Service	4.0	7.1	11.1	4.9	5.6	10.5
Unrestricted	12.6	9.6	22.2	12.3	8.9	21.2
Total Net Assets	\$ 166.7	\$ 52.8	\$ 219.5	\$ 161.4	\$ 49.8	\$ 211.2

(1) 2002 Capital Assets, Net restated for correction of error - see Note E

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.)
For the Year Ended December 31, 2003 Unaudited

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 \$73.6 million or 33.5% of net assets. The remaining \$22.2 million or 10.1% 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, 2003, 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 2003 and 2002.

Table 2
Changes in Net Assets
(In Millions)

	2003			2002		
	Governmental Activities	Business-Type Activities	Total	(1) Governmental Activities	Business-Type Activities	Total
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 25.1	\$ 18.8	\$ 43.9	\$ 23.0	\$ 18.6	\$ 41.6
Operating Grants and Contributions	79.0	0.1	79.1	76.6		76.6
Capital Grants and Contributions	5.3	1.6	6.9	4.0	2.5	6.5
<i>General Revenues:</i>						
Property Taxes	25.8		25.8	30.4		30.4
Sales Tax	26.8		26.8	25.8		25.8
Other Taxes	10.7		10.7	11.0		11.0
Unrestricted Grants	10.0		10	10.2		10.2
Other	1.5		1.5	2.9	0.4	3.3
<i>Total Revenues</i>	<u>184.2</u>	<u>20.5</u>	<u>204.7</u>	<u>183.9</u>	<u>21.5</u>	<u>205.4</u>
Program Expenses:						
General Government	15.4		15.4	15.7		15.7
Judicial	15.8		15.8	15.2		15.2
Public Safety	23.2		23.2	25.0		25.0
Public Works	13.4		13.4	12.5		12.5
Health	46.1		46.1	45.0		45.0
Human Services	58.4		58.4	56.0		56.0
Other	4.6		4.6	4.2		4.2
Interest on Long-Term Debt	1.8		1.8	2.2		2.2
Water and Wastewater		17.7	17.7		17.3	17.3
<i>Total Expenses</i>	<u>178.7</u>	<u>17.7</u>	<u>196.4</u>	<u>175.8</u>	<u>17.3</u>	<u>193.1</u>
Increase in Net Assets before Transfers	<u>5.5</u>	<u>2.8</u>	<u>8.3</u>	<u>8.1</u>	<u>4.2</u>	<u>12.3</u>
Transfers	(0.1)	0.1		(0.4)	0.4	
<i>Increase in Net Assets</i>	<u>\$ 5.4</u>	<u>\$ 2.9</u>	<u>\$ 8.3</u>	<u>\$ 7.7</u>	<u>\$ 4.6</u>	<u>\$ 12.3</u>

(1) 2002 expenses restated for correction of error to include depreciation expense had the assets been reported - see Note E

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.) For the Year Ended December 31, 2003 Unaudited

Governmental Activities

Human Services accounts for \$58.4 million of the \$178.7 million total expenses for governmental activities, or 32.7% of total expenses. The next largest program is Health, accounting for \$46.1 million which represents 25.8% of total governmental expenses.

Tax revenue accounts for \$63.3 million of the \$184.2 million in total revenue for governmental activity, or 34.4% of total governmental revenues. Operating grants was the largest program revenue accounting for \$79.0 million, or 42.9% of 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 \$25.1 million or 13.6% 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 \$2.9 million during the year 2003. Major revenue sources were charges for service of \$18.8 million and capital grants and contributions of \$1.6 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 \$63.7 million. \$50.5 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 (\$12.7 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.)
For the Year Ended December 31, 2003 Unaudited***

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 \$8.1 million, while the total fund balance decreased to \$10.1 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 16.0% of the total general fund expenditures and other financing uses, while total fund balance represents 20.0% of that same amount.

The fund balance of the County's general fund decreased by \$0.5 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:

- The County experienced a \$0.9 million decrease in investment earnings and a \$0.3 million decrease in the change in fair value of investments.
- Although there was a decrease in property and other taxes of approximately \$1.2 million in 2003, most of the decrease can be attributed to the change in the allocation of the property taxes from the General Fund to Debt Service in 2003. In 2002, the inside millage allocation was 1.45 for the General Fund and .65 for Debt Service. In 2003, the allocation changed to .95 and 1.15, respectively.
- The County's general government expenses decreased by \$1.1 million in 2003. The majority of the decrease was due to personnel costs related to layoffs, while \$0.3 million was attributed to savings the Board of Elections realized with the implementation of new electronic voting machines.
- The County's judicial expenses increased by \$0.7 million due to increased indigent defense spending and increased juvenile court expenses.
- The County's public safety expenses decreased by \$1.4 million. This was due primarily to layoffs in the Sheriff's department at the beginning of 2003.

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

In 2002, the Children Service Board's fund balance increased by approximately \$1 million compared to a \$3 million decrease in 2003. The \$4 million difference can be attributed primarily to an increase in the revenues from the Foster Care Maintenance program of \$1.4 million offset by the transfer of funds (\$5.0 million) to the Capital Projects fund for construction of a new building.

In 2002, the Board of Mental Retardation fund balance increased by approximately \$3 million compared to breakeven in 2003. There were increases in expenses in 2003, and there were decreases in intergovernmental revenues, primarily from the Community Alternative Funding System (CAFS).

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.) For the Year Ended December 31, 2003 Unaudited

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 2003, 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 \$2.2 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, property, and other taxes and fees and charges were all conservative and were subsequently increased by \$2.2 million, (2) a \$0.5 million increase in intergovernmental revenues that can be attributed to working with the Federal Marshal on a reimbursement plan for housing and transporting federal prisoners and (3) a decrease of \$0.9 million in the budgeted amount for investment earnings.

General Fund Expenditures Budget:

- Overall General Fund expenditures' budgets increased by \$2.4 million mostly all of it attributed to increases in the judicial budgets. The major increases were in the Common Pleas Courts for indigent defense fees and the Juvenile Court for hospitalization and pension obligations.

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, 2003, amounts to \$188.9 million (net of accumulated depreciation). 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 2003.

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

- During 2003, the Mahoning County Engineer's Office in conjunction with the Ohio Department of Transportation (ODOT) completed work on a major road-widening project on South Avenue from Presidential to Western Reserve. The overall cost for this project to date is \$7.9 million. Funding sources included the Federal Highway Administration Department of Transportation and the County Engineer's funds.
- The County received \$0.3 million of sewer lines from developers.

MAHONING COUNTY, OHIO

Management's Discussion and Analysis (Cont'd.) For the Year Ended December 31, 2003 Unaudited

- During 2003, the Mahoning County Engineer's office in conjunction with the Ohio Department of Transportation (ODOT) completed work on a bridge on Canfield-Poland Road in Poland, Ohio. The total costs of the project were \$1.9 million. Funding sources included the Federal Highway Administration Department and the County Engineer's funds.
- The Sanitary Engineer's Department finished construction of several major sewer lines, plants and pump stations in 2003 including Palmyra and Damascus. The overall cost of these projects totaled \$1.1 million and the funding sources included Ohio Water Development (OWDA), Ohio Public Works Commission (OPWC), Sanitary Engineer's revenues and special assessments.

Major capital asset events for 2004 are:

- Construction began on a nearly \$4 million project - Walton Avenue bridge. Funding is being provided by the U.S. Economic Development Agency, the Ohio Department of Development, the County Economic Development Fund, the County Recycling Division and the County Engineer's funds.
- The Board of Mental Retardation began a \$3 million capital improvement project which will include three of its facilities.
- The Mahoning County Clerk of Courts and Common Pleas Court began overhauling their court computer system to take advantage of new technology. The project was paid for from court fees.

Long-term Debt: At the end of 2003, the County's debt outstanding other than Bond Anticipation Notes and long-term internal notes consisted of revenue bonds in the amount of \$8.5 million; general obligation debt outstanding of \$27.7 million; Ohio Public Works Commission and Ohio Water Development Authority loans of \$18.6 million and other debt of \$1.1 million. Of the \$27.7 million general obligation debt - debt that is backed by the full faith and credit of the County - \$1.4 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 \$6.1 million or 14.4% during the 2003 fiscal year as no new additional bonds were issued. However, the County's bond anticipation notes increased by \$7.6 million. \$10.1 million of the \$19.7 million in bond anticipation notes are classified as long-term internal notes as of December 31, 2003 as bonds were issued in January 2004 to retire the Notes. In addition, bonds were issued in January 2004 to refund Series 1991 and Series 1994 bond issues along with financing some additional capital projects in 2004. A schedule of the long-term internal note and bond anticipation note activity during 2003 can be found in Notes H & L.

State statute limits the total amount of debt a governmental entity may issue. The County's total debt margin at the end of 2003 was \$72.4 million with an unvoted total debt margin of \$17.7 million. Its net general bonded debt per capital for 2003 was \$99.12 as compared with \$115.57 for 2002. 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.) For the Year Ended December 31, 2003 Unaudited

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 2003 were \$1.8 million or 1.0% 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 7.8% at December 31, 2003 compares to 6.1% for the State of Ohio and 6.0% for the United States.

Mahoning County, along with most Ohio local government entities, continues to be faced with uncertainty regarding 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.

The County levies a 1% sales tax that is composed of two separate ½% taxes. One of the County's ½% sales taxes was effective January 1, 2003 and will expire December 31, 2007. Mahoning County voters rejected the renewal of the other ½% sales tax in the March 2004 primary election with a 54% vote. As a result, the Board of Mahoning County Commissioners contracted with the State Auditor's office to perform a forecast of the County's general fund. The State's report concluded that structural deficits would occur as early as 2005 and would rise to approximately \$70 million through 2008 should the ½% sales tax not be renewed. The tax which generates approximately \$13 million is used to fund the County's general operating expenses and is set to expire on December 31, 2004. On August 17, 2004, the Board of Mahoning County Commissioners passed a resolution to place this sales tax on the November 2004 ballot as a continuous ½% sales tax. The voters again rejected it by a very narrow margin. Hearings have been held to consider imposing the tax. No decision will be made before December 30, 2004.

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.

Statement of Net Assets

December 31, 2003

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	MASCO
Assets				
Equity in pooled cash and investments at fair value	\$ 63,806,817	\$ 4,981,434	\$ 68,788,251	\$ 335,624
Cash and cash equivalents - segregated accounts			383,234	
Cash and cash equivalents with fiscal agent	383,234		383,234	
Net receivables:				
Taxes	35,061,457		35,061,457	
Accounts		4,061,936	4,061,936	62,525
Loans	442,604	89,210	531,814	
Special assessments - current portion		77,995	77,995	
Accrued interest	322,002	56,444	378,446	
Due from external parties	444,184		444,184	
Other	476,430		476,430	
Internal balances	(36,854)	36,854		
Due from other governments	25,597,144	35,148	25,632,292	
Restricted assets:				
Equity in pooled cash and investments at fair value		7,557,772	7,557,772	
Cash and cash equivalents with fiscal agent		829,412	829,412	
Special assessments receivable - noncurrent	444,612	307,717	752,329	
Capital assets:				
Land	4,392,441	264,140	4,656,581	
Utility plant in service		129,707,466	129,707,466	
Buildings, structures and improvements	59,186,955	959,279	60,146,234	
Furniture, fixtures and equipment	24,352,629	2,225,865	26,578,494	58,193
Infrastructure	84,164,316		84,164,316	
Less: Accumulated depreciation	(50,816,021)	(69,623,025)	(120,439,046)	(41,622)
Construction-in-progress	2,981,946	1,071,938	4,053,884	
Total Assets	251,203,896	82,639,585	333,843,481	414,720
Liabilities				
Accounts payable	6,886,940	799,066	7,686,006	
Accrued wages and benefits	3,965,895	271,428	4,237,323	33,182
Retainage payable	124,190		124,190	
Due to other governments	4,233,245		4,233,245	
Deferred revenue	32,485,108	71,050	32,556,158	
Accrued interest on notes and bonds	142,814		142,814	
Payable from restricted assets:				
Accrued revenue bond interest		35,644	35,644	
Current portion of revenue bonds		395,000	395,000	
Noncurrent liabilities:				
Due within one year:				
Compensated absences payable	5,088,656	357,154	5,445,810	
Current portion of claims and judgements payable	1,543,275		1,543,275	
Current portion of long-term loans		1,544,979	1,544,979	
Current portion of mortgage and long-term note payable	56,212		56,212	
Current portion of general obligation bonds	3,395,000	1,194	3,396,194	
Current portion of special assessment bonds		43,807	43,807	
Due in more than one year:				
Long-term portion of compensated absences	2,266,470	330,413	2,596,883	
Long-term loans (net of current portion)		17,033,976	17,033,976	
Long-term notes payable	536,871		536,871	
Long-term mortgage note payable	459,280		459,280	
Revenue bonds (net of current portion)		8,065,000	8,065,000	
Less: Unamortized revenue bond charges		(707,505)	(707,505)	
General obligation bonds (net of current portion)	22,634,840	281,865	22,916,705	
Claims and judgements payable	670,605		670,605	
Special assessment bonds (net of current portion)		1,343,295	1,343,295	
Total Liabilities	84,489,401	29,866,366	114,355,767	33,182
Net Assets:				
Invested in capital assets, net of related debt	87,608,563	36,093,840	123,702,403	
Restricted for:				
Capital projects	7,837,930		7,837,930	
Special revenue	54,729,665		54,729,665	
Debt service	3,963,387	7,128,966	11,092,353	
Unrestricted	12,574,950	9,550,413	22,125,363	381,538
Total Net Assets	\$ 166,714,495	\$ 52,773,219	\$ 219,487,714	\$ 381,538

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, 2003

Functions/Programs	Program Revenues						Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Component Unit	
					Governmental Activities	Business-type Activities			MASCO
Primary Government:									
Governmental activities:	\$	\$	\$	\$	\$	\$	\$	\$	
General government	15,386,977	8,470,421	728	0	(6,915,828)		(6,915,828)		
Judicial	15,764,700	5,505,837	422,280	0	(9,836,583)		(9,836,583)		
Public safety	23,163,784	2,810,413	4,462,532	0	(15,890,839)		(15,890,839)		
Public works	13,463,837	225,138	1,833,184	5,327,007	(6,078,508)		(6,078,508)		
Health	46,077,309	4,557,526	23,969,011	0	(17,550,772)		(17,550,772)		
Human services	58,494,478	3,372,708	47,635,312	0	(7,486,458)		(7,486,458)		
Other	4,659,796	143,426	651,920	0	(3,864,450)		(3,864,450)		
Interest on long-term debt	1,787,910				(1,787,910)		(1,787,910)		
Total governmental activities	178,798,791	25,085,469	78,974,967	5,327,007	(69,411,348)		(69,411,348)		
Business-type activities:									
Wastewater	17,410,257	18,207,750	56,432	1,006,857		1,860,782	1,860,782		
Water	355,518	538,947		574,787		758,216	758,216		
Total business-type activities	17,765,775	18,746,697	56,432	1,581,644		2,618,998	2,618,998		
Total primary government	196,564,566	43,832,166	79,031,399	6,908,651	(69,411,348)	2,618,998	(66,792,350)		
Component unit:									
MASCO	1,065,554	545,517	489,529					(30,508)	
Total component unit	1,065,554	545,517	489,529					(30,508)	
General revenues:									
Property taxes					25,827,235		25,827,235		
Sales tax					26,803,475		26,803,475		
Other taxes					10,644,478		10,644,478		
Grants and contributions not restricted to specific programs					10,015,678		10,015,678		
Unrestricted investment earnings					1,918,927	379,768	2,298,695		
Net change in fair value of investments					(463,503)		(463,503)		
Transfers					55,548	(55,548)			
Total general revenues and transfers					74,801,838	324,220	75,126,058		
Change in net assets					5,390,490	2,943,218	8,333,708	(30,508)	
Net assets - beginning (See Note E)					161,324,005	49,830,001	211,154,006	412,046	
Net assets - ending					166,714,495	52,773,219	219,487,714	381,538	

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

MAHONING COUNTY, OHIO

Balance Sheet
Governmental Funds

December 31, 2003

	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	\$ 555,979	\$ 3,035,541	\$ 11,766,589	\$ 8,922,016	\$ 32,202,574	\$ 56,482,698
Cash and cash equivalents with fiscal agent					383,234	383,234
Investments	5,017,500				9,700,000	14,717,500
Net receivables:						
Taxes	6,671,477		6,244,514	16,918,760	5,226,706	35,061,457
Loans					442,604	442,604
Accrued interest	322,002					322,002
Other					476,430	476,430
Due from external parties	618,534				164,420	782,954
Due from other funds	2,595,487	1,338,427	81,814		1,535,974	5,551,702
Due from other governments	11,263,196		1,761,291	3,962,098	8,610,559	25,597,144
Special assessments receivable - noncurrent					444,612	444,612
Total Assets	\$ 27,044,175	\$ 4,373,968	\$ 19,854,208	\$ 29,802,874	\$ 59,187,113	\$ 140,262,337
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,026,870	\$ 1,666,950	\$ 495,030	\$ 196,720	\$ 3,501,370	\$ 6,886,940
Accrued wages and benefits	1,471,886	623,353	297,549	708,445	864,663	3,965,896
Retainage payable					124,190	124,190
Due to other funds	2,035,835	1,067,363	57,908	418,600	2,032,205	5,611,911
Due to other governments		1,016,302			558,427	1,574,729
Deferred revenue	12,375,580		7,260,553	20,221,223	13,930,745	53,788,101
Bond anticipation notes					4,660,000	4,660,000
Total Liabilities	16,910,171	4,373,968	8,111,040	21,544,988	25,671,600	76,611,767
Fund Balances:						
Reserved for:						
Encumbrances	2,057,358	1,417,330	4,123	1,214,921	8,051,501	12,745,233
Loans					442,604	442,604
Unreserved, reported in:						
General fund	8,076,646					8,076,646
Special revenue funds		(1,417,330)	11,739,045	7,042,965	15,119,268	32,483,948
Debt service funds					2,295,919	2,295,919
Capital project funds					7,606,221	7,606,221
Total Fund Balances	10,134,004		11,743,168	8,257,886	33,515,513	63,650,571
Total Liabilities and Fund Balances	\$ 27,044,175	\$ 4,373,968	\$ 19,854,208	\$ 29,802,874	\$ 59,187,113	

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 124,262,266

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

Sales tax	5,776,599
Intergovernmental revenues	10,862,872
Property taxes	3,880,140
Special assessments	444,612
Total	20,964,223

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. 3,278,712

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 (see note K). (45,441,277)

Net assets of governmental activities **\$ 166,714,495**

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, 2003

	General	Department of Human Services	Children Services Board	Board of Mental Retardation	Other Governmental Funds	Total Governmental Funds
<i>Revenues:</i>						
Property and other taxes	\$ 5,612,279		\$ 5,436,492	\$ 14,911,179	\$ 15,744,114	\$ 41,704,064
Sales tax	26,657,490					26,657,490
Fees and charges for services	5,904,031	\$ 1,787,909			10,591,310	18,283,250
Licenses and permits					527,390	527,390
Fines and forfeitures	1,873,506				225,109	2,098,615
Intergovernmental	7,646,292	35,013,656	7,853,424	7,505,145	35,488,020	93,506,537
Special assessments					302,510	302,510
Investment earnings	1,765,059				153,869	1,918,928
Net decrease in fair value of investments	(463,503)					(463,503)
All other revenue	1,059,151	953,872	6,081	110,603	898,651	3,028,358
Total Revenues	50,054,305	37,755,437	13,295,997	22,526,927	63,930,973	187,563,639
<i>Expenditures:</i>						
<i>Current:</i>						
General government	11,295,007				2,969,784	14,264,791
Judicial	14,427,797				1,442,994	15,870,791
Public safety	16,870,182				5,132,787	22,002,969
Public works					9,597,942	9,597,942
Health				22,439,492	24,119,210	46,558,702
Human services	898,581	38,615,329	11,497,395		7,939,700	58,951,005
Other	1,240,812				3,911,692	5,152,504
Capital outlay					7,197,546	7,197,546
<i>Debt service:</i>						
Bond issuance costs					847	847
Principal retirement					5,425,678	5,425,678
Interest and fiscal charges					1,872,597	1,872,597
Total Expenditures	44,732,379	38,615,329	11,497,395	22,439,492	69,610,777	186,895,372
<i>Excess (Deficiency) Of Revenues Over (Under) Expenditures</i>	5,321,926	(859,892)	1,798,602	87,435	(5,679,804)	668,267
<i>Other Financing Sources (Uses)</i>						
Proceeds from notes					10,057,500	10,057,500
Transfers in	131,359	859,892		129	17,058,644	18,050,024
Transfers out	(5,917,016)		(5,000,000)		(7,077,613)	(17,994,629)
Total Other Financing Sources (Uses)	(5,785,657)	859,892	(5,000,000)	129	20,038,531	10,112,895
<i>Net change in fund balances</i>	(463,731)		(3,201,398)	87,564	14,358,727	10,781,162
<i>Fund Balance At Beginning of Year</i>	10,597,735		14,944,566	8,170,322	19,156,786	52,869,409
<i>Fund Balance At End of Year</i>	\$ 10,134,004	\$	\$ 11,743,168	\$ 8,257,886	\$ 33,515,513	\$ 63,650,571

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, 2003**

Net Change in Fund Balances - Total Governmental Funds \$ 10,781,162

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.

Capital asset additions	7,277,969	
Depreciation expense	(6,388,873)	
Excess of capital outlay over depreciation		889,096

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

Taxes	(5,086,364)	
Intergovernmental revenue	1,571,677	
Special assessments	2,682	
Total revenue		(3,512,005)

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		5,425,678
Proceeds from mortgage note		(10,057,500)

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		1,595,732
Claims and judgements payable		186,073

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.

82,254

Change in Net Assets of Governmental Activities		\$ <u><u>5,390,490</u></u>
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The notes to the financial statements are an integral part of this statement.

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

For the Year ended December 31, 2003

	<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	\$ 4,776,000	\$ 5,376,000	\$ 5,546,806	\$ 170,806
Sales tax	25,920,000	26,180,000	26,424,593	244,593
Fees and charges for services	4,348,000	5,593,000	5,915,085	322,085
Licenses and permits	22,000	22,000	23,980	1,980
Fines and forfeitures	1,488,000	1,755,000	1,836,723	81,723
Intergovernmental	6,893,731	7,343,731	7,313,293	(30,438)
Investment earnings	2,825,000	1,911,000	1,861,584	(49,416)
All other revenue	565,000	808,000	904,380	96,380
Total Revenues	\$ 46,837,731	\$ 48,988,731	\$ 49,826,444	\$ 837,713
<i>General Government Expenditures:</i>				
<i>Commissioners</i>				
Personal services	\$ 516,051	\$ 601,681	\$ 598,242	\$ 3,439
Materials and supplies	9,199	11,124	10,614	510
Contractual services	13,356	7,478	5,065	2,413
Travel	16,000	15,173	15,172	1
Utilities		100	99	1
Capital outlay	3,500	190	190	
Total Commissioners	558,106	635,746	629,382	6,364
<i>Personnel</i>				
Personal services	296,020	320,913	312,590	8,323
Materials and supplies	5,934	6,706	6,168	538
Contractual services	28,182	32,909	32,078	831
Travel	2,700	2,287	1,271	1,016
Capital outlay	750	300	296	4
Total Personnel	333,586	363,115	352,403	10,712
<i>Microfilm</i>				
Personal services	176,405	179,125	177,339	1,786
Materials and supplies	5,411	4,241	2,705	1,536
Contractual services	108,639	108,639	108,611	28
Utilities	700	700		700
Capital outlay	1,605	2,775	2,755	20
Total Microfilm	292,760	295,480	291,410	4,070
<i>Office of Management & Budget</i>				
Personal services	184,960	148,020	142,954	5,066
Materials and supplies	100			
Contractual services	540	540	93	447
Travel	4,100	4,200	3,507	693
Capital outlay	2,500	2,440	481	1,959
Total Office of Management & Budget	192,200	155,200	147,035	8,165

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

(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, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>General Government (Cont'd.)</i>	<i>Purchasing</i>				
	Personal services	\$ 226,468	\$ 213,968	\$ 206,861	\$ 7,107
	Materials and supplies	31,780	31,780	28,578	3,202
	Contractual services	1,972	1,972	1,239	733
	Travel	2,060	2,060	1,015	1,045
	Utilities	1,000	1,000		1,000
	Capital outlay	1,400	1,400	1,399	1
	<i>Total Purchasing</i>	<u>264,680</u>	<u>252,180</u>	<u>239,092</u>	<u>13,088</u>
	<i>Planning Commission</i>				
	Personal services	134,731	137,268	133,069	4,199
	Materials and supplies	6,158	7,444	7,434	10
	Contractual services	28,275	28,906	28,246	660
	Travel	2,950	1,087	1,087	
	Utilities	2,194	2,194	2,194	
	Capital outlay	2,286	2,232	2,226	6
	<i>Total Planning Commission</i>	<u>176,594</u>	<u>179,131</u>	<u>174,256</u>	<u>4,875</u>
	<i>Facilities Management</i>				
	Personal services	1,214,761	1,265,353	1,259,868	5,485
	Materials and supplies	26,779	13,629	6,550	7,079
	Contractual services	36,156	42,658	40,858	1,800
	Travel	5,160	6,799	5,531	1,268
	Utilities	596,415	546,136	513,065	33,071
	Capital outlay	277,249	271,355	260,012	11,343
	<i>Total Facilities Management</i>	<u>2,156,520</u>	<u>2,145,930</u>	<u>2,085,884</u>	<u>60,046</u>
	<i>Facilities Management - Annex</i>				
	Utilities	213,094	260,594	180,084	80,510
	Capital outlay	15,000	15,000	6,098	8,902
	<i>Total Facilities Management - Annex</i>	<u>228,094</u>	<u>275,594</u>	<u>186,182</u>	<u>89,412</u>
	<i>Auditor</i>				
	Personal services	960,070	897,670	886,503	11,167
	Materials and supplies	88,354	156,779	148,813	7,966
	Contractual services	13,011	11,036	7,765	3,271
	Travel	22,325	20,325	16,928	3,397
	Utilities	4,001	8,207	7,836	371
	Capital outlay	6,525	4,475	2,131	2,344
	<i>Total Auditor</i>	<u>1,094,286</u>	<u>1,098,492</u>	<u>1,069,976</u>	<u>28,516</u>

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

(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, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>General Government (Cont'd.)</i>	<i>Treasurer</i>				
	Personal services	\$ 469,445	\$ 452,100	\$ 440,586	\$ 11,514
	Materials and supplies	138,666	150,798	139,298	11,500
	Contractual services	133,172	141,353	138,252	3,101
	Travel	4,130	5,824	5,092	732
	Utilities	4,950	7,754	7,577	177
	Capital outlay	2,255	1,800	1,609	191
	<i>Total Treasurer</i>	<u>752,618</u>	<u>759,629</u>	<u>732,414</u>	<u>27,215</u>
	<i>Prosecutor</i>				
	Personal services	617,146	701,136	696,798	4,338
	Materials and supplies	16,571	27,918	27,917	1
	Contractual services	22,760	20,251	20,250	1
	Travel	8,400	8,231	8,231	
	Utilities	5,500	14,123	14,122	1
	Capital outlay	548	548	548	
	Other	97,294	51,145	51,145	
	<i>Total Prosecutor</i>	<u>768,219</u>	<u>823,352</u>	<u>819,011</u>	<u>4,341</u>
	<i>Prosecutor - Criminal</i>				
	Personal services	1,323,783	1,372,719	1,372,523	196
	Materials and supplies	18,247	23,888	23,886	2
	Contractual services	36,357	43,400	43,290	110
	Travel		4,186	4,186	
	Capital outlay	451	811	691	120
	Other	38,767	4,653	4,653	
	<i>Total Prosecutor</i>	<u>1,417,605</u>	<u>1,449,657</u>	<u>1,449,229</u>	<u>428</u>
	<i>Recorder</i>				
Personal services	396,336	394,700	386,367	8,333	
Materials and supplies	11,177	18,127	13,134	4,993	
Contractual services	132,229	152,508	147,593	4,915	
Travel	3,315	3,315	2,907	408	
Utilities	6,200	7,836	4,707	3,129	
Capital outlay	1,337	1,337	210	1,127	
Other	21,629				
<i>Total Recorder</i>	<u>572,223</u>	<u>577,823</u>	<u>554,918</u>	<u>22,905</u>	
<i>Board of Elections</i>					
Personal services	759,110	804,529	799,260	5,269	
Materials and supplies	174,800	148,161	144,336	3,825	
Contractual services	326,105	299,881	281,165	18,716	
Travel	10,890	11,240	8,702	2,538	
Utilities	21,964	23,764	22,152	1,612	
Capital outlay	18,930	30,580	28,011	2,569	
<i>Total Board of Elections</i>	<u>1,311,799</u>	<u>1,318,155</u>	<u>1,283,626</u>	<u>34,529</u>	

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

(Cont'd)

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

For the Year ended December 31, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>General Government</i>	<i>Data Processing Board</i>				
<i>(Cont'd.)</i>	Personal services	\$ 842,509	\$ 668,279	\$ 623,175	\$ 45,104
	Materials and supplies	65,783	47,533	46,915	618
	Contractual services	1,531,932	931,461	918,700	12,761
	Travel	161,100	137,827	137,828	(1)
	Utilities	184,080	138,611	138,611	
	Capital outlay	152,456	1,021,547	983,195	38,352
	<i>Total Data Processing Board</i>	<u>2,937,860</u>	<u>2,945,258</u>	<u>2,848,424</u>	<u>96,834</u>
	<i>Total General Government</i>	<u>13,057,150</u>	<u>13,274,742</u>	<u>12,863,242</u>	<u>411,500</u>
<i>Judicial</i>	<i>Expenditures:</i>				
	<i>Clerk of Courts - Legal</i>				
	Personal services	\$ 813,548	\$ 1,042,634	\$ 1,027,102	\$ 15,532
	Materials and supplies	173,031	178,308	174,937	3,371
	Contractual services	22,229	17,229	14,585	2,644
	Utilities	11,522	10,792	8,408	2,384
	Capital outlay	12,601	3,324	2,003	1,321
	<i>Total Clerk of Courts - Legal</i>	<u>1,032,931</u>	<u>1,252,287</u>	<u>1,227,035</u>	<u>25,252</u>
	<i>Common Pleas</i>				
	Personal services	1,754,605	1,677,335	1,642,194	35,141
	Materials and supplies	34,572	44,710	42,343	2,367
	Contractual services	781,169	1,678,149	1,604,480	73,669
	Travel	7,400	13,430	10,634	2,796
	Utilities	17,286	21,744	20,212	1,532
	Capital outlay	14,727	34,305	33,145	1,160
	Other	20,000	15,400	15,400	
	<i>Total Common Pleas</i>	<u>2,629,759</u>	<u>3,485,073</u>	<u>3,368,408</u>	<u>116,665</u>
	<i>Law Library</i>				
	Personal services	54,895	55,781	54,840	941
	Contractual services	105	105	93	12
	<i>Total Law Library</i>	<u>55,000</u>	<u>55,886</u>	<u>54,933</u>	<u>953</u>

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

(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, 2003

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Judicial (Cont'd.)</i>				
<i>Domestic Relations</i>				
Personal services	\$ 692,215	\$ 691,715	\$ 635,749	\$ 55,966
Materials and supplies	20,183	15,383	14,211	1,172
Contractual services	16,077	15,681	13,437	2,244
Travel	10,200	6,496	5,542	954
Utilities	4,000	6,337	6,065	272
Capital outlay	11,400	20,800	19,499	1,301
<i>Total Domestic Relations</i>	<u>754,075</u>	<u>756,412</u>	<u>694,503</u>	<u>61,909</u>
<i>Juvenile Court</i>				
Personal services	4,204,071	4,855,401	4,656,116	199,285
Materials and supplies	161,307	232,400	222,734	9,666
Contractual services	71,706	126,809	125,774	1,035
Travel	9,461	28,105	28,023	82
Utilities	163,322	313,481	311,581	1,900
Capital outlay	69,945	96,205	92,411	3,794
Other				
<i>Total Juvenile Court</i>	<u>4,679,812</u>	<u>5,652,401</u>	<u>5,436,639</u>	<u>215,762</u>
<i>Probate Court</i>				
Personal services	687,232	786,136	764,051	22,085
Materials and supplies	27,843	50,178	44,057	6,121
Contractual services	31,400	68,230	59,726	8,504
Travel	3,779	12,450	7,480	4,970
Utilities	1,830	1,830	1,291	539
Capital outlay	1,663	52,895	52,846	49
Other	17,888	8,156		8,156
<i>Total Probate Court</i>	<u>771,635</u>	<u>979,875</u>	<u>929,451</u>	<u>50,424</u>
<i>County Court # 2 - Boardman</i>				
Personal services	358,615	374,582	374,391	191
Materials and supplies	9,903	28,403	28,108	295
Contractual services	42,731	89,621	89,148	473
Travel	70	330	328	2
Utilities	19,093	27,313	27,059	254
Capital outlay	209	858	852	6
Other	20,574	160	160	
<i>Total County Court # 2 - Boardman</i>	<u>451,195</u>	<u>521,267</u>	<u>520,046</u>	<u>1,221</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Judicial (Cont'd.)</i>	<i>Municipal Court - Youngstown</i>				
	Personal services	\$ 195,200	\$ 201,966	\$ 201,551	\$ 415
	Contractual services	4,275	4,300	3,566	734
	<i>Total Municipal Court - Youngstown</i>	<u>199,475</u>	<u>206,266</u>	<u>205,117</u>	<u>1,149</u>
	<i>Municipal Court - Campbell</i>				
	Personal services	58,052	58,998	53,047	5,951
	Contractual services	700	700	603	97
	<i>Total Municipal Court - Campbell</i>	<u>58,752</u>	<u>59,698</u>	<u>53,650</u>	<u>6,048</u>
	<i>Municipal Court - Struthers</i>				
	Personal services	78,935	78,936	74,705	4,231
	Contractual services	3,775	3,275	2,325	950
	<i>Total Municipal Court - Struthers</i>	<u>82,710</u>	<u>82,211</u>	<u>77,030</u>	<u>5,181</u>
	<i>County Court # 3 - Sebring</i>				
	Personal services	120,155	119,799	119,647	152
	Materials and supplies	9,163	10,263	9,966	297
	Contractual services	66,145	67,766	65,886	1,880
	Travel		517	441	76
	Utilities	18,745	17,452	16,834	618
	Capital outlay	3,726	648	648	
	<i>Total County Court # 3 - Sebring</i>	<u>217,934</u>	<u>216,445</u>	<u>213,422</u>	<u>3,023</u>
	<i>County Court # 4 - Austintown</i>				
	Personal services	377,525	425,025	424,624	401
	Materials and supplies	16,442	36,042	35,434	608
	Contractual services	44,829	102,629	102,402	227
	Travel		738	737	1
	Utilities	18,765	27,782	26,425	1,357
	Capital outlay	1,989	3,659	3,651	8
	Other	62,615	4,239	105	4,134
	<i>Total County Court # 4 - Austintown</i>	<u>522,165</u>	<u>600,114</u>	<u>593,378</u>	<u>6,736</u>
	<i>County Court # 5 - Canfield</i>				
	Personal services	220,163	228,346	225,855	2,491
	Materials and supplies	7,011	16,050	15,775	275
	Contractual services	25,130	53,664	53,501	163
	Travel		260	260	
	Utilities	10,831	17,412	17,246	166
	Capital outlay		527	127	400
	Other	14,995	393		393
	<i>Total County Court # 5 - Canfield</i>	<u>278,130</u>	<u>316,652</u>	<u>312,764</u>	<u>3,888</u>

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

(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, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Judicial (Cont'd.)	Courts Other				
	Personal services	\$ 456,139	\$ 457,421	\$ 446,887	\$ 10,534
	Contractual services	800	800	555	245
	Other	61	61		61
	<i>Total Courts Other</i>	<u>457,000</u>	<u>458,282</u>	<u>447,442</u>	<u>10,840</u>
	County Court - Probation				
	Personal services	152,481	155,355	155,197	158
	Contractual services	500	371	370	1
	Other	19			
	<i>Total County Court - Probation</i>	<u>153,000</u>	<u>155,726</u>	<u>155,567</u>	<u>159</u>
	<i>Total Judicial</i>	<u>12,343,573</u>	<u>14,798,595</u>	<u>14,289,385</u>	<u>509,210</u>
Public Safety	Expenditures:				
	Jail Medical				
	Personal services	\$ 86,107	\$ 87,027	\$ 84,249	\$ 2,778
	Materials and supplies	460	655	449	206
	Contractual services	1,669,787	1,706,787	1,706,781	6
	Travel	1,840	1,645	1,582	63
	Utilities	100	100	100	
	Capital outlay	949	949	949	
	<i>Total Jail Medical</i>	<u>1,759,243</u>	<u>1,797,163</u>	<u>1,794,110</u>	<u>3,053</u>
	Sheriff				
	Personal services	9,986,811	10,975,038	10,955,002	20,036
	Materials and supplies	343,593	335,747	335,495	252
	Contractual services	164,028	188,692	184,389	4,303
	Travel	121,917	114,985	107,909	7,076
	Utilities	130,213	131,162	131,088	74
	Capital outlay	66,135	47,953	37,417	10,536
	Other	56,690	98,808	97,810	998
	<i>Total Sheriff</i>	<u>10,869,387</u>	<u>11,892,385</u>	<u>11,849,110</u>	<u>43,275</u>
	Mahoning County Justice Center				
	Materials and supplies	8,469	8,469	7,283	1,186
	Contractual services	36,671	36,671	28,529	8,142
	Utilities	43,238	43,238	41,630	1,608
	Capital outlay	5,676	5,676	4,808	868
	<i>Total Mahoning County Justice Center</i>	<u>94,054</u>	<u>94,054</u>	<u>82,250</u>	<u>11,804</u>
	E-911 Dispatch				
	Personal services	685,915	683,950	676,005	7,945
	Materials and supplies	1,689	3,978	3,782	196
	Contractual services	14,164	27,915	27,763	152
	Travel		2,270	1,925	345
	Utilities	31,933	63,873	63,646	227
	Capital outlay	3,316	29,430	28,136	1,294
	Other	20,692	3		3
	<i>Total E-911 Dispatch</i>	<u>757,709</u>	<u>811,419</u>	<u>801,257</u>	<u>10,162</u>
	Sheriff - Public safety in general				
	Materials and supplies	700,000	579,193	579,192	1
	Contractual services	265,000	295,116	295,112	4
	Utilities	707,500	579,239	579,237	2
	<i>Total Sheriff - Public safety in general</i>	<u>1,672,500</u>	<u>1,453,548</u>	<u>1,453,541</u>	<u>7</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

		Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Public Safety</i>	<i>Minimum Security Facility</i>				
<i>(Cont'd.)</i>	Materials and supplies	\$ 2,144	\$ 2,144	\$ 2,143	\$ 1
	Contractual services	954	954	927	27
	Utilities	4,829	4,829	4,749	80
	Capital outlay	1,055	1,055	728	327
	<i>Total Minimum Security Facility</i>	<u>8,982</u>	<u>8,982</u>	<u>8,547</u>	<u>435</u>
	<i>Coroner</i>				
	Personal services	388,795	314,680	281,837	32,843
	Materials and supplies	4,617	6,327	5,602	725
	Contractual services	147,153	325,256	320,220	5,036
	Travel	2,443	9,702	7,595	2,107
	Utilities	3,808	4,543	4,338	205
	Capital outlay	16,163	16,163	16,104	59
	Other				
	<i>Total Coroner</i>	<u>562,979</u>	<u>676,671</u>	<u>635,696</u>	<u>40,975</u>
	<i>Total Public Safety</i>	<u>15,724,854</u>	<u>16,734,222</u>	<u>16,624,511</u>	<u>109,711</u>
<i>Human Services</i>	<i>Expenditures</i>				
	<i>Soldiers Relief</i>				
	Personal services	\$ 256,989	\$ 289,239	\$ 264,900	\$ 24,339
	Materials and supplies	73,168	63,168	44,570	18,598
	Contractual services	1,134,306	488,836	360,083	128,753
	Travel	9,331	10,431	4,907	5,524
	Utilities	4,598	4,598	3,535	1,063
	Capital outlay	100,699	60,699	41,775	18,924
	<i>Total Soldiers Relief</i>	<u>1,579,091</u>	<u>916,971</u>	<u>719,770</u>	<u>197,201</u>
	<i>Veteran Services</i>				
	Personal services	196,107	201,814	172,670	29,144
	Materials and supplies	34,548	24,548	7,806	16,742
	Contractual services	5,000	5,370	1,339	4,031
	Travel	13,005	18,005	10,257	7,748
	Capital outlay	83,770	46,770	21,296	25,474
	<i>Total Veteran Services</i>	<u>332,430</u>	<u>296,507</u>	<u>213,368</u>	<u>83,139</u>
	<i>Total Human Services</i>	<u>1,911,521</u>	<u>1,213,478</u>	<u>933,138</u>	<u>280,340</u>

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

(Cont'd)

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

For the Year ended December 31, 2003

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Other</i>				
<i>Expenditures</i>				
<i>Counsel on Aging</i>				
Contractual services	\$ 40,000	\$ 40,000	\$ 40,000	
Capital outlay	11,637	11,450	11,450	
	<u>51,637</u>	<u>51,450</u>	<u>51,450</u>	
<i>General Fund Administration Costs</i>				
Personal services	604,707	219,554	8,740	210,814
Materials and supplies		3,175	3,175	
Contractual services	1,099,660	993,293	913,368	79,925
Utilities	33,836	14,419	14,402	17
Other	748,009	694,363	690,951	3,412
<i>Total General Fund Administration Costs</i>	<u>2,486,212</u>	<u>1,924,804</u>	<u>1,630,636</u>	<u>294,168</u>
<i>Total Other</i>	<u>2,537,849</u>	<u>1,976,254</u>	<u>1,682,086</u>	<u>294,168</u>
<i>Totals</i>				
<i>Total Expenditures</i>	\$ 45,574,947	\$ 47,997,291	\$ 46,392,362	\$ 1,604,929
<i>Excess Of</i>				
<i>Revenues Over Expenditures</i>	1,262,784	991,440	3,434,082	2,442,642
<i>Other Financing Sources (Uses)</i>				
Transfers in		110,000	131,359	21,359
Transfers out	(6,646,035)	(6,970,714)	(6,970,713)	1
<i>Total Other Financing Sources (Uses)</i>	<u>(6,646,035)</u>	<u>(6,860,714)</u>	<u>(6,839,354)</u>	<u>21,360</u>
<i>Net Change in Fund Balance</i>	(5,383,251)	(5,869,274)	(3,405,272)	2,464,002
<i>Fund Balance at Beginning of Year</i>	2,905,863	2,905,863	2,905,863	
<i>Prior Year Encumbrances Appropriated</i>	2,963,401	2,963,401	2,963,401	
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 486,013</u>	<u>\$ (10)</u>	<u>\$ 2,463,992</u>	<u>\$ 2,464,002</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, 2003

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>				
Property and other taxes				
Fees and charges for services	\$ 1,440,000	\$ 1,440,000	\$ 1,990,786	\$ 550,786
Intergovernmental	33,000,000	38,000,000	37,305,718	(694,282)
All other revenue	900,000	900,000	841,692	(58,308)
Total Revenues	35,340,000	40,340,000	40,138,196	(201,804)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	13,029,517	13,313,671	13,284,265	29,406
Materials and supplies	334,641	405,141	403,943	1,198
Contractual services	22,690,218	27,257,774	27,228,842	28,932
Travel	203,611	176,239	169,190	7,049
Utilities	334,780	381,820	374,024	7,796
Capital outlay	141,863	76,663	74,201	2,462
Other	425,000	548,322	548,322	
Total Expenditures	37,159,630	42,159,630	42,082,787	76,843
Deficiency Of Revenues Over Expenditures	(1,819,630)	(1,819,630)	(1,944,591)	(124,961)
<i>Other Financing Sources</i>				
Transfers in	1,500,000	1,500,000	1,576,222	76,222
Total Other Financing Sources	1,500,000	1,500,000	1,576,222	76,222
Net Change in Fund Balance	(319,630)	(319,630)	(368,369)	(48,739)
Fund Deficit At Beginning Of Year	(608,596)	(608,596)	(608,596)	
Prior Year Encumbrances Appropriated	928,228	928,228	928,228	
Fund Deficit At End Of Year	\$ 2	\$ 2	\$ (48,737)	\$ (48,739)

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, 2003

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>				
Property and other taxes	\$ 5,413,000	\$ 5,413,000	\$ 5,529,742	\$ 116,742
Fees and charges for services			462	462
Intergovernmental	5,719,962	5,719,962	7,981,691	2,261,729
All other revenue			6,081	6,081
Total Revenues	<u>11,132,962</u>	<u>11,132,962</u>	<u>13,517,976</u>	<u>2,385,014</u>
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Human Services</i>				
Personal services	6,328,494	6,184,410	6,130,001	54,409
Materials and supplies	448,910	470,024	401,157	68,867
Contractual services	4,544,025	4,745,445	4,653,000	92,445
Travel	161,821	168,371	137,873	30,498
Utilities	69,750	71,350	68,298	3,052
Capital outlay	60,368	52,968	41,585	11,383
Other	100,000	58,300	57,909	391
Total Expenditures	<u>11,713,368</u>	<u>11,750,868</u>	<u>11,489,823</u>	<u>261,045</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(580,406)</u>	<u>(617,906)</u>	<u>2,028,153</u>	<u>2,646,059</u>
<i>Other Financing Uses</i>				
Transfers out	<u>(4,417,037)</u>	<u>(5,000,000)</u>	<u>(5,000,000)</u>	
Total Other Financing Uses	<u>(4,417,037)</u>	<u>(5,000,000)</u>	<u>(5,000,000)</u>	
Net Change in Fund Balance	<u>(4,997,443)</u>	<u>(5,617,906)</u>	<u>(2,971,847)</u>	<u>2,646,059</u>
Fund Balance At Beginning Of Year	<u>14,287,334</u>	<u>14,287,334</u>	<u>14,287,334</u>	
Prior Year Encumbrances Appropriated	<u>211,662</u>	<u>211,662</u>	<u>211,662</u>	
Fund Balance At End Of Year	<u>\$ 9,501,553</u>	<u>\$ 8,881,090</u>	<u>\$ 11,527,149</u>	<u>\$ 2,646,059</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
Board of Mental Retardation - Special Revenue Fund**

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2003

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>				
Property and other taxes	\$ 14,750,000	\$ 14,750,000	\$ 15,014,800	\$ 264,800
Intergovernmental	8,146,702	8,146,702	7,829,356	(317,346)
All other revenue	102,000	102,000	110,603	8,603
Total Revenues	22,998,702	22,998,702	22,954,759	(43,943)
<i>Expenditures:</i>				
<i>Current:</i>				
<i>Health</i>				
Personal services	16,034,502	16,187,407	15,949,603	237,804
Materials and supplies	290,819	321,904	253,045	68,859
Contractual services	4,415,565	5,338,382	4,812,165	526,217
Travel	420,727	497,600	445,970	51,630
Utilities	506,570	582,700	483,186	99,514
Capital outlay	2,697,160	2,147,690	1,309,780	837,910
Other				
Total Expenditures	24,365,343	25,075,683	23,253,749	1,821,934
Deficiency Of Revenues Over Expenditures	(1,366,641)	(2,076,981)	(298,990)	1,777,991
<i>Other Financing Sources</i>				
Operating transfers in			129	129
Total Other Financing Sources			129	129
Net Change in Fund Balance	(1,366,641)	(2,076,981)	(298,861)	1,778,120
Fund Balance At Beginning Of Year	6,922,469	6,922,469	6,922,469	
Prior Year Encumbrances Appropriated	887,090	887,090	887,090	
Fund Balance At End Of Year	\$ 6,442,918	\$ 5,732,578	\$ 7,510,698	\$ 1,778,120

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

MAHONING COUNTY, OHIO

*Statement of Net Assets
Proprietary Funds*

December 31, 2003

	<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>				
<i>Current Assets:</i>				
Equity in pooled cash and investments at fair value	\$ 4,793,791	\$ 187,643	\$ 4,981,434	\$ 7,324,119
Investments	1,848,000	3,156,000	5,004,000	
<i>Net receivables:</i>				
Accounts	3,767,845	294,091	4,061,936	
Loans	89,210		89,210	
Special assessments - current portion		77,995	77,995	
Accrued interest		56,444	56,444	
Due from other funds	393,871	18,686	412,557	1,862,531
Due from other governments		35,148	35,148	
<i>Restricted assets:</i>				
Equity in pooled cash and investments at fair value	7,557,772		7,557,772	
Cash and cash equivalents with fiscal agent	829,412		829,412	
Total Current Assets	19,279,901	3,826,007	23,105,908	9,186,650
<i>Long-term Assets:</i>				
Special assessments receivable - noncurrent	52,350	255,367	307,717	
<i>Capital assets:</i>				
Land	258,359	5,781	264,140	
Utility plant in service	126,013,810	3,693,656	129,707,466	
Buildings, structures and improvements	959,279		959,279	
Furniture, fixtures and equipment	2,218,061	7,804	2,225,865	
Construction-in-progress	427,311	644,627	1,071,938	
Less: Accumulated depreciation	(68,446,368)	(1,176,657)	(69,623,025)	
Total capital assets (net of accumulated depreciation)	61,430,452	3,175,211	64,605,663	
Total Long-term Assets	61,482,802	3,430,578	64,913,380	
Total Assets	80,762,703	7,256,585	88,019,288	9,186,650
<i>Liabilities</i>				
<i>Current Liabilities:</i>				
Accounts payable	634,179	164,887	799,066	
Accrued wages and benefits	271,428		271,428	
Claims and judgements payable				1,410,000
Compensated absences payable	349,540	7,614	357,154	246
Due to other funds	341,269	34,434	375,703	1,839,176
Due to other governments				2,658,516
Deferred revenue	52,350	18,700	71,050	
Current portion of long-term loans	1,544,979		1,544,979	
Current portion of general obligation bonds		1,194	1,194	
Current portion of special assessment bonds		43,807	43,807	
Bond anticipation notes	1,848,000	3,156,000	5,004,000	
<i>Current liabilities payable from restricted assets:</i>				
Accrued revenue bond interest	35,644		35,644	
Current portion of revenue bonds	395,000		395,000	
Total Current Liabilities	5,472,389	3,426,636	8,899,025	5,907,938
<i>Long-term Liabilities:</i>				
Long-term portion of compensated absences	323,370	7,043	330,413	
Long-term loans (net of current portion)	17,033,976		17,033,976	
Revenue bonds (net of current portion)	8,065,000		8,065,000	
Less: Unamortized revenue bond charges	(707,505)		(707,505)	
General obligation bonds (net of current portion)	274,842	7,023	281,865	
Special assessment bonds (net of current portion)	1,085,318	257,977	1,343,295	
Total Long-term Liabilities:	26,075,001	272,043	26,347,044	
Total Liabilities	31,547,390	3,698,679	35,246,069	5,907,938
<i>Net Assets:</i>				
Invested in capital assets, net of related debt	33,726,454	2,367,386	36,093,840	
<i>Restricted for:</i>				
Debt service	7,128,966		7,128,966	
Unrestricted	8,359,893	1,190,520	9,550,413	3,278,712
Total Net Assets	\$ 49,215,313	\$ 3,557,906	\$ 52,773,219	\$ 3,278,712

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, 2003

	<i>Business-type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service Funds</i>
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 16,995,433	\$ 510,482	\$ 17,505,915	\$ 223,056
Licenses and permits	1,178,199	28,465	1,206,664	
All other revenue	34,118		34,118	11,956,578
Total Operating Revenues	18,207,750	538,947	18,746,697	12,179,634
<i>Operating Expenses:</i>				
Personal services	5,334,098	65,207	5,399,305	12,075,485
Materials and supplies	358,412	9,341	367,753	
Contractual services	4,172,951	7,554	4,180,505	93
Travel	323,625	571	324,196	15,340
Utilities	1,694,487	109,950	1,804,437	
Repair and maintenance	995,999	38,914	1,034,913	
Claims and other expenses	287,201	7,840	295,041	6,613
Depreciation	2,825,708	85,056	2,910,764	
Total Operating Expenses	15,992,481	324,433	16,316,914	12,097,531
Operating Income	2,215,269	214,514	2,429,783	82,103
<i>Nonoperating Revenues (Expenses)</i>				
Investment income	274,764	105,004	379,768	
Interest expense and fiscal charges	(1,417,776)	(31,085)	(1,448,861)	
Total Nonoperating Revenues (Expenses)	(1,143,012)	73,919	(1,069,093)	
Income Before Contributions and Transfers	1,072,257	288,433	1,360,690	82,103
Capital contributions	1,063,289	574,787	1,638,076	
Transfers in	8,655,558	138,437	8,793,995	152
Transfers out	(8,828,158)	(21,385)	(8,849,543)	
Change in net assets	1,962,946	980,272	2,943,218	82,255
Total Net Assets at Beginning of Year	47,252,367	2,577,634	49,830,001	3,196,457
Total Net Assets at End of Year	\$ 49,215,313	\$ 3,557,906	\$ 52,773,219	\$ 3,278,712

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, 2003

	<i>Business-Type Activities - Enterprise Funds</i>			<i>Governmental Activities</i>
	<i>Wastewater</i>	<i>Water</i>	<i>Totals</i>	<i>Internal Service Funds</i>
<i>Increase in Cash and Cash Equivalents</i>				
<i>Cash flows from operating activities:</i>				
Cash receipts from customers	\$ 17,018,693	\$ 271,897	\$ 17,290,590	\$ 223,056
Cash receipts from interfund services provided				12,459,278
Cash payments to employees for services	(5,849,834)	(85,320)	(5,935,154)	(45,904)
Cash payments to suppliers for goods and services	(8,557,398)	(174,170)	(8,731,568)	(11,596,001)
Cash from other sources	1,239,477	28,465	1,267,942	
<i>Net cash provided by operating activities</i>	<u>3,850,938</u>	<u>40,872</u>	<u>3,891,810</u>	<u>1,040,429</u>
<i>Cash flows from noncapital financing activities:</i>				
Transfers in	8,655,558	138,437	8,793,995	152
Transfers out	(8,828,158)	(21,385)	(8,849,543)	
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>(172,600)</u>	<u>117,052</u>	<u>(55,548)</u>	<u>152</u>
<i>Cash flows from capital and related financing activities:</i>				
Proceeds from notes	1,848,000	3,156,000	5,004,000	
Proceeds from loans	294,774		294,774	
Principal paid on bond anticipation notes		(700,000)	(700,000)	
Principal paid on long-term debt	(2,152,018)	(40,000)	(2,192,018)	
Interest paid on bond anticipation notes		(17,500)	(17,500)	
Interest paid on long-term debt	(1,380,798)	(26,687)	(1,407,485)	
Cash from special assessments		33,917	33,917	
Proceeds from capital contributions	676,548	539,639	1,216,187	
Acquisition and construction of capital assets	(1,269,221)	(801,220)	(2,070,441)	
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(1,982,715)</u>	<u>2,144,149</u>	<u>161,434</u>	
<i>Cash flows from investing activities:</i>				
Cash from investment earnings	274,764	106,544	381,308	
<i>Net cash provided by investing activities</i>	<u>274,764</u>	<u>106,544</u>	<u>381,308</u>	
Net increase in cash and cash equivalents	1,970,387	2,408,617	4,379,004	1,040,581
Cash and cash equivalents at beginning of year	13,058,588	935,026	13,993,614	6,283,538
Cash and cash equivalents at end of year	<u>\$ 15,028,975</u>	<u>\$ 3,343,643</u>	<u>\$ 18,372,618</u>	<u>\$ 7,324,119</u>

(Cont'd)

Cash and cash equivalents at end of year:				
Equity in pooled cash and investments at fair value	\$ 4,793,791	\$ 187,643	\$ 4,981,434	\$ 7,324,119
Investments	1,848,000	3,156,000	5,004,000	
Restricted assets:				
Equity in pooled cash and investments at fair value	7,557,772		7,557,772	
Cash and cash equivalents with fiscal agent	829,412		829,412	
Cash and cash equivalents at end of year	<u>\$ 15,028,975</u>	<u>\$ 3,343,643</u>	<u>\$ 18,372,618</u>	<u>\$ 7,324,119</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, 2003

	<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>Reconciliation of operating income to net cash provided by operating activities:</i>				
Operating income	\$ 2,215,269	\$ 214,514	\$ 2,429,783	\$ 82,103
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>				
Depreciation	2,825,708	85,056	2,910,764	
(Increase) decrease in accounts receivable	23,260	(238,585)	(215,325)	
(Increase) decrease in due from other funds	(393,871)	(18,686)	(412,557)	681,547
Decrease in accounts payable	(655,905)		(655,905)	(1,493,951)
Decrease in retainage payable	(75,000)		(75,000)	
Increase in due to other funds	33,342		33,342	1,245,787
Decrease in accrued wages and benefits	(69,716)		(69,716)	
Decrease in compensated absences	(52,149)	(1,427)	(53,576)	
Increase in due to other governments				1,063,168
Decrease in claims and judgements payable				(538,225)
<i>Total adjustments</i>	<u>1,635,669</u>	<u>(173,642)</u>	<u>1,462,027</u>	<u>958,326</u>
<i>Net cash provided by operating activities</i>	<u>\$ 3,850,938</u>	<u>\$ 40,872</u>	<u>\$ 3,891,810</u>	<u>\$ 1,040,429</u>
<i>Noncash investing, capital and financing activities:</i>				
Non cash contributions recognized by the enterprise funds in the amount of \$386,741				

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

MAHONING COUNTY, OHIO

Statement of Fiduciary Net Assets
Fiduciary Funds

December 31, 2003

	<i>Agency Funds</i>
<i>Assets</i>	
Equity in pooled cash and investments at fair value	\$ 13,749,973
Cash and cash equivalents - segregated accounts	3,551,392
Net receivables:	
Taxes	191,663,274
Special assessments - current	3,335,249
Due from other governments	<u>23,024,022</u>
<i>Total Assets</i>	<u>\$ 235,323,910</u>
<i>Liabilities</i>	
Due to other governments	218,022,545
Other liabilities	
Unapportioned monies	16,658,740
Deposits held and due to others	424,645
Payroll withholdings	<u>217,980</u>
<i>Total Liabilities</i>	<u>\$ 235,323,910</u>

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

Notes to the Basic Financial Statements

December 31, 2003

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 251,660 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 is presented as a component unit:

Component Unit

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.

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 Unit

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 M). 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, 2003 but which were levied to finance fiscal year 2004 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 2003 by the primary government amounted to \$2,298,695.

Investments, primarily commercial paper and U.S. Government Obligations, are stated at fair value. Note G 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 (see Note T). 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. 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.

<u>Class</u>	<u>Estimated Useful Life</u>
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 Unit

Furniture, fixtures and equipment of MASCO, Inc. are depreciated using the straight-line method over their useful lives of five to seven years and depreciation is charged as an expense against current operations.

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 2003.

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 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 shown in the budgetary statements.

MAHONING COUNTY, OHIO

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

The budgetary process does not include MASCO, Inc. (component unit) 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.

Adjustment Description	Net Change in Fund Balance			
	General and Major Special Revenue Funds			
	General	Department of Human Services	Children Services Board	Board of Mental Retardation
Non-GAAP Budgetary Basis	\$ (3,405,272)	\$ (368,369)	\$ (2,971,847)	\$ (298,861)
Adjustment for Encumbrances	3,084,234	3,084,280	239,441	1,411,317
Net Adjustment for Revenue Accruals	227,861	(3,099,088)	(221,979)	(427,832)
Net Adjustment for Expenditure Accruals	(370,554)	383,177	(247,013)	(597,060)
GAAP Basis	\$ <u>(463,731)</u>	\$ <u> </u>	\$ <u>(3,201,398)</u>	\$ <u>87,564</u>

MAHONING COUNTY, OHIO

NOTE D - Interfund Receivables / Payables

Interfund balances at December 31, 2003, consisted of the following amounts and represent charges for services, mandated funding or reimbursable expenses except for \$92,798 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							
	General Fund	Department of Human Services	Children Services Board	Other Governmental	Wastewater	Water	Internal Service	Totals
General Fund				\$ 925,202			\$ 1,110,633	\$ 2,035,835
Department of Human Services	\$ 1,008,446						58,917	1,067,363
Children Services Board	57,908							57,908
Board of Mental Retardation							418,600	418,600
Other Governmental	558,132	\$ 976,278		335,483			162,312	2,032,205
Wastewater	229,200						112,069	341,269
Water				34,434				34,434
Internal Service	741,801	362,149	\$ 81,814	240,855	\$ 393,871	\$ 18,686		1,839,176
Totals	\$ 2,595,487	\$ 1,338,427	\$ 81,814	\$ 1,535,974	\$ 393,871	\$ 18,686	\$ 1,862,531	\$ 7,826,790

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

NOTE E - Restatement of Net Assets - Correction of an Error

During the year ended December 31, 2003, the County discovered an accounting error in the Capital Assets - Infrastructure. The correction of the accounting error resulted in the restatement of the net assets at December 31, 2002 for the governmental activities as follows.

The changes to beginning net assets are as follows:

	Governmental Activities
Net Assets as previously reported, December 31, 2002	\$ 146,855,665
Prior Period Adjustments:	
Capital Assets - Infrastructure	20,549,195
Infrastructure - Accumulated Depreciation	(6,080,855)
	14,468,340
Restated Net Assets, December 31, 2002	\$ 161,324,005

Had the error not been made, the change in net assets for 2002 would have decreased by \$513,730.

It was determined that the Youngstown/Mahoning County Convention and Visitor's Bureau should not be included as a discretely presented component unit. The effect on the net assets as previously reported for the Discretely Presented Component Units for the year ended December 31, 2002 is as follows:

	Convention and Visitor's Bureau
Net Assets, December 31, 2002	\$602,866
Adjustment	(602,866)
Net Assets, December 31, 2002	

MAHONING COUNTY, OHIO

NOTE F – Capital Assets

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

Primary Government

	<u>Balance 01/01/03</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/03</u>
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 4,303,576	\$ 117,850	\$ (28,985)	\$ 4,392,441
Construction in progress	1,805,870	1,549,789	(373,713)	2,981,946
<i>Total capital assets not being depreciated</i>	<u>6,109,446</u>	<u>1,667,639</u>	<u>(402,698)</u>	<u>7,374,387</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	58,438,967	747,988		59,186,955
Furniture, fixtures and equipment	24,015,949	979,203	(642,523)	24,352,629
Infrastructure	79,907,464	4,256,852		84,164,316
<i>Total capital assets being depreciated</i>	<u>162,362,380</u>	<u>5,984,043</u>	<u>(642,523)</u>	<u>167,703,900</u>
<i>Less accumulated depreciation for:</i>				
Buildings, structures and improvements	(13,588,112)	(1,634,613)		(15,222,725)
Furniture, fixtures and equipment	(13,686,870)	(2,556,116)	642,523	(15,600,463)
Infrastructure	(17,794,689)	(2,198,144)		(19,992,833)
<i>Total accumulated depreciation</i>	<u>(45,069,671)</u>	<u>(6,388,873)</u>	<u>642,523</u>	<u>(50,816,021)</u>
<i>Total capital assets being depreciated, net</i>	<u>117,292,709</u>	<u>(404,830)</u>		<u>116,887,879</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 123,402,155</u>	<u>\$ 1,262,809</u>	<u>\$ (402,698)</u>	<u>\$ 124,262,266</u>
Business-Type Activities:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 264,140			\$ 264,140
Construction in progress	341,828	1,071,939	(341,829)	1,071,938
<i>Total capital assets not being depreciated</i>	<u>605,968</u>	<u>1,071,939</u>	<u>(341,829)</u>	<u>1,336,078</u>
<i>Capital assets being depreciated:</i>				
Buildings, structures and improvements	959,279			959,279
Utility plant in service	127,955,823	1,751,643		129,707,466
Furniture, fixtures and equipment	2,033,322	192,543		2,225,865
<i>Total capital assets being depreciated</i>	<u>130,948,424</u>	<u>1,944,186</u>		<u>132,892,610</u>
<i>Less accumulated depreciation for:</i>				
Buildings and improvements	(311,893)	(24,521)		(336,414)
Utility plant in service	(64,904,822)	(2,728,695)		(67,633,517)
Furniture, fixtures and equipment	(1,495,546)	(157,548)		(1,653,094)
<i>Total accumulated depreciation</i>	<u>(66,712,261)</u>	<u>(2,910,764)</u>		<u>(69,623,025)</u>
<i>Total capital assets being depreciated, net</i>	<u>64,236,163</u>	<u>(966,578)</u>		<u>63,269,585</u>
<i>Business-Type activities capital assets, net</i>	<u>\$ 64,842,131</u>	<u>\$ 105,361</u>	<u>\$ (341,829)</u>	<u>\$ 64,605,663</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	\$ 1,732,205
Judicial	167,946
Public safety	1,351,526
Public works	2,581,681
Health	456,130
Human services	95,001
Other	4,384
Total depreciation expense -governmental activities	<u>\$ 6,388,873</u>
Business-type activities:	
Wastewater	\$ 2,825,708
Water	85,056
Total depreciation expense -business-type activities	<u>\$ 2,910,764</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) Time certificates of deposit or savings or deposit accounts; (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) No load money market mutual funds consisting of obligations described in (1) or (2) and repurchase agreements secured by such obligations provided that investments in securities are made only through eligible institutions under ORC Section 135.32; (6) the Ohio Subdivision’s Fund (STAR Ohio); (7) Securities lending agreements with an institution eligible to become a public depository under ORC section 135.32 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; (8) 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 (9) 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	\$ 10,878,217
Segregated	3,551,392
Cash and cash equivalents with fiscal agent	1,212,646
Reconciling items to arrive at bank balance	<u>5,607,046</u>
	21,249,301
Investments:	<u>98,939,279</u>
Total available for deposit and investment: (Bank balance of deposits/carrying amount of investments)	<u>\$120,188,580</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, 2003 are classified as follows:

	Category			Bank Balance	Carrying Amount	Fair Value
	1	2	3			
Deposits:						
Federally Insured	\$ 1,786,295			\$ 1,786,295		
Demand Deposits			\$ 19,463,006	19,463,006		
Total Deposits	\$ 1,786,295		\$ 19,463,006	\$ 21,249,301		
Investments:						
Money Market Funds	\$ 295,000		\$ 2,396,022	\$ 2,691,022	\$ 2,691,022	
U.S. Government Securities	56,103,453			56,103,453	56,103,453	
Repurchase Agreements (1)			18,610,798	18,610,798	18,610,798	
City of Youngstown Bond	1,680,000			1,680,000	1,680,000	
Investment in Mahoning						
County Notes	19,721,500			19,721,500	19,721,500	
Investment in Beloit						
Township Bonds	132,506			132,506	132,506	
Total Investments	\$ 77,932,459		\$ 21,006,820	\$ 98,939,279	\$ 98,939,279	

(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	\$ 92,798

Discretely Presented Component Unit:

At year-end, the carrying amount of Mahoning Adult Services Company, Inc. (MASCO, Inc.) deposits was \$298,162 and the bank balance was \$316,749. MASCO, Inc.'s fair value of investments was \$37,462 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.

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, 2003. 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.

	January 1 2003	Additions	Deletions	December 31 2003	Due within one year
Governmental Activities:					
General obligation bonds - voted	\$ 1,695,000		\$ (830,000)	\$ 865,000	\$ 865,000
General obligation bonds - unvoted	29,705,266		(4,540,426)	25,164,840	2,530,000
Long-term notes	602,895		(32,532)	570,363	33,492
Long-term internal notes		\$ 10,057,500		10,057,500	
Long-term mortgage notes	504,720		(22,720)	482,000	22,720
Compensated absences	6,707,227	5,288,236	(4,640,337)	7,355,126	5,088,656
Claims & judgements	2,967,163	8,105,512	(8,858,795)	2,213,880	1,543,275
Subtotal	42,182,271	23,451,248	(18,924,810)	46,708,709	10,083,143
Less internal balances eliminated from the Statement of Net Assets:					
Long-term internal notes		(10,057,500)		(10,057,500)	
Total Governmental Activities	\$ 42,182,271	\$ 13,393,748	\$ (18,924,810)	\$ 36,651,209	\$ 10,083,143
Busines-type Activities:					
Wastewater revenue bonds	\$ 8,840,000		\$ (380,000)	\$ 8,460,000	\$ 395,000
Self-supporting wastewater general obligation bonds	354,072		(79,228)	274,844	
Self-supporting water general obligation bonds	9,276		(1,061)	8,215	1,194
Special assessment bonds with governmental commitment from wastewater revenues	1,300,662		(215,346)	1,085,316	
Special assessment bonds with governmental commitment from water revenues	340,725		(38,939)	301,786	43,807
Ohio Water Development Authority (OWDA) wastewater loans	17,667,884	4,176	(1,310,469)	16,361,591	1,367,801
Ohio Public Works Commission wastewater loans	2,180,272	204,068	(166,976)	2,217,364	177,178
Compensated absences	609,421	394,707	(316,561)	687,567	357,154
Claims & judgements		487,000	(487,000)		
Total Business-type Activities	\$ 31,302,312	\$ 1,089,951	\$ (2,995,580)	\$ 29,396,683	\$ 2,342,134

MAHONING COUNTY, OHIO

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

Following are the interest rates on the various long-term debt issues. The County is not charged interest on the long-term mortgage notes or Ohio Public Works Commission loans.

	<u>Interest rates</u>
Governmental Activities:	
General obligation bonds - voted	4.5 - 6.4%
General obligation bonds - unvoted	2.0 - 4.8%
Long-term notes	2.95%
Long-term internal notes	2.0 - 4.6%
Business-type Activities:	
Revenue bonds	4.4 - 5.38%
Self-supporting general obligation bonds	2.0 - 7.63%
Special assessment general obligation bonds	2.0 - 7.63%
OWDA loans	.73 - 7.65%

The annual requirement to amortize long-term obligations outstanding as of December 31, 2003 are:

Year Ending December 31	Governmental Activities			
	General Obligation Bonds		Long-term Notes	
	Principal	Interest	Principal	Interest
2004	\$ 3,395,000	\$ 1,371,114	\$ 56,212	\$ 319,272
2005	5,279,923	1,065,371	1,109,374	345,781
2006	4,247,576	645,759	1,133,870	323,720
2007	3,851,557	526,407	1,147,014	301,158
2008	3,993,778	414,397	979,859	275,269
2009-2013	5,001,240	648,387	4,099,050	919,999
2014-2018	260,766	44,711	1,694,291	362,769
2019-2023			762,223	126,875
2038			127,970	
	<u>\$ 26,029,840</u>	<u>\$ 4,716,146</u>	<u>\$ 11,109,863</u>	<u>\$ 2,974,843</u>

Year Ending December 31	Business-type Activities Bonds					
	Revenue		General Obligation		Special Assessment	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$ 395,000	\$ 427,724	\$ 1,194	\$ 18,766	\$ 43,807	\$ 90,817
2005	415,000	409,949	141,419	6,243	460,240	45,272
2006	435,000	391,066	135,942	3,348	453,584	33,603
2007	455,000	371,056	1,458	344	137,431	21,289
2008	475,000	349,899	1,458	232	139,683	15,318
2009-2013	2,745,000	1,381,409	1,588	121	143,501	13,057
2014-2018	3,540,000	589,870			8,856	332
2019-2023						
	<u>\$ 8,460,000</u>	<u>\$ 3,920,973</u>	<u>\$ 283,059</u>	<u>\$ 29,054</u>	<u>\$ 1,387,102</u>	<u>\$ 219,688</u>

Year Ending December 31	Business-type Activities Loans		
	OWDA		OPWC
	Principal	Interest	Principal
2004	\$ 1,367,801	\$ 752,040	\$ 177,178
2005	1,437,606	684,119	177,178
2006	1,511,501	612,251	177,178
2007	1,589,741	536,194	177,178
2008	1,672,595	455,690	177,178
2009-2013	5,978,812	1,093,706	866,144
2014-2018	2,286,161	208,891	414,310
2019-2023	517,374	14,443	51,020
	<u>\$ 16,361,591</u>	<u>\$ 4,357,334</u>	<u>\$ 2,217,364</u>

MAHONING COUNTY, OHIO

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

Defeased Debt:

On January 15, 2004, the County issued \$34 million in general obligation bonds with interest rates varying from 2.0% percent to 4.6%. Proceeds were used to refund \$14 million of Series 1994 Bonds, \$1.96 million of Series 1991 Bonds and to redeem \$10 million of outstanding notes held by the County as investments as of December 31, 2003. The County refunded the Series 1994 and Series 1991 bonds to reduce its total debt service payments over the next eleven years by \$.3 million and \$.13 million, respectively, and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$.6 million and \$.15 million. The balance of the proceeds after underwriting fees and other issuance costs were used to fund various capital projects.

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, 2003, the County had an unvoted debt margin of \$17.7 million and a direct debt margin of \$72.4 million.

Operating Leases:

At December 31, 2003, 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 2003 amounted to \$1,832,888. Operating lease payments are recorded in the period paid. The future minimum annual lease payments are as follows:

Year	Lease Payments
2004	\$ 701,528
2005	538,165
2006	486,214
2007	413,858
2008	328,764
2009 – 2011	675,481
Total minimum lease payments	<u>\$3,144,010</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 157,298 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 214,533 vacation hours. The remaining portion of compensated absences payable is made up of approximately 36,225 compensatory time hours and 20,940 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, 2003, there were forty-six series of Industrial Development and Hospital Revenue Bonds outstanding. The aggregate principal amount payable for the seventeen series issued after January 1, 1996, was \$257.0 million at December 31, 2003. The aggregate principal amount payable for the twenty-nine series issued prior to January 1, 1996, could not be determined, however, their original issue amounts totaled \$100.6 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 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for 2003 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 2003. The law enforcement employer rate was 16.70% of covered payroll and 11.70% was the portion used to fund pension obligations for 2003. The County's required contributions for pension obligations to PERS for the years ended December 31, 2003, 2002, and 2001 were \$5,622,200, \$5,729,406, and \$5,903,050 respectively. As of December 31, 2003, 92.29% has been contributed for 2003 and 100% for 2002 and 2001. The unpaid contribution for 2003 was \$677,085.

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 2003, 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 2003. The law enforcement employer rate for 2003 was 16.70% and 5.00% was used to fund health care.

The portion of the County's 2003 employer contributions actually used to fund postemployment benefits was \$3,155,648.

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, 2002 (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, 2003 was 364,881. The net assets available for OPEB at December 31, 2002 (the latest information available) were \$10.0 billion and the actuarial accrued liability, based on the cost method used, was \$18.7 billion, leaving an unfunded actuarial liability of \$8.7 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%; 13.00% was the portion used to fund pension obligations for the year 2003. 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, 2003, 2002, and 2001 were \$198,243, \$144,903, and \$147,329 respectively. As of December 31, 2003, 96.15% has been contributed for 2003 and 100% for 2002 and 2001. The unpaid contribution for 2003 of \$8,222 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 2003, the employer contribution rate for STRS was 14.00% of covered payroll; 1.0% was the portion that was used to fund health care for the year 2003.

The portion of the County's 2003 employer contributions actually used to fund STRS postemployment benefits was \$15,243.

The balance in the health care reserve was \$2.8 billion at June 30, 2003. 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, 2003, the net health care costs paid by STRS were \$352.3 million. There were 108,294 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.

NOTE K - Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds and net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable 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." The details of this \$45,441,277 difference are as follows:

Accrued interest on notes and bonds	\$ 142,814
Compensated absences payable	5,088,656
Current portion of claims and judgements payable	1,543,275
Current portion of mortgage and long-term note payable	56,212
Current portion of general obligation bonds	3,395,000
Long-term portion of compensated absences	2,266,470
Long-term notes payable	536,871
Long-term mortgage note payable	459,280
General obligation bonds (net of current portion)	22,634,840
Claims and judgements payable	670,605
Long-term liabilities applicable to internal service fund	(1,410,246)
Long-term internal notes (internal balance eliminated from the Statement of Net Assets)	10,057,500
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	\$ 45,441,277

MAHONING COUNTY, OHIO

NOTE L - 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, 2003 are as follows:

	Interest rate	Maturity date	Balance 01/01/03	Increase	Decrease	Balance 12/31/03
<i>Governmental Funds</i>						
County Engineer Capital Projects	1.50	10/23/04	\$ 350,000	\$ 170,000	\$ 350,000	\$ 170,000
County Engineer Capital Projects	1.50	07/11/04	1,685,000	1,500,000	1,685,000	1,500,000
County Engineer Capital Projects	1.50	07/31/04	2,370,000	1,710,000	2,370,000	1,710,000
County Engineer Capital Projects	1.50	05/28/04		1,125,000		1,125,000
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	1.50	02/27/04	3,410,000	297,500	3,552,500	155,000
Computer Equipment and Software Capital	1.50	10/21/04	3,000,000	240,000	3,240,000	-
<i>Total Governmental Funds</i>			11,430,000	5,042,500	11,812,500	4,660,000
<i>Enterprise Funds</i>						
Water Enterprise Fund	1.50	02/27/04	700,000	680,000	700,000	680,000
Water Enterprise Fund	1.50	05/15/04		2,476,000		2,476,000
WasteWater Enterprise Fund	1.50	02/27/04		1,788,000		1,788,000
WasteWater Enterprise Fund	1.50	05/15/04		60,000		60,000
<i>Total Enterprise Funds</i>			700,000	5,004,000	700,000	5,004,000
<i>Total Bond Anticipation Notes</i>			\$ 12,130,000	\$ 10,046,500	\$ 12,512,500	\$ 9,664,000

NOTE M -- 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 2003 tax levy was based, follows:

Real property	\$3,266,071,700
Public utility real property	1,299,570
Tangible personal property	346,010,474
Public utility tangible personal property	189,059,450
Total	\$3,802,441,194

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 tax year 2003, in addition to the 2.10 mills, 9.55 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(c)
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	2007
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	2007
Bond Indebted	1984	0.15	0.15	0.15	2003
Total		9.55	6.71	7.48	

(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 replaced for tax year 2004 with a final levy year of 2008.

MAHONING COUNTY, OHIO

NOTE M – 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 23% 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, 2002
Levy date	October 1, 2002
Lien date	January 1, 2003
Taxpayer payment dates	March 7, 2003 (first half taxes) August 8, 2003 (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. In 2003, approximately \$1.8 million of personal property taxes were written off. Property taxes receivable in the governmental funds represent current and delinquent property taxes outstanding, which were measurable as of December 31, 2003. On the modified accrual basis, the delinquent taxes outstanding and available to the County within the first 60 days of 2004 were recorded as 2003 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 2003 revenue. December 31, 2003 receivables were recorded net of an allowance of \$202,879 for doubtful accounts.

NOTE N – Related Party Transactions

During 2003, 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 \$475,000 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 \$4,961,819 during 2003.

NOTE O – 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 did not make any contributions to the Western Reserve Port Authority in 2003.

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 \$4,786,002 to the MCTA in 2003.

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 O – 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 \$91,618 and administration fees totaling \$41,528 in 2003.

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 2003, Mahoning County paid N.E.O.N. \$2,745,595. The majority of these payments were for the afore-mentioned services.

NOTE P - Fund Balance Deficits

At December 31, 2003, the following funds had deficits:

<u>Fund</u>	<u>Deficit</u>
<i>Special Revenue:</i>	
Federal Grants	\$1,788,559
State Grants	6,629
<i>Capital Projects:</i>	
County Engineer	1,938,110

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 the Capital Project Fund is because bond anticipation notes are reflected as a liability of this fund 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 Q – 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					
	General	Children Services	Other Governmental	Wastewater	Water	Total
General			\$ 131,259	\$ 100		\$ 131,359
Department of Human Services	\$ 859,892					859,892
Board of Mental Retardation			129			129
Other Governmental	5,057,124	\$ 5,000,000	6,679,020	322,500		17,058,644
Wastewater			150,000	8,505,558		8,655,558
Water			117,052		\$ 21,385	138,437
Internal Service			152			152
Totals	<u>\$ 5,917,016</u>	<u>\$ 5,000,000</u>	<u>\$ 7,077,612</u>	<u>\$ 8,828,158</u>	<u>\$ 21,385</u>	<u>\$ 26,844,171</u>

MAHONING COUNTY, OHIO

NOTE R - 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. These claims are reflected in the Statement of Net Assets as "Due to Other Governments". Changes to the estimated claims payable recorded in the Self-Funded Workers' Compensation fund during the years ended December 31, 2002 and 2003 were:

	(Amounts in 000's)	
Estimated Claims Payable	2002	2003
Estimated claims payable beginning of year	\$ 400	\$ 740
Plus: Current year claims and changes in estimates	365	885
Less: Claim payments	(25)	(265)
Estimated claims payable end of year	\$ 740	\$ 1,360

The balance of claims payable at December 31, 2003 represents an estimate of the liability for unpaid claims cost provided by Workers' Compensation. The claims liability of \$1,360,000 reported in the fund at December 31, 2003 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. Claims paid in 2002 and 2003 were \$25,332 and \$264,870 respectively.

Effective April 1, 2002, the Board of Mahoning County Commissioners entered into a two-year agreement (subsequently renewed thru December 31, 2004) 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, 2003 was \$1,410,000. Claims paid in 2002 since the inception of the plan at April 2002 totaled \$6 million and claims paid in 2003 totaled \$9.2 million. Changes to the estimated claims payable recorded in the Self-Funded Health Care Plan fund during the years ended December 31, 2002 and 2003 were:

	(Amounts in 000's)	
Estimated Claims Payable	2002	2003
Estimated claims payable beginning of year*	\$ 0	\$ 1,948
Plus: Current year claims and changes in estimates	7,948	8,696
Less: Claim payments	(6,000)	(9,234)
Estimated claims payable end of year	\$ 1,948	\$ 1,410

*The plan started in April 2002.

MAHONING COUNTY, OHIO

NOTE R - Risk Management (Cont'd)

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 2003, 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, 2003. 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 2002 and 2003 were as follows:

	Year Ended Dec. 31, 2002	Year Ended Dec. 31, 2003
Unpaid claims January 1	\$ 1,494,116	\$ 1,018,938
Current year claims and changes in estimates	104,280	(103,891)
Claim payments	(579,458)	(111,167)
Unpaid claims at December 31	\$ 1,018,938	\$ 803,880

NOTE S - 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.

Litigation

At December 31, 2003, 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.

Contractual Commitments

The County had several outstanding contractual agreements as of December 31, 2003. 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	\$ 49,904	\$ 172,695
Bridges	411,112	1,455,621
County Buildings	107,793	453,385
Total Governmental Funds:	568,809	2,081,701
Reported in Proprietary Funds:		
Water Fund Projects	644,627	211,296
Wastewater Fund Projects	427,312	528,985
Total Proprietary Funds:	1,071,939	740,281
Total All Funds:	\$ 1,640,748	\$ 2,821,982

The sources of funding for the above obligations vary. The County Engineer's road and bridge projects are funded by the proceeds of general obligation debt and funding from the State. County Buildings are funded by general obligation debt. The Water Fund and Wastewater Fund 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, 2003, the County entered into certain construction contracts and other commitments totaling \$79.0 million.

MAHONING COUNTY, OHIO

NOTE T – Subsequent Events

Bond Anticipation Notes

During February through October 2004, the County renewed \$8.0 million in existing internally financed bond anticipation notes. In addition, during this same time period, the County issued \$3.7 million in new bond anticipation notes for various capital projects. In December 2004, the Board of Mahoning County Commissioners passed a resolution authorizing the issuance of \$3.85 million in bond anticipation notes to finance the construction of new office space for the 7th District Court of Appeals.

Sales tax

Mahoning County voters rejected the renewal of a ½% sales tax in the March 2004 primary election with a 54% vote. As a result, the Board of Mahoning County Commissioners contracted with the State Auditor's office to perform a forecast of the County's general fund. The State's report concluded that structural deficits would occur as early as 2005 and would rise to approximately \$70 million through 2008 should the ½% sales tax not be renewed. The tax which generates approximately \$13 million is used to fund the County's general operating expenses and is set to expire on December 31, 2004. On August 17, 2004, the Board of Mahoning County Commissioners passed a resolution to place this sales tax on the November 2004 ballot as a continuous ½% sales tax. Voters again rejected it by a very narrow margin. Hearings have been held to consider imposing the tax. No decision will be made before December 30, 2004.

Tax Lien Sale

In April 2004, the Mahoning County Treasurer conducted a negotiated lien sale. In a lien sale, the treasurer sells the County's lien against delinquent property to the highest bidder. The delinquencies on the properties are then written off net of the proceeds of the lien sale. As a result of the sale, \$4.1 million in real estate taxes were written off as uncollectible. These write offs were recorded effective December 31, 2003.

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

TIF Debt Service - To account for the accumulation of financial resources for, and the payment of, principal, interest and related costs on a Tax Incremental Financing (TIF) capital project. 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
- Engineer Roads Non-debt

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:

- GIS Web Server
- Data Processing Board

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
- County Administration Building
- Board of Mental Retardation
- Southside Annex
- Hazmat Building
- Roofing Project
- Childrens Services Board Building
- Jail Bunking

**Combining Balance Sheet
Nonmajor Governmental Funds**

December 31, 2003

	<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	\$ 3,029,709	\$ 178,308		\$ 3,502,925	\$ 1,514,428	\$ 591,894
Cash and cash equivalents with fiscal agent			\$ 381,101			
Investments		1,905,000				
Net receivables:						
Taxes				3,083,421		
Loans			442,604			
Other						
Due from external parties						
Due from other funds	6,650		34,434	142,370	232,395	
Due from other governments		4,783,929		283,170	280,070	2,832,040
Special assessments receivable - noncurrent						
Total Assets	<u>\$ 3,036,359</u>	<u>\$ 6,867,237</u>	<u>\$ 858,139</u>	<u>\$ 7,011,886</u>	<u>\$ 2,026,893</u>	<u>\$ 3,423,934</u>
Liabilities and Fund Balances:						
Liabilities						
Accounts payable	\$ 353,490	\$ 149,090		\$ 59,850		\$ 2,094,640
Accrued wages and benefits	48,385	356,543		22,342	217,950	
Retainage payable	37,500					
Due to other funds	18,519	94,010			1,250,516	458,421
Due to other governments					558,427	
Deferred revenue		3,628,733		3,301,769		2,659,432
Bond anticipation notes						
Total Liabilities	<u>457,894</u>	<u>4,228,376</u>		<u>3,383,961</u>	<u>2,026,893</u>	<u>5,212,493</u>
Fund Balances (Deficits):						
Reserved for:						
Encumbrances	1,603,318	802,185		625,196	516,899	420,627
Loans			\$ 442,604			
Unreserved/undesignated	975,147	1,836,676	415,535	3,002,729	(516,899)	(2,209,186)
Total Fund Balances (Deficits)	<u>2,578,465</u>	<u>2,638,861</u>	<u>858,139</u>	<u>3,627,925</u>	<u>(1,788,559)</u>	<u>(1,788,559)</u>
Total Liabilities and Fund Balances	<u>\$ 3,036,359</u>	<u>\$ 6,867,237</u>	<u>\$ 858,139</u>	<u>\$ 7,011,886</u>	<u>\$ 2,026,893</u>	<u>\$ 3,423,934</u>

(Cont'd)

MAHONING COUNTY, OHIO

		<i>Nonmajor Debt Service Funds</i>		<i>Nonmajor Capital Project Funds</i>			<i>Total Nonmajor Governmental Funds</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>	
\$ 762,109	\$ 13,800,968	\$ 276,704	\$ 183,755	\$ 261,312	\$ 92,206	\$ 8,008,256	\$ 32,202,574
		1,578	555				383,234
		1,790,000		2,430,000		3,575,000	9,700,000
		1,500,293	642,992				5,226,706
							442,604
	476,430						476,430
	164,420						164,420
	1,120,125						1,535,974
47,942	15,217	155,099	66,469	78,709		67,914	8,610,559
	429,384	15,228					444,612
<u>\$ 810,051</u>	<u>\$ 16,006,544</u>	<u>\$ 3,738,902</u>	<u>\$ 893,771</u>	<u>\$ 2,770,021</u>	<u>\$ 92,206</u>	<u>\$ 11,651,170</u>	<u>\$ 59,187,113</u>
\$ 145,840	\$ 546,120			\$ 96,681		\$ 55,659	\$ 3,501,370
	219,443						864,663
				86,690			124,190
	210,739						2,032,205
							558,427
670,840	1,316,758	\$ 1,637,981	\$ 695,472	19,760			13,930,745
				4,505,000		155,000	4,660,000
<u>816,680</u>	<u>2,293,060</u>	<u>1,637,981</u>	<u>695,472</u>	<u>4,708,131</u>		<u>210,659</u>	<u>25,671,600</u>
363,145	1,728,445	675	2,625	1,535,001	\$ 85,185	368,200	8,051,501
							442,604
(369,774)	11,985,039	2,100,246	195,674	(3,473,111)	7,021	11,072,311	25,021,408
(6,629)	13,713,484	2,100,921	198,299	(1,938,110)	92,206	11,440,511	33,515,513
<u>\$ 810,051</u>	<u>\$ 16,006,544</u>	<u>\$ 3,738,902</u>	<u>\$ 893,771</u>	<u>\$ 2,770,021</u>	<u>\$ 92,206</u>	<u>\$ 11,651,170</u>	<u>\$ 59,187,113</u>

MAHONING COUNTY, OHIO

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

For the Year Ended December 31, 2003

<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		\$ 8,865,574		\$ 2,401,034		
Fees and charges for services	\$ 1,802,137				\$ 505,180	\$ 22,095
Licenses and permits	145					
Fines and forfeitures		110,253				
Intergovernmental		1,704,010		5,859,441	5,677,734	11,252,537
Special assessments						
Investment earnings		9,037	\$ 28,842		287	
All other revenue	1,245	80,439		11,017	118,377	38,354
Total Revenues	1,803,527	10,769,313	28,842	8,271,492	6,301,578	11,312,986
<i>Expenditures:</i>						
<i>Current:</i>						
General government	1,630,766					
Judicial						1,494,307
Public safety						
Public works		8,894,291				
Health				5,599,300		11,688,809
Human services					7,671,592	197,622
Other			17,000			795,854
Capital outlay						
<i>Debt service:</i>						
Bond issuance costs						
Principal retirement						
Interest and fiscal charges			13,619			
Total Expenditures	1,630,766	8,894,291	30,619	5,599,300	7,671,592	14,176,592
<i>Excess (Deficiency) Of</i>						
Revenues Over (Under) Expenditures	172,761	1,875,022	(1,777)	2,672,192	(1,370,014)	(2,863,606)
<i>Other Financing Sources (Uses)</i>						
Transfers in		530,419		35,427	1,370,014	2,689,341
Transfers out	(322,500)	(2,531,467)		(2,699,332)		(61,481)
Note/bond proceeds						
Total Other Financing Sources (Uses)	(322,500)	(2,001,048)		(2,663,905)	1,370,014	2,627,860
Net change in fund balance	(149,739)	(126,026)	(1,777)	8,287		(235,746)
Fund Balance (Deficit) At Beginning of Year	2,728,204	2,764,887	859,916	3,619,638		(1,552,813)
Fund Balance (Deficit) At End of Year	\$ 2,578,465	\$ 2,638,861	\$ 858,139	\$ 3,627,925	\$	\$ (1,788,559)

(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	
		\$ 3,365,198	\$ 670,419		\$ 253,900	\$ 187,989	\$ 15,744,114
	\$ 7,861,898	400,000					10,591,310
	527,245						527,390
	114,856						225,109
\$ 4,729,870	315,570	561,611	80,000	\$ 5,307,247			35,488,020
	301,320	1,190					302,510
		24,232	62	49,440	2,408	39,561	153,869
	5,000	22,719		34,445			898,651
4,734,870	9,707,944	4,374,950	750,481	5,391,132	256,308	227,550	63,930,973
	1,339,018						2,969,784
30,030	1,412,964						1,442,994
2,266,464	1,372,016						5,132,787
	703,651						9,597,942
2,214,571	4,616,530						24,119,210
	70,486						7,939,700
130,650	2,968,188			6,293,998	283,497	620,051	3,911,692
							7,197,546
		847					847
		4,595,678	830,000				5,425,678
		1,653,285	92,638	67,510	13,900	31,645	1,872,597
4,641,715	12,482,853	6,249,810	922,638	6,361,508	297,397	651,696	69,610,777
93,155	(2,774,909)	(1,874,860)	(172,157)	(970,376)	(41,089)	(424,146)	(5,679,804)
38,225	4,393,741	622,510		2,149,067		5,229,900	17,058,644
(99,432)	(816,946)			(545,490)		(965)	(7,077,613)
					3,045,000	7,012,500	10,057,500
(61,207)	3,576,795	622,510		1,603,577	3,045,000	12,241,435	20,038,531
31,948	801,886	(1,252,350)	(172,157)	633,201	3,003,911	11,817,289	14,358,727
(38,577)	12,911,598	3,353,271	370,456	(2,571,311)	(2,911,705)	(376,778)	19,156,786
\$ (6,629)	\$ 13,713,484	\$ 2,100,921	\$ 198,299	\$ (1,938,110)	\$ 92,206	\$ 11,440,511	\$ 33,515,513

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 1,713,000	\$ 1,802,137	\$ 89,137
Licenses and permits		145	145
All other revenue	7,000	6,340	(660)
<i>Total Revenues</i>	<u>1,720,000</u>	<u>1,808,622</u>	<u>88,622</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Personal services	1,116,650	1,038,203	78,447
Materials and supplies	67,835	44,985	22,850
Contractual services	512,230	361,072	151,158
Travel	47,250	8,402	38,848
Utilities	7,000	4,493	2,507
Capital outlay	1,894,388	1,764,266	130,122
Other	40,000	18,519	21,481
<i>Total Expenditures</i>	<u>3,685,353</u>	<u>3,239,940</u>	<u>445,413</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(1,965,353)</u>	<u>(1,431,318)</u>	<u>534,035</u>
<i>Other Financing Uses</i>			
Transfers out	(323,500)	(322,500)	1,000
<i>Total Other Financing Uses</i>	<u>(323,500)</u>	<u>(322,500)</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(2,288,853)	(1,753,818)	535,035
<i>Fund Balance At Beginning Of Year</i>	2,588,219	2,588,219	
<i>Prior Year Encumbrances Appropriated</i>	<u>201,001</u>	<u>201,001</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 500,367</u>	<u>\$ 1,035,402</u>	<u>\$ 535,035</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 8,400,000	\$ 8,731,210	\$ 331,210
Fines and forfeitures	91,000	110,253	19,253
Intergovernmental	1,650,000	1,774,662	124,662
Investment earnings	50,000	28,697	(21,303)
All other revenue	195,000	145,710	(49,290)
<i>Total Revenues</i>	<u>10,386,000</u>	<u>10,790,532</u>	<u>404,532</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Works</i>			
Personal services	7,045,432	6,925,592	119,840
Materials and supplies	112,418	106,878	5,540
Contractual services	545,822	541,185	4,637
Travel	427,165	398,173	28,992
Utilities	193,290	168,068	25,222
Capital outlay	1,579,229	1,571,571	7,658
Other	21,334	21,333	1
<i>Total Expenditures</i>	<u>9,924,690</u>	<u>9,732,800</u>	<u>191,890</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>461,310</u>	<u>1,057,732</u>	<u>596,422</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	457,408	530,419	73,011
Transfers out	(2,531,486)	(2,531,467)	19
<i>Total Other Financing Sources (Uses)</i>	<u>(2,074,078)</u>	<u>(2,001,048)</u>	<u>73,030</u>
<i>Net Change in Fund Balance</i>	(1,612,768)	(943,316)	669,452
<i>Fund Balance At Beginning Of Year</i>	944,477	944,477	
<i>Prior Year Encumbrances Appropriated</i>	<u>847,428</u>	<u>847,428</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 179,137</u>	<u>\$ 848,589</u>	<u>\$ 669,452</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 2,411,000	\$ 2,475,068	\$ 64,068
Intergovernmental	5,977,312	5,859,441	(117,871)
All other revenue	<u> </u>	11,017	11,017
<i>Total Revenues</i>	<u>8,388,312</u>	<u>8,345,526</u>	<u>(42,786)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	530,326	506,672	23,654
Materials and supplies	105,388	86,814	18,574
Contractual services	5,844,011	5,680,282	163,729
Travel	45,255	29,146	16,109
Utilities	20,000	14,237	5,763
Capital outlay	28,100	10,120	17,980
Other	<u>5,000</u>	<u> </u>	<u>5,000</u>
<i>Total Expenditures</i>	<u>6,578,080</u>	<u>6,327,271</u>	<u>250,809</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>1,810,232</u>	<u>2,018,255</u>	<u>208,023</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	<u> </u>	35,427	35,427
Transfers out	<u>(3,655,500)</u>	<u>(2,637,139)</u>	<u>1,018,361</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(3,655,500)</u>	<u>(2,601,712)</u>	<u>1,053,788</u>
<i>Net Change in Fund Balance</i>	(1,845,268)	(583,457)	1,261,811
<i>Fund Balance At Beginning Of Year</i>	2,877,507	2,877,507	
<i>Prior Year Encumbrances Appropriated</i>	<u>518,517</u>	<u>518,517</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 1,550,756</u>	<u>\$ 2,812,567</u>	<u>\$ 1,261,811</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 360,000	\$ 505,180	\$ 145,180
Intergovernmental	6,241,000	6,487,260	246,260
Investment earnings		287	287
All other revenue	75,000	118,376	43,376
Total Revenues	6,676,000	7,111,103	435,103
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Human Services</i>			
Personal services	5,196,648	5,013,001	183,647
Materials and supplies	15,698	7,753	7,945
Contractual services	1,037,175	1,022,992	14,183
Travel	36,931	23,938	12,993
Utilities	4,809	2,825	1,984
Capital outlay	19,200	17,314	1,886
Other	2,229,569	2,228,442	1,127
Total Expenditures	8,540,030	8,316,265	223,765
Deficiency Of Revenues Over Expenditures	(1,864,030)	(1,205,162)	658,868
<i>Other Financing Sources</i>			
Transfers in	1,735,225	1,735,225	
Total Other Financing Sources	1,735,225	1,735,225	
Net Change in Fund Balance	(128,805)	530,063	658,868
Fund Deficit At Beginning Of Year	272,286	272,286	
Prior Year Encumbrances Appropriated	195,181	195,181	
Fund Balance At End Of Year	\$ 338,662	\$ 997,530	\$ 658,868

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
Revenues:			
Fees and charges for services	\$ 14,309	\$ 22,095	\$ 7,786
Intergovernmental	15,699,830	11,707,924	(3,991,906)
All other revenue	35,312	38,354	3,042
Total Revenues	15,749,451	11,768,373	(3,981,078)
Expenditures:			
Current:			
<i>Public Safety</i>			
Personal services	803,481	698,592	104,889
Materials and supplies	26,334	21,440	4,894
Contractual services	432,746	404,257	28,489
Travel	15,033	8,044	6,989
Utilities	17,615	17,242	373
Capital outlay	478,815	436,927	41,888
Other	1,376	1,374	2
<i>Health</i>			
Personal services	585,315	514,413	70,902
Materials and supplies	16,436	13,023	3,413
Contractual services	13,759,646	12,699,987	1,059,659
Travel	23,164	13,945	9,219
Utilities	3,752	1,644	2,108
Capital outlay	20,839	13,538	7,301
Other	320	-	320
<i>Human Services</i>			
Personal services	47,781	47,779	2
Materials and supplies	162,905	157,318	5,587
Travel	1,285	1,285	-
Utilities	250	-	250
Capital outlay	198	198	-
<i>Other</i>			
Materials and supplies	72,199	33,973	38,226
Contractual services	309,190	241,733	67,457
Travel	500	-	500
Capital outlay	990,569	913,229	77,340
Other	48,076	48,075	1
Total Expenditures	17,817,825	16,288,016	1,529,809
Deficiency Of Revenues Over Expenditures	(2,068,374)	(4,519,643)	(2,451,269)
Other Financing Sources (Uses)			
Transfers in	2,830,003	2,820,261	(9,742)
Transfers out	(70,759)	(61,481)	9,278
Total Other Financing Sources (Uses)	2,759,244	2,758,780	(464)
Net Change in Fund Balance	690,870	(1,760,863)	(2,451,733)
Fund Deficit At Beginning Of Year	(1,095,194)	(1,095,194)	-
Prior Year Encumbrances Appropriated	1,479,154	1,479,154	-
Fund Balance (Deficit) At End Of Year	\$ 1,074,830	\$ (1,376,903)	\$ (2,451,733)

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 4,669,660	\$ 4,594,980	\$ (74,680)
All other revenue	5,000	5,000	-
Total Revenues	4,674,660	4,599,980	(74,680)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	33,784	30,030	3,754
Capital outlay	1,113	-	1,113
<i>Public Safety</i>			
Personal services	61,448	35,070	26,378
Materials and supplies	44,571	30,842	13,729
Contractual services	2,396,945	2,382,339	14,606
Travel	8,332	7,758	574
Utilities	3,892	3,136	756
Capital outlay	3,244	3,242	2
Other	28,572	-	28,572
<i>Health</i>			
Materials and supplies	2,971	2,965	6
Contractual services	2,449,775	2,402,705	47,070
Other	15,459	15,458	1
<i>Other</i>			
Materials and supplies	44,720	29,913	14,807
Contractual services	90,970	90,970	-
Capital outlay	28,229	18,440	9,789
Total Expenditures	5,214,025	5,052,868	161,157
Deficiency Of Revenues Over Expenditures	(539,365)	(452,888)	86,477
<i>Other Financing Sources (Uses)</i>			
Transfers in	38,223	38,225	2
Transfers out	(99,669)	(99,432)	237
Total Other Financing Sources (Uses)	(61,446)	(61,207)	239
Net Change in Fund Balance	(600,811)	(514,095)	86,716
Fund Balance At Beginning Of Year	486,094	486,094	-
Prior Year Encumbrances Appropriated	281,126	281,126	-
Fund Balance At End Of Year	\$ 166,409	\$ 253,125	\$ 86,716

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, 2003

	<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>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>			
<i>Fund Deficit At Beginning Of Year</i>	\$ 165,000	\$ 165,000	
<i>Fund Balance At End Of Year</i>	<u>\$ 165,000</u>	<u>\$ 165,000</u>	<u>\$</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 20,000	\$ 19,967	\$ (33)
Licenses and permits	359,000	527,245	168,245
Fines and forfeitures		5,171	5,171
All other revenue	20,000	26,409	6,409
<i>Total Revenues</i>	<u>399,000</u>	<u>578,792</u>	<u>179,792</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	409,061	395,248	13,813
Materials and supplies	31,039	24,951	6,088
Contractual services	25,597	20,368	5,229
Travel	14,205	12,995	1,210
Utilities	21,346	18,826	2,520
Capital outlay	26,675	24,647	2,028
Other	20,319	20,165	154
<i>Total Expenditures</i>	<u>548,242</u>	<u>517,200</u>	<u>31,042</u>
<i>Excess (Deficiency) Of Revenues Over Expenditures</i>	<u>(149,242)</u>	<u>61,592</u>	<u>210,834</u>
<i>Net Change in Fund Balance</i>	(149,242)	61,592	210,834
<i>Fund Balance At Beginning Of Year</i>	152,076	152,076	
<i>Prior Year Encumbrances Appropriated</i>	<u>22,199</u>	<u>22,199</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 25,033</u>	<u>\$ 235,867</u>	<u>\$ 210,834</u>

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, 2003

	<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	\$ 472,301	\$ (77,699)
All other revenue		500	500
<i>Total Revenues</i>	<u>550,000</u>	<u>472,801</u>	<u>(77,199)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	580,719	498,520	82,199
Materials and supplies	11,845	10,006	1,839
Contractual services	79,056	47,745	31,311
Travel	16,500	11,923	4,577
Utilities	4,650	3,621	1,029
Capital outlay	8,257	325	7,932
Other	23,500	22,153	1,347
<i>Total Expenditures</i>	<u>724,527</u>	<u>594,293</u>	<u>130,234</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(174,527)</u>	<u>(121,492)</u>	<u>53,035</u>
<i>Net Change in Fund Balance</i>	(174,527)	(121,492)	53,035
<i>Fund Balance At Beginning Of Year</i>	298,912	298,912	
<i>Prior Year Encumbrances Appropriated</i>	<u>13,624</u>	<u>13,624</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 138,009</u>	<u>\$ 191,044</u>	<u>\$ 53,035</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 741,000	\$ 825,893	\$ 84,893
All other revenue	27,000	65,469	38,469
<i>Total Revenues</i>	<u>768,000</u>	<u>891,362</u>	<u>123,362</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Personal services	496,629	452,990	43,639
Materials and supplies	107,317	66,497	40,820
Contractual services	93,702	44,395	49,307
Travel	3,836	1,451	2,385
Utilities	500	500	
Capital outlay	34,204	30,968	3,236
Other	23,303	17,303	6,000
<i>Total Expenditures</i>	<u>759,491</u>	<u>614,104</u>	<u>145,387</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>8,509</u>	<u>277,258</u>	<u>268,749</u>
<i>Net Change in Fund Balance</i>	8,509	277,258	268,749
<i>Fund Balance At Beginning Of Year</i>	421,839	421,839	
<i>Prior Year Encumbrances Appropriated</i>	<u>13,133</u>	<u>13,133</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 443,481</u>	<u>\$ 712,230</u>	<u>\$ 268,749</u>

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, 2003

	<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	\$ 3,452,379	\$ 352,379
All other revenue		17,462	17,462
Total Revenues	3,100,000	3,469,841	369,841
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	721,184	605,875	115,309
Materials and supplies	230,830	87,368	143,462
Contractual services	3,808,778	3,093,317	715,461
Travel	50,525	15,253	35,272
Utilities	15,000	5,103	9,897
Capital outlay	167,279	106,248	61,031
Other	182,614	176,245	6,369
Total Expenditures	5,176,210	4,089,409	1,086,801
Deficiency Of Revenues Over Expenditures	(2,076,210)	(619,568)	1,456,642
<i>Other Financing Sources (Uses)</i>			
Transfers in		10,874	10,874
Transfers out	(300,000)	(177,090)	122,910
Total Other Financing Sources (Uses)	(300,000)	(166,216)	133,784
Net Change in Fund Balance	(2,376,210)	(785,784)	1,590,426
Fund Balance At Beginning Of Year	1,957,878	1,957,878	
Prior Year Encumbrances Appropriated	420,914	420,914	
Fund Balance At End Of Year	\$ 2,582	\$ 1,593,008	\$ 1,590,426

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, 2003

	<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>Health</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>			
<i>Fund Balance At Beginning Of Year</i>	\$ 11,000	\$ 11,000	
<i>Fund Balance At End Of Year</i>	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$</u>

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, 2003

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Revenues:</i>			
Fees and charges for services	\$ 208,640	\$ 208,640	
All other revenue		2,830	\$ 2,830
Total Revenues	208,640	211,470	2,830
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Health</i>			
Personal services	295,493	285,959	9,534
Materials and supplies	18,079	15,569	2,510
Contractual services	60,065	58,785	1,280
Travel	9,857	7,956	1,901
Utilities	11,530	8,026	3,504
Capital outlay	782		782
Other	5,000	5,000	
Total Expenditures	400,806	381,295	19,511
Deficiency Of Revenues Over Expenditures	(192,166)	(169,825)	22,341
<i>Other Financing Sources (Uses)</i>			
Transfers in	38,075	38,075	
Transfers out	(43)	(43)	
Total Other Financing Sources (Uses)	38,032	38,032	
Net Change in Fund Balance	(154,134)	(131,793)	22,341
Fund Balance At Beginning Of Year	162,882	162,882	
Prior Year Encumbrances Appropriated	23,033	23,033	
Fund Balance At End Of Year	\$ 31,781	\$ 54,122	\$ 22,341

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, 2003

	<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	\$ 45,672	\$ 672
<i>Total Revenues</i>	<u>45,000</u>	<u>45,672</u>	<u>672</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	39,493	39,267	226
Materials and supplies	628	628	
Contractual services	1,046	305	741
<i>Total Expenditures</i>	<u>41,167</u>	<u>40,200</u>	<u>967</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>3,833</u>	<u>5,472</u>	<u>1,639</u>
 <i>Net Change in Fund Balance</i>	 3,833	 5,472	 1,639
 <i>Fund Balance At Beginning Of Year</i>	 <u>40,570</u>	 <u>40,570</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 44,403</u>	 <u>\$ 46,042</u>	 <u>\$ 1,639</u>

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, 2003

	<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	\$ 1,358	\$ (242)
<i>Total Revenues</i>	<u>1,600</u>	<u>1,358</u>	<u>(242)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>	<u>1,600</u>	<u>1,358</u>	<u>(242)</u>
<i>Net Change in Fund Balance</i>	1,600	1,358	(242)
<i>Fund Balance At Beginning Of Year</i>	<u>3,865</u>	<u>3,865</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 5,465</u>	<u>\$ 5,223</u>	<u>\$ (242)</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fines and forfeitures	\$ 79,882	\$ 79,882	
<i>Total Revenues</i>	<u>79,882</u>	<u>79,882</u>	
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Other	40,000	39,941	\$ 59
<i>Total Expenditures</i>	<u>40,000</u>	<u>39,941</u>	<u>59</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>39,882</u>	<u>39,941</u>	<u>59</u>
 <i>Net Change in Fund Balance</i>	 39,882	 39,941	 59
 <i>Fund Balance At Beginning Of Year</i>	 <u>29,168</u>	 <u>29,168</u>	 <u></u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 69,050</u>	 <u>\$ 69,109</u>	 <u>\$ 59</u>

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, 2003

	<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	\$ 28,363	\$ 1,363
Fines and forfeitures	26,000	29,036	3,036
<i>Total Revenues</i>	<u>53,000</u>	<u>57,399</u>	<u>4,399</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Contractual services	138,331	94,497	43,834
<i>Total Expenditures</i>	<u>138,331</u>	<u>94,497</u>	<u>43,834</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(85,331)</u>	<u>(37,098)</u>	<u>48,233</u>
<i>Net Change in Fund Balance</i>	(85,331)	(37,098)	48,233
<i>Fund Balance At Beginning Of Year</i>	226,409	226,409	
<i>Prior Year Encumbrances Appropriated</i>	<u>28,997</u>	<u>28,997</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 170,075</u>	<u>\$ 218,308</u>	<u>\$ 48,233</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, 2003

	<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	\$ 48,160	\$ 8,160
Total Revenues	40,000	48,160	8,160
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	1,780	1,780	
Capital outlay	11,358	11,358	
Total Expenditures	13,138	13,138	
Excess Of Revenues Over Expenditures	26,862	35,022	8,160
 <i>Net Change in Fund Balance</i>	 26,862	 35,022	 8,160
 <i>Fund Balance At Beginning Of Year</i>	 284,145	 284,145	
 <i>Prior Year Encumbrances Appropriated</i>	 1,070	 1,070	
 Fund Balance At End Of Year	 \$ 312,077	 \$ 320,237	 \$ 8,160

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, 2003

	<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	\$ 14,445	\$ 2,445
Total Revenues	12,000	14,445	2,445
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	445		445
Capital outlay	8,247	8,246	1
Total Expenditures	8,692	8,246	446
Excess Of Revenues Over Expenditures	3,308	6,199	2,891
Net Change in Fund Balance	3,308	6,199	2,891
Fund Balance At Beginning Of Year	24,049	24,049	
Prior Year Encumbrances Appropriated	7,594	7,594	
Fund Balance At End Of Year	\$ 34,951	\$ 37,842	\$ 2,891

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Special assessments	\$ 290,000	\$ 301,320	\$ 11,320
<i>Total Revenues</i>	<u>290,000</u>	<u>301,320</u>	<u>11,320</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	126,872	126,782	90
Materials and supplies	10,077	3,826	6,251
Contractual services	204,928	201,626	3,302
Travel	2,200	175	2,025
Utilities	1,619	619	1,000
Capital outlay	110,092	97,200	12,892
Other	11,174	11,174	
<i>Total Expenditures</i>	<u>466,962</u>	<u>441,402</u>	<u>25,560</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(176,962)</u>	<u>(140,082)</u>	<u>36,880</u>
<i>Net Change in Fund Balance</i>	(176,962)	(140,082)	36,880
<i>Fund Balance At Beginning Of Year</i>	104,908	104,908	
<i>Prior Year Encumbrances Appropriated</i>	<u>100,243</u>	<u>100,243</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 28,189</u>	<u>\$ 65,069</u>	<u>\$ 36,880</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, 2003

	<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	\$ 1,085,449	\$ 185,449
<i>Total Revenues</i>	<u>900,000</u>	<u>1,085,449</u>	<u>185,449</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	1,009,704	965,411	44,293
Materials and supplies	44,580	23,214	21,366
Contractual services	21,657	11,868	9,789
Travel	17,399	11,002	6,397
Utilities	12,372	1,320	11,052
Capital outlay	89,196	17,962	71,234
<i>Total Expenditures</i>	<u>1,194,908</u>	<u>1,030,777</u>	<u>164,131</u>
<i>Excess (Deficiency) Of Revenues Over Expenditures</i>	<u>(294,908)</u>	<u>54,672</u>	<u>349,580</u>
<i>Other Financing Uses</i>			
Transfers out	(99,264)	(99,264)	
<i>Total Other Financing Uses</i>	<u>(99,264)</u>	<u>(99,264)</u>	
<i>Net Change in Fund Balance</i>	(394,172)	(44,592)	349,580
<i>Fund Balance At Beginning Of Year</i>	474,360	474,360	
<i>Prior Year Encumbrances Appropriated</i>	<u>19,812</u>	<u>19,812</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 100,000</u>	<u>\$ 449,580</u>	<u>\$ 349,580</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, 2003

	<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	\$ 246,224	\$ 56,224
<i>Total Revenues</i>	<u>190,000</u>	<u>246,224</u>	<u>56,224</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Materials and supplies	2,807	30	2,777
Contractual services	515,539	509,238	6,301
Capital outlay	101,344	34	101,310
Other			
<i>Total Expenditures</i>	<u>619,690</u>	<u>509,302</u>	<u>110,388</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(429,690)</u>	<u>(263,078)</u>	<u>166,612</u>
<i>Net Change in Fund Balance</i>	(429,690)	(263,078)	166,612
<i>Fund Balance At Beginning Of Year</i>	833,756	833,756	
<i>Prior Year Encumbrances Appropriated</i>	<u>2,388</u>	<u>2,388</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 406,454</u>	<u>\$ 573,066</u>	<u>\$ 166,612</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, 2003

	<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>General Government</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>			
 <i>Fund Balance At Beginning Of Year</i>	\$ 11,200	\$ 11,200	
 <i>Fund Balance At End Of Year</i>	\$ 11,200	\$ 11,200	\$

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 75,000	\$ 111,682	\$ 36,682
<i>Total Revenues</i>	<u>75,000</u>	<u>111,682</u>	<u>36,682</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	13,392	5,408	7,984
Contractual services	5,975	264	5,711
Travel	6,475	1,789	4,686
Utilities	6,720	776	5,944
Capital outlay	4,700	1,250	3,450
Other			
<i>Total Expenditures</i>	<u>37,262</u>	<u>9,487</u>	<u>27,775</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>37,738</u>	<u>102,195</u>	<u>64,457</u>
<i>Net Change in Fund Balance</i>	37,738	102,195	64,457
<i>Fund Balance At Beginning Of Year</i>	344,114	344,114	
<i>Prior Year Encumbrances Appropriated</i>	<u>5,088</u>	<u>5,088</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 386,940</u>	<u>\$ 451,397</u>	<u>\$ 64,457</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 407,350	\$ 518,602	\$ 111,252
Total Revenues	407,350	518,602	111,252
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	259,109	218,460	40,649
Materials and supplies	5,673	4,378	1,295
Contractual services	43,226	38,639	4,587
Travel	5,920	5,919	1
Utilities	657	657	-
Other	20,822	19,436	1,386
Total Expenditures	335,407	287,489	47,918
Excess Of Revenues Over Expenditures	71,943	231,113	159,170
<i>Other Financing Sources (Uses)</i>			
Operating transfers in	109,723	149,969	40,246
Operating transfers out	(149,305)	(149,304)	1
Total Other Financing Sources (Uses)	(39,582)	665	40,247
Net Change in Fund Balance	32,361	231,778	199,417
Fund Balance At Beginning Of Year	375,647	375,647	-
Prior Year Encumbrances Appropriated	20,664	20,664	-
Fund Balance At End Of Year	\$ 428,672	\$ 628,089	\$ 199,417

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 68,000	\$ 66,790	\$ (1,210)
<i>Total Revenues</i>	<u>68,000</u>	<u>66,790</u>	<u>(1,210)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	440	440	
Capital outlay	17,100	17,100	
<i>Total Expenditures</i>	<u>17,540</u>	<u>17,540</u>	
<i>Excess Of Revenues Over Expenditures</i>	<u>50,460</u>	<u>49,250</u>	<u>(1,210)</u>
<i>Net Change in Fund Balance</i>	50,460	49,250	(1,210)
<i>Fund Balance At Beginning Of Year</i>	<u>703,275</u>	<u>703,275</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 753,735</u>	<u>\$ 752,525</u>	<u>\$ (1,210)</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 41,800	\$ 40,974	\$ (826)
<i>Total Revenues</i>	<u>41,800</u>	<u>40,974</u>	<u>(826)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	51,157	51,155	2
<i>Total Expenditures</i>	<u>51,157</u>	<u>51,155</u>	<u>2</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(9,357)</u>	<u>(10,181)</u>	<u>(824)</u>
<i>Net Change in Fund Balance</i>	(9,357)	(10,181)	(824)
<i>Fund Balance At Beginning Of Year</i>	<u>517,681</u>	<u>517,681</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 508,324</u>	<u>\$ 507,500</u>	<u>\$ (824)</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 20,000	\$ 25,535	\$ 5,535
<i>Total Revenues</i>	<u>20,000</u>	<u>25,535</u>	<u>5,535</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	58,000	55,776	2,224
<i>Total Expenditures</i>	<u>58,000</u>	<u>55,776</u>	<u>2,224</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(38,000)</u>	<u>(30,241)</u>	<u>7,759</u>
<i>Net Change in Fund Balance</i>	(38,000)	(30,241)	7,759
<i>Fund Balance At Beginning Of Year</i>	<u>69,229</u>	<u>69,229</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 31,229</u>	<u>\$ 38,988</u>	<u>\$ 7,759</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
<i>Fees and charges for services</i>	\$ 8,000	\$ 9,033	\$ 1,033
<i>Total Revenues</i>	<u>8,000</u>	<u>9,033</u>	<u>1,033</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>	<u>8,000</u>	<u>9,033</u>	<u>1,033</u>
 <i>Net Change in Fund Balance</i>	 8,000	 9,033	 1,033
 <i>Fund Balance At Beginning Of Year</i>	 <u>29,782</u>	 <u>29,782</u>	 <u> </u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 37,782</u>	 <u>\$ 38,815</u>	 <u>\$ 1,033</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fines and forfeitures	\$ 17,500	\$ 19,156	\$ 1,656
<i>Total Revenues</i>	<u>17,500</u>	<u>19,156</u>	<u>1,656</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	17,500	17,500	
<i>Total Expenditures</i>	<u>17,500</u>	<u>17,500</u>	
<i>Excess Of Revenues Over Expenditures</i>		<u>1,656</u>	<u>1,656</u>
 <i>Net Change in Fund Balance</i>		 1,656	 1,656
 <i>Fund Balance At Beginning Of Year</i>	 <u>10,575</u>	 <u>10,575</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 10,575</u>	 <u>\$ 12,231</u>	 <u>\$ 1,656</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 60,000	\$ 74,003	\$ 14,003
<i>Total Revenues</i>	<u>60,000</u>	<u>74,003</u>	<u>14,003</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	36,269	33,740	2,529
Contractual services	22,026	21,139	887
Capital outlay	116,000	107,735	8,265
<i>Total Expenditures</i>	<u>174,295</u>	<u>162,614</u>	<u>11,681</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(114,295)</u>	<u>(88,611)</u>	<u>25,684</u>
 <i>Net Change in Fund Balance</i>	 (114,295)	 (88,611)	 25,684
 <i>Fund Balance At Beginning Of Year</i>	 127,033	 127,033	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>7,025</u>	 <u>7,025</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 19,763</u>	 <u>\$ 45,447</u>	 <u>\$ 25,684</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, 2003

	<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	\$ 31,823	\$ (1,177)
<i>Total Revenues</i>	<u>33,000</u>	<u>31,823</u>	<u>(1,177)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	460		460
<i>Total Expenditures</i>	<u>460</u>		<u>460</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>32,540</u>	<u>31,823</u>	<u>(717)</u>
<i>Net Change in Fund Balance</i>	32,540	31,823	(717)
<i>Fund Balance At Beginning Of Year</i>	86,869	86,869	
<i>Prior Year Encumbrances Appropriated</i>	<u>460</u>	<u>460</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 119,869</u>	<u>\$ 119,152</u>	<u>\$ (717)</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 120,500	\$ 139,105	\$ 18,605
<i>Total Revenues</i>	<u>120,500</u>	<u>139,105</u>	<u>18,605</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	80,511	49,160	31,351
Materials and supplies	1,050	837	213
Contractual services	5,400	4,600	800
Travel	1,000		1,000
<i>Total Expenditures</i>	<u>87,961</u>	<u>54,597</u>	<u>33,364</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>32,539</u>	<u>84,508</u>	<u>51,969</u>
<i>Net Change in Fund Balance</i>	32,539	84,508	51,969
<i>Fund Balance At Beginning Of Year</i>	<u>141,701</u>	<u>141,701</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 174,240</u>	<u>\$ 226,209</u>	<u>\$ 51,969</u>

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, 2003

	<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	\$ 24,920	\$ (1,080)
<i>Total Revenues</i>	<u>26,000</u>	<u>24,920</u>	<u>(1,080)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	2,541	2,214	327
Materials and supplies	1,291	450	841
Contractual services	30,000	16,755	13,245
Travel	1,559	320	1,239
Capital outlay	5,000	1,760	3,240
Other	<u>21,386</u>	<u>19,594</u>	<u>1,792</u>
<i>Total Expenditures</i>	<u>61,777</u>	<u>41,093</u>	<u>20,684</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(35,777)</u>	<u>(16,173)</u>	<u>19,604</u>
 <i>Net Change in Fund Balance</i>	 (35,777)	 (16,173)	 19,604
 <i>Fund Balance At Beginning Of Year</i>	 34,583	 34,583	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>8,776</u>	 <u>8,776</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 7,582</u>	 <u>\$ 27,186</u>	 <u>\$ 19,604</u>

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

For the Year Ended December 31, 2003

	<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	\$ 2,411,579	\$ 2,314,448	\$ 97,131
<i>Total Expenditures</i>	2,411,579	2,314,448	97,131
<i>Deficiency Of Revenues Over Expenditures</i>	(2,411,579)	(2,314,448)	97,131
<i>Other Financing Sources</i>			
Transfers in	1,296,000	1,316,406	20,406
<i>Total Other Financing Sources</i>	1,296,000	1,316,406	20,406
<i>Net Change in Fund Balance</i>	(1,115,579)	(998,042)	117,537
<i>Fund Balance At Beginning Of Year</i>	284,497	284,497	
<i>Prior Year Encumbrances Appropriated</i>	936,578	936,578	
<i>Fund Balance At End Of Year</i>	<u>\$ 105,496</u>	<u>\$ 223,033</u>	<u>\$ 117,537</u>

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

For the Year Ended December 31, 2003

	<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>			
Contractual services	\$ 96,000	\$ 96,000	
Capital outlay	745,809	745,809	
<i>Total Expenditures</i>	841,809	841,809	
<i>Excess (Deficiency) Of Revenues Over Expenditures</i>	(841,809)	(841,809)	
<i>Other Financing Sources</i>			
Transfers in	648,000	658,203	\$ 10,203
<i>Total Other Financing Sources</i>	648,000	658,203	10,203
<i>Net Change in Fund Balance</i>	(193,809)	(183,606)	10,203
<i>Fund Balance At Beginning Of Year</i>	143,663	143,663	
<i>Prior Year Encumbrances Appropriated</i>	50,165	50,165	
<i>Fund Balance At End Of Year</i>	\$ 19	\$ 10,222	\$ 10,203

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

For the Year Ended December 31, 2003

	<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>			
Personal services	\$ 3,578	\$ 2,266	\$ 1,312
Materials and supplies	16,912	7,749	9,163
Contractual services	45,000	45,000	
Other	384,077	381,000	3,077
<i>Total Expenditures</i>	449,567	436,015	13,552
<i>Deficiency Of Revenues Over Expenditures</i>	(449,567)	(436,015)	13,552
<i>Other Financing Sources (Uses)</i>			
Transfers in	648,000	659,168	11,168
Transfers out	(274,814)	(265,741)	9,073
<i>Total Other Financing Sources (Uses)</i>	373,186	393,427	20,241
<i>Net Change in Fund Balance</i>	(76,381)	(42,588)	33,793
<i>Fund Balance At Beginning Of Year</i>	28,779	28,779	
<i>Prior Year Encumbrances Appropriated</i>	47,600	47,600	
<i>Fund Balance (Deficit) At End Of Year</i>	\$ (2)	\$ 33,791	\$ 33,793

MAHONING COUNTY, OHIO

Schedule of Revenues, Expenditures

and Changes in Fund Balance - Budget and Actual

County Economic Development Project - Special Revenue Fund

(Non-GAAP Budgetary Basis)

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 38,600	\$ 49,426	\$ 10,826
Intergovernmental	12,000	12,000	
<i>Total Revenues</i>	<u>50,600</u>	<u>61,426</u>	<u>10,826</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Other</i>			
Personal services	348,436	344,774	3,662
Materials and supplies	15,497	11,407	4,090
Contractual services	536,430	392,814	143,616
Travel	2,643	2,178	465
Utilities	900	800	100
Capital outlay	6,456	6,254	202
Other	105,047	105,047	
<i>Total Expenditures</i>	<u>1,015,409</u>	<u>863,274</u>	<u>152,135</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(964,809)</u>	<u>(801,848)</u>	<u>162,961</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	920,000	933,203	13,203
Transfers out	(380,000)	(350,001)	29,999
<i>Total Other Financing Sources (Uses)</i>	<u>540,000</u>	<u>583,202</u>	<u>43,202</u>
<i>Net Change in Fund Balance</i>	(424,809)	(218,646)	206,163
<i>Fund Balance At Beginning Of Year</i>	266,437	266,437	
<i>Prior Year Encumbrances Appropriated</i>	<u>207,372</u>	<u>207,372</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 49,000</u>	<u>\$ 255,163</u>	<u>\$ 206,163</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 20,000	\$ 22,942	\$ 2,942
Fines and forfeitures		45	45
<i>Total Revenues</i>	<u>20,000</u>	<u>22,987</u>	<u>2,987</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	1,900	1,525	375
Contractual services	6,200	5,919	281
Travel	4,544	3,930	614
Utilities	600		600
Capital outlay	2,156	2,144	12
<i>Total Expenditures</i>	<u>15,400</u>	<u>13,518</u>	<u>1,882</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>4,600</u>	<u>9,469</u>	<u>4,869</u>
<i>Net Change in Fund Balance</i>	4,600	9,469	4,869
<i>Fund Balance At Beginning Of Year</i>	<u>32,361</u>	<u>32,361</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 36,961</u>	<u>\$ 41,830</u>	<u>\$ 4,869</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 150,000	\$ 199,928	\$ 49,928
All other revenue	25,000		(25,000)
Total Revenues	175,000	199,928	24,928
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	123,066	120,298	2,768
Materials and supplies	7,621	7,620	1
Contractual services	192	185	7
Capital outlay	2,306	1,513	793
Total Expenditures	133,185	129,616	3,569
Excess Of Revenues Over Expenditures	41,815	70,312	28,497
 <i>Net Change in Fund Balance</i>	 41,815	 70,312	 28,497
 <i>Fund Balance At Beginning Of Year</i>	 64,728	 64,728	
 <i>Prior Year Encumbrances Appropriated</i>	 306	 306	
 Fund Balance At End Of Year	 \$ 106,849	 \$ 135,346	 \$ 28,497

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$	1,821	\$ 1,821
Total Revenues		1,821	1,821
<i>Expenditures:</i>			
<i>Current:</i>			
<i>General Government</i>			
Personal services	\$ 205,227	178,350	26,877
Materials and supplies	14,247	2,756	11,491
Contractual services	607,901	61,522	546,379
Travel	13,500	1,772	11,728
Utilities	2,500		2,500
Capital outlay	150,244	73,017	77,227
Total Expenditures	993,619	317,417	676,202
Deficiency Of Revenues Over Expenditures	(993,619)	(315,596)	678,023
<i>Other Financing Sources</i>			
Transfers in	600,000	600,000	
Total Other Financing Sources	600,000	600,000	
Net Change in Fund Balance	(393,619)	284,404	678,023
Fund Balance At Beginning Of Year	327,441	327,441	
Prior Year Encumbrances Appropriated	66,177	66,177	
Fund Balance (Deficit) At End Of Year	\$ (1)	\$ 678,022	\$ 678,023

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, 2003

	<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	\$ 8,173	\$ 4,173
<i>Total Revenues</i>	<u>4,000</u>	<u>8,173</u>	<u>4,173</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Contractual services	<u>277</u>	<u>277</u>	
<i>Total Expenditures</i>	<u>277</u>	<u>277</u>	
<i>Excess Of Revenues Over Expenditures</i>	<u>3,723</u>	<u>7,896</u>	<u>4,173</u>
<i>Net Change in Fund Balance</i>	3,723	7,896	4,173
<i>Fund Balance At Beginning Of Year</i>	<u>6,298</u>	<u>6,298</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 10,021</u>	<u>\$ 14,194</u>	<u>\$ 4,173</u>

MAHONING COUNTY, OHIO

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

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 248,614	\$ 242,036	\$ (6,578)
Total Revenues	248,614	242,036	(6,578)
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Public Safety</i>			
Personal services	24,288	22,337	1,951
<i>Health</i>			
Contractual services	232,342	232,342	-
Total Expenditures	256,630	254,679	1,951
Deficiency Of Revenues Over Expenditures	(8,016)	(12,643)	(4,627)
<i>Other Financing Uses</i>			
Transfers out	(1,563)	(1,563)	-
Total Other Financing Uses	(1,563)	(1,563)	-
Net Change in Fund Balance	(9,579)	(14,206)	(4,627)
Fund Deficit At Beginning Of Year	(7,965)	(7,965)	-
Prior Year Encumbrances Appropriated	17,864	17,864	-
Fund Balance (Deficit) At End Of Year	\$ 320	\$ (4,307)	\$ (4,627)

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 1,000	\$ 7,959	\$ 6,959
Total Revenues	1,000	7,959	6,959
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	775		775
Contractual services	225	125	100
Travel	800	699	101
Total Expenditures	1,800	824	976
Excess (Deficiency) Of Revenues Over Expenditures	(800)	7,135	7,935
 <i>Net Change in Fund Balance</i>	 (800)	 7,135	 7,935
 <i>Fund Balance At Beginning Of Year</i>	 863	 863	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 63</u>	 <u>\$ 7,998</u>	 <u>\$ 7,935</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, 2003

	<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	\$ 10,373	\$ (4,627)
<i>Total Revenues</i>	<u>15,000</u>	<u>10,373</u>	<u>(4,627)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	1,000		1,000
Contractual services	3,000	3,000	
Travel	1,000		1,000
Capital outlay	10,000		10,000
<i>Total Expenditures</i>	<u>15,000</u>	<u>3,000</u>	<u>12,000</u>
<i>Excess Of Revenues Over Expenditures</i>		<u>7,373</u>	<u>7,373</u>
<i>Net Change in Fund Balance</i>		7,373	7,373
<i>Fund Balance At Beginning Of Year</i>	<u>21,569</u>	<u>21,569</u>	
<i>Fund Balance (Deficit) At End Of Year</i>	<u>\$ 21,569</u>	<u>\$ 28,942</u>	<u>\$ 7,373</u>

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, 2003

	<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	\$ 62,878	\$ 17,878
<i>Total Revenues</i>	<u>45,000</u>	<u>62,878</u>	<u>17,878</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Personal services	3,300	1,516	1,784
Materials and supplies	5,600	1,617	3,983
Contractual services	9,000	1,612	7,388
Travel	9,400	242	9,158
Capital outlay	15,100	10,830	4,270
<i>Total Expenditures</i>	<u>42,400</u>	<u>15,817</u>	<u>26,583</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>2,600</u>	<u>47,061</u>	<u>44,461</u>
<i>Net Change in Fund Balance</i>	2,600	47,061	44,461
<i>Fund Balance At Beginning Of Year</i>	40,673	40,673	
<i>Prior Year Encumbrances Appropriated</i>	<u>2,400</u>	<u>2,400</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 45,673</u>	<u>\$ 90,134</u>	<u>\$ 44,461</u>

MAHONING COUNTY, OHIO

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

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$ 7,773	\$ 8,825	\$ 1,052
<i>Total Revenues</i>	<u>7,773</u>	<u>8,825</u>	<u>1,052</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	<u>7,773</u>		<u>7,773</u>
<i>Total Expenditures</i>	<u>7,773</u>		<u>7,773</u>
 <i>Net Change in Fund Balance</i>		<u>8,825</u>	<u>8,825</u>
 <i>Fund Balance At End Of Year</i>	<u>\$</u>	<u>\$ 8,825</u>	<u>\$ 8,825</u>

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

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 90,000	\$ 131,100	\$ 41,100
All other revenue		5,895	5,895
<i>Total Revenues</i>	<u>90,000</u>	<u>136,995</u>	<u>46,995</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Materials and supplies	19,000	16,198	2,802
Contractual services	7,000		7,000
Travel	5,000	3,026	1,974
Capital outlay	4,000	3,429	571
<i>Total Expenditures</i>	<u>35,000</u>	<u>22,653</u>	<u>12,347</u>
<i>Excess Of Revenues Over Expenditures</i>	<u>55,000</u>	<u>114,342</u>	<u>59,342</u>
<i>Net Change in Fund Balance</i>	<u>55,000</u>	<u>114,342</u>	<u>59,342</u>
<i>Fund Balance At End Of Year</i>	<u>\$ 55,000</u>	<u>\$ 114,342</u>	<u>\$ 59,342</u>

MAHONING COUNTY, OHIO
*Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Common Pleas Court IT Project - Special Revenue Fund
(Non-GAAP Budgetary Basis)*

For the Year Ended December 31, 2003

	<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	\$ 26,220	\$ 11,220
<i>Total Revenues</i>	<u>15,000</u>	<u>26,220</u>	<u>11,220</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>	<u>15,000</u>	<u>26,220</u>	<u>11,220</u>
<i>Net Change in Fund Balance</i>	<u>15,000</u>	<u>26,220</u>	<u>11,220</u>
<i>Fund Balance At End Of Year</i>	<u>\$ 15,000</u>	<u>\$ 26,220</u>	<u>\$ 11,220</u>

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

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$ 178,300	\$ 185,938	\$ 7,638
All other revenue		9,900	9,900
<i>Total Revenues</i>	<u>178,300</u>	<u>195,838</u>	<u>17,538</u>
<i>Expenditures:</i>			
<i>Current:</i>			
<i>Judicial</i>			
Capital outlay	<u>10,000</u>	<u>10,000</u>	
<i>Total Expenditures</i>	<u>10,000</u>	<u>10,000</u>	
<i>Excess Of Revenues Over Expenditures</i>	<u>168,300</u>	<u>185,838</u>	<u>17,538</u>
 <i>Net Change in Fund Balance</i>	 <u>168,300</u>	 <u>185,838</u>	 <u>17,538</u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 168,300</u>	 <u>\$ 185,838</u>	 <u>\$ 17,538</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 66,420	\$ 66,420	
<i>Total Revenues</i>	<u>66,420</u>	<u>66,420</u>	
<i>Expenditures:</i>			
<i>Current:</i>			
Other	66,420	66,420	
<i>Total Expenditures</i>	<u>66,420</u>	<u>66,420</u>	
 <i>Net Change in Fund Balance</i>			
<i>Fund Balance At Beginning Of Year</i>	<u>5,105</u>	<u>5,105</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	_____	\$ 260	\$ 260
<i>Total Revenues</i>	_____	260	260
<i>Expenditures:</i>			
<i>Total Expenditures</i>	_____	_____	_____
 <i>Net Change in Fund Balance</i>		260	260
 <i>Fund Balance At Beginning Of Year</i>	\$ 89	89	_____
 <i>Fund Balance At End Of Year</i>	\$ 89	\$ 349	\$ 260

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$ 10,969	\$ 4,067	\$ (6,902)
<i>Total Revenues</i>	<u>10,969</u>	<u>4,067</u>	<u>(6,902)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Materials and supplies	10,969	4,067	6,902
<i>Total Expenditures</i>	<u>10,969</u>	<u>4,067</u>	<u>6,902</u>
 <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
Unclaimed Funds General - Special Revenue Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	<u> </u>	\$ 73,729	\$ 73,729
<i>Total Revenues</i>		<u>73,729</u>	<u>73,729</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Other	\$ 55,000	<u>32,861</u>	<u>22,139</u>
<i>Total Expenditures</i>	<u>55,000</u>	<u>32,861</u>	<u>22,139</u>
 <i>Net Change in Fund Balance</i>	 (55,000)	 40,868	 95,868
 <i>Fund Balance At Beginning Of Year</i>	 <u>873,670</u>	 <u>873,670</u>	 <u> </u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 818,670</u>	 <u>\$ 914,538</u>	 <u>\$ 95,868</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
All other revenue	\$	381,324	\$ 381,324
<i>Total Revenues</i>		381,324	381,324
<i>Expenditures:</i>			
<i>Current:</i>			
Other	\$ 323,767	164,648	159,119
<i>Total Expenditures</i>	323,767	164,648	159,119
<i>Net Change in Fund Balance</i>	(323,767)	216,676	540,443
<i>Fund Balance At Beginning Of Year</i>	912,581	912,581	
<i>Fund Balance At End Of Year</i>	\$ 588,814	\$ 1,129,257	\$ 540,443

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, 2003

	<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>Fund Balance At Beginning Of Year</i>	\$ 23,678	\$ 23,678	
<hr/>			
<i>Fund Balance At End Of Year</i>	\$ 23,678	\$ 23,678	
<hr/>			

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 650,000	\$ 550,000	\$ (100,000)
<i>Total Revenues</i>	<u>650,000</u>	<u>550,000</u>	<u>(100,000)</u>
<i>Expenditures:</i>			
Principal retirement	11,845,035	11,845,032	3
Interest and fiscal charges	<u>270,520</u>	<u>263,716</u>	<u>6,804</u>
<i>Total Expenditures</i>	<u>12,115,555</u>	<u>12,108,748</u>	<u>6,807</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(11,465,555)</u>	<u>(11,558,748)</u>	<u>(93,193)</u>
<i>Other Financing Sources</i>			
Proceeds from notes	10,235,000	10,190,000	(45,000)
Transfers in	<u>1,297,875</u>	<u>1,368,370</u>	<u>70,495</u>
<i>Total Other Financing Sources</i>	<u>11,532,875</u>	<u>11,558,370</u>	<u>25,495</u>
<i>Net Change in Fund Balance</i>	67,320	(378)	(67,698)
<i>Fund Balance At Beginning Of Year</i>	<u>45,883</u>	<u>45,883</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 113,203</u>	<u>\$ 45,505</u>	<u>\$ (67,698)</u>

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 3,144,000	\$ 3,342,736	\$ 198,736
Intergovernmental	565,000	561,611	(3,389)
Special assessments		1,190	1,190
Investment earnings		171,225	171,225
All other revenue		22,720	22,720
<i>Total Revenues</i>	<u>3,709,000</u>	<u>4,099,482</u>	<u>390,482</u>
<i>Expenditures:</i>			
Bond issuance costs	225,000	847	224,153
Principal retirement	4,563,175	4,563,146	29
Interest and fiscal charges	1,648,290	1,636,169	12,121
<i>Total Expenditures</i>	<u>6,436,465</u>	<u>6,200,162</u>	<u>236,303</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(2,727,465)</u>	<u>(2,100,680)</u>	<u>626,785</u>
<i>Other Financing Sources</i>			
Transfers in	667,000	622,510	(44,490)
<i>Total Other Financing Sources</i>	<u>667,000</u>	<u>622,510</u>	<u>(44,490)</u>
<i>Net Change in Fund Balance</i>	(2,060,465)	(1,478,170)	582,295
<i>Fund Balance At Beginning Of Year</i>	2,933,172	2,933,172	
<i>Prior Year Encumbrances Appropriated</i>	<u>770</u>	<u>770</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 873,477</u>	<u>\$ 1,455,772</u>	<u>\$ 582,295</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	87	\$ 87
Total Revenues		87	87
<i>Expenditures:</i>			
Total Expenditures			
Excess Of Revenues Over Expenditures		87	87
 <i>Net Change in Fund Balance</i>		 87	 87
 <i>Fund Balance At Beginning Of Year</i>	 \$ 1,491	 1,491	
 <i>Fund Balance At End Of Year</i>	 \$ 1,491	 \$ 1,578	 \$ 87

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
TIF Debt Service - Debt Service Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Fees and charges for services	\$	400,000	\$ 400,000
<i>Total Revenues</i>		400,000	400,000
<i>Expenditures:</i>			
<i>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>		400,000	400,000
 <i>Net Change in Fund Balance</i>		 400,000	 400,000
 <i>Fund Balance At Beginning Of Year</i>	 _____	 _____	 _____
 <i>Fund Balance At End Of Year</i>	 \$ _____	 \$ 400,000	 \$ 400,000

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Property and other taxes	\$ 658,000	\$ 676,997	\$ 18,997
Intergovernmental	80,000	80,000	
<i>Total Revenues</i>	<u>738,000</u>	<u>756,997</u>	<u>18,997</u>
<i>Expenditures:</i>			
Principal retirement	830,000	830,000	
Interest and fiscal charges	99,110	95,263	3,847
<i>Total Expenditures</i>	<u>929,110</u>	<u>925,263</u>	<u>3,847</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(191,110)</u>	<u>(168,266)</u>	<u>22,844</u>
<i>Net Change in Fund Balance</i>	(191,110)	(168,266)	22,844
<i>Fund Balance At Beginning Of Year</i>	348,171	348,171	
<i>Prior Year Encumbrances Appropriated</i>	<u>1,225</u>	<u>1,225</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 158,286</u>	<u>\$ 181,130</u>	<u>\$ 22,844</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	62	\$ 62
Total Revenues		62	62
<i>Expenditures:</i>			
Total Expenditures			
Excess Of Revenues Over Expenditures		62	62
Net Change in Fund Balance		62	62
Fund Balance At Beginning Of Year	\$ 493	493	
Fund Balance At End Of Year	\$ 493	\$ 555	\$ 62

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Special assessments	\$ 63,000	\$ 65,012	\$ 2,012
<i>Total Revenues</i>	<u>63,000</u>	<u>65,012</u>	<u>2,012</u>
<i>Expenditures:</i>			
Principal retirement	38,940	38,940	
Interest and fiscal charges	<u>31,985</u>	<u>28,921</u>	<u>3,064</u>
<i>Total Expenditures</i>	<u>70,925</u>	<u>67,861</u>	<u>3,064</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(7,925)</u>	<u>(2,849)</u>	<u>5,076</u>
 <i>Net Change in Fund Balance</i>	 (7,925)	 (2,849)	 5,076
 <i>Fund Balance At Beginning Of Year</i>	 14,986	 14,986	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>1,500</u>	 <u>1,500</u>	
 <i>Fund Balance At End Of Year</i>	 <u>\$ 8,561</u>	 <u>\$ 13,637</u>	 <u>\$ 5,076</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 67,793	\$ 67,793	
Investment earnings		13,880	\$ 13,880
All other revenue		560	560
Total Revenues	<u>67,793</u>	<u>82,233</u>	<u>14,440</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	90,680	90,678	2
Capital outlay	138,745	138,745	
Total Expenditures	<u>229,425</u>	<u>229,423</u>	<u>2</u>
Deficiency Of Revenues Over Expenditures	<u>(161,632)</u>	<u>(147,190)</u>	<u>14,442</u>
<i>Other Financing Uses</i>			
Transfers out	(277,972)	(72,972)	205,000
Total Other Financing Uses	<u>(277,972)</u>	<u>(72,972)</u>	<u>205,000</u>
Net Change in Fund Balance	(439,604)	(220,162)	219,442
Fund Balance At Beginning Of Year	475,304	475,304	
Prior Year Encumbrances Appropriated	<u>242,047</u>	<u>242,047</u>	
Fund Balance At End Of Year	<u>\$ 277,747</u>	<u>\$ 497,189</u>	<u>\$ 219,442</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 1,279,638	\$ 1,202,996	\$ (76,642)
Investment earnings	11,618	29,043	17,425
All other revenue	55,561	89,445	33,884
<i>Total Revenues</i>	<u>1,346,817</u>	<u>1,321,484</u>	<u>(25,333)</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	486,472	482,052	4,420
Capital outlay	2,948,466	2,945,944	2,522
<i>Total Expenditures</i>	<u>3,434,938</u>	<u>3,427,996</u>	<u>6,942</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(2,088,121)</u>	<u>(2,106,512)</u>	<u>(18,391)</u>
<i>Other Financing Sources (Uses)</i>			
Proceeds of notes	1,125,000	1,125,000	
Transfers in	763,707	955,982	192,275
Transfers out	(472,519)	(472,518)	1
<i>Total Other Financing Sources (Uses)</i>	<u>1,416,188</u>	<u>1,608,464</u>	<u>192,276</u>
<i>Net Change in Fund Balance</i>	(671,933)	(498,048)	173,885
<i>Fund Balance At Beginning Of Year</i>	501,051	501,051	
<i>Prior Year Encumbrances Appropriated</i>	<u>389,416</u>	<u>389,416</u>	
<i>Fund Balance At End Of Year</i>	<u>\$ 218,534</u>	<u>\$ 392,419</u>	<u>\$ 173,885</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings		\$ 6,517	\$ 6,517
Total Revenues		<u>6,517</u>	<u>6,517</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	\$ 335,622	335,622	
Capital outlay	1,000	1,000	
Total Expenditures	<u>336,622</u>	<u>336,622</u>	
Deficiency Of Revenues Over Expenditures	<u>(336,622)</u>	<u>(330,105)</u>	<u>6,517</u>
 <i>Net Change in Fund Balance</i>	 (336,622)	 (330,105)	 6,517
 <i>Fund Balance At Beginning Of Year</i>	 392,312	 392,312	
 <i>Prior Year Encumbrances Appropriated</i>	 <u>310,619</u>	 <u>310,619</u>	
 Fund Balance At End Of Year	 <u>\$ 366,309</u>	 <u>\$ 372,826</u>	 <u>\$ 6,517</u>

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Engineer Roads Non-Debt - Capital Project Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Intergovernmental	\$ 30,400		\$ (30,400)
Total Revenues	30,400		(30,400)
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	49,400	\$ 38,400	11,000
Capital outlay	32,600	32,508	92
Total Expenditures	82,000	70,908	11,092
Deficiency Of Revenues Over Expenditures	(51,600)	(70,908)	(19,308)
<i>Other Financing Sources</i>			
Transfers in	51,600	51,600	
Total Other Financing Sources	51,600	51,600	
Net Change in Fund Balance		(19,308)	(19,308)
Fund Deficit At End Of Year	\$	\$ (19,308)	\$ (19,308)

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
GIS Web Server - Capital Project Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 540	\$ 538	\$ (2)
Total Revenues	540	538	(2)
<i>Expenditures:</i>			
<i>Current:</i>			
Contractual services	24,000	24,000	
Capital outlay	259,498	259,497	1
Total Expenditures	283,498	283,497	1
Deficiency Of Revenues Over Expenditures	(282,958)	(282,959)	(1)
<i>Other Financing Sources (Uses)</i>			
Proceeds of notes	285,000	285,000	
Operating transfers out	(2,042)	(2,042)	
Total Other Financing Sources (Uses)	282,958	282,958	
Net Change in Fund Balance		(1)	(1)
Fund Balance (Deficit) At End Of Year	\$	\$ (1)	\$ (1)

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	1,869	\$ 1,869
Total Revenues		1,869	1,869
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	\$ 85,654	85,185	469
Total Expenditures	85,654	85,185	469
Deficiency Of Revenues Over Expenditures	(85,654)	(83,316)	2,338
 <i>Net Change in Fund Balance</i>	 (85,654)	 (83,316)	 2,338
 <i>Fund Balance At Beginning Of Year</i>	 2,643	 2,643	
 <i>Prior Year Encumbrances Appropriated</i>	 85,653	 85,653	
 Fund Balance At End Of Year	 \$ 2,642	 \$ 4,980	 \$ 2,338

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 4,630	\$ 5,369	\$ 739
Total Revenues	4,630	5,369	739
<i>Expenditures:</i>			
<i>Current:</i>			
Materials and supplies	1,839	1,525	314
Contractual services	60,000		60,000
Capital outlay	195,640	99,535	96,105
Total Expenditures	257,479	101,060	156,419
Deficiency Of Revenues Over Expenditures	(252,849)	(95,691)	157,158
<i>Other Financing Sources (Uses)</i>			
Transfers in	4,900	4,900	
Transfers out	(6,185)	(6,180)	5
Total Other Financing Sources (Uses)	(1,285)	(1,280)	5
Net Change in Fund Balance	(254,134)	(96,971)	157,163
Fund Balance At Beginning Of Year	158,560	158,560	
Prior Year Encumbrances Appropriated	95,571	95,571	
Fund Balance (Deficit) At End Of Year	\$ (3)	\$ 157,160	\$ 157,163

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 1,825	\$ 17,408	\$ 15,583
Total Revenues	1,825	17,408	15,583
<i>Expenditures:</i>			
<i>Current:</i>			
Materials and supplies	625		625
Capital outlay	220,851	177,466	43,385
Total Expenditures	221,476	177,466	44,010
Deficiency Of Revenues Over Expenditures	(219,651)	(160,058)	59,593
<i>Other Financing Uses</i>			
Transfers out	(18,790)	(18,770)	20
Total Other Financing Uses	(18,790)	(18,770)	20
 <i>Net Change in Fund Balance</i>	 (238,441)	 (178,828)	 59,613
 <i>Fund Balance At Beginning Of Year</i>	 744,092	 744,092	
 <i>Prior Year Encumbrances Appropriated</i>	 121,266	 121,266	
 Fund Balance At End Of Year	 \$ 626,917	 \$ 686,530	 \$ 59,613

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, 2003

	<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>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>			
<i>Fund Balance At Beginning Of Year</i>	\$ 1,500,000	\$ 1,500,000	
<i>Fund Balance At End Of Year</i>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$	5,859	\$ 5,859
Total Revenues		5,859	5,859
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	\$ 492,623	472,807	19,816
Total Expenditures	492,623	472,807	19,816
Deficiency Of Revenues Over Expenditures	(492,623)	(466,948)	25,675
<i>Other Financing Sources (Uses)</i>			
Proceeds of notes	250,000	250,000	
Transfers out	(6,810)	(6,808)	2
Total Other Financing Sources (Uses)	243,190	243,192	2
Net Change in Fund Balance	(249,433)	(223,756)	25,677
Fund Balance At Beginning Of Year	22,971	22,971	
Prior Year Encumbrances Appropriated	369,147	369,147	
Fund Balance At End Of Year	\$ 142,685	\$ 168,362	\$ 25,677

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, 2003

	<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>Total Expenditures</i>			
<i>Excess Of Revenues Over Expenditures</i>			
<i>Fund Balance At Beginning Of Year</i>	\$ 355,992	\$ 355,992	
<i>Fund Balance At End Of Year</i>	\$ 355,992	\$ 355,992	\$

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 8,625	\$ 9,846	\$ 1,221
Total Revenues	8,625	9,846	1,221
<i>Expenditures:</i>			
<i>Current:</i>			
Materials and supplies	313	313	
Contractual services	60,000		60,000
Capital outlay	479,773	250,037	229,736
Total Expenditures	540,086	250,350	289,736
Deficiency Of Revenues Over Expenditures	(531,461)	(240,504)	290,957
<i>Other Financing Uses</i>			
Transfers out	(10,930)	(10,924)	6
Total Other Financing Uses	(10,930)	(10,924)	6
 <i>Net Change in Fund Balance</i>	 (542,391)	 (251,428)	 290,963
 <i>Fund Balance At Beginning Of Year</i>	 391,243	 391,243	
 <i>Prior Year Encumbrances Appropriated</i>	 151,145	 151,145	
 Fund Balance (Deficit) At End Of Year	 \$ (3)	 \$ 290,960	 \$ 290,963

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Hazmat Bldg - Capital Project Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<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>			
Capital outlay	\$ 90,519	\$ 90,518	\$ 1
<i>Total Expenditures</i>	90,519	90,518	1
<i>Deficiency Of Revenues Over Expenditures</i>	(90,519)	(90,518)	1
<i>Other Financing Uses</i>			
Transfers out	(966)	(965)	1
<i>Total Other Financing Uses</i>	(966)	(965)	1
 <i>Net Change in Fund Balance</i>	 (91,485)	 (91,483)	 2
 <i>Fund Balance At Beginning Of Year</i>	 334	 334	
 <i>Prior Year Encumbrances Appropriated</i>	 91,149	 91,149	
 <i>Fund Balance (Deficit) At End Of Year</i>	 \$ (2)	 \$	 2

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Revenues:</i>			
Investment earnings	\$ 1,077	\$ 1,077	
<i>Total Revenues</i>	<u>1,077</u>	<u>1,077</u>	
<i>Expenditures:</i>			
<i>Current:</i>			
Capital outlay	151,295	151,295	
<i>Total Expenditures</i>	<u>151,295</u>	<u>151,295</u>	
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(150,218)</u>	<u>(150,218)</u>	
<i>Other Financing Uses</i>			
Transfers out	(7,161)	(7,161)	
<i>Total Other Financing Uses</i>	<u>(7,161)</u>	<u>(7,161)</u>	
<i>Net Change in Fund Balance</i>	(157,379)	(157,379)	
<i>Fund Balance At Beginning Of Year</i>	6,084	6,084	
<i>Prior Year Encumbrances Appropriated</i>	<u>151,295</u>	<u>151,295</u>	
<i>Fund Balance At End Of Year</i>	<u>\$</u>	<u>\$</u>	<u>\$</u>

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Children Services Board Building - Capital Project Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<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>			
Contractual services	\$ 7,500,000	\$ 7,500,000	7,500,000
<i>Total Expenditures</i>	7,500,000	7,500,000	7,500,000
<i>Deficiency Of Revenues Over Expenditures</i>	(7,500,000)		7,500,000
<i>Other Financing Sources</i>			
Proceeds of notes	2,500,000	2,500,000	
Transfers in	5,000,000	5,000,000	
<i>Total Other Financing Sources</i>	7,500,000	7,500,000	
<i>Net Change in Fund Balance</i>		7,500,000	7,500,000
<i>Fund Balance At End Of Year</i>	\$	\$ 7,500,000	\$ 7,500,000

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Jail Bunking - Capital Project Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<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>			
Capital outlay	\$ 50,000	\$ 37,500	\$ 12,500
<i>Total Expenditures</i>	50,000	37,500	12,500
<i>Deficiency Of Revenues Over Expenditures</i>	(50,000)	(37,500)	12,500
<i>Other Financing Sources</i>			
Transfers in	50,000	50,000	
<i>Total Other Financing Sources</i>	50,000	50,000	
 <i>Net Change in Fund Balance</i>		12,500	12,500
 <i>Fund Balance At End Of Year</i>	\$	\$ 12,500	\$ 12,500

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget and Actual
Jail Various Projects - Capital Project Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<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>			
Capital outlay	\$ 225,000	\$ 32,000	\$ 193,000
Other			
<i>Total Expenditures</i>	<u>225,000</u>	<u>32,000</u>	<u>193,000</u>
<i>Deficiency Of Revenues Over Expenditures</i>	<u>(225,000)</u>	<u>(32,000)</u>	<u>193,000</u>
<i>Other Financing Sources</i>			
Proceeds of notes	<u>750,000</u>	<u>750,000</u>	
<i>Total Other Financing Sources</i>	<u>750,000</u>	<u>750,000</u>	
 <i>Net Change in Fund Balance</i>	 <u>525,000</u>	 <u>718,000</u>	 <u>193,000</u>
 <i>Fund Balance At End Of Year</i>	 <u>\$ 525,000</u>	 <u>\$ 718,000</u>	 <u>\$ 193,000</u>

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MAHONING COUNTY, OHIO

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 - Provident *
- Construction Fund
- Sewer Canfield Extension
- Sewer Petersburg Wastewater
- Sewer Trustee Accounts

*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
- Metro Water Beaver/Boardman/Canfield Waterline Extension

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, 2003

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Operating Revenues:</i>				
Fees and charges for services	\$ 17,786,000	\$ 17,786,000	\$ 17,003,826	\$ (782,174)
Licenses and permits	1,395,000	1,395,000	1,193,064	(201,936)
All other revenue	10,000	10,000	61,278	51,278
Total Operating Revenues	19,191,000	19,191,000	18,258,168	(932,832)
<i>Operating Expenses:</i>				
Personal services	5,529,719	5,903,088	5,797,379	105,709
Materials and supplies	581,787	542,487	382,039	160,448
Contractual services	7,020,923	7,093,491	6,079,032	1,014,459
Travel	324,082	351,042	321,034	30,008
Utilities	2,218,337	2,179,851	1,949,766	230,085
Capital outlay	2,527,718	2,792,460	2,150,347	642,113
Claims and other expenses	246,260	314,959	288,760	26,199
Total Operating Expenses	18,448,826	19,177,378	16,968,357	2,209,021
Operating Income	742,174	13,622	1,289,811	1,276,189
<i>Nonoperating Revenues (Expenses)</i>				
Interest income	190,000	190,266	274,764	84,498
Interest expense and fiscal charges	(1,397,409)	(1,397,408)	(1,380,798)	16,610
Bond issuance costs		(55,000)		55,000
Proceeds from notes/bonds	1,850,980	2,142,776	2,142,774	(2)
Principal retirement	(2,312,794)	(2,257,795)	(2,152,018)	105,777
Other nonoperating revenue	307,391	662,721	676,548	13,827
Total Nonoperating Revenues (Expenses)	(1,361,832)	(714,440)	(438,730)	275,710
Income (Loss) Before Transfers	(619,658)	(700,818)	851,081	1,551,899
Transfers in	3,454,962	3,673,388	8,655,558	4,982,170
Transfers out	(9,243,625)	(9,720,954)	(9,618,818)	102,136
Net Income (Loss)	(6,408,321)	(6,748,384)	(112,179)	6,636,205
Net Assets at Beginning of Year	11,044,371	11,044,371	11,044,371	
Prior Year Encumbrances Appropriated	2,014,216	2,014,216	2,014,216	
Net Assets at End of Year	\$ 6,650,266	\$ 6,310,203	\$ 12,946,408	\$ 6,636,205

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, 2003

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<i>Operating Revenues:</i>			
Fees and charges for services	\$ 295,000	\$ 271,896	\$ (23,104)
Licenses and permits	25,000	28,465	3,465
Total Operating Revenues	320,000	300,361	(19,639)
<i>Operating Expenses:</i>			
Personal services	94,138	85,320	8,818
Materials and supplies	14,512	10,656	3,856
Contractual services	1,138,871	1,069,134	69,737
Travel	1,550	571	979
Utilities	131,571	125,653	5,918
Capital outlay	733,543	721,914	11,629
Claims and other expenses	8,755	7,840	915
Total Operating Expenses	2,122,940	2,021,088	101,852
Operating Loss	(1,802,940)	(1,720,727)	82,213
<i>Nonoperating Revenues (Expenses)</i>			
Interest income		75,449	75,449
Interest expense and fiscal charges	(18,210)	(18,207)	3
Proceeds from notes/bonds	3,136,000	3,156,000	20,000
Principal retirement	(701,065)	(701,060)	5
Other nonoperating revenue	507,927	539,639	31,712
Total Nonoperating Revenues (Expenses)	2,924,652	3,051,821	127,169
Income Before Transfers	1,121,712	1,331,094	209,382
Transfers in	176,726	138,437	(38,289)
Transfers out	(21,385)	(21,385)	
Net Income	1,277,053	1,448,146	171,093
<i>Net Assets at Beginning of Year</i>	905,587	905,587	
<i>Prior Year Encumbrances Appropriated</i>	12,953	12,953	
Net Assets at End of Year	\$ 2,195,593	\$ 2,366,686	\$ 171,093

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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, 2003

	<i>Vehicle Maintenance</i>	<i>CSB Self- Insurance</i>	<i>Workers Comp Retrospective</i>	<i>Self-funded Hospitalization</i>	<i>Totals</i>
<i>Assets</i>					
Equity in pooled cash and investments at fair value	\$ 202,035	\$ 3,055,682	\$ 1,070,456	\$ 2,995,946	\$ 7,324,119
Due from other funds			1,539,985	322,546	1,862,531
<i>Total Assets</i>	<u>202,035</u>	<u>3,055,682</u>	<u>2,610,441</u>	<u>3,318,492</u>	<u>9,186,650</u>
<i>Liabilities</i>					
Claims and judgements payable				1,410,000	1,410,000
Compensated absences payable	246				246
Due to other funds				1,839,176	1,839,176
Due to other governments			2,589,200	69,316	2,658,516
<i>Total Liabilities</i>	<u>246</u>	<u></u>	<u>2,589,200</u>	<u>3,318,492</u>	<u>5,907,938</u>
<i>Net Assets:</i>					
Unrestricted	201,789	\$ 3,055,682	21,241		3,278,712
<i>Total Net Assets</i>	<u>\$ 201,789</u>	<u>\$ 3,055,682</u>	<u>\$ 21,241</u>	<u>\$</u>	<u>\$ 3,278,712</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, 2003

	Vehicle Maintenance	CSB Self- Insurance	Workers Comp Retrospective	Self-funded Hospitalization	Totals
<i>Operating Revenues:</i>					
Fees and charges for services	\$ 223,056				223,056
All other revenue			\$ 2,065,718	\$ 9,890,860	\$ 11,956,578
Total Operating Revenues	223,056		2,065,718	9,890,860	12,179,634
<i>Operating Expenses:</i>					
Personal services	45,903		2,138,722	9,890,860	12,075,485
Materials and supplies	15,340				15,340
Contractual services	93				93
Claims and other expenses	6,613				6,613
Total Operating Expenses	67,949		2,138,722	9,890,860	12,097,531
<i>Income (Loss) Before Operating Transfers</i>	155,107		(73,004)		82,103
Operating transfers in			152		152
Change in Net Assets	155,107		(72,852)		82,255
<i>Net Assets at Beginning of Year</i>	46,682	\$ 3,055,682	94,093		3,196,457
Net Assets at End of Year	\$ 201,789	\$ 3,055,682	\$ 21,241	\$	\$ 3,278,712

MAHONING COUNTY, OHIO

Combining Statement of Cash Flows
Internal Service Funds

For the Year Ended December 31, 2003

<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	\$ 223,056			\$ 223,056	\$ 223,056
Cash receipts from interfund services provided			\$ 246,675	\$ 12,212,603	12,459,278
Cash payments to employees for services	(45,904)				(45,904)
Cash payments to suppliers for goods and services	(22,045)		(1,144,870)	(10,429,086)	(11,596,001)
<i>Net cash provided by (used for) operating activities</i>	<u>155,107</u>		<u>(898,195)</u>	<u>1,783,517</u>	<u>1,040,429</u>
<i>Cash flows from noncapital financing activities:</i>					
Transfers in			152		152
<i>Net cash provided by noncapital financing activities</i>			<u>152</u>		<u>152</u>
Net increase (decrease) in cash and cash equivalents	155,107		(898,043)	1,783,517	1,040,581
Cash and cash equivalents at beginning of year	46,928	\$ 3,055,682	1,968,499	1,212,429	6,283,538
Cash and cash equivalents at end of year	<u>\$ 202,035</u>	<u>\$ 3,055,682</u>	<u>\$ 1,070,456</u>	<u>\$ 2,995,946</u>	<u>\$ 7,324,119</u>

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MAHONING COUNTY, OHIO

**Combining Statement of Cash Flows
Internal Service Funds**

For the Year Ended December 31, 2003

	<i>Vehicle Maintenance</i>	<i>CSB Self- Insurance</i>	<i>Workers Compensation Retrospective</i>	<i>Self-funded Hospitalization</i>	<i>Totals</i>
<i>Reconciliation of operating income (loss) to net cash provided by operating activities:</i>					
Operating income (loss)	\$ 155,107		\$ (73,004)		\$ 82,103
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>					
Decrease in due from other funds				681,547	681,547
Decrease in accounts payable			(1,493,951)		(1,493,951)
Increase (decrease) in due to other funds			(325,092)	1,570,879	1,245,787
Increase in due to other governments			993,852	69,316	1,063,168
Decrease in claims and judgements payable				(538,225)	(538,225)
<i>Total adjustments</i>			<u>(825,191)</u>	<u>1,783,517</u>	<u>958,326</u>
<i>Net cash provided by (used for) operating activities</i>	<u>\$ 155,107</u>		<u>\$ (898,195)</u>	<u>\$ 1,783,517</u>	<u>\$ 1,040,429</u>

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, 2003

	<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	\$ 119,619	\$ 223,055	\$ 103,436
<i>Total Operating Revenues</i>	<u>119,619</u>	<u>223,055</u>	<u>103,436</u>
<i>Operating Expenses:</i>			
Personal services	52,417	45,903	6,514
Materials and supplies	15,532	15,361	171
Contractual services	93	93	
Claims and other expenses	6,613	6,613	
<i>Total Operating Expenses</i>	<u>74,655</u>	<u>67,970</u>	<u>6,685</u>
<i>Change in Net Assets</i>	<u>44,964</u>	<u>155,085</u>	<u>110,121</u>
<i>Net Assets At Beginning Of Year</i>	32,347	32,347	
<i>Prior Year Encumbrances Appropriated</i>	<u>14,581</u>	<u>14,581</u>	
<i>Net Assets At End Of Year</i>	<u>\$ 91,892</u>	<u>\$ 202,013</u>	<u>\$ 110,121</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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>			
<i>Total Operating Revenues</i>			
<i>Operating Expenses:</i>			
<i>Total Operating Expenses</i>			
<i>Net Assets At Beginning Of Year</i>	\$ 3,055,682	\$ 3,055,682	
<i>Net Assets At End Of Year</i>	\$ 3,055,682	\$ 3,055,682	\$

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, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>			
All other revenue	\$ 246,675	\$ 246,675	246,675
Total Operating Revenues	246,675	246,675	246,675
<i>Operating Expenses:</i>			
Personal services	\$ 1,144,872	1,144,870	2
Total Operating Expenses	1,144,872	1,144,870	2
<i>Income Before Transfers</i>	(1,144,872)	(898,195)	246,677
Transfers in	152	152	
Change in Net Assets	(1,144,720)	(898,043)	246,677
<i>Net Assets At Beginning Of Year</i>	1,968,499	1,968,499	
Net Assets At End Of Year	\$ 823,779	\$ 1,070,456	\$ 246,677

MAHONING COUNTY, OHIO

**Schedule of Revenues, Expenses
and Changes in Net Assets - Budget and Actual
Self Funded Hospitalizaion - Internal Service Fund
(Non-GAAP Budgetary Basis)**

For the Year Ended December 31, 2003

	<i>Final Budget</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
<i>Operating Revenues:</i>			
All other revenue	\$ 12,190,863	\$ 12,212,603	\$ 21,740
<i>Total Operating Revenues</i>	<u>12,190,863</u>	<u>12,212,603</u>	<u>21,740</u>
<i>Operating Expenses:</i>			
Personal services	<u>13,300,332</u>	<u>10,430,565</u>	<u>2,869,767</u>
<i>Total Operating Expenses</i>	<u>13,300,332</u>	<u>10,430,565</u>	<u>2,869,767</u>
<i>Change in Net Assets</i>	<u>(1,109,469)</u>	<u>1,782,038</u>	<u>2,891,507</u>
 <i>Net Assets At Beginning Of Year</i>	 <u>1,212,429</u>	 <u>1,212,429</u>	
 <i>Net Assets At End Of Year</i>	 <u>\$ 102,960</u>	 <u>\$ 2,994,467</u>	 <u>\$ 2,891,507</u>

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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.

**Combining Statement of Changes in Assets
and Liabilities - All Agency Funds**

For the Year Ended December 31, 2003

		Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
<i>Payroll Agency Funds</i>	<i>Assets</i>				
	Equity in pooled cash and investments at fair value	\$ 197,798	\$ 18,740,968	\$ 18,720,786	\$ 217,980
	Total Assets	<u>\$ 197,798</u>	<u>\$ 18,740,968</u>	<u>\$ 18,720,786</u>	<u>\$ 217,980</u>
	<i>Liabilities</i>				
	Payroll withholdings	\$ 197,798	\$ 42,041,528	\$ 42,021,346	\$ 217,980
	Total Liabilities	<u>\$ 197,798</u>	<u>\$ 42,041,528</u>	<u>\$ 42,021,346</u>	<u>\$ 217,980</u>
<i>Undivided Tax Agency Funds</i>	<i>Assets</i>				
	Equity in pooled cash and investments at fair value	\$ 8,768,369	\$ 240,974,239	\$ 241,009,299	\$ 8,733,309
	Receivables:				
	Taxes	213,233,520	196,722,228	218,329,170	191,626,578
	Special assessments - current portion	13,577,077	3,335,249	13,577,077	3,335,249
	Due from other governments	21,809,886	23,435,216	22,221,080	23,024,022
	Total Assets	<u>\$ 257,388,852</u>	<u>\$ 464,466,932</u>	<u>\$ 495,136,626</u>	<u>\$ 226,719,158</u>
	<i>Liabilities</i>				
	Due to other governments	\$ 248,620,483	\$ 218,397,044	\$ 249,031,677	\$ 217,985,850
	Unapportioned monies	8,768,369	240,974,239	241,009,300	8,733,308
	Total Liabilities	<u>\$ 257,388,852</u>	<u>\$ 459,371,283</u>	<u>\$ 490,040,977</u>	<u>\$ 226,719,158</u>
<i>Other Agency Funds</i>	<i>Assets</i>				
	Equity in pooled cash and investments at fair value	\$ 4,328,348	\$ 19,286,737	\$ 18,816,401	\$ 4,798,684
	Cash and cash equivalents - segregated accounts	4,185,810	50,399,515	51,033,933	3,551,392
	Receivables:				
	Taxes	34,229	36,696	34,229	36,696
	Total Assets	<u>\$ 8,548,387</u>	<u>\$ 69,722,948</u>	<u>\$ 69,884,563</u>	<u>\$ 8,386,772</u>
	<i>Liabilities</i>				
	Due to other governments	\$ 34,229	\$ 36,696	\$ 34,229	\$ 36,696
	Unapportioned monies	8,174,242	68,623,014	68,871,824	7,925,432
	Deposits held and due to others	339,916	1,063,238	978,510	424,644
	Total Liabilities	<u>\$ 8,548,387</u>	<u>\$ 69,722,948</u>	<u>\$ 69,884,563</u>	<u>\$ 8,386,772</u>
<i>Total Agency Funds</i>	<i>Assets</i>				
	Equity in pooled cash and investments at fair value	\$ 13,294,515	\$ 279,001,944	\$ 278,546,486	\$ 13,749,973
	Cash and cash equivalents - segregated accounts	4,185,810	50,399,515	51,033,933	3,551,392
	Receivables:				
	Taxes	213,267,749	196,758,924	218,363,399	191,663,274
	Special assessments - current portion	13,577,077	3,335,249	13,577,077	3,335,249
	Due from other governments	21,809,886	23,435,216	22,221,080	23,024,022
	Total Assets	<u>\$ 266,135,037</u>	<u>\$ 552,930,848</u>	<u>\$ 583,741,975</u>	<u>\$ 235,323,910</u>
	<i>Liabilities</i>				
	Due to other governments	\$ 248,654,712	\$ 218,433,739	\$ 249,065,906	\$ 218,022,545
	Unapportioned monies	16,942,611	309,597,253	309,881,124	16,658,740
	Deposits held and due to others	339,916	1,063,238	978,509	424,645
	Payroll withholdings	197,798	42,041,528	42,021,346	217,980
	Total Liabilities	<u>\$ 266,135,037</u>	<u>\$ 571,135,758</u>	<u>\$ 601,946,885</u>	<u>\$ 235,323,910</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>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
<u>Revenues</u>					
Property and other taxes	\$ 2,476,744	\$ 2,867,467	\$ 2,671,628	\$ 3,307,983	\$ 6,767,780
Sales tax	19,072,250	20,509,795	20,955,118	17,008,608	14,839,417
Fees and charges for services	4,112,447	3,945,188	4,452,146	4,269,733	4,473,952
Licenses and permits	31,045	30,565	28,841	31,167	30,668
Fines and forfeitures	934,269	1,013,471	1,041,137	1,220,187	1,425,859
Intergovernmental	5,218,224	5,652,660	5,538,564	6,527,634	7,572,400
Investment earnings	1,741,319	2,491,597	3,736,482	2,888,965	4,224,500
All other revenue	693,855	514,793	556,637	1,136,017	2,200,368
Operating transfers in	<u>250,000</u>	<u>84,204</u>	<u>2,345</u>	<u>44,430</u>	<u>280,569</u>
Total Revenues	<u>\$ 34,530,153</u>	<u>\$ 37,109,740</u>	<u>\$ 38,982,898</u>	<u>\$ 36,434,724</u>	<u>\$ 41,815,513</u>
<u>Expenditures</u>					
General government	\$ 9,888,619	\$ 9,357,913	\$ 9,474,622	\$ 8,235,031	\$ 8,118,038
Judicial	8,656,278	9,313,072	9,888,753	9,255,101	9,550,289
Public safety	8,414,116	10,553,188	13,770,500	14,032,832	13,833,469
Public works	128,222	107,161	131,406	1,535	750,354
Human services	1,078,212	920,196	961,930	777,334	750,354
Other	1,109,663	1,633,080	1,761,467	1,415,950	1,414,896
Operating transfers out	<u>4,083,639</u>	<u>3,093,091</u>	<u>2,034,119</u>	<u>1,218,667</u>	<u>2,858,575</u>
Total Expenditures	<u>\$ 33,358,749</u>	<u>\$ 34,977,701</u>	<u>\$ 38,022,797</u>	<u>\$ 34,936,450</u>	<u>\$ 36,525,621</u>
Fund Balance 12/31	\$ 8,100,904	\$ 10,232,943	\$ 11,193,044	\$ 12,691,318	\$ 17,981,210

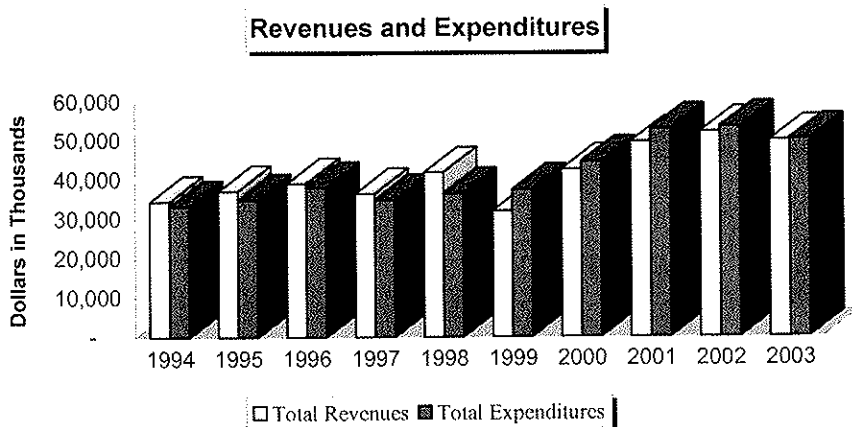
Notes: General Government defined includes only the General Fund for reporting purposes.

All figures are budgetary basis, less any encumbrances, to reflect actual cash receipts and disbursements.

MAHONING COUNTY, OHIO

**General Government
General Fund Revenues By Source and
Expenditures By Function
(Including Operating Transfers)
Last Ten Fiscal Years**

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<u>Revenues</u>					
Property and other taxes	\$ 2,622,877	\$ 2,747,460	\$ 2,832,978	\$ 6,777,108	\$ 5,546,806
Sales tax	12,340,520	21,901,775	25,170,289	25,979,801	26,424,593
Fees and charges for services	4,071,641	4,057,265	5,616,908	5,865,946	5,915,085
Licenses and permits	28,260	41,654	18,663	17,395	23,980
Fines and forfeitures	1,514,965	1,543,742	1,611,243	1,724,536	1,836,723
Intergovernmental	7,137,842	6,826,646	7,678,743	7,359,989	7,313,293
Investment earnings	3,612,172	4,647,275	4,363,903	3,214,975	1,861,584
All other revenue	816,197	847,160	2,015,809	787,536	904,380
Operating transfers in	12,124	4,616	263,994	399,548	131,359
Total Revenues	\$ 32,156,598	\$ 42,617,593	\$ 49,572,530	\$ 52,126,834	\$ 49,957,803
<u>Expenditures</u>					
General government	\$ 8,793,440	\$ 10,563,924	\$ 13,081,320	\$ 12,451,852	\$ 11,153,070
Judicial	10,410,216	10,797,678	12,784,471	13,598,129	14,013,797
Public safety	14,523,167	14,711,053	18,600,899	18,473,504	16,182,317
Public works					
Human services	752,691	953,316	924,022	864,405	901,401
Other	1,227,952	2,189,969	1,935,458	1,758,155	1,057,543
Operating transfers out	1,826,456	5,336,380	5,617,758	6,409,284	6,970,713
Total Expenditures	\$ 37,533,922	\$ 44,552,320	\$ 52,943,928	\$ 53,555,329	\$ 50,278,841
Fund Balance 12/31	\$ 12,603,886	\$ 10,669,159	\$ 7,297,761	\$ 5,869,266	\$ 5,548,228



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>
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
2002	2003	31,194,850	29,776,282	95.45%	1,684,827	31,461,109

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>
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
2003	3,804,982	3,630,403	95.41%	1,522,191

(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

Tax Year/ Collection Year	Real Property (1)		Personal Property		Total	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
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
03/04	3,456,430,720	9,875,516,343	346,010,474	1,384,041,896	3,802,441,194	11,259,558,239

(1) Includes public utility property values

(2) Six Year reappraisal per ORC 5715.33

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Property Tax Rates - County and All Overlapping Governments

(Per \$1,000 of Assessed Value)

Last Ten Tax Years

Townships	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Austintown	17.10	17.10	17.10	17.10	17.10	17.10	18.10	18.10	18.10	18.10
Beaver	12.80	12.80	12.80	12.80	14.30	14.30	15.40	15.40	15.40	15.40
Berlin	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Boardman	14.75	16.05	15.05	15.05	15.05	15.05	15.05	15.05	15.05	15.05
Canfield	4.75	4.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Coitsville	18.00	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50	19.50
Eilsworth	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Fairfield									2.00	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	8.95	8.95	8.95	10.95	10.95	10.95	10.95	10.95	8.95	8.95
Milton	7.20	7.20	7.20	7.20	7.20	7.20	9.20	9.20	9.20	9.20
Perry										0.20
Poland	8.80	8.80	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Smith	7.70	7.70	7.70	8.90	8.90	12.80	12.80	12.80	12.80	12.80
Springfield	12.40	12.40	12.40	14.40	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	3.15	3.15	3.15	3.15
Mill Creek Metro Park	1.90	1.90	1.90	1.90	1.90	1.90	1.90	1.75	1.75	1.75
Western Reserve Fire District	1.80	1.80	1.80	1.80	2.80	2.80	2.80	2.80	2.80	2.80
Western Reserve Transit Authority	3.00	3.00	3.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Out of County School Districts										
Alliance	50.70	50.70	50.70	50.70	50.40	54.60	54.40	54.40	54.40	54.10
Columbiana	48.50	48.50	46.50	45.80	45.26	43.80	42.60	42.83	34.53	34.53
Hubbard	51.10	50.50	49.67	49.70	49.60	48.26	48.22	54.35	54.25	54.20
Leetonia	44.60	44.60	42.50	42.50	45.56	43.95	43.95	43.26	42.06	42.06
Weathersfield	46.10	50.70	50.10	50.31	49.25	48.70	50.27	50.60	50.90	51.00
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	6.20
Canfield	6.95	6.95	5.00	4.80	4.50	4.15	3.75	4.00	3.90	3.80
Columbiana	2.80	2.80	2.80	2.80	2.80	4.30	4.30	4.30	4.30	5.80
Salem										4.10
Sebring	5.40	5.40	5.40	8.40	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	3.70	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	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Beloit	22.20	16.50	16.30	16.30	16.30	16.00	16.00	16.00	16.00	16.00
Craig Beach	7.20	7.20	7.20	7.20	7.20	7.20	7.20	6.70	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	8.20	8.20	11.20	11.20	11.20	11.40	11.40	12.40
Poland	9.40	9.40	7.60	7.60	7.60	7.60	7.60	7.60	7.60	7.60
Washingtonville	20.90	20.90	16.70	16.70	16.70	16.70	16.70	16.70	16.70	19.70

County Units

Bond Retirement	1.95	2.15	2.05	0.70	2.20	2.20	2.05	0.85	1.35	0.50
Children's Services	1.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35
General	0.60	0.40	0.50	1.75	0.25	0.25	0.25	1.45	0.95	1.75
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	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	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	9.95	10.95	10.95	10.85	10.85	10.85	10.70	11.70	11.70	11.65

School Districts

Austintown	47.30	47.30	54.60	54.60	54.60	54.60	54.60	54.60	54.60	57.50
Boardman	43.70	43.55	49.00	48.85	48.70	48.05	48.05	48.00	48.00	53.90
Campbell	35.20	35.20	39.60	39.60	39.50	40.90	41.15	41.45	41.45	42.15
Canfield	49.30	49.15	48.75	48.65	51.00	50.45	50.45	50.45	56.25	56.20
Jackson-Milton	42.20	42.20	41.95	41.95	51.10	48.50	48.20	48.00	47.65	47.65
Lowellville	55.90	55.90	55.90	55.90	55.90	61.60	61.50	61.50	61.50	61.50
Poland	45.25	46.00	44.90	45.30	44.95	43.15	43.05	42.90	42.80	49.50
Sebring	55.70	55.70	55.70	55.70	59.30	59.30	59.30	59.30	59.30	59.30
South Range	49.55	49.55	55.80	55.40	54.75	52.15	51.90	51.70	51.55	51.45
Springfield	39.60	39.60	39.60	39.60	39.60	37.00	37.00	37.00	37.00	37.00
Struthers	49.10	49.10	59.10	59.10	59.10	62.20	62.20	62.20	62.20	60.90
West Branch	36.60	36.20	35.85	35.85	30.00	30.00	34.50	34.50	34.35	34.35
Western Reserve	47.35	47.35	46.05	45.75	45.05	43.40	43.05	43.10	42.95	42.95
Youngstown	46.50	46.50	46.60	46.60	46.60	46.60	51.00	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

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>
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%
2003	374,157	367,616	98.25%

Source: Mahoning County Auditor's Office

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
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
2003	251,660	3,802,441,194	36,160,001	11,215,161	24,944,840	0.66%	99.12

(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
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%
2003	4,330,426	1,538,203	5,868,629	53,363,075	11.00%

(1) Budgetary basis excluding encumbrances.

Source: Mahoning County Auditor's Office

COMPUTATION OF LEGAL DEBT MARGIN

December 31, 2003

Total of all County Debt Outstanding	\$ 58,098,867 (1)
Debt Exempt from Computation:	
Jail and other Correctional Facilities	\$ 15,185,000
Ohio Public Works Commission Loans	2,217,364
Revenue Bonds	8,460,000
Road and Bridge Improvements	4,400,000
Sewer System	2,122,844
Special Assessments	1,387,099
Water System	<u>3,164,217</u>
Total Exempt Debt	<u>36,936,524</u>
Total Net Indebtedness Subject to Direct Debt Limitation (Voted and Unvoted)	\$ <u>21,162,343</u> (2)
Assessed Valuation of County (2002 tax year)	\$ 3,802,441,194
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)	\$ 93,561,030
Total Net Indebtedness (Voted and Unvoted)	<u>21,162,343</u>
Direct Debt Margin	\$ <u>72,398,687</u>
Unvoted Debt Limitation (1% of County Assessed Valuation)	38,024,412
Total Unvoted Net Indebtedness Subject to 1% Debt Limitation	<u>20,297,343 (2)</u>
Unvoted Debt Margin	\$ <u>17,727,069</u>

(1) For the purpose of computing the legal debt margin, the Ohio Water Developmental Authority loans, Mental Health and Board of Mental Retardation Mortgage Notes, and West Branch Reservoir long-term obligation are excluded.

(2) Leeway determined without reference to monies in Debt Retirement Fund.

MAHONING COUNTY, OHIO

Computation of Direct and Overlapping Debt

December 31, 2003

	<u>Net Debt</u>	<u>Percent Applicable (1)</u>	<u>County Share</u>
Mahoning County	\$24,944,840	100%	\$24,944,840
Mahoning County Cities, Villages, and Townships wholly within the County	18,734,213	100%	18,734,213
Mahoning County School Districts wholly within the County	79,669,736	100%	79,669,736
Total of entities wholly within the County	<u>\$123,348,789</u>		<u>\$123,348,789</u>
Entities not wholly within the County:			
<u>Cities</u>			
Alliance	\$3,630,000	0.20%	\$7,260
Columbiana	925,000	18.65%	172,513
Salem	\$3,350,000	0.08%	\$2,680
<u>Townships</u>			
Fairfield	930,000	11.08%	103,044
<u>School Districts</u>			
Alliance City	10,754,990	4.65%	500,107
Columbiana Exempted Village	845,000	24.95%	210,828
Hubbard Exempted Village	1,055,000	0.35%	3,693
Leetonia Exempted Village	1,767,810	7.05%	124,631
Weathersfield Local	1,834,999	8.31%	152,488
West Branch Local	8,284,999	49.53%	4,103,560
Total of entities not wholly within the County	<u>\$33,377,798</u>		<u>\$5,380,804</u>
Net Overlapping Debt, Including Mahoning County	<u>\$156,726,587</u>		<u>\$128,729,593</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

MAHONING COUNTY, OHIO

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)
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
2003	18,207,748	274,764	18,482,512	13,166,773	5,315,739	-	824,824	6.44	2,308,255	1.63

(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)
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
2003	18,207,748	13,166,773	5,040,975	-	824,824	6.11

(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>
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
2003	11,044,370	30,007,813	30,119,991	2,014,216	12,946,408

(1) All figures are on a non-GAAP budgetary basis

(2) Includes open encumbrances as of December 31

Source: Mahoning County Auditor

MAHONING COUNTY, OHIO

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

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
2003	251,660

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 |
| Wal-Mart | Schwebel Baking |

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

MAHONING COUNTY, OHIO

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>
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
2003	1,737	124,951,721	3,456,430,720	9,875,516,343	2,072,882,000

(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, 2003

Company	Value	Percentage of Total County Assessed Valuation
Community Corrections Corp. of America	\$23,699,210	0.73%
DeBartolo Capital Partnership	15,901,810	0.49%
GS Boardman LLC (Lowes)	10,583,450	0.32%
Simon Capital Ltd. Partnership	7,863,060	0.24%
Jackson Acquisition Corporation	4,684,650	0.14%
Cope Methodist Home	4,427,610	0.14%
Cocca Development Ltd	4,309,580	0.13%
Handel and Monus	4,100,590	0.13%
Brandywine Apartments	3,891,160	0.12%
Equity Industrial Partner	3,724,700	0.11%
<i>Total Real Property Valuation</i>	\$83,185,820	2.55%
All Others	\$3,184,185,450	97.45%
<i>Total Assessed Valuation</i>	\$3,267,371,270	100.00%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Personal Property Public Utility Principal Taxpayers

December 31, 2003

Company	Value	Percentage of Total County Assessed Valuation
Ohio Edison	\$74,921,640	39.63%
Ohio Bell	34,165,560	18.07%
American Transmissions Systems Inc.	20,274,540	10.72%
East Ohio Gas	13,682,790	7.24%
Consumers Ohio Water Co.	12,303,280	6.51%
Sygnnet Communications Inc.	11,500,280	6.08%
Norfolk Southern Combined Railroad	4,334,060	2.29%
Youngstown-Warren MSA	3,626,920	1.92%
CSX Transportation Inc.	2,447,830	1.29%
Qwest Communications Corp.	1,771,290	0.94%
<i>Total Personal Property Public Utility Valuation</i>	\$179,028,190	94.69%
All Others	\$10,031,260	5.31%
<i>Total Assessed Valuation</i>	\$189,059,450	100.00%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Tangible Personal Property Principal Taxpayers

December 31, 2003

Company	Value	Percentage of Total County Assessed Valuation
V&M Star	\$46,991,460	13.58%
Parker Hannifin	4,788,170	1.38%
Astro Shapes Inc.	3,936,220	1.14%
Youngstown Buick Pontiac	3,722,230	1.08%
North Star Steel	3,578,370	1.03%
Rubbermaid Inc.	3,373,070	0.97%
May Department Stores	2,933,120	0.85%
Tamarkin	2,871,300	0.83%
Hynes Industries Inc.	2,617,300	0.76%
LF Donnell Inc.	2,433,410	0.70%
<i>Total Tangible Personal Property Valuation</i>	\$77,244,650	22.32%
All Others	\$268,765,824	77.68%
<i>Total Assessed Valuation</i>	\$346,010,474	100.00%

Source: Mahoning County Auditor's Office

MAHONING COUNTY, OHIO

Miscellaneous Statistics

December 31, 2003

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 (Fall 2003)	12,858
Source: Youngstown State University	

November 2003 General Election

Total Number of Registered Voters	179,640
Voters in 2003 General Election	61,740
Percentage of Registered Voters Voting	34.37%
Source: Mahoning County Board of Elections	

Sanitary Engineering

Number of Miles of Sewer Lines	825
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	36,370
Annual Number of Tons of Industrial, Commercial and Residential Waste Landfilled	323,068
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
MAY 5, 2005**