

Today the Auditor of State's Office is releasing their 2015 financial health indicators for all Ohio counties. We are happy to announce that Lake County received a "Positive Outlook" or green rating for 17 out of 17 indicators or 100%. The Auditor of State indicated it is important to consider these indicators in total and not to place too much reliance on just one indicator and that approximately 80% of the counties received at least one yellow indicator.

Lake County is a fiscally conservative county, and we are acutely aware of our financial situation so this high rating does not come as a surprise. Financial stability does not just happen; it is due to the continuous effort and cooperation with all our Elected Officials. While we are pleased with the results, the report in itself is not easily understood.

Lake County is facing many economic factors such as the elimination of the sales tax on Medicaid which is approximately \$1.6 million in lost sales tax revenue. The State reimbursement for indigent defense costs was reduced from 48% to 44%. Lake County is not immune to the continued opiate problem. Lake County and its elected officials have always worked together to help control costs while maintaining exceptional services to our residents. Lake County Officials and staff are continually monitoring revenues to ensure the best possible services are provided within their budgetary restraints.

Lake County operates on a cash basis of accounting whereas this report is based on an accrual or "GAAP" basis of accounting. Based on GAAP reporting, certain funds roll into larger groups for reporting purposes. The terminology in this report is not every day terminology and is not easy to understand. The "General Fund" is the main operating fund of the County and represents the general government, judicial and public safety, public works, human services, and health related expenditures. Therefore, it is not possible to determine actual amounts that would be available to our General Fund due to the inclusion of these various funds that are rolled up into this report. A lot of information is included in each indicator and that sometimes makes the charts difficult to read or understand.

Please let us know if you have any questions concerning the State's report or these indicators. We will be happy to try to answer any questions that you may have.