

IT'S YOUR MONEY

A QUARTERLY NEWSLETTER FROM YOUR COUNTY AUDITOR 2004 ANNUAL FINANCIAL REPORT NOW AVAILABLE



CRAWFORD COUNTY COURTHOUSE

Special points of interest:

- 2004 ANNUAL FINANCIAL REPORT
- 2006 PROPERTY REVALUATION
- GENERAL FUND REVENUES VS EXPENDITURES
- 2005 2ND HALF TAX DISTRIBUTIONS
- UPCOMING DATES TO REMEMBER
- DEPARTMENT FOCUS—COUNTY SHERIFF

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DEDICATED TO SERVING CRAWFORD COUNTY WITH ACCOUNTABILITY, INTEGRITY AND PROFESSIONALISM

OVERVIEW

The 2004 Comprehensive Annual Financial Report (CAFR) was audited and released during the 2nd quarter of 2005.

This report is prepared in accordance with generally accepted accounting principles (GAAP), as applicable to governmental entities.

The responsibility for both the accuracy of presented data and the completeness and fairness of the presentation rests with the County Auditor.

This report provides the taxpayers of Crawford County with financial data that enables them to gain a true understanding of the County's financial affairs.

Included in this report is an audit opinion rendered on the County's financial statements by our independent auditor, Betty Montgomery, Auditor of State.

Also included in this report is the financial section which includes a section entitled, Management's

Discussion and Analysis along with the Basic Financial Statements and Notes that provide an overview of the County's financial position and operating results.

KEY FINANCIAL HIGHLIGHTS

The renovations of the County Courthouse were completed.

The County's General Fund balance had a net increase of \$1,654 thousand due in most part to the issuance of \$2 million in bond anticipation notes to reimburse that fund for previous costs associated with the Courthouse renovations.

The County's long-term debt was reduced by \$1,121 thousand during 2004.

The Sanitary Landfill's deficit net assets decreased by \$3,067 thousand due to the reduction of outstanding closure and postclosure liabilities because a private firm was hired to operate the landfill and has agreed to assume these liabilities.

Even though accounting regula-

tions stipulate the removal of these liabilities, the County will continue to have a contingent liability for closure and postclosure care costs if the private firm is unable to financially meet those obligations.

The Sanitary Landfill's liabilities at year-end 2004 included long-term debt obligations of \$3,979,352 and a long-term advance of \$308,885 that is due the County General Fund.

MAJOR COUNTY PROGRAMS

The major program expenses for the County are Human Services, Public Safety, Public Works and Health. These programs account for 79 percent of the total governmental activity of the County.

Funding for these major programs is from charges of services, operating grants, property and sales taxes.

For more information or to receive a copy of this report, please contact the Auditor's Office or visit the Auditor's website at www.crawford-co.org.

2006 PROPERTY REVALUATION TO BEGIN

PROPERTY REVALUATION

State law requires County Auditors to reappraise each parcel of property in their counties every six years. This reappraisal process, or revaluation, will begin soon in Crawford County.

The County Auditor's Office has contracted with Sabre Systems and Service to complete this project. Sabre specializes in major property revaluation programs and is approved by the State of Ohio to perform these functions.

The revaluation is needed because, over a period of time, the value of property may change. Changes in value occur for many different reasons, including economic conditions, improvements in the property, or demolition of a building.

The revaluation equalizes imbalances in changing property values, and helps ensure that each property owner pays only his or her fair share of property taxes.

HOW THE PROCESS WORKS

The revaluation begins with the collection of information about your property. This includes the size of the lot, the square footage of living area of the home, the number of rooms, recent additions, and other important facts. This information helps determine the value of the property.

In the near future, property owners will be receiving a form from this office requesting your cooperation and participation in the data collection process. Each property owner will be asked to

verify the information currently on record in the Auditor's Office. It is important for the appraisal process to begin with accurate information. As such, each property owner is encouraged to participate in the process by verifying the information being provided on their property.

At a later date, an appraiser will visit your property with this information as well as sales data from the local real estate market in order to determine the fair market value of your property.

The revaluation will be completed in 2006 and will be reflected on the 2007 tax bills. This office will continue to update taxpayers on the reappraisal process and their rights.

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 Revenue Fund for the first six months of 2005 were \$4,239,324.78 or 52.21% of the \$8,119,604 estimated by the County Budget Commission in January. Operating revenues collected for the same period last year were \$4,430,163.91.

Overall, operating receipts of the County General Fund are down by \$190,839.13. A review of the County's actual operating revenue indicates that sales tax receipts have increased approximately \$60,000 as compared to the same period last year. Also, increases in revenue have been realized for conveyance fees and property taxes. However, interest revenue has decreased by approximately \$300,000 when compared to the same period last year.

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.

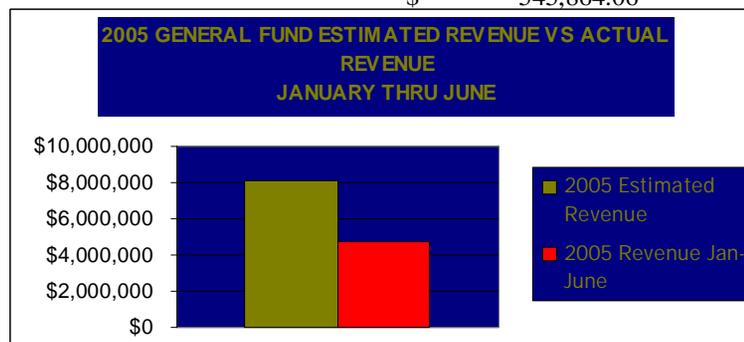
Operating expenditures totaled \$4,655,906.88 or 44.08% of the \$10,562,095.82 appropriated for 2005. Operating expenditures for the same period last year totaled \$4,942,179.51, indicating an overall decrease in expenditures of \$286,272.63. The decrease in expenditures can be mostly attributed to timing differences for payments made in the form of grants to child welfare and extension. A review of the 2005 budget and expenditures for the first half of the year when compared to 2004, indicate that while some departments actually reduced their budgetary needs for 2005, others increased. The end result was an overall budgetary increase of approximately \$134,244 for 2005. As such, the decrease in expenditures for the first half of 2005 do not appear to be a result of a reduction in operating costs, but rather a result of when payments are being made.

The cash balance of the General Fund at June 30, 2005 was \$3,204,248.20 as compared to \$1,443,162.08 at June 30, 2004. The increase in cash position can be attributed in large part to the one time \$2,000,000 transfer of monies from the Capital Projects Fund in late 2004. This transfer was done to replenish reserves that had been utilized by the General Revenue Fund for prior construction projects.

Operating expenditures continued to exceed operating revenues for the first half of 2005, indicating the same financial trend that has been in place since 2001.

2005 GENERAL FUND BUDGET VS ACTUAL REVENUES

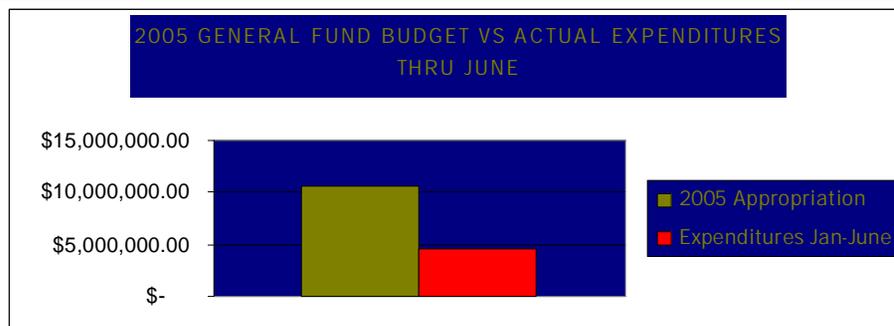
	2005 ESTIMATED <u>REVENUE</u>	2005 ACTUAL REVENUE <u>JANUARY-JUNE</u>	PERCENT <u>COLLECTED</u>
PROPERTY TAXES	\$ 1,275,000	\$ 647,192.83	50.76%
SALES TAXES	\$ 3,150,000	\$ 1,665,410.70	52.87%
CHARGES FOR SERVICES	\$ 1,726,488	\$ 952,262.17	55.16%
LICENSES AND PERMITS	\$ 5,300	\$ 1,982.94	37.41%
FINES AND FORFEITURES	\$ 150,826	\$ 96,790.27	64.17%
INTERGOVERNMENTAL	\$ 1,445,258	\$ 783,767.00	54.23%
INTEREST	\$ 240,000	\$ 17,710.41	7.38%
OTHER	\$ 126,732	\$ 74,208.46	58.56%
TOTAL OPERATING REVENUE	\$ 8,119,604	\$ 4,239,324.78	52.21%
ADVANCE REPAYMENT	\$ -0-	\$ 545,864.06	



2005 GENERAL FUND BUDGET VS ACTUAL EXPENDITURES

	<u>2005</u> <u>Appropriation</u>	<u>Expenditures</u> <u>Jan-June</u>	<u>Unexpended</u> <u>Balance</u>	<u>Percent</u> <u>Expended</u>
General Fund Operating Expenditures and Transfers	\$ 10,562,095.82	\$ 4,655,906.88	\$ 5,906,188.94	44.08%
Department Breakdown				
Commissioners	\$ 335,554.80	\$ 160,842.90	\$ 174,711.90	47.93%
Auditor	\$ 355,476.57	\$ 194,132.44	\$ 161,344.13	54.61%
Treasurer	\$ 108,125.00	\$ 50,379.93	\$ 57,745.07	46.59%
Recorder	\$ 187,479.81	\$ 71,897.21	\$ 115,582.60	38.35%
Prosecutor	\$ 501,184.04	\$ 252,254.32	\$ 248,929.72	50.33%
Common Pleas/Jury Comm	\$ 572,337.28	\$ 260,878.70	\$ 311,458.58	45.58%
Adult Probation	\$ 63,427.00	\$ 30,656.09	\$ 32,770.91	48.33%
Juvenile Court	\$ 309,917.47	\$ 135,220.61	\$ 174,696.86	43.63%
Juvenile Probation	\$ 480,629.24	\$ 195,414.28	\$ 285,214.96	40.66%
Probate Court	\$ 115,339.37	\$ 56,542.02	\$ 58,797.35	49.02%
Clerk of Courts	\$ 262,475.05	\$ 125,434.15	\$ 137,040.90	47.79%
Coroner	\$ 134,383.02	\$ 41,481.38	\$ 92,901.64	30.87%
Municipal Court	\$ 522,411.00	\$ 229,620.08	\$ 292,790.92	43.95%
Bd. Of Elections	\$ 282,399.12	\$ 111,345.54	\$ 171,053.58	39.43%
Ct. House Admin/Commissioner	\$ 740,300.84	\$ 393,139.26	\$ 347,161.58	53.11%
Sheriff Road Patrol Only	\$ 1,974,807.00	\$ 868,049.72	\$ 1,106,757.28	43.96%
Emergency Management Agency	\$ 75,000.00	\$ -	\$ 75,000.00	0.00%
Agriculture	\$ 270,735.51	\$ 159,216.25	\$ 111,519.26	58.81%
Veterans	\$ 372,160.68	\$ 144,668.80	\$ 227,491.88	38.87%
Engineer	\$ 134,872.00	\$ 64,942.83	\$ 69,929.17	48.15%
Liability Insurance	\$ 365,200.00	\$ 3,182.00	\$ 362,018.00	0.87%
Transfers to Other Funds	\$ 1,423,370.00	\$ 714,205.52	\$ 709,164.48	50.18%
County Examination	\$ 66,000.00	\$ 41,455.16	\$ 24,544.84	62.81%
Data Processing for County	\$ 107,882.23	\$ 53,424.65	\$ 54,457.58	49.52%
Court of Appeals	\$ 33,929.74	\$ 18,352.59	\$ 15,577.15	54.09%
Public Assistance Grant	\$ 255,000.00	\$ 179,996.00	\$ 75,004.00	70.59%
Child Welfare Grant	\$ 215,000.00	\$ -	\$ 215,000.00	0.00%
Victim of Crime Grant	\$ 12,017.00	\$ 12,017.00	\$ -	100.00%
Law Library	\$ 52,547.95	\$ 16,615.26	\$ 35,932.69	31.62%
Miscellaneous	\$ 232,134.10	\$ 70,542.19	\$ 161,591.91	30.39%
Total Operating Exp/Transfers	\$ 10,562,095.82	\$ 4,655,906.88	\$ 5,906,188.94	
Loans to Other Funds	\$ -	\$ 299,940.35		
Total Expenditures and Advances	\$ 10,562,095.82	\$ 4,955,847.23		

The 2005 appropriation includes all encumbrances carried forward from 2004 and any adjustments to the budget approved by the County Commissioners on January 1, 2005. 2004 encumbrances now total \$98,288.53 and adjustments made to the 2005 budget during the first two quarters total \$17,063.31 and were given to Juvenile Court, Juvenile Probation and Agriculture.

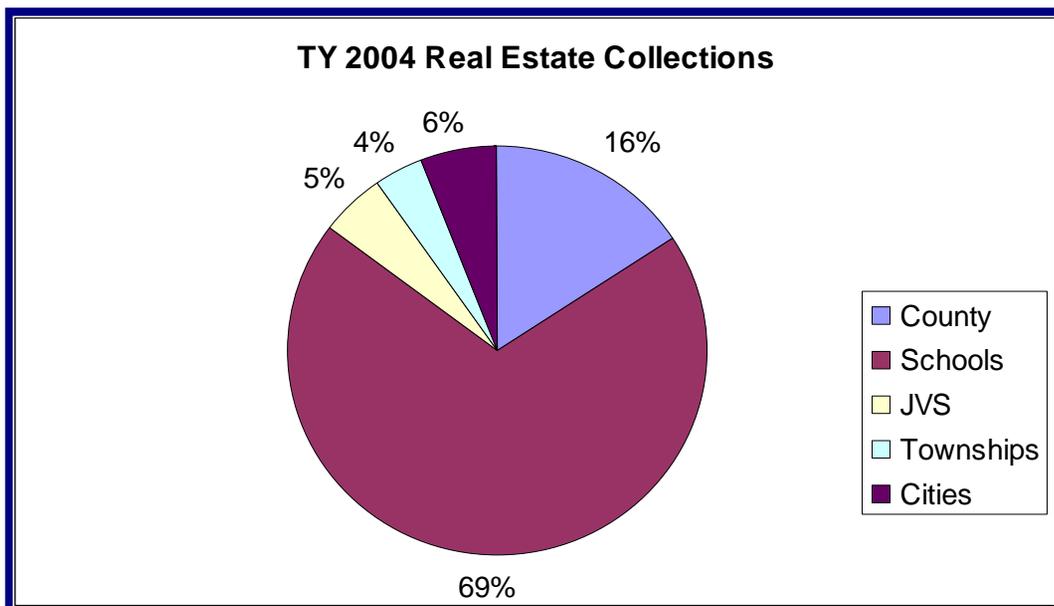


2005 REAL ESTATE TAX DISTRIBUTIONS

Ohio law requires the County Auditor to distribute many types of taxes collected by the County Treasurer. The two major types of property taxes are real estate and tangible personal. Shown below is the distribution of real estate taxes for second half 2005. Personal Property distributions are made in May and October each year, so these distributions will be reflected in future quarterly reports. Real estate taxes are collected based on current tax rates applied to the taxable valuations assessed as of January 1, 2004.

2005 2nd Half Real Estate Collections
Tax Year 2004/Payable 2005

<u>District</u>	<u>2nd Half 2005 Real Estate Collections</u>	<u>Percentage of Total</u>
County	\$ 1,862,091.65	15.74%
Schools	\$ 8,213,463.73	69.44%
JVS	\$ 597,546.19	5.05%
Townships	\$ 481,017.71	4.07%
Cities	\$ 674,315.94	5.70%
TOTAL	\$ 11,828,435.22	100.00%

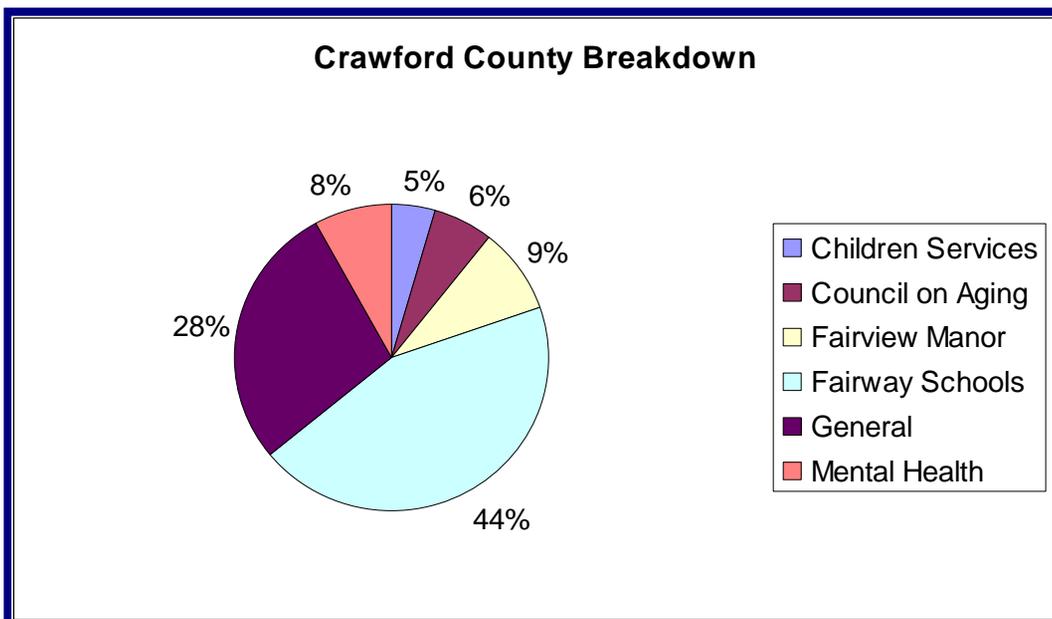


2005 REAL ESTATE TAX DISTRIBUTIONS, CONTINUED

The following table and graph illustrate how Crawford County's portion of your tax bill is utilized. The following tax levies have been approved by the voters with the exception of the General Fund which represents your proportional share of the cost of operating local government. Ohio law limits the amount of taxation without the vote of the people. Each political subdivision such as a school district, township, village, city and county are allocated millage, not to exceed 10 collectively, for general operating purposes.

2005 2nd Half Real Estate Collections
Tax Year 2004/Payable 2005
Crawford County Breakdown

<u>District</u>	<u>2nd Half 2005 Real Estate Collections</u>	<u>Percentage of Total</u>
Children Services	\$ 84,172.11	4.52%
Council on Aging	\$ 113,178.66	6.08%
Fairview Manor	\$ 168,344.12	9.04%
Fairway Schools	\$ 826,614.92	44.39%
General	\$ 519,586.56	27.90%
Mental Health	\$ 150,195.28	8.07%
TOTAL	\$ 1,862,091.65	100.00%



A QUARTERLY NEWSLETTER FROM YOUR COUNTY AUDITOR

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UPCOMING DATES TO REMEMBER

July 1, 2005 - Monthly financial statements filed with County Commissioners.

July 20, 2005 - 2006 County budget to be filed by County Commissioners with County Auditor for public inspection.

July 31, 2005 - Last Day to pay 2nd half mobile home taxes without penalty.

August 1, 2005 - Monthly financial statements filed with County Commissioners.

August 10, 2005 - County Auditor required to make real property tax distribution to schools, townships, villages, and cities.

September 1, 2005 - Monthly financial statements filed with County Commissioners.

September 1, 2005 - Budget Commission to complete work relating to the setting of tax rates for calendar year 2006.

September 20, 2005 - Last Day to pay 2nd half personal property taxes without penalty.

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 46,966.

DEPARTMENT FOCUS

Overview

The Sheriff is the chief law enforcement official of the County, responsible for servicing approximately 400 square miles of territory. This includes 863 miles of roadway.

The primary duties of this office are to provide law enforcement at the local level, court security, service of legal documents, maintain jail operations, including extradition and transportation of prisoners.

The Enforcement Division of the Sheriff's Office is responsible for keeping the peace within the County. This includes investigating crime, protecting property, responding to complaints, and prevention. The Enforcement Division is also responsible for the service of court civil papers, warrants, summons and other legal notices issued by the courts.

The Communications Division of the Sheriff's Office is responsi-

ble for answering 911 calls for the rural area in the county and dispatching all emergency and non-emergency calls that require service. They dispatch for 10 volunteer fire departments, the County Ambulance District, New Washington EMS, New Washington PD and the Sheriff's Office cars. They also are the point of contact for the public when asking for information or filing a complaint. All of the enforcement records are maintained by communications also.

The Corrections Division is responsible for the operation of the local jail, insuring that the jail is safe and secure for both staff and inmate. All correction officers must be certified by the State of Ohio. Correction officers perform other duties such as monitoring and notifying the public of registered sex offenders that live in the county. Correction officers are also responsible for court security when there are

prisoners in court.

The Civil Division of the office is responsible for handling more than \$2.4 million dollars annually for the sale of real estate due to foreclosure proceedings, collection of fees for inmate housing, record checks, fingerprinting and eviction notices, just to name a few.

The Financial Division is responsible for paying all of the bills and tracking all expenditures for all divisions of the Sheriff's Office.

The Detective Division has two deputies that are responsible for investigating numerous types of crimes including conducting drug operations, issuing search warrants, filing charges are just a few of their duties.

Fiscal Accountability

With a combined budget for operating the jail and maintaining law enforcement for the county of more than \$4.2 million, comes a demand for fiscal

accountability. To demonstrate this accountability and to help management determine which cost-savings measures would negatively impact public safety related services, a performance audit was completed by the Auditor of State.

A Performance Audit is defined as a systematic and objective assessment of the performance of an organization, program, function, or activity to develop findings, conclusions, and recommendations. Performance audits are classified as either economy or efficiency audits and consider whether an entity is using its resources effectively. A copy of this performance audit is available at <http://www.auditor.state.oh.us>.

The Sheriff's Office is certainly one of the most significant offices of the County with the most extensive set of responsibilities to those they serve.

Submitted by: Crawford County Sheriff, Ron Shawber