

**COSHOCTON COUNTY**  
**ANNUAL REPORT**  
**YEAR ENDED DECEMBER 31, 1999**

**WOLFE, WILSON & PHILLIPS, INC.**  
CERTIFIED PUBLIC ACCOUNTANTS

**COSHOCTON COUNTY**  
**ANNUAL REPORT**  
**YEAR ENDED DECEMBER 31, 1999**

**FINANCIAL CONDITION  
COSHOCOTON COUNTY**

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**FINANCIAL CONDITION  
COSHOCTON COUNTY**

**ELECTED OFFICIALS  
AS OF DECEMBER 31, 1999**

NAME	TITLE	TERM	SURETY	AMOUNT	PERIOD
Kathleen Thompson	Commissioner	12/15/98-1/2/01	(A)	\$5,000	(D)
Leland Wyse	Commissioner	1/3/97-1/3/01	(B)	\$5,000	(D)
Grant Daugherty	Commissioner	1/1/99-12/31/02	(A)	\$5,000	(D)
Richard J. Tompkins	Auditor	3/9/99-3/8/03	(C)	\$20,000	(D)
Michelle Darner	Treasurer	9/1/97-9/4/01	(C)	\$50,000	(D)
Jetta Mencer	Prosecutor	1/7/97-1/7/01			
F.O.J. Bond			(C)	\$39,890	(D)
Official Bond			(C)	\$1,000	(D)
Sandra Corder	Recorder	1/4/97-1/4-01	(B)	\$10,000	(D)
Irene C. Miller	Clerk of Courts	1/4/97-1/4/01	(B)	\$10,000	(D)
Richard T. Evans	Common Pleas Judge	1/1/99-12/31/00	N/A	N/A	N/A
C. Fenning Pierce	Probate Juvenile Judge	2/9/97-2/8/03			
Probate Court			(B)	\$7,500	(D)
Juvenile Court			(B)	\$7,500	(D)
Fredrick T. Wachtel	Engineer	1/4/97-1/3/01	(A)	\$2,000	(D)
Robert B. Gwinn	Coroner	1/4/97-1/3/01	(B)	\$5,000	(D)
David A. Corbett	Sheriff	1/4/97-1/3/01			
F.O.J. Bond			(B)	\$22,500	(D)
Official Bond			(B)	\$5,000	(D)

- (A) Ohio Farmers Insurance Company
- (B) Western Surety Company
- (C) Cincinnati Insurance Company
- (D) Same as Term of Office

FINANCIAL CONDITION  
COSHOCTON COUNTY

INDEX OF FUNDS

GOVERNMENTAL FUND TYPE:

General Fund

Special Revenue Fund Type:

Dog and Kennel Fund  
County Recorder Equipment Fund  
Certificate of Title Administration Fund  
5<sup>th</sup> District Court Computer Fund  
Court Computer Fund  
Indigent Guardianship Fund  
Indigent Drivers Alcohol Fund  
Real Estate Assessment Fund  
Motor Vehicle and Gasoline Tax Fund  
FEMA  
Hopewell School fund  
Community MRDD Residential Services Fund  
Good Beginnings Grant Fund  
Family & Children Grant  
Ohio Early Start Grant  
Wellness Block Grant  
Children Services Fund  
911 Levy Fund  
*Emergency Management Agency Fund*  
Drug Law Enforcement Fund  
Law Enforcement Education Fund  
Law Enforcement Trust –Sheriff Fund  
Law Enforcement Trust – Prosecuting Attorney Fund  
Community Corrections Grant Fund  
Safe Neighborhood Grant  
Litter control and Recycling Fund  
Reclaim Ohio Fund  
Small Cities Block Grant Fund  
Special Emergency Planning Fund  
Victims Assistance Fund  
Domestic Violence Fund  
*Children's Trust Fund*  
Public Assistance Discretionary Fund  
Child Support Enforcement Agency Fund  
Tax Escrow Interest Fund  
Delinquent Real Estate Tax Assessment Collection Fund  
Sheriff's Commissary Fund

Debt Service Fund Types:

Hopewell Emergency Debt  
Human Services Building Bond Fund

Capital Projects Fund Types:

Water and Sewer Grant Fund  
County Home Maintenance Fund  
Issue II Fund  
Capital Projects Fund

**FINANCIAL CONDITION  
COSHOCTON COUNTY**

**INDEX OF FUNDS  
(Continued)**

**PROPRIETARY FUND TYPE:**

**Internal Service Fund Types:**

Self-Insurance Fund

Sheriff Policing Rotary Fund

**FIDUCIARY FUND TYPE:**

**Trust and Agency Fund Types:**

**Expendable Trust Funds:**

Children Services Golden Trust Fund

Children Services McKee Trust Fund

Children Services Smith Trust Fund

**Agency Funds:**

Children Services Cluster Grant Fund

Unclaimed Money Fund

Muskingum Area Community Mental Health Fund

Ohio Election Commission Fund

Hospital Emergency Room Fund

Law Library Fund

County Hotel/Motel Lodging Tax Fund

Undivided General Fund

Tax Escrow Fund

Undivided Personal Property Fund

Undivided Library Local Government Support fund

Undivided Inheritance Fund

Undivided Cigarette Tax Fund

Undivided Local Government Fund

Local Government Revenue Assistance Fund

Undivided Motor Vehicle Tax Fund

Undivided Trailer Tax Fund

State Settlement Fund

Undivided Township Gasoline and License Tax Fund

School Settlement Fund

Corporation Settlement Fund

Township Settlement Fund

Fire District Settlement Fund

Library District Settlement Fund

Payroll Clearing Fund

**FINANCIAL CONDITION  
COSHOCTON COUNTY**

**INDEX OF FUNDS  
(Continued)**

FIDUCIARY FUND TYPE: (Continued)

Agency Funds: (Continued)

OUTSIDE AGENCIES:

REGIONAL PLANNING:

Regional Planning Fund

SOIL AND WATER CONSERVATION:

Soil and Water Conservation Fund

CITY/COUNTY PARK DISTRICT:

Park District Fund

Park District Debt Service Fund

Park District Construction Fund

DISTRICT HEALTH:

Child and Family Health Fund

District Health Fund

Swimming Pool Fund

Women, Infants, and Children's Fund

Water System Fund

Food Service Fund

Trailer Park Fund

Solid Waste Fund

Human Service Fund



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OFFICE OF THE AUDITOR

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Board of County Commissioners  
Coshocton County  
349 Main St.  
Coshocton, OH 43812

We have reviewed the independent auditor's report of Coshocton County, prepared by Wolfe, Wilson & Phillips, Inc., for the audit period January 1, 1999 through December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Coshocton County is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO  
Auditor of State

July 7, 2000



**WOLFE, WILSON, & PHILLIPS, INC.**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
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**INDEPENDENT AUDITORS' REPORT**

Board Of County Commissioners  
Coshocton County  
349 Main Street  
Coshocton, Ohio 43812

We have audited the accompanying general-purpose financial statements of Coshocton County as of and for the year ended December 31, 1999. These general-purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in and *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. 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 provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Coshocton County as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 7, 2000, on our consideration of Coshocton County's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the financial statements of the County, taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

*Wolfe, Wilson, & Phillips, Inc.*

Zanesville, Ohio  
June 7, 2000

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Brad Wolfe, J.D., M.B.A., CPA  
Joseph W. Wilson, M.B.A., CPA, CMA  
Kenneth B. Phillips, CPA

COSHOCTON COUNTY, OHIO

Combined Balance Sheet

All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1999

	Governmental Fund Types				Proprietary Fund Types
	General	Special Revenue	Debt Service	Capital Projects	Internal Service
<b>Assets and Other Debits</b>					
<b>Assets:</b>					
Cash & Cash Equivalents with Treasurer	\$689,444	\$1,705,749	\$24,270	\$149,007	\$23,690
Cash and Cash Equivalents in Segregated Accounts	0	8,104	0	0	0
Investments with Fiscal Agent	1,801,539	4,578,236	66,174	398,676	64,540
<b>Receivables:</b>					
Taxes	1,962,538	2,575,808	161,254	0	0
Accounts	23,488	34,439	0	0	0
Accrued Interest	88,833	0	0	0	0
Due from Other Funds	40,314	61,227	0	0	0
Due from Other Governments	81,433	237,574	2,575	0	0
Materials & Supplies Inventory	14,208	139,522	0	0	0
Prepaid Insurance	57,292	0	0	0	0
Fixed Assets	0	0	0	0	45,072
<b>Other Debits:</b>					
Amount to be Provided from General Government Resources	0	0	0	0	0
<b>Total Assets and Other Debits</b>	<b>\$4,759,089</b>	<b>\$9,340,659</b>	<b>\$254,273</b>	<b>\$547,683</b>	<b>\$133,302</b>
<b>Liabilities, Fund Equity and Other Credits</b>					
<b>Liabilities:</b>					
Accounts Payable	\$139,555	\$451,303	\$0	\$0	\$11,971
Accrued Wages and Benefits	177,170	263,726	0	0	46,437
Compensated Absences Payable	19,208	25,527	0	0	65,534
Due to Other Funds	0	70,810	0	0	728
Due to Other Governments	8,366	25,544	0	0	200
Deferred Revenue	1,515,694	2,575,808	161,254	0	0
Undistributed Monies	0	0	0	0	0
Deposits Held and Due to Others	0	0	0	0	0
Capital Leases Payable	0	0	0	0	0
Notes Payable	0	0	0	0	0
Claims Payable	0	0	0	0	134,836
General Obligation Bonds Payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>\$1,859,993</b>	<b>\$3,412,718</b>	<b>\$161,254</b>	<b>\$0</b>	<b>\$259,706</b>
<b>Fund Equity and Other Credits:</b>					
Investment in General Fixed Assets	\$0	\$0	\$0	\$0	\$0
<b>Retained Earnings:</b>					
Unreserved	0	0	0	0	(126,404)
<b>Fund Balance:</b>					
Reserved for Encumbrances	501,119	1,959,520	0	0	0
Reserved for Inventory	14,208	139,522	0	0	0
Reserved for Prepays	57,292	0	0	0	0
Unreserved, Undesignated	2,326,477	3,828,899	93,019	547,683	0
<b>Total Fund Equity and Other Credits</b>	<b>\$2,899,096</b>	<b>\$5,927,941</b>	<b>\$93,019</b>	<b>\$547,683</b>	<b>(\$126,404)</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$4,759,089</b>	<b>\$9,340,659</b>	<b>\$254,273</b>	<b>\$547,683</b>	<b>\$133,302</b>

COSHOCTON COUNTY, OHIO

Combined Balance Sheet

All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1999

	Fiduciary Fund Types		Account Groups		Totals (Memo Only) Primary Govt
	Trust & Agency	General Fixed Assets	General Long-Term Obligations		
<b>Assets and Other Debits</b>					
<b>Assets:</b>					
Cash & Cash Equivalents with Treasurer	\$525,200	\$0	\$0		\$3,117,360
Cash and Cash Equivalents in Segregated Accounts	1,791,801	0	0		1,799,905
Investments with Fiscal Agent	1,258,932	0	0		8,168,097
<b>Receivables:</b>					
Taxes	28,386,160	0	0		33,085,760
Accounts	1,714,538	0	0		1,772,465
Accrued Interest	855	0	0		89,688
Due from Other Funds	0	0	0		101,541
Due from Other Governments	0	0	0		321,582
Materials & Supplies Inventory	0	0	0		153,730
Prepaid Insurance	0	0	0		57,292
Fixed Assets	0	15,907,536	0		15,952,608
<b>Other Debits:</b>					
Amount to be Provided from General Government Resources	0	0	3,358,254		3,358,254
<b>Total Assets and Other Debits</b>	<b>\$33,677,486</b>	<b>\$15,907,536</b>	<b>\$3,358,254</b>		<b>\$67,978,282</b>
<b>Liabilities, Fund Equity and Other Credits</b>					
<b>Liabilities:</b>					
Accounts Payable	\$0	\$0	\$0		\$602,829
Accrued Wages and Benefits	0	0	278,995		766,328
Compensated Absences Payable	0	0	552,645		662,914
Due to Other Funds	30,000	0	0		101,538
Due to Other Governments	28,386,160	0	0		28,420,270
Deferred Revenue	0	0	0		4,252,756
Undistributed Monies	2,433,654	0	0		2,433,654
Deposits Held and Due to Others	2,785,757	0	0		2,785,757
Capital Leases Payable	0	0	28,063		28,063
Notes Payable	0	0	653,551		653,551
Claims Payable	0	0	0		134,836
General Obligation Bonds Payable	0	0	1,845,000		1,845,000
<b>Total Liabilities</b>	<b>\$33,635,571</b>	<b>\$0</b>	<b>\$3,358,254</b>		<b>\$42,687,496</b>
<b>Fund Equity and Other Credits:</b>					
Investment in General Fixed Assets	\$0	\$15,907,536	\$0		\$15,907,536
<b>Retained Earnings:</b>					
Unreserved	0	0	0		(126,404)
<b>Fund Balance:</b>					
Reserved for Encumbrances	0	0	0		2,460,639
Reserved for Inventory	0	0	0		153,730
Reserved for Prepaids	0	0	0		57,292
Unreserved, Undesignated	41,915	0	0		6,837,993
<b>Total Fund Equity and Other Credits</b>	<b>\$41,915</b>	<b>\$15,907,536</b>	<b>\$0</b>		<b>\$25,290,786</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$33,677,486</b>	<b>\$15,907,536</b>	<b>\$3,358,254</b>		<b>\$67,978,282</b>

COSHOCTON COUNTY, OHIO

Combined Balance Sheet

All Fund Types, Account Groups and Discretely Presented Component Units

December 31, 1999

	Component Units		Totals
	Hopewell Industries	Airport Authority	(Memo Only) Reporting Entity
<b>Assets and Other Debits</b>			
<b>Assets:</b>			
Cash & Cash Equivalents with Treasurer	\$0	\$0	\$3,117,360
Cash and Cash Equivalents in Segregated Accounts	321,614	88,160	\$2,209,679
Investments with Fiscal Agent	0	0	8,168,097
<b>Receivables:</b>			
Taxes	0	0	33,085,760
Accounts	59,566	5,578	1,837,609
Accrued Interest	0	0	89,688
Due from Other Funds	0	0	101,541
Due from Other Governments	0	0	321,582
Materials & Supplies Inventory	13,446	12,181	179,357
Prepaid Insurance	4,051	0	61,343
Fixed Assets	102,849	1,127,540	17,182,997
<b>Other Debits:</b>			
Amount to be Provided from General Government Resources	0	0	3,358,254
<b>Total Assets and Other Debits</b>	<b>\$501,526</b>	<b>\$1,233,459</b>	<b>\$69,713,267</b>
<b>Liabilities, Fund Equity and Other Credits</b>			
<b>Liabilities:</b>			
Accounts Payable	\$0	\$12,415	\$615,244
Accrued Wages and Benefits	11,078	0	777,406
Compensated Absences Payable	0	0	662,914
Due to Other Funds	0	0	101,538
Due to Other Governments	0	0	28,420,270
Deferred Revenue	0	0	4,252,756
Undistributed Monies	0	0	2,433,654
Deposits Held and Due to Others	15,631	0	2,801,388
Capital Leases Payable	0	0	28,063
Notes Payable	0	51,989	705,540
Claims Payable	0	0	134,836
General Obligation Bonds Payable	0	0	1,845,000
<b>Total Liabilities</b>	<b>\$26,709</b>	<b>\$64,404</b>	<b>\$42,778,609</b>
<b>Fund Equity and Other Credits:</b>			
Investment in General Fixed Assets	\$102,849	\$1,127,540	\$17,137,925
<b>Retained Earnings:</b>			
Unreserved	\$0	\$0	(126,404)
<b>Fund Balance:</b>			
Reserved for Encumbrances	\$0	\$0	\$2,460,639
Reserved for Inventory	13,446	12,181	179,357
Reserved for Prepaids	0	0	57,292
Unreserved, Undesignated	358,522	29,334	7,225,849
<b>Total Fund Equity and Other Credits</b>	<b>\$474,817</b>	<b>\$1,169,055</b>	<b>\$26,934,658</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$501,526</b>	<b>\$1,233,459</b>	<b>\$69,713,267</b>

COSHOCTON COUNTY, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
All Governmental Fund Types, Similar Trust Funds and Discretely Presented Component Units  
For the Year Ended December 31, 1999

	General	Special Revenue	Debt Service	Capital Projects
<b>Revenues:</b>				
Taxes	\$4,052,743	\$2,052,390	\$162,182	\$0
Licenses & Permits	4,434	11,614	30,787	0
Charges for Services	968,472	715,820	0	0
Fines and Forfeitures	49,317	105,272	0	0
Intergovernmental	1,133,818	11,191,660	11,872	300,440
Investment Income	575,361	73,325	0	0
Lease/Rental Income	256,866	0	0	0
Other	286,520	537,588	5,242	15,000
<b>Total Revenues</b>	<b>\$7,327,531</b>	<b>\$14,687,669</b>	<b>\$210,083</b>	<b>\$315,440</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative & Executive	\$1,956,373	\$411,007	\$0	\$0
Judicial	938,754	34,402	0	0
Public Safety	3,231,332	374,878	0	0
Public Works	628,547	4,876,113	0	0
Health	59,276	4,152,424	0	0
Human Services	139,231	4,715,494	0	0
Conservation & Agriculture	378,233	0	0	0
Miscellaneous	331,375	0	3,226	0
Capital Outlay	0	0	0	302,380
<b>Debt Service:</b>				
Principal Retirement	0	8,732	94,928	0
Interest and Fiscal Charges	0	2,064	76,921	0
<b>Total Expenditures</b>	<b>\$7,663,121</b>	<b>\$14,575,114</b>	<b>\$175,075</b>	<b>\$302,380</b>
Excess Revenue Over (Under) Expenditure	<u>(\$335,590)</u>	<u>\$112,555</u>	<u>\$35,008</u>	<u>\$13,060</u>
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	\$733,113	\$80,679	\$0	\$0
Other Financing Uses	(16,868)	0	0	0
Proceeds of Notes		992,205		
Operating Transfers-In	22,000	188,324	0	400,000
Operating Transfers-Out	(588,324)	(22,000)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$149,921</b>	<b>\$1,239,208</b>	<b>\$0</b>	<b>\$400,000</b>
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(\$185,669)</u>	<u>\$1,351,763</u>	<u>\$35,008</u>	<u>\$413,060</u>
Fund Balances at Beginning of Year	3,083,080	4,647,011	58,011	134,623
Decrease in Reserve for Inventory	1,685	(70,833)	0	0
<b>Fund Balances at End of Year</b>	<b>\$2,899,096</b>	<b>\$5,927,941</b>	<b>\$93,019</b>	<b>\$547,683</b>

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

COSHOCTON COUNTY, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
All Governmental Fund Types, Similar Trust Funds and Discretely Presented Component Units  
For the Year Ended December 31, 1999

	Totals			
	Expendable Trust	(Memo Only) Primary Govt	Hopewell Industries	Component Units Airport Authority
<b>Revenues:</b>				
Taxes	\$0	\$6,267,315	\$0	\$0
Licenses & Permits	0	46,835	0	0
Charges for Services	0	1,684,292	360,107	66,636
Fines and Forfeitures	0	154,589	0	0
Intergovernmental	0	12,637,790	154,949	70,946
Investment Income	1,909	650,595	13,569	3,395
Lease/Rental Income	0	256,866	0	31,822
Other	0	844,350	0	68,990
<b>Total Revenues</b>	<b>\$1,909</b>	<b>\$22,542,632</b>	<b>\$528,625</b>	<b>\$241,789</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Legislative & Executive	\$0	\$2,367,380	\$0	\$0
Judicial	0	973,156	0	0
Public Safety	0	3,606,210	0	0
Public Works	0	5,504,660	0	100,467
Health	0	4,211,700	574,402	0
Human Services	0	4,854,725	0	0
Conservation & Agriculture	0	378,233	0	0
Miscellaneous	0	334,601	0	50,234
Capital Outlay	0	302,380	0	0
<b>Debt Service:</b>				
Principal Retirement	0	103,660	0	0
Interest and Fiscal Charges	0	78,985	0	0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$22,715,690</b>	<b>\$574,402</b>	<b>\$150,701</b>
Excess Revenue Over (Under) Expenditure	\$1,909	(\$173,058)	(\$45,777)	\$91,088
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources	\$0	\$813,792	\$0	\$0
Other Financing Uses	0	(16,868)	0	0
<b>Proceeds of Notes</b>				
Operating Transfers-In	0	610,324	0	0
Operating Transfers-Out	0	(610,324)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>	<b>\$796,924</b>	<b>\$0</b>	<b>\$0</b>
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$1,909	\$623,866	(\$45,777)	\$91,088
Fund Balances at Beginning of Year	40,006	7,962,731	520,594	1,077,967
Decrease in Reserve for Inventory	0	(69,148)	0	0
<b>Fund Balances at End of Year</b>	<b>\$41,915</b>	<b>\$8,517,449</b>	<b>\$474,817</b>	<b>\$1,169,055</b>

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

COSHOCTON COUNTY, OHIO

Combined Statement of Revenues, Expenditures and Changes in Fund Balances  
 All Governmental Fund Types, Similar Trust Funds and Discretely Presented Component Units  
 For the Year Ended December 31, 1999

Totals  
 (Memo Only)  
Reporting Entity

Revenues:	
Taxes	\$6,267,315
Licenses & Permits	46,835
Charges for Services	2,111,035
Fines and Forfeitures	154,589
Intergovernmental	12,863,685
Investment Income	667,559
Lease/Rental Income	288,688
Other	913,340
Total Revenues	<u>\$23,313,046</u>

Expenditures:	
Current:	
General Government:	
Legislative & Executive	\$2,367,380
Judicial	973,156
Public Safety	3,606,210
Public Works	5,605,127
Health	4,786,102
Human Services	4,854,725
Conservation & Agriculture	378,233
Miscellaneous	384,835
Capital Outlay	302,380
Debt Service:	
Principal Retirement	103,660
Interest and Fiscal Charges	78,985
Total Expenditures	<u>\$23,440,793</u>

Excess Revenue Over (Under) Expenditure	<u>(\$127,747)</u>
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Other Financing Sources (Uses):	
Other Financing Sources	813,792
Other Financing Uses	(16,868)
Proceeds of Notes	
Operating Transfers-In	610,324
Operating Transfers-Out	(610,324)
Total Other Financing Sources (Uses)	<u>\$796,924</u>

Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$669,177
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Fund Balances at Beginning of Year	9,561,292
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Decrease in Reserve for Inventory	(69,148)
Fund Balances at End of Year	<u>\$10,161,321</u>

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

Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget and Actual (Budgetary Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 1999

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$3,794,938	\$3,996,817	\$201,879	\$2,052,584	\$2,052,390	(\$194)
Licenses and Permits	4,309	4,434	125	11,614	11,614	0
Charges for Services	1,161,971	1,172,215	10,244	727,774	734,008	6,234
Fines and Forfeitures	49,317	49,317	0	105,273	105,272	(1)
Intergovernmental	1,119,845	1,122,234	2,389	11,048,925	11,314,237	265,312
Investment Income	589,854	591,622	1,768	73,325	73,325	0
Lease and Rental Income	253,859	256,866	3,007	0	0	0
Other	269,799	270,765	966	536,891	540,750	3,859
<b>Total Revenues</b>	<b>\$7,243,892</b>	<b>\$7,464,270</b>	<b>\$220,378</b>	<b>\$14,556,386</b>	<b>\$14,831,596</b>	<b>\$275,210</b>
<b>Expenditures:</b>						
General Government	\$2,394,443	\$2,157,051	\$237,392	\$511,066	\$445,789	\$65,277
Judicial	1,110,239	1,015,695	94,544	135,023	35,791	99,232
Public Safety	3,520,958	3,368,331	152,627	587,097	412,370	174,727
Public Works	1,119,543	784,107	335,436	6,565,801	6,366,713	199,088
Health	59,653	59,354	299	4,332,574	4,264,082	68,492
Human Services	187,260	145,863	41,397	5,657,621	5,218,046	439,575
Conservation - Recreation	369,300	379,300	(10,000)	0	0	0
Miscellaneous	372,208	333,368	38,840	2,621	0	2,621
Capital Outlay	0	0	0	0	0	0
<b>Debt Service:</b>						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$9,133,604</b>	<b>\$8,243,069</b>	<b>\$890,535</b>	<b>\$17,791,803</b>	<b>\$16,742,791</b>	<b>\$1,049,012</b>
<b>Excess Revenues Over (Under) Expenditures</b>	<b>(\$1,889,712)</b>	<b>(\$778,799)</b>	<b>\$1,110,913</b>	<b>(\$3,235,417)</b>	<b>(\$1,911,195)</b>	<b>\$1,324,222</b>
<b>Other Financing Sources (Uses):</b>						
Other Financing Sources	\$735,178	\$733,113	(2,065)	\$73,019	\$80,679	\$7,660
Other Financing Uses	(18,699)	(18,664)	35	0	0	0
Proceeds of Bonds	0	0	0	992,205	992,205	0
Advances-In	0	162,227	162,227	0	0	0
Advances-Out	0	0	0	0	(11,800)	(11,800)
Operating Transfers-In	22,000	22,000	0	188,324	188,324	0
Operating Transfers-Out	(623,540)	(588,324)	35,216	(22,000)	(22,000)	0
<b>Total Other Sources (Uses)</b>	<b>\$114,939</b>	<b>\$310,352</b>	<b>\$195,413</b>	<b>\$1,231,548</b>	<b>\$1,227,408</b>	<b>(\$4,140)</b>
<b>Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses</b>	<b>(\$1,774,773)</b>	<b>(\$468,447)</b>	<b>\$1,306,326</b>	<b>(\$2,003,869)</b>	<b>(\$683,787)</b>	<b>\$1,320,082</b>
<b>Fund Balances at Beginning of Year</b>	<b>\$1,777,981</b>	<b>\$1,777,981</b>	<b>\$0</b>	<b>\$3,533,096</b>	<b>\$3,533,096</b>	<b>\$0</b>
<b>Prior Year Encumbrances</b>						
Appropriated	533,274	533,274	0	1,071,106	1,071,106	0
<b>Fund Balances at End of Year</b>	<b>\$536,482</b>	<b>\$1,842,808</b>	<b>\$1,306,326</b>	<b>\$2,600,333</b>	<b>\$3,920,415</b>	<b>\$1,320,082</b>



Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget and Actual (Budgetary Basis)  
All Governmental Fund Types  
For the Year Ended December 31, 1999

	Debt Service Funds			Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$162,182	\$162,182	0	\$0	\$0	\$0
Licenses and Permits	0	0	0	0	0	0
Charges for Services	30,787	30,787	0	0	0	0
Fines and Forfeitures	0	0	0	0	0	0
Intergovernmental	11,922	11,922	0	300,440	300,440	0
Investment Income	0	0	0	0	0	0
Lease and Rental Income	0	0	0	15,000	15,000	0
Other	5,242	5,242	0	0	0	0
<b>Total Revenues</b>	<b>\$210,133</b>	<b>\$210,133</b>	<b>\$0</b>	<b>\$315,440</b>	<b>\$315,440</b>	<b>\$0</b>
Expenditures:						
General Government	0	0	0	0	0	0
Judicial	0	0	0	0	0	0
Public Safety	0	0	0	0	0	0
Public Works	0	0	0	0	0	0
Health	0	0	0	0	0	0
Human Services	0	0	0	0	0	0
Conservation - Recreation	0	0	0	0	0	0
Miscellaneous	3,226	3,226	0	0	0	0
Capital Outlay	0	0	0	350,440	302,380	48,060
Debt Service:						
Principal Retirement	94,928	94,928	0	0	0	0
Interest and Fiscal Charges	77,538	76,921	617	0	0	0
<b>Total Expenditures</b>	<b>\$175,692</b>	<b>\$175,075</b>	<b>\$617</b>	<b>\$350,440</b>	<b>\$302,380</b>	<b>\$48,060</b>
Excess Revenues Over (Under) Expenditures	\$34,441	\$35,058	\$617	(\$35,000)	\$13,060	\$48,060
Other Financing Sources (Uses):						
Other Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	0	0	0	0	0	0
Proceeds of Bonds	0	0	0	0	0	0
Advances-In	0	0	0	0	0	0
Advances-Out	0	0	0	0	0	0
Operating Transfers-In	0	0	0	400,000	400,000	0
Operating Transfers-Out	0	0	0	0	0	0
<b>Total Other Sources (Uses)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$0</b>
Excess Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	\$34,441	\$35,058	\$617	\$365,000	\$413,060	\$48,060
Fund Balances at Beginning of Year	\$55,385	\$55,385	\$0	\$134,623	\$134,623	\$0
Prior Year Encumbrances Appropriated	0	0	0	0	0	0
<b>Fund Balances at End of Year</b>	<b>\$89,826</b>	<b>\$90,443</b>	<b>\$617</b>	<b>\$499,623</b>	<b>\$547,683</b>	<b>\$48,060</b>

COSHOCTON COUNTY, OHIO  
 Combined Statement of Revenues, Expenses and  
 Changes in Retained Earnings  
 All Proprietary Fund Types  
 For the Year Ended December 31, 1999

	INTERNAL SERVICE
<u>Operating Revenues</u>	
Charges for Services	\$2,660,645
Other Operating Revenues	2,785
	\$2,663,430
<u>Operating Expenses:</u>	
Personal Services	\$1,169,719
Materials & Supplies	66,315
Contractual Services	267,061
Claims and Judgments	1,066,508
Depreciation	22,161
Other	10,826
	\$2,602,590
Operating Income	60,840
Non-Operating (Expense):	
Loss on Disposal of Fixed Assets	(13,000)
	\$47,840
Net Income	\$47,840
Retained Earnings (Deficit) at Beginning of Year	(174,244)
Retained Earnings at End of Year	(\$126,404)

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

COSHOCOTON COUNTY, OHIO  
 Combined Statement of Cash Flows  
 All Proprietary Fund Types  
 For the Year Ended December 31, 1999

	INTERNAL SERVICE
<u>Increase (Decrease) in Cash and Cash Equivalents:</u>	
Cash Flow from Operating Activities:	
Cash Received from City	\$1,261,200
Cash Received from Quasi-External Transactions with Other Funds	1,399,445
Cash Advance paid to other County Funds	(140,430)
Other Cash Receipts	23,627
Cash Paid to Suppliers for Goods and Services	(333,376)
Cash Paid to Employees	(1,187,199)
Other Cash Payments	(11,022)
Cash Payments for Claims	<u>(1,027,030)</u>
Net Cash Used by Operating Activities	<u>(\$14,785)</u>
Cash Flow from Capital and Related Financing Activities:	
Sale/Purchase of Fixed Assets	(\$6,938)
Cash Flow from Investing Activities:	
Sale/Purchase of Investments	<u>201</u>
Net Increase in Cash and Cash Equivalents	(\$21,522)
Cash and Cash Equivalents at Beginning of Year	45,212
Cash and Cash Equivalents at End of Year	<u>\$23,690</u>
<u>Reconciliation of Operating Income to Net Cash Used by Operating Activities:</u>	
Net Operating (Loss)	\$47,840
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Adjustments:	
Increase in Depreciation Expense	22,161
Disposal of Fixed Assets	13,000
Increase in Accounts Payable	1,192
Increase in Claims & Judgments Payable	39,478
Decrease in Accrued Wages and Benefits Payable	(16,534)
Decrease in Compensated Absences	(946)
Decrease in Due to Other Funds	(142,018)
Increase in Due to Other Governments	200
Decrease in Accounts Receivable	<u>20,842</u>
Net Cash Used by Operating Activities	<u>(\$14,785)</u>

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

**FINANCIAL CONDITION  
COSHOCTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

**NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION**

Coshocton County (the County) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the Constitution and laws of the State of Ohio. The County was formed by the Ohio State Legislature in 1811. The County is governed by a three-member Board of 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.

The County Auditor serves as fiscal officer for the County and the tax assessor for all political subdivisions within the County. The County Treasurer is required by Ohio law to collect locally assessed taxes. As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the County Treasury. Other elected officials include the Prosecutor, Engineer, Recorder, Sheriff, Coroner, Clerk of Courts, and Common Pleas Judges.

**A. Reporting Entity:**

The reporting entity consists of the primary government, component units, and other organizations that are included to ensure that the general purpose 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 the County, this includes the Children's Services Board, the Board of Mental Retardation and Developmental Disabilities, the Human 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 program's governing board and (1) the County is able to significantly influence the programs of services performed or provided by the organization; or (2) the County is legally entitled to or can 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 for which the County approves the budget, the levying of taxes or the issuance of debt.

The component unit column in the combined general purpose financial statements identify the financial data of the Coshocton County Regional Airport Authority and Hopewell Industries, Inc. They are discretely reported to emphasize that they are legally separate from the County.

Coshocton County Airport Authority is a legally separate regional airport authority established pursuant to section 308.03 of the Revised Code, for the purpose of acquiring, constructing, operating, and maintaining an airport and airport facility, in and for Coshocton County. Coshocton County Commissioners appoint a voting majority of the Board and the County has a financial benefit/burden relationship with the Authority.

**FINANCIAL CONDITION  
COSHOCOTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

Hopewell Industries, Inc., is a legally separate, not-for-profit corporation, served by a self-supporting board of trustees. The workshop, under a contractual agreement with the Coshocoton County Board of Mental Retardation and Developmental Disabilities (Board of MRDD), provides sheltered employment for mentally retarded or disabled adults in Coshocoton County. The Coshocoton 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 workshop's sole purpose of providing assistance to the retarded and disabled adults of Coshocoton County, the workshop is considered a component unit of the County.

The following potential component units have been excluded from the County's general purpose financial statements because the County is not financially accountable for these organizations nor does the County approve the budgets, issuances of debt, or levying of taxes for these entities.

Coshocoton County Public Library and Museum is statutorily created as a distinct political subdivision of the State of Ohio governed by a board of trustees. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the County for operational subsidies. Although the County does serve as the taxing authority of the Library, this is strictly a ministerial function. Once the Board of Library trustees has determined that a new levy is necessary, its amount, and its duration, the County must place the levy before the voters. The Library may not issue debt. The County may provide facilities for the Library through the issuance of debt if the voters agree. The Library's operations are not included as part of the County's general purpose financial statements.

Coshocoton County Board of Education is separately elected by the voters of Coshocoton County and controls its own operations and budget. The Board of Education is legally separate and the County is not financially accountable to the Board. The Board of Education is responsible for reporting its financial activity to the Ohio Department of Education and the Auditor of State of Ohio. The Board's operations are not included as part of the County's general purpose financial statements.

Coshocoton County Memorial Hospital Association is a legally separate, not-for-profit organization. The County officials appoint the Association's Board, however, the County cannot impose its will on the Board. Although the County does serve as the taxing authority for the Association, tax levies approved or rejected in the past would not significantly effect operations of the Association. The Association's operations are not included as part of the County's general purpose financial statements.

Coshocoton County Convention and Visitors Bureau is a legally separate, not-for-profit corporation. The Bureau was created to promote, develop and encourage interest in tourist attractions in Coshocoton County and to promote and encourage the County as a location for meetings and conventions of various organizations throughout the Ohio area.

**FINANCIAL CONDITION  
COSHOCOTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

The Bureau is governed by a twelve-member board which is appointed by the Coshocton County Commissioners. The Board hires and fires personnel and approves their own budget. The Bureau is not fiscally dependent on the County. The Bureau's operations are not included as part of the County's general purpose financial statements.

As the custodian of public funds, the County Treasurer invests all public monies 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. Accordingly, the activity of the following districts and agencies is presented as agency funds within the County's financial statements:

Coshocton County Soil and Water Conservation District is statutorily created 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.

Coshocton County General Health District is governed by the Board of Health. The board adopts its own budget, hires and fires its own staff, and operates autonomously from the County. The Board has sole budgetary authority and controls surpluses and deficits. The County cannot significantly influence the Health District's operations, nor is it obligated for the Health District's Debt.

Coshocton County Law Library is operated by a nonprofit association organized under State Statute. State Statutes require the County Commissioners to pay the salary of the Law Librarian and provide adequate, suitable facilities at County expense for use as a county law library. The County Commissioners are not involved in the selection of trustees or management of the Law Library. The County exercises no oversight responsibility. The County Auditor maintains the Law Library Agency Fund and collects monies paid by the courts for payment to the board of trustees of the law library association.

Coshocton City and County Park District is a legally separate organization created pursuant to section 1545.01, Revised Code. The County cannot impose its will on the District and a financial benefit/burden relationship does not exist.

Coshocton County Regional Planning Commission is a legally separate organization created pursuant to section 713.23, Revised Code. The appointed members of the board adopt their own budget, hire and fire staff, and do not rely on the County to finance deficits.

The County is involved with the following organizations which are defined as jointly governed organizations. Additional financial information concerning the jointly governed organizations is presented in Note 17.

**FINANCIAL CONDITION  
COSHOCOTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

Solid Waste District

Muskingum Area Board of Alcohol, Drug Addiction and Mental Health Services  
(ADAMH)

County Risk Sharing Authority (CORSA)

Ohio Mid-Eastern Governments Association (OMEGA)

Area Office on Aging

The County is associated with the following organizations which are defined as related organizations. Additional information concerning these related organizations is presented in Note 18.

Coshocoton Metropolitan Housing Authority  
Coshocoton City and County Park District

**B. Fund Accounting:**

The County uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain County functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the County are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

**Governmental Fund Types:**

Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds and trust funds) are accounted for through governmental funds. The following are the County's governmental fund types:

The general fund is used to account for all financial resources of the County 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 the general laws of Ohio.

**FINANCIAL CONDITION  
COSHOCKTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general and special assessment long-term debt principal, interest and related costs.

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Fund Types:

The proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. Internal Service Funds are the County's only proprietary fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis.

Fiduciary Fund Types:

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. The following are the County's fiduciary fund types:

Expendable trust fund is accounted for in essentially the same manner as governmental funds.

Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Account Groups:

To make a clear distinction between fixed assets related to specific funds and those of the general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

The general fixed assets account group is used to account for all fixed assets of the County, other than those fixed assets accounted for in the proprietary funds.

The general long-term obligations account group is used to account for all long-term obligations of the County, except those accounted for in the proprietary funds.



**FINANCIAL CONDITION  
COSHOCTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
DECEMBER 31, 1999**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies followed in the preparation of these general purpose financial statements are summarized below. Management believes these policies conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources. Information in the notes to the general purpose financial statement relates in general to the primary government. Information related to the operation of Coshocton County Airport Authority and Hopewell Industries are specifically identified.

**A. Measurement Focus and Basis of Accounting:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Under the guidelines of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that uses Proprietary Fund Accounting", the County has elected not to apply Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989, to its proprietary activities. The adoption of this approach to accounting for proprietary activities by the County required no change from prior years.

The proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. A proprietary fund-type operating statement presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the County is sixty days after year end.

The component units each have only one fund and account for operations on a modified accrual basis similar to the governmental funds of the County.

**FINANCIAL CONDITION  
COSHOCKTON COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
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In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: earnings on investments, sales tax, federal and state grants and subventions, and charges for current services. Major revenue sources not susceptible to accrual include licenses and permits, and fines and forfeitures, which are not considered measurable until received.

The County reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet, and revenue is recognized. Property taxes measurable as of December 31, 1999, and delinquent property taxes, whose availability is indeterminable and which are intended to finance 2000 operations have been recorded as a receivable and deferred revenue. The current and delinquent portion of special assessments have also been recorded as a receivable and deferred revenue. Reimbursements to the State from the Child Support and Enforcement Administration fund and Public Assistance fund for overpayments during fiscal year 1999 are also recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than on expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Principal and interest on general long-term obligations are recorded as fund liabilities when due, and costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees.

Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The proprietary fund is reported using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized at the time they are incurred. Unbilled service charges receivable are recognized as revenue at year end.

**B. Budgetary Process:**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. 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 certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, legally are required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each fund, program, and department. Budgetary modifications may only be made by resolution of the County Commissioners.

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The County did not budget for the Children's Services Bequest Funds, which are expendable trust funds, due to the County not anticipating any financial activity. Budgetary information for Coshocton County Airport Authority and Hopewell Industries (component units) is not reported because it is not included in the entity for which "the appropriated budget" is adopted.

Tax Budget:

A budget of estimated revenues and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources:

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of the previously authorized taxes. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the County must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate may be amended further during the year if the County Auditor determines, and the Budget Commission agrees, that an estimate needs either to be increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 1999.

Appropriations:

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. An annual appropriation resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund, program, department, and object levels. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified.

The allocation of appropriations among departments and objects within a fund may be modified during the year only by a resolution of the County Commissioners. Several supplemental appropriation resolutions were legally enacted by the County Commissioners during the year. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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Encumbrances:

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the budget and actual basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

Lapsing of Appropriations:

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be reappropriated.

C. Cash and Cash Equivalents:

Cash balances of the County's funds, except cash held by a trustee or fiscal agent or held in segregated accounts, are pooled and invested in short-term investments in order to provide improved cash management. Investments, including deferred compensation, are stated at fair value, which is the value that could be obtained in an open market. For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with original maturities of three months or less are considered to be cash equivalents. The County has segregated bank accounts for monies held separate from the County's central bank account. These interest-bearing deposit accounts and checking accounts are presented in the Combined Balance Sheet as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the County Treasury. The component unit money is also presented as "Cash and Cash Equivalents in Segregated Accounts". Under existing Ohio statutes, all investment earnings accrue to the general fund unless statutorily required to be credited to a specific fund. Interest income earned in 1999 totaled \$650,595 for the primary government and \$16,964 for the component units. The type of investments made in the name of Coshocton County during 1999 are as follows: *Repurchase Agreements, Star Ohio, Certificates of Deposit, Federal National Mortgage Discount Note and US Treasury Note.*

D. Inventory of Supplies:

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund types when used. Reported supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

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Inventory of Coshocton County Airport Authority and Hopewell Industries (component units) is stated at cost.

**E. Prepaid Items:**

Payments made to vendors for services that will benefit periods beyond December 31, 1999, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the payment, and an expenditure/expense is reported in the year in which services are consumed.

**F. Interfund Assets and Liabilities:**

Short-term interfund loans or the short-term portion of advances are classified as "interfund receivables/payables."

Amounts owed to a particular fund by another fund in the County for goods or services rendered, and amounts to be distributed by agency funds to other funds of the County, are classified as "due from other funds/due to other funds."

**G. Property, Plant, Equipment and Depreciation:**

**1. General Fixed Assets Account Group**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group at historical cost or estimated historical cost. Assets in the general fixed assets account group are not depreciated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency of the asset are capitalized at cost in the general fixed assets account group.

Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized or reported, as these assets are immovable and of value only to the County.

**2. Internal Service Fund Fixed Assets**

Fixed assets reflected in the internal service fund are stated at historical cost (or estimated historical cost) and are updated for the cost of additions and retirements during the year.

Depreciation has been provided on a straight-line basis over the following

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estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Vehicles	5 years
Equipment, Furniture and Fixtures	5-7 years

3. Component Units Fixed Assets

Fixed assets of the Airport Authority are reflected at historical cost basis and are updated for the cost of additions and retirements during the year. No depreciation is reflected in these numbers.

Fixed assets of the Hopewell Workshop are reflected at historical cost less depreciation and are updated for additions and retirements of assets during the year. Depreciation is based on a straight-line basis over the estimated life of the asset. Estimated life is determined by the production manager at the time of purchase and may vary between 1 to 15 years.

4. Valuation

Fixed asset values initially were determined at December 31, 1991, assigning original acquisition costs when such information was available. In cases when original costs were not practicably determinable, estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition. Donated fixed assets are capitalized at estimated fair market value on the date donated. The Coshocton County Airport Authority and Hopewell Industries (component units) fixed asset values were determined at original acquisition costs when purchased.

H. Compensated Absences:

Codification of Governmental Accounting and Financial Reporting Standards, Section C60 (NCGA Statement Number 4 and GASB Statement Number 16) specify that a liability should be accrued for leave benefits that meet the following conditions:

1. The employer's obligation relating to employees' rights to receive compensation for future absences is attributed to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate. Payment of the compensation is probable.
3. The amount can be reasonably estimated.

For governmental funds, the County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The County records a liability for accumulated unused sick leave for eligible employees in the period the employee becomes eligible to receive payment. The current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources.

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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 remainder is reported in the general long-term obligations account group.

In the proprietary fund, compensated absences are expensed when earned, and the entire amount of compensated absences is reported as a fund liability.

**I. Intergovernmental Revenues:**

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, shared revenues, and entitlements are recorded as receivables and revenues when measurable and available.

Reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred. Grants, entitlements or shared revenues received for proprietary fund operating purposes are recognized as non-operating revenues in the accounting period in which they are earned and become measurable. Such resources restricted for the construction of capital assets are recorded as contributed capital.

**J. Long-term Obligations:**

Long-term obligations are recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term obligations account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

**K. Reserves of Fund Equity:**

The County records reservations for portions of fund balance which are legally segregated for specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriations for expenditures. Undesignated fund balance indicates the portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, prepaids, and inventory.

**L. Interfund Transactions:**

During the course of normal operations, the County makes numerous transactions between funds. The most significant include operating transfers, residual equity transfers and reimbursements.

1. Transfers of resources from one fund to another fund through which resources are to be expended are recorded as operating transfers.
2. Nonrecurring or non-routine transfers of equity between funds are recorded as residual equity transfers.

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3. Reimbursements from one fund to another fund are treated as expenditures/expenses in the *reimbursing fund* and a *reduction in expenditures/expenses in the reimbursed fund*.
4. Quasi-external transactions are accounted for as revenues, expenditures, or expenses.

M. Total Columns on General Purpose Financial Statements:

Total Columns on the general purpose financial statements are captioned "(Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns neither present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

When the title of a statement indicates Component Units are included, two total columns are presented. The first is captioned "Primary Government" to indicate that only those activities that comprise the County's legal entity have been included. The second is captioned "Reporting Entity" and includes the activity and operations of the County's legally separate discretely presented component units. The total columns on the statements which do not include component units have no additional caption.

NOTE 3 - DEFICIT FUND BALANCES

The following funds had a deficit fund balance as of December 31, 1999:

	<u>Deficit Fund Balance</u>
Special Revenue Funds:	
Community MR/DD	(\$ 17,755)
Nine-One-One Levy	(\$ 227)
Debt Service Fund :	
Hopewell Debt	(\$ 617)
Capital Projects :	
Hopewell Permanent Improvement	(\$ 14,137)

The deficit arose due to the recognition of accrued liabilities. 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 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances, Budget (Non-GAAP Basis) and Actual, All Governmental Fund Types and Expendable Trust Funds and the Combined



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Statement of Revenue, Expenses, and Changes in Fund Equity, budget (Non-GAAP) and Actual. All Proprietary Fund Types - Primary Government are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with state statute. The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures/expenses for all funds (budget) rather than as a reservation of fund balance for governmental fund types and as note disclosure for the proprietary fund types (GAAP).
4. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget) rather than as balance sheet transactions (GAAP).
5. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget) rather than on the balance sheet (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on the Budget basis to the GAAP basis are as follows:

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses All Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
GAAP Basis	(\$185,669)	\$1,351,763	\$35,008	\$ 413,060
Net Revenue				
Adjustment	136,739	143,927	50	--
Operating				
Advances In	162,227	--	--	--
Net Expenditure				
Adjustment	(581,744)	(2,167,677)	--	--
Operating				
Advances Out	--	(11,800)	--	--
Budgetary Basis	<u>(\$468,447)</u>	<u>(\$683,787)</u>	<u>\$35,058</u>	<u>\$ 413,060</u>

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**NOTE 3- DEPOSITS AND INVESTMENTS**

**A. Primary Government Legal Requirements:**

Statutes require the classification of County monies into two categories.

The first classification consists of "active" monies, those monies required to be kept in a "cash" or "near-cash" status for current demands upon the County treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

The second classification consists of "inactive" monies. Inactive monies may be deposited or invested in the following securities:

1. Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency, including, but not limited to, federal national mortgage association debentures and discount notes, or by the Export-Import bank of Washington, whether or not they are guaranteed by the United States;
3. Repurchase agreements in the securities enumerated above;
4. Time certificates of deposit, savings or deposit accounts;
5. Bonds and other obligations of the State of Ohio, its political subdivision, or other units or agencies of the State or its political subdivisions; and,
6. The State Treasurer's investment pool (STAR Ohio).

Statutory provisions require that the County Treasurer hold all securities acquired by the County or deposit them with a qualified trustee pursuant to Section 135.18, Revised Code. Securities acquired under a repurchase agreement must be deposited with such a trustee unless the counter party is a designated depository of the County for the current period of designation of depositories, in which case the securities may be held in trust by the depository. At the end of each day, the County Treasurer withdraws surplus funds from the account and invests the monies in an overnight repurchase agreement. The County does not purchase any specific security in this manner, but the investment is collateralized by pledged securities held by a third party in the name of the bank.

New legislation, effective September 27, 1996, now permits inactive monies 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

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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, 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 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);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either 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 5 percent of the County's total average portfolio;
10. Bankers' acceptances for a period not to exceed 270 days and in an amount not to exceed 10 percent of the County's total average portfolio;

The County maintains a cash and investment pool used by most of its funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents with Treasurer."

The County has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during 1999. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with

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Rule 2a& of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 1999.

Protection of the County's cash and investments is provided by the Federal Deposit Insurance Corporation, Securities Investors Protection Corporation, as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Deposits:

At December 31, 1999, the carrying amount of the County's deposits was \$ 1,614,654, and the bank balance was \$ 2,723,946. Of the bank balance:

1. \$ 881,138 was covered by Federal Depository Insurance;
2. \$ 1,842,808 was uninsured and uncollateralized. However, the \$ 1,842,808, was covered by collateral held by third party trustees in collateral pools securing all public funds on deposit with the specific depository institution. The \$ 1,842,808 is considered to be uncollateralized as defined in GASB Statement No. 3, as the collateral is held by the counter party's agent and is not in the County's name. This pooling of collateral approach is specifically authorized by state statute.

Investments:

The County's investments are categorized below to give an indication of the level of risk assumed by the entity at year-end.

Category 1 includes investments that are insured or registered for which the securities are held by the County. Category 2 includes uninsured and unregistered investments for which the securities are held in the counter party's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter party or by its trust department but not in the County's name.

STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

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<u>1</u>	Category <u>2</u>	<u>3</u>	<u>Carrying Value</u>	<u>Market Value</u>
U.S. Government				
Notes/Bills		\$7,293,758	\$7,293,758	\$7,292,269
Repurchase Agreements		\$875,828	\$875,828	\$875,828
Investment in State Treasurer's Investment Pool			<u>3,302,611</u>	<u>3,302,611</u>
Total Investments		<u>\$8,169,856</u>	<u>\$11,472,197</u>	<u>\$11,470,708</u>

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. Cash and cash equivalents are defined to include investments with original maturities of three months or less.

A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents <u>Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$4,917,265	\$8,169,586
Investments:		
State Treasurer's Investment Pool	<u>(3,302,611)</u>	<u>3,302,611</u>
GASB Statement No. 3	<u>\$1,614,654</u>	<u>\$11,472,197</u>

**B. Component Units**

At year end, the carrying amount of deposits for Hopewell Industries was \$321,614 and the Airport Authority was \$88,160. The bank balance for Hopewell Industries was \$348,649 and the Airport Authority was \$90,014.

**NOTE 6- PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Taxes collected on real property (other than public utility) in one calendar year are levied on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last valuation was completed in 1997. Real property taxes are payable annually or semiannually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently

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assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of cost). Public utility property taxes are payable on the same dates as real property taxes described previously.

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 represent delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable as of December 31, 1999. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 1999 operations. The receivable is therefore offset by a credit to deferred revenue.

**NOTE 7- PERMISSIVE SALES AND USE TAX**

In 1971, the County Commissioners by resolution imposed a one-half percent tax on all retail sales made in the County. In 1984, the County Commissioners by resolution imposed an additional one-half percent tax on all retail sales made in the County. 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 in which to draw the warrant payable to the County.

Proceeds of the tax are credited to the General Fund. Amounts held by the State at year-end and to be received within the available period are accrued as revenue. Sales tax revenue in 1999 amounted to \$2,660,113 with the entire amount credited to the General Fund.

**NOTE 8- RECEIVABLES**

Receivables as of December 31, 1999 consisted of taxes, interest, special assessments, accounts and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered collectible in full. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

A summary of the principal items of intergovernmental receivables (due from other governments) follows:

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<u>Intergovernmental Receivables</u>	<u>Amount</u>
<b>GENERAL FUND</b>	
Local Government State Support	\$57,358
Public Defender Reimbursement	18,732
Sheriff Payroll Reimbursement	1,404
Board of Election Reimbursement	1,909
Municipal Court Fines	<u>2,030</u>
Total General Fund	<u>\$81,433</u>
<b>SPECIAL REVENUE FUNDS</b>	
Motor Vehicle License Tax	\$66,316
Permissive Motor Vehicle License Tax	18,858
Gasoline Tax	75,070
Municipal Court Fines	4,867
ODOT Reimbursement	3,173
CAPS Reimbursement	47,315
RSC Reimbursement	1,915
Title VI Reimbursement	452
Child Abuse Prevention	490
Child Care Reimbursement	4,457
PASSS	540
Independent Living Reimbursement	265
Law Enforcement Education Fines	237
Safe Neighborhood Grant	9,335
Litter Grant	<u>4,284</u>
Total Special Revenue Funds	<u>\$237,574</u>
<b>DEBT SERVICE FUNDS</b>	
Water Surcharge	<u>\$2,575</u>
<b>TOTAL ALL FUNDS</b>	<u><b>\$321,582</b></u>

**NOTE 9-FIXED ASSETS**

For the year ended December 31, 1998, corrections to include in the county total equipment not previously reported require the following restatement of general and internal service fund fixed assets balances:

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General Fixed Assets Account Group

	Previously Stated Balance at <u>December 31, 1998</u>	<u>Adjustments</u>	Restated Balance at <u>December 31, 1998</u>
Land and Buildings	\$9,495,158	0	9,495,158
Machinery and Equipment	3,963,942	15,097	3,979,039
Vehicles	<u>2,539,589</u>	<u>0</u>	<u>2,539,589</u>
Total	<u>\$15,998,689</u>	<u>15,097</u>	<u>\$16,013,786</u>

A summary of the changes in general fixed assets during 1999 follows:

	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 1999</u>
Land and Buildings	\$9,495,158	\$ 80,266	\$ 0	\$9,575,424
Machinery and Equipment	3,979,039	438,128	282,442	4,134,725
Vehicles	<u>2,539,589</u>	<u>365,803</u>	<u>708,004</u>	<u>2,197,388</u>
Total	<u>\$16,013,786</u>	<u>\$884,197</u>	<u>\$990,446</u>	<u>\$15,907,537</u>

A summary of proprietary funds fixed assets at December 31, 1999 follows:

	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 1999</u>
Equipment, Furniture & Fixtures	\$19,715	6,938	1,000	\$25,653
Vehicles	<u>111,166</u>	<u>0</u>	<u>38,868</u>	<u>72,298</u>
Total	\$130,881	6,938	39,868	\$97,951
Less: Accumulated Depreciation	<u>(57,586)</u>	<u>(22,161)</u>	<u>26,868</u>	<u>(52,879)</u>
Net Fixed Assets	<u>\$73,295</u>	<u>(\$15,223)</u>	<u>13,000</u>	<u>\$45,072</u>

NOTE 10- RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters. By contracting with the County Risk



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Sharing Authority (CORSAs) for liability, property, and crime insurance, the County has addressed these various types of risk. CORSA, a nonprofit corporation sponsored by the County Commissioners Association of Ohio, was created to provide affordable liability, property, casualty and crime insurance coverage for its members. CORSA was established May 12, 1987, and has grown to forty-nine members.

Under the CORSA program for general liability, auto liability, error and omission for public officials, and law enforcement liability, the County has \$1,000,000 of total liability coverage for each occurrence and \$1,000,000 aggregate, with a \$2,500 deductible per occurrence. Property damage is on a replacement cost basis for a blanket amount of \$72,811,456 on buildings and contents. Boiler and machinery are covered in the amount of \$100,000,000 for extended comprehensive coverage. The County has not exceeded this commercial coverage in the past three years. Replacement cost insurance is maintained in the amount of \$1,000,000 each on valuable papers and extra expenses. Contractor's equipment and miscellaneous equipment are covered in the amounts of \$1,417,315 and \$1,484,282, respectively. Flood and earthquake damage are both covered to full limits.

With the exception of workers' compensation, health insurance and all elected officials' bonds, all insurance is held with CORSA. The County maintains crime insurance on its food stamp program, its monies and securities, and potential employee dishonesty. Crime insurance is held in the amount of \$250,000.

The County has elected to provide employees' major medical and hospitalization through a self-insured program. The County maintains a Self-Insurance Internal Service Fund to account for and finance its uninsured risks of loss in this program. This plan provides a major medical plan with a \$250 single and \$500 family deductible. A third party administrator, West Virginia Employee Benefits Service Center, located in Charleston, WV, reviews all claims which are then paid by the County. The County purchases stop-loss coverage of \$25,000 per employee per year and an aggregate annual limit of \$1,000,000. The County provides \$598 family coverage, \$248 single coverage per employee per month which represents the entire premium required. This premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

The claims liability of \$134,836 reported in the fund at December 31, 1999, was estimated by the third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Financial information relating to the fund's claims liability in 1998 and 1999 includes:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
1998	\$95,476	1,269,621	1,269,739	\$ 95,358
1999	\$95,358	1,066,508	1,027,030	\$134,836

**FINANCIAL CONDITION  
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**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
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NOTE 11- RETIREMENT PLANS

A. Public Employees Retirement System (PERS):

All Coshocton County full-time employees, other than teachers, participate in the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple-employer public employee retirement system created by the State of Ohio. PERS provides basic 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 state statute per Chapter 145 of the Ohio Revised Code. PERS issues a standalone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus Ohio 43215-4642.

The Ohio Revised Code provides statutory authority for employees and employer contributions. The employee contribution rate for 1999 was 8.5 percent for employees other than law enforcement. Law enforcement employees contribute 9.0 percent of covered salary. The employer contribution rate was 13.55 percent of covered payroll; 9.35 percent was the portion used to fund pension obligations for 1999. The law enforcement employer rate was 16.70 percent of covered payroll and 12.50 percent was the portion used to fund pension obligations for 1999. The County's contributions for pension obligations to PERS for the years ended December 31, 1999, 1998, and 1997 were \$1,000,045, \$934,978, and \$798,882 respectively; 75 percent has been contributed for 1999 and 100 percent for 1998 and 1997. \$250,808, representing the unpaid contribution for 1999, is recorded as a liability within the respective funds (and the general long-term obligations account group).

B. State Teachers Retirement System (STRS):

Certified teachers employed by the school for the Mental Retarded/Developmentally Disabled participate in the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3 percent of their annual covered salary, and the County is required to contribute 14 percent; through June 30, 1999, 12.0 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The County's contributions for pension obligations to STRS for the years ended December 31, 1999, 1998, and 1997 were \$53,690, \$48,406, and \$49,012 respectively; 92 percent has been contributed for 1999 and 100 percent for the years 1998 and 1997. \$4,287, representing the unpaid contribution for 1999, is recorded as a liability within the respective funds.

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**NOTE 12- POST-EMPLOYMENT BENEFITS**

**A. Public Employees Retirement System (PERS):**

The Public Employees Retirement System of Ohio provides post-retirement 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 (OPEB) as described in GASB Statement 12. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care based on authority granted by State statute. The employer contribution rate was 13.55 percent of covered payroll for January 1 to December 31, 1999; 4.2 percent was the portion that was used to fund health care for the year 1999. The law enforcement employer rate for 1999 was 16.7 percent, and 4.2 percent was used to fund health care.

OPEB are financed through employer contributions and investment earnings. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely. During 1999, OPEB expenditures made by PERS were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. At December 31, 1999, the total number of benefit recipients eligible for OPEB through PERS was 118,062. The County's actual contributions for 1999 which were used to fund OPEB were \$423,249.

**B.** Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System (STRS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS.

Benefits are funded on a pay-as-you-go basis. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. 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. Through June 30, 1999, the board allocated employer contributions equal to 2.0 percent of covered payroll to the Health Care Reserve Fund. For the County this amount equaled \$8,948 during 1999.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,783 million at June 30, 1999. For the year ended June 30, 1999, net health care costs paid by STRS were \$297,748,000. There were 95,796 eligible benefit recipients.

**NOTE 13- OTHER EMPLOYER BENEFITS**

**Compensated Absences:**

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has acquired at least one year of service with the County. Accumulated, unused sick leave and compensatory time are paid to a terminated employee at varying rates depending on length of service and department policy. As of December

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31, 1999, the liability for compensated absences was \$662,914 for the entire County.

**NOTE 14- CAPITAL LEASES - LESSEE DISCLOSURE**

In 1998 the County entered into capitalized leases for two mail processing machines. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the general purpose financial statements for the governmental funds. Equipment acquired by lease in 1998 has been capitalized in the general fixed asset account group in the amount of \$40,254. A corresponding liability was recorded in the general long-term debt account group. Principal payments in 1999 totaled \$8,732. The capital lease will be paid from General Fund and Special Revenue Fund revenues.

Future minimum lease payments through 2000 are as follows:

Year	<u>Amount</u>
2000	10,796
2001	10,796
2002	<u>8,997</u>
Total	<u>\$30,589</u>
Less amount representing interest	<u>(2,526)</u>
Present Value of Minimum Lease Payments	<u>\$28,063</u>

**NOTE 15- LONG-TERM OBLIGATIONS**

The County's long-term obligations at year end consist of the following:

	<u>Outstanding 12/31/98</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/99</u>
<b>General Long-Term Debt:</b>				
Series 12/1990 7.3% Human Services Bldg. Bond	\$695,000	\$0	\$40,000	\$655,000
Series 4/1994 5.0% Title Dept Land/Bldg	33,828	0	33,828	0
Series 1/1996 6.4% Water Line Bond	210,000	0	10,000	200,000
Series 4/1996 5.7% Hopewell Heating/Cooling Bond	88,800	0	11,100	77,700
Series 10/1999 6.3% Co. Garage Bond	0	990,000	0	990,000
Series 10/1999 6.0% Energy Mgmt System	<u>0</u>	<u>575,851</u>	<u>0</u>	<u>575,851</u>
<b>Total General Long-Term Debt</b>	<b><u>\$1,027,628</u></b>	<b><u>1,565,851</u></b>	<b><u>\$ 94,928</u></b>	<b><u>\$2,498,551</u></b>

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	Outstanding <u>12/31/98</u>	<u>Additions</u>	<u>Reductions</u>	Outstanding <u>12/31/99</u>
Capital Leases:				
General Fund:				
Equipment Acquisition	17,808	0	4,506	13,302
Human Services Fund:				
Equipment Acquisition	<u>18,987</u>	<u>0</u>	<u>4,226</u>	<u>14,761</u>
<b>Total Capital Leases</b>	<b><u>\$ 36,795</u></b>	<b><u>0</u></b>	<b><u>\$8,732</u></b>	<b><u>\$28,063</u></b>
<b>Accrued Wages &amp; Benefits</b>	<b><u>\$255,109</u></b>	<b><u>\$23,886</u></b>	<b><u>\$ 0</u></b>	<b><u>\$278,995</u></b>
Compensated Absences:				
Accrued Vacation	295,490	47,734	0	343,224
Sick Leave	<u>216,403</u>	<u>0</u>	<u>6,982</u>	<u>209,421</u>
<b>Total Compensated Absences</b>	<b><u>511,893</u></b>	<b><u>47,734</u></b>	<b><u>6,982</u></b>	<b><u>552,645</u></b>
<b>Total Long-Term Obligations</b>	<b><u>\$1,831,425</u></b>	<b><u>\$1,637,471</u></b>	<b><u>\$110,642</u></b>	<b><u>\$3,358,254</u></b>

Amortization schedule for debt obligations, including interest of \$1,504,998:

<u>Years Ended December 31</u>	
2000	343,579
2001	280,130
2002	274,476
2003	268,860
2004	268,089
Thereafter	<u>2,568,420</u>
Total	<u>\$4,003,554</u>

Compensated absences are reported in the Compensated Absences Payable account and will be paid from the fund from which the employee is paid. Accrued wages and benefits are reported in the Accrued Wages and Benefits Payable account and will be paid from the fund from which the employee is paid.

Payment for bonds issued for construction of the Human Services Building will be completed in December 2016. Payment for notes issued for the construction of the Title Administration Building was completed in April 1999. Payment for bonds issued for construction of the South Tuscarawas Water Line will be completed in December 2013. Payment for notes issued for updating the heating and cooling system at Hopewell School will be completed in April 2006. Payment for bonds issued for construction of the County Engineer's Garage will be completed in December 2019. Payment for notes issued for updating energy saving equipment will be in September 2009.

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 1 percent of the total assessed valuation of the County. The Code further provides that the total voted and unvoted net debt of the County less the same exempt debt shall never exceed a sum equal to 3 percent of the first \$100,000,000 of the assessed valuation.

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plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000.  
plus two and one-half percent of such valuation in excess of \$300,000,000.

The effects of the debt limitations described above at December 31, 1999, are an overall debt margin of \$11,947,999; and an unvoted debt margin of \$3,934,335.

**NOTE 16- INTERFUND TRANSACTIONS**

Interfund balances at December 31, 1999, consist of the following individual fund receivables and payables:

<u>Due from/Due to Other Funds</u>	<u>Recipient</u>	<u>Payer</u>
General Fund	\$40,314	\$ 0
Special Revenue Funds:		
Dog & Kennel	0	214
Public Assistance	60,000	133
Children Service	1,227	0
CSEA	0	69,239
Youth Services	0	1,227
Internal Service Funds:		
Sheriff Policing Rotary	0	728
Agency:		
Park District	0	30,000
<b>TOTAL DUE FROM/DUE TO OTHER FUNDS</b>	<b><u>\$101,541</u></b>	<b><u>\$101,541</u></b>

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Solid Waste District**

The County is a member of the Coshocton, Fairfield, Licking, and Perry Solid Waste District, which is a jointly governed organization. The purpose of the District is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and land filling. The District was created in 1989 as required by the Ohio Revised Code.

The District is governed and operated through three groups. A twelve-member board of directors, consisting of three commissioners from each County, is responsible for the District's financial matters. Financial records are maintained by the Licking County Auditor. The District's sole revenue source is a waste disposal fee for in-district and out-of-district waste. No contributions were made by the County in 1999 and no future contributions by the County are anticipated. A twenty-nine-member policy committee, consisting of seven members from each county and one at-large member appointed by the policy committee, is responsible for preparing the solid waste management plan of the District in conjunction with a Technical Advisory Council whose members are appointed by the policy committee. Continued existence of the District is not dependent on the County's continued

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participation, no equity interest exists, and no debt is outstanding.

**B. Muskingum Area Board of Alcohol, Drug Addiction, and Mental Health Services - ADAMH**

The ADAMH Board is a jointly governed organization. Participants are Muskingum, Coshocton, Guernsey, Perry, Morgan, and Noble counties. The board has responsibility for development, coordinated continuation and ongoing modernization, funding, monitoring, and evaluation of community-based mental health and substance abuse programming. The Board is managed by a seventeen-member board of trustees; two appointed by the Coshocton County Commissioners, seven appointed by the commissioners of the other participating counties, three by the director of the State Department of Alcohol and Drug Addiction, and four appointed by the Director of the State Department of Mental Health. The Board exercises total control, including budgeting, appropriating, contracting and designating management.

During 1999, Coshocton County contributed \$419,418 from levy proceeds. Additional revenues are provided by levies from other member counties, and state and federal grants awarded to the multi-county board. Continued existence of the Board is not dependent on the County's participation and no equity interest exists. The Board has no outstanding debt.

**C. County Risk Sharing Authority (CORSA):**

County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization among forty-nine 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. These coverages include 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 the certificates. The County does not have any equity interest in CORSA. The County's payment for insurance to CORSA in 1999 was \$176,242.

**D. Ohio Mideastern Governments Association (OMEGA)**

Ohio Mideastern Governments Association (OMEGA) is organized as an agency of the local governments by agreement among the membership. OMEGA is comprised of Carroll, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Muskingum, Tuscarawas, and Columbiana Counties and

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other political subdivisions in the counties.

OMEGA's governing board consists of a total of three members from each county which appoints an executive board consisting of one person from each member county to supervise the administrative functions of OMEGA. The executive board elects officers, appoints an Executive Director and its own fiscal officer. The Board exercises total control, including budgeting, appropriating, contracting, and designating management.

The continued existence of the Association is not dependent on the County's continued participation and no equity interest exists. OMEGA has no outstanding debt.

**E. Area Office on Aging**

The Area Office on Aging is a regional council of governments that assists nine counties, including Coshocton County, in providing services to senior citizens in the Council's service area. The Council is governed by a board of directors consisting of one representative appointed by each participating County. The board has total control over budgeting, personnel, and all other financial matters. The continued existence of the Council is not dependent on the County's continued participation and no equity interest exists. The Council has no outstanding debt.

**NOTE 18- RELATED ORGANIZATIONS**

The Coshocton Metropolitan Housing Authority is a nonprofit organization established to provide adequate public housing for low income individuals and was created pursuant to state statutes. The Authority is operated by a five-member board. Two members are appointed by the mayor of the largest city in the County, one member is appointed by the probate court judge, one member is appointed by the common pleas court judge, and one member is appointed by the County Commissioners. The Authority receives funding from the Federal Department of Housing and Urban Development. The Board sets its own budget and selects its own management, and the County is not involved in the management or operation. The County is not financially accountable for the Authority.

Coshocton City and County Park District is a legally separate organization created pursuant section 15-45.01, Revised Code. The County cannot impose its will on the District and a financial benefit/burden relationship does not exist. State Statute provides that the County Auditor and Treasurer are ex-officio members of the Park District Board of Commissioners and designates the County Auditor as fiscal officer of the commission. Neither do the County Commissioners have the ability to significantly influence operations, designate management, approve budgets, nor does the County have responsibility for funding deficits. The County maintains an agency fund for the District's operation since the County Auditor serves as fiscal agent for the District.

**NOTE 19 - RELATED PARTY TRANSACTIONS**

Hopewell Industries, Inc., is a discretely presented component unit of Coshocton County. Hopewell



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Industries, Inc. received contributions in the amount of \$44,687 during 1999, from the County for facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of its programs. The Coshocton County Board of Mental Retardation and Developmental Disabilities expended \$110,261 in the operation of Hopewell Industries Inc. during 1999.

Coshocton County Airport Authority is a discretely presented component unit of Coshocton County. During 1999, the County Airport Authority received an operating transfer from the County in the amount of \$54,240.

**NOTE 20 - CONTINGENT LIABILITIES**

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County Commissioners believe such disallowances, if any, will be immaterial.

The County is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The County's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material, if any, affect on the financial condition of the County.

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**SCHEDULE OF FEDERAL AWARD EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	OR AWARD AMOUNT	RECEIPTS	DISBURSEMENTS
<b><u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u></b>					
(Passed through State Department of Development):					
Community Development Block Grant	14.228	B-W-97-016-1	\$457,000	\$453,000	\$253,012
		B-F-98-016-1	\$140,000	\$116,500	\$98,001
		B-F-97-016-1	\$126,000	\$33,800	\$23,846
		B-C-97-016-1	\$248,000	\$40,500	\$52,398
		B-C-99-016-1	\$101,000	<u>\$32,500</u>	<u>\$11,000</u>
Total Community Development Block Grant				\$676,300	\$438,257
(Direct From U.S. Department of Housing and Urban Development)					
HOME Program	14.239	B-C-97-016-2	\$352,000	\$176,722	\$178,589
		B-C-99-016-2	\$374,000	<u>\$18,000</u>	<u>\$8,000</u>
Total HOME Program				\$194,722	\$ 186,589
Total U.S. Department of Housing And Urban Development				\$871,022	\$624,846
<b><u>U.S. DEPARTMENT OF TRANSPORTATION:</u></b>					
(Passed-through State Department of Transportation):					
Highway Planning and Construction	20.205	P10 17280	\$325,842	<u>\$325,842</u>	<u>\$325,842</u>
Total U.S. Department of Transportation				\$325,842	\$325,842
<b><u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u></b>					
(Passed-through State Adjutant General):					
State-Local Disaster Assistance	83.544	FEMA-DR-1227-OH	\$39,946	-	\$39,946
		FEMA-1227-DR-031	8,500	<u>\$2,125</u>	<u>\$8,500</u>
				\$2,125	\$48,446
Total Federal Emergency Management Agency				\$2,125	\$48,446
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>					
(Passed-through State Department of Mental Retardation and Development Disabilities):					
TITLE XX - Social Services Block Grant	93.667	N/A	\$45,001	<u>\$45,001</u>	<u>\$45,001</u>
Total U.S. Department of Health and Human Services				\$45,001	\$45,001

See notes to schedule of Federal Awards Expenditures.

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SCHEDULE OF FEDERAL AWARD EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 1999

FEDERAL GRANTOR/ PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	OR AWARD AMOUNT	RECEIPTS	DISBURSEMENTS
<u>U. S. DEPARTMENT OF EDUCATION:</u>					
(Passed-through State Department of Education):					
<u>Special Education Cluster</u>					
Handicapped – Pre-School Grant	84.173	065938-PG-51-00P	\$9,647	\$9,647	\$9,647
	84.027	065938-6B-SF-99P	\$17,776	\$7,110	\$7,110
TITLE VI – B Flow Thru	84.027	065938-6B-SF-00P	\$20,454	<u>\$20,454</u>	<u>\$20,454</u>
Total -- Special Education Cluster				\$37,211	\$37,211
Drug Free Schools	84.186	N/A	\$10,009	<u>\$10,009</u>	<u>\$10,009</u>
Total U.S. Department of Education				<u>\$47,220</u>	<u>\$47,220</u>
 TOTAL FEDERAL AWARD EXPENDITURES				 <u>\$1,291,210</u>	 <u>\$1,091,355</u>

See notes to schedule of Federal Awards Expenditures.

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**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A – Significant Account Policies**

The accompanying schedule of federal awards expenditures is a summary of the activity of the County's federal awards programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B – U.S. Department of Education Programs**

Federal funds were commingled with other revenues. A first in – first out (FIFO) method was used to arrive at grant expenditures.

# WOLFE, WILSON, & PHILLIPS, INC.

## CERTIFIED PUBLIC ACCOUNTANTS

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### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of County Commissioners  
Coshocton County  
349 Main Street  
Coshocton, Ohio 43812

We have audited the general-purpose financial statements of Coshocton County as of and for the year ended December 31, 1999, and have issued our report thereon dated June 7, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether Coshocton County's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of Coshocton County in a separate letter dated June 7, 2000.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Coshocton County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of Coshocton County in a separate letter dated June 7, 2000.

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Brad Wolfe, J.D., M.B.A., CPA  
Joseph W. Wilson, M.B.A., CPA, CMA  
Kenneth B. Phillips, CPA

Coshocton County  
Report on Compliance and on Internal Control Over Financial Reporting  
Page two

This report is intended for the information of the Board of County Commissioners, the Auditor of State, federal award agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Wolfe, Wilson, & Phillips, Inc*

Zanesville, Ohio  
June 7, 2000

**WOLFE, WILSON, & PHILLIPS, INC.**

**CERTIFIED PUBLIC ACCOUNTANTS**

37 S. SEVENTH STREET • ZANESVILLE, OHIO 43701

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**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL  
CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Board of County Commissioners  
Coshocton County  
349 Main Street  
Coshocton, Ohio 43812

Compliance

We have audited the compliance of Coshocton County with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 1999. Coshocton County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Coshocton County management. Our responsibility is to express an opinion on Coshocton County compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Coshocton County compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Coshocton County compliance with those requirements.

In our opinion, Coshocton County complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of prior audit findings and questioned costs as item 1997-1.

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Brad Wolfe, J.D., M.B.A., CPA  
Joseph W. Wilson, M.B.A., CPA, CMA  
Kenneth B. Phillips, CPA

Internal Control Over Compliance

The management of Coshocton County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Coshocton County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with *OMB Circular A-133*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of County Commissioners, the Auditor of State, federal award agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Wolfe, Wilson, & Phillips, Inc.*

Zanesville, Ohio  
June 7, 2000



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A - 133 SECTION .505**

**FINANCIAL CONDITION  
COSHOCKTON COUNTY  
DECEMBER 31, 1999**

**1. AUDITOR'S RESULTS**

<i>(d)(1)(I)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	NO
<i>(d)(1)(II)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	NO
<i>(d)(1)(iii)</i>	Was there any reported non-compliance at the financial statement level (GAGAS)?	NO
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	NO
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	NO
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under section .510?	NO
<i>(d)(1)(vii)</i>	Major Programs (List):	Highway Planning Grant #20.205 CDBG Grant #14.228
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

NONE

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

YES, FINDING 1997-1 IS STILL APPLICABLE FOR 1999 FUNDS

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 SECTION .315(c)**

**FINANCIAL CONDITION  
COSHOCTON COUNTY  
DECEMBER 31, 1999**

1.) FINDING: NUMBER:

1997-1

2.) FINDING SUMMARY

Drawdowns should be limited to amounts that will enable the County to disburse the funds on hand to a balance of less than \$5,000 within fifteen days of receipts of any funds.

3.) FULLY CORRECTED

NO, Finding was first noted in the 1997 audit report when the CDBG Program was last audited. In 1999 the CDBG program was again audited and the finding is still applicable for funds received in 1999.

4.) ACTION TAKEN

Continued reviewing of the drawdown process.



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OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

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## COSHOCTON COUNTY FINANCIAL CONDITION

### COSHOCTON COUNTY

### CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

By: Susan Babbitt

Date: JUL 25 2000