

Lorain County



OLDTOWNE CHARLESTON

Lorain



WELLINGTON TOWN HALL

Wellington



MARTIN LUTHER KING JR. MEMORIAL

Oberlin



ELYRIA WOMEN'S CLUB

Elyria



BICENTENNIAL BARN

Amberst Twp.



Comprehensive Annual Financial Report

For The Year Ended December 31, 2002

Mark R. Stewart, Auditor



INTRODUCTORY SECTION

INTRODUCTORY SECTION



COUNTY TREASURER & AUDITOR

*County Treasurer Dan Talarek
County Auditor Mark Stewart*



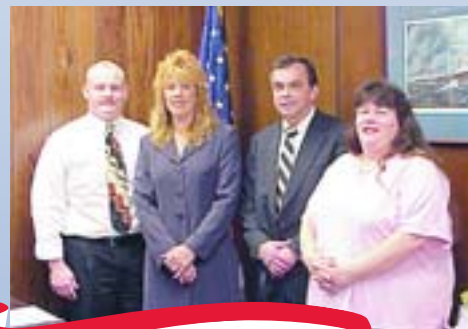
BOOKKEEPING DEPARTMENT

*(L-R) Lisa Hobart
Jean O'Donnell
Rhonda Heginbotham
Jessica Yarish*



TAX SETTLEMENT DEPARTMENT

*(L-R) Carmella Phillips
Diane Schuster
Cheryl Litz
Maggie Barta*



BUDGET DEPARTMENT

*(L-R) David O'Conner
Shelley Marrero
John Rokasy
Marla Janis*



CAFR TEAM

*Lillie Brand
Craig Snodgrass*



COUNTY COMMISSIONERS

*(L-R) Betty Blair
David Moore
Mary Jo Vasi*

Comprehensive Annual Financial Report

For the Year Ended December 31, 2002



Lorain County Ohio

Mark R. Stewart
Lorain County Auditor

Prepared by:

J. Craig Snodgrass, CPA, CGFM
Asst. Chief Deputy Auditor

Lillian C. Brand
Asst. Comptroller

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

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MARK R. STEWART
Auditor

OFFICE OF THE AUDITOR LORAIN COUNTY, OHIO

July 18, 2003

Lorain County Commissioners:

Honorable Mary Jo Vasi, President
Honorable David J. Moore
Honorable Elizabeth C. Blair

Citizens of Lorain County

I am pleased to present this Comprehensive Annual Financial Report (CAFR) for the County of Lorain, Ohio, for the year ended December 31, 2002. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County, and specifically, the County Auditor's Office. This CAFR conforms to generally accepted accounting principles, as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources, and is representative of the County's commitment to provide financial information to the citizens of Lorain County. Preparation of this CAFR represents a continuing effort to improve the financial management of the County. The information contained in this CAFR will assist County officials in making management decisions and will provide the taxpayers of Lorain County with comprehensive financial data in a format that will enable them to gain a better understanding of the County's financial affairs.

The Comprehensive Annual Financial Report (CAFR) is presented in three sections:

1. The Introductory Section includes a Table of Contents, the Letter of Transmittal, a list of elected officials, the organization chart of the county government, the organizational chart of the County Auditor's Office, the Lorain County Geographical Information System Maps, and the GFOA Certificate of Achievement.
2. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis, the Government Wide Financial Statements, which include explanatory notes and relevant supplemental financial statements and schedules for 2002.
3. The Statistical Section includes selected financial, economic, demographic, and other socioeconomic information about the County which may be used to extrapolate trends for comparative years.

This transmittal letter should be read in conjunction with the Management's Discussion and Analysis, which provides a narrative introduction, overview and analysis of the basic financial statements.

FORM OF GOVERNMENT AND REPORTING ENTITY

Lorain County, established in 1822, is located in northeastern Ohio, approximately 30 miles west of Cleveland, and covers an area of 495 square miles. It encompasses 33 cities, villages, and townships, the largest being the city of Lorain. The county seat is located in Elyria, which is the second largest city in the County. According to the 2000 census, the County had a population of 284,664, making it the ninth most populous of the 88 counties in the State.

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

The Auditor serves as the fiscal officer and property tax assessor for the County. One of the most important functions of the Auditor involves the assessing of real property for tax purposes. State law mandates a complete reappraisal of real property every six years as well as triennial updates between reappraisals. Once the County Treasurer collects taxes, the Auditor is responsible for distributing the tax settlement to the various governmental units. As chief fiscal officer of the County, no County contract or obligation may be made without the Auditor's certification that the funds have been lawfully appropriated, are available for payment, or are in the process of collection. In addition, the Auditor is responsible for the County payroll and has other statutory accounting functions. By State law the Auditor is secretary of the County Board of Revision and the County Budget Commission, and administrator of the County Data Processing Board.

The Treasurer collects property taxes, is the custodian of all funds and is responsible for investing all idle County funds as specified by law. The Treasurer is the distributing agent for expenditures authorized by the Board of Commissioners upon the Auditor's warrant. The Treasurer must make daily reports showing receipts, payments and balances to the County Auditor, and the books of account must always balance with those of the County Auditor. The Treasurer is a member of the County Budget Commission, which plays an important part in the financial administration of local governments throughout the County.

Other elected officials, serving four-year terms each, include Prosecutor, Sheriff, Engineer, Clerk of Courts, Recorder, and Coroner. Common Pleas Judges, Domestic Relations Judges, and the Probate Judge are also elected on a county-wide basis.

The County provides its citizens a wide range of services that include human and social services, health and community assistance services, road and bridge maintenance, and other general and administrative support services. The County also operates an enterprise fund sewer operation.

For financial reporting purposes, the County includes all funds, agencies, boards and commissions making up Lorain County (the Primary Government) and its Component Units in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity." Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organizations resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to, the organization; or the County is obligated for the debt of the organization. The Lorain County Airport Authority, Lorain County Transit, the Murray Ridge Production Center, Inc. and The Lorain County Port Authority have been included as discretely presented component units.

The County serves as fiscal agent for the following organizations which are included as agency funds in the report:

Lorain County General Health District
Lorain County Soil and Water Conservation District
Local Emergency Planning Commission
Lorain County Family and Children First Council

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

ECONOMIC CONDITION AND OUTLOOK

Lorain County is well situated in a diverse, industrialized region on the southern shore of Lake Erie, within a one-hour drive of the major cities of Cleveland and Akron. Approximately one-third of the United States population lives within a 500-mile radius of the County. The County enjoys the benefits of urbanization, while also offering a rural atmosphere and a variety of lifestyles for its inhabitants. The County is traversed by two major limited-access highways and a number of major State and U.S. Highways. Interstate Highways 80 and 90, major east-west transportation links, provide residents of the County direct access to major economic centers such as Chicago, Illinois, to the west and Cleveland, Ohio; Erie, Pennsylvania; and Buffalo and Rochester, New York to the east. State and U.S. Routes, such as U.S. 6 and 20 and State Routes 2, 57, 58, 254, and 611, provide excellent access to local and regional markets south, east and west. The excellent road network of the County has attracted over 41 common carriers that serve the area.

The County has access to other land transportation as well as sea or air. The County has access to major railroad systems and is currently served by Amtrak, ConRail, Norfolk and Southern, Chessie System and Lorain and West Virginia railroads. A major port located within the corporate limits of the County has facilities which provide ore-transshipping from ship to ship to rail, and docks and other facilities for the receipt of iron ore, gypsum ore, concrete and aggregates. The port is operated by the Lorain Port Authority, a political subdivision separate from the County. Air freight and air passenger service access is provided through the Lorain County Regional Airport in New Russia Township and Cleveland Hopkins International Airport and Burke Lakefront Airport in adjacent Cuyahoga County.

Numerous adult education opportunities complement the educational programs offered to the youth of the County. The Lorain County Community College provides the opportunity for the citizens of the County to further their education with associate degrees in various fields. The college has teamed-up with other major universities for students to obtain four-year and graduate degrees.

MAJOR INITIATIVES

The County completed a number of major construction and renovation projects in 2002 to expand and better serve the citizens of Lorain County. The need to invest in its infrastructure is imperative in order to keep up with the population growth in Lorain County.

The County completed a renovation and expansion project for its 911 and Emergency Management facility. The County expended approximately \$1.1 million in 2002 to finish the project bringing the total cost to \$1.6 million. The project included the addition of 11,724 square feet to the existing structure along with the repaving of the entire 50,000 square foot parking area. Another renovation project started in late 2000 was for the expansion and remodeling of the County Engineers offices and was completed in January 2002. The total cost of this project was approximately \$431,000 and has provided much needed office space along with areas for the road equipment and trucks used in maintaining the County roads.

With much anticipation and fanfare, the County broke ground on May 3, 2002 for the long awaited and needed 228,000 square foot Justice Center. The total estimated costs of the project are \$46 million, which is being paid from cash reserves on hand and issuance of bonds. The County expended about \$8.2 million in 2002 bringing the project costs to \$12.1 million. In April 2002, the County issued General Obligation Justice Center Bonds in the amount of \$25 million to help finance the project. The seven-story structure is scheduled to be complete in the summer of 2004. The Justice Center is expected to house the offices of the five General Division judges, three Domestic judges, the Probate Court judge, the County Prosecutor and the County Clerk of Court and their respective staffs. These departments are currently located in various buildings in the County.

The County looks forward to a continuation in growth of its economy. During the current difficult economic period, which the State and surrounding counties are experiencing, Lorain County has shown moderate to heavy growth in a number of key economic areas such as retail sales and new construction. A project of great proportion is on the horizon that offers great promise and hope that Lorain County will continue this trend. A major construction project is slated to commence in early 2003 by the Ohio Turnpike Commission. This project has been in the planning for a number of years and the Ohio Turnpike Commission has now acquired a majority of the land and commenced eminent domain actions for the remaining parcels needed to construct a Turnpike Interchange Exit on State Route 58 in Lorain County. The increased flow of traffic and accessibility to this North-South corridor of Lorain County should greatly assist in the economic growth of the area.

Another economic tool the County installed in March 2001 was the establishment of the Lorain County Port Authority. This was a cooperative effort with the State of Ohio in which both entities are to provide funding with the County contributing \$1.5 million and the State contributing \$1 million. The mission of the Port Authority is to promote economic development by assisting private industry initiatives; by encouraging development and redevelopment; and by promoting investment in business, industrial and transportation projects. A five-member board has been created to oversee these functions. In 2002, the Authority issued its first series of Bonds on behalf of the Lorain County Visitors Bureau to purchase land and construct a visitor's bureau facility.

DEPARTMENT FOCUS

The featured department for this year's CAFR is a blend of the Lorain County Auditor's Real Estate Division and its partnership with the North Coast Building Industry Association (BIA).

The real estate department of the Auditor's office and the BIA have many overlapping areas of interest that have resounding effects on both entities. A working relationship of sharing information and data has been developed between the two groups that mutually aid each other in their respective duties in serving the public interests.

In 2002, the transfer department of the Auditor's office handled in excess of 7,500 transfers generating \$4.4 million in fees for the County General Fund. The Auditor's appraisal personnel, who service the more than 140,000 parcels situated in Lorain County, review and verify the information it has on file. A comprehensive sales review program has been instituted to check appraisal values of both new and existing home sales. Countless hours are spent gathering and reviewing information, which has become increasingly challenging as Lorain County has experienced an unprecedented building boom during the last several years. It is this work and shared information that has overlapping effects between the Auditor's office and the BIA.

According to Ron Schwachenwald of the BIA, as most of the economy is at idle, the housing industry continues to be the engine that is at full steam and running well. Our national and local housing industry continues to show an aggressive increase through the end of 2002. Further, he projects that 2003 will be the year for affordable housing, with the majority of starts in our area staying in the range of \$180,000 to \$350,000. Of interest is a National Association of HomeBuilders survey that indicates that the impact of the stock market decline has had a positive effect on sales of homes priced under \$200,000 during the past year.

Forecasters call for growth in the gross domestic product this year. Of the 55 institutions whose economic projections were used, all revised its growth forecast, with a gradual plus up in the economy, based on increased defense expenditures and business investment in 2003. If this is correct, 2003 will reflect 3.3% gross domestic

product growth in the housing production component of our economy or estimated 2400 housing starts for Lorain and neighboring Counties.

It is this shared information between the Auditor's Real Estate Division and the BIA on housing, building, sales statistics alike that assists each entity in making well-informed business decisions. Efficient and effective management is an example of how the public and private sectors can team up to better serve the public interests.

FINANCIAL INFORMATION

Basis of Accounting The County's accounting system is organized on a "fund" basis. Each fund or account group is a distinct self-balancing accounting entity. For financial reporting purposes, Government-wide financial statements are prepared using the accrual basis of accounting, Governmental funds use the modified accrual basis of accounting, Enterprise funds and fiduciary funds use the accrual basis of accounting, the accounting records for all governmental and fiduciary funds are converted to the modified accrual basis, whereby revenues are recognized when measurable and available within the business cycle (within sixty days after year end), and expenditures are recognized when the fund liability is incurred.

Accounting records for the proprietary funds are converted to the accrual basis, whereby revenues are recognized when goods or services are measurable and earned, and expenses are recognized in the period in which they are incurred.

Internal Accounting Control In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The County utilizes a fully automated accounting system as well as automated systems of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment by the accounting department of the Auditor's Office, ensure that the financial information generated is both accurate and reliable.

Budgetary Control The Board of County Commissioners adopts a permanent appropriation measure in December of the previous year. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the department level within the general fund and at the fund level for all other funds. Purchase orders are approved by the department heads and are encumbered prior to their release to vendors. Those purchase orders which exceed the available appropriation are rejected until additional resources are secured. A computerized certification system allows the Auditor's office to ascertain the status of a department's appropriation prior to authorizing additional purchases from a certain account.

Debt Limitation - At December 31, 2002, general obligation bonds outstanding totaled \$27,235,000. During 2002, \$4,305,000 of general obligation bonds were retired and \$25 million Justice Center Bonds were issued. The County's total legal debt margin at December 31, 2002 was \$109,506,019.

The outstanding general obligation debt is primarily related to proceeds of bonds used either to construct or renovate buildings the County uses for its operations.

The County has a liability for loans from the Ohio Water Development Authority. Loan proceeds were used for ongoing sewer system improvements and are being repaid from special assessments charged to benefited property owners. At December 31, 2002, the special assessment liability for the loans was \$1,547,015.

Special Assessment Bonds outstanding at December 31, 2002, were \$5,458,808. Special Assessment Bonds are backed by the full faith and credit of the County. In the event of default by the property owners charged with the assessment, the County would be responsible for the debt service payments.

The County maintains an "A-1" credit rating on its long-term bonds from Moody's Investors Service, Inc. All bonds of the County are general obligation debt and are backed by its full faith and credit.

Cash Management - The County pools its cash to simplify cash management. All idle moneys are invested, with the earnings paid into the general fund and other qualifying funds as prescribed by Ohio law. The County invests in certificates of deposit, STAR Ohio, the State Treasurer's Investment Pool, U.S. Treasury Bills, U.S. Treasury notes, Federal Farm Credit Bank (FFCB) notes, Federal National Mortgage Association (FNMA) notes, Federal Home Loan Bank (FHLB) notes, Student Loan Market Association (SLMA) notes, National City Money Market Fund, commercial paper, bankers acceptances and overnight repurchase agreements. Interest earned on investments is credited to the general fund, except as stipulated by State Statute or County resolution. Interest earnings for the primary government totaled \$4,237,027 during 2002.

A majority of the County's deposits are collateralized with securities held by the pledging financial institutions' trust department or agent in collateral pools that name the County as a participant. The face value of the pooled collateral must equal at least 110 percent of the public funds on deposit. The collateral is held by trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management - The County maintains self-funded programs for health care benefits for County employees and their dependents. A risk manager monitors and processes all claims. The County carries stop loss insurance coverage for the health care program in the amounts of \$250,000 per occurrence. Vehicles and property are covered through the County Risk Sharing Authority (CORSA), and professional liability claims are covered through a contract with an external insurance company, the cost of which is allocated among both governmental and enterprise funds. Workers' compensation coverage is provided through participation in the State of Ohio Workers' Compensation program.

INDEPENDENT AUDIT

Gary B. Fink & Associates, Inc., conducted an independent audit with respect to the basic financial statements for the year ended December 31, 2002. The unqualified opinion appears in the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act Amendments of 1996. Information related to this audit, including the schedule of federal financial assistance, findings and recommendations, and the report on internal control and compliance are published in a separate report.

AWARDS

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 Lorain County for its Comprehensive Annual Financial Report for the year ended December 31, 2001. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

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

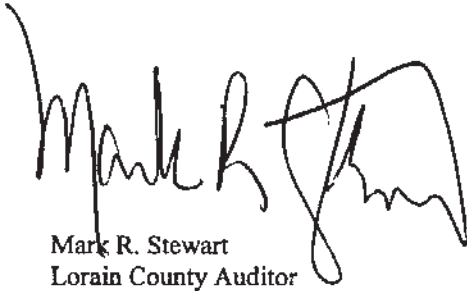
Acknowledgments

The preparation of a financial document of this magnitude is the result of a combined effort of a number of dedicated individuals who deserve recognition for their efforts. I wish to extend my appreciation to the entire staff of the

Auditor's office. Special thanks are extended to J. Craig Snodgrass, CPA, CGFM, Lillian Brand, Cheryl Litz, Carmella Phillips, Lisa Hobart, Diane Schuster, Maggie Barta, Jessica Yarish, John Rokasy and the Budget Department.

In addition, I would like to express my appreciation to Steven G. Luca, CPA and James J. Czarney CPA of Frank, Seringer & Chaney, Inc. for their consultation and assistance in this project. Also, I wish to express my appreciation to the staff of the various County departments whose time and dedicated efforts made this report possible.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Mark R. Stewart". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Mark R. Stewart
Lorain County Auditor

Lorain County, Ohio
Elected Officials
As of December 31, 2002

Board of Commissioners

Elizabeth C. Blair

Mary Jo Vasi

David J. Moore

County Auditor

Mark R. Stewart

County Treasurer

Daniel J. Talarek

Prosecuting Attorney

Gregory A. White

Clerk of Courts

Ron Nabakowski

Coroner

Paul M. Matus

Common Pleas Court Judges

Kosma Glavas

Edward M. Zaleski

Lynett M. McGough

Thomas W. Janas

Mark Betleski

Probate Court Judge

Frank J. Horvath

Domestic Relations Judges

David A. Basinski

Paulette Lilly

Debra Boros

Engineer

Kenneth P. Carney

Recorder

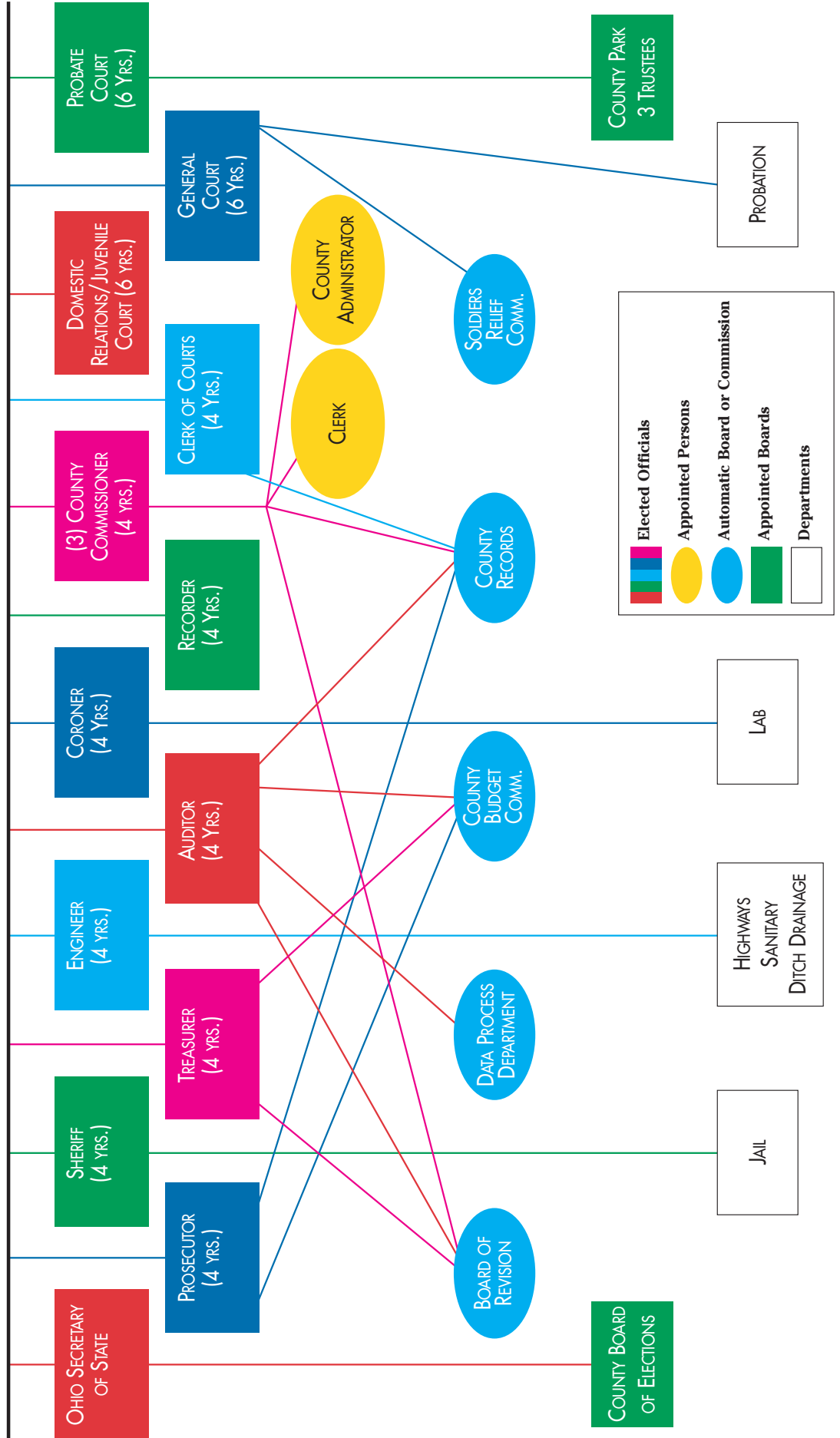
Mary Ann Jamison

Sheriff

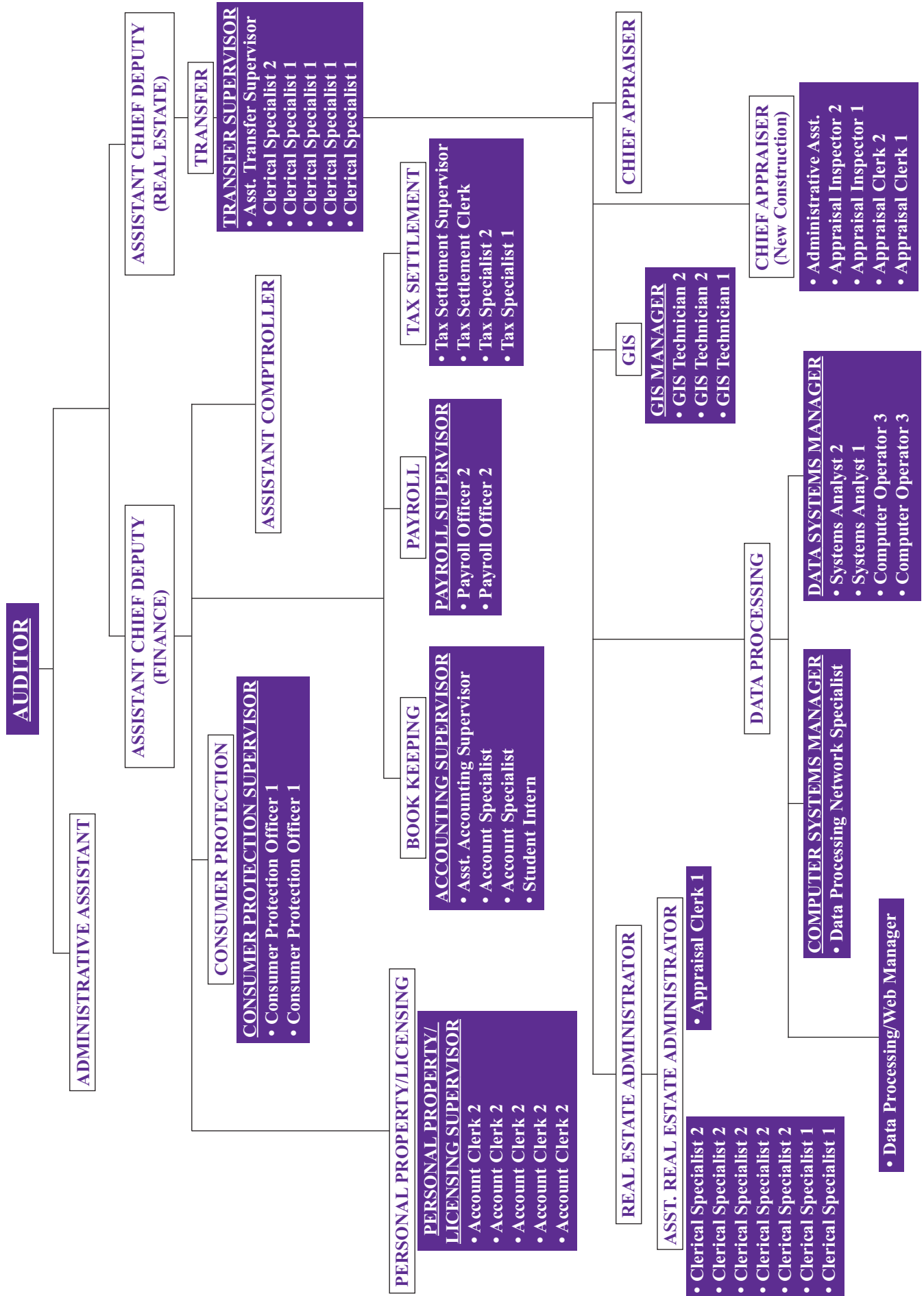
Phil R. Stammitti

Lorain County Government

REGISTERED VOTERS

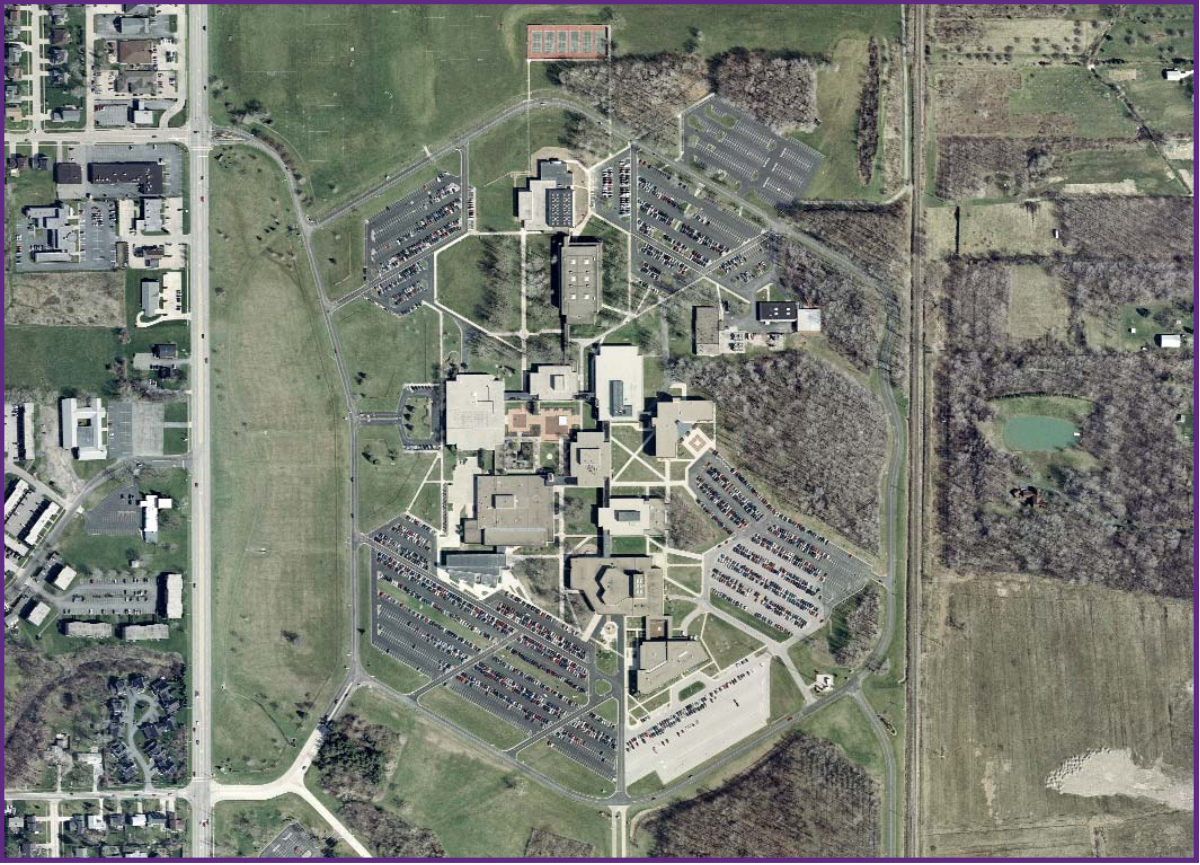


Lorain County Auditor's Organizational Chart





AVON COMMONS



LORAIN COMMUNITY COLLEGE



FINDLAY STATE PARK

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lorain County,
Ohio

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

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



President

Executive Director

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FINANCIAL SECTION



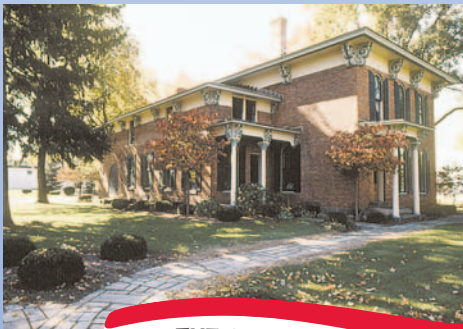
AVON COMMONS
Avon



HISTORIC RAILROAD
Grafton



PORTERHOUSE
Lorain



THE CAHOON HOUSE
North Ridgeville



WICKENS, HERZER, PANZA, COOK & BATISTA
Avon

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Board of County Commissioners,
County Auditor and County Treasurer
Lorain County
226 Middle Avenue
Elyria, OH 44035

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Lorain County, Ohio, (the County) as of and for the year ended December 31, 2002 which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Murray Ridge Production Center, Inc., a discretely presented component unit, which statements reflect total assets of \$1,379,398 as of June 30, 2002, and total revenues of \$1,223,832 for the year then ended. We did not audit the financial statements of the Lorain County Transit, a discretely presented component unit, which statements which reflect total assets of \$5,089,631 as of December 31, 2002, and total revenues of \$4,153,691 for the year then ended. We did not audit the financial statements of the Lorain County Regional Airport Authority, a discretely presented component unit, which statements which reflect total assets of \$6,210,180 as of December 31, 2002, and total revenues of \$1,318,593 for the year then ended. We did not audit the financial statements of the Lorain County Port Authority, a discretely presented component unit, which statements which reflect total assets of \$2,522,683 as of December 31, 2002, and total revenues of \$1,029,419. Those financial statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for the Murray Ridge Production Center, Inc., the Lorain County Transit, the Lorain County Regional Airport Authority and the Lorain County Port Authority, discretely presented component units, is based on the reports of the other auditors.

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

INDEPENDENT AUDITOR'S REPORT (continued)

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of December 31, 2002, and the respective changes in financial position and cash flows where applicable, thereof and the respective budgetary comparison for the General Fund, Job and Family Services, Children Services, MRDD and Community Mental Health for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2Q, during the year ended December 31, 2002, the County adopted Governmental Accounting Standards Board Statements No. 34, No. 37, No. 38 and Interpretation No. 6.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2003 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion thereon.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements 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.



GARY B. FINK & ASSOCIATES, INC.
Certified Public Accountants

July 18, 2003

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2002

The discussion and analysis of Lorain County's financial performance provides an overall review of the County's financial activities for the year ended December 31, 2002. It is the intent of this discussion and analysis to look at the County's performance as a whole. Note that readers should also review the transmittal letter and the financial statements to further understand the County's financial performance.

Financial Highlights

Key financial highlights for 2002 are:

- The General fund balance increased \$1,086,180 or 2.8%. This increase is supported, in terms of revenue, by a larger than expected gain in the County's 0.5% Retail Sales Tax collections, and increased strength in revenues garnered from services to the public in the form of charges for services
- Moody's Investors Services assigned an "A-1" rating to the County's general obligation bonded \$25,000,000 Justice Center debt and general obligation outstanding debt of the County as well. Fitch's assigned an "AA" rating to the \$25,000,000 Justice Center debt issue.
- Lorain County's debt increased in 2002 by \$25,000,000 resulting from the 20-year bonded debt portion for a new \$46,000,000 Justice Center. Of the remaining \$8,235,000 total General Obligation Debt (bonds and a note) at year-end, \$3,770,000 is attributed to the County's Human Service Building, and is fully reimbursable to the County by State monies; \$2,000,000 is attributed to capital funding needs of the County's Engineer's office and is secured by Motor Vehicle Gas Tax Revenues of that office.

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Lorain County as an entire operating entity. The basic financial statements are comprised of three components: The Financial Statements, Fund Financial Statements and Notes to the Financial Statements. The statements also provide additional information of specific financial conditions.

County-wide Financial Statements

The County-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Statement of Net Assets and Statements of Activities - The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The Statement of Activities presents information indicating the County's net assets change during the current year. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used in a private-sector business. This basis of accounting takes into consideration all of the current year's revenues and expenditures, regardless of when the cash is received or paid.

These two statements report the County's net assets and the change in those assets. The change in net assets informs the reader as to whether, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of the County's capital assets should also be evaluated.

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

Government Activities – The reporting of services including public safety, social services programs, administration, and all departments, with the exception of our Sewer Fund, are reported as Government Activities.

Lorain County, Ohio
Management's Discussion and Analysis
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Business-Type Activity – The County charges user fees to recoup the cost of the operation of the Sewer System as well as all capital expenses associated with the facilities.

Component Units – The County includes financial data of the Lorain County Regional Airport Authority, the Lorain County Transit, the Murray Ridge Production Center, Inc. and the Lorain County Port Authority. These component units are described in Note 1 of the Notes to the Financial Statements. The component units are separate entities and may buy, sell, lease and mortgage property in their own name and can sue or be sued in their own name.

The Countywide Financial Statements can be found on pages 11-13 of this report.

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 the following three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds. Fund financial reports provide detailed information about those funds. Based on restriction on use of dollars in those funds, 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 significant funds. Lorain County's major funds are: General Fund, Board of Mental Retardation and Developmental Disabilities, Children Services, Community Mental Health, Jobs and Family Services and Q-Construction.

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, government 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 helpful in evaluating government's near-term financing requirements.

Because the focus of governmental funds is narrower than 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, the reader may better understand the long-term impact of the County's near-term financial 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 several 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. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The governmental fund financial statements can be found on pages 14-19 of this report.

The County adopts an annual appropriated budget for all county funds under its jurisdiction. A Budgetary Comparison Statement has been provided for the general fund to demonstrate compliance with this budget.

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 an enterprise fund to account for its Sanitary Engineer operations. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County used Internal Service Funds to account for the medical self-insurance. The proprietary fund financial statements can be found on pages 27-30 of this statement.

Lorain County, Ohio
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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 is not available to support the County's own programs. The fiduciary fund financial statements can be found on page 31 of this statement.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the County-wide and fund financial statements. The notes to the financial statements can be found on pages 35-78 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules that can be found on pages 81-178 of this report.

County-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a County's financial position. In the case of Lorain County, assets exceeded liabilities by \$285,968,404 (\$276,678,927 in governmental and \$9,289,477 in business-type activities) as of December 31, 2002. The largest portion of the County's net assets (29%) reflects its investment in capital assets (i.e.; buildings, land, equipment and machinery, infrastructure), less any related debt used to acquire those assets that is still outstanding. Lorain 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 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. Net assets are included in the following Table 1.

TABLE 1
NET ASSETS

	Governmental Activities 2002	Business Type Activities 2002	Total 2002
Assets			
Current and Other Assets	\$219,270,802	\$ 268,305	\$219,539,107
Capital Assets, net	114,148,260	10,677,821	124,826,081
Total Assets	\$333,419,062	\$10,946,126	\$344,365,188
Liabilities			
Current and Other Liabilities	\$15,650,500	\$ 55,569	\$15,706,069
Long-Term Liabilities due within one year	6,111,807	129,215	6,241,022
Long-Term Liabilities due in more than one year	34,977,828	1,471,865	36,449,693
Total Liabilities	\$56,740,135	\$1,656,649	\$58,396,784
Net Assets			
Invested in Capital Assets Net of Debt	\$ 79,454,452	\$9,130,806	\$ 88,585,258
Restricted:			
Highways and Streets	292,520	-	292,520
Justice Center	36,418,566	-	36,418,566
Unrestricted	160,513,389	158,671	160,672,060
Total Net Assets	\$276,678,927	\$9,289,477	\$285,968,404

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2002

An additional portion of the County's net assets (13%) represents resources that are subject to restriction on how they can be used. The remaining balance of unrestricted assets (\$160,672,060) may be used to meet the County's ongoing obligations to citizens and creditors.

Table 2 below, indicates the changes in net assets for the year ended December 31, 2002. Since these are the first financial statements following the County's implementation of GASB Statement No. 34, comparative data is not available for expense and revenue for 2001 vs. 2002. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

TABLE 2
CHANGES IN NET ASSETS

	Governmental Activities 2002	Business Type Activities 2002	Total 2002
Revenues			
Program Revenues:			
Charge for Services	\$30,322,450	\$1,065,375	\$31,387,825
Operating Grants and Contributions	85,474,699	-	85,474,699
Capital Grants and Contributions	1,896,089	-	1,896,089
General Revenues:			
Taxes	64,168,784	-	64,168,784
Investment Income	4,237,027	-	4,237,027
Intergovernmental Revenue not Restricted to Specific Programs	11,761,947	-	11,761,947
Premium on Bonds, Including Interest	597,404	-	597,404
Other	516,920	-	516,920
Total Revenues	198,975,320	1,065,375	200,040,695
Program Expenses			
General Government:			
Legislative and Executive	34,201,123	-	34,201,123
Judicial System	15,403,674	-	15,403,674
Public Safety	19,034,878	-	19,034,878
Public Works	11,799,212	-	11,799,212
Health	42,595,535	-	42,595,535
Human Services	72,025,168	-	72,025,168
Economic Development and Assistance	820,124	-	820,124
Intergovernmental	588,218	-	588,218
Interest and Fiscal Charges	1,681,098	-	1,681,098
Sewer System	-	1,208,169	1,208,169
Total Expenses	198,149,030	1,208,169	199,357,199
Increase(Decrease) in Net Assets	826,290	(142,794)	683,496
Net Assets – Beginning	275,852,637	9,432,271	285,284,908
Net Assets – Ending	\$276,678,927	\$9,289,477	\$285,968,404

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2002

Governmental Activities

Tax revenue accounts for \$64,168,784 of the \$198,975,320 total revenue for governmental activity, or 32% of total revenue. The major recipients of intergovernmental revenue were Job and Family Services, receiving \$24,213,099 and Children Services, receiving \$9,864,825.

The County's direct charges to users of governmental services made up \$30,322,450 or 15% of total governmental revenue. These charges are for fees for real estate transfers, collection of taxes, fines and forfeitures related to judicial activity, and licenses and permits.

Human Services accounts for \$72,025,168 of the \$198,149,030 total expenses for governmental activities, or 36% of total expenditures. The next largest program is Health, which equals \$42,595,535 or 21% of total governmental expenses.

Business-Type Activities

The net assets for the business-type activities for the County decreased by \$142,794 during the year 2002. Major revenue sources were Charge for Services of \$1,065,375.

Financial Analysis of the County's Funds

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

Governmental Funds – The focus of the County's governmental funds is to provide information on near term outflows, inflows 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 \$135,008,659, an increase of \$27,218,230 in comparison with the prior year. Approximately 66% of this total amount of \$87,905,781 is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not readily available for new spending since it has already been committed to (1) liquidate contracts and purchase orders from the prior period of \$30,230,271, (2) to pay debt service of \$3,820,357, or (3) for a variety of other restricted purposes of \$13,052,250.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the general funds unreserved balance was \$27,435,281, while the total fund balance reached \$39,933,778. As a measure of the general funds liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 58% of total general fund expenditures, while total fund balance represents 84% of that same amount.

The fund balance of the County's general fund increased by approximately \$1,086,180 or 2.8%. This increase is supported, in terms of revenue, by a larger than expected gain in the County's 0.5% retail sales tax collections, and increased strength in revenues from services to the public in the form of charges for services. The Fund Balance increase was also supported with a sharp decline in other financing uses; and particularly, with a general fund decrease in major internal financing toward the construction of a \$46,000,000 County Justice Center, which is scheduled to be completed in 2004. The general fund infusion into this project totaled \$13,600,000 for 2001 as compared to \$1,565,000 in 2002.

The Debt Service Fund has a total fund balance of \$5.3 million. The net decrease in the debt funds balance during the current year was \$5.2 million resulting from a balloon payment for debt service on the County's Justice Center bond issuance.

Lorain County, Ohio
Management's Discussion and Analysis
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The other major governmental funds of the County are Job and Family Services, Children Services, Community Mental Health, Board of Mental Retardation and Development Disabilities, and Q-Construction.

The fund balance of the Job and Family Services decreased by approximately \$4.1 million. The decrease is due to a reduction in state revenue due to the timing of the grantor agency whose fiscal year does not coincide with the County's calendar year.

The fund balance for Children Services Board increased by \$1.1 million. The increase is due to increased funding amounts in state grants and timing issues on when monies are received.

The fund balance for the Community Mental Health Board decreased by \$585,000 due to change in reimbursement procedures to health care providers for services rendered.

The fund balance for the Board of Mental Retardation and Developmental Disabilities experienced a net increase by \$3.2 million due to the collection of new levy proceeds and costs associated with the expansion of services.

The Q-Construction fund balance increased by \$15.7 million due to the \$25 million in Justice Center Bond proceeds received net of increased construction costs of the project.

Enterprise funds - The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the Sewer fund totaled \$158,671. The decrease in net assets for this fund was \$142,794 for the year. Other factors concerning the finances of this fund have been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

As required by State Statute, the Board of County Commissioners adopts an annual appropriation (budget) resolution, effective the first day of January, for all County funds under its jurisdiction. In addition to the County General Fund, ninety-two (92) funds representing various governmental, proprietary and fiduciary activities are included in the annual appropriation process.

The County General Fund is organized and structured upon the basis of thirty-five (35) Departments and Cost Centers – each with its own set of line-item budgeted accounts. With a strong initiative toward County-wide economic development, three of these departments reflect funding by the Board of Commissioners: Community Development Department (with community planning and economic development components) – budgeted at \$1,592,408; Lorain County Port Authority (newly added in 2002) at an initial level 2002 budget of \$70,000; and, Workforce Development Agency (department) funded at \$155,501.

In terms of the total General Fund and diversity of services offered to the public, the following major components are as follows:

Service Components	2002 Annual Expended	% Expended
Legislative and Executive	\$22,653,846	48.2
Judicial	12,807,553	27.3
Public Safety	6,327,504	13.5
Capital Outlays	2,477,101	5.3
Human Services	2,017,613	4.3
Inter-Governmental	429,423	0.9
Public Works	253,158	0.5
Health	3,781	0.0
Total Expenditures	\$46,969,979	100.0

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2002

Judicial expenditures represented 27.3% of General Fund Expenditures in 2002. Initiatives have been discussed to combine the current Domestic Courts with the Probate Court to form a new "Family Court" organization. With an increasing caseload in the Common Pleas Court-General Division, there is currently underway, an effort by the judges in that division to secure the addition of a future sixth judge and staff.

The recording of general fund revenues and expenditures transactions, along with original budget amounts, necessitates updates toward a final annual budget. In terms of revenues, daily reviews of line-item revenue accounts are closely examined by both the County Auditor's office and the Commissioner's Budget Department. Additionally, extensive quarterly reviews are undertaken on a coordinated and joint effort basis by these departments.

The increase in revenue of \$5,149,366 between the original budget and the final amended budget includes the following:

- \$1,470,917 increase in sales tax revenue was due to increase in sales tax collections and changes made in the collection of sales taxes on leases
- \$2,457,093 increase in licenses, permits and fees was due to recorder fees on housing sales and refinancing due to lower interest rates
- \$912,858 increase in charges for services was due to the one time indirect cost recoupment for various services provided to the County Home

The decrease in expenditures of \$5,266,131 between the final amended budget and actual includes the following:

- \$555,872 decrease in Community Maintenance was due to better than anticipated contractual costs
- \$601,276 decrease in insurance/pensions/taxes was due to lower claims and administrative costs
- \$1,421,193 decrease in capital outlay was due to a lower cost of land acquisition than initially projected

Capital Assets and Debt Administration

Capital Assets – The County's investment in capital assets for its governmental and business-type activities as of December 31, 2002, amounts to \$124,826,081 (net of accumulated depreciation). This investment in capital assets includes land, building structures and improvements, furniture, fixtures and equipment and infrastructure. The total increase in the County's investment in capital assets for the current fiscal year was 8.0% (a 9.1% increase for governmental activities and a 1.1% decrease for business-type activities).

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

- Addition/renovation to the County's Emergency Management/911 Facility totaling \$1.6 million
- An addition to the County Engineer facility in the amount of \$431,000.
- Started construction of the \$46 million Justice Center

Additional information of the County's capital assets can be found in Note 8.

Debt Administration

The philosophy and implemented strategy of the County has been to maintain a modest general obligation bonded debt level. This has been achieved by means of a pay-as-you-go basis for relatively small capital projects, by encouraging competition among bond underwriters to fulfill the County's financing needs, maximizing flexibility and cost of interest effectiveness of one-year notes when feasible, and keeping debt service periods to a minimum.

Absent the County's May 2002, \$25,000,000 20-year bonded debt portion for a new \$46,000,000 Justice Center, total General Obligation Debt (bonds and a note) was \$8,235,000 at year-end. Of this \$8,235,000 figure, \$3,770,000 is

Lorain County, Ohio
Management's Discussion and Analysis
December 31, 2002

attributed to the County's Human Service Building, and is fully reimbursable to the County by State monies; and, \$2,000,000 of principal included in the \$8,235,000 in the debt service figure, is attributed to capital funding needs of the County Engineer's office, with the yearly debt service amounts also fully reimbursed to the County secured by Motor Vehicle Gas Tax Revenues of that office.

Moody's Investors Services had assigned an "A-1" rating to the County's general obligation bonded \$25,000,000 Justice Center debt and general obligation outstanding debt of the County as well. Fitch's has assigned an "AA" rating to the \$25,000,000 Justice Center debt issue. In addition to general obligation bonds and notes, the County utilizes OWDA loans and Special Assessment bonds and notes to finance Sanitary Sewer and Waterline projects. Current debt levels are modest and are reimbursable by way of sewer assessments and tap-in fees. Future activity to construct sewer and water lines is expected to increase as the result of new home development and light commercial/retail expansion in the County.

State Statutes limit the amount of unvoted general obligation debt the County may issue to one percent of its total assessed valuation. The current debt limitation for Lorain County is \$53,107,092, which is significantly in excess of the County's outstanding unvoted general obligation debt of \$27,235,000.

Additional information on the County's long-term debt can be found in Note 16.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County is currently 6.8%, which is an increase from the rate of 5.4% a year ago. The state average unemployment rate was 5.7% and the national average was 5.8%.
- Inflationary trends in the region compare favorably, unfavorably to national indices.

During the current fiscal year, unreserved fund balances in the general fund decreased to \$27,435,281. The County has prepared a budget for 2003 without appropriating any of the unreserved balance. The County prepared a revenue-balanced budget for the General Fund without an increase in taxes or increase in fees or charges for services.

Request for Information

This financial report is designed to provide a general overview of Lorain County's finances for all those with an interest in the governments' finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

J. Craig Snodgrass, CPA CGFM
Assistant Chief Deputy Auditor
Lorain County Administration Building
Elyria, Ohio 44035

Lorain County, Ohio
Statement of Net Assets
December 31, 2002

	Primary Government		Total	Component Units
	Governmental Activities	Business-type Activities		
Assets:				
Cash and Cash Equivalents	\$ 135,651,655	\$ 224,182	\$ 135,875,837	\$ 1,759,306
Investments	-	-	-	681,001
Receivables, Net of Allowances	82,440,763	114,118	82,554,881	2,552,944
Internal Balances	70,657	(70,657)	-	-
Inventory	1,094,545	662	1,095,207	18,394
Prepaid Expenses	-	-	-	23,491
Restricted Assets				
Temporarily Restricted:				
Intergovernmental Receivable	13,182	-	13,182	-
Permanently Restricted:				
Bond Fund Program Reserves	-	-	-	2,511,548
Capital Assets not being Depreciated	18,812,193	51,684	18,863,877	2,153,589
Capital Assets, net of Depreciation	95,336,067	10,626,137	105,962,204	5,501,619
Total Assets	\$ 333,419,062	\$ 10,946,126	\$ 344,365,188	\$ 15,201,892
Liabilities:				
Accounts Payable	\$ 10,677,670	\$ 50,776	\$ 10,728,446	\$ 955,584
Claims Payable	2,039,319	-	2,039,319	-
Intergovernmental Payable	933,511	4,793	938,304	63,247
Deferred Revenue	-	-	-	1,673,412
Note Payable	2,000,000	-	2,000,000	-
Noncurrent Liabilities:				
Due within One Year	6,111,807	129,215	6,241,022	19,852
Due in more than One Year	34,977,828	1,471,865	36,449,693	-
Total Liabilities	\$ 36,740,135	\$ 1,656,649	\$ 58,396,784	\$ 2,712,095
Net Assets:				
Invested in Capital Assets, Net of Related Debt	79,454,452	9,130,806	88,585,258	7,601,881
Restricted:				
Highways & Streets	292,520	-	292,520	-
Justice Center	36,418,566	-	36,418,566	-
Bond Fund Program Reserves	-	-	-	2,511,548
Other Purposes	-	-	-	187,701
Unrestricted	160,513,389	158,671	160,672,060	2,188,667
Total Net Assets	\$ 276,678,927	\$ 9,289,477	\$ 285,968,404	\$ 12,489,797

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Activities
For the Year Ended December 31, 2002

Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities				
General Government -				
Legislative and Executive	\$ 34,201,123	\$ 19,657,423	\$ 348,112	\$ 428,893
Judicial	15,403,674	2,286,319	719,652	-
Public Safety	19,034,878	1,441,664	1,704,914	20,679
Public Works	11,799,212	1,075,397	6,858,591	1,446,517
Health	42,595,535	4,417,046	28,730,672	-
Human Services	72,025,168	1,428,605	44,273,787	-
Economic Development and Assistance	820,124	15,996	897,224	-
Intergovernmental	588,218	-	1,941,747	-
Interest on Long-Term Debt	1,681,098	-	-	-
Total Government Activities	<u>198,149,030</u>	<u>30,322,450</u>	<u>85,474,699</u>	<u>1,896,089</u>
Business-Type Activities:				
Sewer	1,208,169	1,065,375	-	-
Total Business-Type Activities	<u>1,208,169</u>	<u>1,065,375</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>199,357,199</u>	<u>31,387,825</u>	<u>85,474,699</u>	<u>1,896,089</u>
Component Units:				
Lorain County Regional Airport Authority	\$ 1,473,099	\$ 739,229	\$ 905,924	\$ -
Lorain County Transit	5,013,815	410,722	3,684,885	-
Lorain County Port Authority	83,848	1,500	1,000,000	-
Murray Ridge Production Center, Inc.	1,169,158	1,183,263	35,349	-
Total Component Units	<u>\$ 7,739,920</u>	<u>\$ 2,334,714</u>	<u>\$ 5,626,158</u>	<u>\$ -</u>

General Revenues:
Taxes
 Property and Other Taxes
 Sales
Intergovernmental Revenue
not Restricted to Specific Programs
Investment Income
Other Income
Premium on Bonds, Including Interest
Total General Revenues
Changes in Net Assets
Net Assets - Beginning
Net Assets - Ending

The Notes to the Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes in Net Assets**

Governmental Activities	Primary Government Business-type Activities	Total	Component Units
\$ (13,766,695)	\$ -	\$ (13,766,695)	\$ -
(12,397,703)	-	(12,397,703)	-
(15,867,621)	-	(15,867,621)	-
(2,418,707)	-	(2,418,707)	-
(9,447,817)	-	(9,447,817)	-
(26,322,776)	-	(26,322,776)	-
93,096	-	93,096	-
1,353,529	-	1,353,529	-
(1,681,098)	-	(1,681,098)	-
<u>(80,455,792)</u>	<u>-</u>	<u>(80,455,792)</u>	<u>-</u>
-	(142,794)	(142,794)	-
-	(142,794)	(142,794)	-
<u>(80,455,792)</u>	<u>(142,794)</u>	<u>(80,598,586)</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ 172,054
-	-	-	(918,208)
-	-	-	917,652
-	-	-	49,454
<u>-</u>	<u>-</u>	<u>-</u>	<u>220,952</u>
43,662,409	-	43,662,409	-
20,506,375	-	20,506,375	-
11,761,947	-	11,761,947	-
4,237,027	-	4,237,027	101,506
516,920	-	516,920	80,165
597,404	-	597,404	-
<u>81,282,082</u>	<u>-</u>	<u>81,282,082</u>	<u>181,671</u>
826,290	(142,794)	683,496	402,623
275,852,637	9,432,271	285,284,908	12,087,174
<u>\$ 276,678,927</u>	<u>\$ 9,289,477</u>	<u>\$ 285,968,404</u>	<u>\$ 12,489,797</u>

Lorain County, Ohio
Balance Sheet
Governmental Funds
December 31, 2002

	<u>General</u>	<u>Job & Family Services</u>	<u>Children Services</u>	<u>Community Mental Health</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 23,778,004	\$ 2,807,643	\$ 4,758,847	\$ 7,665,094
Cash with Fiscal Agent	-	-	-	-
Receivables, Net of Allowances	17,091,880	8,210,615	12,359,841	7,965,091
Notes Receivable	-	-	-	-
Due from Other Funds	2,398,388	-	-	-
Advances to Other Funds	10,940,530	-	-	200,000
Materials and Supplies Inventory	285,092	8,426	1,790	4,651
Total Assets	\$ 54,493,894	\$ 11,026,684	\$ 17,120,478	\$ 15,834,836
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 2,428,312	\$ 1,076,897	\$ 586,178	\$ 282,221
Contracts Payable	112,606	778,470	1,936	-
Retainage Payable	-	-	-	-
Intergovernmental Payable	367,974	180,777	47,693	9,370
Deferred Revenue	11,626,994	5,642,373	10,087,259	7,655,980
Due to Other Funds	24,230	104,476	14,735	-
Advance from Other Funds	-	-	-	-
Note Payable	-	-	-	-
Total Liabilities	14,560,116	7,782,993	10,737,801	7,947,571
Fund Balances:				
Reserved for:				
Encumbrances	1,272,875	793,685	1,018	49,236
Inventory	285,092	8,426	1,790	4,651
Advances	10,940,530	-	-	200,000
Loans	-	-	-	220,220
Notes Receivable	-	-	-	-
Debt Service	-	-	-	-
Unreserved (Deficit), reported in:				
General Fund	27,435,281	-	-	-
Special Revenue Funds	-	2,441,580	6,379,869	7,413,158
Debt Service	-	-	-	-
Capital Projects Funds	-	-	-	-
Total Fund Balances	39,933,778	3,243,691	6,382,677	7,887,265
Total Liabilities and Fund Balances	\$ 54,493,894	\$ 11,026,684	\$ 17,120,478	\$ 15,834,836

The Notes to the Financial Statements are an integral part of this statement

<u>MRDD</u>	<u>Q Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 10,440,706	\$ 37,431,122	\$ 42,197,751	\$ 129,079,167
-	-	580,010	580,010
18,619,294	-	17,506,810	81,753,531
-	-	596,955	596,955
-	-	95,208	2,493,596
-	-	-	11,140,530
65,111	-	729,475	1,094,545
<u>\$ 29,125,111</u>	<u>\$ 37,431,122</u>	<u>\$ 61,706,209</u>	<u>\$ 226,738,334</u>
\$ 1,012,329	\$ 6,154	\$ 2,769,486	\$ 8,161,577
19,680	336,280	584,051	1,833,023
-	-	912	912
101,353	-	226,344	933,511
17,207,233	-	13,065,665	65,285,504
1,946	1,500,000	845,991	2,491,378
-	9,961,786	1,061,984	11,023,770
-	-	2,000,000	2,000,000
<u>18,342,541</u>	<u>11,804,220</u>	<u>20,554,433</u>	<u>91,729,675</u>
201,818	26,691,761	1,219,878	30,230,271
65,111	-	729,475	1,094,545
-	-	-	11,140,530
-	-	-	220,220
-	-	596,955	596,955
-	-	3,820,357	3,820,357
-	-	-	27,435,281
10,515,641	-	31,239,579	57,989,827
-	-	1,462,782	1,462,782
-	(1,064,859)	2,082,750	1,017,891
<u>10,782,570</u>	<u>25,626,902</u>	<u>41,151,776</u>	<u>135,008,659</u>
<u>\$ 29,125,111</u>	<u>\$ 37,431,122</u>	<u>\$ 61,706,209</u>	<u>\$ 226,738,334</u>

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Lorain County, Ohio
Reconciliation of Total Governmental Fund Balances
to Net Assets of Governmental Activities
December 31, 2002

Total governmental fund balances	\$	135,008,659
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources are therefore not reported in the funds.		114,148,260
Long term liabilities, including sick leave, vacation, personal time, and compensated absences are not due in the current period and therefore are not reported in the funds.		(8,394,957)
Deferrals from prior period already recorded in the net assets are now due and recorded in the fund balances		65,285,504
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		(32,693,808)
Internal service funds are used by management to charge the cost of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.		<u>3,325,269</u>
Net assets of governmental activities	\$	<u>276,678,927</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2002

	<u>General</u>	<u>Job & Family Services</u>	<u>Children Services</u>	<u>Community Mental Health</u>
REVENUES				
Taxes:				
Property	\$ 6,307,738	\$ -	\$ 5,968,881	\$ 8,085,891
Sales	13,680,023	-	-	-
Charges for Services	2,000,702	-	-	-
Licenses and Permits	9,503,698	-	-	-
Fines and Forfeitures	1,488,301	-	-	-
Special Assessments	-	-	-	-
Intergovernmental Revenue	11,150,839	23,407,395	9,367,183	8,587,326
Interest Income	4,134,247	-	-	-
Miscellaneous Revenue	1,552,169	23,677	48,164	17,907
Total Revenues	<u>49,817,717</u>	<u>23,431,072</u>	<u>15,384,228</u>	<u>16,691,124</u>
EXPENDITURES				
Current:				
General Government				
Legislative and Executive	23,099,838	-	-	-
Judicial	12,986,021	-	-	-
Public Safety	6,451,057	-	-	-
Public Works	246,522	-	-	-
Health	934	-	-	17,276,905
Human Services	1,966,094	27,585,716	14,286,130	-
Economic Development and Assistance	2,709	-	-	-
Intergovernmental	560,915	-	-	-
Miscellaneous	189	-	-	-
Debt Service:				
Principal Paid	-	-	-	-
Interest Paid	-	-	-	-
Capital Outlay	2,368,460	-	-	-
Total Expenditures	<u>47,682,739</u>	<u>27,585,716</u>	<u>14,286,130</u>	<u>17,276,905</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,134,978</u>	<u>(4,154,644)</u>	<u>1,098,098</u>	<u>(585,781)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	219,955	-	-	-
Transfers Out	(1,268,753)	-	-	-
Premium on Bonds, Including Interest	-	-	-	-
Proceeds of Sale of Bonds	-	-	-	-
Total Other Financing Sources (Uses)	<u>(1,048,798)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>1,086,180</u>	<u>(4,154,644)</u>	<u>1,098,098</u>	<u>(585,781)</u>
Fund Balances at Beginning of Year (Restated - See Note 2)	<u>38,788,232</u>	<u>7,398,478</u>	<u>5,287,873</u>	<u>8,471,383</u>
Increase (Decrease) in Reserve for Inventory	<u>59,366</u>	<u>(143)</u>	<u>(3,294)</u>	<u>1,663</u>
Fund Balances at End of Year	<u>\$ 39,933,778</u>	<u>\$ 3,243,691</u>	<u>\$ 6,382,677</u>	<u>\$ 7,887,265</u>

The Notes to the Financial Statements are an integral part of this statement

<u>MRDD</u>	<u>Q Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 17,536,775	\$ -	\$ 5,119,202	\$ 43,018,487
-	-	6,826,352	20,506,375
88,593	-	7,091,962	9,181,257
-	-	3,525,873	13,029,571
-	-	671,868	2,160,169
-	-	357,734	357,734
6,214,204	385,425	39,165,414	98,277,786
22,401	28,468	102,780	4,237,027
<u>23,861,973</u>	<u>413,893</u>	<u>767,419</u>	<u>2,460,205</u>
-	-	63,628,604	193,228,611
-	-	3,843,670	26,943,508
-	-	1,980,149	14,966,170
-	-	13,841,464	20,292,521
-	-	8,010,126	8,256,648
478,454	-	24,440,013	42,196,306
20,137,523	-	7,673,266	71,648,729
-	-	817,415	820,124
-	-	-	560,915
-	-	-	189
-	-	6,811,410	6,811,410
-	-	2,368,251	2,368,251
-	9,650,331	1,509,687	13,528,478
<u>20,615,977</u>	<u>9,650,331</u>	<u>71,293,451</u>	<u>208,393,249</u>
3,245,996	(9,236,438)	(7,666,847)	(15,164,638)
-	65,000	1,153,880	1,438,835
-	(106,954)	(219,800)	(1,595,507)
-	-	597,404	597,404
-	25,000,000	-	25,000,000
<u>-</u>	<u>24,958,046</u>	<u>1,531,484</u>	<u>25,440,732</u>
3,245,996	15,721,608	(6,135,363)	10,276,094
7,509,794	9,905,294	47,227,308	124,588,362
26,780	-	59,831	144,203
<u>\$ 10,782,570</u>	<u>\$ 25,626,902</u>	<u>\$ 41,151,776</u>	<u>\$ 135,008,659</u>

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Lorain County, Ohio
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2002

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

Net change in fund balance - total government funds	\$ 10,276,094
Deferrals from prior period already recorded in the net assets are now due and recorded in revenue.	65,285,504
Deferrals recorded in the governmental funds for the year have previously been reported in net assets and must be removed.	(63,766,520)
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 exceeds depreciation in the current period.	5,307,927
Expenses for accrued items, including sick leave, vacation, personal time, and compensated absences are not due in the current period and therefore are not reported in the funds.	(8,394,957)
Expenses for prior period items, including sick leave, vacation, personal time, and compensated absences are now due in the current period and therefore are recorded in the fund balances and not in the Statement of Activities.	7,287,404
Expenses reported in governmental funds for current period capital assets.	4,793,775
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(18,188,590)
Interest expensed on the governmental statements has been reclassified as capitalized interest and is not a part of the change in net assets.	687,153
Net revenue of certain activities of internal service funds is reported with governmental activities	<u>(2,461,500)</u>
Change in net assets of governmental activities	<u>\$ 826,290</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 5,863,022	\$ 6,180,936	\$ 6,180,936	\$ -	\$ 6,180,936	\$ -
Sales Tax	12,300,000	13,770,917	13,770,917	-	13,770,917	-
Charges for Services	1,085,431	1,998,289	1,998,299	-	1,998,299	10
Licenses, Permits and Fees	7,013,779	9,470,872	9,470,872	-	9,470,872	-
Fines and Forfeitures	1,313,090	1,471,578	1,471,578	-	1,471,578	-
Intergovernmental	10,984,466	10,712,006	10,712,006	-	10,712,006	-
Interest	5,233,675	5,001,686	5,002,639	-	5,002,639	953
Other	1,203,189	1,539,734	1,539,753	-	1,539,753	19
Total Revenues	<u>44,996,652</u>	<u>50,146,018</u>	<u>50,147,000</u>	<u>-</u>	<u>50,147,000</u>	<u>982</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive	25,305,121	26,232,438	22,653,846	879,853	23,533,699	2,698,739
Judicial	13,336,116	13,589,837	12,807,553	124,165	12,931,718	658,119
Public Safety	6,476,769	6,616,570	6,327,504	86,110	6,413,614	202,956
Public Works	287,117	284,547	253,158	15,208	268,366	16,181
Health	4,971	4,971	3,781	-	3,781	1,190
Human Services	1,651,144	2,243,814	2,017,613	2,175	2,019,788	224,026
Capital Outlay	4,312,856	4,586,701	2,477,101	688,407	3,165,508	1,421,193
Intergovernmental	504,960	504,960	429,423	1,810	431,233	73,727
Total Expenditures	<u>51,879,054</u>	<u>54,063,838</u>	<u>46,969,979</u>	<u>1,797,728</u>	<u>48,767,707</u>	<u>5,296,131</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	(6,882,402)	(3,917,820)	3,177,021	(1,797,728)	1,379,293	5,297,113
Other Financing Sources (Uses)						
Advances - In	-	1,581,424	1,581,424	-	1,581,424	-
Advances - Out	-	(3,080,307)	(3,080,307)	-	(3,080,307)	-
Operating Transfers - In	-	219,955	219,955	-	219,955	-
Operating Transfers - Out	(9,580,093)	(8,988,145)	(1,268,753)	-	(1,268,753)	7,719,392
Total Other Financing Sources (Uses)	<u>(9,580,093)</u>	<u>(10,267,073)</u>	<u>(2,547,681)</u>	<u>-</u>	<u>(2,547,681)</u>	<u>7,719,392</u>
Excess(Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(16,462,495)	(14,184,893)	629,340	<u>\$ (1,797,728)</u>	<u>\$ (1,168,388)</u>	<u>\$ 13,016,505</u>
Fund Balances at Beginning of Year	<u>21,909,061</u>	<u>21,909,061</u>	<u>21,909,061</u>			
Fund Balances at End of Year	<u>\$ 5,446,566</u>	<u>\$ 7,724,168</u>	<u>\$ 22,538,401</u>			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Job and Family Services
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 26,379,222	\$ 23,880,279	\$ 23,330,279	\$ -	\$ 23,330,279	\$ (550,000)
Total Revenues	<u>26,379,222</u>	<u>23,880,279</u>	<u>23,330,279</u>	<u>-</u>	<u>23,330,279</u>	<u>(550,000)</u>
Expenditures						
Current:						
Human Services:						
Salaries and Wages	7,453,900	7,153,900	7,147,516	-	7,147,516	6,384
Fringe Benefits	2,338,229	2,289,968	2,264,997	-	2,264,997	24,971
Supplies and Materials	401,475	294,393	259,173	12,852	272,025	22,368
Equipment	246,153	472,539	422,854	20,022	442,876	29,663
Contractual Services	14,545,614	15,610,888	13,650,807	1,378,457	15,029,264	581,624
Fees	244,500	380,019	378,995	-	378,995	1,024
Other	2,153,249	3,191,613	2,921,852	22,065	2,943,917	247,696
Total Expenditures	<u>27,383,120</u>	<u>29,393,320</u>	<u>27,046,194</u>	<u>1,433,396</u>	<u>28,479,590</u>	<u>913,730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,003,898)	(5,513,041)	(3,715,915)	<u>\$ (1,433,396)</u>	<u>\$ (5,149,311)</u>	<u>\$ 363,730</u>
Fund Balance at Beginning of Year	6,523,558	6,523,558	6,523,558			
Fund Balance at End of Year	<u>\$ 5,519,660</u>	<u>\$ 1,010,517</u>	<u>\$ 2,807,643</u>			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Children Services
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 5,588,742	\$ 5,944,513	\$ 5,944,513	\$ -	\$ 5,944,513	\$ -
Intergovernmental	7,404,000	7,170,802	7,170,802	-	7,170,802	-
Other	200,500	39,115	55,513	-	55,513	16,398
Total Revenues	13,193,242	13,154,430	13,170,828	-	13,170,828	16,398
Expenditures						
Current:						
Human Services:						
Salaries and Wages	5,893,513	5,893,513	5,579,759	-	5,579,759	313,754
Fringe Benefits	1,629,649	1,569,649	1,464,151	-	1,464,151	105,498
Supplies and Materials	147,360	117,360	86,245	-	86,245	31,115
Equipment	430,000	460,000	364,605	-	364,605	95,395
Contractual Services	5,304,536	5,533,440	5,313,001	-	5,313,001	220,439
Fees	39,760	59,760	40,863	-	40,863	18,897
Other	1,209,960	1,022,219	841,610	1,018	842,628	179,591
Total Expenditures	14,654,778	14,655,941	13,690,234	1,018	13,691,252	964,689
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,461,536)	(1,501,511)	(519,406)	\$ (1,018)	\$ (520,424)	\$ 981,087
Fund Balance at Beginning of Year	5,007,413	5,007,413	5,007,413			
Fund Balance at End of Year	\$ 3,545,877	\$ 3,505,902	\$ 4,488,007			

The Notes to the Financial Statements are an integral part of this Statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Mental Health
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 7,612,293	\$ 8,054,067	\$ 8,054,067	\$ -	\$ 8,054,067	\$ -
Intergovernmental	<u>7,739,000</u>	<u>8,616,368</u>	<u>8,617,996</u>	<u>-</u>	<u>8,617,996</u>	<u>1,628</u>
Total Revenues	<u>15,351,293</u>	<u>16,670,435</u>	<u>16,672,063</u>	<u>-</u>	<u>16,672,063</u>	<u>1,628</u>
Expenditures						
Current:						
Health:						
Salaries and Wages	575,000	600,000	594,588	-	594,588	5,412
Fringe Benefits	143,400	158,975	145,062	-	145,062	13,913
Supplies and Materials	23,100	33,100	29,221	-	29,221	3,879
Equipment	39,000	74,500	41,671	-	41,671	32,829
Contractual Services	13,979,900	19,403,186	16,147,067	49,236	16,196,303	3,206,883
Other	303,100	328,495	214,471	-	214,471	114,024
Total Expenditures	<u>15,063,500</u>	<u>20,598,256</u>	<u>17,172,080</u>	<u>49,236</u>	<u>17,221,316</u>	<u>3,376,940</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	287,793	(3,927,821)	(500,017)	<u>\$ (49,236)</u>	<u>\$ (549,253)</u>	<u>\$ 3,378,568</u>
Fund Balance at Beginning of Year	<u>7,861,196</u>	<u>7,861,196</u>	<u>7,861,196</u>			
Fund Balance at End of Year	<u>\$ 8,148,989</u>	<u>\$ 3,933,375</u>	<u>\$ 7,361,179</u>			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
MRDD
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 16,739,253	\$ 17,460,796	\$ 17,460,796	\$ -	\$ 17,460,796	\$ -
Charges for Services	85,000	88,593	88,593	-	88,593	-
Intergovernmental	6,637,000	6,529,185	6,558,302	-	6,558,302	29,117
Other	580,000	6,361	6,361	-	6,361	-
Total Revenues	24,041,253	24,084,935	24,114,052	-	24,114,052	29,117
Expenditures						
Current:						
Human Services:						
Salaries and Wages	10,180,000	10,764,700	10,668,066	-	10,668,066	96,634
Fringe Benefits	4,749,406	4,961,300	4,316,964	-	4,316,964	644,336
Supplies and Materials	317,947	350,518	278,342	3,278	281,620	68,898
Equipment	244,514	272,075	177,856	42,682	220,538	51,537
Contractual Services	4,732,147	4,403,474	3,139,706	304,517	3,444,223	959,251
Capital Outlay	250,000	7,980,400	1,043,492	4,859	1,048,351	6,932,049
Other	413,268	743,295	513,186	3,808	516,994	226,301
Total Expenditures	20,887,282	29,475,762	20,137,612	359,144	20,496,756	8,979,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,153,971	(5,390,827)	3,976,440	\$ (359,144)	\$ 3,617,296	\$ 9,008,123
Fund Balance at Beginning of Year	5,774,819	5,774,819	5,774,819			
Fund Balance at End of Year	\$ 8,928,790	\$ 383,992	\$ 9,751,259			

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Net Assets
Proprietary Funds
As of December 31, 2002

	Enterprise Fund	Governmental Activity
	Sewer System	Internal Service Fund
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 224,182	\$ 5,992,478
Receivables, Net of Allowance	114,118	49,199
Inventory	662	-
Total Current Assets	338,962	6,041,677
Noncurrent Assets:		
Capital Assets, Net of Depreciation:		
Land	51,684	-
Vehicles	-	-
Machinery & Equipment	1,200	-
Sewer Plant	60,544	-
Sewer Lines	9,896,404	-
Water Lines	667,989	-
Total Noncurrent Assets	10,677,821	-
Total Assets	\$ 11,016,783	\$ 6,041,677
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 49,278	\$ 683,028
Contracts Payable	1,498	-
Sick Leave, Vacation Payable	22,388	-
Claims and Judgments Payable	-	2,039,319
Interfund Payable	5,939	-
Intergovernment Payable	7,011	-
Advance from Other Funds	62,500	-
OWDA Loan - Current	106,827	-
Total Current Liabilities	255,441	2,722,347
Noncurrent Liabilities:		
Matured Compensated Absences	31,677	-
OWDA Loan	1,440,188	-
Total Noncurrent Liabilities	1,471,865	-
Total Liabilities	\$ 1,727,306	\$ 2,722,347
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	\$ 9,130,806	\$ -
Unrestricted	158,671	3,319,330
Total Net Assets	9,289,477	3,319,330
Total Liabilities and Net Assets	\$ 11,016,783	\$ 6,041,677

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2002

	<u>Enterprise Fund</u>	<u>Governmental Activity</u>
	<u>Sewer System</u>	<u>Internal Service Fund</u>
Operating Revenues:		
Charges for Services	\$ 1,065,375	\$ 10,019,866
 Total Operating Revenues	 <u>1,065,375</u>	 <u>10,019,866</u>
Operating Expenses:		
Public Works	61,502	-
Contract Services	218,809	1,240,492
Personal Services	252,509	-
Fringe Benefits	80,485	-
Depreciation	281,731	-
Claims Expense	-	11,392,070
Supplies and Materials	23,518	-
Miscellaneous	210,580	11,415
Total Operating Expenses	<u>1,129,134</u>	<u>12,643,977</u>
 Operating (Loss)	 <u>(63,759)</u>	 <u>(2,624,111)</u>
Nonoperating Revenues (Expenses):		
Interest and Fiscal Charges	<u>(79,035)</u>	<u>-</u>
 Total Non-operating Revenues (Expenses)	 <u>(79,035)</u>	 <u>-</u>
 (Loss) Before Operating Transfers	 (142,794)	 (2,624,111)
Transfers In	<u>-</u>	<u>156,672</u>
 Change in Net Assets	 (142,794)	 (2,467,439)
Net Assets at Beginning of Year, (as Restated in Note 2)	<u>9,432,271</u>	<u>5,786,769</u>
 Net Assets at End of Year	 <u>\$ 9,289,477</u>	 <u>\$ 3,319,330</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2002

	Enterprise Fund	Governmental Activity
	Sewer System	Internal Service Fund
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 1,056,271	\$ 9,978,642
Cash Paid to Suppliers	(453,620)	(1,090,191)
Cash Paid for Claims	-	(10,499,431)
Cash Paid to Employees	(384,440)	-
Net Cash Provided (Used) by Operating Activities	218,211	(1,610,980)
Cash Flows from Noncapital Financing Activities:		
Transfers In	-	156,672
Advances Out	(112,000)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(112,000)	156,672
Cash Flows from Capital and Related Financing Activities:		
Principal Payments - OWDA Loans	(101,793)	-
Interest Paid	(79,035)	-
Net Cash (Used) by Capital and Related Financing Activities	(180,828)	-
 Net (Decrease) in Cash	 (74,617)	 (1,454,308)
Cash and Cash Equivalents, January 1, 2002	298,799	7,446,786
Cash and Cash Equivalents, December 31, 2002	\$ 224,182	\$ 5,992,478

(continued)

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended December 31, 2002

**Reconciliation of Operating Income (Loss) to Net Cash Provided(Used)
by Operating Activities**

	<u>Enterprise Fund</u>	<u>Governmental Activity</u>
	<u>Sewer System</u>	<u>Internal Service Fund</u>
Operating (Loss)	\$ (63,759)	\$ (2,624,111)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	281,731	-
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(2,828)	6,727
Intergovernment Receivable	(5,567)	(41,224)
Special Assessment Receivable	(709)	-
Inventory	195	-
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(1,037)	343,859
Claims Payable	-	703,769
Contracts Payable	1,498	-
Intergovernment Payable	1,123	-
Due to Other Funds	533	-
Interfund Payable	5,939	-
Accrued Wages and Benefits	1,092	-
Total Adjustments	<u>281,970</u>	<u>1,013,131</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 218,211</u>	<u>\$ (1,610,980)</u>

The Notes to the Financial Statements are an integral part of this statement

Lorain County, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2002

	Agency Funds
Assets:	
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 15,710,706
Cash and Cash Equivalents in Segregated Accounts	5,720,655
Receivables:	
Property and Other Taxes	296,547,532
Special Assessments	21,500,224
Accrued Interest Receivable	2,598
Intergovernment Receivable	11,912,122
 Total Assets	 \$ 351,393,837
 Liabilities:	
Accounts Payable	\$ 2,146
Local Government Taxes Payable	13,721,384
Intergovernmental Payable	298,148,476
Advances from Other Funds	54,260
Undistributed Monies	39,467,571
 Total Liabilities	 \$ 351,393,837

The Notes to the Financial Statements are an integral part of this statement.

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Lorain County, Ohio
Combining Statement of Net Assets
Discretely Presented Component Units
Lorain County Regional Airport Authority - December 31, 2002
Lorain County Transit - December 31, 2002
Lorain County Port Authority - December 31, 2002
Murray Ridge Production Center, Inc. - June 30, 2002

	Lorain County Regional Airport Authority	Lorain County Transit	Lorain County Port Authority	Murray Ridge Production Center, Inc.	Total Component Units
Assets:					
Current Assets:					
Cash and Equivalents	\$ 334,202	\$ 944,374	\$ 11,135	\$ 468,595	\$ 1,758,306
Investments	-	-	-	681,001	681,001
Receivables, Net of Allowances	54,026	2,323,443	-	175,475	2,552,944
Inventory	18,394	-	-	-	18,394
Deposits	-	-	-	1,000	1,000
Prepaid Expenses	18,421	5,070	-	-	23,491
Total Current Assets	<u>425,043</u>	<u>3,272,887</u>	<u>11,135</u>	<u>1,326,071</u>	<u>5,035,136</u>
Restricted Assets					
Restricted Bond Fund Program Reserves	-	-	2,511,548	-	2,511,548
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>2,511,548</u>	<u>-</u>	<u>2,511,548</u>
Capital assets, Net of Depreciation					
Land	2,153,589	-	-	-	2,153,589
Land Improvements	3,066,835	-	-	-	3,066,835
Buildings and Improvements	171,958	220,764	-	-	392,722
Transportation Equipment	266,427	1,536,302	-	-	1,802,729
Furniture and Equipment	126,328	59,678	-	-	186,006
Equipment	-	-	-	53,327	53,327
Total Non-Current Assets	<u>5,785,137</u>	<u>1,816,744</u>	<u>-</u>	<u>53,327</u>	<u>7,655,208</u>
Total Assets	<u>\$ 6,210,180</u>	<u>\$ 5,089,631</u>	<u>\$ 2,522,683</u>	<u>\$ 1,379,398</u>	<u>\$ 15,201,892</u>
Liabilities:					
Current Liabilities:					
Accounts Payable	\$ 123,187	\$ 761,802	\$ 13,865	\$ 56,730	\$ 955,584
Intergovernmental Payable	-	-	63,247	-	63,247
Deferred Revenue	-	5,160	-	-	5,160
Total Current Liabilities	<u>123,187</u>	<u>766,962</u>	<u>77,112</u>	<u>56,730</u>	<u>1,023,991</u>
Non-Current Liabilities					
Due in More than One Year	19,852	1,668,252	-	-	1,688,104
Total Non-Current Liabilities	<u>19,852</u>	<u>1,668,252</u>	<u>-</u>	<u>-</u>	<u>1,688,104</u>
Total Liabilities	<u>143,039</u>	<u>2,435,214</u>	<u>77,112</u>	<u>56,730</u>	<u>2,712,095</u>
Net Assets:					
Invested in Capital Assets	5,785,137	1,816,744	-	-	7,601,881
Restricted	121,185	-	2,511,548	66,516	2,699,249
Unrestricted	160,819	837,673	(65,977)	1,256,152	2,188,667
Total Net Assets	<u>\$ 6,067,141</u>	<u>\$ 2,654,417</u>	<u>\$ 2,445,571</u>	<u>\$ 1,322,668</u>	<u>\$ 12,489,797</u>

The Notes to the Financial Statements are an integral part of this statement.

Lorain County, Ohio
Statement of Activities
Discretely Presented Component Units
Lorain County Regional Airport Authority - For the Year Ended December 31, 2002
Lorain County Transit - For the Year Ended December 31, 2002
Lorain County Port Authority - For the Year Ended December 31, 2002
Murray Ridge Production Center, Inc. - For the Year Ended June 30, 2002

	Program Revenues		
Functions/Programs	Expenses	Charges for Services	Grants and Contributions
Lorain County Regional Airport Authority			
Airport Operations	\$ 1,473,099	\$ 739,229	\$ 905,924
Lorain County Transit			
Transit Operations	5,013,815	410,722	3,684,885
Lorain County Port Authority			
Economic Development	83,848	1,500	1,000,000
Murray Ridge Production Center, Inc.			
Production	1,169,158	1,183,263	35,349
Total Component Units	\$ 7,739,920	\$ 2,334,714	\$ 5,626,158

General Revenues:
 Advertising Income
 Investment Income
 Land Rentals
 Contributed Services
 Other Revenue
 Total General Revenue
 Changes in Net Assets
 Net Assets - Beginning
 Net Assets - Ending

The Notes to the Financial Statements are an integral part of this statement.

**Net (Expense) Revenue and
Changes on Net Assets**

Lorain County Regional Airport Authority	Lorain County Transit	Lorain County Port Authority	Murray Ridge Production Center, Inc.	Total Component Units
\$ 172,054	\$ -	\$ -	\$ -	\$ 172,054
-	(918,208)	-	-	(918,208)
-	-	917,652	-	917,652
-	-	-	49,454	49,454
<u>\$ 172,054</u>	<u>\$ (918,208)</u>	<u>\$ 917,652</u>	<u>\$ 49,454</u>	<u>\$ 220,952</u>
-	11,314	-	-	11,314
6,711	26,307	27,919	40,569	101,506
27,040	-	-	-	27,040
-	20,433	-	-	20,433
21,348	30	-	-	21,378
<u>55,099</u>	<u>58,084</u>	<u>27,919</u>	<u>40,569</u>	<u>181,671</u>
227,153	(860,124)	945,571	90,023	402,623
5,839,988	3,514,541	1,500,000	1,232,645	12,087,174
<u>\$ 6,067,141</u>	<u>\$ 2,654,417</u>	<u>\$ 2,445,571</u>	<u>\$ 1,322,668</u>	<u>\$ 12,489,797</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 1 - REPORTING ENTITY

Lorain County, Ohio (the County) was created in 1822. The County is governed by a board of three Commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the county auditor, treasurer, recorder, clerk of courts, coroner, engineer, prosecuting attorney, sheriff, five common pleas court judges, one probate court judge, and three domestic relations court judges.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the County are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Lorain County, this includes the Children's Services Board, the Board of Mental Retardation and Developmental Disabilities (MRDD), the Board of Mental Health, the Job and Family Services Department, and all departments and activities that are directly operated by the elected County officials.

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

Discretely Presented Component Units. The component units column on the combined financial statements identifies the financial data of the following component units: Lorain County Regional Airport Authority, Lorain County Transit, Murray Ridge Production Center, Inc. and Lorain County Port Authority. They are reported separately to emphasize that they are legally separate from the County.

Lorain County Regional Airport Authority. The Airport Authority is statutorily created as a separate and distinct political subdivision of the State. Lorain County appoints the nine Airport Authority Trustees. Lorain County approves the budget and all applications for State and Federal grants. Based on this relationship, the Airport Authority is a component unit of Lorain County. Separately issued financial statements can be obtained from the Lorain County Regional Airport Authority, 44050 Russia Road, Elyria, Ohio 44035.

Lorain County Transit. The Transit provides mass transportation within the area. Its board is appointed by the County Commissioners. The Transit imposes a financial burden on the County. Based on this relationship, the Lorain County Transit is a component unit of Lorain County. Separately issued financial statements can be obtained from the Lorain County Transit, 6100 S. Broadway, Suite 301, Lorain, Ohio 44053.

Murray Ridge Production Center, Inc. (Workshop). The Workshop is a legally separate, nongovernmental not-for-profit corporation, served by a self-appointing board of trustees. The Workshop, under a contractual agreement with the Lorain County Board of Mental Retardation and Developmental Disabilities, provides sheltered employment for mentally retarded or handicapped adults in Lorain County. The Lorain County Board of MRDD provides the Workshop with staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, and other funds as necessary for the operation of the Workshop. Based on the significant services and resources provided by the County to the Workshop and the Workshop's sole purpose of providing assistance to the retarded and handicapped adults of Lorain County, the Murray Ridge Production Center, Inc. is reflected as a component unit of Lorain County. The Workshop operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from the Murray Ridge Production Center, Inc. of Lorain County, 1095 Infirmary Road, Elyria, Ohio 44035.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

The Lorain County Port Authority. The Lorain County Port Authority was created by statute as a separate and distinct political subdivision of the State. The purpose of the Lorain County Port Authority is to promote economic development by assisting private industry initiatives; by encouraging development and redevelopment; and by promoting investment in business, industrial and transportation projects. As of December 31, 2002, the Authority has a liability to the County in the amount of \$63,247 for past operating advances. Under GASB Statement No. 14, this is considered to be a financial burden on the County; also the County can impose its will on the Authority through the appointment of the members of the Board of Directors. Therefore, the Authority is a component unit of Lorain County. Separately issued financial statements can be obtained from the Lorain County Port Authority, Lorain County Administration Building, Elyria, Ohio 44035.

The County is associated with certain organizations which are defined as a Risk Sharing Pool, Jointly Governed Organizations or Related Organizations. These organizations are presented in Note 10, Note 11 and Note 12 to the financial statements. These organizations are:

County Risk Sharing Authority, Inc.
Lorain County Cluster
Northeast Ohio Areawide Coordinating Agency
Lorain County Metropolitan Park District
Lorain County Community College
Community Based Correctional Facility

As the custodian of public funds, the County Treasurer invests all public moneys held on deposit in the County treasury. In the case of the separate agencies, boards and commissions listed below, the County serves as fiscal agent, but is not financially accountable for their operations nor are the entities fiscally dependent on the County. Accordingly, the activity of the following entities are presented as agency funds within Lorain County's financial statements:

General Health District. The five member Board of Health which oversees the operation of the Health District is elected by a District Advisory Council comprised of township trustees and mayors of participating municipalities. The Board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

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

Local Emergency Planning Commission. The Local Emergency Planning Commission is statutorily created as a separate and distinct political subdivision of the State. Its members are appointed by the Emergency Response Commission. The Commission adopts its own budget, authorizes expenditures, hires and fire staff, and operates autonomously from the County. The activity of the Local Emergency Planning Commission is reported to the Emergency Response Commission.

Lorain County Family and Children First Council. The Lorain County Family and Children First Council was created by Ohio Revised Code and is governed by a multi-member board. The purpose of the Council is to identify ways in which Lorain County child serving systems can provide services to the community in the most efficient and effective manner.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

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 enterprise funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the County's accounting policies are described below.

A. Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a Statement of Net Assets and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

B. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate fund types. The following categories and fund types are used by the County:

Governmental Funds

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

General Fund. The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the County for any purpose provided it is expended or transferred according to a resolution of the County and/or the general laws of Ohio.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

Job and Family Services. The fund accounts for various federal and state grants used to provide public assistance to general relief recipients and pay their providers of medical assistance, and for certain public social services.

Children Services. The fund accounts for federal and state welfare subsidies and veteran's administration and social security payments. Major expenditures are for support and placement of children.

Mental Retardation and Development Disabilities Fund (MRDD). The fund accounts for the operation of a school and the costs of administering a workshop for the mentally retarded and developmentally disabled. Revenue sources are a countywide property tax levy, federal and state grants, and subsidies from the Ohio Department of Education and the Ohio Department of Mental Retardation and Developmental Disabilities.

Community Mental Health. The fund accounts for a countywide property tax levy for the operation of the Alcohol, Drug Addiction and Mental Health Services Board of Lorain County.

Q Construction. The fund accounts for monies used for acquisition and construction of various projects within the county.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. The County's funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the County's major proprietary funds:

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

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

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. There are two types of fiduciary funds, trust and agency. The County has no trust funds. The County's agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included in 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 are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reflect the sources (i.e., revenues and other financing sources) and

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

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 fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Revenues, Expenses, and Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The Statement of Cash Flows reflects how the County finances and meets the cash flow needs of its enterprise activities.

D. Basis of Accounting

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

Revenues – Exchange and Nonexchange Transactions

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

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

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

Deferred Revenues

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

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

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

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

Expenses/Expenditures

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The Law Enforcement Trust Fund is included in with the Nonmajor Special Revenue section without a budget. 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 tax budget demonstrates a need for existing or increased tax rates. The Certificate of Estimated Resources established a limit on the amount the County Commissioners may appropriate. The Appropriation Resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by County Commissioners at the fund, program department, and object level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. These appropriations were made before the end of the prior year and before the year end fund balances were known. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2002.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year.

The County's budgetary process accounts for certain transactions on a basis other than GAAP. The major difference between the budget basis and the GAAP basis are:

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accruals (GAAP)
- (2) Expenditures are recorded when encumbered, or paid in cash (budget), as opposed to when susceptible to accrual (GAAP).

The actual results of operations, compared to the final appropriation, which include amendments to the original appropriation, for each fund type by expenditure function and revenue source are presented in the Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (non-GAAP Budgetary Basis). The difference between the accrual and cash basis statements was not significant. The reserve for encumbrances is carried forward as part of the budgetary authority for the next year and is included in the revised budget amounts shown in the budget to actual comparisons.

F. Equity in Pooled Cash and Cash Equivalents

To improve cash management, cash received by the County is pooled in a central bank account. Moneys for all funds, including the proprietary funds, are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through County records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet. During 2002, investments were limited to certificates of deposit, overnight repurchase agreements, National City Money Market Fund, interest in STAR Ohio, the State Treasurer's Investment Pool, U.S. Treasury notes, Federal Farm Credit Bank (FFCB) notes, Federal National Mortgage Association (FNMA) notes, Federal Home Loan Bank (FHLB) notes, Federal Home Loan Mortgage Company (FHLMC) notes, Federal Securities, commercial paper, and bankers acceptances. Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at a fair value which is based

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost. Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest earned on investments is credited to the general fund, except as stipulated by State statute or County resolution. Interest revenue credited to the general fund during 2002 totaled \$4,134,247, which includes \$3,467,354 assigned from other County funds.

The County utilizes a financial institution to service bonded debt as principal and interest payments come due and to administer the community development block grant revolving loans. The balance in this account is presented on the balance sheet as "cash and cash equivalents with fiscal agents" and represents deposits. The County has segregated bank accounts for moneys held separate from the County's central bank account. These interest bearing depository accounts are presented on the combined balance sheet as "cash and cash equivalents."

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the County are considered to be cash equivalents. Investments with an original maturity of more than three months are considered to be investments.

G. Inventory

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund type when used.

H. Interfund Assets/Liabilities

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 balance sheet. These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for any residual amounts due between governmental and business-type activities, which are presented as internal balances.

I. Capital Assets and Depreciation

Capital assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net assets and in the respective funds.

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

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

Description	Years
Buildings and Building Improvements	50
Machinery and Equipment	5 – 25
Vehicles	5
Infrastructure	10 – 50
Sewerlines	40 – 90

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

J. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination 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 absences 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 current expendable available financial 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. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

K. Accrued and Long-Term Liabilities

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

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

L. Net Assets

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

M. Fund Balance Reserves

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

N. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services for the sewer. Operating expenses are the necessary costs incurred to provide the service that is primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

O. Interfund Transactions

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

P. Estimates

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

Q. Change in Accounting Principles

For 2002, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments"; GASB Statement No. 37, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus"; GASB Statement No. 38, "Certain Financial Statement Note Disclosures"; and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements".

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

The government-wide financial statements split the County's programs between governmental activities and business-type activities. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 2001, caused by the conversion to the accrual basis of accounting. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from the prior year.

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

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

For 2002, the County has increased the threshold amount for capitalizing fixed assets. The threshold amount was increased from \$2,500 to \$5,000 for property, plant and equipment and was set at \$10,000 for general infrastructure.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

R. Change in Method of Accounting

For 2002, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", which require a change in format of the financial statements. The new governmental reporting model has the following sections: Management's Discussion and Analysis, Governmental-wide Financial Statements, and Fund Financial Statements. Under the new reporting model, the infrastructure has been added to the capital assets and appropriately depreciated and certain notes are required to be reported on certain funds.

Due to the implementation of GASB Statement No. 34, the prior year retained earnings and contributed capital for the Enterprise Fund was restated to reflect the net assets and notes payable. The prior year fund balance for Q Construction was restated to reflect the elimination of certain notes payable that are not required to be carried in the fund, and other Fund balances were restated for deferred real estate taxes.

	General Fund	Sewer System	Children Services	Community Mental Health	MRDD	Q Construction	NonMajor Governmental Funds
Fund Balance/Retained Earnings at December 31, 2001 as previously stated	\$39,453,589	\$10,382,050	\$5,076,285	\$8,198,367	\$6,894,532	\$7,677,294	\$47,071,299
Real Estate Tax Restatement	217,438	-	211,588	273,016	615,262	-	156,009
Reclassify Agency Fund	(882,795)	-	-	-	-	-	-
Contributed Capital at December 31, 2001	-	699,030	-	-	-	-	-
Adjustment for Bond/Note Payable at December 31, 2001	-	(1,648,809)	-	-	-	2,228,000	-
Net Assets at December 31, 2001, as restated	\$38,788,232	\$ 9,432,271	\$5,287,873	\$8,471,383	\$7,509,794	\$9,905,294	\$47,227,308

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 3 – DEFICIT IN NET ASSETS

The following funds had deficit in net assets at December 31, 2002:

	<u>Deficit</u>
Special Revenue Funds:	
Bascule Bridge	\$ (60,093)
Community Housing Improvement	(61,171)
Medicaid Outreach	(5,905)
MRDD – Medicaid	(34,882)

The special revenue funds deficit fund balances resulted from the application of generally accepted accounting principles. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Governmental National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

8. securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed five percent of the County's total average portfolio; and
10. Bankers acceptances for a period not to exceed 270 days and in an amount not to exceed ten percent of the County's total average portfolio.

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

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

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

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

Deposits. At year end, the carrying amount of the County's deposits was \$16,904,558 and the bank balance was \$13,203,006. Of the bank balance:

1. \$1,566,012 was covered by federal depository insurance; and
2. \$11,636,994 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

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

	Category 3	Fair Value at 12/31/02
Overnight Repurchase Agreements	\$ 12,598,674	\$ 12,598,674
FFCB	8,050,347	8,317,024
FHLB	13,056,395	13,114,688
FHLMC	23,816,858	24,081,927
FNMA	24,514,738	24,820,729
STAR Ohio		57,480,848
Total Investments		\$140,413,890

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

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

STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of The Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2002.

	<u>Cash and Cash Equivalents/ Deposits</u>	<u>Investments</u>
GASB Statement 9	\$157,318,448	\$ -
Investments which are part of the cash management pool:		
Overnight Repurchase Agreements	(12,598,674)	12,598,674
FNMA	(24,820,729)	24,820,729
FHLB	(13,114,688)	13,114,688
FFCB	(8,317,024)	8,317,024
FHLMC	(24,081,927)	24,081,927
STAR Ohio	(57,480,848)	57,480,848
GASB Statement 3	<u>\$ 16,904,558</u>	<u>\$140,413,890</u>

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the County. Real property taxes collected in 2002 are levied after October 1, 2001, on the assessed value as of January 1, 2001, the lien date. Assessed values are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Real property taxes collected in 2002 were intended to finance 2002 operations.

Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 88 percent of cost). Public utility property taxes paid in 2002 became a lien December 31, 2001, are levied after October 1, 2001, and are collected in 2002 with real property taxes. 2002 tangible personal property taxes are levied after October 1, 2001, on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are 25 percent of actual value. Commencing for 2003 collections, inventories will be assessed at 23 percent of actual value.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

The full tax rate for all County operations applied to real property for the fiscal year ended December 31, 2002 was \$12.89 per \$1,000 of assessed value. The assessed values upon which the 2002 taxes were collected were as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$4,447,591,090
Tangible Personal:	
General	592,165,760
Public Utilities	<u>270,952,300</u>
Total	<u>\$5,310,709,150</u>

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

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

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

Accrued property taxes receivable represents delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable as of December 31, 2002.

NOTE 6 - PERMISSIVE SALES AND USE TAX

In 1986, the County Commissioners, by resolution, imposed a one-half percent tax on all retail sales made in the County, except sales on motor vehicles, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. During 1994, the County approved, by levy, a one-fourth percent sales tax for the construction, operation and maintenance of a jail facility. Collection started in July of 1995. This activity is presented in the jail facility operation special revenue fund and the jail facility construction capital projects fund. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of the month. The State Auditor then has five days to draw the warrant payable to the County.

Proceeds of the one-half percent tax are credited to the general fund and the one-fourth percent are credited to the jail facility operation special revenue fund and the jail facility construction capital projects fund. Amounts measurable and available at year-end are accrued as revenue. During 2002, sales tax revenue amounted to \$20,506,375.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 7 - RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor, internal service and sewer system funds in the aggregate are deemed collectible in full and are as follows:

	General	Job & Family Services	Children Services	Community Mental Health	MRDD	Sewer System	Internal Service Fund	Nonmajor Governmental Funds	Total
Receivables:									
Interest	\$ 614,854	-	-	-	-	-	-	\$ 4,177	\$ 619,031
Property and other Taxes	8,056,123	-	5,911,796	7,493,021	16,444,718	-	-	2,184,915	40,090,573
Sales Tax	2,107,128	-	-	-	-	-	-	1,046,783	3,153,911
Accounts	181,626	23,677	3,663	17,907	16,040	12,680	445	705,400	961,438
Loans	-	-	-	220,220	-	-	-	-	220,220
Notes	-	-	-	-	-	-	-	596,955	596,955
Special Assessment	-	-	-	-	-	79,153	-	5,818,579	5,897,732
Intergovernmental	781,720	8,186,938	6,444,382	233,943	2,158,536	22,285	48,754	7,733,774	25,610,332
Local Government	5,404,689	-	-	-	-	-	-	-	5,404,689
Net Total Receivables	<u>\$17,146,140</u>	<u>\$8,210,615</u>	<u>\$12,359,841</u>	<u>\$7,965,091</u>	<u>\$18,619,294</u>	<u>\$114,118</u>	<u>\$49,199</u>	<u>\$18,090,583</u>	<u>\$82,554,881</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 8 – CAPITAL ASSETS

Construction-In-Progress: The County has active construction projects as of December 31, 2002, of \$12,055,839 for the new Justice Center, \$1,044,932 for Jail Facility, \$1,020,259 for Highway Improvements and \$4,149 for the MRDD Workshop. The estimated cost to complete these projects is an additional \$34 million.

Capital asset activity for the County for the year ended December 31, 2002, appears on the following page.

Depreciation expense was charged to functions and programs of the County as follows:

Governmental Activities:	
Legislative & Executive	\$ 631,202
Judicial	121,325
Public Safety	520,100
Public Works	3,166,318
Health	348,051
Human Services	133,774
	<hr/>
Total Depreciation Expense –Governmental Activities	<u>\$4,920,770</u>
 Business-Type Activities:	
Sewer Plants	\$ 4,457
Sewer Lines	245,633
Water Lines	31,041
Other	601
	<hr/>
Total Depreciation Expense –Business-Type Activities	<u>\$281,732</u>

Activity for the Discretely presented component units for the year ended December 31, 2002 as follows:

	<u>Beginning Balance</u>	<u>Changes in Assets</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated:			
Land	\$2,153,589	\$ -	\$2,153,589
 Capital Assets Being Depreciated:			
Buildings, Structures and Improvements	5,455,653	383,145	5,838,798
Furniture, fixtures and Equipment	4,000,022	456,872	4,456,894
Total Capital Assets, Being Depreciated	<u>9,455,675</u>	<u>840,017</u>	<u>10,295,692</u>
Total Accumulated Depreciation	4,230,274	563,799	4,794,073
Total Capital Assets, Being Depreciated, Net	<u>5,225,401</u>	<u>276,218</u>	<u>5,501,619</u>
 Component Units Capital Assets, Net	 <u>\$7,378,990</u>	 <u>\$276,218</u>	 <u>\$7,655,208</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

Activity for the Governmental Activities for the year ended December 31, 2002 are as follows:

	Prior Beginning Balance	Accounting Change Adjustment	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities						
Capital Assets, Not Being Depreciated:						
Land	\$ 3,401,008	\$ -	\$ 3,401,008	\$ 1,286,006	\$ -	\$ 4,687,014
Construction in Progress	4,853,852	-	4,853,852	11,388,425	2,117,098	14,125,179
Total Capital Assets, Not Being Depreciated	8,254,860	-	8,254,860	12,674,431	2,117,098	18,812,193
Capital Assets Being Depreciated:						
Buildings, structures and Improvements	46,980,623	(216,963)	46,763,660	2,268,915	3,200	49,029,375
Vehicles	5,565,250	(39,985)	5,525,265	654,174	226,372	5,953,067
Machinery & Equipment	7,678,773	(1,467,032)	6,211,741	974,776	159,749	7,026,768
Furniture & Fixtures	575,663	(281,754)	293,909	13,701	-	307,610
Infrastructure	-	89,461,889	89,461,889	223,990	163,191	89,522,688
Total Capital Assets, Being Depreciated	\$60,800,309	\$87,456,155	\$148,256,464	\$ 4,135,556	\$ 552,512	\$151,839,508
Less Accumulated Depreciation For:						
Buildings, Structures and Improvements	\$ -	\$ 13,752,829	\$ 13,752,829	\$ 909,625	\$ -	\$ 14,662,454
Vehicles	-	4,181,320	4,181,320	397,002	97,579	4,480,743
Machinery & Equipment	-	3,437,004	3,437,004	560,683	147,260	3,850,427
Furniture & Fixtures	-	137,026	137,026	31,859	-	168,885
Infrastructure	-	30,344,626	30,344,626	3,021,601	25,295	33,340,932
Total Accumulated Depreciation	-	51,852,805	51,852,805	4,920,770	270,134	56,503,441
Total Capital Assets, Being Depreciated, net	60,800,309	35,603,350	96,403,659	(785,214)	282,378	95,336,067
Governmental Activities Capital Assets, net	\$69,055,169	\$35,603,350	\$104,658,519	\$11,889,217	\$ 2,399,476	\$114,148,260

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

Activity for the Business-Type Activities for the year ended December 31, 2002 are as follows:

	Prior Beginning Balance	Accounting Change Adjustment	Beginning Balance	Increase	Decrease	Ending Balance
Business-type Activities:						
Capital Assets, Not Being Depreciated:						
Land	\$ 51,684	\$ -	\$ 51,684	\$ -	\$ -	\$ 51,684
Construction in Progress	-	-	-	-	-	-
Total Capital Assets, Not Being Depreciated	51,684	-	51,684	-	-	51,684
Capital Assets Being Depreciated:						
Buildings, structures and Improvements	-	-	-	-	-	-
Vehicles	23,799	(13,742)	10,057	-	-	10,057
Machinery & Equipment	18,002	-	18,002	-	-	18,002
Furniture & Fixtures	-	-	-	-	-	-
Sewer Plants	222,829	-	222,829	-	-	222,829
Sewer Lines	12,281,672	-	12,281,672	-	-	12,281,672
Water Lines	-	1,862,800	1,862,800	-	-	1,862,800
Total Capital Assets, Being Depreciated	\$12,546,302	\$1,849,058	\$14,395,360	\$ -	\$ -	\$14,395,360
Less Accumulated Depreciation For:						
Buildings, Structures and Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	23,799	(13,742)	10,057	-	-	10,057
Machinery & Equipment	16,201	-	16,201	601	-	16,802
Furniture & Fixtures	-	-	-	-	-	-
Sewer Plants	157,828	-	157,828	4,457	-	162,285
Sewer Lines	2,139,635	-	2,139,635	245,633	-	2,385,268
Water Lines	-	1,163,770	1,163,770	31,041	-	1,194,811
Total Accumulated Depreciation	2,337,463	1,150,028	3,487,491	281,732	-	3,769,223
Total Capital Assets, Being Depreciated, net	10,208,839	699,030	10,907,869	(281,732)	-	10,626,137
Business-type Activities Capital Assets, net	\$10,260,523	\$ 699,030	\$10,959,553	\$(281,732)	\$ -	\$10,677,821

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 9 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County entered into contracts with CORSA (see Note 10) for various insurance, which includes the following types of insurance, amount of coverage and the amount of deductible:

Type of Coverage	Coverage	Deductible
Law Professional	\$ 6,000,000	\$5,000
Automobile Fleet Liability	6,000,000	5,000
Fire	158,988,004	5,000
Boiler and Machinery	100,000,000	5,000
Extra Expense	5,000,000	5,000
Valuable Papers	1,000,000	5,000
Electronic Data Processing	Replacement Cost	5,000
Miscellaneous Equipment	Actual Cash Value	5,000
Contractors' Equipment	Actual Cash Value	5,000
Umbrella Liability	6,000,000	-

All employees of the County are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

Settled claims have not exceeded commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

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

The County established a medical self-insurance fund (an internal service fund) to account for and finance uninsured risks of loss. The predominant participant is the County. Under this program, the medical self-insurance fund provides coverage for up to a maximum of \$250,000 for each individual claim. The County purchased commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss.

All funds of the County participate in the program and make payments to the medical self-insurance fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$2,039,319 reported in the fund at December 31, 2002, is estimated by the third-party administrator and is based on the requirements of GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount in 2000, 2001 and 2002 were:

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2000	\$ 1,246,732	\$ 6,906,183	\$ 6,746,673	\$ 1,406,242
2001	1,406,242	7,587,481	7,658,173	1,335,550
2002	1,335,550	11,203,200	10,499,431	2,039,319

NOTE 10 - RISK SHARING POOL

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

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of certificates. The County does not have an equity interest in CORSA. The County's payment for insurance to CORSA in 2002 was \$809,442.

NOTE 11 - JOINTLY GOVERNED ORGANIZATIONS

A. Lorain County Cluster

Lorain County Cluster provides services to multi-need youth in Lorain County. Members of the Cluster include Lorain County School Systems, Board of Mental Retardation and Developmental Disabilities, Lorain County Mental Health Board, Lorain County Children Services, Lorain County Addiction and Recovery Services Board, Lorain County Health District, and Ohio Department of Youth Services. The operation of the Cluster is controlled by an advisory committee, which consists of a representative from each agency. Funding comes from services provided by each of the participants.

B. Northeast Ohio Areawide Coordinating Agency

Northeast Ohio Areawide Coordinating Agency (NOACA) was created by the County Commissioners of Cuyahoga, Geauga, Lake, Lorain and Medina Counties and is responsible for transportation and environmental planning in the five county region. NOACA is controlled by 37 members including the three County Commissioners. The board exercises total control over the operation of the corporation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the board. During 2002, the County contributed \$45,887.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 12 - RELATED ORGANIZATIONS

A. Lorain County Metropolitan Park District

The three Park District Commissioners are appointed by the Probate Judge of the County. The Park District hires and fires its own staff and does not rely on the County to finance deficits. The County is not financially accountable for the Park District nor is the Park financially dependent on the County. The Park District serves as its own budgeting, taxing and debt issuance authority. The Park District did not receive any funding from the County during 2002.

B. Lorain County Community College

The County is responsible for appointing the trustees of the Lorain County Community College, but the County's accountability does not extend beyond making the appointments. The College did not receive any funding from the County during 2002.

C. Community Based Correctional Facility

The Community Based Correctional Facility Board is composed of four common pleas court judges from Lorain County and two common pleas court judges from neighboring Medina County. The County's accountability does not extend beyond serving as fiscal agent for pass-through grants. The Community Based Correctional Facility Board did not receive any funding from the County during 2002.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System (OPERS)

Lorain County contributes to the Ohio Public Employees Retirement System (OPERS), a cost sharing multiple employer defined benefit pension plan. OPERS provides basic retirement benefits, disability, annual cost of living adjustments, and death benefits to members and beneficiaries. Authority to establish and amend benefits is provided by State Statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. That report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-PERS (7377).

Plan members, other than those engaged in law enforcement, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The 2002 employer pension contribution rate for Lorain County was 13.55 percent of covered payroll for employees other than law enforcement. For law enforcement employees, the employee contribution is 10.1 percent and the employer contribution is 16.7 percent. Contributions are authorized by state statute. The contribution rates are determined actuarially. Lorain County's required contributions to OPERS for the years ended December 31, 2002, 2001 and 2000 were \$9,715,647, \$9,044,903, and \$6,887,563, respectively. The full amount has been contributed for 2001 and 2000. Seventy-three percent has been contributed for 2002 with the remainder being reported as a liability.

B. State Teacher's Retirement System (STRS)

Lorain County contributes to the State Teacher's Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit pension plan administered by the State Teacher's Retirement Board. STRS provides retirement and disability benefits, health care benefits and death benefits to plan members and beneficiaries. Benefits are established and may be amended by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available stand alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

STRS Ohio is a statewide retirement plan for certified teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency wholly controlled, managed and supported in whole, or in part, by the state or any political subdivision thereof. Any member who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age may retire. The maximum annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest years' salaries. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached.

For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%.

Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

A retiree of STRS or other Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for a money-purchase benefit or a lump-sum payment in addition to the original retirement allowance.

Retirement benefits are annually increased by the greater of the amount of the change in the Consumer Price Index (CPI) or the cumulative CPI increases since retirement, less previous cost-of-living increases, up to a maximum of 3% of the original base benefit. The plan offers access to health care benefits to retirees and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums.

Plan members are required to contribute 9.3 percent of their annual covered salary and the Lorain County is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. The Lorain County's contributions to STRS for the years ended December 31, 2002, 2001 and 2000 were \$171,839, \$167,855, and \$171,569, respectively. The full amount has been contributed for 2002, 2001 and 2000.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (OPERS)

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Post employment Benefit as described in GASB Statement No. 12, *Disclosure of Information on Post employment Benefits Other Than Pension Benefits by State and Local Governmental Employers*. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care based on authority granted by state statute. The 2002 employer contribution rate was 13.55 percent of covered payroll for employees not engaged in law enforcement; 5.0 percent was the portion that was used to fund health care for the year 2002. For law enforcement employees, the employer contribution rate was 16.7 percent of which 5.0 percent was used to fund health care. The portion of the employer contributions used to fund health care was \$455,374 for employees not engaged in law enforcement and \$30,408 for law enforcement employees.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

Benefits are advanced-funded on an actuarially determined basis. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2001, include a rate of return on investments of 8.0 percent, an annual increase in active employee total payroll of 4.0 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll over and beyond the 4.0 percent base increase between .50 percent and 6.3 percent based on additional annual pay increases. Health care costs were assumed to increase 4.0 percent annually.

An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.

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

The number of active contributing participants was 402,041 statewide. The County's actual contributions for 2002, which were used to fund post employment benefits, were \$3,542,746. OPERS's net assets available for payment of benefits at December 31, 2001, (the latest information available) were \$11,600.0 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16,400 million and \$4,800 million, respectively.

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

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

B. State Teacher's Retirement System (STRS)

Access to health care benefits is provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Ohio Revised Code, the State Teachers Retirement Board has discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium.

The Ohio Revised Code grants authority to STRS to provide health care coverage to benefit recipients, spouses and dependents. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The Retirement Board allocated employer contributions to the health care reserve fund from which health care benefits are paid. The Board currently allocates employer contributions equal to four and one half percent (4.5%) of covered payroll to the Health Care Reserve Fund. For Lorain County, this amount equaled \$55,234 during 2002. The balance in the Health Care Reserve Fund was \$3.011 billion at June 30, 2002. As of June 30, 2002, eligible benefits recipients totaled 105,300 statewide. For the year ended June 30, 2002, net health care costs paid by STRS were \$354,697,000. Health care benefits are financed on a pay as you go basis.

June 30, 2002 was the latest date for which information is available.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 15 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Vacation leave is earned at rates, which vary depending upon length of service and standard workweek. Current policy permits vacation leave to be carried forward with supervisory approval. County employees are paid for earned, unused vacation leave at the time of termination of employment. Vacation leave is recognized as a liability in the period in which it is earned.

Sick leave is earned at various rates for every eighty hours worked by various departments. Current policy permits sick leave to be accumulated without limit. At the time of separation with the County, the majority of employees who have five or more years of public service under OPERS, shall receive cash payment of sick leave not to exceed 500 hours. The employee shall retain any remaining leave balance for credit upon re-employment in the public service. This sick leave conversion payment shall be based on the employee's rate of pay at the time of separation or death.

The estate of the deceased employee shall be eligible for 100% of the employee's sick leave balance as of the date of their death, providing they are otherwise qualified to receive such benefit (five years of service under OPERS). Such payment shall be made in accordance with 2113.04 of the Ohio Revised Code, or shall be paid to the employee's estate.

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

For governmental funds, the current portion of unpaid compensated absences is that amount expected to be paid using expendable available financial resources, and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid. The non-current portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences of \$54,065 is reported as a fund liability.

NOTE 16 - OUTSTANDING DEBT

A. Short-Term Debt

Short-term note debt activity for the year ended December 31, 2002, consisted of the following:

	<u>Balance 1/1/02</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance 12/31/02</u>
2001-4.76% Water/Sewer Improvement				
Due 2/23/01	\$ 138,000	\$ -	\$ (138,000)	\$ -
2001-3.78% Administrative Office Building				
Due 7/19/02	90,000	-	(90,000)	-
2001-3.30% Highway Improvements				
Due 4/15/02	2,000,000	-	(2,000,000)	-
2002-2.58% Highway Improvements				
Due 4/14/03	-	2,000,000	-	2,000,000
Total Short-Term Notes	<u>\$2,228,000</u>	<u>\$2,000,000</u>	<u>\$(2,228,000)</u>	<u>\$2,000,000</u>

All of the above notes were backed by the full faith and credit of the County and mature within one year. The note liabilities were reflected in the funds, which received the proceeds. The notes were repaid from governmental fund revenues.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

B. Bonded Long-Term Debt

Changes in long-term obligations of the County during 2002 were as follows:

	<u>Balance 1/1/02</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance 12/31/02</u>	<u>Amount Due In One Year</u>
General Obligation Bonds- Unvoted					
1996-3.80% to 5.50% Public Improvement	\$ 6,540,000	\$ -	\$ (305,000)	\$ 6,235,000	\$ 315,000
2002-3.00% to 5.50% Justice Center Bonds	-	25,000,000	(4,000,000)	21,000,000	1,600,000
Total General Obligation Bonds -Unvoted	6,540,000	25,000,000	(4,305,000)	27,235,000	1,915,000
Special Assessment Bonds- Governmental Commitment					
1987-7.875% Sanitary Sewer	600,000	-	(100,000)	500,000	100,000
2000-5.480% Allison Ditch Improvement	6,341	-	(564)	5,777	595
1997-6.50% Beechwood Waterline	5,877	-	(2,846)	3,031	3,031
2000-4.45% to 5.95% Sanitary Sewer	565,000	-	(20,000)	545,000	20,000
2001-2.50% to 5.00% Sewer System Improvement	4,560,000	-	(155,000)	4,405,000	160,000
Total Special Assessment Bonds	5,737,218	-	(278,410)	5,458,808	283,626
Total Bonded Long-Term Debt	\$12,277,218	\$25,000,000	\$(4,583,410)	\$32,693,808	\$2,198,626

C. Other Long-Term Debt

	<u>Balance 1/1/02</u>	<u>Issued</u>	<u>(Retired)</u>	<u>Balance 12/31/02</u>	<u>Amount Due In One Year</u>
OWDA Loans					
Sewer Improvement 101 – 5.20%	\$ 460,084	\$ -	\$ (31,935)	\$ 428,149	\$ 33,617
Sewer Improvement 102 – 4.80%	889,202	-	(53,374)	835,828	55,966
Sewer Improvement 103 – 4.56%	299,522	-	(16,484)	283,038	17,244
Total OWDA Loan	\$ 1,648,808	\$ -	\$(101,793)	\$1,547,015	\$106,827

The Ohio Water Development Authority Loans (OWDA) will be repaid with special assessments. In the event that a property owner would fail to pay the assessment, payment would be made by the County.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

The following is a summary of the future annual principal and interest debt service requirements for long-term obligations:

Year Ending	<u>GOVERNMENTAL ACTIVITIES</u>				<u>BUSINESS-TYPE ACTIVITIES</u>	
	<u>General Obligation</u>		<u>Special Assessments</u>		<u>Ohio Water</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Development Authority</u>	<u>Interest</u>
2003	\$ 1,915,000	\$ 1,304,090	\$ 283,626	\$ 265,654	\$ 106,827	\$ 74,000
2004	1,025,000	1,241,600	285,627	252,599	112,112	68,717
2005	1,065,000	1,207,673	285,662	238,945	117,659	63,170
2006	1,100,000	1,169,065	295,698	224,691	123,481	57,347
2007	1,140,000	1,126,925	310,736	209,565	129,592	51,237
2008-2012	6,500,000	4,850,550	1,157,459	872,029	750,764	153,379
2013-2017	7,570,000	3,116,400	1,445,000	581,755	206,580	11,448
2018-2022	<u>6,920,000</u>	<u>1,182,225</u>	<u>1,395,000</u>	<u>177,702</u>	-	-
Total	<u>\$27,235,000</u>	<u>\$15,198,528</u>	<u>\$5,458,808</u>	<u>\$2,822,940</u>	<u>\$1,547,015</u>	<u>\$479,298</u>

Change in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2002, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due In One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligations Bonds	\$ 6,540,000	\$25,000,000	\$4,305,000	\$27,235,000	\$1,915,000
Special Assessment Debt					
With Government Commitment	<u>5,737,218</u>	<u>-</u>	<u>278,410</u>	<u>5,458,808</u>	<u>283,626</u>
Total Bonds Payable	<u>12,277,218</u>	<u>25,000,000</u>	<u>4,583,410</u>	<u>32,693,808</u>	<u>2,198,626</u>
Compensated Absences	<u>7,287,405</u>	<u>1,691,587</u>	<u>583,165</u>	<u>8,395,827</u>	<u>3,913,181</u>
Governmental Activity					
- Long Term Liabilities	<u>\$19,564,623</u>	<u>\$26,691,587</u>	<u>\$5,166,575</u>	<u>\$41,089,635</u>	<u>\$6,111,807</u>
Business-Type Activities:					
OWDA Loans	\$ 1,648,808	\$ -	\$101,793	\$ 1,547,015	\$ 106,827
Compensated Absences	<u>53,422</u>	<u>12,401</u>	<u>11,758</u>	<u>54,065</u>	<u>22,388</u>
Business-Type Activity					
- Long Term Liabilities	<u>\$ 1,702,230</u>	<u>\$ 12,401</u>	<u>\$ 113,551</u>	<u>\$ 1,601,080</u>	<u>\$ 129,215</u>

General obligation bonds are direct obligations of the County and will be paid from the general bond retirement debt service fund using property tax revenues. Special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner would fail to pay the assessment, payment would be made by the County. Compensated absences reported in the "compensated absences payable" account will be paid from the fund, which the employees' salaries are paid. The intergovernmental payable represents contractually required pension contribution paid outside the available period and will be paid from the fund, which the employees are paid. Delinquent special assessments due the county at December 31, 2002 was \$237,052.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 17 - CONDUIT DEBT OBLIGATIONS

From time to time, the County has issued Healthcare Revenue Bonds to provide financial assistance to health care organizations and Economic Development Bonds for private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. Servicing these debts is the sole obligation of the entities, which received the debt proceeds. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2002, there were seventeen series of Healthcare Revenue Bonds and six Economic Development Bonds outstanding with aggregate principal amounts payable of \$1,044,470,000 and \$26,244,676, respectively.

NOTE 18 - INTERFUND TRANSACTIONS

Due To/Due From other funds balances as of December 31, 2002 follow:

<u>Payable Fund</u>	<u>Receivable Fund</u>	<u>Amount</u>
General Fund	Motor Vehicle Gasoline Tax	\$ 24,230
Job and Family Services	General Fund	42,936
Children Services	General Fund	13,419
Q Construction	General Fund	1,500,000
Nonmajor Governmental Funds	General Fund	841,973
Job and Family Services	Motor Vehicle Gasoline Tax	89
Children Services	Motor Vehicle Gasoline Tax	1,316
MRDD	Motor Vehicle Gasoline Tax	1,946
Nonmajor Governmental Funds	Motor Vehicle Gasoline Tax	4,018
Enterprise Fund	Motor Vehicle Gasoline Tax	2,158
Job and Family Services	Debt Service	61,451
Enterprise Fund	General Fund	60
Total - All Funds		<u>\$2,493,596</u>

Due To/Due From balances resulted from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Advances from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Q Construction	\$ 9,961,786
	Nonmajor Governmental Funds	861,984
	Enterprise Fund	62,500
	Agency Fund	54,260
Community Mental Health	Community Mental Health Medicaid	200,000
		<u>\$11,140,530</u>

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Inter Fund Transfers:

Transfers Out:	Transfers in:				Total
	General Fund	Q Construction	Nonmajor Governmental	Internal Service Funds	
General Fund	\$ -	\$65,000	\$1,047,081	\$156,672	\$1,268,753
Nonmajor Governmental Funds	219,800	-	-	-	219,800
Q Construction	155	-	106,799	-	106,954
Total Transfers In	\$219,955	\$65,000	\$1,153,880	\$156,672	\$1,595,507

NOTE 19 – BUDGETARY BASIS OF ACCOUNTING

A reconciliation for the major governmental funds at December 31, 2002 from the budget basis to a GAAP basis for excess of revenues and other financing sources over (under) expenditures and other uses follows:

	General Fund	Job and Family Services	Children Services	MRDD	Community Mental Health
Budget Basis	\$(1,168,388)	\$(5,149,311)	\$(520,424)	\$3,617,296	\$(549,253)
Net Adjustment for Revenue Accruals	(329,283)	100,793	2,213,400	(252,079)	19,061
Net Adjustment for Expenditure Accruals	(712,760)	(539,522)	(595,896)	(478,365)	(104,825)
Net Adjustment for Encumbrances	1,797,728	1,433,396	1,018	359,144	49,236
Net Adjustments for Other Financing Sources (Uses) Accruals	1,498,883	-	-	-	-
GAAP Basis	\$ 1,086,180	\$(4,154,644)	\$1,098,098	\$3,245,996	\$(585,781)

NOTE 20 - FOOD STAMPS

The County's Department of Job and Family Services (Welfare) distributed, through contracting issuance centers, federal food stamps to entitled recipients within Lorain County. The receipt and issuance of these stamps have the characteristics of federal "grants"; however, Job and Family Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements as the only economic interest related to these stamps rests with the ultimate recipient. Food stamp activity in the County's Department of Job and Family Services for the year ended December 31, 2002, follows:

Balance 1/1/02	Receipts	Disbursements	Balance 12/31/02
\$52,575	-	(\$5,299)	\$47,276

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

NOTE 21 – TRANSFER FROM PRIMARY GOVERNMENT

The component units received \$1,624,265 of operating transfers from The Primary Government. These transfers are included under Legislative and Executive miscellaneous allocations to component units in the General Fund.

NOTE 22 - CONTINGENT LIABILITIES

A. Grants

The County received financial assistance from Federal and State agencies in the forms of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the County at December 31, 2002.

B. Litigation

As of December 31, 2002, the County was a party to various legal proceedings. The ultimate disposition of these proceedings is not presently determinable, but will not, in the opinion of the County, have a material adverse effect on the continued operation of the County.

NOTE 23 - RELATED PARTY TRANSACTIONS

During 2002 the County provided facilities, certain equipment, transportation and salaries for administration, implementation and supervision of its programs to Murray Ridge Production Center, Inc. Murray Ridge Production Center, Inc., a discretely presented component unit of Lorain County, disclosed \$554,260 for such contributions.

NOTE 24 - CONTRACTUAL COMMITMENTS

During 2002, the County entered into various contracts for building construction and renovations totaling \$31,170,902. The amount paid on the contracts was \$6,937,228, leaving an outstanding contractual commitment of \$24,233,674.

NOTE 25 - LORAIN COUNTY REGIONAL AIRPORT AUTHORITY

1. Reporting Entity

The Lorain County Regional Airport Authority (Airport) was established pursuant to Ohio Revised Code Section 308.03 by resolution of the Lorain County Commissioners. The Airport is governed by a nine member Board of Trustees (Board), who are appointed by the Lorain County Commissioners. The Board has the authority to exercise all of the powers and privileges provided under the law. These powers include the ability to sue or be sued in its corporate name, the power to establish and collect rates, rentals and other charges, the authority to acquire, construct, operate, manage and maintain airport facilities, the authority to buy and sell real and personal property, and the authority to issue debt for acquiring or constructing any facility or permanent improvement. Lorain County has contributed money to the airport to continue operations. Since the airport imposes a financial burden on the County, the airport is reported as a component unit of Lorain County.

The reporting entity for the Airport is comprised of all departments, boards and agencies that are not legally separate from the Airport, any component units of the Airport and any other organizations that would need to be included to ensure that the financial statements of the Airport are not misleading.

Component units are legally separate organizations for which the Airport is financially accountable. The Airport is financially accountable for an organization if the Airport appoints a voting majority of the organization's governing board and (1) the Airport is able to significantly influence the programs or services performed or provided by the organization; or

Lorain County, Ohio
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(2) the Airport is legally entitled to or can otherwise access the organization's resources; the Airport is legally obligated or has otherwise assumed the responsibility to finance deficits of or provide financial support to the organization; or the Airport is obligated for the debt of the organization.

2. Summary of Significant Accounting Policies

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

Basis of Presentation - The Airport's financial statements consist of a statement of net assets, a statement of revenue, expenses and changes in net assets, and a statement of cash flows.

The Airport uses a single enterprise fund 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.

Enterprise fund reporting focuses on the determination of the change in net assets, financial position and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Measurement Focus - The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Airport are included on the statement of net assets. The statement of changes in 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 Airport finances and meets the cash flow needs of its enterprise activity.

Basis of Accounting - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Airport's financial statements are prepared using the accrual basis of accounting.

Revenue is recorded on the accrual basis when the exchange takes place. Expenses are recognized at the time they are incurred.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents - For purposes of the statement of cash flows, the Airport considers all highly liquid investments with a maturity of three months or less (demand deposits with banks) to be cash equivalents. During 2002, Airport investments were limited to interest bearing deposit accounts.

Net Assets - Net assets represent the difference between assets and liabilities. New assets invested in capital assets, net or related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Airport, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Airport's policy is to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. At year end the Airport had \$121,185 in restricted assets.

Operating revenues and expenses - Operating revenues are those revenues that are generated directly from primary activities. For the Airport, these revenues are charges for fuel and services. Operating expenses are the necessary costs

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incurred to provide the service that is the primary activity of the Airport. Revenues and expenses not meeting these definitions are reported as non-operating.

Grants - Grants received for the acquisition or construction of capital assets are recorded as contributions when earned. Grants are earned when costs relating to such capital assets, which are reimbursable under the terms of the grants, have been incurred.

Inventory - Inventory is recorded at cost on a first-in, first-out basis. Inventory consists of fuel and supplies held for resale.

Property, Plant and Equipment - Property, plant and equipment, including infrastructure assets, purchased or constructed by the Airport are recorded at original cost. Land improvements, buildings, equipment and vehicles are depreciated using the straight-line method over the estimated useful lives of the assets. A useful life of 40 years is used for land improvements and buildings, and 5 to 15 years is used for equipment and vehicles.

Cost and related accumulated depreciation of property sold or otherwise retired are removed from the accounts, and gains or losses on disposition or credited to or charged against income.

Routine maintenance, repairs, renewals, and replacement costs are charged against income. Expenditures, which materially increase values or extend useful lives, are capitalized.

The Airport's policy is to capitalize net interest on the enterprise fund construction projects until substantial completion of the project. 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 over the same period. Capitalized interest is amortized on a straight-line basis over the estimated useful life of the asset. For 2002 no material interest costs were incurred on construction projects for the Airport.

3. Changes in Accounting Principle

The Airport adopted the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments, GASB Statement No. 37, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments: Omnibus – an amendment of GASB Statements No. 21 and No. 34, and GASB Statement No. 38, Certain Financial Statement Note Disclosures effective January 1, 2002.

GASB Statement No. 34 establishes new financial reporting requirements for state and local governments throughout the United States for the purpose of enhancing the understandability and usefulness of financial reports. A Statement of Net Assets replaces the Balance Sheet and report assets, liabilities, and the difference between them as net assets, not equity. A Statement of Revenues, Expenses, and Changes in Net Assets replaces both the Income Statement and the Statement of Changes in Retained Earnings and Contributed Capital. GASB Statement No. 34 also requires that the Statement of Cash Flows be prepared using the direct method. Under the direct method, cash flows from operating activities are presented by major categories.

GASB Statement No. 37 either clarifies or modifies certain provisions in GASB Statements Nos. 21 and 34. It establishes guidance on topics for discussion in the Management's Discussion and Analysis, program revenue classifications, and the minimum level of detail required for business type activities in the statement of activities, etc.

GASB Statement No. 38 modifies, establishes, and rescinds certain financial statement disclosure requirements. The Modifications focus primarily on revenue recognition policies, lease obligations, short-term debt, and interfund balances.

The impact of adopting GASB Statements Nos. 34, 37, and 38 resulted in changes in the presentation of the financial statements and providing additional information in the notes to the financial statements.

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Notes to Financial Statements
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4. Deposits

The Ohio Revised Code classifies monies held by the Airport into three categories.

- a) Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Airport treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
- b) Inactive deposits are public deposits that Board has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.
- c) Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including but not limited to passbook accounts.

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

- 1) U.S. Treasury Notes, Bills, Bonds, or any other obligation or security issued by the U.S Treasury or any other obligation guaranteed as to principal and interest to the U.S. Treasury;
- 2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or Instrumentality, including but not limiting to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- 3) Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement exceeds the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- 4) Bonds and other obligations of the State of Ohio;
- 5) No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
- 6) The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Airport, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

Payment for investments may be made only upon delivery of the securities representing the investments to the Airport or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian. Protection of the Airport's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) and by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

At year-end, the carrying amount of the Airport's deposits was \$334,202 (which included petty cash of \$650) and the bank balance was \$330,556. Of the bank balance, \$100,000 was covered by federal depository insurance and \$230,556 was uninsured. Although the securities were held by pledging financial institutions trust department or agent in the Airport's name and all Ohio Revised Code requirements for the investment of money had been followed, noncompliance with federal requirements could potentially subject the Airport to a successful claim by the FDIC.

GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" requires the Airport's investments to be categorized to give an indication of the level of risk assumed by the Airport at year-end. Category 1 includes investments that are insured or registered for which securities are held by the Airport or its agent in the Airport's name. Category 2 includes uninsured and unregistered investments,

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For the Year Ended December 31, 2002

which are held by the counter-party's, trust department or agent in the Airport's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter-party, or by its trust department or agent but not in the Airport's name. The Airport had no investments at year-end.

5. Changes in Capital Assets

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

	<u>Balance</u> <u>12/31/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/02</u>
Capital Assets, not being depreciated				
Land	\$2,153,589	\$ -	\$ -	\$2,153,589
Capital Assets, being depreciated				
Land Improvements	5,197,503	\$371,295	-	5,568,798
Buildings	258,149	11,851	-	270,000
Equipment	428,639	24,486	-	453,125
Vehicles	<u>408,309</u>	<u>-</u>	<u>-</u>	<u>408,309</u>
Total Capital Assets, Being depreciated	6,292,600	407,632	-	6,700,232
Less:				
Accumulated Depreciation	<u>(2,860,986)</u>	<u>(207,698)</u>	<u>-</u>	<u>(3,068,684)</u>
Capital Assets, Net	<u>\$5,585,203</u>	<u>\$199,934</u>	<u>\$ -</u>	<u>\$5,785,137</u>

6. Receivables

In the normal course of operating the Airport, credit is granted to Airport tenants and customers. The Board believes no allowance for receivables doubtful of collection is necessary, and none has been provided.

7. Lease of Premises

Various lease agreements have been entered into for office, hanger and land rental through December 1, 2018, with options to extend the lease terms. Future base rental incomes for the leases as of December 31, 2002 are as follows:

2003	\$ 60,880
2004	60,880
2005	28,852
2006	11,052
2007	11,052
Thereafter	103,547

A 99 year lease agreement has also been entered into for land rental of three parcels of land totaling 2.7105 acres through the year 2078 and is renewable forever. The lease provides for a base ground rental use of \$7,289 per year to be adjusted upward by a function of the Consumer Price Index. For the year ended December 31, 2002 rental income was \$8,935.

Various lease agreements have been entered into for office and hangar space on a month-to-month basis. Rental income from these rentals was \$270,886 for the year ended December 31, 2002.

8. Compensated Absences

The Airport allows employees to accumulate unused sick leave. This policy provides that upon an employee's death or retirement, the employee shall receive cash payment of one third of the value of his or her legally accrued and unused sick leave, to a maximum of 333 1/3 hours. The sick leave conversion payment shall be based on the average of the employees

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base salary rates for the most recent three years. Sick leave benefits are accrued as a liability using the vested method. In December 2002, the Board signed a new employment contract with the Airport Executive Director, which granted him, upon termination, one-third of his accumulated sick leave hours, at his then-current hourly rate, or his accumulated sick leave hours pursuant to the Airport's policy, whichever is greater.

At December 31, 2002 the liability for accrued vacation leave and sick leave is approximately \$60,626.

9. Pension Plan

All Airport employees participate in the Ohio Public Employees Retirement System (OPERS) a cost sharing multiple-employer public employee retirement system administered by the Ohio Public Employees Retirement Board. OPERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The authority to establish and amend benefits is provided by Ohio Revised Code Section 145. OPERS issues a publicly available financial report that includes financial statements and required supplementary information which may be obtained by writing to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 1-800-222-7377.

Plan members are required to contribute 8.5% of the annual covered salary and the Airport is required to contribute an actuarially determined rate. The Ohio Revised Code provides statutory authority for contribution requirements of plan members and the Airport. The Airport's contribution to OPERS for the years ending December 31, 2002, 2001 and 2000 was \$70,676, \$74,050 and \$44,020 respectively, equal to the required contributions for those years.

10. Other Post Employment Benefits (OPEB)

In addition to the pension benefits described in Note 9. OPERS provides post retirement health care coverage, in accordance with the Ohio Revised Code, to age and service retirees with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Post Employment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For the calendar year 2002 Airport contributions, equal to 5.00% of covered payroll was used to fund health care expenses.

OPEB is financed through employer contributions and investment earnings there on. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. The actuarial value of OPERS net assets available for OPEB at December 31, 2001 was \$11.6 billion.

The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used were \$16.4 billion and \$4.8 billion respectively. The number of active participants was 402,041.

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

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

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11. Risk Management

The Airport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injury to employees; and natural disasters. Through Lorain County, the Airport is covered under the County Risk Sharing Authority, Inc. (CORSA). CORSA is a risk sharing pool made up of thirty-nine counties in Ohio and was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group of primary and excess insurance/self-insurance and risk management program. CORSA insures the Airport for general liability, errors and omissions, property and automobile. The Airport has purchased commercial insurance for aviation and airport and hanger keepers liability. The Airport also carries employee health and accident insurance and a bond on key management positions. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

12. Contingent Liabilities

The Airport receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits may require refunding to the grantor agencies. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements included herein or on the overall financial position of the Airport as of December 31, 2002.

13. Subsequent Event

For fiscal year 2003, the County has currently approved an operating subsidy of \$300,000, which is \$224,265 less than the subsidy received for fiscal year ended December 31, 2002.

NOTE 26 - LORAIN COUNTY TRANSIT

1. Organization and Significant Accounting Policies

Organization - Lorain County Transit (the "Transit") was created pursuant to Section 306.01 through 306.13 of the Ohio Revised Code for the purpose of providing public transportation in Lorain County, Ohio. As a political subdivision it is distinct from, and is not an agency of, the State of Ohio or any other local governmental unit. The Transit is not subject to federal or state income taxes.

The Transit is managed by a seven-member Board of Trustees and provides virtually all public transportation within Lorain County.

Summary of Significant Accounting Policies - The financial statements of Lorain County Transit have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In accordance with Statement No. 20 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the Transit has elected not to apply the provisions of the statements and interpretations of the Financial Accounting Standards Board issued after November 30, 1989. The Transit will continue applying all applicable pronouncements issued by the Governmental Accounting Standards Board. The more significant of the Transit's accounting policies are described below.

Reporting Entity - The Transit has adopted the provisions of Statement No. 14 of the Governmental Accounting Standards Board regarding the definition of the financial reporting entity. Accordingly, the accompanying financial statements include only the accounts and transactions of the Transit. Under the criteria specified in Statement No. 14, the Transit has no component units. The Transit is, however, considered to be a component unit of Lorain County (the "County") by virtue of the fact that the Transit's Board of Trustees is appointed by the Lorain County Board of Commissioners and the County's

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ability to impose its will on the Transit. These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Transit is not financially accountable for any other organizations.

Basis of Presentation - The Transit's basic financial statements consists of a statement of net assets, a statement of revenue, expenses, and changes in fund net assets, and a statement of cash flows.

The Transit uses a single enterprise fund 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.

Enterprise fund reporting focuses on the determination of the change in net assets, financial position, and cash flows. An enterprise fund may be used to account for any activity for which a fee is charged to external users for goods and services.

Measurement Focus - The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Transit are included on the statement of net assets. The statement of changes in 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 Transit finances and meets the cash flow needs of its enterprise activity.

Use of Estimates - The preparation of the 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 reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments - The Transit considers highly liquid investments, with an original maturity of three months or less, to be cash equivalents. Investments with an original maturity of three months or more are disclosed as investments.

As a governmental entity other than an external investment pool in accordance with GASB 31, the Transit's investments are stated at market value, except for interest-earnings investment contracts and money market investments that have maturity of one year or less at the time of purchase.

The Transit invested funds in STAR Ohio during 2002. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2002.

Capital Assets and Depreciation - Capital assets are stated at historical cost. The costs of normal maintenance and repairs are charged to operations as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

<u>Description</u>	<u>Years</u>
Transportation Equipment	6-10
Other Equipment	10
Facilities	25

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. For 2002, there is no related debt of capital assets. Net assets are reported as restricted when there are limitations imposed on their use either through

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. For 2002, there are no restricted assets.

Recognition of Revenue, Receivables and Deferred Revenues - Passenger fares are recorded as revenue at the time services are performed.

The Federal Transit Administration (FTA) and the Ohio Department of Transportation (ODOT) provide financial assistance and make grants directly to the Transit for acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenues over the entitlement period. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as grant receivables and credited to revenue when the related qualified expenditures are incurred. Capital grants received in advance of project costs being incurred are deferred. Subsidies from various local governments/agencies are recognized when received.

Operations – Lorain County Transit has no dedicated local funding source. The Transit received local operating subsidies from Lorain County of \$1,200,000 for the year 2002. The Transit is dependant on Lorain County for operating subsidies. Management plans to continue requesting annual subsidies from Lorain County until such time as a dedicated local funding source is obtained (e.g., sales tax levy).

Contributed Services - The Transit records the fair value of contributed services as both an operating expense and nonoperating revenue in the statement of revenues and expenses.

Compensated Absences – In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, vacation time is accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and are not contingent on a specific event that is outside the control of the employer and the employee and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future. Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date.

2. Change in Accounting Principle

Effective January 1, 2002, the Transit adopted the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Disclosures*. Statement No. 34 established financial reporting standards for all state and local governments and related entities. Statement No. 34 primarily relates to presentation and disclosure requirements. The impact of this accounting change was related to the format of the financial statements, presentation of net assets, the inclusion of management's discussion and analysis, additional disclosures for capital assets and debt, and the preparation of the statements of cash flows on the direct method. However, such application of these accounting standards had no impact on net assets. Management's decision to adopt GASB Statement No. 34 was based on Lorain County's planned adoption for fiscal 2002.

GASB Statement No. 38 requires certain disclosures to be made in the notes to the financial statements concurrent with the implementation of GASB Statement No. 34. GASB Statement No. 38 had an impact on the presentation of the notes to the financial statements, but no impact on the net assets.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

3. Deposits and Investments

Ohio law requires the classification of funds held by the Transit into three categories. Category 1 consists of “active” funds – those funds required to be kept in a “cash” or “cash equivalent” status for immediate use by the Transit. Such funds must be maintained either as cash in the Transit treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds – those funds not required for use within the current two-year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds – those funds which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institution applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the Transit places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority, of any other state or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, “Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements,” collateral held in single financial collateral pools with securities being held by the pledging financial institutions’ agent in the pool’s name are classified as Category 3.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits

- Category 1 Insured or collateralized with securities held by the Transit or by its agent in the Transit's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the Transit's name.
- Category 3 Uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent but not in the Transit's name.

Investments

- Category 1 Insured or registered, or securities held by the Transit or its agent in the Transit's name.
- Category 2 Uninsured and unregistered, with securities held by the counterpart's trust department or agent in the Transit's name.
- Category 3 Uninsured and unregistered, with securities held by the counterpart or by its trust department or agent but not in the Transit's name.

Deposits – All deposits are carried at cost. At year-end, the carrying amounts of the Transit's deposits were \$409,781 at December 31, 2002, with bank balances of \$423,258. Of the bank balances, \$225,969 was covered by Federal Depository Insurance. The remaining amount of \$197,289 was classified as risk category 3.

Investments – All investments are carried at fair value. The fair values of the Transit's short-term investments held with STAR Ohio were \$534,453 at December 31, 2002. These investments are uncategorized.

The Transit did not have any long-term investments during 2002.

4. Defined Benefit Pension Plan

Lorain County Transit contributes to the Ohio Public Employees Retirement System (OPERS), a cost sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Board. OPERS provides 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 Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. That report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5 percent. The 2002 employer pension contribution rate for Lorain County Transit was 13.55 percent of covered payroll of which 5 percent was the portion used to fund health care for the current year. Lorain County Transit's required contribution to OPERS for the years ended December 31, 2002, 2001 and 2000 were \$34,272, \$31,662, and \$28,678, respectively. The full amount has been contributed for 2001 and 2000, 91.8 percent has been contributed for 2002.

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor is available. The health care coverage provided by the retirement system is considered an Other Post Employment Benefit as described in GASB Statement No. 12, *Disclosure of Information on Post Employment Benefits Other Than Pension Benefits by State and Local Governmental Employers*. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care. The 2002 employer contribution used to fund health care was \$12,643.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

The significant actuarial assumptions and calculations relating to post employment health care benefits were based on the System's latest actuarial review performed as of December 31, 2001. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2001 was 8.0 percent. An annual increase of 4.0 percent compounded annually is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0 percent base increase, were assumed to range from 0.50 percent to 6.3 percent. Health care costs were assumed to increase 4.0 percent annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 402,041. The actuarial value of the OPERS' net assets available for OPEB at December 31, 2001 was \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16.4 billion and \$4.8 billion, respectively.

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 broad range of health care options. The plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present plan.

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

5. Contingencies

The Transit is party to one legal proceeding for termination of employment. The Transit has agreed to settle the matter for \$28,000. As of December 31, 2002, a liability of \$28,000 has been recorded on the books.

Under the terms of the federal and state grants, periodic audits are required where certain costs may be questioned as not being allowable expenditures under federal and state regulations. Such audits could lead to reimbursement to the grantor agencies. The Transit's management believes disallowances, if any will be immaterial.

6. Grants, Reimbursements, and Special Fare Assistance

Grants, reimbursements, and special fare assistance included in the statement of revenues and expenses for the year ended December 31, 2002 consist of the following:

<u>Federal</u>	
FTA Operating Assistance	\$ 298,796
FTA Planning Grants	175,919
FTA Capital Grants	<u>1,513,131</u>
Total	<u>\$1,987,846</u>

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

<u>State</u>	
ODOT Planning Assistance	\$ 22,566
ODOT Elderly Fare Assistance	72,953
ODOT Capital Grants	39,025
ODOT Capital Assistance	153,730
Total	<u>\$ 288,274</u>
<u>Local</u>	
Operating Assistance and Reimbursements	\$ 1,398,466
Capital Assistance	10,299
Total	<u>\$ 1,408,765</u>

7. Risk Management

The Transit is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. Commercial insurance has been obtained through Schlather Insurance Agency, Inc. to cover damage or destruction to the Transit's property and for public liability, personal injury, and third-party property damage claims.

Employee health care benefits are provided under a group insurance arrangement and the Transit is insured through the State of Ohio for workers' compensation benefits.

Settled claims have not exceeded the Transit's commercial insurance coverage for any of the past five years.

The Transit's umbrella liability is protected by State Auto Insurance Company with a \$1,000,000 single occurrence and \$2,000,000 in aggregate limit. Vehicles are covered by State Auto Insurance Company and have a \$100 deductible for comprehensive collision. Automobile liability has a \$1,000,000 combined single limit of liability.

8. Operational Contract

The Transit contracts its operational service to First Transit, Inc., a subsidiary of FirstGroup America, Inc. FirstGroup, founded in 1978, is a leading provider of public transit contracting and management services in the United States. First Transit, Inc. provides drivers, mechanics, schedulers, dispatchers, and operational management to Transit for which First Transit, Inc. charges an hourly rate. In accordance with Federal Transit Administration (FTA) Circular 9030,1C, the Transit splits the monthly First Transit, Inc. bill into 60% for purchased transportation and 40% for capitalization of maintenance. For 2002, the Transit received no Federal reimbursement for purchased transportation but received 80% reimbursement from FTA for capitalization of maintenance. The Transit owns the vehicle fleet but First Transit, Inc. provides liability and property damage insurance for the fleet. First Transit, Inc. also provides general liability insurance naming the Transit as additional insured. Amounts paid to First Transit, Inc. in 2002 were \$3,742,718.

NOTE 27 - MURRAY RIDGE PRODUCTION CENTER, INC.

1. Summary of Significant Accounting Policies

- A. **Equipment** - These assets are stated at cost and depreciated on the straight-line and declining-balance methods over the estimated useful lives of the various assets.

Maintenance and repairs are charged against earnings when incurred. Additions and major renewals are capitalized.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

- B. **Income Taxes** - Murray Ridge Production Center, Inc., is a non-profit corporation and is exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.
- C. **Donated Services** - Donated services of management, direct supervision, rent, etc., have been provided by the Lorain County Board of Mental Retardation/Developmental Disabilities. During the year ended June 30, 2002 the value of these services was estimated to be \$554,260.
- D. **Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Concentrations of Credit Risk

Financial instruments that potentially subject the organization to credit risk include cash on deposit with five financial institutions amounting to \$468,595 at June 30, 2002, which was insured for \$341,158 by the Federal Deposit Insurance Corporation. The organization had extended unsecured credit to regular customers amounting to \$197,983 at June 30, 2002.

3. Investment Income

Investment income for the year ended June 30, 2002 consisted of the following:

Investment interest	\$39,523
Savings interest	10,774
Unrealized investment appreciation	4,370
Realized investment lost	<u>(14,098)</u>
	<u>\$40,569</u>

NOTE 28 - LORAIN COUNTY PORT AUTHORITY

1. Summary of Significant Accounting Policies

- A. **Reporting Entity** – The Lorain County Port Authority (the Authority) was created by the Lorain County Board of Commissioners in 2001 to enhance economic development in Lorain County. The Authority is created in accordance with Section 4582.22 of the Ohio Revised Code.

The Authority is governed by a five-member Board of Directors (the Board) appointed by the Lorain County Board of Commissioners. The initial Board is serving staggered terms. Each successor shall serve for a term of four years, except when a person is appointed to fill a vacancy, which is to be appointed to serve only the unexpired term. Members of the Board are eligible for re-appointment. The Board controls the employment of the Executive Director who is responsible for the day-to-day operations.

The Authority's financial reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 "The Reporting Entity". The financial statements include all divisions and operations for which the Authority is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefits to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organization other than the Authority itself is included in the financial reporting entity.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

As of December 31, 2002, the Authority has a liability to the County in the amount of \$63,247 for past operating advances. Under GASB Statement No. 14, this is considered to be a financial burden on the County; also the County can impose its will on the Authority through the appointment of the members of the Board of Directors. Therefore, the Authority is a component unit of the County whose financial statements are discretely presented in the County's financial statements.

- B. **Basis of Accounting** – The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund. The Authority applies all GASB pronouncements as well as Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless the pronouncements conflict with or contradict GASB pronouncements.

Operating revenues and expenses generally result from providing services in connection with principal ongoing operations of the Authority. Operating revenues consist of application fees and administrative fees. Operating expenses include professional services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

- C. **Budgetary Process** – Ohio Revised Code Section 4582.39 requires the Authority to prepare a budget annually. This budget includes estimated receipts and appropriations and is prepared on the cash basis of accounting.
- D. **Cash, Cash Equivalents and Investments** – The Ohio Revised Code prescribes allowable deposits and investments. For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Investments are reported at fair value, which is based on quoted market prices.
- E. **Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those expected.

2. Cash, Cash Equivalents and Investments

The provisions of the Ohio Revised Code govern the investments and deposits of Authority monies. In accordance with these statutes, only financial institutions located in Ohio are eligible to hold public deposits. The statutes also permit the Authority to invest its monies in certificate of deposit, savings accounts, money market accounts, the State Treasurer's Asset Reserve (STAR Ohio) investment pool and obligations of the United States government or certain agencies thereof. The Authority may also enter into repurchase agreements with any eligible depository for a period not exceeding thirty days.

Public depositories must give security for all public funds on deposit. These institutions may specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds or by a single collateral pool established by the financial institution to secure the repayment of all public money deposited with the institution.

Deposits – At December 31, 2002, the carrying amount and the bank balance of the Authority's deposits was \$11,135. Federal Depository Insurance covered the entire bank balance.

Investments – The Bond Fund Program Reserves are invested in an open-end money market fund, which are not evidenced by securities and are not subject to custodial credit risk

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

3. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; injury and natural disasters. Through Lorain County, the Authority is covered under the County Risk Sharing Authority, Inc. (CORSA). CORSA is a risk sharing pool made up of thirty-nine counties in Ohio and was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group of primary and excess insurance/self-insurance and risk management programs. The Authority has not had any claims that exceeded insurance coverage.

A surety bond of \$25,000 through Ohio Casualty Insurance Group covers the Board Secretary.

4. Bond Fund Program

The Authority has established a Bond Fund Program to provide long-term, fixed interest rate financing for qualified industrial, commercial and public projects. The primary purpose of the Bond Fund Program is to further economic development efforts and investment in Lorain County through the retention and creation of quality, private sector jobs.

The State of Ohio Department of Development (ODOD) awarded the Authority a grant of \$1,000,000, received in April 2002, which was deposited into the Bond Fund Program Reserve account. The conditional grant from ODOD is for 20 years, with the interest earned on the fund remitted back to ODOD through December 2012. Beginning 2013 and continuing through December 2023, 50 percent of the interest earned is required to be remitted back to ODOD. On December 31, 2001, the Authority received a grant from Lorain County for the Bond Fund Program, which was also deposited into the Bond Fund Program Reserve account.

Under the Program, debt service requirements on each bond issue are to be secured by a pledge of amounts to be received under lease or loan agreements with borrowers who utilize the financial facilities. In addition, all borrowers are required to provide a letter of credit as additional security for the related bonds. Amounts in the Bond Fund Program Reserve may be used for debt service in the event the borrower is unable to make the required payments under the lease.

The Authority did not have any Bond issues under the Bond Fund Program as of December 31, 2002. Amounts held in the Authority's Bond Fund Program Reserve was \$2,511,548 at December 31, 2002 and are reflected in Restricted Assets in the accompanying Balance Sheet.

5. RELATED PARTY TRANSACTIONS

The Authority utilizes certain Lorain County employees without reimbursement.

Lorain County, Ohio
Notes to Financial Statements
For the Year Ended December 31, 2002

COMBINING FINANCIAL
STATEMENTS AND SCHEDULES

General Fund

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

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Property and Other Taxes	\$ 5,863,022	\$ 6,180,936	\$ 6,180,936	\$ -	\$ 6,180,936	\$ -
Sales Tax	12,300,000	13,770,917	13,770,917	-	13,770,917	-
Charges for Services	1,085,431	1,998,289	1,998,299	-	1,998,299	10
Licenses, Permits and Fees	7,013,779	9,470,872	9,470,872	-	9,470,872	-
Fines and Forfeitures	1,313,090	1,471,578	1,471,578	-	1,471,578	-
Intergovernmental	10,984,466	10,712,006	10,712,006	-	10,712,006	-
Interest	5,233,675	5,001,686	5,002,639	-	5,002,639	953
Other	1,203,189	1,539,734	1,539,753	-	1,539,753	19
Total Revenues	44,996,652	50,146,018	50,147,000	-	50,147,000	982
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Commissioners:						
Salaries and Wages	1,334,241	1,344,501	1,220,246	-	1,220,246	124,255
Fringe Benefits	199,827	184,690	167,303	-	167,303	17,387
Supplies and Materials	24,874	31,986	30,276	450	30,726	1,260
Contractual Services	33,217	18,323	15,151	-	15,151	3,172
Equipment	8,597	38,600	30,850	3,775	34,625	3,975
Other	30,158	47,171	41,429	2,046	43,475	3,696
Total Commissioners	1,630,914	1,665,271	1,505,255	6,271	1,511,526	153,745
Auditor:						
Salaries and Wages	1,284,596	1,285,674	1,284,970	-	1,284,970	704
Fringe Benefits	192,418	177,820	174,741	-	174,741	3,079
Supplies and Materials	49,021	38,756	29,459	3,035	32,494	6,262
Contractual Services	197,756	192,251	128,915	28,895	157,810	34,441
Equipment	17,609	19,609	15,327	-	15,327	4,282
Other	31,937	143,685	117,663	10,682	128,345	15,340
Total Auditor	1,773,337	1,857,795	1,751,075	42,612	1,793,687	64,108
Treasurer:						
Salaries and Wages	328,671	328,671	327,975	-	327,975	696
Fringe Benefits	49,250	45,473	42,894	-	42,894	2,579
Supplies and Materials	28,496	22,524	18,659	-	18,659	3,865
Contractual Services	8,750	5,750	3,358	919	4,277	1,473
Equipment	11,873	19,873	11,554	-	11,554	8,319
Other	12,600	13,200	6,804	-	6,804	6,396
Total Treasurer	439,640	435,491	411,244	919	412,163	23,328
Prosecuting Attorney:						
Salaries and Wages	2,725,042	2,767,554	2,567,840	-	2,567,840	199,714
Fringe Benefits	449,486	434,288	390,318	-	390,318	43,970
Supplies and Materials	33,993	32,443	27,387	4,128	31,515	928
Contractual Services	10,462	17,477	15,627	815	16,442	1,035
Equipment	80,934	94,660	80,645	12,815	93,460	1,200
Other	67,859	74,863	70,744	-	70,744	4,119
Total Prosecuting Attorney	3,367,776	3,421,285	3,152,561	17,758	3,170,319	250,966

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Records Center:						
Salaries and Wages	107,780	107,780	79,572	-	79,572	28,208
Fringe Benefits	16,144	14,832	10,891	-	10,891	3,941
Supplies and Materials	12,761	12,632	3,727	-	3,727	8,905
Contractual Services	44,776	49,633	29,838	320	30,158	19,475
Equipment	50,394	45,393	8,052	1,138	9,190	36,203
Other	1,000	1,000	230	-	230	770
Total Records Center	232,855	231,270	132,310	1,458	133,768	97,502
Board of Revisions:						
Salaries and Wages	73,500	73,500	72,191	-	72,191	1,309
Fringe Benefits	11,009	10,159	9,116	-	9,116	1,043
Supplies and Materials	1,300	2,035	568	-	568	1,467
Contractual Services	200	200	-	-	-	200
Equipment	2,612	2,612	426	-	426	2,186
Other	1,800	1,000	380	-	380	620
Total Board of Revisions	90,421	89,506	82,681	-	82,681	6,825
Board of Elections:						
Salaries and Wages	1,256,421	1,221,421	1,196,663	-	1,196,663	24,758
Fringe Benefits	146,562	135,166	129,607	-	129,607	5,559
Supplies and Materials	69,650	81,065	69,405	-	69,405	11,660
Contractual Services	196,967	157,214	139,055	-	139,055	18,159
Equipment	9,013	50,013	11,754	15,959	27,713	22,300
Other	53,179	74,809	50,545	-	50,545	24,264
Total Board of Elections	1,731,792	1,719,688	1,597,029	15,959	1,612,988	106,700
Community Maintenance:						
Salaries and Wages	1,177,256	1,259,007	1,189,757	-	1,189,757	69,250
Fringe Benefits	176,336	167,011	161,969	-	161,969	5,042
Supplies and Materials	712,367	715,652	527,766	52,203	579,969	135,683
Contractual Services	2,506,764	2,907,353	2,454,444	140,453	2,594,897	312,456
Equipment	41,163	151,680	122,498	1,608	124,106	27,574
Capital Outlay	256,309	33,100	33,087	-	33,087	13
Other	9,268	17,009	8,787	2,368	11,155	5,854
Total Community Maintenance	4,879,463	5,250,812	4,498,308	196,632	4,694,940	555,872
Community Development:						
Salaries and Wages	411,444	411,444	360,960	-	360,960	50,484
Fringe Benefits	61,957	56,637	49,092	-	49,092	7,545
Supplies and Materials	4,360	4,871	3,082	-	3,082	1,789
Contractual Services	886,609	877,834	599,709	134,900	734,609	143,225
Equipment	29,583	33,847	29,340	-	29,340	4,507
Other	105,000	207,775	120,345	6,235	126,580	81,195
Total Community Development	1,498,953	1,592,408	1,162,528	141,135	1,303,663	288,745

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Recorder:						
Salaries and Wages	596,550	604,940	547,398	-	547,398	57,542
Fringe Benefits	89,373	79,483	73,659	-	73,659	5,824
Supplies and Materials	10,879	15,397	11,598	-	11,598	3,799
Other	8,300	7,300	4,747	-	4,747	2,553
Total Recorder	<u>705,102</u>	<u>707,120</u>	<u>637,402</u>	<u>-</u>	<u>637,402</u>	<u>69,718</u>
Port Authority:						
Supplies and Materials	-	500	-	-	-	500
Contractual Services	-	68,500	63,687	-	63,687	4,813
Other	-	1,000	60	-	60	940
Total Port Authority	<u>-</u>	<u>70,000</u>	<u>63,747</u>	<u>-</u>	<u>63,747</u>	<u>6,253</u>
Insurance/Pensions/Taxes:						
Fringe Benefits	4,641,169	4,675,588	4,115,868	-	4,115,868	559,720
Other	97,927	111,821	64,309	5,956	70,265	41,556
Total Insurance/Pensions/Taxes	<u>4,739,096</u>	<u>4,787,409</u>	<u>4,180,177</u>	<u>5,956</u>	<u>4,186,133</u>	<u>601,276</u>
Miscellaneous:						
Fringe Benefits	13,504	13,504	13,504	-	13,504	-
Contractual Services	630,880	1,008,580	600,697	322,902	923,599	84,981
Other	1,947,123	1,758,034	1,241,063	128,251	1,369,314	388,720
Allocations to Component Units	1,624,265	1,624,265	1,624,265	-	1,624,265	-
Total Miscellaneous	<u>4,215,772</u>	<u>4,404,383</u>	<u>3,479,529</u>	<u>451,153</u>	<u>3,930,682</u>	<u>473,701</u>
Total General Government - Legislative and Executive	<u>25,305,121</u>	<u>26,232,438</u>	<u>22,653,846</u>	<u>879,853</u>	<u>23,533,699</u>	<u>2,698,739</u>
Judicial:						
Court of Appeals:						
Contractual Services	179,282	179,282	167,920	-	167,920	11,362
Total Court of Appeals	<u>179,282</u>	<u>179,282</u>	<u>167,920</u>	<u>-</u>	<u>167,920</u>	<u>11,362</u>
Common Pleas Court:						
Salaries and Wages	1,628,227	1,699,727	1,692,519	-	1,692,519	7,208
Fringe Benefits	243,935	233,405	228,175	-	228,175	5,230
Supplies and Materials	65,706	58,848	24,186	-	24,186	34,662
Contractual Services	1,192,907	1,113,702	900,365	5,344	905,709	207,993
Equipment	68,637	64,037	39,330	2,721	42,051	21,986
Other	34,500	41,500	23,133	-	23,133	18,367
Total Common Pleas Court	<u>3,233,912</u>	<u>3,211,219</u>	<u>2,907,708</u>	<u>8,065</u>	<u>2,915,773</u>	<u>295,446</u>

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Domestic Relations-Domestic Relations:						
Salaries and Wages	1,891,306	2,011,248	2,008,015	-	2,008,015	3,233
Fringe Benefits	286,921	276,380	273,603	-	273,603	2,777
Supplies and Materials	29,892	30,513	23,084	5,258	28,342	2,171
Contractual Services	29,000	53,625	51,194	67	51,261	2,364
Equipment	11,245	34,128	25,878	5,564	31,442	2,686
Other	45,000	32,301	30,131	-	30,131	2,170
Total Domestic Relations - Domestic Relations	2,293,364	2,438,195	2,411,905	10,889	2,422,794	15,401
Domestic Relations-Juvenile Probation:						
Salaries and Wages	1,369,270	1,325,270	1,313,691	-	1,313,691	11,579
Fringe Benefits	205,097	189,562	182,694	-	182,694	6,868
Supplies and Materials	24,730	42,131	25,005	12,672	37,677	4,454
Contractual Services	195,000	282,633	267,879	-	267,879	14,754
Equipment	19,668	90,020	48,778	38,029	86,807	3,213
Other	46,479	37,118	28,833	-	28,833	8,285
Total Domestic Relations - Juvenile Probation	1,860,244	1,966,734	1,866,880	50,701	1,917,581	49,153
Domestic Relations-Juvenile Detention Home:						
Salaries and Wages	1,160,498	1,200,063	1,162,017	-	1,162,017	38,046
Fringe Benefits	173,826	160,664	157,079	-	157,079	3,585
Supplies and Materials	96,194	132,565	81,623	16,504	98,127	34,438
Contractual Services	423,254	317,731	300,290	8,511	308,801	8,930
Equipment	11,777	12,004	7,595	4,409	12,004	-
Other	11,200	400	190	-	190	210
Total Domestic Relations-Juvenile Detention Home	1,876,749	1,823,427	1,708,794	29,424	1,738,218	85,209
Domestic Relations-Child Support:						
Salaries and Wages	380,121	283,044	264,474	-	264,474	18,570
Fringe Benefits	104,600	89,784	83,812	-	83,812	5,972
Supplies and Materials	18,649	24,494	21,242	1,850	23,092	1,402
Contractual Services	36,000	31,580	30,519	-	30,519	1,061
Equipment	8,416	2,266	264	741	1,005	1,261
Other	4,500	3,950	3,326	-	3,326	624
Total Domestic Relations-Child Support:	552,286	435,118	403,637	2,591	406,228	28,890
Domestic Relations-Hazel Webber Home:						
Salaries and Wages	480,680	491,680	483,172	-	483,172	8,508
Fringe Benefits	71,999	67,123	66,010	-	66,010	1,113
Supplies and Materials	10,500	13,246	7,487	3,728	11,215	2,031
Contractual Services	37,000	40,050	30,340	-	30,340	9,710
Equipment	15,000	10,650	4,342	4,630	8,972	1,678
Other	4,800	1,650	751	-	751	899
Total Domestic Relations-Hazel Webber Home	619,979	624,399	592,102	8,358	600,460	23,939

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Probate Court:						
Salaries and Wages	400,648	445,448	445,448	-	445,448	-
Fringe Benefits	60,021	60,216	60,216	-	60,216	-
Supplies and Materials	16,597	16,090	10,531	5,256	15,787	303
Contractual Services	33,768	25,362	23,881	1,479	25,360	2
Equipment	24,008	27,876	24,861	2,147	27,008	868
Other	1,500	5,070	3,900	479	4,379	691
Total Probate Court	536,542	580,062	568,837	9,351	578,198	1,864
Clerk of Courts:						
Salaries and Wages	977,973	1,005,373	1,004,315	-	1,004,315	1,058
Fringe Benefits	146,506	136,703	136,703	-	136,703	-
Supplies and Materials	49,556	31,536	30,892	593	31,485	51
Contractual Services	65,765	125,998	118,831	4,183	123,014	2,984
Equipment	30,000	12,500	9,944	-	9,944	2,556
Other	5,018	7,118	5,528	-	5,528	1,590
Total Clerk of Courts	1,274,818	1,319,228	1,306,213	4,776	1,310,989	8,239
Municipal Court:						
Salaries and Wages	584,886	584,886	478,743	-	478,743	106,143
Fringe Benefits	120,192	107,050	76,570	-	76,570	30,480
Contractual Services	150,742	260,583	258,687	-	258,687	1,896
Other	-	7,086	7,086	-	7,086	-
Total Municipal Courts	855,820	959,605	821,086	-	821,086	138,519
Education Law Libraries:						
Salaries and Wages	46,200	46,200	46,176	-	46,176	24
Fringe Benefits	6,920	6,368	6,295	-	6,295	73
Total Education Law Libraries	53,120	52,568	52,471	-	52,471	97
Total General Government - Judicial	13,336,116	13,589,837	12,807,553	124,165	12,931,718	658,119
Public Safety:						
Coroner:						
Salaries and Wages	306,064	307,608	306,693	-	306,693	915
Fringe Benefits	45,878	42,380	42,033	-	42,033	347
Supplies and Materials	5,120	725	686	-	686	39
Contractual Services	88,348	78,656	63,674	14,604	78,278	378
Equipment	-	450	437	-	437	13
Other	11,780	14,380	13,593	-	13,593	787
Total Coroner	457,190	444,199	427,116	14,604	441,720	2,479

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Sheriff:						
Salaries and Wages	4,202,604	4,285,626	4,239,232	-	4,239,232	46,394
Fringe Benefits	740,502	699,157	689,645	-	689,645	9,512
Supplies and Materials	230,604	188,081	139,796	15,700	155,496	32,585
Contractual Services	86,490	171,082	137,569	11,963	149,532	21,550
Equipment	423,066	381,706	314,700	42,145	356,845	24,861
Other	71,432	133,932	128,383	-	128,383	5,549
Total Sheriff	5,754,698	5,859,584	5,649,325	69,808	5,719,133	140,451
Hazardous Materials Coordination:						
Salaries and Wages	56,081	56,081	55,827	-	55,827	254
Fringe Benefits	8,400	7,765	7,648	-	7,648	117
Supplies and Materials	500	388	-	-	-	388
Equipment	855	855	-	-	-	855
Other	5,500	3,000	1,485	-	1,485	1,515
Total Hazardous Materials Coordination	71,336	68,089	64,960	-	64,960	3,129
Community Disaster Services:						
Salaries and Wages	94,515	95,515	94,786	-	94,786	729
Fringe Benefits	14,157	13,074	12,970	-	12,970	104
Supplies and Materials	10,000	7,747	3,331	1,232	4,563	3,184
Contractual Services	23,500	31,000	23,768	-	23,768	7,232
Equipment	41,673	89,662	44,217	466	44,683	44,979
Other	9,700	7,700	7,031	-	7,031	669
Total Community Disaster Services	193,545	244,698	186,103	1,698	187,801	56,897
Total Public Safety	6,476,769	6,616,570	6,327,504	86,110	6,413,614	202,956
Public Works:						
Engineer:						
Salaries and Wages	208,917	193,417	191,250	-	191,250	2,167
Fringe Benefits	31,293	28,838	25,434	-	25,434	3,404
Supplies and Materials	4,577	6,862	5,596	-	5,596	1,266
Contractual Services	4,000	2,700	869	-	869	1,831
Equipment	36,030	48,130	27,459	15,208	42,667	5,463
Other	2,300	4,600	2,550	-	2,550	2,050
Total Public Works	287,117	284,547	253,158	15,208	268,366	16,181
Health:						
Registration of Vital Statistics:						
Contractual Services	4,971	4,971	3,781	-	3,781	1,190
Total Health	4,971	4,971	3,781	-	3,781	1,190
Human Services:						
Workforce Development Agency:						
Salaries and Wages	136,872	136,872	136,811	-	136,811	61
Fringe Benefits	19,072	18,629	17,980	-	17,980	649
Total Workforce Development Agency	155,944	155,501	154,791	-	154,791	710

(continued)

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund (continued)
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Soldiers' Relief Commission Board:						
Salaries and Wages	253,499	264,923	250,049	-	250,049	14,874
Fringe Benefits	37,971	35,039	32,923	-	32,923	2,116
Supplies and Materials	19,137	20,957	19,479	75	19,554	1,403
Contractual Services	1,300	3,608	2,456	-	2,456	1,152
Equipment	4,300	7,150	6,857	-	6,857	293
Other	344,533	422,176	320,443	2,100	322,543	99,633
Total Soldiers' Relief Commission Board	660,740	753,853	632,207	2,175	634,382	119,471
Public Assistance:						
Other - Grants	834,460	1,334,460	1,230,615	-	1,230,615	103,845
Total Public Assistance	834,460	1,334,460	1,230,615	-	1,230,615	103,845
Total Human Services	1,651,144	2,243,814	2,017,613	2,175	2,019,788	224,026
Capital Outlay:						
Contractual Services	-	262,792	5,080	237,392	242,472	20,320
Equipment	60,755	284,172	83,758	176,941	260,699	23,473
Capital Improvements	4,252,101	4,039,737	2,388,263	274,074	2,662,337	1,377,400
Total Capital Outlay	4,312,856	4,586,701	2,477,101	688,407	3,165,508	1,421,193
Intergovernmental:						
Contractual Services	3,718	3,718	1,589	1,810	3,399	319
Other - Grants	501,242	501,242	427,834	-	427,834	73,408
Total Intergovernmental	504,960	504,960	429,423	1,810	431,233	73,727
Total Expenditures	51,879,054	54,063,838	46,969,979	1,797,728	48,767,707	5,296,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,882,402)	(3,917,820)	3,177,021	(1,797,728)	1,379,293	5,297,113
Other Financing Sources (Uses)						
Advances - In	-	1,581,424	1,581,424	-	1,581,424	-
Advances - Out	-	(3,080,307)	(3,080,307)	-	(3,080,307)	-
Operating Transfers - In	-	219,955	219,955	-	219,955	-
Operating Transfers - Out	(9,580,093)	(8,988,145)	(1,268,753)	-	(1,268,753)	7,719,392
Total Other Financing Sources (Uses)	(9,580,093)	(10,267,073)	(2,547,681)	-	(2,547,681)	7,719,392
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(16,462,495)	(14,184,893)	629,340	\$ (1,797,728)	\$ (1,168,388)	\$ 13,016,505
Fund Balance at Beginning of Year	21,909,061	21,909,061	21,909,061			
Fund Balance at End of Year	\$ 5,446,566	\$ 7,724,168	\$ 22,538,401			

Lorain County, Ohio
NonMajor Governmental Funds

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

Alcohol and Drug Service Board – To account for Federal and State grants used to pay the costs of contracts with local alcohol and drug agencies that provide services to the public at large.

T-Federal – To account for Federal and State grants used to pay costs of juvenile and senior citizens programs.

Community Development Block Grant - To account for revenue from the Federal government and expenditures as prescribed under the Community Block Grant program.

Lorain Area Microloan Program – To account for funds and technical assistance to small businesses that due to size or credit reasons do not qualify for bank financing.

Computerized Legal Research – To account for revenues derived from charges for services expended for computerizing the Legal Research Department.

Jail Facility Operation – To account for sales tax revenues used to operate the county's jail facilities.

Dog and Kennel – To account for the dog warden's operations, financed by the sale of dog tags and fine collections.

Recycle Ohio – To account for State and Local match grants used for promoting recycling in Lorain County.

Solid Waste – To account for fees received from Browning Ferris Inc. and State grants used for the operation of a solid waste management program.

Community Based Correctional Facility – To account for State grants which pass through the County to the Community Based Correctional Facility Board.

Flood Plan – To account for federal grants for the hydrologic and hydraulic analysis and flood plain and mapping.

Substance Abuse/Mental Health- To account for State grants used to provide funding for programs for offenders with substance abuse and / or mental health needs.

Real Estate Assessment – To account for state mandated, countywide real estate appraisals that are funded by charges to the County's political subdivisions.

DRETAC – To account for five percent of all certified delinquent real estate taxes, personal property taxes and assessments used for the purpose of collecting delinquent property taxes and special assessments.

Certificate of Title – To account for revenues derived from charges for services expended for purchase of equipment and supplies for the clerk of courts certificate of title office.

Recorder's Equipment – To account for revenues derived from charges for services expended for purchase of equipment and supplies for the recorder's office.

Intensive Supervision – To account for various revenues used for supervision of criminal offenders.

Lorain County, Ohio
NonMajor Governmental Funds

Motor Vehicle Gasoline Tax – To account for revenue derived from motor vehicle license registrations and gasoline tax. Expenditures are restricted by State law to County road and bridge repair and improvement programs.

Drug Court – To account for State grants used to help rehabilitate juveniles that have drug addiction problems.

Bascule Bridge – To account for Federal grants used to maintain Bascule Bridge located in the County.

Community Housing Improvement – To account for Federal and State grants used for community housing improvement projects.

Youth Services – To account for State grants used for youth employment projects, group homes and juvenile delinquency prevention programs.

Reclaim Ohio – To account for State grants used for various delinquent juvenile programs.

Medically Handicapped Child Fund – To account for expenditures to the Ohio Department of Health Bureau for Children with Medical Handicaps for treatment services provided to county residents.

Indigent Guardianship – To account for revenues used for Probate Court cases involving guardianship of indigent individuals.

County Probation Services – To account for adults on probation that pay supervision fees to Clerk of Courts.

TB Clinic – To account for a property tax levy used to operate a tuberculosis clinic.

Court Mediation – To account for fees for all civil cases in Common Pleas Court.

County Erosion Control – To account for repayment of funds advanced for the erosion control loan program.

Supportive Living – To account for the State grants used for housing disabled persons capable of living in a group home facility.

Community Mental Health Medicaid – To account for a countywide property tax levy for the operation of the Alcohol, Drug Addiction and Mental Health Services Board of Lorain County.

Golden Acres – To account for the receipt of State grants and property taxes as well as other monies to operate the County's nursing home and County home.

Metropolitan Enforcement Group – To account for the receipt of State grants used for the operation of a local drug enforcement program.

Crime Laboratory – To account for revenues used for operation of the crime laboratory.

911 System – To account for tax revenues expended for operations of a County 911 system.

Child Support Enforcement Agency – To account for the receipt of Federal and State grants used for processing and enforcing court ordered child support payments.

Drug Enforcement – To account for State grants and donations for the D.A.R.E. program.

Lorain County, Ohio
NonMajor Governmental Funds

Law Enforcement Trust – To account for fines and forfeitures, which are collected and subsequently allocated to various recipients.

Ditch Maintenance – To account for the maintenance of all County owned ditches.

Able Grant – Title 1 – To account for State grants to enable training to residents of Community Based Correctional Facility.

Model Township – To account for Federal grants thru Environmental Protection Agency to assist in creating model zoning standards to improve water quality.

Litter Control – To account for State grants for the purpose of implementing a litter prevention program.

Linkage Plus/Bryne Memorial – To account for State grants to allow for counseling programs and treatment options for young offenders aged 17 – 23.

P.A.I.R. – To account for State grants for adolescents for intervention and rehabilitation for drug and alcohol issues for juveniles.

Violent Offender – To account for Local funds (Mental Health Board) used to assist juvenile delinquents.

Local Law Enforcement Block Grant – To account for Federal grants for the purchase of equipment for the Lorain County Sheriff's office.

Marriage Licenses – To account for fees for obtaining a marriage license in Probate Court.

Medicaid Outreach – To account for Federal and State grants related to welfare reform.

Court Security – Grant from Ohio Supreme Court to increase security measures for the Lorain County Court System.

Criminal History-Online – To account for Federal and State grants to allow the tracking of domestic violence cases throughout Lorain County.

MRDD-Medicaid – To account for Federal and State funds used for the mentally disabled eligible for Medicaid.

Prosecutor's Victim Witness – To account for State funds to pay salaries for victim advocates employed by the Lorain County Prosecutor.

Enforcement and Education – To account for DUI fines throughout Lorain County, which enables the County Sheriff to purchase equipment.

Juvenile Diversion Mediation – To account for federal grants for conflict resolution (counseling, anger management) for juveniles.

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

Jail Facility Construction – To account for the County sales tax used to construct a jail facility.

Lorain County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2002

	Nonmajor Special Revenue Funds				
	Alcohol and Drug Service Board	T-Federal	Community Development Block Grant	Lorain Area Microloan Program	Computerized Legal Research
Assets					
Cash and Cash Equivalents	\$ 918,821	\$ 78,533	\$ 667,374	\$ 174,989	\$ 315,832
Cash with Fiscal and Escrow	-	-	580,010	-	-
Receivables, Net of Allowances	1,065,225	25,449	974,163	504	10,266
Notes Receivable	-	-	385,816	211,139	-
Due from Other Funds	-	-	-	-	-
Inventory	1,458	-	-	-	-
Total Assets	\$ 1,985,504	\$ 103,982	\$ 2,607,363	\$ 386,632	\$ 326,098
Liabilities					
Accounts Payable	\$ 17,056	\$ 34,480	\$ 15,358	\$ 211,139	\$ -
Contracts Payable	188,560	-	37,483	-	15,583
Retainage Payable	-	-	912	-	-
Intergovernmental Payable	1,508	613	-	-	-
Advance from Other Funds	-	-	110,134	-	-
Due to Other Funds	-	-	665,049	-	-
Deferred Revenue	1,030,546	25,449	804,229	-	-
Notes Payable	-	-	-	-	-
Total Liabilities	1,237,670	60,542	1,633,163	211,139	15,583
Fund Balances					
Reserved for:					
Encumbrances	-	7,425	6,140	10,000	94,899
Inventory	1,458	-	-	-	-
Notes Receivable	-	-	385,816	211,139	-
Debt Service	-	-	-	-	-
Unreserved	746,376	36,015	582,244	(45,646)	215,616
Total Fund Balances (Deficit)	747,834	43,440	974,200	175,493	310,515
Total Liabilities and Fund Balances	\$ 1,985,504	\$ 103,982	\$ 2,607,363	\$ 386,632	\$ 326,098

Nonmajor Special Revenue Funds

Jail Facility Operation	Dog and Kennel	Recycle Ohio	Solid Waste	Community Based Correctional Facility	Flood Plan
\$ 820,740	\$ 78,557	\$ 16,991	\$ 1,468,328	\$ -	\$ -
-	-	-	-	-	-
1,046,783	15,081	39,027	551,209	-	66,000
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,867,523</u>	<u>\$ 93,638</u>	<u>\$ 56,018</u>	<u>\$ 2,019,537</u>	<u>\$ -</u>	<u>\$ 66,000</u>
\$ 613,644	\$ 17,624	\$ 2,156	\$ 43,255	\$ -	\$ -
59,108	-	-	348	-	-
-	-	-	-	-	-
52,290	1,559	-	3,230	-	-
-	60,000	-	-	-	-
-	1,228	3,270	1,025	-	-
-	-	39,027	-	-	33,000
-	-	-	-	-	-
<u>725,042</u>	<u>80,411</u>	<u>44,453</u>	<u>47,858</u>	<u>-</u>	<u>33,000</u>
26,595	3,966	8	22,312	8,280	-
-	-	-	-	-	-
-	-	-	-	-	-
1,115,886	9,261	11,557	1,949,367	(8,280)	33,000
<u>1,142,481</u>	<u>13,227</u>	<u>11,565</u>	<u>1,971,679</u>	<u>-</u>	<u>33,000</u>
<u>\$ 1,867,523</u>	<u>\$ 93,638</u>	<u>\$ 56,018</u>	<u>\$ 2,019,537</u>	<u>\$ -</u>	<u>\$ 66,000</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2002

Nonmajor Special Revenue Funds

	Substance Abuse/Mental Health	Real Estate Assessment	DRETAC	Certificate of Title	Recorder's Equipment
Assets					
Cash and Cash Equivalents	\$ 15,331	\$ 3,052,805	\$ 577,636	\$ 204,756	\$ 224,954
Cash with Fiscal and Escrow	-	-	-	-	-
Receivables, Net of Allowances	-	1,355	1,635	-	1,113
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	-	-	-	-
Total Assets	\$ 15,331	\$ 3,054,160	\$ 579,271	\$ 204,756	\$ 226,067
Liabilities					
Accounts Payable	\$ 5,871	\$ 64,755	\$ 28,451	\$ 57,443	\$ 12,739
Contracts Payable	-	75,589	-	1,751	-
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	623	6,084	1,690	7,256	-
Advance from Other Funds	-	-	-	-	-
Due to Other Funds	-	944	-	116	-
Deferred Revenue	-	-	-	-	-
Notes Payable	-	-	-	-	-
Total Liabilities	6,494	147,372	30,141	66,566	12,739
Fund Balances					
Reserved for:					
Encumbrances	-	220,206	19,847	3,092	483
Inventory	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	8,837	2,686,582	529,283	135,098	212,845
Total Fund Balances (Deficit)	8,837	2,906,788	549,130	138,190	213,328
Total Liabilities and Fund Balances	\$ 15,331	\$ 3,054,160	\$ 579,271	\$ 204,756	\$ 226,067

Nonmajor Special Revenue Funds

Intensive Supervision	Motor Vehicle Gasoline Tax	Drug Court	Bascule Bridge	Community Housing Improvement	Youth Services
\$ 63,320	\$ 3,301,781	\$ 73,619	\$ 14,233	\$ 438,953	\$ 341,985
-	-	-	-	-	-
237,254	670,086	-	124,255	421,862	24,657
-	-	-	-	-	-
-	33,757	-	-	-	-
-	668,566	-	-	-	-
<u>\$ 300,574</u>	<u>\$ 4,674,190</u>	<u>\$ 73,619</u>	<u>\$ 138,488</u>	<u>\$ 860,815</u>	<u>\$ 366,642</u>
\$ 29,458	\$ 527,107	\$ 6,033	\$ 33,021	\$ -	\$ 46,122
-	37,906	-	-	-	1,360
-	-	-	-	-	-
2,764	24,604	3,759	2,463	-	3,869
-	-	-	145,000	500,000	-
-	344	-	18,097	124	303
118,627	123,485	-	-	421,862	18,323
-	-	-	-	-	-
<u>150,849</u>	<u>715,446</u>	<u>9,792</u>	<u>198,581</u>	<u>921,986</u>	<u>69,977</u>
-	402,691	-	1,384	103,165	5,370
-	668,566	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
149,725	2,887,487	63,827	(61,477)	(164,336)	291,295
<u>149,725</u>	<u>3,958,744</u>	<u>63,827</u>	<u>(60,093)</u>	<u>(61,171)</u>	<u>296,665</u>
<u>\$ 300,574</u>	<u>\$ 4,674,190</u>	<u>\$ 73,619</u>	<u>\$ 138,488</u>	<u>\$ 860,815</u>	<u>\$ 366,642</u>

(continued)

Lorain County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
December 31, 2002

	Nonmajor Special Revenue Funds				
	Reclaim Ohio	Medically Handicapped Child Fund	Indigent Guardianship	County Probation Services	TB Clinic
Assets					
Cash and Cash Equivalents	\$ 1,100,597	\$ 24,119	\$ 161,347	\$ 252,257	\$ 791,242
Cash with Fiscal and Escrow	-	-	-	-	-
Receivables, Net of Allowances	2,734,851	-	1,600	9,748	468,590
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	-	-	-	7,134
Total Assets	\$ 3,835,448	\$ 24,119	\$ 162,947	\$ 262,005	\$ 1,266,966
Liabilities					
Accounts Payable	\$ 95,354	\$ -	\$ 54	\$ 602	\$ 22,169
Contracts Payable	2,520	-	-	-	-
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	9,273	24,119	10	-	2,019
Advance from Other Funds	-	-	-	-	-
Due to Other Funds	544	-	-	-	-
Deferred Revenue	2,384,270	-	-	-	461,118
Notes Payable	-	-	-	-	-
Total Liabilities	2,491,961	24,119	64	602	485,306
Fund Balances					
Reserved for:					
Encumbrances	5,245	-	-	-	-
Inventory	-	-	-	-	7,134
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	1,338,242	-	162,883	261,403	774,526
Total Fund Balances (Deficit)	1,343,487	-	162,883	261,403	781,660
Total Liabilities and Fund Balances	\$ 3,835,448	\$ 24,119	\$ 162,947	\$ 262,005	\$ 1,266,966

Nonmajor Special Revenue Funds

Court Mediation	County Erosion Control	Supportive Living	Community Mental Health Medicaid	Golden Acres	Metropolitan Enforcement Group
\$ 151,910	\$ 337,594	\$ 1,609,112	\$ 3,235,505	\$ 5,078,429	\$ 669,381
-	-	-	-	-	-
14,238	3,392	474,046	391,190	200,587	465,931
-	-	-	-	-	-
-	-	-	-	50,085	-
<u>\$ 166,148</u>	<u>\$ 340,986</u>	<u>\$ 2,083,158</u>	<u>\$ 3,626,695</u>	<u>\$ 5,329,101</u>	<u>\$ 1,135,312</u>
\$ 7,767	\$ -	\$ 237,018	\$ 319	\$ 267,912	\$ 37,883
-	163,843	-	-	-	-
-	-	-	-	-	-
607	-	25,162	-	22,377	7,943
-	-	-	200,000	-	-
-	124,763	754	-	462	1,050
-	-	-	-	-	384,084
-	-	-	-	-	-
<u>8,374</u>	<u>288,606</u>	<u>262,934</u>	<u>200,319</u>	<u>290,751</u>	<u>430,960</u>
-	-	87,771	670	99,830	-
-	-	-	-	50,085	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>157,774</u>	<u>52,380</u>	<u>1,732,453</u>	<u>3,425,706</u>	<u>4,888,435</u>	<u>704,352</u>
<u>157,774</u>	<u>52,380</u>	<u>1,820,224</u>	<u>3,426,376</u>	<u>5,038,350</u>	<u>704,352</u>
<u>\$ 166,148</u>	<u>\$ 340,986</u>	<u>\$ 2,083,158</u>	<u>\$ 3,626,695</u>	<u>\$ 5,329,101</u>	<u>\$ 1,135,312</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2002

	Nonmajor Special Revenue Funds				
	Crime Laboratory	911 System	Child Support Enforcement Agency	Drug Enforcement	Law Enforcement Trust
Assets					
Cash and Cash Equivalents	\$ 1,043,565	\$ 1,507,662	\$ 2,787,469	\$ 151,570	\$ 621,987
Cash with Fiscal and Escrow	-	-	-	-	-
Receivables, Net of Allowances	191,549	1,161,569	194,054	-	-
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	-	2,232	-	-
Total Assets	\$ 1,235,114	\$ 2,669,231	\$ 2,983,755	\$ 151,570	\$ 621,987
Liabilities					
Accounts Payable	\$ -	\$ 50,843	\$ 173,072	\$ -	\$ -
Contracts Payable	-	-	-	-	-
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	-	4,719	16,549	-	-
Advance from Other Funds	-	-	-	-	-
Due to Other Funds	-	51	9,967	-	-
Deferred Revenue	191,506	1,161,389	-	-	-
Notes Payable	-	-	-	-	-
Total Liabilities	191,506	1,217,002	199,588	-	-
Fund Balances					
Reserved for:					
Encumbrances	10,525	8,478	26,609	-	-
Inventory	-	-	2,232	-	-
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	1,033,083	1,443,751	2,755,326	151,570	621,987
Total Fund Balances (Deficit)	1,043,608	1,452,229	2,784,167	151,570	621,987
Total Liabilities and Fund Balances	\$ 1,235,114	\$ 2,669,231	\$ 2,983,755	\$ 151,570	\$ 621,987

Nonmajor Special Revenue Funds

<u>Ditch Maintenance</u>	<u>ABLE Grant Title 1</u>	<u>Model Township</u>	<u>Litter Control</u>	<u>Linkages Plus/Byrne Memorial</u>	<u>P.A.L.R.</u>	<u>Violent Offender</u>
\$ 137,850	\$ -	\$ -	\$ 28,129	\$ 18	\$ 75,263	\$ 79,623
-	-	-	-	-	-	-
19,733	-	-	4,000	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 157,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,129</u>	<u>\$ 18</u>	<u>\$ 75,263</u>	<u>\$ 79,623</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,179
-	-	-	-	-	-	-
-	-	-	-	-	-	209
-	-	-	-	-	-	-
-	-	-	12,000	-	-	-
19,733	-	-	4,000	-	-	-
-	-	-	-	-	-	-
<u>19,733</u>	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>-</u>	<u>-</u>	<u>2,388</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
137,850	-	-	16,129	18	75,263	77,235
<u>137,850</u>	<u>-</u>	<u>-</u>	<u>16,129</u>	<u>18</u>	<u>75,263</u>	<u>77,235</u>
<u>\$ 157,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,129</u>	<u>\$ 18</u>	<u>\$ 75,263</u>	<u>\$ 79,623</u>

(continued)

Lorain County, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds (continued)
 December 31, 2002

Nonmajor Special Revenue Funds

	Local Law Enforcement Block Grant	Marriage Licenses	Medicaid Outreach	Court Security	Criminal History - Online
Assets					
Cash and Cash Equivalents	\$ 11,699	\$ 68,925	\$ 2,439	\$ 3,308	\$ 8,506
Cash with Fiscal and Escrow	-	-	-	-	-
Receivables, Net of Allowances	-	901	31,376	-	-
Notes Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Inventory	-	-	-	-	-
Total Assets	\$ 11,699	\$ 69,826	\$ 33,815	\$ 3,308	\$ 8,506
Liabilities					
Accounts Payable	\$ 7,425	\$ 37,364	\$ 6,388	\$ -	\$ -
Contracts Payable	-	-	-	-	-
Retainage Payable	-	-	-	-	-
Intergovernmental Payable	-	-	582	-	-
Advance from Other Funds	-	-	26,850	-	-
Due to Other Funds	-	-	5,900	-	-
Deferred Revenue	-	-	-	-	-
Notes Payable	-	-	-	-	-
Total Liabilities	7,425	37,364	39,720	-	-
Fund Balances					
Reserved for:					
Encumbrances	4,058	-	-	-	-
Inventory	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Debt Service	-	-	-	-	-
Unreserved	216	32,462	(5,905)	3,308	8,506
Total Fund Balances (Deficit)	4,274	32,462	(5,905)	3,308	8,506
Total Liabilities and Fund Balances	\$ 11,699	\$ 69,826	\$ 33,815	\$ 3,308	\$ 8,506

Nonmajor Special Revenue Funds				Capital Project		
MRDD-Medicaid	Prosecutor's Victim Witness	Enforcement and Education	Total Nonmajor Special Revenue Funds	Debt Service Fund	Jail Facility Construction	Total Nonmajor Governmental Funds
\$ -	\$ 47,238	\$ 9,615	\$ 32,845,897	\$ 7,245,290	\$ 2,106,564	\$ 42,197,751
-	-	-	580,010	-	-	580,010
-	54,354	-	11,697,633	5,809,177	-	17,506,810
-	-	-	596,955	-	-	596,955
-	-	-	33,757	61,451	-	95,208
-	-	-	729,475	-	-	729,475
<u>\$ -</u>	<u>\$ 101,592</u>	<u>\$ 9,615</u>	<u>\$ 46,483,727</u>	<u>\$ 13,115,918</u>	<u>\$ 2,106,564</u>	<u>\$ 61,706,209</u>
\$ 34,882	\$ 5,627	\$ -	\$ 2,752,568	\$ 15,640	\$ 1,278	\$ 2,769,486
-	-	-	584,051	-	-	584,051
-	-	-	912	-	-	912
-	463	-	226,344	-	-	226,344
-	20,000	-	1,061,984	-	-	1,061,984
-	-	-	845,991	-	-	845,991
-	44,171	-	7,266,819	5,798,846	-	13,065,665
-	-	-	-	2,000,000	-	2,000,000
<u>34,882</u>	<u>70,261</u>	<u>-</u>	<u>12,738,669</u>	<u>7,814,486</u>	<u>1,278</u>	<u>20,554,433</u>
-	-	-	1,179,049	18,293	22,536	1,219,878
-	-	-	729,475	-	-	729,475
-	-	-	596,955	-	-	596,955
-	-	-	-	3,820,357	-	3,820,357
(34,882)	31,331	9,615	31,239,579	1,462,782	2,082,750	34,785,111
<u>(34,882)</u>	<u>31,331</u>	<u>9,615</u>	<u>33,745,058</u>	<u>5,301,432</u>	<u>2,105,286</u>	<u>41,151,776</u>
<u>\$ -</u>	<u>\$ 101,592</u>	<u>\$ 9,615</u>	<u>\$ 46,483,727</u>	<u>\$ 13,115,918</u>	<u>\$ 2,106,564</u>	<u>\$ 61,706,209</u>

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2002

	Nonmajor Special Revenue Funds				
	Alcohol and Drug Service Board	T-Federal	Community Development Block Grant	Lorain Area Microloan Program	Computerized Legal Research
Revenues					
Taxes					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	200	-
Charges for Services	-	-	-	-	213,577
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	3,708,840	243,294	720,912	100,000	4,545
Special Assessments	-	-	-	-	-
Interest Income	-	-	43,340	-	-
Other	11,471	334	15,796	130,774	-
Total Revenues	<u>3,720,311</u>	<u>243,628</u>	<u>780,051</u>	<u>230,974</u>	<u>218,122</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	137,060
Judicial	-	-	-	-	-
Public Safety	-	277,710	-	-	-
Public Works	-	(449)	-	-	-
Health	3,939,765	-	-	-	-
Human Services	-	-	-	-	-
Economic Development and Assistance	-	-	661,906	71,608	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>3,939,765</u>	<u>277,261</u>	<u>661,906</u>	<u>71,608</u>	<u>137,060</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(219,454)</u>	<u>(33,633)</u>	<u>118,145</u>	<u>159,366</u>	<u>81,062</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Premium on Bonds, Including Interest	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(219,454)</u>	<u>(33,633)</u>	<u>118,145</u>	<u>159,366</u>	<u>81,062</u>
Fund Balance (Deficit) at Beginning of Year	<u>967,031</u>	<u>77,073</u>	<u>856,055</u>	<u>16,127</u>	<u>229,453</u>
Increase (Decrease) in Reserve for Inventory	<u>257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 747,834</u>	<u>\$ 43,440</u>	<u>\$ 974,200</u>	<u>\$ 175,493</u>	<u>\$ 310,515</u>

Nonmajor Special Revenue Funds

Jail Facility Operation	Dog and Kennel	Recycle Ohio	Solid Waste	Community Based Correctional Facility	Flood Plan
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6,826,352	-	-	-	-	-
-	283,758	-	2,805,643	-	-
-	2,930	-	-	-	-
-	26,827	-	-	-	-
-	-	241,773	-	1,941,747	67,000
-	-	-	-	-	-
-	-	-	-	-	-
34,994	10,795	-	7,063	-	-
<u>6,861,346</u>	<u>324,310</u>	<u>241,773</u>	<u>2,812,706</u>	<u>1,941,747</u>	<u>67,000</u>
-	-	-	-	-	-
-	-	-	-	1,941,747	-
8,913,766	-	-	-	-	34,000
-	316,265	243,268	2,696,784	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,913,766</u>	<u>316,265</u>	<u>243,268</u>	<u>2,696,784</u>	<u>1,941,747</u>	<u>34,000</u>
<u>(2,052,429)</u>	<u>8,045</u>	<u>(1,495)</u>	<u>115,922</u>	<u>-</u>	<u>33,000</u>
-	-	-	-	-	-
1,047,081	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,047,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(1,005,339)	8,045	(1,495)	115,922	-	33,000
2,147,820	5,182	13,060	1,855,757	-	-
-	-	-	-	-	-
<u>\$ 1,142,481</u>	<u>\$ 13,227</u>	<u>\$ 11,565</u>	<u>\$ 1,971,679</u>	<u>\$ -</u>	<u>\$ 33,000</u>

(continued)

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (continued)
 For the Year Ended December 31, 2002

Nonmajor Special Revenue Funds

	Substance Abuse/Mental Health	Real Estate Assessment	DRETAC	Certificate of Title	Recorder's Equipment
Revenues					
Taxes					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	675	-	-	233,649
Charges for Services	-	2,441,997	483,384	1,054,213	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	60,000	-	-	-	-
Special Assessments	-	-	-	-	-
Interest Income	-	-	-	-	-
Other	231	-	-	-	31,457
Total Revenues	60,231	2,442,672	483,384	1,054,213	265,106
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	2,021,691	377,126	980,219	327,574
Judicial	-	-	-	17,915	-
Public Safety	100,763	-	-	-	-
Public Works	-	-	-	-	-
Health	-	-	-	-	-
Human Services	-	-	-	-	-
Economic Development and Assistance	-	-	-	-	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	100,763	2,021,691	377,126	998,134	327,574
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,532)	420,981	106,258	56,079	(62,468)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	(175,000)	-
Premium on Bonds, Including Interest	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(175,000)	-
Net Change in Fund Balance	(40,532)	420,981	106,258	(118,921)	(62,468)
Fund Balance (Deficit) at Beginning of Year	49,369	2,485,807	442,872	257,111	275,796
Increase (Decrease) in Reserve for Inventory	-	-	-	-	-
Fund Balance (Deficit) at End of Year	\$ 8,837	\$ 2,906,788	\$ 549,130	\$ 138,190	\$ 213,328

Nonmajor Special Revenue Funds

Intensive Supervision	Motor Vehicle Gasoline Tax	Drug Court	Bascule Bridge	Community Housing Improvement	Youth Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	4,974	-	-	-	-
-	423,412	-	-	-	128,668
474,508	7,370,600	103,588	455,846	78,138	510,612
-	59,437	-	-	-	-
938	252,381	6,619	899	(3,430)	16,456
<u>475,446</u>	<u>8,110,804</u>	<u>110,207</u>	<u>456,745</u>	<u>74,708</u>	<u>655,736</u>
-	-	-	-	-	-
510,708	7,174,768	127,598	470,432	66,150	813,906
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>510,708</u>	<u>7,174,768</u>	<u>127,598</u>	<u>470,432</u>	<u>66,150</u>	<u>813,906</u>
<u>(35,262)</u>	<u>936,036</u>	<u>(17,391)</u>	<u>(13,687)</u>	<u>8,558</u>	<u>(158,170)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(35,262)</u>	<u>936,036</u>	<u>(17,391)</u>	<u>(13,687)</u>	<u>8,558</u>	<u>(158,170)</u>
184,987	2,968,487	81,218	(46,406)	(69,729)	454,835
-	54,221	-	-	-	-
<u>\$ 149,725</u>	<u>\$ 3,958,744</u>	<u>\$ 63,827</u>	<u>\$ (60,093)</u>	<u>\$ (61,171)</u>	<u>\$ 296,665</u>

(continued)

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (continued)
 For the Year Ended December 31, 2002

	Nonmajor Special Revenue Funds				
	Reclaim Ohio	Medically Handicapped Child Fund	Indigent Guardianship	County Probation Services	TB Clinic
Revenues					
Taxes					
Property	\$ -	\$ 410,886	\$ -	\$ -	\$ 497,555
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	4,045	-
Charges for Services	-	-	38,241	-	12,420
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	2,210,826	-	-	104,588	7,369
Special Assessments	-	-	-	-	-
Interest Income	-	-	-	-	-
Other	18,148	-	-	-	752
Total Revenues	<u>2,228,974</u>	<u>410,886</u>	<u>38,241</u>	<u>108,633</u>	<u>518,096</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial	-	-	20,487	-	-
Public Safety	-	-	-	602	-
Public Works	-	-	-	-	-
Health	-	-	-	-	493,204
Human Services	1,761,124	454,472	-	-	-
Economic Development and Assistance	-	-	-	-	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay					
Total Expenditures	<u>1,761,124</u>	<u>454,472</u>	<u>20,487</u>	<u>602</u>	<u>493,204</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>467,850</u>	<u>(43,586)</u>	<u>17,754</u>	<u>108,031</u>	<u>24,892</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(44,800)	-	-
Premium on Bonds, Including Interest	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(44,800)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	467,850	(43,586)	(27,046)	108,031	24,892
Fund Balance (Deficit) at Beginning of Year	875,637	43,586	189,929	153,372	754,562
Increase (Decrease) in Reserve for Inventory	-	-	-	-	2,206
Fund Balance (Deficit) at End of Year	<u>\$ 1,343,487</u>	<u>\$ -</u>	<u>\$ 162,883</u>	<u>\$ 261,403</u>	<u>\$ 781,660</u>

Nonmajor Special Revenue Funds

Court Mediation	County Erosion Control	Supportive Living	Community Mental Health Medicaid	Golden Acres	Metropolitan Enforcement Group
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 414,484
192,429	500	-	-	-	-
(11,810)	99,940	4,390,181	9,410,940	1,256,628	543,645
207	141,479	13,630	-	32,346	1,006
<u>180,826</u>	<u>241,919</u>	<u>4,403,811</u>	<u>9,410,940</u>	<u>3,482,014</u>	<u>959,135</u>
-	-	-	-	-	-
107,608	291,377	3,828,960	8,422,704	94,953	897,797
-	-	(1,138)	-	4,348,908	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>107,608</u>	<u>291,377</u>	<u>3,827,822</u>	<u>8,422,704</u>	<u>4,443,861</u>	<u>897,797</u>
<u>73,218</u>	<u>(49,458)</u>	<u>575,989</u>	<u>988,236</u>	<u>(961,847)</u>	<u>61,338</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>73,218</u>	<u>(49,458)</u>	<u>575,989</u>	<u>988,236</u>	<u>(961,847)</u>	<u>61,338</u>
84,556	101,838	1,244,235	2,438,140	5,998,010	643,014
-	-	-	-	2,187	-
<u>\$ 157,774</u>	<u>\$ 52,380</u>	<u>\$ 1,820,224</u>	<u>\$ 3,426,376</u>	<u>\$ 5,038,350</u>	<u>\$ 704,352</u>

(continued)

Lorain County, Ohio
 Combining Statement of Revenues,
 Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds (continued)
 For the Year Ended December 31, 2002

	Nonmajor Special Revenue Funds				
	Crime Laboratory	911 System	Child Support Enforcement Agency	Drug Enforcement	Law Enforcement Trust
Revenues					
Taxes					
Property	\$ 207,779	\$ 1,254,468	\$ -	\$ -	\$ -
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	-	-
Charges for Services	-	-	941,110	-	-
Fines and Forfeitures	-	-	-	155,652	487,423
Intergovernmental Revenue	-	-	3,268,287	12,876	-
Special Assessments	-	-	-	-	-
Interest Income	-	-	-	-	-
Other	-	17,854	6,679	3,600	-
Total Revenues	<u>207,779</u>	<u>1,272,322</u>	<u>4,216,076</u>	<u>172,128</u>	<u>487,423</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial	-	-	-	-	-
Public Safety	4,235	1,461,222	-	233,095	945,312
Public Works	-	-	-	-	-
Health	-	-	-	-	-
Human Services	-	-	4,575,665	-	-
Economic Development and Assistance	-	-	-	-	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>4,235</u>	<u>1,461,222</u>	<u>4,575,665</u>	<u>233,095</u>	<u>945,312</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>203,544</u>	<u>(188,900)</u>	<u>(359,589)</u>	<u>(60,967)</u>	<u>(457,889)</u>
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Premium on Bonds, Including Interest	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>203,544</u>	<u>(188,900)</u>	<u>(359,589)</u>	<u>(60,967)</u>	<u>(457,889)</u>
Fund Balance (Deficit) at Beginning of Year	<u>840,064</u>	<u>1,641,129</u>	<u>3,142,796</u>	<u>212,537</u>	<u>1,079,876</u>
Increase (Decrease) in Reserve for Inventory	<u>-</u>	<u>-</u>	<u>960</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 1,043,608</u>	<u>\$ 1,452,229</u>	<u>\$ 2,784,167</u>	<u>\$ 151,570</u>	<u>\$ 621,987</u>

Nonmajor Special Revenue Funds

<u>Ditch Maintenance</u>	<u>ABLE Grant Title I</u>	<u>Model Township</u>	<u>Litter Control</u>	<u>Linkage Plus/Byrne Memorial</u>	<u>F.A.I.R.</u>	<u>Violent Offender Program</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
25,055	-	-	-	-	-	-
-	-	-	16,000	-	-	58,781
-	-	-	-	-	-	-
-	-	-	-	4	-	-
<u>25,055</u>	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>4</u>	<u>-</u>	<u>58,781</u>
-	-	-	-	-	-	-
-	3,595	-	-	-	(175)	-
764	-	-	50	-	-	39,234
-	-	17,751	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>764</u>	<u>3,595</u>	<u>17,751</u>	<u>50</u>	<u>-</u>	<u>(175)</u>	<u>39,234</u>
<u>24,291</u>	<u>(3,595)</u>	<u>(17,751)</u>	<u>15,950</u>	<u>4</u>	<u>175</u>	<u>19,547</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>24,291</u>	<u>(3,595)</u>	<u>(17,751)</u>	<u>15,950</u>	<u>4</u>	<u>175</u>	<u>19,547</u>
113,559	3,595	17,751	179	14	75,088	57,688
-	-	-	-	-	-	-
<u>\$ 137,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,129</u>	<u>\$ 18</u>	<u>\$ 75,263</u>	<u>\$ 77,235</u>

(continued)

Lorain County, Ohio
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2002

	Local Law Enforcement Block Grant	Marriage Licenses	Medicaid Outreach	Court Security	Criminal History Online
Revenues					
Taxes					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-
Licenses, Permits, and Fees	-	-	-	-	-
Charges for Services	-	70,327	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental Revenue	20,679	-	111,813	-	-
Special Assessments	-	-	-	-	-
Interest Income	-	-	-	-	-
Other	-	901	-	595	-
Total Revenues	20,679	71,228	111,813	595	-
Expenditures					
Current:					
General Government:					
Legislative and Executive	-	-	-	-	-
Judicial	-	-	-	-	-
Public Safety	51,491	-	-	4,212	15,000
Public Works	-	-	-	-	-
Health	-	-	115,223	-	-
Human Services	-	69,237	-	-	-
Economic Development and Assistance	-	-	-	-	-
Debt Service:					
Principal Repayments	-	-	-	-	-
Interest Paid	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	51,491	69,237	115,223	4,212	15,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,812)	1,991	(3,410)	(3,617)	(15,000)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Premium on Bonds, Including Interest	-	-	-	-	-
Proceeds of Sale of Notes	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balance	(30,812)	1,991	(3,410)	(3,617)	(15,000)
Fund Balance (Deficit) at Beginning of Year	35,086	30,471	(2,495)	6,925	23,506
Increase (Decrease) in Reserve for Inventory	-	-	-	-	-
Fund Balance (Deficit) at End of Year	\$ 4,274	\$ 32,462	\$ (5,905)	\$ 3,308	\$ 8,506

Nonmajor Special Revenue Funds				Capital Project		
MRDD-Medicaid	Prosecutor's Victim Witness	Enforcement and Education	Total Nonmajor Special Revenue Funds	Debt Service Fund	Jail Facility Construction	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 2,785,172	\$ 2,334,030	\$ -	\$ 5,119,202
-	-	-	6,826,352	-	-	6,826,352
-	-	-	3,525,873	-	-	3,525,873
-	-	-	7,091,962	-	-	7,091,962
-	-	1,966	671,868	-	-	671,868
-	94,928	-	38,613,486	551,928	-	39,165,414
-	-	-	-	357,734	-	357,734
-	-	-	102,780	-	-	102,780
-	-	(1,000)	752,979	14,440	-	767,419
-	94,928	966	60,370,472	3,258,132	-	63,628,604
-	-	-	3,843,670	-	-	3,843,670
-	-	-	1,980,149	-	-	1,980,149
-	91,972	-	13,841,464	-	-	13,841,464
-	-	-	8,010,126	-	-	8,010,126
34,882	-	-	24,440,013	-	-	24,440,013
-	-	-	7,673,266	-	-	7,673,266
-	-	-	817,415	-	-	817,415
-	-	-	-	6,811,410	-	6,811,410
-	-	-	-	2,368,251	-	2,368,251
-	-	-	-	-	1,509,687	1,509,687
34,882	91,972	-	60,606,103	9,179,661	1,509,687	71,295,451
(34,882)	2,956	966	(235,631)	(5,921,529)	(1,509,687)	(7,666,847)
-	-	-	1,047,081	106,799	-	1,153,880
-	-	-	(219,800)	-	-	(219,800)
-	-	-	-	597,404	-	597,404
-	-	-	-	-	-	-
-	-	-	827,281	704,203	-	1,531,484
(34,882)	2,956	966	591,650	(5,217,326)	(1,509,687)	(6,135,363)
-	28,375	8,649	33,093,577	10,518,758	3,614,973	47,227,308
-	-	-	59,831	-	-	59,831
\$ (34,882)	\$ 31,331	\$ 9,615	\$ 33,745,058	\$ 5,301,432	\$ 2,105,286	\$ 41,151,776

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Alcohol and Drug Service Board
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Intergovernmental	\$ 3,861,982	\$ 3,993,308	\$ 4,025,114	\$ -	\$ 4,025,114	\$ 31,806
Other	2,000	10,280	10,876	-	10,876	596
Total Revenues	3,863,982	4,003,588	4,035,990	-	4,035,990	32,402
Expenditures						
Current:						
Health:						
Salaries and Wages	192,673	192,673	189,128	-	189,128	3,545
Fringe Benefits	54,796	54,341	52,584	-	52,584	1,737
Supplies and Materials	6,400	7,260	6,208	-	6,208	1,052
Equipment	18,300	35,300	23,150	-	23,150	12,150
Contractual Services	3,574,783	3,734,583	3,584,761	-	3,584,761	149,822
Other	17,030	33,242	30,301	-	30,301	2,941
Total Expenditures	3,863,982	4,057,399	3,886,132	-	3,886,132	171,267
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(53,811)	149,858	-	149,858	203,669
Other Financing Sources (Uses)						
Advances - In	-	666,744	666,744	-	666,744	-
Advances - Out	-	(666,744)	(666,744)	-	(666,744)	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	(53,811)	149,858	\$ -	\$ 149,858	\$ 203,669
Fund Balance at Beginning of Year	768,963	768,963	768,963			
Fund Balance at End of Year	\$ 768,963	\$ 715,152	\$ 918,821			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
T Federal
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 208,500	\$ 296,703	\$ 296,703	\$ -	\$ 296,703	\$ -
Other	27,500	6	334	-	334	328
Total Revenues	236,000	296,709	297,037	-	297,037	328
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	78,000	78,000	77,320	-	77,320	680
Fringe Benefits	30,330	30,100	20,650	-	20,650	9,450
Supplies and Materials	2,000	2,390	304	-	304	2,086
Equipment	4,000	24,308	9,517	751	10,268	14,040
Contractual Services	100,220	169,429	141,605	25,531	167,136	2,293
Other	25,000	14,400	4,663	-	4,663	9,737
Total Expenditures	239,550	318,627	254,059	26,282	280,341	38,286
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,550)	(21,918)	42,978	(26,282)	16,696	38,614
Other Financing Uses						
Advances - Out	-	(22,000)	(22,000)	-	(22,000)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	(3,550)	(43,918)	20,978	<u>\$ (26,282)</u>	<u>\$ (5,304)</u>	<u>\$ 38,614</u>
Fund Balance at Beginning of Year	57,555	57,555	57,555			
Fund Balance at End of Year	\$ 54,005	\$ 13,637	\$ 78,533			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Development Block Grant
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 634,300	\$ 858,053	\$ 858,053	\$ -	\$ 858,053	\$ -
Other	-	15,796	15,796	-	15,796	-
Total Revenues	634,300	873,849	873,849	-	873,849	-
Expenditures						
Current:						
Economic Development and Assistance:						
Supplies and Materials	13,253	9,104	2,989	-	2,989	6,115
Equipment	4,400	13,225	9,482	-	9,482	3,743
Contractual Services	690,098	674,399	552,788	23,535	576,323	98,076
Other	92,400	96,677	34,535	-	34,535	62,142
Total Expenditures	800,151	793,405	599,794	23,535	623,329	170,076
Excess(Deficiency) of Revenues Over(Under) Expenditures	(165,851)	80,444	274,055	(23,535)	250,520	170,076
Other Financing Sources (Uses)						
Advances - In	-	664,800	664,800	-	664,800	-
Advances - Out	-	(614,701)	(614,580)	-	(614,580)	121
Total Other Financing Sources (Uses)	-	50,099	50,220	-	50,220	121
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(165,851)	130,543	324,275	\$ (23,535)	\$ 300,740	\$ 170,197
Fund Balance at Beginning of Year	343,099	343,099	343,099			
Fund Balance at End of Year	\$ 177,248	\$ 473,642	\$ 667,374			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Lorain Area Microloan Program
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 6,000	\$ 200	\$ 200	\$ -	\$ 200	\$ -
Intergovernmental	200,000	100,000	100,000	-	100,000	-
Other	305,500	130,270	130,270	-	130,270	-
Total Revenues	511,500	230,470	230,470	-	230,470	-
Expenditures						
Current:						
Economic Development and Assistance:						
Supplies and Materials	2,391	2,391	1,542	-	1,542	849
Equipment	1,500	1,500	490	-	490	1,010
Contractual Services	193,779	104,241	66,707	10,000	76,707	27,534
Other	39,031	39,031	6,037	-	6,037	32,994
Total Expenditures	236,701	147,163	74,776	10,000	84,776	62,387
Excess of Revenues Over Expenditures	274,799	83,307	155,694	<u>\$ (10,000)</u>	<u>\$ 145,694</u>	<u>\$ 62,387</u>
Fund Balance at Beginning of Year	19,295	19,295	19,295			
Fund Balance at End of Year	\$ 294,094	\$ 102,602	\$ 174,989			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Computerized Legal Research
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Charges for Services	\$ 169,500	\$ 213,577	\$ 213,577	\$ -	\$ 213,577	\$ -
Total Revenues	<u>169,500</u>	<u>213,577</u>	<u>213,577</u>	<u>-</u>	<u>213,577</u>	<u>-</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Supplies and Materials	5,000	800	496	-	496	304
Equipment	139,891	179,723	104,199	59,268	163,467	16,256
Contractual Services	-	35,714	-	28,900	28,900	6,814
Other	52,828	53,255	30,423	6,731	37,154	16,101
Total Expenditures	<u>197,719</u>	<u>269,492</u>	<u>135,118</u>	<u>94,899</u>	<u>230,017</u>	<u>39,475</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,219)	(55,915)	78,459	<u>\$ (94,899)</u>	<u>\$ (16,440)</u>	<u>\$ 39,475</u>
Fund Balance at Beginning of Year	<u>237,373</u>	<u>237,373</u>	<u>237,373</u>			
Fund Balance at End of Year	<u>\$ 209,154</u>	<u>\$ 181,458</u>	<u>\$ 315,832</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Jail Facility Operation
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Sales Tax	\$ 5,400,000	\$ 6,870,357	\$ 6,870,357	\$ -	\$ 6,870,357	\$ -
Other	-	20,054	34,994	-	34,994	14,940
Total Revenues	<u>5,400,000</u>	<u>6,890,411</u>	<u>6,905,351</u>	<u>-</u>	<u>6,905,351</u>	<u>14,940</u>
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	5,205,000	6,208,335	6,006,374	-	6,006,374	201,961
Fringe Benefits	1,487,100	1,606,600	1,563,766	-	1,563,766	42,834
Supplies and Materials	202,312	180,750	99,056	5,980	105,036	75,714
Equipment	195,000	145,000	24,965	7,966	32,931	112,069
Contractual Services	573,045	712,621	648,882	22,466	671,348	41,273
Capital Outlay	33,769	33,751	32,637	1,114	33,751	-
Fees	750,000	187,165	104,853	21,884	126,737	60,428
Other	12,000	12,000	1,726	-	1,726	10,274
Total Expenditures	<u>8,458,226</u>	<u>9,086,222</u>	<u>8,482,259</u>	<u>59,410</u>	<u>8,541,669</u>	<u>544,553</u>
(Deficiency) of Revenues (Under) Expenditures	(3,058,226)	(2,195,811)	(1,576,908)	(59,410)	(1,636,318)	559,493
Other Financing Sources						
Operating Transfers - In	1,047,081	1,047,081	1,047,081	-	1,047,081	-
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures	(2,011,145)	(1,148,730)	(529,827)	<u>\$ (59,410)</u>	<u>\$ (589,237)</u>	<u>\$ 559,493</u>
Fund Balance at Beginning of Year	1,350,567	1,350,567	1,350,567			
Fund Balance(Deficit) at End of Year	<u>\$ (660,578)</u>	<u>\$ 201,837</u>	<u>\$ 820,740</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Dog and Kennel
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Charges for Services	\$ 1,500	\$ 2,930	\$ 2,930	\$ -	\$ 2,930	\$ -
Licenses, Permits and Fees	280,000	291,300	291,300	-	291,300	-
Fines and Forfeitures	28,500	27,439	27,057	-	27,057	(382)
Other	6,500	10,650	10,795	-	10,795	145
Total Revenues	316,500	332,319	332,082	-	332,082	(237)
Expenditures						
Current:						
Health:						
Salaries and Wages	194,312	196,812	194,865	-	194,865	1,947
Fringe Benefits	44,900	61,351	57,432	-	57,432	3,919
Supplies and Materials	21,855	20,667	13,548	1,762	15,310	5,357
Equipment	7,500	4,500	2,604	-	2,604	1,896
Contractual Services	33,653	31,050	21,314	2,864	24,178	6,872
Capital Outlay	-	2,357	2,357	-	2,357	-
Fees	1,000	-	-	-	-	-
Other	24,360	22,378	16,772	-	16,772	5,606
Total Expenditures	327,580	339,115	308,892	4,626	313,518	25,597
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,080)	(6,796)	23,190	(4,626)	18,564	25,360
Other Financing Uses						
Advances - Out	(30,000)	(30,000)	(30,000)	-	(30,000)	-
(Deficiency) of Revenues (Under) Expenditures and Other Financing Uses	(41,080)	(36,796)	(6,810)	\$ (4,626)	\$ (11,436)	\$ 25,360
Fund Balance at Beginning of Year	85,345	85,345	85,345			
Fund Balance at End of Year	\$ 44,265	\$ 48,549	\$ 78,535			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Recycle Ohio
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 244,600	\$ 241,773	\$ 241,773	\$ -	\$ 241,773	\$ -
Total Revenues	<u>244,600</u>	<u>241,773</u>	<u>241,773</u>	<u>-</u>	<u>241,773</u>	<u>-</u>
Expenditures						
Current:						
Health:						
Supplies and Materials	3,465	13,474	9,852	3,270	13,122	352
Equipment	1,000	30,377	30,198	-	30,198	179
Contractual Services	92,309	60,125	59,400	-	59,400	725
Other	155,758	148,556	146,324	2,164	148,488	68
Total Expenditures	<u>252,532</u>	<u>252,532</u>	<u>245,774</u>	<u>5,434</u>	<u>251,208</u>	<u>1,324</u>
(Deficiency) of Revenues (Under) Expenditures	(7,932)	(10,759)	(4,001)	<u>\$ (5,434)</u>	<u>\$ (9,435)</u>	<u>\$ 1,324</u>
Fund Balance at Beginning of Year	20,992	20,992	20,992			
Fund Balance at End of Year	<u>\$ 13,060</u>	<u>\$ 10,233</u>	<u>\$ 16,991</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Sold Waste
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits, and Fees	\$ 2,000,000	\$ 2,727,122	\$ 2,727,122	\$ -	\$ 2,727,122	\$ -
Other	18,035	87,916	88,305	-	88,305	389
Total Revenues	2,018,035	2,815,038	2,815,427	-	2,815,427	389
Expenditures						
Current:						
Health:						
Salaries and Wages	141,898	141,918	141,918	-	141,918	-
Fringe Benefits	37,356	37,656	37,386	-	37,386	270
Supplies and Materials	15,000	15,000	8,348	-	8,348	6,652
Equipment	9,500	14,607	13,137	-	13,137	1,470
Contractual Services	253,396	263,141	238,661	2,648	241,309	21,832
Capital Outlay	-	57,007	49,516	7,356	56,872	135
Other	1,819,141	2,460,625	2,192,415	26,537	2,218,952	241,673
Total Expenditures	2,276,291	2,989,954	2,681,381	36,541	2,717,922	272,032
Excess(Deficiency) of Revenues Over(Under) Expenditures	(258,256)	(174,916)	134,046	<u>\$ (36,541)</u>	<u>\$ 97,505</u>	<u>\$ 272,421</u>
Fund Balance at Beginning of Year	1,334,461	1,334,461	1,334,461			
Fund Balance at End of Year	\$ 1,076,205	\$ 1,159,545	\$ 1,468,507			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Based Correctional Facility
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 1,635,660	\$ 1,939,145	\$ 1,939,145	\$ -	\$ 1,939,145	\$ -
Other	1,000	408	2,602	-	2,602	2,194
Total Revenues	<u>1,636,660</u>	<u>1,939,553</u>	<u>1,941,747</u>	<u>-</u>	<u>1,941,747</u>	<u>2,194</u>
Expenditures						
Current:						
Intergovernmental:						
Salaries and Wages	965,160	906,908	842,762	-	842,762	64,146
Fringe Benefits	312,300	333,400	303,053	-	303,053	30,347
Supplies and Materials	114,248	129,987	95,263	10,504	105,767	24,220
Equipment	28,000	53,000	33,117	113	33,230	19,770
Contractual Services	179,516	170,246	115,150	2,801	117,951	52,295
Capital Outlay	2,001	-	-	-	-	-
Fees	5,625	5,000	458	625	1,083	3,917
Other	50,864	571,042	551,944	665	552,609	18,433
Total Expenditures	<u>1,657,714</u>	<u>2,169,583</u>	<u>1,941,747</u>	<u>14,708</u>	<u>1,956,455</u>	<u>213,128</u>
Excess(Deficiency) of Revenues						
Over(Under) Expenditures	(21,054)	(230,030)	-	<u>\$ (14,708)</u>	<u>\$ (14,708)</u>	<u>\$ 215,322</u>
Fund Balance at Beginning of Year	-	-	-			
Fund (Deficit) at End of Year	<u>\$ (21,054)</u>	<u>\$ (230,030)</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Flood Plan
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 67,000	\$ 34,000	\$ 34,000	\$ -	\$ -	\$ -
Total Revenues	<u>67,000</u>	<u>34,000</u>	<u>34,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Works						
Contractual Services	67,000	34,000	34,000	-	-	-
Total Expenditures	<u>67,000</u>	<u>34,000</u>	<u>34,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Substance Abuse/Mental Health
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 60,000	\$ 60,000	\$ -	\$ 60,000	\$ -
Other	135,586	4	231	-	231	227
Total Revenues	135,586	60,004	60,231	-	60,231	227
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	37,299	79,500	77,755	-	77,755	1,745
Fringe Benefits	12,088	19,175	15,081	-	15,081	4,094
Supplies and Materials	11,555	10,785	9,177	-	9,177	1,608
Contractual Services	77,276	928	-	-	-	928
Other	1,902	1,902	177	-	177	1,725
Total Expenditures	140,120	112,290	102,190	-	102,190	10,100
(Deficiency) of Revenues (Under) Expenditures	(4,534)	(52,286)	(41,959)	<u>\$ -</u>	<u>\$ (41,959)</u>	<u>\$ 10,327</u>
Fund Balances at Beginning of Year	57,290	57,290	57,290			
Fund Balance at End of Year	<u>\$ 52,756</u>	<u>\$ 5,004</u>	<u>\$ 15,331</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Real Estate Assessment
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 2,139,500	\$ 2,433,144	\$ 2,438,807	\$ -	\$ 2,438,807	\$ 5,663
Total Revenues	2,139,500	2,433,144	2,438,807	-	2,438,807	5,663
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Salaries and Wages	862,400	862,400	769,320	-	769,320	93,080
Fringe Benefits	229,700	254,700	211,595	-	211,595	43,105
Supplies and Materials	90,503	84,959	32,383	-	32,383	52,576
Equipment	332,469	302,688	92,710	14,917	107,627	195,061
Contractual Services	1,557,712	1,503,956	895,838	274,912	1,170,750	333,206
Other	68,850	68,850	32,771	8,432	41,203	27,647
Total Expenditures	3,141,634	3,077,553	2,034,617	298,261	2,332,878	744,675
Excess(Deficiency) of Revenues Over(Under) Expenditures	(1,002,134)	(644,409)	404,190	<u>\$ (298,261)</u>	<u>\$ 105,929</u>	<u>\$ 750,338</u>
Fund Balance at Beginning of Year	2,645,925	2,645,925	2,645,925			
Fund Balance at End of Year	\$ 1,643,791	\$ 2,001,516	\$ 3,050,115			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
DRETAC
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 340,000	\$ 482,532	\$ 483,196	\$ -	\$ 483,196	\$ 664
Total Revenues	340,000	482,532	483,196	-	483,196	664
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Salaries and Wages	277,860	277,860	225,142	-	225,142	52,718
Fringe Benefits	80,333	87,033	59,176	-	59,176	27,857
Supplies and Materials	21,255	19,599	6,728	-	6,728	12,871
Contractual Services	3,950	3,950	1,174	-	1,174	2,776
Equipment	31,444	31,444	9,015	-	9,015	22,429
Other	112,708	109,190	59,924	22,197	82,121	27,069
Total Expenditures	527,550	529,076	361,159	22,197	383,356	145,720
Excess(Deficiency) of Revenues Over(Under) Expenditures	(187,550)	(46,544)	122,037	<u>\$ (22,197)</u>	<u>\$ 99,840</u>	<u>\$ 146,384</u>
Fund Balance at Beginning of Year	455,599	455,599	455,599			
Fund Balance at End of Year	\$ 268,049	\$ 409,055	\$ 577,636			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Certificate of Title
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,200,000	\$ 1,044,979	\$ 1,057,508	\$ -	\$ 1,057,508	\$ 12,529
Total Revenues	1,200,000	1,044,979	1,057,508	-	1,057,508	12,529
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Salaries and Wages	790,000	790,000	707,904	-	707,904	82,096
Fringe Benefits	207,000	224,900	195,288	-	195,288	29,612
Supplies and Materials	35,496	27,050	18,800	58	18,858	8,192
Equipment	43,400	25,500	10,399	-	10,399	15,101
Contractual Services	34,385	37,441	32,066	1,268	33,334	4,107
Other	25,337	29,337	15,646	2,910	18,556	10,781
Total Expenditures	1,135,618	1,134,228	980,103	4,236	984,339	149,889
Excess(Deficiency) of Revenues Over(Under) Expenditures	64,382	(89,249)	77,405	(4,236)	73,169	162,418
Other Financing Uses						
Operating Transfers - Out	(175,000)	(175,000)	(175,000)	-	(175,000)	-
(Deficiency) of Revenues (Under) Expenditures and Other Financing Uses	(110,618)	(264,249)	(97,595)	\$ (4,236)	\$ (101,831)	\$ 162,418
Fund Balance at Beginning of Year	302,351	302,351	302,351			
Fund Balance at End of Year	\$ 191,733	\$ 38,102	\$ 204,756			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Recorder's Equipment
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 230,000	\$ 265,613	\$ 265,613	\$ -	\$ 265,613	\$ -
Total Revenues	<u>230,000</u>	<u>265,613</u>	<u>265,613</u>	<u>-</u>	<u>265,613</u>	<u>-</u>
Expenditures						
Current:						
General Government:						
Legislative and Executive:						
Equipment	69,012	79,012	14,061	12,390	26,451	52,561
Contractual Services	170,000	330,000	310,211	472	310,683	19,317
Total Expenditures	<u>239,012</u>	<u>409,012</u>	<u>324,272</u>	<u>12,862</u>	<u>337,134</u>	<u>71,878</u>
(Deficiency) of Revenues (Under) Expenditures	(9,012)	(143,399)	(58,659)	<u>\$ (12,862)</u>	<u>\$ (71,521)</u>	<u>\$ 71,878</u>
Fund Balance at Beginning of Year	<u>283,613</u>	<u>283,613</u>	<u>283,613</u>			
Fund Balance at End of Year	<u><u>\$ 274,601</u></u>	<u><u>\$ 140,214</u></u>	<u><u>\$ 224,954</u></u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Intensive Supervision
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 476,369	\$ 474,525	\$ 475,446	\$ -	\$ 475,446	\$ 921
Total Revenues	<u>476,369</u>	<u>474,525</u>	<u>475,446</u>	<u>-</u>	<u>475,446</u>	<u>921</u>
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	362,640	383,640	354,789	-	354,789	28,851
Fringe Benefits	107,242	119,142	105,605	-	105,605	13,537
Supplies and Materials	-	29,482	28,552	-	28,552	930
Other	6,487	8,214	5,422	-	5,422	2,792
Total Expenditures	<u>476,369</u>	<u>540,478</u>	<u>494,368</u>	<u>-</u>	<u>494,368</u>	<u>46,110</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(65,953)	(18,922)	\$ -	\$ (18,922)	\$ 47,031
Fund Balance at Beginning of Year	<u>82,242</u>	<u>82,242</u>	<u>82,242</u>			
Fund Balance at End of Year	<u>\$ 82,242</u>	<u>\$ 16,289</u>	<u>\$ 63,320</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Motor Vehicle Gas Tax
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 62,000	\$ 428,170	\$ 428,170	\$ -	\$ 428,170	\$ -
Intergovernmental	6,200,000	7,073,066	7,073,066	-	7,073,066	-
Interest	100,000	59,952	59,952	-	59,952	-
Other	260,000	239,583	247,935	-	247,935	8,352
Total Revenues	6,622,000	7,800,771	7,809,123	-	7,809,123	8,352
Expenditures						
Current:						
Public Works:						
Salaries and Wages	3,225,666	3,200,830	3,018,544	-	3,018,544	182,286
Fringe Benefits	813,746	888,996	866,152	-	866,152	22,844
Supplies and Materials	1,613,911	1,399,602	1,186,705	166,132	1,352,837	46,765
Equipment	404,800	586,300	483,284	60,839	544,123	42,177
Contractual Services	1,837,181	1,745,097	1,194,833	425,975	1,620,808	124,289
Capital Outlay	10,000	20,000	9,131	-	9,131	10,869
Other	146,000	192,000	147,751	6,975	154,726	37,274
Total Expenditures	8,051,304	8,032,825	6,906,400	659,921	7,566,321	466,504
Excess(Deficiency) of Revenues Over(Under) Expenditures	(1,429,304)	(232,054)	902,723	<u>\$ (659,921)</u>	<u>\$ 242,802</u>	<u>\$ 474,856</u>
Fund Balance at Beginning of Year	2,399,058	2,399,058	2,399,058			
Fund Balance at End of Year	\$ 969,754	\$ 2,167,004	\$ 3,301,781			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Drug Court
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Intergovernmental	\$ 193,000	\$ 138,784	\$ 138,784	\$ -	\$ 138,784	\$ -
Other	-	6,426	6,619	-	6,619	193
Total Revenues	193,000	145,210	145,403	-	145,403	193
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	72,000	72,600	72,562	-	72,562	38
Fringe Benefits	19,000	24,000	23,148	-	23,148	852
Supplies and Materials	-	750	-	-	-	750
Contractual Services	102,000	76,400	24,481	1,135	25,616	50,784
Other	-	3,250	1,055	-	1,055	2,195
Total Expenditures	193,000	177,000	121,246	1,135	122,381	54,619
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(31,790)	24,157	<u>\$ (1,135)</u>	<u>\$ 23,022</u>	<u>\$ 54,812</u>
Fund Balance at Beginning of Year	49,462	49,462	49,462			
Fund Balance at End of Year	\$ 49,462	\$ 17,672	\$ 73,619			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Bascule Bridge
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 454,000	\$ 448,385	\$ 448,385	\$ -	\$ 448,385	\$ -
Other	-	16	899	-	899	883
Total Revenues	<u>454,000</u>	<u>448,401</u>	<u>449,284</u>	<u>-</u>	<u>449,284</u>	<u>883</u>
Expenditures						
Current:						
Public Works:						
Salaries and Wages	300,000	316,800	314,948	-	314,948	1,852
Fringe Benefits	91,900	96,333	96,305	-	96,305	28
Supplies and Materials	9,001	10,493	8,190	1,291	9,481	1,012
Equipment	5,000	100	-	-	-	100
Contractual Services	48,854	42,432	35,839	420	36,259	6,173
Other	500	600	564	-	564	36
Total Expenditures	<u>455,255</u>	<u>466,758</u>	<u>455,846</u>	<u>1,711</u>	<u>457,557</u>	<u>9,201</u>
(Deficiency) of Revenues (Under) Expenditures	(1,255)	(18,357)	(6,562)	(1,711)	(8,273)	10,084
Other Financing Sources (Uses)						
Advances - In	-	102,000	102,000	-	102,000	-
Advances - Out	-	(104,000)	(104,000)	-	(104,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>
(Deficiency) of Revenues and Other Financing Sources (Under) Expenditures and Other Financing Uses	(1,255)	(20,357)	(8,562)	<u>\$ (1,711)</u>	<u>\$ (10,273)</u>	<u>\$ 10,084</u>
Fund Balance at Beginning of Year	<u>22,795</u>	<u>22,795</u>	<u>22,795</u>			
Fund Balance at End of Year	<u>\$ 21,540</u>	<u>\$ 2,438</u>	<u>\$ 14,233</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Housing Improvement
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 456,150	\$ 78,138	\$ 78,138	\$ -	\$ 78,138	\$ -
Total Revenues	<u>456,150</u>	<u>78,138</u>	<u>78,138</u>	<u>-</u>	<u>78,138</u>	<u>-</u>
Expenditures						
Current:						
Economic Development and Assistance						
Supplies and Materials	9,200	3,225	1,044	-	1,044	2,181
Equipment	5,650	1,500	-	-	-	1,500
Contractual Services	432,605	445,860	80,492	83,165	163,657	282,203
Other	42,800	39,661	687	20,000	20,687	18,974
Total Expenditures	<u>490,255</u>	<u>490,246</u>	<u>82,223</u>	<u>103,165</u>	<u>185,388</u>	<u>304,858</u>
(Deficiency) of Revenues (Under) Expenditures	(34,105)	(412,108)	(4,085)	<u>\$ (103,165)</u>	<u>\$ (107,250)</u>	<u>\$ 304,858</u>
Fund Balance at Beginning of Year	443,038	443,038	443,038			
Fund Balance at End of Year	<u>\$ 408,933</u>	<u>\$ 30,930</u>	<u>\$ 438,953</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Youth Services
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 178,000	\$ 128,668	\$ 128,668	\$ -	\$ 128,668	\$ -
Intergovernmental	576,000	509,514	509,514	-	509,514	-
Other	11,000	15,044	16,456	-	16,456	1,412
Total Revenues	765,000	653,226	654,638	-	654,638	1,412
Expenditures						
Current:						
Human Services:						
Salaries and Wages	399,719	463,989	447,432	-	447,432	16,557
Fringe Benefits	156,100	136,245	126,694	-	126,694	9,551
Supplies and Materials	22,000	19,100	10,912	-	10,912	8,188
Contractual Services	337,035	341,807	152,130	16,190	168,320	173,487
Equipment	12,263	9,608	4,341	-	4,341	5,267
Other	94,500	87,330	50,551	-	50,551	36,779
Total Expenditures	1,021,617	1,058,079	792,060	16,190	808,250	249,829
(Deficiency) of Revenues						
(Under) Expenditures	(256,617)	(404,853)	(137,422)	<u>\$ (16,190)</u>	<u>\$ (153,612)</u>	<u>\$ 251,241</u>
Fund Balance at Beginning of Year	479,407	479,407	479,407			
Fund Balance at End of Year	\$ 222,790	\$ 74,554	\$ 341,985			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Reclaim Ohio
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 1,325,000	\$ 2,207,932	\$ 2,207,932	\$ -	\$ 2,207,932	\$ -
Other	45,000	15,128	18,148	-	18,148	3,020
Total Revenues	<u>1,370,000</u>	<u>2,223,060</u>	<u>2,226,080</u>	<u>-</u>	<u>2,226,080</u>	<u>3,020</u>
Expenditures						
Current:						
Human Services:						
Salaries and Wages	668,998	1,157,678	1,092,675	-	1,092,675	65,003
Fringe Benefits	360,050	376,045	336,028	-	336,028	40,017
Supplies and Materials	16,000	15,250	12,550	-	12,550	2,700
Equipment	9,165	5,915	2,921	-	2,921	2,994
Contractual Services	303,115	227,820	128,850	8,575	137,425	90,395
Other	197,464	152,405	132,640	-	132,640	19,765
Total Expenditures	<u>1,554,792</u>	<u>1,935,113</u>	<u>1,705,664</u>	<u>8,575</u>	<u>1,714,239</u>	<u>220,874</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	(184,792)	287,947	520,416	<u>\$ (8,575)</u>	<u>\$ 511,841</u>	<u>\$ 223,894</u>
Fund Balance at Beginning of Year	580,181	580,181	580,181			
Fund Balance at End of Year	<u>\$ 395,389</u>	<u>\$ 868,128</u>	<u>\$ 1,100,597</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Medically Handicapped Child
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 410,886	\$ 410,886	\$ 410,886	\$ -	\$ 410,886	\$ -
Total Revenues	<u>410,886</u>	<u>410,886</u>	<u>410,886</u>	<u>-</u>	<u>410,886</u>	<u>-</u>
Expenditures						
Current:						
Human Services:						
Other	443,407	469,232	469,232	-	469,232	-
Total Expenditures	<u>443,407</u>	<u>469,232</u>	<u>469,232</u>	<u>-</u>	<u>469,232</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	(32,521)	(58,346)	(58,346)	\$ -	\$ (58,346)	\$ -
Fund Balance at Beginning of Year	<u>82,465</u>	<u>82,465</u>	<u>82,465</u>			
Fund Balance at End of Year	<u>\$ 49,944</u>	<u>\$ 24,119</u>	<u>\$ 24,119</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Indigent Guardianship
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 37,000	\$ 37,921	\$ 37,925	\$ -	\$ 37,925	\$ 4
Total Revenues	37,000	37,921	37,925	-	37,925	4
Expenditures						
Current:						
General Government:						
Judicial:						
Salaries and Wages	-	1,200	1,200	-	1,200	-
Fringe Benefits	-	178	167	-	167	11
Supplies and Materials	500	500	-	-	-	500
Equipment	1,500	1,500	-	-	-	1,500
Contractual Services	16,000	18,000	18,000	-	18,000	-
Other	19,000	16,822	1,060	-	1,060	15,762
Total Expenditures	37,000	38,200	20,427	-	20,427	17,773
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(279)	17,498	-	17,498	17,777
Other Financing Sources						
Operating Transfers - Out	(44,800)	(44,800)	(44,800)	-	(44,800)	-
(Deficiency) of Revenues (Under) Expenditures and Other Financing Uses	(44,800)	(45,079)	(27,302)	<u>\$ -</u>	<u>\$ (27,302)</u>	<u>\$ 17,777</u>
Fund Balance at Beginning of Year	188,649	188,649	188,649			
Fund Balance at End of Year	\$ 143,849	\$ 143,570	\$ 161,347			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
County Probation Services
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 50,000	\$ 104,588	\$ 104,588	\$ -	\$ 104,588	\$ -
Total Revenues	<u>50,000</u>	<u>104,588</u>	<u>104,588</u>	<u>-</u>	<u>104,588</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Contractual Services	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	50,000	104,588	104,588	<u>\$ -</u>	<u>\$ 104,588</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	<u>147,669</u>	<u>147,669</u>	<u>147,669</u>			
Fund Balance at End of Year	<u>\$ 197,669</u>	<u>\$ 252,257</u>	<u>\$ 252,257</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
TB Clinic
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 461,412	\$ 497,142	\$ 497,142	\$ -	\$ 497,142	\$ -
Charges for Services	12,000	12,208	12,208	-	12,208	-
Other	-	14	752	-	752	738
Total Revenues	473,412	509,364	510,102	-	510,102	738
Expenditures						
Current:						
Health:						
Salaries and Wages	269,500	269,500	255,876	-	255,876	13,624
Fringe Benefits	120,485	114,285	91,934	-	91,934	22,351
Supplies and Materials	32,300	34,800	30,708	-	30,708	4,092
Equipment	8,900	8,900	3,439	-	3,439	5,461
Contractual Services	53,500	57,200	54,421	-	54,421	2,779
Other	14,350	50,695	46,823	-	46,823	3,872
Total Expenditures	499,035	535,380	483,201	-	483,201	52,179
Excess(Deficiency) of Revenues Over(Under) Expenditures	(25,623)	(26,016)	26,901	\$ -	\$ 26,901	\$ 52,917
Fund Balance at Beginning of Year	742,849	742,849	742,849			
Fund Balance at End of Year	\$ 717,226	\$ 716,833	\$ 769,750			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Court Mediation
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 125,000	\$ 178,191	\$ 178,191	\$ -	\$ 178,191	\$ -
Other	-	4	207	-	207	203
Total Revenues	125,000	178,195	178,398	-	178,398	203
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	87,000	87,300	87,142	-	87,142	158
Fringe Benefits	14,350	14,350	13,125	-	13,125	1,225
Supplies and Materials	3,500	3,500	1,816	-	1,816	1,684
Equipment	11,000	11,000	1,416	-	1,416	9,584
Contractual Services	3,500	3,500	-	-	-	3,500
Other	8,500	8,200	297	-	297	7,903
Total Expenditures	127,850	127,850	103,796	-	103,796	24,054
Excess(Deficiency) of Revenues						
Over(Under) Expenditures	(2,850)	50,345	74,602	\$ -	\$ 74,602	\$ 24,257
Fund Balance at Beginning of Year	77,308	77,308	77,308			
Fund Balance at End of Year	\$ 74,458	\$ 127,653	\$ 151,910			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
County Erosion Control
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Licenses, Permits and Fees	\$ 1,500	\$ 500	\$ 500	\$ -	\$ 500	\$ -
Intergovernmental	54,450	99,940	99,940	-	99,940	-
Other	7,000	138,087	138,087	-	138,087	-
Total Revenues	62,950	238,527	238,527	-	238,527	-
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	215	215	24	-	24	191
Contractual Services	289,279	266,373	255,430	-	255,430	10,943
Other	1,535	1,535	490	-	490	1,045
Total Expenditures	291,029	268,123	255,944	-	255,944	12,179
(Deficiency) of Revenues Over (Under) Expenditures	(228,079)	(29,596)	(17,417)	-	(17,417)	12,179
Other Financing Sources						
Advances - In	124,763	124,763	124,763	-	124,763	-
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(103,316)	95,167	107,346	\$ -	\$ 107,346	\$ 12,179
Fund Balance at Beginning of Year	230,248	230,248	230,248			
Fund Balance at End of Year	\$ 126,932	\$ 325,415	\$ 337,594			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Supportive Living
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Intergovernmental	\$ 3,930,000	\$ 4,299,740	\$ 4,299,740	\$ -	\$ 4,299,740	\$ -
Other	31,000	7,274	13,630	-	13,630	6,356
Total Revenues	3,961,000	4,307,014	4,313,370	-	4,313,370	6,356
Expenditures						
Current:						
Health:						
Salaries and Wages	2,290,000	2,525,000	2,178,661	-	2,178,661	346,339
Fringe Benefits	951,000	1,070,108	864,295	-	864,295	205,813
Supplies and Materials	93,000	123,000	86,147	990	87,137	35,863
Equipment	88,739	81,000	26,227	7,965	34,192	46,808
Contractual Services	1,324,429	1,056,086	508,777	104,351	613,128	442,958
Capital Outlay	20,000	20,000	13,303	-	13,303	6,697
Other	51,238	50,500	17,425	988	18,413	32,087
Total Expenditures	4,818,406	4,925,694	3,694,835	114,294	3,809,129	1,116,565
Excess(Deficiency) of Revenues Over(Under) Expenditures	(857,406)	(618,680)	618,535	<u>\$ (114,294)</u>	<u>\$ 504,241</u>	<u>\$ 1,122,921</u>
Fund Balance at Beginning of Year	990,577	990,577	990,577			
Fund Balance at End of Year	\$ 133,171	\$ 371,897	\$ 1,609,112			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Mental Health Medicaid
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 5,400,000	\$ 9,080,251	\$ 9,080,251	\$ -	\$ 9,080,251	\$ -
Total Revenues	<u>5,400,000</u>	<u>9,080,251</u>	<u>9,080,251</u>	<u>-</u>	<u>9,080,251</u>	<u>-</u>
Expenditures						
Current:						
Health:						
Contractual Services	9,006,280	9,500,000	8,449,667	670	8,450,337	1,049,663
Total Expenditures	<u>9,006,280</u>	<u>9,500,000</u>	<u>8,449,667</u>	<u>670</u>	<u>8,450,337</u>	<u>1,049,663</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	(3,606,280)	(419,749)	630,584	(670)	629,914	1,049,663
Other Financing Sources						
Operating Transfers - In	4,000,000	-	-	-	-	-
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	393,720	(419,749)	630,584	<u>\$ (670)</u>	<u>\$ 629,914</u>	<u>\$ 1,049,663</u>
Fund Balance at Beginning of Year	2,604,921	2,604,921	2,604,921			
Fund Balance at End of Year	<u>\$ 2,998,641</u>	<u>\$ 2,185,172</u>	<u>\$ 3,235,505</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Golden Acres
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,600,000	\$ 1,167,612	\$ 1,271,965	\$ -	\$ 1,271,965	\$ 104,353
Intergovernmental	139,597	2,166,495	2,166,495	-	2,166,495	-
Other	1,000	25,457	32,346	-	32,346	6,889
Total Revenues	<u>1,740,597</u>	<u>3,359,564</u>	<u>3,470,806</u>	<u>-</u>	<u>3,470,806</u>	<u>111,242</u>
Expenditures						
Current:						
Health:						
Salaries and Wages	2,500,000	2,506,500	2,461,360	-	2,461,360	45,140
Fringe Benefits	790,000	800,107	787,591	-	787,591	12,516
Supplies and Materials	489,558	455,625	328,117	88,338	416,455	39,170
Equipment	47,378	97,210	56,093	20,963	77,056	20,154
Contractual Services	389,425	376,990	281,520	27,833	309,353	67,637
Capital Outlay	15,000	27,000	20,318	4,678	24,996	2,004
Other	88,952	432,407	401,379	1,165	402,544	29,863
Total Expenditures	<u>4,320,313</u>	<u>4,695,839</u>	<u>4,336,378</u>	<u>142,977</u>	<u>4,479,355</u>	<u>216,484</u>
(Deficiency) of Revenues (Under) Expenditures	(2,579,716)	(1,336,275)	(865,572)	<u>\$ (142,977)</u>	<u>\$ (1,008,549)</u>	<u>\$ 327,726</u>
Fund Balance at Beginning of Year	5,944,001	5,944,001	5,944,001			
Fund Balance at End of Year	<u>\$ 3,364,285</u>	<u>\$ 4,607,726</u>	<u>\$ 5,078,429</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Metropolitan Enforcement Group
For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Property and Other Taxes	\$ 384,511	\$ 414,285	\$ 414,285	\$ -	\$ 414,285	\$ -
Intergovernmental	160,000	208,788	208,788	-	208,788	-
Other	29,617	18	1,007	-	1,007	989
Total Revenues	574,128	623,091	624,080	-	624,080	989
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	485,448	604,406	390,229	-	390,229	214,177
Fringe Benefits	145,551	145,551	103,351	-	103,351	42,200
Supplies and Materials	20,829	20,807	18,992	-	18,992	1,815
Equipment	22,669	25,949	22,591	-	22,591	3,358
Contractual Services	59,000	104,000	69,961	-	69,961	34,039
Other	122,605	79,908	29,973	12,000	41,973	37,935
Total Expenditures	856,102	980,621	635,097	12,000	647,097	333,524
(Deficiency) of Revenues (Under) Expenditures	(281,974)	(357,530)	(11,017)	<u>\$ (12,000)</u>	<u>\$ (23,017)</u>	<u>\$ 334,513</u>
Fund Balance at Beginning of Year	584,338	584,338	584,338			
Fund Balance at End of Year	\$ 302,364	\$ 226,808	\$ 573,321			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Crime Laboratory
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 192,255	\$ 207,143	\$ 207,143	\$ -	\$ 207,143	\$ -
Total Revenues	<u>192,255</u>	<u>207,143</u>	<u>207,143</u>	<u>-</u>	<u>207,143</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Equipment	-	11,725	1,189	10,525	11,714	11
Other	200,000	203,058	3,046	-	3,046	200,012
Total Expenditures	<u>200,000</u>	<u>214,783</u>	<u>4,235</u>	<u>10,525</u>	<u>14,760</u>	<u>200,023</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	(7,745)	(7,640)	202,908	<u>\$ (10,525)</u>	<u>\$ 192,383</u>	<u>\$ 200,023</u>
Fund Balance at Beginning of Year	834,214	834,214	834,214			
Fund Balance at End of Year	<u>\$ 826,469</u>	<u>\$ 826,574</u>	<u>\$ 1,037,122</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
911 System
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Property and Other Taxes	\$ 1,175,179	\$ 1,250,234	\$ 1,250,234	\$ -	\$ 1,250,234	\$ -
Other	2,000	16,023	17,855	-	17,855	1,832
Total Revenues	<u>1,177,179</u>	<u>1,266,257</u>	<u>1,268,089</u>	<u>-</u>	<u>1,268,089</u>	<u>1,832</u>
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	700,000	700,000	590,495	-	590,495	109,505
Fringe Benefits	212,700	213,200	161,013	-	161,013	52,187
Supplies and Materials	10,500	10,600	4,017	-	4,017	6,583
Equipment	855,858	854,761	348,216	8,030	356,246	498,515
Contractual Services	203,583	373,614	273,826	448	274,274	99,340
Other	57,500	105,452	73,018	-	73,018	32,434
Total Expenditures	<u>2,040,141</u>	<u>2,257,627</u>	<u>1,450,585</u>	<u>8,478</u>	<u>1,459,063</u>	<u>798,564</u>
(Deficiency) of Revenues (Under) Expenditures	(862,962)	(991,370)	(182,496)	<u>\$ (8,478)</u>	<u>\$ (190,974)</u>	<u>\$ 800,396</u>
Fund Balance at Beginning of Year	1,646,128	1,646,128	1,646,128			
Fund Balance at End of Year	<u>\$ 783,166</u>	<u>\$ 654,758</u>	<u>\$ 1,463,632</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Child Support Enforcement Agency
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,500,000	\$ 944,151	\$ 946,547	\$ -	\$ 946,547	\$ 2,396
Intergovernmental	3,825,000	3,147,661	3,147,661	-	3,147,661	-
Other	50,000	1,912	7,840	-	7,840	5,928
Total Revenues	5,375,000	4,093,724	4,102,048	-	4,102,048	8,324
Expenditures						
Current:						
Human Services:						
Salaries and Wages	2,015,000	2,015,000	1,989,873	-	1,989,873	25,127
Fringe Benefits	650,090	650,090	613,711	-	613,711	36,379
Supplies and Materials	80,000	80,000	10,746	-	10,746	69,254
Equipment	13,000	13,000	626	-	626	12,374
Contractual Services	1,002,449	995,527	806,639	26,678	833,317	162,210
Other	1,367,630	1,350,500	1,065,437	5,924	1,071,361	279,139
Total Expenditures	5,128,169	5,104,117	4,487,032	32,602	4,519,634	584,483
Excess(Deficiency) of Revenues Over(Under) Expenditures	246,831	(1,010,393)	(384,984)	<u>\$ (32,602)</u>	<u>\$ (417,586)</u>	<u>\$ 592,807</u>
Fund Balance at Beginning of Year	3,172,453	3,172,453	3,172,453			
Fund Balance at End of Year	\$ 3,419,284	\$ 2,162,060	\$ 2,787,469			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Drug Enforcement
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 10,000	\$ 23,692	\$ 23,692	\$ -	\$ 23,692	\$ -
Other	500	3,600	3,600	-	3,600	-
Total Revenues	<u>10,500</u>	<u>27,292</u>	<u>27,292</u>	<u>-</u>	<u>27,292</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Fringe Benefits	200	200	-	-	-	200
Supplies and Materials	2,500	4,100	3,723	-	3,723	377
Equipment	2,500	-	-	-	-	-
Other	-	10,816	10,816	-	10,816	-
Total Expenditures	<u>5,200</u>	<u>15,116</u>	<u>14,539</u>	<u>-</u>	<u>14,539</u>	<u>577</u>
Excess of Revenues Over Expenditures	5,300	12,176	12,753	<u>\$ -</u>	<u>\$ 12,753</u>	<u>\$ 577</u>
Fund Balance at Beginning of Year	821	821	821			
Fund Balance at End of Year	<u>\$ 6,121</u>	<u>\$ 12,997</u>	<u>\$ 13,574</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Ditch Maintenance
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Special Assessments	\$ 20,685	\$ 25,055	\$ 25,055	\$ -	\$ 25,055	\$ -
Total Revenues	<u>20,685</u>	<u>25,055</u>	<u>25,055</u>	<u>-</u>	<u>25,055</u>	<u>-</u>
Expenditures						
Current:						
Public Works:						
Other	1,005	8,742	764	-	764	7,978
Total Expenditures	<u>1,005</u>	<u>8,742</u>	<u>764</u>	<u>-</u>	<u>764</u>	<u>7,978</u>
Excess of Revenues Over Expenditures	19,680	16,313	24,291	<u>\$ -</u>	<u>\$ 24,291</u>	<u>\$ 7,978</u>
Fund Balance at Beginning of Year	<u>113,559</u>	<u>113,559</u>	<u>113,559</u>			
Fund Balance at End of Year	<u>\$ 133,239</u>	<u>\$ 129,872</u>	<u>\$ 137,850</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Able Grant - Title I
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Contractual Services	13,988	540	540	-	540	-
Other	<u>2,000</u>	<u>3,505</u>	<u>3,505</u>	<u>-</u>	<u>3,505</u>	<u>-</u>
Total Expenditures	<u>15,988</u>	<u>4,045</u>	<u>4,045</u>	<u>-</u>	<u>4,045</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	(1,988)	(4,045)	(4,045)	<u>\$ -</u>	<u>\$ (4,045)</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	<u>4,045</u>	<u>4,045</u>	<u>4,045</u>			
Fund Balance at End of Year	<u>\$ 2,057</u>	<u>\$ -</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Model Township
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Economic Development:						
Other	-	17,751	17,751	-	17,751	-
Total Expenditures	<u>-</u>	<u>17,751</u>	<u>17,751</u>	<u>-</u>	<u>17,751</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	-	(17,751)	(17,751)	<u>\$ -</u>	<u>\$ (17,751)</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	<u>17,751</u>	<u>17,751</u>	<u>17,751</u>			
Fund Balance at End of Year	<u>\$ 17,751</u>	<u>\$ -</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Litter Control
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 8,000	\$ 16,000	\$ 16,000	\$ -	\$ 16,000	\$ -
Total Revenues	<u>8,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>16,000</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Equipment	17,034	17,034	-	-	-	17,034
Contractual Services	2,000	2,000	-	-	-	2,000
Other	966	966	50	-	50	916
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>50</u>	<u>-</u>	<u>50</u>	<u>19,950</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	(12,000)	(4,000)	15,950	-	15,950	19,950
Other Financing Sources						
Advances - In	-	12,000	12,000	-	12,000	-
Excess(Deficiency) of Revenue and Other Financing Sources Over(Under) Expenditures	(12,000)	8,000	27,950	<u>\$ -</u>	<u>\$ 27,950</u>	<u>\$ 19,950</u>
Fund Balance at Beginning of Year	129	129	129			
Fund Balance(Deficit) at End of Year	<u>\$ (11,871)</u>	<u>\$ 8,129</u>	<u>\$ 28,079</u>			

Lorain County, Ohio
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual (Non-GAAP Basis)
Linkages Plus/Byrne Memorial
 For the Year Ended December 31, 2002

	Original Budget	Final Budget	Actual	Encumbrances	Actual Plus Encumbrances	Variance with Final Budget Positive (Negative)
Revenues						
Other	\$ -	\$ -	\$ 4	\$ -	\$ 4	\$ 4
Total Revenues	<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>	<u>4</u>
Expenditures						
Current:						
Public Safety:						
Fringe Benefits	-	4	4	-	4	-
Other	-	14	-	-	-	14
Total Expenditures	<u>-</u>	<u>18</u>	<u>4</u>	<u>-</u>	<u>4</u>	<u>14</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(18)	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>
Fund Balance at Beginning of Year	18	18	18			
Fund Balance at End of Year	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 18</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
P.A.I.R.
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety						
Fringe Benefits	-	70	-	-	-	70
Total Expenditures	<u>-</u>	<u>70</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(70)	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70</u>
Fund Balance at Beginning of Year	75,263	75,263	75,263			
Fund Balance at End of Year	<u>\$ 75,263</u>	<u>\$ 75,193</u>	<u>\$ 75,263</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Violent Offender
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 40,000	\$ 58,707	\$ 58,781	\$ -	\$ 58,781	\$ 74
Total Revenues	40,000	58,707	58,781	-	58,781	74
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	26,500	26,400	26,202	-	26,202	198
Fringe Benefits	13,100	10,400	10,250	-	10,250	150
Other	400	2,200	1,532	-	1,532	668
Total Expenditures	40,000	39,000	37,984	-	37,984	1,016
Excess of Revenues Over Expenditures	-	19,707	20,797	\$ -	\$ 20,797	\$ 1,090
Fund Balance at Beginning of Year	58,826	58,826	58,826			
Fund Balance at End of Year	\$ 58,826	\$ 78,533	\$ 79,623			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Local Law Enforcement Block Grant
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ 20,679	\$ 20,679	\$ -	\$ 20,679	\$ -
Interest	-	401	401	-	401	-
Total Revenues	<u>-</u>	<u>21,080</u>	<u>21,080</u>	<u>-</u>	<u>21,080</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Equipment	-	55,369	43,670	11,483	55,153	216
Other	-	396	396	-	396	-
Total Expenditures	<u>-</u>	<u>55,765</u>	<u>44,066</u>	<u>11,483</u>	<u>55,549</u>	<u>216</u>
Excess(Deficiency) of Revenues						
Over(Under) Expenditures	-	(34,685)	(22,986)	<u>\$ (11,483)</u>	<u>\$ (34,469)</u>	<u>\$ 216</u>
Fund Balance at Beginning of Year	<u>34,685</u>	<u>34,685</u>	<u>34,685</u>			
Fund Balance at End of Year	<u>\$ 34,685</u>	<u>\$ -</u>	<u>\$ 11,699</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Marriage Licenses
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 69,600	\$ 71,442	\$ 71,442	\$ -	\$ 71,442	\$ -
Total Revenues	<u>69,600</u>	<u>71,442</u>	<u>71,442</u>	<u>-</u>	<u>71,442</u>	<u>-</u>
Expenditures						
Current:						
Human Services:						
Supplies and Materials	1,000	1,000	-	-	-	1,000
Other	27,600	74,314	71,587	-	71,587	2,727
Total Expenditures	<u>28,600</u>	<u>75,314</u>	<u>71,587</u>	<u>-</u>	<u>71,587</u>	<u>3,727</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	41,000	(3,872)	(145)	<u>\$ -</u>	<u>\$ (145)</u>	<u>\$ 3,727</u>
Fund Balance at Beginning of Year	69,070	69,070	69,070			
Fund Balance at End of Year	<u>\$ 110,070</u>	<u>\$ 65,198</u>	<u>\$ 68,925</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Medicaid Outreach
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 110,000	\$ 107,401	\$ 107,611	\$ -	\$ 107,611	\$ 210
Total Revenues	<u>110,000</u>	<u>107,401</u>	<u>107,611</u>	<u>-</u>	<u>107,611</u>	<u>210</u>
Expenditures						
Current:						
Health:						
Salaries and Wages	77,000	72,900	72,840	-	72,840	60
Fringe Benefits	29,766	30,326	29,953	-	29,953	373
Other	1,000	9,293	8,806	-	8,806	487
Total Expenditures	<u>107,766</u>	<u>112,519</u>	<u>111,599</u>	<u>-</u>	<u>111,599</u>	<u>920</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	2,234	(5,118)	(3,988)	-	(3,988)	1,130
Other Financing Sources (Uses)						
Advances - In	-	10,000	10,000	-	10,000	-
Advances - Out	-	(12,100)	(12,100)	-	(12,100)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,100)</u>	<u>(2,100)</u>	<u>-</u>	<u>(2,100)</u>	<u>-</u>
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures and Other Financing Uses	2,234	(7,218)	(6,088)	<u>\$ -</u>	<u>\$ (6,088)</u>	<u>\$ 1,130</u>
Fund Balance at Beginning of Year	8,527	8,527	8,527			
Fund Balance at End of Year	<u>\$ 10,761</u>	<u>\$ 1,309</u>	<u>\$ 2,439</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Court Security
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Other	\$ -	\$ 595	\$ 595	\$ -	\$ 595	\$ -
Total Revenues	<u>-</u>	<u>595</u>	<u>595</u>	<u>-</u>	<u>595</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	-	3,280	2,432	-	2,432	848
Equipment	-	2,129	1,590	-	1,590	539
Contractual Services	-	250	190	-	190	60
Total Expenditures	<u>-</u>	<u>5,659</u>	<u>4,212</u>	<u>-</u>	<u>4,212</u>	<u>1,447</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(5,064)	(3,617)	<u>\$ -</u>	<u>\$ (3,617)</u>	<u>\$ 1,447</u>
Fund Balance at Beginning of Year	6,925	6,925	6,925			
Fund Balance at End of Year	<u>\$ 6,925</u>	<u>\$ 1,861</u>	<u>\$ 3,308</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Criminal History-Online
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Contractual Services	280	23,226	15,000	-	15,000	8,226
Total Expenditures	<u>280</u>	<u>23,226</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>8,226</u>
(Deficiency) of Revenues (Under) Expenditures	(280)	(23,226)	(15,000)	<u>\$ -</u>	<u>\$ (15,000)</u>	<u>\$ 8,226</u>
Fund Balance at Beginning of Year	23,506	23,506	23,506			
Fund Balance at End of Year	<u>\$ 23,226</u>	<u>\$ 280</u>	<u>\$ 8,506</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Prosecutor's Victim Witness
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 101,525	\$ 94,734	\$ 94,927	\$ -	\$ 94,927	\$ 193
Total Revenues	101,525	94,734	94,927	-	94,927	193
Expenditures						
Current:						
Public Safety:						
Salaries and Wages	67,985	67,885	60,175	-	60,175	7,710
Fringe Benefits	33,540	33,640	28,291	-	28,291	5,349
Other	-	454	454	-	454	-
Total Expenditures	101,525	101,979	88,920	-	88,920	13,059
Excess(Deficiency) of Revenues Over(Under) Expenditures	-	(7,245)	6,007	<u>\$ -</u>	<u>\$ 6,007</u>	<u>\$ 13,252</u>
Fund Balance at Beginning of Year	41,231	41,231	41,231			
Fund Balance at End of Year	\$ 41,231	\$ 33,986	\$ 47,238			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Enforcement and Education
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Fines and Forfeitures	\$ 1,500	\$ 1,671	\$ 1,991	\$ -	\$ 1,991	\$ 320
Total Revenues	<u>1,500</u>	<u>1,671</u>	<u>1,991</u>	<u>-</u>	<u>1,991</u>	<u>320</u>
Expenditures						
Current:						
Public Safety:						
Supplies and Materials	4,000	4,000	-	-	-	4,000
Equipment	2,500	2,500	-	-	-	2,500
Total Expenditures	<u>6,500</u>	<u>6,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,500</u>
Excess(Deficiency) of Revenues Over(Under) Expenditures	(5,000)	(4,829)	1,991	<u>\$ -</u>	<u>\$ 1,991</u>	<u>\$ 6,820</u>
Fund Balance at Beginning of Year	<u>7,624</u>	<u>7,624</u>	<u>7,624</u>			
Fund Balance at End of Year	<u>\$ 2,624</u>	<u>\$ 2,795</u>	<u>\$ 9,615</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Juvenile Diversion Mediation
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current:						
Public Safety:						
Other	65,000	-	-	-	-	-
Total Expenditures	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	-	-	-	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	-	-	-			
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Debt Service Fund
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget</u>
Revenues						
Property and Other Taxes	\$ 2,294,227	\$ 2,418,629	\$ 2,418,629	\$ -	\$ 2,418,629	\$ -
Intergovernmental	-	551,928	551,928	-	551,928	-
Special Assessments	770,061	357,734	357,734	-	357,734	-
Other	-	4,970	4,970	-	4,970	-
Total Revenues	3,064,288	3,333,261	3,333,261	-	3,333,261	-
Expenditures						
Note Principal Retirement	-	2,228,000	2,228,000	-	2,228,000	-
Note Interest	-	73,706	73,706	-	73,706	-
General Obligation Bond Principal Retirement	2,380,000	4,334,948	4,305,000	-	4,305,000	29,948
General Obligation Interest	426,496	1,035,345	1,030,388	-	1,030,388	4,957
Special Assessment Principal Retirement	416,053	279,053	278,410	-	278,410	643
Special Assessment Interest	293,323	287,543	279,295	-	279,295	8,248
Fiscal Charges	120,000	1,090,535	1,030,924	19,720	1,050,644	39,891
Total Expenditures	3,635,872	9,329,130	9,225,723	19,720	9,245,443	83,687
(Deficiency) of Revenues (Under) Expenditures	(571,584)	(5,995,869)	(5,892,462)	(19,720)	(5,912,182)	83,687
Other Financing Sources						
Proceeds of Notes	1,680,000	2,000,000	2,000,000	-	2,000,000	-
Premium on Bonds	-	545,716	545,716	-	545,716	-
Accrued Interest on Bonds	-	51,688	51,688	-	51,688	-
Operating Transfers - In	-	106,799	106,799	-	106,799	-
Total Other Financing Sources	1,680,000	2,704,203	2,704,203	-	2,704,203	-
Excess(Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	1,108,416	(3,291,666)	(3,188,259)	\$ (19,720)	\$ (3,207,979)	\$ 83,687
Fund Balance at Beginning of Year	10,661,549	10,661,549	10,661,549			
Fund Balance at End of Year	\$ 11,769,965	\$ 7,369,883	\$ 7,473,290			

Lorain County, Ohio
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual (Non-GAAP Basis)
Jail Facility Construction
 For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Sales Tax	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Capital Outlay:						
Jail Facility Construction	1,680,950	1,680,950	1,508,409	22,536	1,530,945	150,005
Total Expenditures	<u>1,680,950</u>	<u>1,680,950</u>	<u>1,508,409</u>	<u>22,536</u>	<u>1,530,945</u>	<u>150,005</u>
(Deficiency) of Revenues (Under) Expenditures	(1,080,950)	(1,680,950)	(1,508,409)	<u>\$ (22,536)</u>	<u>\$ (1,530,945)</u>	<u>\$ 150,005</u>
Fund Balance at Beginning of Year	<u>3,614,973</u>	<u>3,614,973</u>	<u>3,614,973</u>			
Fund Balance at End of Year	<u>\$ 2,534,023</u>	<u>\$ 1,934,023</u>	<u>\$ 2,106,564</u>			

Capital Projects Fund

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

Q Construction – To account for monies used for acquisition and construction of various projects within the County.

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Q Construction
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Intergovernmental	\$ 1,000,000	\$ 385,425	\$ 385,425	\$ -	\$ 385,425	\$ -
Other	-	28,468	28,468	-	28,468	-
Total Revenues	1,000,000	413,893	413,893	-	413,893	-
Expenditures						
Capital Outlay:						
Justice Center	4,458,529	43,962,091	7,568,923	26,808,762	34,377,685	9,584,406
Liberty Lane	86,240	-	-	-	-	-
D.D. School	49,160	49,160	-	-	-	49,160
Engineer Maintenance Garage	7,014	4,857	4,857	-	4,857	-
Adult Workshop	-	33,333	-	-	-	33,333
9-1-1 Phone System	1,160,576	1,173,659	1,060,541	6,837	1,067,378	106,281
Agricultural Center	30,310	30,310	-	930	930	29,380
Board of Education	155	-	-	-	-	-
MRDD Workshop	3,081	454	454	-	454	-
Rehabilitation Service Center	2,729	-	-	-	-	-
Adult Training Center	236,422	236,422	21,637	112,195	133,832	102,590
Highway Improvement	1,392,492	1,392,492	1,205,226	85,801	1,291,027	101,465
Issue II	850,000	385,425	385,425	-	385,425	-
Ditches	17,294	17,294	-	-	-	17,294
Sewers	11,256	11,241	-	-	-	11,241
Waterlines	834	834	-	-	-	834
Other	-	-	-	-	-	-
Total Expenditures	8,306,092	47,297,572	10,247,063	27,014,525	37,261,588	10,035,984
(Deficiency) of Revenues Over (Under) Expenditures	(7,306,092)	(46,883,679)	(9,833,170)	(27,014,525)	(36,847,695)	10,035,984
Other Financing Sources (Uses)						
Proceeds of Notes	-	25,000,000	25,000,000	-	25,000,000	-
Advances - In	-	1,500,000	1,500,000	-	1,500,000	-
Operating Transfers - In	1,883,000	65,000	65,000	-	65,000	-
Operating Transfers - Out	-	(106,954)	(106,954)	-	(106,954)	-
Total Other Financing Sources (Uses)	1,883,000	26,458,046	26,458,046	-	26,458,046	-
Excess(Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,423,092)	(20,425,633)	16,624,876	<u>\$ (27,014,525)</u>	<u>\$ (10,389,649)</u>	<u>\$ 10,035,984</u>
Fund Balance at Beginning of Year	20,578,246	20,578,246	20,578,246			
Fund Balance at End of Year	\$ 15,155,154	\$ 152,613	\$ 37,203,122			

Proprietary Funds

The Proprietary funds are used to account for the County's ongoing organizations and activities which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flows.

Enterprise Fund

The Sanitary Sewer enterprise fund is used to account for the County's sewer operations. This operation is financed and operated in a manner similar to a private business enterprise. The intent of the County is that the costs (expenses, including depreciation) of providing this service to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Fund

The Internal Service Fund is used to account for the activity of the County's self-funded insurance program.

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Enterprise Fund
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 1,075,510	\$ 1,047,442	\$ 1,056,271	\$ -	\$ 1,056,271	\$ 8,829
Total Revenues	1,075,510	1,047,442	1,056,271	-	1,056,271	8,829
Expenses						
Current:						
Personal Services	360,000	313,000	303,955	-	303,955	9,045
Fringe Benefits	92,810	82,310	80,485	-	80,485	1,825
Contractual Services	232,757	297,638	220,249	66,848	287,097	10,541
Supplies and Materials	21,500	13,500	10,566	-	10,566	2,934
Equipment	56,500	33,650	12,224	14,666	26,890	6,760
OWDA Loan Principal Retirement	101,793	101,793	101,793	-	101,793	-
OWDA Loan Interest	79,036	79,035	79,035	-	79,035	-
Other	209,771	219,766	210,581	4,500	215,081	4,685
Total Expenses	1,154,167	1,140,692	1,018,888	86,014	1,104,902	35,790
Excess(Deficiency) of Revenues Over(Under) Expenses	(78,657)	(93,250)	37,383	(86,014)	(48,631)	44,619
Other Financing Uses						
Advances - Out	-	(112,000)	(112,000)	-	(112,000)	-
(Deficiency) of Revenues (Under) Expenses and Other Financing Uses	(78,657)	(205,250)	(74,617)	<u>\$ (86,014)</u>	<u>\$ (160,631)</u>	<u>\$ 44,619</u>
Fund Balance at Beginning of Year	298,799	298,799	298,799			
Fund Balance at End of Year	\$ 220,142	\$ 93,549	\$ 224,182			

Lorain County, Ohio
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Internal Service Fund
For the Year Ended December 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual Plus Encumbrances</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues						
Charges for Services	\$ 7,885,000	\$ 9,978,642	\$ 9,978,642	\$ -	\$ 9,978,642	\$ -
Total Revenues	7,885,000	9,978,642	9,978,642	-	9,978,642	-
Expenses						
Current:						
Contractual Services	1,010,000	1,089,300	1,085,503	3,500	1,089,003	297
Claims & Judgments	6,800,000	11,000,000	10,499,431	-	10,499,431	500,569
Other	5,000	5,000	4,688	-	4,688	312
Total Expenses	7,815,000	12,094,300	11,589,622	3,500	11,593,122	501,178
Excess(Deficiency) of Revenues Over(Under) Expenses	70,000	(2,115,658)	(1,610,980)	(3,500)	(1,614,480)	501,178
Other Financing Sources						
Operating Transfers - In	156,672	156,672	156,672	-	156,672	-
Excess(Deficiency) of Revenues and Other Financing Sources Over(Under) Expenses	226,672	(1,958,986)	(1,454,308)	\$ (3,500)	\$ (1,457,808)	\$ 501,178
Fund Balance at Beginning of Year	7,446,786	7,446,786	7,446,786			
Fund Balance at End of Year	\$ 7,673,458	\$ 5,487,800	\$ 5,992,478			

Lorain County, Ohio Agency Funds

These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations. The following are the County's agency funds:

Family and Children First Council – To account for revenues and expenditures for the Family and Children First Council for which the County serves as fiscal agent.

Undivided Tax – To account for the collection of real estate taxes and special assessments collected from real estate owners. These taxes and special assessments are periodically apportioned to local governments in the County (including Lorain County itself).

Real Estate Escrow – To account for the monies received for taxes before their due date.

Undivided Government – To account for the collection of shared revenues from the State of Ohio that represent a portion of state income taxes, state sales taxes, and corporate franchise taxes which are returned to the County. These monies are apportioned to local governments on a monthly basis, allocated according to a formula agreed upon by the recipients.

Board of Health – To account for revenues and expenditures for the Board of Health for which the County serves as fiscal agent.

Soil and Water- To account for revenues and expenditures of the soil and water conservation commission for which the County serves as fiscal agent.

Payroll – To account for the net payroll taxes and other related payroll deductions accumulated from the government, proprietary, and fiduciary funds for distribution to employees, other governmental units and private organizations.

Courts – To account for the receipt and expenditure of various court monies that do not run through the County's accounting system.

Sheriff – To account for the receipt and expenditure of moneys for inmates and the Sheriff's civil account that do not run through the County's accounting system.

Alimony and Child Support – To account for the collection of alimony and child support payments and distribution of such monies to the court-designated recipients.

Local Emergency Planning Commission - To account for revenues and expenditures of the Local Emergency Planning Commission for which the County serves as fiscal agent.

Community Based Correctional Facility – To account for the operation of the community based correctional facility for which the County serves as fiscal agent.

Sheriff's Inmate – To account for the moneys held for the sheriff's inmate account.

Golden Acres – To account for the moneys held on behalf of the County home residents.

Benefit America Flex Plan – To account for employee deductions under Internal Revenue Code Section 125 for medical and child care expenses.

U-Trust – To account for unclaimed and surplus funds held in trust by the county.

Lorain County, Ohio
Combining Balance Sheet
All Agency Funds
December 31, 2002

	<u>Family and Children First Council</u>	<u>Undivided Tax</u>	<u>Real Estate Escrow</u>	<u>Undivided Government</u>	<u>Board of Health</u>
ALL AGENCY FUNDS					
Assets					
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 108,283	\$ 9,090,603	\$ 2,025,059	\$ -	\$ 2,555,193
Cash and Cash Equivalents in Segregated Accounts	-	-	-	-	-
Receivables:					
Property and Other Taxes	-	283,253,209	-	13,294,323	-
Special Assessments	-	21,500,224	-	-	-
Accrued Interest Receivable	-	-	2,477	-	-
Intergovernmental Receivable	-	11,910,683	-	-	-
Total Assets	\$ 108,283	\$ 325,754,719	\$ 2,027,536	\$ 13,294,323	\$ 2,555,193
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Local Government Taxes Payable	-	2,118,436	-	11,602,948	-
Intergovernmental Payable	-	296,458,602	-	1,687,394	-
Advances from Other Funds	54,260	-	-	-	-
Undistributed Monies	54,023	27,177,681	2,027,536	3,981	2,555,193
Total Liabilities	\$ 108,283	\$ 325,754,719	\$ 2,027,536	\$ 13,294,323	\$ 2,555,193

<u>Soil and Water</u>	<u>Payroll</u>	<u>Courts</u>	<u>Sheriff</u>	<u>Alimony and Child Support</u>	<u>Local Emergency Planning Commission</u>
\$ 262,395	\$ 244,260	\$ -	\$ -	\$ -	\$ -
-	-	4,594,055	668,737	40,735	246,418
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 262,395</u>	<u>\$ 244,260</u>	<u>\$ 4,594,055</u>	<u>\$ 668,737</u>	<u>\$ 40,735</u>	<u>\$ 246,418</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
262,395	244,260	4,594,055	668,737	40,735	246,418
<u>\$ 262,395</u>	<u>\$ 244,260</u>	<u>\$ 4,594,055</u>	<u>\$ 668,737</u>	<u>\$ 40,735</u>	<u>\$ 246,418</u>

(continued)

Lorain County, Ohio
Combining Balance Sheet
All Agency Funds (continued)
December 31, 2002

	<u>Community Based Correctional Facility</u>	<u>Sheriff's Inmate</u>	<u>Golden Acres</u>	<u>Benefit America Flex Plan</u>	<u>U-Trust</u>	<u>Totals</u>
Assets						
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 462,923	\$ -	\$ -	\$ 29,421	\$ 932,569	\$ 15,710,706
Cash and Cash Equivalents in Segregated Accounts	-	57,743	112,967	-	-	5,720,655
Receivables:						
Property and Other Taxes	-	-	-	-	-	296,547,532
Special Assessments	-	-	-	-	-	21,500,224
Accrued Interest Receivable	-	-	-	-	121	2,598
Intergovernmental Receivable	-	-	-	-	1,439	11,912,122
Total Assets	\$ 462,923	\$ 57,743	\$ 112,967	\$ 29,421	\$ 934,129	\$ 351,393,837
Liabilities						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 2,146	\$ 2,146
Interfund Payable	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Local Government Taxes Payable	-	-	-	-	-	13,721,384
Intergovernmental Payable	-	-	-	-	2,480	298,148,476
Advances from Other Funds	-	-	-	-	-	54,260
Undistributed Monies	462,923	57,743	112,967	29,421	929,503	39,467,571
Total Liabilities	\$ 462,923	\$ 57,743	\$ 112,967	\$ 29,421	\$ 934,129	\$ 351,393,837

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2002

	<u>Balance 1/1/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/02</u>
FAMILY AND CHILDREN FIRST COUNCIL				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 255,121	\$ 693,004	\$ 839,842	\$ 108,283
Total Assets	\$ 255,121	\$ 693,004	\$ 839,842	\$ 108,283
Liabilities				
Interfund Payable	\$ 44,626	\$ -	\$ 44,626	\$ -
Advances from Other Funds	54,260	0	0	54,260
Undistributed Monies	156,235	693,004	795,216	54,023
Total Liabilities	\$ 255,121	\$ 693,004	\$ 839,842	\$ 108,283
UNDIVIDED TAX				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 8,277,268	\$ 274,336,130	\$ 273,522,795	\$ 9,090,603
Receivables:				
Property and Other Taxes	293,757,970	283,253,209	293,757,970	283,253,209
Special Assessments	30,539,491	21,500,224	30,539,491	21,500,224
Intergovernment Receivable	11,626,412	11,910,683	11,626,412	11,910,683
Total Assets	\$ 344,201,141	\$ 591,000,246	\$ 609,446,608	\$ 325,754,719
Liabilities				
Due to County Funds:				
Property and Other Taxes	\$ 39,459,833	\$ -	\$ 39,459,833	\$ -
Special Assessments	6,400,463	-	6,400,463	-
Local Government Taxes Payable	-	2,118,436	-	2,118,436
Intergovernmental Payable	269,514,556	296,458,602	269,514,556	296,458,602
Undistributed Monies	28,826,289	289,301,452	290,950,060	27,177,681
Total Liabilities	\$ 344,201,141	\$ 587,878,490	\$ 606,324,912	\$ 325,754,719
REAL ESTATE ESCROW				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 1,401,185	\$ 4,398,199	\$ 3,774,325	\$ 2,025,059
Accrued interest receivable	-	2,477	-	2,477
Total Assets	\$ 1,401,185	\$ 4,400,676	\$ 3,774,325	\$ 2,027,536
Liabilities				
Undistributed Monies	\$ 1,401,185	\$ 4,400,676	\$ 3,774,325	\$ 2,027,536
Total Liabilities	\$ 1,401,185	\$ 4,400,676	\$ 3,774,325	\$ 2,027,536
UNDIVIDED GOVERNMENT				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ -	\$ 309,278,094	\$ 309,278,094	\$ -
Receivables:				
Property and Other Taxes	17,884,958	13,294,323	17,884,958	13,294,323
Total Assets	\$ 17,884,958	\$ 322,572,417	\$ 327,163,052	\$ 13,294,323
Liabilities				
Due to County Funds:				
Local Government	\$ 4,507,886	\$ -	\$ 4,507,886	\$ -
Local Government Taxes Payable	-	11,602,948	-	11,602,948
Intergovernmental Payable	13,377,072	1,687,394	13,377,072	1,687,394
Undistributed Monies	-	309,282,075	309,278,094	3,981
Total Liabilities	\$ 17,884,958	\$ 322,572,417	\$ 327,163,052	\$ 13,294,323

(continued)

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (continued)
For the Year Ended December 31, 2002

	Balance 1/1/02	Additions	Reductions	Balance 12/31/02
BOARD OF HEALTH				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 2,007,803	\$ 4,509,142	\$ 3,961,752	\$ 2,555,193
Total Assets	\$ 2,007,803	\$ 4,509,142	\$ 3,961,752	\$ 2,555,193
Liabilities				
Due to Other Funds	\$ 45	\$ -	\$ 45	\$ -
Undistributed Monies	2,007,758	4,509,142	3,961,707	2,555,193
Total Liabilities	\$ 2,007,803	\$ 4,509,142	\$ 3,961,707	\$ 2,555,193
SOIL AND WATER				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 468,821	\$ 247,909	\$ 454,335	\$ 262,395
Total Assets	\$ 468,821	\$ 247,909	\$ 454,335	\$ 262,395
Liabilities				
Due to Other Funds	\$ 63	\$ -	\$ 63	\$ -
Undistributed Monies	468,758	247,909	454,272	262,395
Total Liabilities	\$ 468,821	\$ 247,909	\$ 454,335	\$ 262,395
PAYROLL				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 487,605	\$ 56,307,694	\$ 56,551,039	\$ 244,260
Total Assets	\$ 487,605	\$ 56,307,694	\$ 56,551,039	\$ 244,260
Liabilities				
Undistributed Monies	\$ 487,605	\$ 56,307,694	\$ 56,551,039	\$ 244,260
Total Liabilities	\$ 487,605	\$ 56,307,694	\$ 56,551,039	\$ 244,260
COURTS				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 4,557,493	\$ 36,562	\$ -	\$ 4,594,055
Total Assets	\$ 4,557,493	\$ 36,562	\$ -	\$ 4,594,055
Liabilities				
Undistributed Monies	\$ 4,557,493	\$ 36,562	\$ -	\$ 4,594,055
Total Liabilities	\$ 4,557,493	\$ 36,562	\$ -	\$ 4,594,055
SHERIFF				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 849,062	\$ -	\$ 180,325	\$ 668,737
Total Assets	\$ 849,062	\$ -	\$ 180,325	\$ 668,737
Liabilities				
Undistributed Monies	\$ 849,062	\$ -	\$ 180,325	\$ 668,737
Total Liabilities	\$ 849,062	\$ -	\$ 180,325	\$ 668,737

(continued)

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (continued)
For the Year Ended December 31, 2002

	Balance 1/1/02	Additions	Reductions	Balance 12/31/02
ALIMONY AND CHILD SUPPORT				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 9,932	\$ 30,803	\$ -	\$ 40,735
Total Assets	\$ 9,932	\$ 30,803	\$ -	\$ 40,735
Liabilities				
Undistributed Monies	\$ 9,932	\$ 30,803	\$ -	\$ 40,735
Total Liabilities	\$ 9,932	\$ 30,803	\$ -	\$ 40,735
LOCAL EMERGENCY PLANNING COMMISSION				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 201,052	\$ 45,366	\$ -	\$ 246,418
Total Assets	\$ 201,052	\$ 45,366	\$ -	\$ 246,418
Liabilities				
Undistributed Monies	\$ 201,052	\$ 45,366	\$ -	\$ 246,418
Total Liabilities	\$ 201,052	\$ 45,366	\$ -	\$ 246,418
COMMUNITY BASED CORRECTIONAL FACILITY				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 771,804	\$ 1,632,866	\$ 1,941,747	\$ 462,923
Total Assets	\$ 771,804	\$ 1,632,866	\$ 1,941,747	\$ 462,923
Liabilities				
Accounts Payable	\$ 23,310	\$ -	\$ 23,310	\$ -
Due to Other Funds	630	-	630	-
Undistributed Monies	747,864	1,633,496	1,918,437	462,923
Total Liabilities	\$ 771,804	\$ 1,633,496	\$ 1,942,377	\$ 462,923
SHERIFF'S INMATE				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 53,898	\$ 3,845	\$ -	\$ 57,743
Total Assets	\$ 53,898	\$ 3,845	\$ -	\$ 57,743
Liabilities				
Undistributed Monies	\$ 53,898	\$ 3,845	\$ -	\$ 57,743
Total Liabilities	\$ 53,898	\$ 3,845	\$ -	\$ 57,743
GOLDEN ACRES				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$ 5,445	\$ 107,522	\$ -	\$ 112,967
Total Assets	\$ 5,445	\$ 107,522	\$ -	\$ 112,967
Liabilities				
Undistributed Monies	\$ 5,445	\$ 107,522	\$ -	\$ 112,967
Total Liabilities	\$ 5,445	\$ 107,522	\$ -	\$ 112,967

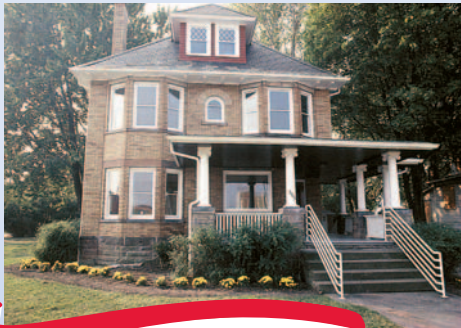
(continued)

Lorain County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (continued)
For the Year Ended December 31, 2002

	Balance 1/1/02	Additions	Reductions	Balance 12/31/02
BENEFIT AMERICA FLEX PLAN				
Assets				
Equity in Pooled Cash, Cash Equivalent and Investments	\$ 25,740	\$ 3,681	\$ -	\$ 29,421
Total Assets	\$ 25,740	\$ 3,681	\$ -	\$ 29,421
Liabilities				
Undistributed Monies	\$ 25,740	\$ 3,681	\$ -	\$ 29,421
Total Liabilities	\$ 25,740	\$ 3,681	\$ -	\$ 29,421
U-TRUST				
Assets				
Equity in Pooled Cash, Cash Equivalent and Investments	\$ 882,795	\$ 424,953	\$ 375,179	\$ 932,569
Accrued Interest Receivable	-	121	-	121
Intergovernmental Receivable	-	1,439	-	1,439
Total Assets	\$ 882,795	\$ 426,513	\$ 375,179	\$ 934,129
Liabilities				
Accounts Payable	\$ -	\$ 2,146	\$ -	\$ 2,146
Intergovernmental Payable	-	2,480	-	2,480
Undistributed Monies	882,795	421,887	375,179	929,503
Total Liabilities	\$ 882,795	\$ 426,513	\$ 375,179	\$ 934,129
ALL AGENCY FUNDS				
Assets				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 14,578,142	\$ 651,831,672	\$ 650,699,108	\$ 15,710,706
Cash and Cash Equivalents in Segregated Accounts	5,676,882	224,098	180,325	5,720,655
Accrued Interest Receivable	-	2,598	-	2,598
Receivables:				
Property and Other Taxes	311,642,928	296,547,532	311,642,928	296,547,532
Special Assessments	30,539,491	21,500,224	30,539,491	21,500,224
Intergovernmental Receivable	11,626,412	11,912,122	11,626,412	11,912,122
Total Assets	\$ 374,063,855	\$ 982,018,246	\$ 1,004,688,264	\$ 351,393,837
Liabilities				
Accounts Payable	\$ 23,310	\$ 2,146	\$ 23,310	\$ 2,146
Interfund Payable	44,626	-	44,626	-
Local Government Taxes Payable	-	13,721,384	-	13,721,384
Due to Other Funds	738	-	738	-
Due to County Funds:				
Property and Other Taxes	39,459,833	-	39,459,833	-
Local Government	4,507,886	-	4,507,886	-
Special Assessments	6,400,463	-	6,400,463	-
Intergovernmental Payable	282,891,628	298,148,476	282,891,628	298,148,476
Advances from Other Funds	54,260	-	-	54,260
Undistributed Monies	40,681,111	667,025,114	668,238,654	39,467,571
Total Liabilities	\$ 374,063,855	\$ 978,897,120	\$ 1,001,567,138	\$ 351,393,837



STATISTICAL SECTION



BLACK RIVER HISTORICAL SOCIETY
Lorain



METHODIST VILLAGE
Elyria



NORTH OHIO HEART CENTER
Avon



SAN-SPRING BUILDING
Amberst



HERITAGE ELEMENTARY SCHOOL
Avon

Lorain County, Ohio
General Fund Expenditures by Function
Last Ten Years

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
General Government:										
Legislative and Executive	\$ 10,374,728	\$ 10,225,144	\$ 11,373,408	\$ 13,161,123	\$ 15,590,631	\$ 15,192,194	\$ 15,225,931	\$ 17,728,092	\$ 19,558,832	\$ 23,099,838
Judicial	6,432,495	6,882,964	7,623,195	8,043,620	7,979,357	9,204,290	10,100,666	10,728,523	12,331,788	12,986,021
Public Safety	5,388,146	5,813,273	6,230,217	4,567,011	5,641,923	7,056,584	6,319,978	4,994,709	5,639,205	6,451,057
Public Works	132,678	236,977	116,387	183,065	208,317	185,901	198,899	226,674	225,991	246,522
Health	4,449	4,326	23,793	4,693	4,331	4,367	3,222	3,470	3,558	934
Human Services	449,885	413,415	434,086	446,625	462,463	1,233,855	1,219,880	1,287,142	1,435,903	1,966,094
Economic Development and Assistance	45,568	47,160	8,935	-	-	-	-	-	-	2,898
Capital Outlay	213,501	1,178,712	2,215,779	1,651,806	1,632,810	2,963,175	4,062,324	3,255,326	514,336	2,368,460
Intergovernmental	187,704	474,058	255,905	240,460	310,975	337,616	793,662	4,250,483	6,636,190	560,915
Debt Service:										
Principal Retirement	35,174	58,708	54,490	35,519	-	-	-	-	-	-
Interest and Fiscal Charges	76,914	15,254	10,680	22,639	109,694	-	-	-	-	-
Total Expenditures	\$ 23,541,242	\$ 25,349,991	\$ 28,346,875	\$ 28,356,561	\$ 31,940,501	\$ 36,177,982	\$ 37,924,562	\$ 42,474,419	\$ 46,365,803	\$ 47,682,739

Source: Lorain County Financial Statements

Lorain County, Ohio
General Fund Revenues by Source
Last Ten Years

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Taxes	\$ 11,692,089	\$ 11,275,006	\$ 12,027,821	\$ 14,134,766	\$ 15,387,349	\$ 16,096,392	\$ 17,182,846	\$ 17,799,856	\$ 19,136,238	\$ 19,987,761
Charges for Services	6,445,176	7,032,160	5,595,833	7,190,556	7,531,682	10,477,434	864,429	1,151,159	1,148,147	2,000,702
Licenses, Permits and Fees	122,297	115,599	263,425	153,783	112,234	318,554	8,227,481	7,656,441	8,642,316	9,505,698
Fines and Forfeitures	445,822	453,621	433,485	953,199	750,550	824,640	1,281,608	1,258,364	1,240,671	1,488,301
Intergovernmental	6,872,069	7,879,984	9,977,320	10,692,970	9,796,903	9,341,662	10,716,071	10,857,406	12,005,394	11,150,839
Interest	3,388,560	4,417,694	4,826,660	5,471,529	6,884,777	7,699,232	5,895,696	10,889,392	7,607,100	4,134,247
Other	280,481	348,038	256,392	503,696	375,767	433,499	1,059,950	1,700,438	1,583,656	1,552,169
Total Revenues	\$ 29,246,494	\$ 31,522,102	\$ 33,360,936	\$ 39,100,499	\$ 40,839,262	\$ 45,191,323	\$ 45,228,081	\$ 51,313,056	\$ 51,363,522	\$ 49,817,717

Source: Lorain County Financial Statements

Lorain County, Ohio
Property Tax Levies and Collections -
Real and Public Utility Taxes
 Last Ten Years

Collection Year	Current Tax Levy (1)	Current Tax Collections (2)	Percent Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections To Current Tax Levies	Outstanding Delinquent Taxes (3)	% of Outstanding Delinquent Taxes To Current Tax Levy
1993	\$ 21,836,813	\$ 21,275,721	97.43%	\$ 482,979	\$ 21,758,700	99.64%	\$ 1,049,279	4.81%
1994	\$ 23,285,824	\$ 22,831,140	98.05%	\$ 517,668	\$ 23,348,808	100.27%	\$ 1,015,989	4.36%
1995	\$ 23,907,260	\$ 23,482,798	98.22%	\$ 587,988	\$ 24,070,786	100.68%	\$ 788,411	3.30%
1996	\$ 25,443,443	\$ 25,075,179	98.55%	\$ 729,285	\$ 25,804,464	101.42%	\$ 704,121	2.77%
1997	\$ 27,047,030	\$ 26,372,756	97.51%	\$ 651,956	\$ 27,024,712	99.92%	\$ 742,790	2.75%
1998 *	\$ 22,914,599	\$ 22,299,239	97.31%	\$ 565,321	\$ 22,864,560	99.78%	\$ 895,584	3.91%
1999	\$ 25,626,921	\$ 24,773,661	96.67%	\$ 873,114	\$ 25,646,775	99.30%	\$ 1,227,982	4.79%
2000	\$ 26,198,873	\$ 25,880,369	98.78%	\$ 716,083	\$ 26,596,452	101.33%	\$ 816,589	3.12%
2001	\$ 28,481,243	\$ 27,498,162	96.55%	\$ 767,037	\$ 28,265,199	99.24%	\$ 1,443,572	5.07%
2002 **	\$ 37,092,280	\$ 35,760,033	96.41%	\$ 1,064,916	\$ 36,824,949	99.28%	\$ 2,041,587	5.50%

(1) Does not include the General Health District, a special district that is not a part of the County entity for reporting purposes.

(2) State reimbursements of Rollback and Homestead Exemptions are included.

(3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs. This amount cannot be calculated based on other information in this statistical table because of retroactive additions and deletions which are brought on in one lump sum.

* Current Tax Levy amount is lower due to two levies dropping Golden Acres .40 mills & Board of Mental Retardation 1.50 mills.

** Increase in current tax levy amount is due to Board of Mental Retardation passing an additional levy of 1.80 mills.

Lorain County, Ohio
Tangible Personal Property Tax Collections
Last Ten Years

<u>Year</u>	<u>Amount</u>
1993	\$ 3,961,020
1994	\$ 3,770,308
1995	\$ 3,749,568
1996	\$ 4,400,811
1997	\$ 4,606,985
1998	\$ 3,716,845
1999	\$ 3,842,499
2000	\$ 3,867,772
2001	\$ 3,340,642
2002	\$ 4,809,748

Source: Lorain County Auditor
Tax Settlement Department

Lorain County, Ohio
Assessed and Estimated Actual Value
Of Taxable Property
Last Ten Years

Collection Year	Real Property (1)		Personal Property		Tangible Personal Public Utility		Total		Ratio of Assessed Value To Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1993	\$ 2,309,601,240	\$ 6,598,860,686	\$ 436,411,932	\$ 1,745,647,728	\$ 379,300,480	\$ 431,023,273	\$ 3,125,313,652	\$ 8,775,531,687	35.61%
1994	\$ 2,362,495,180	\$ 6,749,986,229	\$ 461,324,759	\$ 1,845,299,036	\$ 373,355,140	\$ 424,267,205	\$ 3,197,175,079	\$ 9,019,552,470	35.45%
1995	\$ 2,739,951,970	\$ 7,828,434,200	\$ 440,427,598	\$ 1,761,710,392	\$ 382,707,920	\$ 434,893,364	\$ 3,563,087,488	\$ 10,025,059,956	35.54%
1996	\$ 2,810,204,100	\$ 8,029,154,571	\$ 447,285,567	\$ 1,789,142,268	\$ 376,347,400	\$ 427,667,500	\$ 3,633,837,067	\$ 10,245,964,339	35.47%
1997	\$ 2,900,417,820	\$ 8,286,908,057	\$ 512,223,720	\$ 2,048,894,880	\$ 360,460,820	\$ 409,614,568	\$ 3,773,102,360	\$ 10,745,417,505	35.11%
1998	\$ 3,438,435,120	\$ 9,824,100,343	\$ 536,990,029	\$ 2,147,960,116	\$ 359,097,660	\$ 408,065,523	\$ 4,334,522,809	\$ 12,380,125,982	35.01%
1999	\$ 3,558,102,020	\$ 10,166,005,771	\$ 550,710,302	\$ 2,202,841,208	\$ 350,502,690	\$ 398,298,511	\$ 4,459,315,012	\$ 12,767,145,490	34.93%
2000	\$ 3,670,290,540	\$ 10,486,544,400	\$ 558,408,070	\$ 2,233,632,280	\$ 358,221,040	\$ 407,069,364	\$ 4,586,919,650	\$ 13,127,246,044	34.94%
2001	\$ 4,334,583,960	\$ 12,384,525,600	\$ 564,842,468	\$ 2,239,369,872	\$ 355,073,190	\$ 403,492,261	\$ 5,254,499,618	\$ 15,047,387,733	34.92%
2002	\$ 4,447,591,090	\$ 12,707,403,114	\$ 592,165,760	\$ 2,467,357,333	\$ 270,952,300	\$ 404,231,415	\$ 5,310,709,150	\$ 15,578,991,862	34.09%

(1) Includes Public Utility Real Property and Mineral Lands and Rights.

(2) Ratio represents Total Assessed Value to Total Estimated Actual Value.

Source: Lorain County Auditor

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

County Units	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002
General Fund	\$ 0.70	\$ 0.70	\$ 0.70	\$ 1.15	\$ 1.45	\$ 1.30	\$ 1.15	\$ 1.15	\$ 1.15	\$ 1.15
Special Revenue Funds										
Golden Acres	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ -	\$ -	\$ -	\$ -	\$ -
Children Services	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.80	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50
Mental Rehabilitation	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.19	\$ 1.69	\$ 1.69	\$ 1.69	\$ 1.69	\$ 3.46
TB Clinic	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20	\$ 0.20
Drug Enforcement	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
911 System	\$ 0.25	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35
Community Mental Health	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
Debt Services Fund	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.45	\$ 0.15	\$ 0.30	\$ 0.45	\$ 0.45	\$ 0.45	\$ 0.45
Agency Funds										
Metropolitan Park	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Lorain Community College	\$ 1.20	\$ 1.20	\$ 1.20	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.70
Townships										
Amherst	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 3.90	\$ 5.90
Brighton	\$ 11.20	\$ 11.20	\$ 11.20	\$ 11.20	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45	\$ 11.45
Brownhelm	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43	\$ 3.43
Camden	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.58	\$ 10.58	\$ 10.58
Carlisle	\$ 3.03	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 4.53	\$ 6.28
Columbia	\$ 7.80	\$ 7.80	\$ 7.80	\$ 7.80	\$ 7.80	\$ 6.30	\$ 6.30	\$ 6.30	\$ 7.74	\$ 7.74
Eaton	\$ 4.90	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80
Elyria	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78	\$ 6.78
Grafton	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76	\$ 6.76
Henrietta	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 5.76	\$ 5.76	\$ 5.76	\$ 7.76	\$ 7.76
Huntington	\$ 10.30	\$ 10.30	\$ 10.30	\$ 10.30	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55	\$ 10.55
Lagrange	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28	\$ 6.28
Penfield	\$ 9.28	\$ 9.28	\$ 9.28	\$ 9.28	\$ 9.28	\$ 9.53	\$ 9.53	\$ 9.53	\$ 9.53	\$ 9.53
Pitsfield	\$ 7.03	\$ 7.03	\$ 7.03	\$ 7.03	\$ 7.78	\$ 7.78	\$ 7.78	\$ 7.78	\$ 10.78	\$ 10.78
Rochester	\$ 8.60	\$ 8.60	\$ 8.60	\$ 8.60	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10
New Russia	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 5.40
Sheffield	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63	\$ 9.63
Wellington	\$ 10.88	\$ 10.88	\$ 10.88	\$ 10.88	\$ 10.88	\$ 10.83	\$ 10.83	\$ 10.23	\$ 9.95	\$ 9.23
School Districts										
Amherst EYSD	\$ 53.33	\$ 53.08	\$ 53.08	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 62.42	\$ 62.41
Avon CSD	\$ 47.80	\$ 47.35	\$ 47.35	\$ 47.05	\$ 52.25	\$ 50.60	\$ 50.27	\$ 49.24	\$ 48.58	\$ 47.46
Avon Lakes CSD	\$ 48.64	\$ 49.47	\$ 49.47	\$ 49.97	\$ 53.61	\$ 53.81	\$ 53.66	\$ 58.34	\$ 57.74	\$ 62.94
Columbia CSD	\$ 56.30	\$ 56.00	\$ 55.30	\$ 55.25	\$ 55.06	\$ 53.80	\$ 53.29	\$ 53.29	\$ 58.20	\$ 58.05
Elyria CSD	\$ 54.83	\$ 54.58	\$ 53.98	\$ 53.68	\$ 53.58	\$ 52.81	\$ 52.71	\$ 57.66	\$ 57.11	\$ 57.09
Firelands LSD	\$ 45.60	\$ 51.55	\$ 50.70	\$ 50.60	\$ 56.35	\$ 53.10	\$ 53.10	\$ 52.70	\$ 51.30	\$ 51.25
Kuytona LSD	\$ 48.40	\$ 48.40	\$ 54.90	\$ 54.90	\$ 54.90	\$ 53.90	\$ 52.60	\$ 52.60	\$ 52.60	\$ 51.60
Lorain CSD	\$ 57.49	\$ 59.49	\$ 57.49	\$ 57.49	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 57.98	\$ 62.45
Midview LSD	\$ 46.39	\$ 55.24	\$ 54.19	\$ 52.69	\$ 52.39	\$ 51.14	\$ 50.94	\$ 50.94	\$ 50.14	\$ 49.84
North Ridgeville CSD	\$ 44.94	\$ 44.64	\$ 43.89	\$ 53.54	\$ 53.19	\$ 50.19	\$ 48.95	\$ 47.25	\$ 46.47	\$ 46.47
Oberlin CSD	\$ 61.47	\$ 64.47	\$ 64.32	\$ 64.32	\$ 63.97	\$ 66.97	\$ 65.97	\$ 65.97	\$ 65.47	\$ 64.97
Sheffield-Clearview LSD	\$ 46.66	\$ 46.61	\$ 45.91	\$ 45.41	\$ 45.27	\$ 44.46	\$ 44.31	\$ 47.25	\$ 48.56	\$ 48.53
Sheffield Lake CSD	\$ 44.06	\$ 44.06	\$ 44.06	\$ 58.12	\$ 57.20	\$ 55.31	\$ 54.81	\$ 54.81	\$ 53.06	\$ 52.76
Wellington EYSD	\$ 28.00	\$ 28.00	\$ 34.02	\$ 33.55	\$ 33.10	\$ 32.10	\$ 28.00	\$ 28.00	\$ 28.00	\$ 28.00

(continued)

Lorain County, Ohio

Property Tax Rates
Direct and Overlaying Governments (continued)
(Per \$1,000 of Assessed Value)
Last Ten Years

County Units	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2,000/2001	2001/2002
Out of County School Districts										
Black River LSD	\$ 54.45	\$ 54.45	\$ 63.20	\$ 62.20	\$ 53.25	\$ 60.83	\$ 60.83	\$ 60.83	\$ 60.83	\$ 56.83
Marietta LSD	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 45.10	\$ 49.80
New London LSD	\$ 33.70	\$ 33.70	\$ 33.00	\$ 33.00	\$ 32.70	\$ 32.10	\$ 36.19	\$ 36.19	\$ 35.60	\$ 35.60
Olmsted Falls CSD	\$ 68.60	\$ 68.50	\$ 74.90	\$ 78.10	\$ 80.10	\$ 79.90	\$ 79.90	\$ 91.70	\$ 90.30	\$ 90.00
Swantonville CSD	\$ 62.70	\$ 62.40	\$ 66.70	\$ 67.90	\$ 69.90	\$ 68.60	\$ 68.40	\$ 68.20	\$ 68.90	\$ 68.80
Vermilion LSD	\$ 60.25	\$ 60.35	\$ 60.35	\$ 64.30	\$ 60.35	\$ 59.55	\$ 59.55	\$ 67.54	\$ 66.85	\$ 66.85
Joint Vocational Schools										
Ashland IVSD	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10	\$ 4.10
E.H.O.V.J.R.	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95	\$ 3.95
Lorain County JVS	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45	\$ 2.45
Medina County JVS	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05	\$ 3.05
Polaris JVS	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40
Cities										
Amherst	\$ 4.20	\$ 5.77	\$ 5.77	\$ 5.77	\$ 5.77	\$ 6.77	\$ 5.30	\$ 5.20	\$ 5.13	\$ 5.10
Avon	\$ 8.80	\$ 8.60	\$ 9.32	\$ 9.32	\$ 9.32	\$ 9.17	\$ 9.50	\$ 9.36	\$ 9.45	\$ 9.40
Avon Lake	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24	\$ 7.24
Elyria	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20	\$ 4.20
Lorain	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96
North Ridgeville	\$ 11.25	\$ 10.55	\$ 12.25	\$ 11.75	\$ 11.75	\$ 11.45	\$ 11.25	\$ 12.71	\$ 12.56	\$ 12.41
Oberlin	\$ 15.47	\$ 15.47	\$ 15.47	\$ 15.47	\$ 14.32	\$ 12.23	\$ 11.23	\$ 11.10	\$ 14.15	\$ 14.15
Sheffield Lake	\$ 19.87	\$ 18.97	\$ 18.97	\$ 19.97	\$ 20.51	\$ 19.99	\$ 19.99	\$ 19.99	\$ 19.99	\$ 19.99
Beginning with 1999 tax year the Health portion of 1.00 was taken off as compared to prior years.										
Villages										
Chardon	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76	\$ 4.76
Kipton	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 17.20	\$ 20.20	\$ 20.20
Lagrange	\$ 12.18	\$ 12.18	\$ 11.98	\$ 11.88	\$ 11.88	\$ 11.78	\$ 11.78	\$ 11.78	\$ 11.78	\$ 11.78
Rochester	\$ 11.40	\$ 11.40	\$ 12.40	\$ 11.40	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90	\$ 10.90
Sheffield	\$ 4.64	\$ 4.64	\$ 4.64	\$ 4.64	\$ 4.64	\$ 4.64	\$ 3.64	\$ 3.64	\$ 3.64	\$ 3.64
South Amherst	\$ 5.26	\$ 5.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26	\$ 3.26
Wilmington	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.60	\$ 12.25	\$ 12.25	\$ 11.85	\$ 11.55	\$ 10.85
Beginning with 1999 tax year the Health portion of 1.00 was taken off as compared to prior years.										
Special District										
Cetnar Health	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00

Source: Lorain County Auditor
Tax Settlement Dept.

Lorain County, Ohio
Special Assessment Collections
Last Ten Years

Collection Year	Current Assessments Due	Total Assessments Due	Current Assessments Collected (1)	Total Assessments Collected	Ratio of Assessments Collected to Total Assessments Due	Outstanding Delinquent Assessments (2)
1993	\$ 547,630	\$ 547,630	\$ 348,864	\$ 348,864	63.70%	\$ 30,795
1994	\$ 589,285	\$ 589,285	\$ 416,985	\$ 416,985	70.76%	\$ 37,639
1995	\$ 585,380	\$ 585,380	\$ 419,146	\$ 419,146	71.60%	\$ 43,860
1996	\$ 625,781	\$ 625,781	\$ 579,687	\$ 579,687	92.63%	\$ 46,094
1997	\$ 712,558	\$ 712,558	\$ 525,296	\$ 525,296	73.72%	\$ 187,262
1998	\$ 764,120	\$ 764,120	\$ 553,990	\$ 553,990	72.50%	\$ 210,130
1999	\$ 709,237	\$ 709,237	\$ 495,571	\$ 457,477	64.50%	\$ 213,666
2000	\$ 674,793	\$ 674,793	\$ 450,664	\$ 450,664	66.79%	\$ 224,129
2001	\$ 714,422	\$ 714,422	\$ 479,231	\$ 479,231	67.08%	\$ 235,191
2002	\$ 871,867	\$ 871,867	\$ 629,131	\$ 629,131	72.16%	\$ 242,736

(1) Include delinquent assessments due/collected.

(2) Outstanding delinquent assessments include accrued interest and are shown net of abatements.

Source: Lorain County Auditor
Tax Settlement Department

Lorain County, Ohio
Ratio of Net General Bonded Debt to Assessed Value
and Net Bonded Debt Per Capita
Last Ten Years

Year	Population (1)	Assessed Value	Gross Bonded Debt (2)	Debt Service Monies Available (3)	Debt Payable From Enterprise Revenues	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita
1992/1993	274,909	\$ 3,125,313,652	\$ 6,090,050	\$ 710,332	\$ -	\$ 5,379,718	0.17	20
1993/1994	279,405	\$ 3,197,175,079	\$ 4,752,545	\$ 1,706,773	\$ -	\$ 3,045,772	0.10	11
1994/1995	281,447	\$ 3,563,087,488	\$ 3,405,160	\$ 3,405,160	\$ -	\$ -	0.00	0
1995/1996	281,480	\$ 3,633,837,067	\$ 10,406,003	\$ 6,767,519	\$ -	\$ 3,638,484	0.10	13
1996/1997	281,231	\$ 3,773,102,360	\$ 9,256,479	\$ 4,079,708	\$ -	\$ 5,176,771	0.14	18
1997/1998	281,231	\$ 4,334,522,809	\$ 8,082,937	\$ 4,742,928	\$ -	\$ 3,340,009	0.08	12
1998/1999	281,231	\$ 4,459,315,012	\$ 7,350,000	\$ 1,642,032	\$ -	\$ 5,707,968	0.13	20
1999/2000	284,664	\$ 4,586,919,650	\$ 6,950,000	\$ 3,820,357	\$ -	\$ 3,129,643	0.07	11
2000/2001	284,664	\$ 5,254,499,618	\$ 6,540,000	\$ 6,540,000	\$ -	\$ -	0	0
2001/2002	284,664	\$ 5,310,709,150	\$ 27,235,000	\$ 5,473,290	\$ -	\$ 21,761,710	0.41	76

(1) Information obtained from County Planning Commission.

(2) Includes all long-term general obligation debt (excludes special assessment obligations.)

(3) Represents equity in debt service fund related to general obligation debt and does not include equity related to special assessment obligations.

Source: Lorain County Auditor

Lorain County, Ohio
Computation of Legal Debt Margin
December 31, 2002

	Voted Total Debt Limit		Total Unvoted Debt Limit
Assessed Value of County, Collection Year 2002	\$ 5,310,709,150		\$ 5,310,709,150
Debt Limitation	131,267,729	(1)	53,107,092 (2)
Total Outstanding Debt			
Bond Anticipation Notes Payable	2,000,000		2,000,000
General Obligation Bonds	27,235,000		27,235,000
Special Assessment Bonds	5,458,808		5,458,808
OWDA Loans	1,547,015		1,547,015
Total	36,240,823		36,240,823
Exemptions			
Bond Anticipation Notes Payable	2,000,000		2,000,000
Special Assessment Bonds	5,458,808		5,458,808
OWDA Loans	1,547,015		1,547,015
Amount Available in Debt Service Fund for Retirement of General Obligations Bonds	5,473,290		5,473,290
Total	14,479,113		14,479,113
Net Debt	21,761,710		21,761,710
Total Legal Debt Margin (Debt Limitation Minus Net Debt)	\$ 109,506,019		\$ 31,345,382

(1) The Debt Limitation is calculated as follows:

3% of first \$100,000,000 of assessed value	\$ 3,000,000
1 1/2% of next \$200,000,000 of assessed value	3,000,000
2 1/2% of amount of assessed value in excess of \$300,000,000	125,267,729

Total	\$ 131,267,729
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(2) The Debt Limitation equals one percent of the assessed value.

Source: Lorain County Auditor

Lorain County, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2002

<u>Political Subdivision</u>	<u>Net Debt</u>	<u>Percent Applicable</u>	<u>County Share (2)</u>
County of Lorain	\$ 27,235,000	100%	\$ 27,235,000
Lorain County Cities, Villages and Townships	97,485,025	100	97,485,025
Lorain County School Districts (1)	<u>55,280,381</u>	100	<u>55,280,381</u>
Total Net District and Overlapping Debt	<u>\$ 180,000,406</u>		<u>\$ 180,000,406</u>

(1) Debt outstanding for School Districts is shown as of June 30, 2002

(2) Percent applicable to Lorain County by dividing the assessed valuation of the political subdivision located within the County by the total assessed valuation of the subdivision.

Source: Respective Political Subdivision.

Lorain County, Ohio
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Fund Expenditures
Last Ten Years

Year	Principal	Interest and Fiscal Charges	Total Debt Service (1)	Total General Fund Expenditures	Ratio of Debt Service To Total General Fund Expenditures
1993	\$ 1,313,485	\$ 510,384	\$ 1,823,869	\$ 23,541,242	7.75%
1994	\$ 1,337,505	\$ 416,374	\$ 1,753,879	\$ 25,349,991	6.92%
1995	\$ 1,347,385	\$ 321,385	\$ 1,668,770	\$ 28,346,875	5.89%
1996	\$ 884,157	\$ 420,109	\$ 1,304,266	\$ 28,356,561	4.60%
1997	\$ 1,149,524	\$ 564,585	\$ 1,714,109	\$ 31,940,501	5.37%
1998	\$ 1,173,542	\$ 494,968	\$ 1,668,510	\$ 36,177,982	4.61%
1999	\$ 732,937	\$ 423,020	\$ 1,155,957	\$ 37,924,562	3.05%
2000	\$ 400,000	\$ 384,160	\$ 784,160	\$ 42,474,419	1.84%
2001	\$ 410,000	\$ 368,895	\$ 778,895	\$ 46,365,803	1.68%
2002	\$ 4,305,000	\$ 1,030,388	\$ 5,335,388	\$ 47,682,739	11.19%

(1) Debt service related to special assessment obligations is excluded.

Source: Lorain County Auditor

Lorain County, Ohio
Demographic Statistics
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Percentage Unemployment Rate (1)</u>
1993	274,909	10,563	6.6%
1994	279,405	10,863	5.8%
1995	281,447	10,989	6.3%
1996	281,480	11,198	6.8%
1997	281,231	10,878	5.6%
1998	281,231	11,367	3.8%
1999	281,231	11,551	4.8%
2000	284,664	11,740	5.0%
2001	284,664	11,826	5.4%
2002	284,664	12,010	6.8%

Sources: (1) County Planning Commission

(2) Lorain County Educational Service Center;
 Represents six local school district enrollments only;
 Other eight school districts within the County maintain
 enrollment information separately.

Lorain County, Ohio
Construction, Bank Deposits and Property Value
Last Ten Years

Year	New Construction (1)			Bank Deposits (2)	Assessed Value (3)
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction		
1993/1994	\$ 41,954,050	\$ 9,302,160	\$ 51,256,210	\$ 1,170,581,000	\$ 3,197,175,079
1994/1995	\$ 39,531,600	\$ 9,247,660	\$ 48,779,260	\$ 1,254,166,000	\$ 3,563,087,488
1995/1996	\$ 61,186,200	\$ 11,090,650	\$ 72,276,850	\$ 1,237,991,000	\$ 3,633,837,067
1996/1997	\$ 64,553,250	\$ 23,895,470	\$ 88,448,720	\$ 1,329,795,000	\$ 3,773,102,360
1997/1998	\$ 68,501,260	\$ 26,762,600	\$ 95,263,860	\$ 920,050,000	\$ 4,334,522,809
1998/1999	\$ 75,997,140	\$ 28,616,060	\$ 104,613,200	\$ 444,974,000	\$ 4,459,315,012
1999/2000	\$ 74,500,930	\$ 30,104,070	\$ 104,605,000	\$ 463,971,000	\$ 4,586,919,650
2000/2001	\$ 88,072,110	\$ 42,189,670	\$ 130,261,780	\$ 513,102,000	\$ 5,254,499,618
2001/2002	\$ 85,839,240	\$ 33,359,580	\$ 119,198,820	\$ 555,591,000	\$ 5,310,709,150
2002/2003	\$ 114,663,220	\$ 26,611,290	\$ 141,274,510	\$ 614,592,000	\$ 5,523,123,040

- Sources: (1) Lorain County Auditor
Tax Settlement Department
- (2) Federal Reserve Bank of Cleveland, Ohio
- (3) Lorain County Auditor

Lorain County, Ohio

Principal Taxpayers

December 31, 2002

REAL PROPERTY

<u>Name of Taxpayer</u>		<u>Assessed Valuation</u>
Ford Motor Company	\$	39,945,060
Elyria Joint Venture		13,491,880
Republic Technologies		8,750,010
West River Road		6,625,150
Aerc Avon LLC		6,590,010
First Interstate Avon LTD		6,033,570
First Interstate Elyria		5,713,900
Nordson Corp.		5,496,810
Sheffield Enterprises LTD		4,961,460
Green Circle		4,485,190

PUBLIC UTILITY

<u>Name of Taxpayer</u>		<u>Assessed Valuation</u>
Orion Power Midwest LP	\$	86,264,360
Ohio Edison Co.		60,687,230
American Transmission		29,049,880
Cleveland Electric		22,104,330
Centurytel of Ohio		19,261,300
Alltel Ohio		19,031,810

TANGIBLE PERSONAL

<u>Name of Taxpayer</u>		<u>Assessed Valuation</u>
Republic Technologies	\$	67,502,780
Ford Motor Company		53,916,550
Noveon Inc.		24,141,250
Polyone Corporation		15,741,430
Marconi Communications		13,465,580
Lorain Tubular Company		11,980,810
Ridge Tool Company		11,407,610
Engelhard Corporation		9,781,590
Nordson Corporation		9,097,360
Invacare Corporation		8,905,670

Source: Lorain County Auditor
Tax Settlement Department

Lorain County, Ohio
Ten Largest Employers
December 31, 2002

<u>Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>
1 Ford Motor Company	Truck and Van Manufacturing	4,445
2 Community Health Partners	Healthcare	2,178
3 Lorain County	Government	2,160
4 Republic Technologies	Steel Manufacturing	1,585
5 Invacare Corp.	Surgical Supplies	1,450
6 Marconi Communications	Telecommunications	1,250
7 Lorain City School District	Education	1,200
8 Elyria City School District	Education	1,170
9 EMH Regional Medical Center	Healthcare	1,073
10 Nordson Corp.	Adhesive Manufacturing	1,001

Source: Lorain County Auditor
Chamber of Commerce

Lorain County, Ohio
 Miscellaneous Statistics
 December 31, 2002

Date of Incorporation	1822
Form of Government:	
Number of elected Board of County Commissioners with legislative and executive powers	3
Number of other elected officials with administrative powers	17
County Seat	Elyria, Ohio
Area - Square Miles	495
Number of Political Subdivisions Located in the County:	
Municipalities and Villages	15
Townships	18
School Districts	15
Number of Interstate Highways	2
Voter Statistics, Election of November 2002:	
Number of Registered Voters	166,092
Number of Voters, Last General Election	81,245
Percentage of Registered Voters Voting	48.92%

Sources: Voter statistics were supplied by the County Board of Elections.
 All other information was obtained from either the County Planning Commission,
 County Highway Engineer or Department of Highway Engineer.

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