TABLE OF CONTENTS
DECEMBER 31, 2003

INTRODUCTORY SECTION

Title Page i
Table of Contents iii
Letter of Transmittal vii
Government Finance Officers Association "Certificate of Achievement for Excellence in Financial Reporting" Award xiv
Elected Officials xv
Organization Chart xvi

FINANCIAL SECTION

Independent Auditor's Report 1
Management's Discussion and Analysis 3

BASIC FINANCIAL STATEMENTS
Government-wide Financial Statements:
- Statement of Net Assets 21
- Statement of Activities 22

Fund Financial Statements:
- Balance Sheet – Governmental Funds 23
- Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 24
- Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 25
- General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual 26
- Public Health Fund – Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual 27
- Statement of Net Assets – Proprietary Funds 28
- Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds 29
- Statement of Cash Flows – Proprietary Funds 30
- Statement of Fiduciary Net Assets – Fiduciary Funds 32
- Statement of Changes in Fiduciary Net Assets – Fiduciary Funds 33
- Statement of Net Assets – Component Units 34
- Statement of Activities – Component Units 35

Notes to the Financial Statements:
- Note 1 - Summary of Significant Accounting Policies 36
- Note 2 - Reconciliation of Government-wide and Fund Financial Statements 53
- Note 3 - Stewardship, Compliance, and Accountability 57
- Note 4 - Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements 61
- Note 5 - Property Taxation 67
- Note 6 - Capital Assets 72
- Note 7 - Restricted Assets 77
- Note 8 - Defined Benefit Pension Plans 79
- Note 9 - Post-retirement Health Care Benefits 85
- Note 10 - Risk Management 86

TABLE OF CONTENTS
DECEMBER 31, 2003

Note 11 - Leases 91
Note 12 - Landfill Closure and Post-closure Care Costs 93
Note 13 - Debt 94
Note 14 - Interfund Balances and Transfers 105
Note 15 - Restrictions, Reserves, Designations, and Changes in Equity 107
Note 16 - Legal Matters/Contingent Liabilities 114

REQUIRED SUPPLEMENTARY INFORMATION:
Condition Assessments and Preservation of Infrastructure Eligible for Modified Approach 116

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES AND SUPPLEMENTARY INFORMATION

GOVERNMENTAL FUNDS
Nonmajor Governmental Funds:
Fund Descriptions 119
Combining Balance Sheet 129
Subcombining Balance Sheets:
Special Revenue Funds 130
Debt Service Funds 136
Capital Projects Funds 137
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances 143
Subcombining Statements of Revenues, Expenditures, and Changes in Fund Balances:
Special Revenue Funds 144
Debt Service Funds 150
Capital Projects Funds 152
Governmental Funds with Annual Budgets – Schedule of Annual Budgets and Expenditures (Budgetary Basis) and Encumbrances by Appropriation Unit 160
Individual Governmental Funds:
Budgetary Comparison Schedules
General Fund 164
Public Health Fund 166
Nonmajor Governmental Funds with Annual Budgets
Special Revenue
Alcoholism and Substance Abuse Services Fund 167
Arts and Cultural Development Fund 168
Automated Fingerprint Identification System Fund 169
Clark Contract Administration Fund 170
County Road Fund 171
Criminal Justice Fund 172
Development and Environmental Services Fund 173
Developmental Disabilities Fund 174
Emergency Medical Services Fund 175
Enhanced 911 Emergency Telephone System Fund 176
Intercounty River Improvement Fund 177
Local Hazardous Waste Fund 178
Logan/Knox Settlement Fund 179
Mental Health Fund 180
Noxious Weed Control Fund 181
Recorder's Operation and Maintenance Fund 182

TABLE OF CONTENTS
DECEMBER 31, 2003

Risk Abatement Fund 183
River Improvement Fund 184
Surface Water Management Fund 185
Veterans' Relief Fund 186
Youth Employment Programs Fund 187
Youth Sports Facilities Grant Fund 188
Debt Service
Limited General Obligation Bond Redemption Fund 189
Road Improvement Guaranty Fund 190
Stadium General Obligation Bond Redemption Fund 191
Unlimited General Obligation Bond Redemption Fund 192
General Fund Comparative Balance Sheets – 2003 and 2002 193
Nonmajor Capital Projects Funds:
Balance Sheets (Legal Basis)
Building Repair and Replacement 194
Office of Information Resource Capital 194
Technology 1997 Bonds 194
Technology Systems Capital 194
Schedules of Revenues, Expenditures, and Changes in Fund Balance (Legal Basis)
Building Repair and Replacement 194
Office of Information Resource Capital 194
Technology 1997 Bonds 194
Technology Systems Capital 194

PROPRIETARY FUNDS
Enterprise Funds:
Nonmajor Enterprise Funds
Fund Descriptions 195
Combining Statement of Net Assets 196
Combining Statement of Revenues, Expenses, and Changes In Fund Net Assets 198
Combining Statement of Cash Flows 200
Supplementary Information
Enterprise Funds – Schedule of Annual Budgets and Expenditures
(Budgetary Basis) and Encumbrances by Appropriation Unit 202
Internal Service Funds:
Fund Descriptions 203
Combining Statement of Net Assets 204
Combining Statement of Revenues, Expenses, and Changes In Fund Net Assets 207
Combining Statement of Cash Flows 210
Supplementary Information
Internal Service Funds – Schedule of Annual Budgets and Expenditures
(Budgetary Basis) and Encumbrances by Appropriation Unit 213
Information and Telecommunications Services Fund
Combining Schedule of Net Assets 214
Combining Schedule of Revenues, Expenses, and Changes In Fund Net Assets ... 215
Combining Schedule of Cash Flows 216

TABLE OF CONTENTS
DECEMBER 31, 2003

FIDUCIARY FUNDS
Investment Trust Funds:
Fund Descriptions 217
Combining Statement of Net Assets 218
Combining Statement of Changes in Net Assets 218
Agency Funds:
Fund Descriptions 219
Combining Statement of Changes In Assets and Liabilities 224

STATISTICAL SECTION

Government-wide Expenses by Function 239
Government-wide Revenues 240
General Governmental Expenditures by Function 241
General Revenues by Source 242
Property Tax Levies and Collections 243
Assessed and Estimated Actual Value of Taxable Property 244
Direct and Overlapping Governments' Property Tax Rates 245
Special Assessment Collections 246
Special Taxes and Revenues Collections 247
Ratio of Net General Bonded Debt per Capita 248
Computation of Legal Debt Margin 249
Computation of Direct and Overlapping Debt 250
Ratio of Annual Debt Service Expenditures to Total Expenditures 251
Revenue Bond Coverage – Water Quality Enterprise Bonds 252
Additional Coverage Ratios 253
Ten Largest Customers of the Water Quality Enterprise 254
Demographic Statistics 255
Property Value, Construction, Bank Deposits, and Taxable Retail Sales 256
Principal Taxpayers 257
Miscellaneous Statistics 258