

IT'S YOUR MONEY

A QUARTERLY NEWSLETTER FROM YOUR COUNTY AUDITOR

COUNTY AUDITOR'S OFFICE—A "LONG" HISTORY OF EXCELLENCE A TRIBUTE TO FORMER CRAWFORD COUNTY AUDITOR DON LONG October 5, 1931 to October 20, 2011



CRAWFORD COUNTY

Points of Interest

- Tribute to Don Long
- General Fund Revenues vs Expenditures
- 2010 Financial Report Released by Auditor of State

Inside this issue:

General Operating Fund	2
General Fund Budget vs Actual	3
Financial Report Released	4
Upcoming Dates to Remember	6

DEDICATED TO SERVING CRAWFORD COUNTY WITH ACCOUNTABILITY, INTEGRITY AND PROFESSIONALISM

As I was preparing to write this quarter's newsletter, I was advised of the passing of my dear friend and former colleague, Don Long.

Now anyone who knew Don as County Auditor, knew how much Don appreciated the importance of communicating with the public. In fact, Don often told me how impressed he was that I had chosen to publish a quarterly newsletter for the office.

With that in mind, I thought of no greater tribute to Don, than to dedicate an article about his effective leadership, and how that leadership helped to change the direction of the County Auditor's Office, and in County government.

Ironically, as I prepared my outline, I realized that Don Long's name actually reflected the legacy he instilled in the County Auditor's Office, and that is a "Long" history of excellence.

Don began his career as County Auditor in 1983. Don took office at a time in history (especially in Crawford County government) where the use of technology in the work place was just beginning to evolve.

Imagine if you can, that when Don took office, there wasn't an electric typewriter in the Auditor's Office. Now I realize that technology in 1983 was different than it is today, but, not having an electric typewriter was unheard of...even in 1983!

In fact, one of Don's first decisions as County Auditor was to not only purchase that electric typewriter but to also purchase a computer system that could accurately handle the complex mathematical calculations that are required for any property tax administration system.

Don's management philosophy centered around the importance of hiring competent people. Don clearly understood that an organization's biggest asset is its employees, and Don made sure that he nurtured those employee relationships. Don always treated his employees with great respect and concern. Interestingly, Don Long's legacy of instilling a "Long" history of excellence in the Auditor's Office is still paying dividends for the citizens of this County, because seven of the eleven employees currently employed in the Auditor's Office were hired by former County Auditor Don Long.

Don's leadership style centered around the philosophy that one leads by example. For many years, Don and I worked side by side, countless hours, to completely understand, improve and automate the various processes of the Auditor's Office. One by one, Don and I were able to change the mindset that many officials and employees had regarding the use of technology, and to promote the idea that change, in any environment, is inevitable, necessary, and shouldn't be feared.

Don was fascinated with the real estate valuation and taxation responsibilities of the County Auditor's Office. In fact, Don was one of the first County Auditors in the State to implement the use of Ortho Photography (digitized photography) in the daily processes of the Auditor's Office. The use of this technology is as common place today in an Auditor's Office, as electric typewriters were in 1983.

Don was also a pioneer in the area of computerizing the tax maps of the County. Anyone familiar with the processes of a County Auditor's Office, understands that computerized mapping and the use of digitized photography, is a critical component of the day-to-day operations of both the County Auditor's and County Engineer's Offices. Interestingly, until the day that Don retired in May of 2001, he was still looking for new and innovative ways to more efficiently operate the County Auditor's Office, and in particular the real estate functions of the office.

Don also brought integrity and transparency to the Auditor's Office. Financial accounting systems were designed and implemented during his tenure as County Auditor. Crawford County was one of the first small-to-medium size counties to prepare a Comprehensive Annual Financial Report (CAFR).

Continued on Page 6

ON THE YEAR; GENERAL FUND REVENUES, EXPENDITURES AND CASH

The General Fund is the chief operating fund of the County. It is used to account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in a separate fund. There is only one General Fund of the County as contrasted with multiple special revenue, debt service, capital projects, fiduciary and proprietary funds.

Actual operating revenues of the General Operating Fund for the first nine months of 2011 were \$7,195,992.90 or 83.18% of the \$8,651,418.78 estimated by the County Budget Commission in January. Operating revenues collected for the same period last year were \$6,695,793.63.

Revenue received in the General Fund for the first nine months of 2011 increased by \$500,199.27 when compared to the same period last year. A review of all revenue sources indicates that the increase in General Fund operating revenue can be attributed in large part to additional sales tax and charges for services revenues; offset by smaller decreases in property tax revenue, interest revenue and other revenue collections.

Operating expenditures for the first nine months of 2011 totaled \$5,725,497.23 or 69.77% of the \$8,206,691.59 appropriated by the County Commissioners in January. Operating expenditures for the same period last year totaled \$7,072,197.76, indicating a decrease in expenditures of \$1,346,700.53. The decrease in operating expenditures can generally be attributed to the passage of the Criminal Justice Services Levy which authorized the Sheriff Road Patrol expenditures to be moved from the General Operating Fund to a designated fund for the support of the Sheriff's Office.

For the first nine months of 2011, operating revenues exceeded operating expenditures by \$1,470,495.67. For the first nine months of 2010, General Fund operating expenditures exceeded operating revenues by \$376,404.13. The change between *operating expenditures exceeding revenues in the first half of 2010 to operating revenues exceeding operating expenditures in the first half of 2011*, is the result of the passage of the Criminal Justice Services Levy which authorized expenditures associated with the Sheriff's Road Patrol activities to be moved to a designated fund. The net effect of moving the financial activity of the Sheriff's Road Patrol activity from the General Operating Fund to a designated fund for Criminal Justice Services is a decrease in general operating expenditures for the General Fund. This decrease in expenditures in combination with the increase in revenues received during the first half of 2011 accounts for the improved financial position of the General Fund for the first nine months.

When comparing actual revenues and expenditures, advances made to other funds or received as a repayment are not considered as operating revenues and expenditures because these items only affect cash flow. Thus, in order to accurately reflect operating revenues and expenditures these loans have been removed from the totals and the financial data presented in this newsletter.

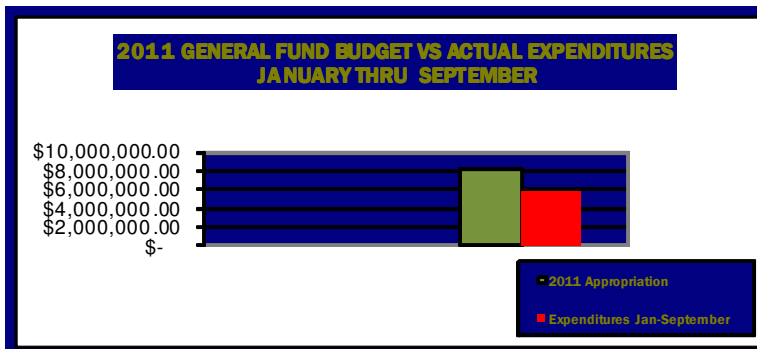
The cash balance of the General Fund at September 30, 2011 was \$2,237,550.43 as compared to \$1,156,523.68 at September 30, 2010. The increase in cash position is due in large part to the passage of the Criminal Justice Services Levy which authorizes the Sheriff's Road Patrol expenditures to be moved from the General Operating Fund of the County to a designated fund created for the support of the Sheriff's Office.

2011 GENERAL FUND BUDGET VS ACTUAL REVENUES

	2011 ESTIMATED REVENUE	2011 ACTUAL REVENUE JANUARY-SEPTEMBER	PERCENT COLLECTED
PROPERTY TAXES	\$ 1,229,142.31	\$ 1,214,510.84	98.81%
SALES TAXES	\$ 2,938,626.60	\$ 2,393,610.31	81.45%
CHARGES FOR SERVICES	\$ 2,558,407.96	\$ 2,090,095.19	81.70%
LICENSES AND PERMITS	\$ 2,310.00	\$ 2,305.88	99.82%
FINES AND FORFEITURES	\$ 169,000.00	\$ 131,314.26	77.70%
INTERGOVERNMENTAL	\$ 1,508,823.91	\$ 1,135,504.14	75.26%
INTEREST	\$ 200,000.00	\$ 178,764.18	89.38%
OTHER	\$ 45,108.00	\$ 49,888.10	110.60%
TOTAL OPERATING REVENUE	\$ 8,651,418.78	\$ 7,195,992.90	83.18%
ADVANCES IN		\$ 39,527.68	

2011 GENERAL FUND BUDGET VS ACTUAL EXPENDITURES

	2011 <u>Appropriation</u>		Expenditures <u>Jan-Sept</u>	Unexpended <u>Balance</u>	Percent <u>Expended</u>
General Fund Operating					
Expenditures and Transfers	\$8,206,691.59	\$	5,725,497.23	\$2,481,194.36	69.77%
Department Breakdown					
COUNTY COMMISSIONER	\$ 335,623.50	\$	246,268.66	\$ 89,354.84	73.38%
COUNTY AUDITOR	\$ 347,551.09	\$	262,012.34	\$ 85,538.75	75.39%
COUNTY TREASURER	\$ 143,424.18	\$	106,488.64	\$ 36,935.54	74.25%
PROSECUTING ATTORNEY	\$ 594,531.40	\$	442,290.62	\$ 152,240.78	74.39%
AUDIT	\$ 75,000.00	\$	68,117.47	\$ 6,882.53	90.82%
REGIONAL PLANNING	\$ 10,000.00	\$	10,000.00	\$ -	100.00%
DATA PROCESSING	\$ 103,115.18	\$	75,969.99	\$ 27,145.19	73.67%
COURT OF APPEALS	\$ 24,245.00	\$	22,763.61	\$ 1,481.39	93.89%
COMMON PLEAS COURT	\$ 659,071.90	\$	501,794.79	\$ 157,277.11	76.14%
JUVENILE COURT	\$ 655,207.70	\$	449,877.27	\$ 205,330.43	68.66%
PROBATE COURT	\$ 112,847.83	\$	84,243.48	\$ 28,604.35	74.65%
CLERK OF COURTS	\$ 271,601.76	\$	203,689.30	\$ 67,912.46	75.00%
CORONER	\$ 119,260.12	\$	89,947.41	\$ 29,312.71	75.42%
MUNICIPAL COURT	\$ 461,470.27	\$	346,337.32	\$ 115,132.95	75.05%
BOARD OF ELECTION	\$ 435,313.83	\$	254,454.18	\$ 180,859.65	58.45%
COURT HOUSE & BLDG MAINT	\$ 798,399.21	\$	613,997.81	\$ 184,401.40	76.90%
SHERIFF ROAD PATROL	\$ 9,295.10	\$	9,295.10	\$ -	100.00%
COUNTY RECORDER	\$ 135,283.56	\$	98,110.33	\$ 37,173.23	72.52%
EMA	\$ 25,000.00	\$	-	\$ 25,000.00	0.00%
AGRICULTURE	\$ 251,533.28	\$	223,231.56	\$ 28,301.72	88.75%
T.B. HOSPITAL	\$ 910.00	\$	60.00	\$ 850.00	6.59%
VITAL STATISTICS	\$ 1,000.00	\$	777.00	\$ 223.00	77.70%
OTHER HEALTH	\$ 69,046.94	\$	69,046.94	\$ -	100.00%
VETERANS SERVICES	\$ 354,561.82	\$	231,485.37	\$ 123,076.45	65.29%
PUBLIC ASST - GRANT	\$ 145,000.00	\$	110,699.67	\$ 34,300.33	76.34%
VICTIMS OF CRIME GRANT	\$ 12,841.00	\$	-	\$ 12,841.00	0.00%
SANITARY ENGINEER	\$ 37,914.44	\$	27,032.74	\$ 10,881.70	71.30%
COUNTY ENGINEER	\$ 121,934.81	\$	94,484.30	\$ 27,450.51	77.49%
LIABILITY INSURANCE	\$ 196,000.00	\$	-	\$ 196,000.00	0.00%
TRANSFER/MISCELLANEOUS	\$1,699,707.67	\$	1,083,021.33	\$ 616,686.34	63.72%
TOTAL OPERATING EXP/TRANSFERS	\$8,206,691.59	\$	5,725,497.23	\$2,481,194.36	69.77%
LOANS TO OTHER FUNDS		\$	379,118.27		
TOTAL EXPENDITURES AND LOANS		\$	6,104,615.50		



The 2011 appropriation includes all encumbrances carried forward from 2010 and any adjustments to the budget approved by the County Commissioners after January 1, 2011. 2010 encumbrances totaled \$128,136.87 and adjustments made to the 2011 budget during the first six months totaled \$84,697.28.

2010 ANNUAL FINANCIAL REPORT NOW AVAILABLE

Overview

The 2010 Comprehensive Annual Financial Report (CAFR) was released by the Auditor of the State of Ohio in the third quarter of 2011.

The CAFR is comprised of more than 170 pages of financial and statistical information that is compiled in accordance with Ohio law and is prepared in accordance with generally accepted accounting principles (GAAP), as applicable to governmental entities.

The CAFR is divided into three sections; the Introductory, Financial and Statistical Sections and provides the taxpayers of Crawford County with financial data that enables them to gain a better understanding of the County's financial affairs.

Funding for the major programs of the County is derived from charges for services revenue, operating grants, capital grants, sales taxes and property taxes. The Child Support and Jobs and Family Services Departments are basically financed with State and Federal resources. The Council on Aging, Children's Services, and Developmental Disabilities are financed with a combination of voted property tax levies and grants. The Sheriff's Department, which includes the operation of the County Jail, is primarily financed by a Criminal Justice Services property tax levy, a voted sales tax levy, charges for housing prisoners from other counties, and with transfers from the General Operating Fund of the County.

GOVERNMENTAL ACTIVITIES FINANCIAL ANALYSIS

For 2010, the County's major governmental funds are the General Fund, Auto License and Gas Tax Fund, Child Welfare Fund, County Home Fund, Criminal Justice Services Levy Fund, Job and Family Services Fund, Jail Operation Levy Fund, Development Disabilities Fund, Debt Service Fund and the Westmoor Sewer Construction Fund.

- Operating revenues in the General Fund of the County exceeded operating expenditures by 6 percent; however, the fund balance decreased by 19 percent because of operating transfers made from the General Fund to the Jail Operation Levy Fund.
- The financial activity in the Auto License and Gas Tax Fund did not change significantly in 2010 when compared to 2009.
- The Child Welfare Fund had an 8 percent decrease in fund balance due to the elimination of a subsidy from the General Fund.
- The Criminal Justice Service Levy Fund was a new fund in 2010 so comparisons to 2009 were not available.
- The Jail Operation Levy Fund reported a positive fund balance in 2010. The General Fund continued to support this fund with operating transfers.
- The Developmental Disabilities Fund (formerly MRDD/Fairway School) had a 40 percent increase in fund balance because of voters approving an additional 1.5 mill property tax levy.
- The Debt Service Fund balance increased by 32 percent due to the county restructuring its debt for the Jail and the Landfill.
- The financial activity of Westmoor Sewer Construction Fund increased as a result of the County receiving intergovernmental revenues for the construction of wastewater lines.

The Statement of Activities found on the following page will provide readers with a county-wide perspective on the expenses and program revenues for 2010 and the report will provide readers with the net change in assets for the county since 2009.

2010 ANNUAL FINANCIAL REPORT NOW AVAILABLE, *continued*

Crawford County, Ohio								
Statement of Activities								
For the Year Ended December 31, 2010								
	Program Revenues				Net (Expense) Revenue and Change in Net Assets			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contri- butions	Primary Government			Compo- nent Unit
					Governmental Activities	Business- Type Activity	Total	
Governmental Activities								
General Government								
Legislative and Executive	\$4,437,762	\$3,177,608	\$78,770	\$0	(\$1,181,384)	\$0	(\$1,181,384)	\$0
Judicial	2,316,244	1,063,879	100,597	0	(1,151,768)	0	(1,151,768)	0
Public Safety								
Criminal Justice Services	99,629	0	126,706	0	27,077	0	27,077	0
Jail Operation	2,056,087	56,005	0	0	(2,000,082)	0	(2,000,082)	0
Other Public Safety	3,689,988	532,899	596,216	79,012	(2,481,861)	0	(2,481,861)	0
Public Works	11,596,896	6,353,560	4,390,859	7,684,938	6,832,461	0	6,832,461	0
Health								
Developmental Disabilities	4,313,585	0	2,590,606	0	(1,722,979)	0	(1,722,979)	0
Other Health	1,503,309	1,039,398	760,121	0	296,210	0	296,210	0
Intergovernmental	825,108	0	191,786	0	(633,322)	0	(633,322)	0
Human Services								
Child Welfare	1,895,790	32,799	1,387,003	0	(475,988)	0	(475,988)	0
County Home	1,374,944	611,904	185,155	0	(577,885)	0	(577,885)	0
Job and Family Services	5,940,657	1,510,181	3,989,402	0	(441,074)	0	(441,074)	0
Other Human Services	2,204,258	170,905	911,580	0	(1,121,773)	0	(1,121,773)	0
Economic Development	657,676	37,000	503,276	0	(117,400)	0	(117,400)	0
Interest and Fiscal Charges	845,717	0	0	0	(845,717)	0	(845,717)	0
Total Governmental Activities	43,757,650	14,586,138	15,812,077	7,763,950	(5,595,485)	0	(5,595,485)	0
Business-Type Activity								
Sewer	203,204	201,395	0	0	0	(1,809)	(1,809)	0
Total Primary Government	\$43,960,854	\$14,787,533	\$15,812,077	\$7,763,950	(5,595,485)	(1,809)	(5,597,294)	0
Component Unit								
Waycraft Workshop, Inc.	\$1,018,141	\$952,135	\$98	\$0	0	0	0	(65,908)
General Revenues								
Property Taxes Levied for:								
General Operating					1,209,754	0	1,209,754	0
Public Safety-Criminal Justice Services					190,382	0	190,382	0
Health-Mental Health					549,657	0	549,657	0
Health-Developmental Disabilities					2,590,606	0	2,590,606	0
Human Services-Child Welfare					181,706	0	181,706	0
Human Services-County Home					509,940	0	509,940	0
Human Services-Council on Aging					322,743	0	322,743	0
Sales Taxes Levied for:								
General Operating					3,042,845	0	3,042,845	0
Public Safety-Jail Operation					1,366,950	0	1,366,950	0
Public Safety-Jail Debt					154,355	0	154,355	0
Grants and Entitlements not Restricted to Specific Purposes					1,465,074	0	1,465,074	0
Interest					330,574	0	330,574	4,375
Other					1,247,654	538	1,248,192	2,945
Total General Revenues					13,162,240	538	13,162,778	7,320
Change in Net Assets					7,566,755	(1,271)	7,565,484	(58,588)
Net Assets Beginning of Year - Restated (Note 3)					55,711,685	1,275,709	56,987,394	521,818
Net Assets End of Year					\$63,278,440	\$1,274,438	\$64,552,878	\$463,230

**A QUARTERLY NEWSLETTER FROM YOUR COUNTY
AUDITOR**

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UPCOMING DATES TO REMEMBER

- October 1, 2011 - Monthly financial statements filed with County Commissioners.
- On or before October 1, 2011 - County Auditor to make settlement with County Treasurer on general personal property.
- November 1, 2011 - Monthly financial statements filed with County Commissioners.
- November 1, 2011 - Ineligible homestead recipients notified by State law.
- About November 1, 2011 - Newly delinquent real estate parcels will be advertised in newspaper in accordance with State law.
- December 1, 2011 - Monthly financial statements filed with County Commissioners.
- December 1, 2011 - 2012 dog license registrations go on sale.

ABOUT YOUR COUNTY

With 11 employees, the County Auditor serves as both the Chief Financial Officer and the Real Property Assessor for all political subdivisions within the County. It is the goal of this office to provide the citizens of Crawford County with the most cost effective and efficient office possible while never forgetting the people we serve. In addition to the County Auditor, there are seven elected administrative officials and three judges who operate independently as set forth by Ohio law. These officials are: Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, Treasurer, two Common Pleas Judges and a Municipal County Judge. All of these officials serve four-year terms except for the judges, who serve six-year terms. The County was formed by an act of the General Assembly on April 1, 1826 and includes 400 square miles and has an estimated population of 43,784.

**COUNTY AUDITOR'S OFFICE—A "LONG" HISTORY OF EXCELLENCE
A TRIBUTE TO FORMER CRAWFORD COUNTY AUDITOR DON LONG, continued from page 1**

What was also impressive was the fact that even though Don Long didn't have an accounting background, he understood the importance of preparing the comprehensive annual financial report, and he understood the intrinsic value that preparing this financial report internally would have to the office, and to county government in general.

Interestingly, many small governments to this day still choose to hire an outside consultant or accounting firm to prepare the annual financial report, but Don had the vision to understand the long-term financial and intrinsic implications of using an outside accounting firm, and he understood and took seriously the responsibilities of the County Auditor, which are to accurately and completely report the financial activity of the County.

Don also demonstrated leadership and innovation on this issue by allocating dollars from an already strapped budget, to insure that the staff could be adequately trained to prepare this very complex financial report for the citizens of the County. The Crawford County Auditor's office has been compiling a CAFR since 1989, and the County is considered to be one of the premier organizations in the State of Ohio in terms of its accounting and financial reporting systems for a small-to mid-size county.

In conclusion, Don Long was a great leader, a man of integrity, an innovator and a true visionary. Don's consistent community and governmental leadership allowed him to lead by example, and to facilitate the transformation of an office that had significantly eroded at the time of his election, to an office that is still considered professionally, some eleven years after his retirement, to have a "Long" history of excellence. What greater legacy can a person leave to their community...thanks Don for your leadership and government service...you will be missed!

In tribute,

Robin Hildebrand,

Crawford County Auditor

**"The task of a leader is to get his people from where they are to where they have not been."
Henry Kissinger**