



MUSKINGUM COUNTY
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 1998



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**MUSKINGUM COUNTY
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Board of County Commissioners
Muskingum County
401 Main Street
Zanesville, Ohio 43701-3519

We have audited the financial statements of Muskingum County, (the County) as of and for the year ended December 31, 1998, and have issued our report thereon dated June 25, 1999. We did not audit the general purpose financial statements of the Zanesville-Muskingum County Port Authority which represents 94 percent and 95 percent, respectively, of the assets and revenues of the component unit column. Those general purpose financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Zanesville-Muskingum County Port Authority, is based on the report of the other auditors. 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 the County's 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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.

Board of County Commissioners
Muskingum County
Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

June 25, 1999



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

Board of County Commissioners
Muskingum County
401 Main Street
Zanesville, Ohio 43701-3519

Compliance

We have audited the compliance of Muskingum County, (the 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, 1998. The County's major federal program is identified in the Summary of Auditor's Results Section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the County's management. Our responsibility is to express an opinion on the County's 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the County's 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 the County's compliance with those requirements.

As described in item 1998-61060-001 in the accompanying Schedule of Findings, the County did not comply with requirements regarding the reporting of federal expenditures on the Schedule of Federal Awards Receipts and Expenditures that are applicable to its Community Development Block Grant program and certain other nonmajor programs. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the 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, 1998.

Internal Control Over Compliance

The management of the 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 the 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.

We noted a matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. A reportable condition is described in the accompanying Schedule of Findings as item 1998-61060-001.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness. We also noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the County in a separate letter dated June 25, 1999.

Schedule of Federal Awards Receipts and Expenditures

We have audited the general purpose financial statements of Muskingum County as of and for the year ended December 31, 1998, and have issued our report thereon dated June 25, 1999. We did not audit the general purpose financial statements of the Zanesville-Muskingum County Port Authority which represents 94 percent and 95 percent, respectively, of the assets and revenues of the component unit column. Those general purpose financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Zanesville-Muskingum County Port Authority, is based on the report of the other auditors. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The accompanying Schedule of Federal Awards Receipts and Expenditures replaces the Schedule in Muskingum County's fiscal year ended December 31, 1998 report package. As more fully described in Note C to the Schedule of Federal Awards Receipts and Expenditures, the Schedule was revised to include certain receipt and expenditure activity of several federal programs which previously was omitted from the Schedule.

Board of County Commissioners
Muskingum County
Report on Compliance With Requirements Applicable to Each Major
Federal Program and Internal Control Over Compliance
In Accordance With OMB Circular A-133

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

June 25, 1999, except for paragraphs eight and nine, for which the date is May 18, 2000

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**MUSKINGUM COUNTY
SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
DECEMBER 31, 1998**

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Pass Through Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Non-Cash Receipts</u>	<u>Disbursements</u>	<u>Non-Cash Disbursements</u>
<u>U.S. Department of Agriculture</u>						
Direct Program: Emergency Conservation Program	N/A	10.054	\$	\$	\$ 26,727	\$
Passed Through Ohio Department of Education:						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550		8,011		6,170
School Breakfast Program	N/A	10.553	11,285		11,285	
National School Lunch Program	N/A	10.555	<u>22,725</u>		<u>22,725</u>	
Total Nutrition Cluster			<u>34,010</u>	<u>8,011</u>	<u>34,010</u>	<u>6,170</u>
Total U.S. Department of Agriculture			34,010	8,011	60,737	6,170
<u>U.S. Department of Housing and Urban Development</u>						
Passed Through Ohio Department of Development:						
Community Development Block Grant (State's Program)	BP980551	14.228	100,000		97,836	
	BF970551		100,000		83,955	
	BP970551		41,382		118,563	
	BC970551		377,879		390,951	
	BF960551		68,904		94,342	
	BF950551		15,000		16,069	
	BW940551				<u>221,160</u>	
Total U.S. Department of Housing and Urban Development			703,165		1,022,876	
<u>U.S. Department of Justice</u>						
Passed Through Ohio Department of Rehabilitation and Correction:						
Violent Offender Incarceration-Truth in Sentencing Incentive	98TISBAD	16.586	1,278		185,318	
Direct Programs:						
Law Enforcement Block Grant		16.592	17,627		17,627	
Criminal Alien Assistance		16.606	<u>631</u>		<u>631</u>	
Total U.S. Department of Justice			19,536		203,576	

MUSKINGUM COUNTY
SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
ENDED DECEMBER 31, 1998
(Continued)

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Pass Through Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Non-Cash Receipts</u>	<u>Disbursements</u>	<u>Non-Cash Disbursements</u>
<u>U.S. Department of Transportation</u>						
Passed Through Ohio Department of Transportation:						
Highway Planning and Construction	18668	20.205			180,226	
<u>U.S. Emergency Management Agency</u>						
Passed Through State Emergency Management Agency:						
Public Assistance - Engineer	DR-1227	83.544	70,614		156,803	
Public Assistance - Sheriff			9,839		9,839	
Public Assistance - Emergency Management Agency			4,036		4,036	
Public Assistance - Commissioners			_____	_____	390	_____
Total U.S. Emergency Management Agency			84,489		171,068	
<u>U.S. Department of Education</u>						
Passed Through Ohio Department of Education:						
Education of All Handicapped - (Title VI-B Flow-Thru)	6BSF99P 6BSF98P	84.027	10,908 <u>22,176</u>	_____	10,045 <u>22,176</u>	_____
Total Title VI-B			33,084		32,221	
Handicapped Preschool	PGS198P	84.173	14,703		7,291	
Innovative Programs, ESEA Title VI	C2S199	84.298	<u>2,548</u>	_____	<u>2,526</u>	_____
Total U.S. Department of Education			50,335		42,038	
<u>U.S. Department of Health and Human Services</u>						
Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:						
Social Services Block Grant (Title XX)	N/A	93.667	99,645	_____	99,645	_____
Total Federal Awards Receipts and Disbursements			<u>\$991,180</u>	<u>\$ 8,011</u>	<u>\$1,780,166</u>	<u>\$ 6,170</u>

MUSKINGUM COUNTY
NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
DECEMBER 31, 1998

Note A - Significant Accounting Policies

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) is a summary of activity of Muskingum County's (the County) federal awards programs. The Schedule has been prepared on the cash basis of accounting.

Note B - Food Distribution

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed. At December 31, 1998, the County had no significant food commodities in inventory. Cash receipts from the U.S. Department of Agriculture are commingled with State and local monies. It is assumed federal monies are expended on a first-in, first-out basis.

Note C - Revision to Schedule

This Schedule amends the Schedule originally issued with the Auditor of State's report dated July 25, 1999. This Schedule reflects revised receipt and expenditure amounts and the following amounts represent the amounts by which the original Schedule was understated:

	<u>Receipts</u>	<u>Expenditures</u>
CFDA 10.054, Emergency Conservation Program	\$ 0	\$ 26,727
CFDA 83.544, Public Assistance	\$ 4,036	\$161,229
CFDA 14.228, Community Development Block Grant	\$11,520	\$221,160
CFDA 20.205, Highway Planning and Construction	\$ 0	\$180,226

**MUSKINGUM COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 1998**

1. SUMMARY OF AUDITORS' RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	Yes
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Qualified
(d)(1)(vi)	Are there any reportable findings under Section .510?	Yes
(d)(1)(vii)	Major Programs (list):	Community Development Block Grant (State's Program) CFDA# 14.228
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

There were no findings related to the financial statements required to be reported in accordance with GAGAS.

**MUSKINGUM COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 1998
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	1998-61060-001
CFDA Title and Number	Community Development Block Grant - State's Program
Federal Award Number/Year	B-W-94-055-1
Federal Agency	U.S. Department of Housing and Urban Development
Pass-Through Agency	Ohio Department of Development

Office of Management and Budget(OMB) Circular A-133.300(a) states the auditee shall identify in its accounts all federal awards received and expended and the federal programs under which they were received, including, as applicable, the CFDA title and number, the award number and year, the name of the federal agency and the name of the pass-through entity. OMB Circular A-133.205(a) states the determination of when an award is expended is based on when the activity related to the award occurs. Generally, the activity pertains to events that require the non-Federal entity to comply with laws, regulations, and the provisions of contracts or grant agreements, such as: expenditure/expense transactions associated with grants, cost-reimbursement contracts, cooperative agreements, and direct appropriations; the disbursement of funds passed through to subrecipients; the use of loan proceeds under loan and loan guarantee programs; the receipt of property; the receipt of surplus property; the receipt or use of program income; the distribution or consumption of food commodities; the disbursement of amounts entitling the non-Federal entity to an interest subsidy; and, the period when insurance is in force.

Although we performed tests during our audit of the 1998 financial statements to assure the completeness of the County's Schedule of Federal Awards Receipts and Expenditures (the Schedule), our subsequent audit of the 1999 financial statements indicated various federal funds were receipted by the County during 1999 which represented reimbursements of 1998 disbursements which were not reflected on the County's 1998 Schedule. In addition, certain federal funds were received by the County during 1998, commingled with local funds, and not identified as 1998 federal receipts. As a result, the County's 1998 Schedule was incomplete and it was necessary to perform additional single audit procedures and re-issue the Schedule to reflect all federal receipts and expenditures. Federal programs affected and corresponding receipts and expenditures amounts excluded are as follows:

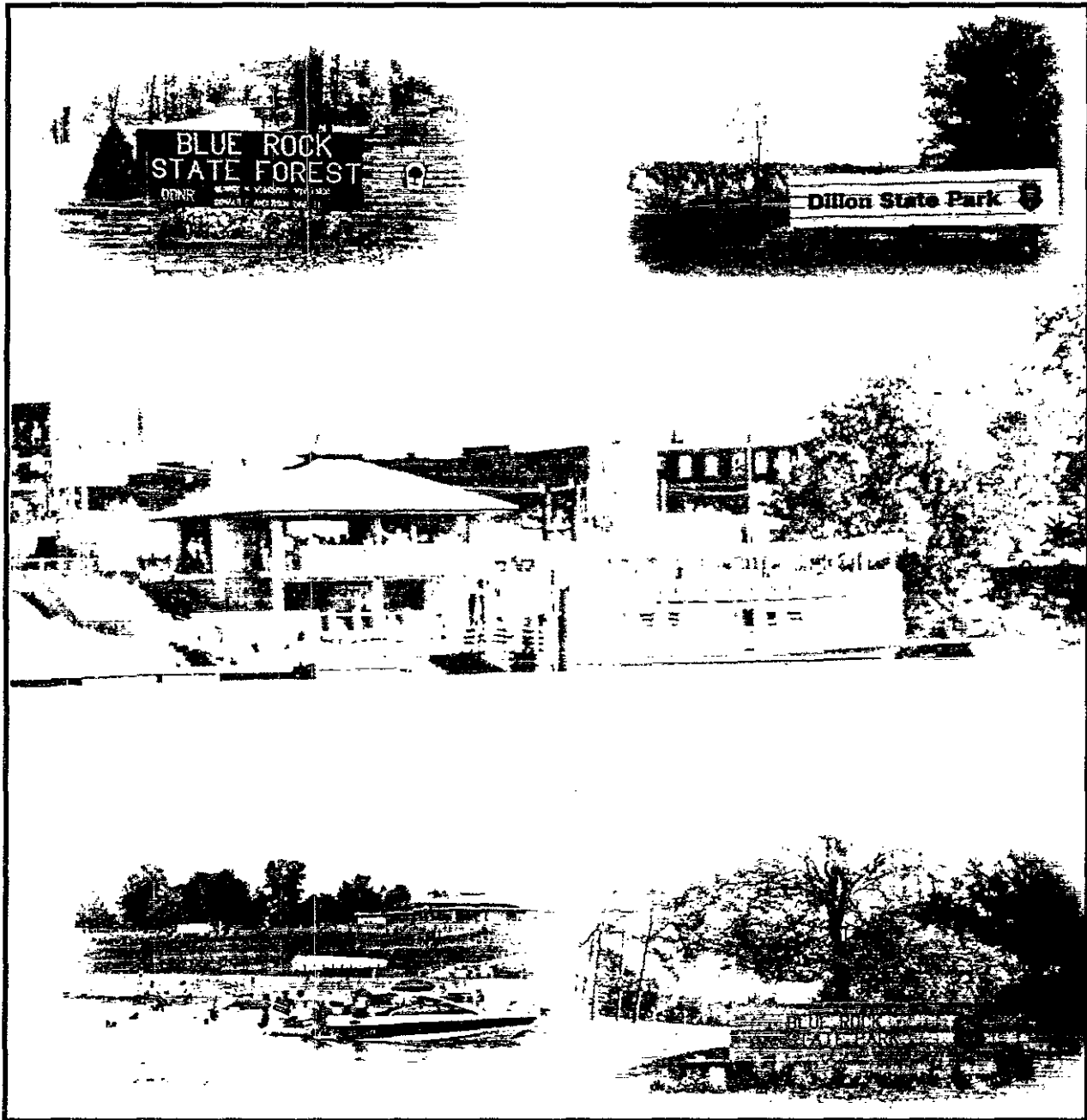
	<u>Receipts</u>	<u>Expenditures</u>
CFDA 10.054, Emergency Conservation Program	\$ 0	\$ 26,727
CFDA 83.544, Public Assistance	\$ 4,036	\$161,229
CFDA 14.228, Community Development Block Grant	\$11,520	\$221,160
CFDA 20.205, Highway Planning and Construction	\$ 0	\$180,226

We recommend the County take the necessary steps to properly report all federal program activity as required by OMB Circular A-133. The County should consider utilizing a grants coordinator who could process all grant applications which could help assure compliance with federal reporting requirements.

**MUSKINGUM COUNTY
CORRECTIVE ACTION PLAN
OMB CIRCULAR A-133, SECTION .315(c)
DECEMBER 31, 1998**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
1998-61060-001	The 1998 Schedule of Federal Awards Receipts and Expenditures has been corrected to reflect all federal activity, including Community Development Block Grant program funds. Additional steps will be taken to assure all County department heads understand the requirement to identify all federal activity to the County Auditor in order for an accurate Schedule of Federal Awards Receipts and Expenditures to be prepared.	June 30, 2000	R. Edward Kenily, Chairman, Board of County Commissioners.

MUSKINGUM COUNTY, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 1998

Muskingum County, Ohio

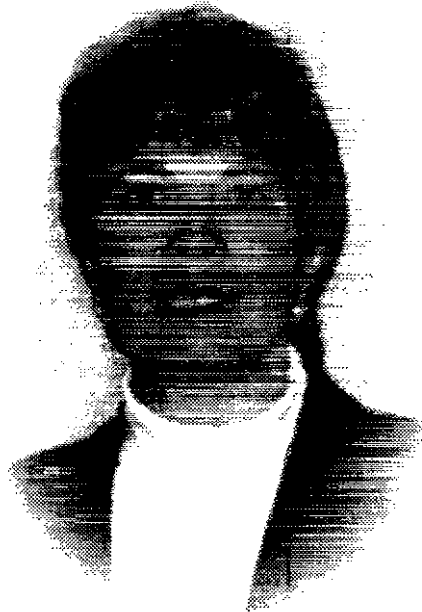
**Comprehensive Annual
Financial Report**

For the Year Ended December 31, 1998

Anita J. Adams

Muskingum County Auditor

Prepared by The Muskingum County Auditor's Office



Anita J. Adams
Muskingum County Auditor

Office of the County Auditor

Real Property Division

Mary Parkinson, Chief Administrator

Cindy Bugglin Velma J. Martin
Lori M. Spiker Ann Bonifant
Beth Iden

Personal Property Division

Regina K. Price, Supervisor

Mollye A. Beale

Data Processing

Alan K. Reed, Systems Manager

Fiscal Service Division

Debra J. Nye, Chief Administrator

Jan E. Bates Jennifer Scott
Beth Norman

**Inspector of Weights
and Measures**

Charles Conkle



INTRODUCTORY SECTION

Muskingum County, Ohio

*Comprehensive Annual Financial Report
For The Year Ended December 31, 1998
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Muskingum County, Ohio

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Muskingum County Auditor

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Anita J. Adams

AUDITOR

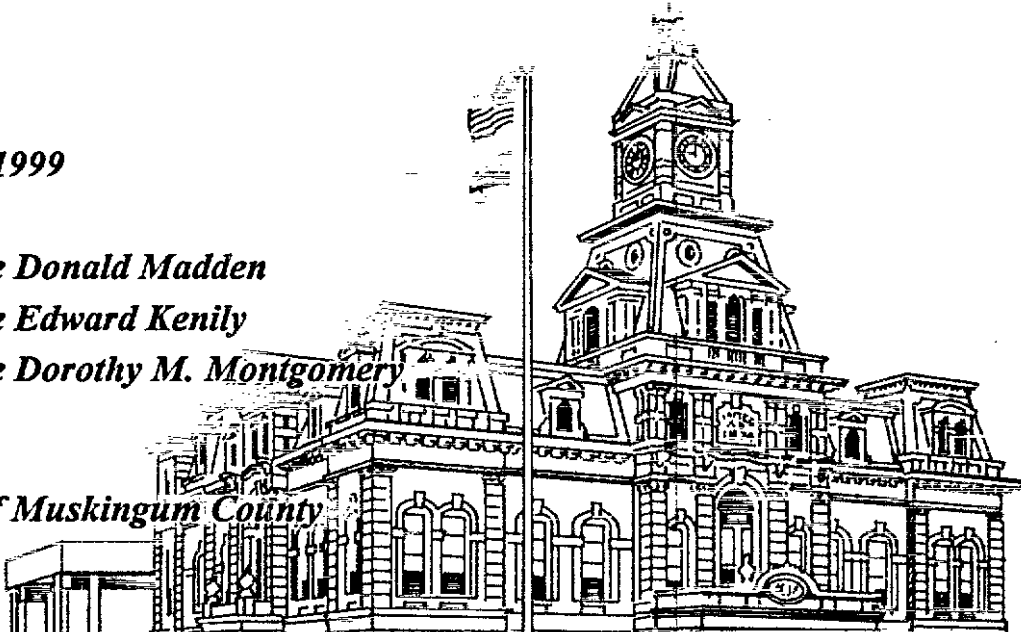
June 25, 1999

Honorable Donald Madden

Honorable Edward Kenily

Honorable Dorothy M. Montgomery

Citizens of Muskingum County



I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of Muskingum County for the year ended December 31, 1998. The CAFR includes financial statements and other financial and statistical data that conforms to Generally Accepted Accounting Principles (GAAP), as applicable to governmental entities. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the management of the County, specifically the County Auditor. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. This report will provide the taxpayers of Muskingum County with comprehensive financial data in a format that enables them to gain a true understanding of the County's financial affairs.

The Comprehensive Annual Financial Report is divided into three sections: an Introductory Section, a Financial Section, and a Statistical Section. The Introductory Section includes the table of contents, this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, the County's organizational chart and a list of elected officials. The Financial Section includes the general purpose financial statements as well as the combining and individual fund and account group financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

General Information

Muskingum County was created by an act of the Ohio General Assembly on March 1, 1804. The name "Muskingum" is derived from the Delaware Indian language, meaning "Elk Eye River," which refers to the Muskingum River. The first courthouse, a two story hewn-log building, was first erected in 1808 on the corner of Fourth and Main Streets in Zanesville at a cost of \$480. The present courthouse was built at the same location in 1874 at a cost of \$223,160.

Muskingum County encompasses twenty-five townships, ten villages, and the City of Zanesville which is the County seat. The County includes 653 square miles and has an estimated population of 84,169. The population for the City of Zanesville is 28,655.

The County is located in east central Ohio, approximately 60 miles east of the City of Columbus. The County enjoys the benefits of urbanization while offering a rural atmosphere and a variety of lifestyles for its inhabitants. Residents of the County are served by a county-wide library system, seven school districts, Muskingum College, Muskingum Area Technical College and the Zanesville branch of Ohio University.

The Zanesville Art Center maintains a library of fine arts materials and features classes and exhibitions. The Zane Grey Museum, Zanesville's Secrest Auditorium and two stadiums located in the City also contribute to the County's cultural facilities, as do two municipal park systems and four state recreational areas that are located throughout the County.

Excellent medical care is available to area citizens through Bethesda Hospital and Good Samaritan Medical Center. These facilities offer a total of 467 beds and were recently combined to create Genesis Health Care Systems.

The County is provided with banking and financial services by nine commercial banks, and savings and loan associations. Two of the commercial banks has their principal office in the County.

One daily newspaper serves the County. The County is within the broadcast area of five television stations and several AM and FM radio stations. Cable television is available to many County residents and offers government, education, and community access channels in addition to entertainment channels.

Reporting Entity

The reporting entity is comprised of the Primary Government, Component Units and other organizations that are included to ensure that the financial statements of the County are not misleading. The County's reporting entity has been defined in accordance with principles established by the Governmental Accounting Standards Board (GASB). The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Muskingum County, the primary government includes the Children Services Board, the Board of Mental Retardation and Developmental Disabilities, Tuberculosis Clinic Board, the Board of Mental Health 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 if the County appoints a voting majority of the governing board and (1) the County is able

Reporting Entity (Continued)

able to significantly influence the programs or services performed or provided; 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 deficits of, or provide financial support to the organization; or the County is obligated for the debt of the organization. The Component Unit column in the financial statements identifies the County's Component Units, Muskingum Starlight Industries, Inc., the Zanesville/Muskingum County Port Authority, and the Transportation Improvement District.

The County participates in the following jointly governed organizations with other area counties:

Joint Solid Waste District
Muskingum Area Alcohol, Drug Addiction and Mental Health Services Board (ADAMH)
Mid Eastern Ohio Regional Council of Governments (MEORC)
Muskingum Area Public Transit Authority
Zanesville Muskingum Family and Children First Council
Area Office on Aging
Ohio Mid-Eastern Governments Association (OMEGA)
Licking-Muskingum Community Based Correctional Facility

Financial disclosure of the jointly governed organizations is presented in Note 22 to the General Purpose Financial Statements. Muskingum County also serves as the fiscal agent for the operations of ADAMH; therefore, the activity is presented in an agency fund within the County's financial statements.

The County is associated with the following organizations which are defined as related organizations:

Muskingum County Convention Facilities Authority
Zanesville Metropolitan Housing Authority

Information regarding the related organizations is presented in Note 23.

The County is associated with the County Risk Sharing Authority (CORSA) which is a shared risk pool. Information regarding CORSA is presented in Note 24.

In November 1997, the probate court judge of Muskingum County, by court order, created the Muskingum County Park District (Park District) in accordance with the laws of the State of Ohio. After the Park District board formulates policies and determines methods of generating revenue, the Park District will be classified in accordance with Governmental Accounting Standards Board Statement Number 14. Additional information relating to the Park District is presented in Note 1.

County Organization and Services Provided

The County has only those powers conferred upon it by Ohio Statutes. A three-member Board of County Commissioners is elected at large in even numbered years for overlapping four-year terms. The Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. The Board of Commissioners creates and adopts the annual operating budget and makes the annual appropriation measure for expenditures of all County funds. In addition to the Board of Commissioners, the offices of County Auditor and County Treasurer are grouped under the category of general government and are of particular importance to the financial affairs of the County. Other elected officials serving four-year terms include the Prosecutor, Engineer, Recorder, Sheriff, Coroner, and Clerk of Courts. The Common Pleas Judges and the County Court Judge are elected to six-year terms.

The County Auditor is elected to a four-year term and has one of the most important functions, the task of assessing real property for tax purposes. Under state law, a complete reappraisal must be conducted every six years as well as a triennial update between appraisals. Upon collection by the County Treasurer, the Auditor is responsible for distributing certain taxes to various government units. The Auditor is also the chief fiscal officer of the County, and no County contract or obligation may be made without certification that funds for that contract or obligation have been lawfully appropriated, are available for payment, or are in the process of collection. In addition, no account may be paid except by the Auditor's warrant drawn upon the County Treasury.

The Auditor is responsible for the County payroll, is in charge of the County's bond retirement fund, and has other statutory accounting responsibilities. She is, by state law, secretary of the Budget Commission which plays an important role in the financial administration of County government as well as local governments throughout the County.

The County Treasurer is the custodian of County funds and is responsible for collecting all tax moneys and applying payments to the appropriate tax accounts. The Treasurer is also responsible for investing all idle County funds as specified by Ohio Law. In addition to distributing expenditures authorized by the Board upon the Auditor's warrant, the Treasurer must make daily reports showing receipts, payments, and balances to the County Auditor, and must always balance the books of account with the Auditor's books. Along with the Auditor and the Prosecutor, the Treasurer is a member of the County Board of Revision and the County Budget Commission.

Muskingum County employs 905 people who provide its citizens with a wide range of services that include human and social services, health and community assistance related services, civil and criminal justice system services, road and bridge maintenance, and other general and administrative support services. The following represent some of the major programs/services provided to Muskingum County citizens.

Welfare and Public Assistance

The County Department of Human Services administers the public welfare functions within the County. The Department is headed by a Human Services Director who is appointed by and responsible to the Board of County Commissioners.

County Organization and Services Provided (Continued)

In addition to administering federal and state supported programs, the Department administers its own General Relief Program which seeks to provide aid to people who are not eligible for federally-assisted programs or who are waiting to be admitted to federally-assisted programs. The general relief program is funded by the County and State matching funds. The Department supplements these income maintenance programs by providing a variety of direct services to needy persons in the County.

The Department is the largest department in the County government, with 169 full-time employees on its payroll as of December 31, 1998, and is primarily accounted for in the Public Assistance Special Revenue Fund.

County Child Welfare Program

This Program provides for foster care and other children services in the County and is administered by the five-member Children Services Board. The Board of County Commissioners appoints four members, and the Juvenile Court appoints one. Each member serves a four-year term. Operating expenditures for 1998 were \$4,062,410. In 1985, County voters approved a 2.0 mill levy for operating expenses of the Children Services Board. This levy was first collected in 1986, voted as a ten year replacement levy in 1995 and will expire in 2005. The activity of this program is reflected in the Children Services Levy Special Revenue Fund.

Veterans Service Commission

The County's Veterans Service Commission assists veterans and their dependents in securing the materials and information needed to apply for and receive assistance from various Federal Veterans Administration programs. The five members of the Commission are appointed by the Common Pleas Court and serve five-year terms. The activities of the Commission are financed from County General Fund monies.

Mental Retardation and Developmental Disabilities Program

The Muskingum County Board of Mental Retardation and Developmental Disabilities provides various services to mentally retarded children and adults, including training classes, workshops, and home services. Of the seven members of this Board, five are appointed by the Board of County Commissioners and two by the County Probate Judge for three-year terms. In addition to receiving state reimbursement and tuition reimbursement from the various boards of education in the County, the Muskingum County Board of Mental Retardation and Developmental Disabilities is funded by a 1.0 mill continuing levy, approved by the voters in 1977 and first collected in 1978, and a 2.0 mill continuing levy, approved by the voters in 1980 and first collected in 1981. Voters also approved an additional 2.0 mill continuing levy in 1994, which was first collected in 1995. The activity of the Board is accounted for in the Starlight School Levy Special Revenue Fund.

County Organization and Services Provided (Continued)

Mental Health Program

The Muskingum Area Alcohol, Drug Addiction and Mental Health Board is responsible for the planning and administration of mental health programs in the County as well as the other counties participating in the jointly governed organization. The Board consists of seventeen members, three appointed by the Muskingum County Commissioners, seven by the other participating counties, three by the State Department of Alcohol and Drug Addiction and four by the Director of the State Department of Mental Health. The activities of the Muskingum Area Alcohol, Drug Abuse and Mental Health Board are funded in part by a 1.0 mill ten year levy first approved in 1988 for collection in 1989, and voted as a replacement levy in 1997, expiring in 2008.

County Home

The County Home is a 75-bed facility managed by a superintendent who is appointed by and reports directly to the Board of County Commissioners. Originally constructed in 1882, the County Home is a three-story building with dining and laundry facilities. An addition was made in 1973, increasing the facility to its current size of approximately 10,000 square feet. Extensive renovation was done in 1982 and 1983.

Admission to the County Home is based on need and medical requirements with preference given to residents of the County. The home currently houses 69 residents.

The County Home has 63 employees including, among others, one general practitioner employed by contract, four registered nurses, ten licensed practical nurses, approximately nineteen nurses aides, one nursing supervisor, approximately twenty-four employees in dietary, laundry, and maintenance activities, three office clerks and one superintendent.

Revenues for operating the County Home are derived primarily from a 2.0 mill five-year levy passed in 1985, renewed in 1990 and 1995. Funds are also obtained from payments by patients, Medicaid, Medicare, private insurance and other private sources. The County Home Levy Special Revenue Fund reflects the activity of the County Home.

Tuberculosis Clinic

The Muskingum County Tuberculosis and Respiratory Clinic is administered by a three-member board of trustees, appointed by the Board of County Commissioners for a three-year term. The purpose of the Clinic is to diagnose and treat tuberculosis and respiratory diseases in the County. The Clinic is funded by a .40 mill levy which was renewed in 1990, voted as replacement in 1994, and will expire in 2000. The Clinic is included in the primary government because it is not legally separate. The Clinic's activity is reflected in the Tuberculosis Clinic Special Revenue Fund.

County Organization and Services Provided (Continued)

Justice System

As part of the administration of the justice system, the County maintains the Common Pleas Court and the Probate Court. The Prosecutor is designated by Ohio law as the Chief Legal Counsel for all County offices, boards and agencies, including the Board of County Commissioners, the Auditor, Treasurer, and all townships and local school districts. In addition, the Prosecutor is a member of the County Budget Commission.

The Clerk of Courts keeps all official records of the Common Pleas Court. When the Court of Appeals holds sessions within the County, the Clerk of Courts also serves as Clerk of Courts of the Court of Appeals. The office of Clerk of Courts operates on a system of fees charged for services and is essentially self-supporting.

The County Sheriff is the Chief Law Enforcement Officer of the County and provides certain specialized services which include maintaining a special staff of deputies whose duties are to assist local law enforcement officers upon their request and to enforce the law in unincorporated areas of the County. The Sheriff also operates and maintains the County Jail and is responsible for its inmates, including persons detained for trial or transfer to other institutions. As an officer of the County Courts, the Sheriff is in charge of the preparation and service of documents. The County also contracts with the City of Zanesville and several other municipalities in the County to house prisoners.

Economic Condition and Outlook

Muskingum County's economy remained strong during 1998, with several local manufacturing and distribution companies announcing expansions that led to new investment and employment. Longtime area manufacturers such as Armco and Owens-Brockway announced expansions, as did newer companies such as National Pharm Pak and Worthington foods. Also, All American Homes of Ohio, a division of Coachmen Industries, opened its new manufacturing facility in Perry Township. And even though General Electric moved out of its distribution warehouse near new Concord, the 400,000 square-foot facility was quickly occupied by General Warehouse & Transportation., which has a national contract with Colgate-Palmolive. The continuation of growth for Zanesville and Muskingum County led *Site Selection* magazine to place the community 15th on its list of the "Top 50 Small Towns for Corporate Facilities," published in the January 1999 issue.

A key location and excellent transportation amenities have always been a strength in the local economy that grew during 1998. First, a new access road was completed into the NorthPointe Industrial Park on Zanesville's north side which handles semi-truck traffic better and more safely to such NorthPointe businesses as Worthington Foods and Anchor-Glass Container - negating a difficult intersection at Ohio 60 and Fairview Rd. It also opened up the southern portion of the NorthPointe property for further development. Muskingum County Commissioners then spearheaded an extension of the new road northward to Richvale Road, the first leg of a proposed county road that will terminate in Dresden and reduce traffic pressure on congested Ohio 60 (see *Future Projects* in the next section). Also completed in 1998 was a small access road within NorthPointe, situated along the Ohio Textile Service plant that is expected to open in June 1999.

Economic Condition and Outlook (Continued)

The Ohio Department of Transportation also completed the first phase of a project to widen Ohio 60 at the northern Zanesville city limits. The road was widened to Olde Falls road, a traffic light was installed there, and a narrow bridge was replaced next to Lowe's Home Improvement Warehouse. Phase II of this project which will take place during the 1999 construction season will involve improvement to Olde Falls Road northward to the Richvale Road intersection.

Our community's lead economic development agency, the Zanesville-Muskingum Port authority, purchased nearly 1,200 acres just east of the city in early 1998. The land, part of which is reclaimed strip mines, gives the Port Authority three areas for development, joining NorthPointe in Zanesville and the Airport Distribution Park in Perry township. Though local officials thought the new property would not come under development for several years, a major project announced in May 1999 will be the first for the Eastern Development Property (see *Future Projects*).

The Port Authority and the Zanesville-Muskingum County Chamber of Commerce continued their commitment to market the community, combining resources on national and regional advertising ventures and through attendance at trade shows. The announcement of *Site Selection's* "Top 50 Small towns for Corporate Facilities" list was accompanied by an ad trumpeting Muskingum county's ranking. Local representatives also participated in the Mid-Ohio Development Exchange's "Preview Mid-Ohio" show in Newark. As a result of their participation, Muskingum County will be featured in the July 1999 issue of *Area Development* magazine along with 21 other Ohio counties who participated in a project co-founded by the Ohio Department of Developments's First Frontier.

Tourism continued its growth as a major industry for Muskingum County. During 1998, an estimated two million people enjoyed the community's wide range of recreational and cultural activities. That number includes people who have arrived here on more than 3,900 motorcoach tours. The Longaberger Company's influence continued to grow, as more than 700,000 people visited the basket-maker's manufacturing campus near Frazzysburg and the related shops and restaurants in Dresden. The company will open the first of several planned golf courses during summer 1999. The Wilds, a 9,100-acre endangered species preserve near Chandlersville in southeastern Muskingum County, hosted more than 91,000 visitors in 1998, a 12 percent increase over 1997. Tourists also enjoyed stops at the National Road / Zane Grey Museum near Norwich; three state parks, the Zanesville Art Center, Historic Zanesville, the Lorena sternwheeler, the 5B's embroidery facility adjacent to Zanesville Municipal Airport, and the famous Y Bridge.

The Zanesville-Muskingum County Welcome Center, located at the foot of the Fifth Street ramp from Interstate 70, had more than 13,000 visitors during 1998.

The hospitality industry continued to grow, keeping up with the demand. Red Roof Inn (77 rooms) and Hampton Inn (76 rooms) both opened during 1998. Four new restaurants also opened, including national chains Cracker Barrel and Tumbleweed. Hickory Creek, fashioned from the log cabin facility moved from the Cracker Barrel site in Zanesville, opened its doors at a new location alongside I-70's Norwich exit. The Wild's opened its Overlook Cafe, part of the attraction's continued growth.

Economic Condition and Outlook (Continued)

Muskingum County remained strong in agriculture during 1997 (the last year available for statistics), even though land-in-farms acreage decreased 4 percent in 1996 and the number of full-time farms decreased by 5 percent over the same time period. According to state statistics, the market value of agricultural products sold during 1997 increased 2 percent to nearly \$26 million. Livestock sales accounted for 61 percent of that market value while crop sales accounted for the rest. Approximately each dollar generated through agricultural production adds four dollars to the local economy.

In 1997, there were 1,018 farms totaling 180,034 acres in Muskingum County, an average of 177 acres per farm. As of January 1, 1998, the county ranked first among Ohio's 88 counties for all sheep and lambs (6,500) and eighth in all cattle and calves (29,300). Among the cash crops, Muskingum County's top ranking was 14th for all hay, with a yield 2.20 tons per acre.

The total labor force in Muskingum County at the end of 1998 was 43,000. The 1998 unemployment average was 6.4 percent, down from 7.4 percent the year before. Manufacturing and service claimed the largest employment shares by sector, each at 26.2 percent. Wholesale / retail was close behind at 25.3 percent, followed by government (12.0 percent), construction (3.5) and transportation / utilities (2.8).

Major Initiatives

Current Year Projects

The Port Authority, Chamber of Commerce and City of Zanesville Community Development Department continued their Retention & Expansion program during 1998. Local development representatives visited nearly 40 local employers to share information and assist with concerns. Three of the companies later announced expansions aided by locally controlled incentive programs.

Ten companies, including two new ones, entered into Enterprise Zone Agreements with local governments and Muskingum County. Existing companies signing tax abatement agreements on expansion projects were BDP Services / Sports Art, Lumi-Lite Candle Co., National PharmPak, Owens-Brockway Glass, Zanesville Fabricators, Armco Steel, Russett Printing and Worthington Foods.

Mohenis Services, based in Petersburg, Va., announced at mid-year that it would build an industrial laundry facility in the NorthPointe Industrial Park. That facility, under the Ohio Textile banner, is expected to open in June 1999. Also, Burley Clay Co., a longtime Muskingum County ceramics firm, formed a new company called Accco Inc. to manufacture industrial ceramic products at the old Nelson McCoy Pottery plant in the village of Roseville.

As of early March 1999, there were 61 Enterprise Zone Agreements in Muskingum County. All American Homes of Ohio opened its 125,000-square-foot modular housing manufacturing facility during September. The company, a division of Coachmen Industries, invested nearly 5 million in the project. As a result, it is creating 150 full-time jobs and adding about \$3 million to the local economy. The Longaberger Company, the county's largest employer, broke ground in October 1998 on a 500,000-square-foot, state-of-the-art distribution facility on its manufacturing campus on Ohio 16 near Frazeyburg. The facility will be expandable to 1 million square feet.

Major Initiatives (Continued)

The new building, built by the company's construction division, will open in 2000. That should coincide with the opening of a new four-lane version of Ohio 16, currently under construction from the Licking County line to Ohio 16 north of Dresden.

Future Projects

Sixth Street Bridge Replacement

Demolition of the decaying Sixth Street Bridge in Zanesville, which spans the Muskingum River and is a major link to the south, was still planned for late 1999. The bridge will be replaced by a modern structure expected to open in 2000. The project is being developed to minimize the economic impact on businesses in the Putnam Historic District as well as to control traffic flow problems expected to occur once the steel span that carries US 22 and Ohio 93 is removed. The Ninth Street project completed in 1997, which included widening of that artery to improve traffic flow, is expected to help alleviate the traffic flow problem for north-south travelers. Preliminary work during 1998 included the installation of utility lines under the Muskingum River and canal.

Dollar General Distribution Center

Dollar General, one of the nation's largest retailers, announced in May 1999, that it would build a 1.2 million-square-foot distribution center and truck maintenance facility on the Port Authority's Eastern Development Property, located just off Ohio 93 in Washington Township. This project is expected to generate 500 new jobs once the facility is opened in mid-2000. Infrastructure development for the Dollar General project will also facilitate further development of the 1,200-acre industrial park which was acquired in two land purchases during 1998.

Airport Distribution Park Developments

Two companies announced plans in early 1999 for new facilities in the Airport Distribution Park:

- Han-Yei Inc., a company co-owned by Kohyei Trading Co. and Sakai Chemical Corp. of Osaka, Japan, is expected to open a small distribution facility in the park by early summer 1999. Han-Yei will at first be a distribution warehouse, supplying imported materials to the automotive paint industry. Company officials plan to add a small production line (a water-based coating) within a year after opening the facility.
- Hartstone Inc., a division of Carlisle Home Products and manufacturer of kitchenware and decorative pottery, announced plans to locate a distribution warehouse in the park. The company's manufacturing plant is on Dearborn Street in Zanesville.

1999 Enterprise Zone Agreements

Two companies signed tax abatement agreements for projects during the early part of 1999:

- Carl Rittberger Sr. Inc., a meat processor in Wayne Township since 1910, announced in February 1999 that it would undergo an equipment expansion that would keep the company viable for the long term. Refrigeration equipment was installed, and older equipment repaired.

Major Initiatives (Continued)

- Buckeye stoneware LLC announced in March 1999 that it would purchase and renovate the former Richey Sign Co. building at Muskingum and Putnam avenues in Zanesville. The company would then move its operations from a smaller facility on nearby Madison Street and create at least six more full time jobs totaling about \$110,000 in new payroll.

Expanded Instrument Landing System

After the City completed several years of work, Congress, during fall 1998, included funding in the Federal Aviation Administration budget for an Expanded Instrument Landing System at Zanesville Municipal Airport. Installation is expected to begin by Summer 1999, following the acquisition of property for equipment.

NorthPointe Drive

In late 1998, the Muskingum County Transportation Improvement District board voted to pursue funding from the State Infrastructure Bank that would aid construction of an extension of NorthPointe Drive from its northern terminals at Richvale road to a point on Ohio 60 at the Dresden village limits. The limited-access road would be an alternative route from Zanesville to the northern Muskingum county village and would be an estimated three miles shorter than the same span on Ohio 60. The Longaberger Company agreed to a Tax Incremental Financing agreement for its new distribution center near Frazeytsburg to help pay for the road's construction. Right-of-Way acquisition is expected to begin during 1999.

Also Planned

Other economic development projects planned by the county, city, and Port Authority include:

- Construction of a new road on Zanesville's northwest side connecting Ohio 60 and Ohio 146 and alleviating traffic on congested Maple Ave (Ohio 60).
- Construction of a bridge spanning the Muskingum River on Zanesville's north side, allowing better access between the NorthPointe Industrial Park and economic development sites to the city's east.

Financial Information

Basis of Accounting

The County's accounting system is organized on a "fund" basis. Each fund or account group is a distinct self-balancing accounting entity. Records for general government operations and the expendable trust fund are maintained on a cash basis. On the accrual basis, revenues are recognized when measurable and available; expenditures are recognized when goods and services are received. Accounting records for the County's proprietary and non-expendable trust funds are maintained on a cash basis. On the accrual basis, revenues are recognized when measurable and earned; expenses are recognized when incurred. The basis of accounting and the various funds and account groups utilized by Muskingum County are fully described in Note 2 to the General Purpose Financial Statements.

Financial Information (Continued)

Internal Controls

In developing the County's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls were designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurances is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The County utilizes a fully automated accounting system as well as automated systems for control of fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment by the accounting department of the Auditor's Office, ensure that the financial information generated is both accurate and reliable.

As a recipient of federal funds, the County has a responsibility to see that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. The County's day-to-day accounting and budgetary records are maintained on a basis other than one in compliance with generally accepted accounting principles (GAAP). For financial reporting purposes, the accounting records are converted to the modified accrual basis for all Governmental, Expendable Trust and Agency funds and the accrual basis for Proprietary and Non-Expendable Trust funds.

Budgetary Control

The Board of County Commissioners adopts an annual appropriation measure for the County at the end of December for the coming year. This appropriation is sometimes called a temporary appropriation. Usually by mid-February but before April 1, an annual appropriation measure is approved which takes into consideration the balances left from the prior year as well as any revisions in revenue estimates for the year. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the object level within a department and fund. Purchase orders are approved by the department heads, and in many cases, by the Commissioners for departments under their control and are encumbered prior to their release to vendors. Those purchase orders which exceed the available appropriations are rejected until additional appropriations are secured. A computerized certification system allows the Auditor's Office to ascertain the status of a department's appropriation prior to authorizing additional purchases from a particular account.

General Government Functions

Revenues for the governmental funds, which include General, Special Revenue, Debt Service, and Capital Projects funds totaled \$54,242,715 in 1998. The following schedule presents a summary of all governmental funds' revenues for the year ended December 31, 1998. The revenues are compared to the prior year.

Financial Information (Continued)

<i>Revenues</i>	<i>1997 Amount</i>	<i>1998 Amount</i>	<i>1998 % of Total</i>	<i>Change</i>	<i>Percent Change</i>
Property and Other Taxes	\$9,915,697	\$10,423,478	19.22%	\$507,781	5.12%
Permissive Sales Taxes	10,876,779	11,643,851	21.47	767,072	7.05
Charges for Services	3,878,596	4,620,348	8.52	741,752	19.12
Licenses and Permits	457,152	663,625	1.22	206,473	45.17
Fines and Forfeitures	560,134	569,867	1.05	9,733	1.74
Intergovernmental	20,539,534	23,503,715	43.33	2,964,181	14.43
Special Assessments	173,877	169,511	0.31	(4,366)	(2.51)
Interest	1,666,635	2,065,513	3.81	398,878	23.93
Rent	343,458	352,274	0.65	8,816	2.57
Payment in Lieu of Taxes	82,059	88,232	0.16	6,173	7.52
Other Revenue	177,976	142,301	0.26	(35,675)	(20.10)
<i>Total</i>	<i>\$48,671,897</i>	<i>\$54,242,715</i>	<i>100.00%</i>	<i>\$3,047,670</i>	<i>11.45%</i>

Taxes and intergovernmental receipts are the major components of the County's revenues. The 5.12 and 7.05 percent increases in taxes over 1998 levels was the result of general economic growth in the County. Intergovernmental revenues increased \$2,964,181 or 14.43 percent during 1998 due to increased motor vehicle license receipts, gas tax receipts, and other State shared revenue.

Charges for services reflect a \$741,752 increase primarily due to an increase in sheriff's and other departmental charges for services. Fines and forfeitures reflect increases primarily due to the collections of delinquent fines and forfeitures. Rent reflects an increase of \$8,816 or 2.57 percent due to an increase in rent from the County parking lot and County office buildings. Other revenues decreased \$35,675 or 20.10 percent due to a decrease in reimbursements from prior years. 1998 was the second year for collection of payment in lieu of taxes from the Lowe's Corporation for the Brandywine Loop Extension debt.

The following schedule presents a summary of all governmental fund expenditures for the year ended December 31, 1998 which totaled \$50,179,343:

Financial Information (Continued)

<i>Expenditures</i>	<i>1997 Amount</i>	<i>1998 Amount</i>	<i>1998 % of Total</i>	<i>Change</i>	<i>Percent Change</i>
General Government					
Legislative and Executive	6,091,276	6,198,091	12.35%	106,815	1.75%
Judicial	2,497,658	2,637,207	5.26	139,549	5.59
Public Safety	4,940,871	5,693,644	11.35	752,773	15.24
Public Works	4,785,526	4,716,899	9.40	(68,627)	(1.43)
Health	632,300	662,005	1.32	29,705	4.70
Human Services	18,489,281	22,552,590	44.94	4,063,309	21.98
Other	2,810	2,600	0.01	(210)	(7.47)
Refund of Property Taxes	23,877	37,432	0.07	13,555	56.77
Capital Outlay	3,334,942	2,469,693	4.92	(865,249)	(25.94)
Intergovernmental	1,806,185	3,242,232	6.46	1,436,047	79.51
Debt Service	1,925,238	1,966,950	3.92	41,712	2.17
Total Expenditures	\$44,529,964	\$50,179,343	100.00%	\$5,649,379	12.69 %

Overall, expenditures increased \$5,649,379 . General government expenditures increased \$246,364 due to inflationary increases for salaries, employee benefits, supplies, and equipment. Public Safety increased \$752,773 or 15.24 percent due to inflationary increases in salaries, employee benefits, supplies, and equipment purchases. Public works decreased \$68,627 or 1.43 percent due to slight decreases in supplies and equipment purchases. Health expenditures increased \$29,705 due to increased expenditures in vital statistics, other health, and tuberculosis clinic expenditures. Human services increased \$4,063,309 or 21.98 percent due to increased expenditures in Child Support Enforcement, Children Services, and Starlight School Levy. 1998 was the second year for the Refund of Property Taxes for the overpayment of taxes in prior years by the Texas Eastern Transmission Corporation. Capital outlay expenditures decreased \$865,249 due to the completion of several projects in 1997. Debt Service expenditures increased 2.17 percent due to principal and interest payments on the County Office Building Construction and Detention Center Construction note indebtedness.

General Fund Balance

The General Fund encompasses the general government functions of the County and all other functions not accounted for in other funds. The fund balance of the general fund at year end 1998 was \$10,112,267, and the 1997 balance was \$8,991,689. This represents an increase of \$1,120,578 or 12.46 percent which can be attributed to increases in property, permissive sales, and other taxes. In addition, intergovernmental revenues increased significantly during 1998.

Financial Information (Continued)

Enterprise Funds

Enterprise funds are used to finance and account for the acquisitions, operations, and maintenance of County facilities and services designed to be entirely, or predominantly, self-supported from user charges. Operations are accounted for in such a manner as to show a profit or loss on a basis comparable with industries in the private sector. The County's sewer enterprise fund had a net loss of \$666,977 for the year ended December 31, 1998, and deficit retained earnings of \$7,473,175. This loss can be primarily attributed to depreciation expense. Management will review the sewer operations and determine the appropriate measures to be taken. The Sunshine Child Care enterprise fund had a net loss of \$9,793 for the year ended December 31, 1998, and retained earnings of \$717.

Internal Service Funds

The Internal Service funds are used to account for revenues and expenses related to the Self Insurance - Health, and Self-Insurance - Workers' Compensation funds. In total, the Internal Service funds had a net income of \$245,783 for the year ended December 31, 1998. The Self-Insurance Health internal service fund has a net loss of \$47,176 for the year ended December 31, 1998, and deficit retained earnings of \$773,271. The loss is due to insufficient premiums being charged for the health insurance program. The Self-Insurance Workers' Compensation Fund had a net income of \$292,959 and retained earnings of \$292,959. Management is reviewing and analyzing the health insurance program to determine appropriate measures necessary to eliminate the deficit.

Fiduciary Funds

Fiduciary funds account for assets held by Muskingum County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The Fiduciary funds which Muskingum County maintains are expendable trust, non-expendable trust and agency funds. The County primarily uses the agency funds to receive and distribute taxes, state levied revenues, fines, and other funds for all local governments within the County.

Cash Management

The County has an investment program that recognizes and calculates the lag between issue and redemption of warrants. Investment procedures are restricted by the provisions of the Revised Code. Except for nonparticipating investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based upon quoted market prices. Nonparticipating investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost. All investments are in Certificates of Deposit and Prime Investment Accounts in local financial institutions. Interest earned but not received at year-end is accrued. Interest earnings for 1998 totaled \$2,080,263 for the County (Primary Government), \$13,580 for Muskingum Starlight Industries, Inc., \$38,363 for the Zanesville/Muskingum County Port Authority, and \$2,880 for the Transportation Improvement District (Component Units).

Financial Information (Continued)

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries and natural disasters. By contracting with the County Risk Sharing Authority (CORSA) for liability, property, and crime insurance, the County has addressed these various types of risks.

Under the CORSA program for general liability, auto liability, errors and omissions for public officials, and law enforcement liability, the County has \$1,000,000 of total liability coverage 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 \$32,170,884 on buildings and contents. Boiler and machinery are covered in the amount of \$50,000,000 for extended comprehensive. Employee dishonesty, money and securities inside and out, money orders and counterfeit, and depositor's forgery are covered in the amount of \$250,000 for each and every loss and \$1,000,000 aggregate.

During 1992, the County entered into a "retrospective rating program" in conjunction with the State of Ohio for Workers' Compensation. The County established a Workers' Compensation Self-Insurance fund to accumulate premiums. A portion of these premiums is paid to the State of Ohio for administrative costs and current claims, and the remaining premiums are maintained for the payment of future claims.

Muskingum County established a Loss Prevention Coordinator in 1985 who works with Gallagher Bassett Consulting Services to provide training to County departments and their employees. One purpose of the program is to identify potential accident areas on County properties for both County employees and citizens. Other training includes driving and material safety data. High risk departments are a training priority.

Employee Insurance

The County maintains a self-insurance fund program for employee health benefits. An administrator was hired to monitor and process all claims. The County carries an excess coverage insurance policy for individual claims in excess of \$50,000 and aggregate annual claims in excess of \$1,036,387. The County also offers Etna USA Health Care and Community Health Plan of Ohio to those employees who prefer this type of health coverage. The County also offers life insurance coverage through UNUM, Inc., and vision coverage through the Vision Service Plan, Inc., and dental care coverage through Ameritas Life Insurance Corp.

Debt Administration

The County had \$10,615,000 in general obligation bonds outstanding as of December 31, 1998. The County Office Building bonds and the 1998 County Facilities Refunding Bonds in the amount of \$8,655,000 will be retired through rental income from departments located in the building. Library bonds in the amount of \$1,960,000 were issued to build a new library for the Muskingum County Library. Under Ohio law, the County is required to receive the Library's levy proceeds to administer the repayment of the debt for the library.

Financial Information (Continued)

Avondale Special Assessment, Falls Township OWDA, Maysville OWDA and Nob Hill special assessment bonds in the amount of \$1,446,647 will be repaid by special assessments levied against property owners who specifically benefited from the sewer project financed from the bonds. Should the property owners fail to pay their assessment, the County would be responsible for the debt service payment.

The County had \$3,172,500 in outstanding sewer revenue bonds, \$1,105 in outstanding sewer general obligation bonds as well as the \$386,239 Maysville Mortgage OWDA loan to be paid from sewer fund revenues derived by the County from operation of the sewer system.

The County also had \$4,429,441 in outstanding notes. Of that total, \$1,792,000 represent general obligation bond anticipation notes. The note proceeds were used to fund road equipment in the special revenue funds and a road extension in the capital projects funds. The County issued \$1,200,000 in new bond anticipation notes during 1998 for the construction of a detention center. The Brandywine Loop Extension notes will be retired with payments in lieu of taxes. All other bond anticipation notes will be reissued annually until the County decides to issue bonds. The County had \$197,441 in Ohio Public Works Commission (OWPC) revenue anticipation notes outstanding as of December 31, 1998. These notes were issued for various road projects in the County and will be repaid with motor vehicle permissive tax revenues. During 1998, the County issued \$2,440,000 in new bond anticipation notes for various sewer projects. These notes will be reissued annually until the County decides to issue bonds. As of December 31, 1998, the legal debt margin within the overall debt limitation was \$24,286,767.

Independent Audit

Included in this report is an unqualified audit opinion rendered on the County's financial statements as of December 31, 1998 by our independent auditor, Jim Petro, Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Muskingum County for the fiscal years ended December 31, 1991, 1992, 1993, 1994, 1995, 1996 and 1997. The Government Finance Officers Association (GFOA) awards a certificate of achievement for Excellence in Financial Reporting to those governments that publish a Comprehensive Annual Financial Report (CAFR) whose contents and format conform to program standards. A certificate is valid for the period of one year. Since this report was prepared with the stringent guidelines of the Certificate of Achievement Program in mind, it will be submitted to GFOA to determine eligibility for the certificate.

Acknowledgments

The publication of this CAFR represents an important achievement in the ability of Muskingum County to provide significantly enhanced financial information and accountability to the Citizens of Muskingum County, elected officials and investors.

The preparation and publication of this report would not have been possible without the cooperation of each elected official, department head, and a number of County employees. I am grateful for their assistance and cooperation.

I offer my sincere thanks and gratitude to Sara Wise, Debra Nye, Alan Reed and the Accounting Staff for their dedication and hard work as leaders in this undertaking.

A special note of appreciation goes to the Local Government Services Division of Auditor of State, Jim Petro's Office for their assistance in preparing this financial report.

My thanks is extended to Jim Rudloff, Economic Development Specialist of the Zanesville/Muskingum County Port Authority, for supplying information for the Economic Condition and Outlook and Major Initiatives sections of this letter.

I especially thank the Citizens of Muskingum County for the opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Sincerely,

Anita J. Adams

Anita J. Adams

Muskingum County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Muskingum County,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1997

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Douglas R. Ellaworth
President

Jeffrey L. Esser
Executive Director

Elected Officials

December 31, 1998

Board of Commissioners

Donald Madden
R. Edward Kenily
Dorothy M. Montgomery

County Auditor

Norma J. Bowman (Retired March 1999)
Anita J. Adams

County Treasurer

George W. Roll

County Recorder

Karen B. Vincent

County Engineer

Loren C. Camp

Court of Common Pleas

General

Richard D. Hixson
W. Allen Wolfe

County Court

Jeffrey A. Hooper
Thomas Payne

Clerk of Courts

Todd A. Bickle

County Coroner

Dr. Howard Marsh

Prosecutor

Mark C. Fleegle

County Sheriff

Robert J. Stephenson

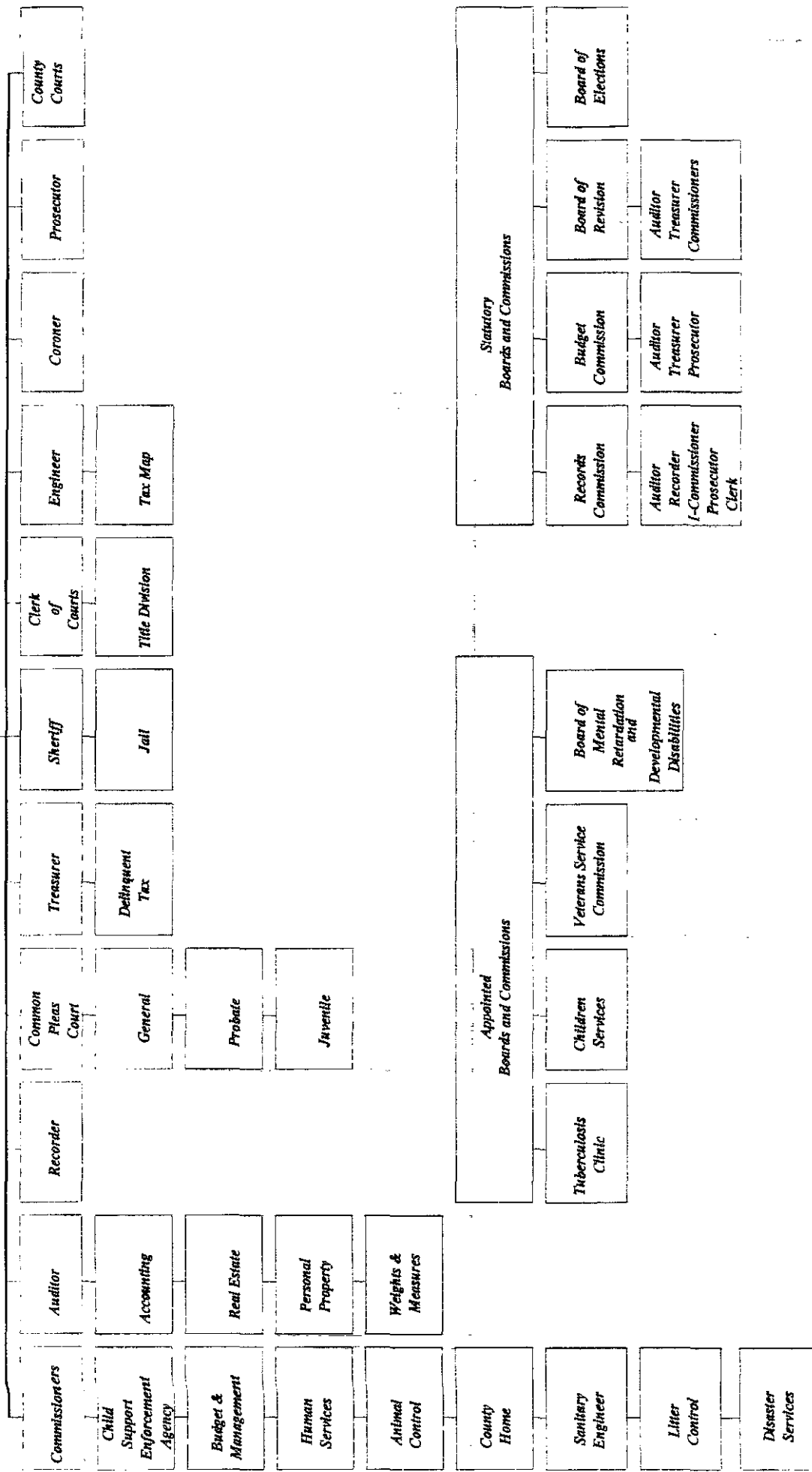
Court of Common Pleas

Probate and Juvenile

Joseph A. Gormley

ORGANIZATION OF MUSKINGUM COUNTY

CITIZENS OF MUSKINGUM COUNTY



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FINANCIAL SECTION



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

REPORT OF INDEPENDENT ACCOUNTANTS

Muskingum County Commissioners
Muskingum County
401 Main Street
Zanesville, Ohio 43701-3519

We have audited the accompanying general-purpose financial statements of Muskingum County, as of and for the year ended December 31, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of Muskingum County management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the general purpose financial statements of the Zanesville-Muskingum County Port Authority which represent 94 percent and 95 percent, respectively, of the assets and revenues of the component unit column. Those general purpose financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Zanesville-Muskingum County Port Authority, is based on the report of the other auditors.

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. 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.

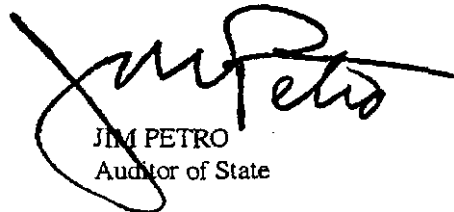
In our opinion, based on our audit and the report of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of Muskingum County, as of December 31, 1998, and the results of its operations and the cash flows of its proprietary fund types, nonexpendable trust funds, and component unit, for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 1999 on our consideration of Muskingum County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the County, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the introductory and statistical sections of this report and therefore express no opinion thereon.

As described in Note 3 to the general purpose financial statements, the County changed its method of accounting for certain Internal Revenue Code Section 457 Deferred Compensation Plans during 1998.


JIM PETRO
Auditor of State

June 25, 1999

*Combined Balance Sheet
All Fund Types, Account Groups and
Discretely Presented Component Units
December 31, 1998*

	Governmental Fund Types				Proprietary
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
Assets and Other Debits					
Assets:					
Equity with County Treasurer:					
Equity in Pooled Cash and Cash Equivalents	\$7,223,645	\$13,439,427	\$1,259,819	\$6,547,725	\$4,467,425
Segregated Accounts:					
Cash and Cash Equivalents	0	30,543	0	0	29,876
Investments	0	0	0	0	0
Receivables:					
Taxes	1,094,129	0	0	0	0
Accounts	17,518	6,112	0	0	823,090
Special Assessments	0	0	0	0	0
Interfund	1,096,000	77,281	26	0	0
Accrued Interest	343,718	0	0	0	0
Revolving Loans	0	9,373	0	0	0
Due from Other Funds	9,791	0	0	0	0
Due from Agency Funds:					
Property Taxes	2,136,839	9,070,273	695,715	0	0
Special Assessments	0	0	2,739,477	0	0
Accounts	44,286	0	0	0	0
Due from Other Governments	187,270	1,243,310	0	320,763	0
Materials and Supplies					
Inventory	226,030	225,660	0	0	0
Prepaid Items	79,941	5,018	0	0	0
Due from Others	0	0	0	0	0
Advances to Other Funds	543,000	0	0	0	0
Restricted Assets:					
Cash and Cash Equivalents with Fiscal and Escrow Agents	0	0	0	0	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0	22,916,933
Other Debits:					
Amount Available in Debt Service Fund for Retirement of General Obligation Bonds	0	0	0	0	0
Amount Available in Debt Service Fund for Retirement of Special Assessment Bonds	0	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0	0
Amount to be Provided from Special Assessments	0	0	0	0	0
Total Assets and Other Debits	\$13,002,167	\$24,106,997	\$4,695,037	\$6,868,488	\$28,237,324

Fund Types	Fiduciary		Account Groups		Totals		Totals
	Fund Types				Primary	Component	Reporting
Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations		Government (Memorandum Only)	Units	Entity (Memorandum Only)
\$2,179,112	\$5,756,613	\$0	\$0	\$40,873,766	\$0	\$40,873,766	
9,789	795,186	0	0	865,394	709,018	1,574,412	
0	37,118	0	0	37,118	0	37,118	
0	47,828,472	0	0	48,922,801	0	48,922,601	
0	82,801	0	0	929,521	168,349	1,097,870	
0	4,159,565	0	0	4,159,565	0	4,159,565	
0	0	0	0	1,173,307	0	1,173,307	
0	0	0	0	343,718	0	343,718	
0	0	0	0	9,373	0	9,373	
787,738	905,060	0	0	1,702,589	0	1,702,589	
0	0	0	0	11,902,827	0	11,902,827	
0	0	0	0	2,739,477	0	2,739,477	
0	0	0	0	44,286	0	44,286	
0	526,559	0	0	2,277,902	0	2,277,902	
0	0	0	0	451,690	44,494	496,184	
0	0	0	0	84,959	4,360	89,319	
0	306	0	0	306	0	306	
0	0	0	0	543,000	0	543,000	
0	0	0	0	0	398,621	398,621	
0	0	30,200,686	0	53,117,619	5,924,185	59,041,804	
0	0	0	1,074,420	1,074,420	398,621	1,473,041	
0	0	0	185,425	185,425	0	185,425	
0	0	0	11,523,776	11,523,776	1,426,379	12,950,155	
0	0	0	1,261,222	1,261,222	0	1,261,222	
\$2,976,639	\$60,091,680	\$30,200,686	\$14,044,843	\$184,223,861	\$9,074,027	\$193,297,888	

(Continued)

*Combined Balance Sheet
All Fund Types, Account Groups and
Discretely Presented Component Units (Continued)
December 31, 1998*

	<i>Governmental Fund Types</i>				<i>Proprietary</i>
	<i>General</i>	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Enterprise</i>
Liabilities, Fund Equity and Other Credits					
Liabilities:					
Accounts Payable	\$176,581	\$663,671	\$0	\$19,543	\$128,031
Contracts Payable	0	2,923	0	0	122,463
Accrued Wages and Benefits	283,394	497,262	0	0	9,565
Compensated Absences Payable	23,902	25,491	0	0	19,185
Tax Refund Payable	0	0	0	0	0
Retainage Payable	0	47,240	0	0	29,876
Interfund Payable	0	387,247	0	177,453	608,607
Due to Other Funds	262,203	453,625	0	0	8,814
Due to Other Governments	6,981	44,299	0	0	0
Deferred Revenue	2,136,839	9,369,055	3,435,192	0	0
Undistributed Monies	0	0	0	0	0
Due to Others	0	0	0	0	0
Accrued Interest Payable	0	49	0	5,042	39,702
Notes Payable	0	12,000	0	1,977,441	2,440,000
Claims and Judgments Payable	0	0	0	0	0
Capital Leases Payable	0	0	0	0	0
Advances from Other Funds	0	0	0	0	543,000
OWDA Loans Payable	0	0	0	0	386,239
General Obligation Bonds Payable	0	0	0	0	1,105
Revenue Bonds Payable	0	0	0	0	3,172,500
Special Assessment Debt with Governmental Commitment	0	0	0	0	0
Total Liabilities	2,889,900	11,502,862	3,435,192	2,179,479	7,509,087
Fund Equity and Other Credits:					
Investment in General Fixed Assets	0	0	0	0	0
Contributed Capital	0	0	0	0	28,200,695
Retained Earnings:					
Unreserved (Deficit)	0	0	0	0	(7,472,458)
Fund Balance:					
Reserved (See Note 26)	1,277,949	1,246,852	0	722,238	0
Unreserved:					
Undesignated	8,834,318	11,357,283	1,259,845	3,966,771	0
Total Fund Equity and Other Credits	10,112,267	12,604,135	1,259,845	4,689,009	20,728,237
Total Liabilities, Fund Equity and Other Credits	\$13,002,167	\$24,106,997	\$4,695,037	\$6,868,488	\$28,237,324

See accompanying notes to the general purpose financial statements

Fund Types	Fiduciary	Account Groups	Totals			Totals
	Fund Types		General Fixed Assets	General Long-Term Obligations	Primary Government (Memorandum Only)	Component Units
Internal Service	Trust and Agency					
\$0	\$0	\$0	\$0	\$987,826	\$57,688	\$1,045,514
0	0	0	0	125,386	0	125,386
0	0	0	0	790,221	7,076	797,297
0	0	0	1,822,862	1,891,440	16,445	1,907,885
0	0	0	50,694	50,694	0	50,694
0	0	0	0	77,116	0	77,116
0	0	0	0	1,173,307	0	1,173,307
0	15,664,537	0	0	16,389,179	0	16,389,179
200,604	41,833,190	0	0	42,085,074	2,144	42,087,218
0	0	0	0	14,941,086	0	14,941,086
0	2,305,983	0	0	2,305,983	0	2,305,983
0	117,305	0	0	117,305	54,269	171,574
0	0	0	0	44,793	0	44,793
0	0	0	0	4,429,441	0	4,429,441
3,256,447	0	0	0	3,256,447	0	3,256,447
0	0	0	109,640	109,640	0	109,640
0	0	0	0	543,000	0	543,000
0	0	0	0	386,239	0	386,239
0	0	0	10,615,000	10,616,105	1,825,000	12,441,105
0	0	0	0	3,172,500	0	3,172,500
0	0	0	1,446,647	1,446,647	0	1,446,647
3,457,051	59,921,015	0	14,044,843	104,939,429	1,962,622	106,902,051
0	0	30,200,686	0	30,200,686	5,839,610	36,040,296
0	0	0	0	28,200,695	0	28,200,695
(480,412)	0	0	0	(7,952,870)	448,532	(7,504,338)
0	37,171	0	0	3,284,210	398,621	3,682,831
0	133,494	0	0	25,551,711	424,642	25,976,353
(480,412)	170,665	30,200,686	0	79,284,432	7,111,405	86,395,837
\$2,976,639	\$60,091,680	\$30,200,686	\$14,044,843	\$184,223,861	\$9,074,027	\$193,297,888

*Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
All Governmental Fund Types, Expendable Trust Funds and
Discretely Presented Component Units
For the Year Ended December 31, 1998*

	<i>Governmental Fund Types</i>			
	<i>General</i>	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>
Revenues:				
Property and Other Taxes	\$2,144,392	\$7,642,467	\$636,619	\$0
Permissive Sales Taxes	11,643,851	0	0	0
Charges for Services	1,693,648	2,834,684	0	92,016
Licenses and Permits	264,096	399,529	0	0
Fines and Forfeitures	346,598	155,584	0	67,685
Intergovernmental	2,580,310	20,294,368	40,254	588,783
Special Assessments	0	0	169,511	0
Interest	2,041,439	21,862	0	2,212
Rent	91,879	0	240,931	19,464
Contributions	0	0	0	0
Contributions from Other Governments	0	0	0	0
Payment in Lieu of Taxes	0	0	0	88,232
Other	46,906	95,375	0	20
Total Revenues	20,853,119	31,443,869	1,087,315	858,412
Expenditures:				
Current:				
General Government:				
Legislative and Executive	5,747,556	450,535	0	0
Judicial	2,625,316	11,891	0	0
Public Safety	4,632,932	1,060,712	0	0
Public Works	466,589	4,250,310	0	0
Health	159,803	502,202	0	0
Human Services	387,711	22,164,879	0	0
Other	2,600	0	0	0
Refund of Property Taxes	5,417	29,747	2,268	0
Capital Outlay	0	0	0	2,469,693
Intergovernmental	851,886	1,190,346	0	1,200,000
Debt Service:				
Principal Retirement	12,428	43,263	928,646	0
Interest and Fiscal Charges	2,664	9,020	751,555	91,109
Refunding Issuance Cost	0	0	128,265	0
Total Expenditures	14,894,902	29,712,905	1,810,734	3,760,802
Excess of Revenues Over (Under) Expenditures	5,958,217	1,730,964	(723,419)	(2,902,390)
Other Financing Sources (Uses):				
Sale of Fixed Assets	13,336	23,338	0	0
Proceeds of Refunding Bonds	0	0	6,894,828	0
Payment to Refunded Bond Escrow Agent	0	0	(6,760,654)	0
Inception of Capital Lease	8,638	0	0	0
Operating Transfers - In	0	1,310,163	893,737	2,835,978
Operating Transfers - Out	(4,864,119)	(424,971)	0	(6,587)
Total Other Sources (Uses)	(4,842,145)	908,530	1,027,911	2,829,391
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	1,116,072	2,639,494	304,492	(72,999)
Fund Balance at Beginning of Year (Restated-Note 3)	8,991,689	9,972,013	955,353	4,951,418
Increase (Decrease) in Reserve for Inventory	4,506	(7,372)	0	0
Residual Equity Transfers	0	0	0	(189,410)
Fund Balances at End of Year	\$10,112,267	\$12,604,135	\$1,259,845	\$4,689,009

See accompanying notes to the general purpose financial statements

Fiduciary Fund Type Expendable Trust	Totals		Totals	
	Primary Government (Memorandum Only)	Component Units	Reporting Entity (Memorandum Only)	
\$0	\$10,423,478	\$0	\$10,423,478	
0	11,643,851	0	11,643,851	
0	4,620,348	0	4,620,348	
0	663,625	0	663,625	
0	569,867	0	569,867	
0	23,503,715	125,000	23,628,715	
0	169,511	0	169,511	
1,070	2,066,583	41,243	2,107,826	
0	352,274	142,164	494,438	
78,353	78,353	0	78,353	
0	0	2,411,284	2,411,284	
0	88,232	0	88,232	
0	142,301	9,340	151,641	
79,423	54,322,138	2,729,031	57,051,169	
0	6,198,091	1,990,289	8,188,380	
0	2,637,207	0	2,637,207	
0	5,693,644	0	5,693,644	
0	4,716,899	0	4,716,899	
0	662,005	0	662,005	
0	22,552,590	0	22,552,590	
0	2,600	0	2,600	
0	37,432	0	37,432	
0	2,469,693	1,447,658	3,917,351	
0	3,242,232	160,000	3,402,232	
0	984,337	200,000	1,184,337	
0	854,348	202,437	1,056,785	
0	128,265	0	128,265	
0	50,179,343	4,000,384	54,179,727	
79,423	4,142,795	(1,271,353)	2,871,442	
0	36,674	452,458	489,132	
0	6,894,828	0	6,894,828	
0	(6,760,654)	0	(6,760,654)	
0	8,638	0	8,638	
0	5,039,878	0	5,039,878	
0	(5,295,677)	0	(5,295,677)	
0	(76,313)	452,458	376,145	
79,423	4,066,482	(818,895)	3,247,587	
6,965	24,877,438	1,642,158	26,519,596	
0	(2,866)	0	(2,866)	
0	(189,410)	0	(189,410)	
\$86,388	\$28,751,644	\$823,263	\$29,574,907	

**Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual
All Governmental Fund Types and Expendable Trust Funds
For the Year Ended December 31, 1998**

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property and Other Taxes	\$2,131,796	\$2,138,975	\$7,179
Permissive Sales Taxes	11,468,479	11,468,479	0
Charges for Services	1,686,349	1,721,471	35,122
Licenses and Permits	266,862	272,675	5,813
Fines and Forfeitures	339,523	346,948	7,425
Intergovernmental	2,554,192	2,574,810	20,618
Special Assessments	0	0	0
Interest	1,861,761	2,001,672	139,911
Rent	21,483	22,102	619
Contributions	0	0	0
Payment in Lieu of Taxes	0	0	0
Tap-in Fees	0	0	0
Reimbursements	0	983	983
Other	17,672	43,567	25,895
Total Revenues	20,348,117	20,591,682	243,565
Expenditures:			
Current:			
General Government:			
Legislative and Executive	7,516,772	5,886,163	1,630,609
Judicial	2,793,517	2,614,137	179,380
Public Safety	4,716,583	4,588,029	128,554
Public Works	852,739	502,171	350,568
Health	176,327	164,378	11,949
Human Services	401,337	390,192	11,145
Other	21,625	2,600	19,025
Capital Outlay	0	0	0
Intergovernmental	888,647	855,457	33,190
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
Refunding Issuance Costs	0	0	0
Total Expenditures	17,367,547	15,003,127	2,364,420
Excess of Revenues Over (Under) Expenditures	2,980,570	5,588,555	2,607,985
Other Financing Sources (Uses):			
Proceeds of Notes	0	0	0
Proceeds of Refunding Bonds	0	0	0
Sale of Fixed Assets	13,336	13,336	0
Advances - In	116,700	262,000	145,300
Advances - Out	(487,419)	(487,419)	0
Payment to Refunded Bond Escrow Agent	0	0	0
Operating Transfers - In	0	0	0
Operating Transfers - Out	(4,598,630)	(4,553,573)	45,057
Total Other Financing Sources (Uses)	(4,956,013)	(4,765,656)	190,357
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,975,443)	822,899	2,798,342
Fund Balances at Beginning of Year	5,607,422	5,607,422	0
Unexpended Prior Year Encumbrances	275,510	275,510	0
Fund Balances at End of Year	\$3,907,489	\$6,705,831	\$2,798,342

Special Revenue Funds			Debt Service Funds		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$7,612,720	\$7,612,720	\$0	\$634,351	\$634,351	\$0
0	0	0	0	0	0
2,803,488	2,861,760	58,272	0	0	0
396,522	398,337	1,815	0	0	0
150,162	159,785	9,623	0	0	0
19,431,690	19,738,954	307,264	40,254	40,254	0
0	0	0	169,511	169,511	0
20,265	20,631	366	0	0	0
0	0	0	240,931	240,931	0
0	0	0	0	0	0
0	0	0	88,232	88,232	0
0	0	0	120,052	124,242	4,190
0	0	0	0	0	0
55,363	67,988	12,625	0	0	0
30,470,210	30,860,175	389,965	1,293,331	1,297,521	4,190
620,690	443,100	177,590	0	0	0
14,800	11,891	2,909	0	0	0
1,236,773	1,075,340	161,433	0	0	0
4,857,685	4,536,244	321,441	0	0	0
552,181	503,856	48,325	0	0	0
25,135,832	22,365,358	2,770,474	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
958,485	1,153,275	(194,790)	0	0	0
46,419	43,263	3,156	2,935,110	2,830,075	105,035
7,771	7,771	0	1,115,283	1,037,888	77,395
0	0	0	12,829	128,265	(115,436)
33,430,636	30,140,098	3,290,538	4,063,222	3,996,228	66,994
(2,960,426)	720,077	3,680,503	(2,769,891)	(2,698,707)	71,184
0	0	0	580,000	580,000	0
0	0	0	0	6,894,828	6,894,828
18,888	23,338	4,450	0	0	0
397,609	409,438	11,829	92	92	0
(307,472)	(307,472)	0	(92)	(92)	0
0	0	0	0	(6,760,654)	(6,760,654)
1,319,154	999,617	(319,537)	1,091,078	1,091,078	0
(621,233)	(438,221)	183,012	(137,195)	0	137,195
806,946	686,700	(120,246)	1,533,883	1,805,252	271,369
(2,153,480)	1,406,777	3,560,257	(1,236,008)	(893,455)	342,553
10,061,243	10,061,243	0	2,452,054	2,452,054	0
177,676	177,676	0	0	0	0
\$8,085,439	\$11,645,696	\$3,560,257	\$1,216,046	\$1,558,599	\$342,553

(Continued)

*Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual
All Governmental Fund Types and Expendable Trust Funds (Continued)
For the Year Ended December 31, 1998*

	<i>Capital Projects Funds</i>		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property and Other Taxes	\$0	\$0	\$0
Permissive Sales Taxes	0	0	0
Charges for Services	90,088	93,008	2,920
Licenses and Permits	0	0	0
Fines and Forfeitures	72,921	72,921	0
Intergovernmental	250,900	268,020	17,120
Special Assessments	0	0	0
Interest	0	0	0
Rent	19,464	19,464	0
Contributions	0	0	0
Payment in Lieu of Taxes	0	0	0
Tap-in Fees	0	0	0
Reimbursements	0	0	0
Other	20	20	0
Total Revenues	433,393	453,433	20,040
Expenditures:			
Current:			
General Government:			
Legislative and Executive	0	0	0
Judicial	143,369	109,352	34,017
Public Safety	856,190	677,714	178,476
Public Works	4,393,829	2,083,592	2,310,237
Health	0	0	0
Human Services	0	0	0
Other	0	0	0
Capital Outlay	660,000	171,490	488,510
Intergovernmental	1,200,000	1,200,000	0
Debt Service:			
Principal Retirement	2,510,468	2,510,466	2
Interest and Fiscal Charges	65,465	65,464	1
Refunding Issuance Costs	0	0	0
Total Expenditures	9,829,321	6,818,078	3,011,243
Excess of Revenues Over (Under) Expenditures	(9,395,928)	(6,364,645)	3,031,283
Other Financing Sources (Uses):			
Proceeds of Notes	2,400,000	2,400,000	0
Proceeds of Refunding Bonds	0	0	0
Sale of Fixed Assets	0	0	0
Advances - In	0	177,453	177,453
Advances - Out	(54,000)	(54,000)	0
Payment to Refunded Bond Escrow Agent	0	0	0
Operating Transfers - In	2,761,918	2,786,178	24,260
Operating Transfers - Out	(673,255)	(195,997)	477,258
Total Other Financing Sources (Uses)	4,434,663	5,113,634	678,971
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(4,961,265)	(1,251,011)	3,710,254
Fund Balances at Beginning of Year	6,912,308	6,912,308	0
Unexpended Prior Year Encumbrances	99,519	99,519	0
Fund Balances at End of Year	\$2,050,562	\$5,760,816	\$3,710,254

See accompanying notes to the general purpose financial statements

Expendable Trust Funds			Totals - Memorandum Only		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$10,378,867	\$10,386,046	\$7,179
0	0	0	11,468,479	11,468,479	0
0	0	0	4,579,925	4,676,239	96,314
0	0	0	663,384	671,012	7,628
0	0	0	562,606	579,654	17,048
0	0	0	22,277,036	22,622,038	345,002
0	0	0	169,511	169,511	0
196	1,070	874	1,882,222	2,023,373	141,151
0	0	0	281,878	282,497	619
77,780	78,353	573	77,780	78,353	573
0	0	0	88,232	88,232	0
0	0	0	120,052	124,242	4,190
0	0	0	0	983	983
0	0	0	73,055	111,575	38,520
77,976	79,423	1,447	52,623,027	53,282,234	659,207
0	0	0	8,137,462	6,329,263	1,808,199
0	0	0	2,951,686	2,735,380	216,306
0	0	0	6,809,546	6,341,083	468,463
0	0	0	10,104,253	7,122,007	2,982,246
0	0	0	728,508	668,234	60,274
0	0	0	25,537,169	22,755,550	2,781,619
0	0	0	21,625	2,600	19,025
0	0	0	660,000	171,490	488,510
0	0	0	3,047,132	3,208,732	(161,600)
0	0	0	0	0	0
0	0	0	5,491,997	5,383,804	108,193
0	0	0	1,188,519	1,111,123	77,396
0	0	0	12,829	128,265	(115,436)
0	0	0	64,690,726	55,957,531	8,733,195
77,976	79,423	1,447	(12,067,699)	(2,675,297)	9,392,402
0	0	0	2,980,000	2,980,000	0
0	0	0	0	6,894,828	6,894,828
0	0	0	32,224	36,674	4,450
0	0	0	514,401	848,983	334,582
0	0	0	(848,983)	(848,983)	0
0	0	0	0	(6,760,654)	(6,760,654)
0	0	0	5,172,150	4,876,873	(295,277)
0	0	0	(6,030,313)	(5,187,791)	842,522
0	0	0	1,819,479	2,839,930	1,020,451
77,976	79,423	1,447	(10,248,220)	164,633	10,412,853
6,965	6,965	0	25,039,992	25,039,992	0
0	0	0	552,705	552,705	0
\$84,941	\$86,388	\$1,447	\$15,344,477	\$25,757,330	\$10,412,853

*Combined Statement of Revenues,
Expenses and Changes in Retained Earnings/Fund Balance
All Proprietary Fund Types, Non-expendable Trust Funds and
Discretely Presented Component Unit*

For the Year Ended December 31, 1998

	Proprietary Fund Types		Fiduciary Fund Type	Totals	Component Unit	Totals
	Enterprise	Internal Service	Non Expendable Trust	Primary Government (Memorandum Only)	Muskingum Starlight Industries	Reporting Entity (Memorandum Only)
Operating Revenues:						
Charges for Services	\$1,907,745	\$3,024,053	\$0	\$4,931,798	\$423,198	\$5,354,996
Interest	0	0	4,684	4,684	0	4,684
Contributions from Other Governments	0	0	0	0	447,467	447,467
Total Operating Revenues	1,907,745	3,024,053	4,684	4,936,482	870,665	5,807,147
Operating Expenses:						
Personal Services	290,252	0	0	290,252	450,526	740,778
Contractual Services	1,480,872	417,021	0	1,897,893	162,329	2,060,222
Claims and Judgments	0	2,543,025	0	2,543,025	0	2,543,025
Materials and Supplies	34,835	0	0	34,835	205,026	239,861
Other Operating Expenses	0	0	0	0	6,157	6,157
Depreciation	626,440	0	0	626,440	25,823	652,263
Total Operating Expenses	2,432,399	2,960,046	0	5,392,445	849,861	6,242,306
Operating Income (Loss)	(524,654)	64,007	4,684	(455,963)	20,804	(435,159)
Non-Operating Revenues (Expenses):						
Interest Income	7,220	1,776	0	8,996	13,580	22,576
Gain on Disposal of Fixed Assets	0	0	0	0	385	385
(Loss) on Disposal of Fixed Assets	(2,454)	0	0	(2,454)	0	(2,454)
Interest and Fiscal Charges	(232,681)	0	0	(232,681)	0	(232,681)
Donations	0	0	0	0	(6,891)	(6,891)
Other Non-Operating Revenues	0	0	0	0	852	852
Total Non-Operating Revenues (Expenses)	(227,915)	1,776	0	(226,139)	7,926	(218,213)
Income (Loss) Before Operating Transfers	(752,569)	65,783	4,684	(682,102)	28,730	(653,372)
Operating Transfers - In	75,799	180,000	0	255,799	0	255,799
Operating Transfers - Out	0	0	0	0	0	0
Net Income (Loss)	(676,770)	245,783	4,684	(426,303)	28,730	(397,573)
Retained Earnings/Fund Balance (Deficit) at Beginning of Year	(6,795,688)	(726,195)	79,593	(7,442,290)	419,802	(7,022,488)
Retained Earnings/Fund Balance (Deficit) at End of Year	(\$7,472,458)	(\$480,412)	\$84,277	(\$7,868,593)	\$448,532	(\$7,420,061)

See accompanying notes to the general purpose financial statements

**Combined Statement of Cash Flows
All Proprietary Fund Types, Non-Expendable Trust Funds and
Discretely Presented Component Unit
For the Year Ended December 31, 1998**

	Proprietary Fund Types		Fiduciary	Totals	Component	Totals
	Enterprise	Internal Service	Non	Primary	Muskingum	Reporting
			Expendable Trust	Government (Memorandum Only)	Starlight Industries	Entity (Memorandum Only)
Increase (Decrease) in Cash and Cash Equivalents						
Cash Flows from Operating Activities:						
Cash Received from Customers	\$1,895,815	\$0	\$0	\$1,895,815	\$437,323	\$2,333,138
Cash Received from Quasi - External Transactions	0	2,961,032	0	2,961,032	0	2,961,032
Cash Payments for Employees and Benefits	(292,318)	0	0	(292,318)	(151,829)	(444,147)
Cash Payments to Suppliers for Goods and Services	(1,592,764)	(288,237)	0	(1,861,001)	(247,573)	(2,108,574)
Cash Payments for Claims	0	(2,470,573)	0	(2,470,573)	0	(2,470,573)
Other Operating Expenses	0	0	0	0	(6,157)	(6,157)
Refund of Expense	0	292,959	0	292,959	0	292,959
Other Non-Operating Revenues	0	0	0	0	852	852
Other Non-Operating Expenses	0	0	0	0	(6,892)	(6,892)
Net Cash Provided by Operating Activities	10,733	515,181	0	525,914	25,724	551,638
Cash Flows from Noncapital Financing Activities:						
Advances - In	92	0	0	92	0	92
Operating Transfers In	75,799	180,000	0	255,799	0	255,799
Net Cash Provided by Noncapital Financing Activities	75,891	180,000	0	255,891	0	255,891
Capital and Related Financing Activities:						
Acquisition of Capital Assets	(653,035)	0	0	(653,035)	(69,864)	(722,899)
Proceed from Sale of Notes	2,440,000	0	0	2,440,000	621	2,440,621
Capital Contributed by Customers	283,859	0	0	283,859	0	283,859
Capital Contributed by Governmental Funds	189,410	0	0	189,410	0	189,410
Principal Paid on Debt	(49,429)	0	0	(49,429)	0	(49,429)
Interest Paid on Debt	(207,443)	0	0	(207,443)	0	(207,443)
Grants	77,330	0	0	77,330	0	77,330
Net Cash Provided by (Used for) Capital and Related Financing Activities	2,080,692	0	0	2,080,692	(69,243)	2,011,449
Cash Flows from Investing Activities:						
Interest on Investments	7,220	1,776	4,684	13,680	13,580	27,260
Net Cash Provided by Investing Activities	7,220	1,776	4,684	13,680	13,580	27,260
Net Increase (Decrease) in Cash and Cash Equivalents	2,174,536	696,957	4,684	2,876,177	(29,939)	2,846,238
Cash and Cash Equivalents Beginning of Year	2,322,765	1,491,944	42,475	3,857,184	308,056	4,165,240
Cash and Cash Equivalents End of Year	\$4,497,301	\$2,188,901	\$47,159	\$6,733,361	\$278,117	\$7,011,478

(Continued)

Combined Statement of Cash Flows
All Proprietary Fund Types, Non-Expendable Trust Funds and
Discretely Presented Component Unit (Continued)
For the Year Ended December 31, 1998

	Proprietary Fund Types		Fiduciary Fund Type	Totals		Totals
	Enterprise	Internal Service	Non Expendable Trust	Primary Government (Memorandum Only)	Component Unit	Reporting Entity (Memorandum Only)
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Operating Income (Loss)	(\$524,654)	\$64,007	\$4,684	(\$455,963)	\$20,804	(\$435,159)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities						
Depreciation	626,440	0	0	626,440	25,824	652,264
Interest	0	0	(4,684)	(4,684)	0	(4,684)
Other Non-Operating Revenues	0	0	0	0	852	852
Other Non-Operating Expenses	0	0	0	0	(6,891)	(6,891)
Changes in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(11,930)	1,478	0	(10,452)	14,124	3,672
(Increase) in Due from Other Funds	0	(64,499)	0	(64,499)	0	(64,499)
(Increase) Decrease in Inventory	2,498	0	0	2,498	(28,772)	(26,274)
Decrease in Prepaids	0	0	0	0	3,681	3,681
Increase in Accounts Payable	(36,366)	0	0	(36,366)	(1,028)	(37,394)
Increase (Decrease) in Accrued Salaries	175	0	0	175	(2,870)	(2,695)
Increase in Due to Other Governments	(45,567)	148,784	0	103,217	0	103,217
Increase in Due to Other Funds	(1,123)	0	0	(1,123)	0	(1,123)
Decrease in Compensated Absences	(1,118)	0	0	(1,118)	0	(1,118)
Increase in Retainage Payable	2,378	0	0	2,378	0	2,378
Increase in Claims Payable	0	365,411	0	365,411	0	365,411
Net Cash Provided by (Used in) Operating Activities						
	\$10,733	\$515,181	\$0	\$525,914	\$25,724	\$551,638

Non-Cash Transactions:

During 1998, capital contributions from governmental funds included \$12,500 for assets purchased by the Economic Development Capital Projects fund and donated to the Sewer Enterprise Fund. In addition, contributed capital from customers increased by \$117,245 for receivables for customers who have tapped into the Sewer system.

Reconciliation of Non-Expendable Trust Fund Cash and Cash Equivalents to Balance Sheet:

Cash and Cash Equivalents - All Fiduciary Funds	\$6,551,799
Cash and Cash Equivalents - Agency Funds	(6,418,252)
Cash and Cash Equivalents - Expendable Trust Fund	<u>(86,388)</u>
Cash and Cash Equivalents - Non-Expendable Trust Funds	<u>\$47,159</u>

See accompanying note to the general purpose financial statements

*Combined Statement of Revenues, Expenses, and
Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual
All Proprietary Fund Types and Non-Expendable Trust Funds*

For the Year Ended December 31, 1998

	Enterprise Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$1,831,768	\$1,872,466	\$40,698
Tap-In Fees	155,536	159,617	4,081
Interest	7,183	7,183	0
Grants	77,330	77,330	0
Other Non-Operating Revenue	0	0	0
Proceeds of Notes	2,440,000	2,440,000	0
Total Revenues	4,511,817	4,556,596	44,779
Expenses:			
Personal Services	292,169	287,143	5,026
Contractual Services	3,764,457	1,982,613	1,781,844
Claims and Judgments	0	0	0
Materials and Supplies	65,300	31,910	33,390
Other Operating Expenses	40,015	15	40,000
Capital Outlay	704,993	693,650	11,343
Total Expenses	4,866,934	2,995,331	1,871,603
Excess of Revenues Over (Under) Expenses	(355,117)	1,561,265	1,916,382
Operating Transfers - In	265,209	265,209	0
Operating Transfers - Out	(134,291)	(134,291)	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Operating Transfers	(224,199)	1,692,183	1,916,382
Fund Equity at Beginning of Year	1,615,780	1,615,780	0
Unexpended Prior Year Encumbrances	37,196	37,196	0
Fund Equity at End of Year	\$1,428,777	\$3,345,159	\$1,916,382

(Continued)

*Combined Statement of Revenues, Expenses, and
Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual
All Proprietary Fund Types and Non-Expendable Trust Funds (Continued)*

For the Year Ended December 31, 1998

Internal Service Funds			
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Charges for Services	\$2,958,484	\$2,961,032	\$2,548
Tap-In Fees	0	0	0
Interest	1,776	1,776	0
Grants	0	0	0
Other Non-Operating Revenue	292,959	292,959	0
Proceeds of Notes	0	0	0
Total Revenues	3,253,219	3,255,767	2,548
Expenses:			
Personal Services	0	0	0
Contractual Services	268,237	268,237	0
Claims and Judgments	2,357,210	2,470,573	(113,363)
Materials and Supplies	0	0	0
Other Operating Expenses	0	0	0
Capital Outlay	0	0	0
Total Expenses	2,625,447	2,738,810	(113,363)
Excess of Revenues Over (Under) Expenses	627,772	516,957	(110,815)
Operating Transfers - In	180,000	180,000	0
Operating Transfers - Out	0	0	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Operating Transfers	807,772	696,957	(110,815)
Fund Equity at Beginning of Year	1,491,944	1,491,944	0
Unexpended Prior Year Encumbrances	0	0	0
Fund Equity at End of Year	\$2,299,716	\$2,188,901	(\$110,815)

See accompanying notes to the general purpose financial statements

<i>Non-Expendable Trust Funds</i>			<i>Totals</i> <i>(MEMORANDUM ONLY)</i>		
<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
\$0	\$0	\$0	\$4,790,252	\$4,833,498	\$43,246
0	0	0	155,536	159,617	4,081
0	4,684	4,684	8,959	13,643	4,684
0	0	0	77,330	77,330	0
0	0	0	292,959	292,959	0
0	0	0	2,440,000	2,440,000	0
0	4,684	4,684	7,765,036	7,817,047	52,011
0	0	0	292,169	287,143	5,026
0	0	0	4,032,694	2,250,850	1,781,844
0	0	0	2,357,210	2,470,573	(113,363)
0	0	0	65,300	31,910	33,390
0	0	0	40,015	15	40,000
0	0	0	704,993	693,650	11,343
0	0	0	7,492,381	5,734,141	1,758,240
0	4,684	4,684	272,655	2,082,906	1,810,251
0	0	0	445,209	445,209	0
0	0	0	(134,291)	(134,291)	0
0	4,684	4,684	583,573	2,393,824	1,810,251
79,593	79,593	0	3,187,317	3,187,317	0
0	0	0	37,196	37,196	0
\$79,593	\$84,277	\$4,684	\$3,808,086	\$5,618,337	\$1,810,251

Combining Balance Sheet
Discretely Presented Component Units
 December 31, 1998

	<i>Governmental Types</i>		<i>Proprietary</i>	<i>Total</i>
	<i>Zanesville/ Muskingum County Port Authority</i>	<i>Transportation Improvement District</i>	<i>Type Muskingum Starlight Industries, Inc.</i>	
Assets and Other Debits:				
Assets:				
Segregated Accounts:				
Cash and Cash Equivalents	\$376,642	\$54,259	\$278,117	\$709,018
Receivables:				
Accounts	120,982	0	47,367	168,349
Materials and Supplies				
Inventory	0	0	44,494	44,494
Prepaid Items	0	0	4,360	4,360
Restricted Assets:				
Cash and Cash Equivalents with				
Fiscal and Escrow Agents	398,621	0	0	398,621
Fixed Assets (Net, where applicable, of Accumulated Depreciation)				
	5,839,610	0	84,575	5,924,185
Other Debits:				
Amount Available in Debt Service				
Fund for General Obligation Bonds	398,621	0	0	398,621
Amount to be Provided from				
from Governmental Resources	1,426,379	0	0	1,426,379
Total Assets and Other Debits	\$8,560,855	\$54,259	\$458,913	\$9,074,027
Liabilities, Fund Equity and				
Other Credits:				
Liabilities:				
Accounts Payable	\$51,506	\$0	\$6,182	\$57,688
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	3,687	0	3,389	7,076
Compensated Absences Payable	16,445	0	0	16,445
Due to Other Governments	1,334	0	810	2,144
Accrued Interest Payable	0	0	0	0
Due to Others	54,269	0	0	54,269
General Obligation Bonds Payable	1,825,000	0	0	1,825,000
Total Liabilities	1,952,241	0	10,381	1,962,622
Fund Equity and Other Credits				
Investment in				
General Fixed Assets	5,839,610	0	0	5,839,610
Retained Earnings:				
Unreserved	0	0	448,532	448,532
Fund Balance:				
Reserved for Debt Service	398,621	0	0	398,621
Unreserved, Undesignated	370,383	54,259	0	424,642
Total Fund Equity and Other Credits	6,608,614	54,259	448,532	7,111,405
Total Liabilities and Fund Equity and Other Credits	\$8,560,855	\$54,259	\$458,913	\$9,074,027

See accompanying notes to the general purpose financial statements

*Combining Statement of Revenues, Expenditures
and Changes in Fund Equity
Governmental Discretely Presented Component Units
For the Year Ended December 31, 1998*

	Zanesville/ Muskingum County Port Authority	Transportation Improvement District	Totals
Revenues:			
Intergovernmental	\$125,000	\$0	\$125,000
Interest	38,363	2,880	41,243
Rent	142,164	0	142,164
Contributions from Other Governments	2,226,595	184,689	2,411,284
Other	9,340	0	9,340
Total Revenues	2,541,462	187,569	2,729,031
Expenditures:			
Current:			
General Government:			
Legislative and Executive			
Personal Services	175,859	0	175,859
Contractual Services	92,402	133,310	225,712
Material and Supplies	1,575,750	0	1,575,750
Other Expenses	12,968	0	12,968
Total General Government- Legislative and Executive	1,856,979	133,310	1,990,289
Capital Outlay	1,447,658	0	1,447,658
Intergovernmental	160,000	0	160,000
Debt Service:			
Principal Retirement	200,000	0	200,000
Interest and Fiscal Charges	202,437	0	202,437
Total Expenditures	3,867,074	133,310	4,000,384
Excess of Revenues Over (Under) Expenditures	(1,325,612)	54,259	(1,271,353)
Other Financing Sources:			
Sale of Fixed Assets	452,458	0	452,458
Total Other Financing Sources	452,458	0	452,458
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(873,154)	54,259	(818,895)
Fund Balances (Deficit) at Beginning of Year (Restated-Note 3)	1,642,158	0	1,642,158
Fund Balances (Deficits) at End of Year	\$769,004	\$54,259	\$823,263

See accompanying notes to the general purpose financial statements

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 1. Reporting Entity and Basis of Presentation

Established in 1804, Muskingum County, Ohio (The County) is governed by a board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County who manage various segments of the County's operations are the County Auditor, County Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecutor, Sheriff, two Common Pleas Court Judges, and a Probate Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body and chief administrators of public services for the County, including each of these departments.

(A) Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the 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 Muskingum County, this includes the Children's Service Board, the Board of Mental Retardation and Developmental Disabilities, Tuberculosis Clinic Board, the Board of Mental Health 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 financial statements identifies the financial data of the County's component units, Muskingum Starlight Industries, Inc., the Zanesville/Muskingum County Port Authority, and the Transportation Improvement District. They are discretely reported to emphasize that they are legally separate from the County.

Muskingum Starlight 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 Muskingum County Board of Mental Retardation and Developmental Disabilities, provides sheltered employment for mentally retarded or handicapped adults in Muskingum County. The Muskingum 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 the workshop's sole purpose of providing assistance to the retarded and handicapped adults of Muskingum County, the workshop is presented as a component unit of Muskingum County. Muskingum Starlight Industries, Inc. operates on a fiscal year ending December 31. The operating statement of Muskingum Starlight Industries, Inc. is presented at the object level. The workshop is required only to report operating information at the program level; however, since it operates under a single program, object level information is presented to provide more comprehensive financial information. Separately issued financial statements can be obtained from Muskingum Starlight Industries, Inc., Zanesville, Ohio.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 1. Reporting Entity and Basis of Presentation (Continued)

The Zanesville/Muskingum County Port Authority is a legally separate entity, organized under the laws of the state of Ohio. The Authority is governed by a five member board of directors. The board is comprised of three members appointed by Muskingum County and two members appointed by the City of Zanesville. The Authority's primary function is to promote economic growth and development in the County. The Authority derives its revenues from rental income, interest income and annual contributions from the County and the City. The County and the City currently lease the Anchor Glass Facilities from the Authority pursuant to a 1988 operating lease agreement. The County and City sublease the facilities to the Anchor Glass Corporation. The operating lease is a twenty year lease which will be in effect until 2008. The County and City, by terms of the lease agreement, make semi-annual lease payments directly to National City Bank in conjunction with the Anchor Glass Corporation. The payments are used for the payment of the Authority's outstanding bonds. The County's share of the Anchor Glass Corporation rent income and the related lease payments are reflected in the General Fund. In addition to the required operating lease payments, the County and City contributed \$1,900,214 and \$326,881, respectively, to the Authority during 1998. Based upon the County's appointment of a voting majority of the Authority's board, and the County's ongoing financial contributions to the Authority, the Zanesville/Muskingum County Port Authority is presented as a component unit of Muskingum County. The Authority operates on a fiscal year ending December 31. The operating statement of the Authority is presented at the object level. Separately issued financial statements can be obtained from the Zanesville/Muskingum County Port Authority, Zanesville, Ohio.

The Transportation Improvement District is a legally separate entity created under the laws of the state of Ohio by County Commissioners resolution in November 1995. The TID is a legally separate entity which is governed by a seven member board. Muskingum County appoints five voting members to the board and the State of Ohio appoints two non-voting members. The TID was created to construct, maintain, repair, and operate transportation systems including roads, airports and railroads within the County. The TID Board may adopt budgets, levy taxes, hire and fire employees, and issue revenue debt without the approval of the County. No financial activity occurred for the TID during 1996 and 1997. During 1998, the TID received funding from Muskingum County to be used for project feasibility studies. The Zanesville/Muskingum County Port Authority currently acts as the fiscal agent for the TID. The TID anticipates the receipt of state funding to pursue various projects, and anticipates the issuance of debt. Based upon the County's appointment of a voting majority of the TID's board, and the County's ongoing financial contributions to the TID, the Transportation Improvement District is presented as a component unit of Muskingum County. The TID operates on a fiscal year ending December 31. The operating statement of the TID is presented at the program level. Separately issued financial statements can be obtained from the Transportation Improvement District, Zanesville, Ohio.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 1. Reporting Entity and Basis of Presentation (Continued)

The following potential component units have been excluded from the County's financial statements because the County is not financially accountable for these organizations nor are these entities for which the County approves the budget, the issuing of debt, or the levying of taxes:

Muskingum County Board of Education
Muskingum County Law Library
Muskingum County Library System
Muskingum College
Muskingum Area Technical College
Zanesville/Muskingum Convention and Visitors Bureau
Muskingum County Senior Citizens Center

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 is presented as agency funds in the County's financial statements:

Muskingum County General Health District is governed by a five member board of health which oversees the operation of the health district and is elected by a regional advisory council. The board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

Muskingum 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.

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 22.

Joint Solid Waste District
Muskingum Area Alcohol, Drug Addiction and Mental Health Services Board (ADAMH)
Mid Eastern Ohio Regional Council of Governments (MEORC)
Muskingum Area Public Transit Authority
Muskingum, Guernsey, Noble, Perry and Morgan Counties Cluster
Area Office on Aging
Ohio Mid-Eastern Governments Association
Licking-Muskingum Community Based Correctional Facility (CBCF)

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 1. Reporting Entity and Basis of Presentation (Continued)

The County is associated with the following organizations which are defined as related organizations. Additional financial information concerning the related organizations is presented in Note 23.

*Muskingum County Convention Facilities Authority
Zanesville Metropolitan Housing Authority*

The County is associated with the County Risk Sharing Authority (CORSA). CORSA is a public entity shared risk insurance pool that provides general liability insurance coverage to the County. Additional information concerning CORSA is presented in Note 24.

In November, 1997, the probate court judge of Muskingum County, by court order, created the Muskingum County Park District pursuant to the laws of the State of Ohio. The Park District is a legally separate entity which is governed by a three member board appointed by the probate court judge. The Park District was created to construct, maintain, repair, and operate park facilities within the County. The Park District Board may adopt budgets, hire and fire employees, and issue revenue debt without the approval of the County. No financial activity occurred for the Park District during 1998. Due to the variety of methods available to the Park District for generating revenues, the Park District is currently not defined as a related organization or component unit. Subsequent to the Park District board formulating policies and determining the methods of generating revenues, the Park District will be classified in accordance with Governmental Accounting Standards Board Statement Number 14.

(B) Basis of Presentation

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:

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 1. Reporting Entity and Basis of Presentation (Continued)

General Fund

This 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.

Special Revenue Funds

These 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.

Debt Service Funds

These funds are used to account for the accumulation of financial resources for, and the payment of, general long term debt principal, interest and related costs and special assessment long-term debt principal, interest and related costs.

Capital Project Funds

These 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. The County has the following proprietary fund types:

Enterprise Funds

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds

The internal service funds are used to account for the financing on a cost-reimbursement basis of goods or services provided by one department or agency to other departments or agencies. Charges to the user departments are intended to recover total cost.

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 Funds

These funds are accounted for in essentially the same manner as governmental funds.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 1. Reporting Entity and Basis of Presentation (Continued)

Non-Expendable Trust Funds

These funds are accounted for in essentially the same manner as proprietary funds; the principal of the trust must be preserved intact.

Agency Funds

These 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 general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group

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.

General Long-Term Obligations Account Group

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

The Zanesville/Muskingum County Port Authority (Component Unit) utilizes account groups to account for fixed assets and long-term obligations of the Authority.

Note 2. Summary of Significant Accounting Policies

The significant accounting policies followed in the preparation of these financial statements are summarized below. 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. The County applies Financial and Accounting Standards Board Statements and Interpretations issued prior to November 30, 1989 to proprietary activities provided they do not conflict with Governmental Accounting Standards Board Statements and Interpretations. Information in the notes to the general purpose financial statements relates in general to the primary government. Information related to the operation of Muskingum Starlight Industries, Inc., Transportation Improvement District, and the Zanesville/Muskingum County Port Authority (Component Units) is 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 the 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

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

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.

All proprietary funds and nonexpendable trust 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. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund and nonexpendable trust fund operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net total assets.

Basis of accounting refers to the process whereby 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 thirty-one days after year end.

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 (see Note 8), 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. Special assessments are recorded as deferred revenue because they do not meet the availability criteria. Property taxes measurable as of December 31, 1998, and delinquent property taxes, whose availability is indeterminable and which are intended to finance 1999 operations, have also been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Principal and interest on general and special assessment long-term debt are recorded as fund liabilities when due, and costs of accumulated unpaid vacation and sick leave are reported as liabilities in the period in which they will be liquidated with available financial resources rather than in the period employees earn them. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The proprietary funds and nonexpendable trust funds are 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.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

Muskingum Starlight Industries, Inc. is a not-for-profit corporation that follows the accounting guidelines set forth in GASB Statement Number 29, "The Use of Not-For-Profit Accounting and Financial Reporting Principles by Governmental Entities." Under GASB Statement Number 29, Muskingum Starlight Industries uses the governmental model for financial reporting. The not-for-profit corporation uses the full accrual method of accounting for its operations similar to the proprietary funds of the County. The Zanesville/Muskingum County Port Authority and the Transportation Improvement District also follow the provisions of GASB Statement Number 29. The Port Authority and the Transportation Improvement District have only one fund and account for their operations on a modified accrual basis similar to the governmental funds of the County.

(B) Budgetary Process

The budgetary process is prescribed by provisions of the 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 appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations 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 legal level of budgetary control is at the object level within each department. Budgetary information for the Brandwine Loop Construction Capital Projects Fund is reflected in the Note Retirement Debt Service Fund for budgetary purposes. Advances in and advances out are not required to be budgeted since they represent a temporary cash flow of resources and are intended to be repaid. Budgetary modifications may only be made by resolution of the County Commissioners.

Tax Budget

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

Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of 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 statement reflect the amounts in the final amended certificate of estimated resources issued during 1998.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

Appropriations

A temporary appropriation resolution to control expenditures may be passed on or about January 1 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 level. 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 Commissioners. The County Commissioners legally enacted several supplemental appropriation resolutions during the year. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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 non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as reservation of fund balances for subsequent-year expenditures for governmental funds and are disclosed 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 is not reappropriated.

Budgetary Basis of Accounting

While reporting financial position, results of operations and changes in fund balance /retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations 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 Fund and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual All Proprietary Fund Types and Non-Expendable Trust Funds are presented on the budgetary basis to provide a meaningful comparison between actual results and the budget. The major differences between the budget basis and the GAAP basis are that:

Notes to the General Purpose Financial Statements
December 31, 1998

Note 2. Summary of Significant Accounting Policies (Continued)

- ◆ Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- ◆ Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- ◆ Outstanding year end encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis). Material encumbrances are disclosed in the notes for proprietary fund types (GAAP basis).
- ◆ Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
- ◆ For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
- ◆ Principal and interest payments on debt obligations are reported in debt service funds on the operating statements (budget basis) rather than in the funds receiving those proceeds or responsible for making the debt payments (GAAP Basis).

Budgetary information for Muskingum Starlight Industries, Inc., the Zanesville/Muskingum County Port Authority, and the Transportation Improvement District (Component Units) are not reported because they are not included in the entity for which "the appropriated budget" is adopted and the Component Units do not maintain separate budgetary financial information.

(C) Cash and Cash Equivalents

Cash balances of the County's funds, except cash held by a trustee or fiscal agent, are pooled and invested in short-term investments in order to provide improved cash management. Except for nonparticipating investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based upon quoted market prices. Nonparticipating investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost. For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with maturities of three months or less at the time purchased by the County or the component units and investments of the County's cash management pool 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 depository 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 Units' monies are also presented as cash and cash equivalents in segregated accounts and restricted cash and cash equivalents with fiscal agent.

Interest revenue is distributed to the funds according to the Muskingum County Prosecutor's interpretation of Ohio constitutional and statutory requirements. During 1998, interest was distributed to the general fund, certain special revenue funds, capital projects funds, expendable trust funds, non-expendable trust funds and certain agency funds. Interest revenue earned during 1998 by the primary government amounted to \$2,080,263. Interest revenue credited to the general fund during 1998 amounted to \$2,041,439, which includes \$1,854,241 assigned from other County funds. Interest received directly by Muskingum Starlight Industries, Inc., the Zanesville/Muskingum County Port Authority, and the Transportation Improvement District (Component Units) during 1998 was \$38,363, \$13,580, and \$2,880, respectively.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

(D) Receivables and Payables

Receivables and payables to be recorded on the County's financial statements are recorded to the extent that the amounts are determined material and substantiated not only by supporting documentation, but also, by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of payables, collectibility.

Using this criteria, the County has elected to not record child support arrearages within the Special Revenue and Agency fund types. These amounts, while potentially significant, are not considered measurable, and because collections are often significantly in arrears, the County is unable to determine a reasonable value.

(E) 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. Inventory of the Muskingum Starlight Industries, Inc. (Component Unit) is stated at the lower of cost or market on a first-in, first-out basis.

(F) Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1998, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed.

(G) Interfund Assets and Liabilities

Short-term interfund loans or the short-term portion of advances are classified as interfund receivables/payables. Long-term interfund loans are reported as advances to/from other funds and are equally offset by a fund balance reserve account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets.

Accounts used to indicate amounts owed to a particular fund by another fund of the County for goods or services rendered and amounts to be distributed by an agency fund to another fund of the County are classified as "due from other funds/due to other funds." The agency funds receive all tax collections (including the County's portion) within the County and then distribute them to the political subdivisions. Therefore, receivables for the County's portion of property taxes, special assessments, and outstanding court costs were reported as "Due from Agency Funds" in the governmental fund types. Their corresponding payables were reported as "Due to Other Funds" in the agency funds.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

(H) Property, Plant, Equipment and Depreciation

General Fixed Assets Account Group

General fixed assets are assets used in the general (non-proprietary) operations of the County and the Zanesville/Muskingum County Port Authority (Component Unit). They are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition 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 life 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.

Enterprise Fund Fixed Assets

Property, plant, and equipment reflected in the enterprise funds and Muskingum Starlight Industries, Inc., (component unit) 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 estimated useful lives:

<i>Description</i>	<i>Primary Government Estimated Lives</i>	<i>Muskingum Starlight Industries, Inc. (Component Unit)</i>
Infrastructure	50 Years	50 Years
Buildings	30 Years	30 Years
Office Furniture	10 Years	10 Years
Machinery and Radio Equipment	10 Years	N/A
Construction Equipment	8 Years	N/A
Land Improvements	5 Years	N/A
Computer and Automotive Equipment	5 Years	N/A

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

Valuation

The Primary Government fixed asset values initially were determined at December 31, 1989, and original acquisition costs were assigned 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 Muskingum Starlight Industries, Inc. and the Zanesville/Muskingum County Port Authority (component units) fixed asset values were determined at original acquisition costs when purchased.

(1) Compensated Absences

(1) Primary Government

Governmental Accounting Standards Board Statement 16 "Accounting for Compensated Absences," specifies the methods used to accrue liabilities for leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the County's termination policy.

For the 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 employees for the general fund departments after three to eight years of service, motor vehicle and gas tax fund and dog and kennel fund employees after four years of service, litter and block grants fund employees after five years of service, county home fund, children service fund and all other departments' employees after ten years of service. The current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. 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. A liability for the sewer enterprise fund accumulated sick leave is recorded for employees after seven years of service and the entire amount of compensated absences is reported as a fund liability.

(2) Component Unit

The Zanesville/Muskingum County Port Authority follows the provisions of Governmental Accounting Standards Board Statement No. 16 "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Authority will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are not accrued as a liability due to these amounts being deemed immaterial. The vacation accrual is based on accumulated vacation leave and employee's wage rates at year end, taking into consideration any limits specified in the Port Authority's termination policy. A liability for the current portion of vacation is recorded for the Zanesville/Muskingum County Port Authority as a fund liability and the remainder is reported in the general long-term obligations account group.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

(J) 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.

(K) Long-Term Debt

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless whether they will be liquidated with current resources. However, claims and judgments, compensated absences, pension obligations and special termination benefits are reported as a liability in the general long-term obligation account group to the extent that they will not be paid with current expendable available financial resources. Bonds, capital leases and long-term loans are recognized as a liability of the general long-term obligations account group until due.

Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

(L) Contributed Capital

Contributed capital represents resources from other funds, other governments, and private sources that have been provided to enterprise funds and are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Tap-in fees are recorded as contributed capital to the extent they exceed the actual costs of the connection to the waste water system. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

Because the County has not prepared financial statements in accordance with generally accepted accounting principles prior to 1990, the exact amount of contributed capital at December 31, 1989, pertaining to years prior to 1989 cannot be determined. Consequently, only those amounts that have been able to be identified specifically have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to the proprietary funds have been classified as retained earnings.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 2. Summary of Significant Accounting Policies (Continued)

(M) 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 that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, inventory, advances, endowments (contributions to non-expendable trust funds whose use is restricted), revolving loans (Community Development Block Grant monies loaned to individuals), and claimants. Reservation for claimants is established because by law, unclaimed monies are not available for appropriation until five years have passed.

(N) Interfund Transactions

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

1. Transfers of resources from one fund to another 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.
3. Reimbursements from one fund to another fund are treated as expenditures/expenses in the reimbursing fund and as reductions in expenditures/expenses in the reimbursed fund.

Residual equity transfers in do not equal residual equity transfers out in the amount of \$189,410 due to this amount being reflected as contributed capital in the Sewer Enterprise Fund.

(O) Restricted Assets

Certain resources set aside for the repayment of the Zanesville/Muskingum County Port Authority general obligation bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

(P) 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 do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither 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 a Component Unit is 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, see Note 1. The total column on the statements which do not include component units has no additional caption.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 2. Summary of Significant Accounting Policies (Continued)

(Q) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3. Changes in Accounting Principles

(1) Primary Government

The County has implemented Governmental Accounting Standards Board Statement Number 31, "Accounting and Reporting for Certain Investments and for External Investment Pools." The implementation of Governmental Accounting Standards Board Statement No. 31 had no effect on the general purpose financial statements of the County.

The County has also implemented Governmental Accounting Standards Board Statement Number 32, "Accounting and Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans." Under new IRS guidelines, assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. County employees have the opportunity to participate in either the Ohio Public Employees Deferred Compensation Board deferred compensation program or in the County Commissioners Association of Ohio deferred compensation program. During 1997, the County Commissioners Association of Ohio Service Corporation established a trust fund, and the Ohio Public Employees Deferred Compensation Board established a trust fund on September 1, 1998. The County has no fiduciary responsibility for the trusts. Due to the Ohio Public Employees Deferred Compensation Board's creation of the trust, the Deferred Compensation Agency Fund assets decreased in the amount of \$3,523,830 since it is no longer required to be reported on the County's balance sheet.

(2) Component Unit

The Zanesville/Muskingum County Port Authority changed from the proprietary fund method of accounting to governmental fund type accounting in 1998. The change resulted in a fund equity restatement. The fund equity of the Authority decreased by \$83,508 from \$1,725,666 to \$1,642,158. The decrease was due to the adjustment for fixed assets in the amount of \$4,531,796 which are now reflected in the General Fixed Assets Account Group of the Authority. The decrease was offset by an adjustment in the amount of \$1,006,509 for accumulated depreciation and contributed capital in the amount of \$1,399,482. In addition, the decrease was offset by an increase for the outstanding bonds in the amount of \$2,025,000 and accrued interest in the amount of \$17,297. The general obligation bonds are now reflected in the General Long-Term Obligations Account Group of the Authority.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 4. Conversion of Operations from Budget Basis to GAAP Basis

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 and Expendable Trust Fund

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Zanesville/ Muskingum County Port Authority (Component Unit)	Transportation Improvement (Component Unit)
GAAP Basis	\$1,116,072	\$2,639,494	\$304,492	\$(72,999)	\$79,423	\$(873,154)	\$54,259
Net Adjustment for Revenue							
<i>Accruals</i>	(270,075)	(596,944)	(2,268)	(316,747)	0	0	0
<i>Note Proceeds</i>	0	0	580,000	2,400,000	0	0	0
<i>Advances - In</i>	262,000	409,438	92	177,453	0	0	0
<i>Transfers - In</i>	0	(310,546)	49,800	(49,800)	0	0	0
Net Adjustments for Expenditure							
<i>Accruals</i>	516,937	1,008,254	2,268	209,827	0	0	0
<i>Debt Principal Retirement</i>	0	0	(1,901,429)	(2,510,466)	0	0	0
<i>Interest and Fiscal Charges</i>	12,428	16,463	(286,333)	25,645	0	0	0
<i>Advances - Out</i>	(487,419)	(307,472)	(92)	(54,000)	0	0	0
<i>Transfers - Out</i>	310,546	0	0	(189,410)	0	0	0
<i>Encumbrances</i>	(637,590)	(1,438,660)	0	(782,282)	0	0	0
Perspective Difference:							
<i>Allocation of Revenue for</i>							
<i>Debt Payments</i>	0	(13,250)	360,015	(88,232)	0	0	0
Excess of Revenues for							
<i>Non-Budgeted Funds</i>	0	0	0	0	0	873,154	(54,259)
Budget Basis	\$822,899	\$1,406,777	\$(893,455)	\$(1,251,011)	\$79,423	\$0	\$0

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 4. Conversion of Operations from Budget Basis to GAAP Basis (Continued)

*Net Income (Loss)/Excess of Revenues Over
(Under) Expenses and Operating Transfers
All Proprietary Fund Types, Non-Expendable Trust Funds and Component Units*

	<i>Enterprise</i>	<i>Internal Services</i>	<i>Non-Expendable Trust</i>	<i>Muskingum Starlight Industries, Inc. (Component Unit)</i>
<i>GAAP Basis</i>	\$(676,770)	\$245,783	\$4,684	\$28,730
<i>Net Adjustment for Revenue Accruals</i>	166,256	229,938	0	0
<i>Contributed Capital</i>	159,617	0	0	0
<i>Note Proceeds</i>	2,440,000	0	0	0
<i>Transfers - In</i>	189,410	0	0	0
<i>Net Adjustment for Expense Accruals</i>	(943,722)	221,236	0	0
<i>Interest and Fiscal Charges</i>	232,681	0	0	0
<i>Loss on Disposal of Fixed Assets</i>	2,454	0	0	0
<i>Depreciation</i>	626,440	0	0	0
<i>Encumbrances</i>	(245,650)	0	0	0
<i>Perspective Difference: Allocation of Revenue for Debt Repayment</i>	(258,533)	0	0	0
<i>Excess of Net Income for Non Budgeted Fund</i>	0	0	0	(28,730)
<i>Budget Basis</i>	\$1,692,183	\$696,957	\$4,684	\$0

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 5. Compliance and Accountability

(A) Fund Deficits:

The following funds had deficit fund balances/retained earnings as of December 31, 1998:

<i>Fund Type / Fund</i>	<i>Deficit Fund Balance/Retained Earnings</i>
Special Revenue Funds:	
Senior Citizens Levy	\$33,121
Starlight Title VI	2,044
Capital Projects Fund:	
Brandywine Loop Construction	578,381
Enterprise Fund:	
Sewer Fund	7,472,458
Internal Service Fund:	
Self-Insurance Health Fund	773,371

The deficits in the Senior Citizens Levy and Starlight Title VI Special Revenue Funds are due to the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides operating transfers for these funds but only as cash is required, not as deficits occur. The deficit in the Brandywine Loop Capital Projects Fund is the result of the issuance of notes to finance projects in the fund. Once the notes are retired, the deficit will be eliminated. The deficit in the Sewer Fund is due to accumulated losses. Management is reviewing and analyzing the sewer operations to determine appropriate measures necessary to eliminate the deficit. The deficit in the Self-Insurance Internal Service Fund is due to insufficient premiums being charged for the health insurance program. Management is reviewing and analyzing the health insurance program to determine appropriate measures necessary to eliminate the deficit.

(B) Legal Compliance:

Contrary to Revised Code section 5705.39, appropriations exceeded estimated revenues plus unencumbered carry over balances for Public Assistance, Block Grants, Litter and Senior Citizens Levy Special Revenue Funds, Violent Offender Housing Capital Projects Fund, and the Sunshine Child Care Enterprise Fund by \$847,979, \$22,436, \$14,085, \$24,687, \$184,981 and \$2,328, respectively.

The County will monitor estimated revenue levels in the future to insure that appropriations are not in excess of the amount available.

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 5. Compliance and Accountability (Continued)

The following accounts had expenditures plus encumbrances in excess of appropriations contrary to section 5705.41, Revised Code:

<i>Fund Type / Fund</i>	<i>Excess</i>
<i>Special Revenue Funds:</i>	
Motor Vehicle and Gas Tax Fund	
Intergovernmental	\$198,020
Tuberculosis Clinic Fund	
Health Works	
Capital Outlay	518
Commissary Fund	
Public Safety	
Materials and Supplies	47,960
Children Services Christmas Fund	
Human Services	
Materials and Supplies	2,482
<i>Internal Service Funds</i>	
Self-Insurance Health Fund	
Claims and Judgments	113,363

The County will more closely monitor budgetary procedures pertaining to violations of this nature in the future.

Note 6. Deposits and Investments

A) Primary Government

The County maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Cash Equivalents."

Legal Requirements:

Monies held by the County are classified by the State Statute into two categories. Active monies are public moneys determined to be necessary to meet current demand upon the County treasury. Active monies must be maintained as either cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 6. Deposits and Investments (Continued)

Monies held by the County which are not considered active are classified as inactive. Inactive monies may 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 and interest by 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 securities shall be direct issuances of federal 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 the terms of the agreement must not exceed thirty days;
4. Bonds 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 five 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 ten percent of the County's total average portfolio;

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 6. Deposits and Investments (Continued)

Investments in stripped principal and interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation and by eligible securities pledged by the financial institution as security for repayment.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand: At year end, the County has \$714,391 in undeposited cash on hand which is included on the balance sheet of the County as part of "Equity in Pooled Cash and Cash Equivalents."

Deposits:

At year-end, the carrying amount of the County's deposits was \$41,061,887, and the bank balance was \$40,488,517. Of the bank balance:

1. \$525,243 was covered by federal depository insurance;
2. \$39,963,274 was collateralized by securities held by the pledging financial institutions trust department in the County's name and all State statutory requirements for the deposit of money had been followed.

Investments:

The County's investments are categorized below to give an indication of the level of risk assumed by the County at year-end. Category 1 includes investments that are insured or registered for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held in the counterparty'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 counterparty, or by its trust department or agent but not in the County's name. The County had no investments at year-end

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 equivalents are defined to include investments with original maturities of three months or less and investments of the County's cash management pool.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 6. Deposits and Investments (Continued)

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

	<i>Cash and Cash Equivalents / Deposits</i>	<i>Investments</i>
GASB Statement 9	\$41,739,160	\$37,118
Investments:		
Cash on Hand	(714,391)	0
Certificate of Deposit	37,118	(37,118)
GASB Statement 3	<u>\$41,061,887</u>	<u>\$0</u>

(B) Component Units

At year end, the carrying amount of Muskingum Starlight Industries, Inc. deposits was \$278,117 and the bank balance was \$293,353. Of the bank balance, \$100,000 was covered by federal depository insurance and \$193,353 was uninsured and uncollateralized. Although the collateral held by the pledging financial institutions' trust department was in the Authority's name, non-compliance with federal requirements could potentially subject the Authority to a successful claim by the FDIC.

At year end, the carrying amount of the Zanesville/Muskingum County Port Authority deposits was \$775,263 and the bank balance was \$721,004. Of the bank balance, \$212,390 was covered by federal depository insurance and \$222,314 was uninsured and uncollateralized. Although the collateral held by the pledging financial institutions' trust department was in the Authority's name, non-compliance with federal requirements could potentially subject the Authority to a successful claim by the FDIC.

At year end, the carrying amount of the Transportation Improvement District deposits was \$54,259 and the bank balance was \$54,259. The entire bank balance was covered by federal depository insurance.

Note 7. 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 in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. The County Auditor establishes assessed values at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed during 1995. Real property taxes are payable annually or semi-annually. The first payment is due December 31, with the remainder payable by June 20, unless extended.

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 7. Property Taxes (Continued)

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values as of December 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently 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 semi-annually. If paid annually, payment is due April 30; if paid semi-annually, 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. Certain public utility tangible personal property currently is assessed at one hundred percent of its true value (normally 100 percent of the 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.

The amount of the County's tax collections which flow through an agency fund is reported as "Taxes Receivable" on the combined balance sheet in both the agency fund and the governmental fund which will receive the tax distribution.

Property taxes receivable represent delinquent taxes outstanding and real, tangible personal, and public utility taxes which were measurable as of December 31, 1998. 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, 1998 and are not intended to finance 1998 operations. The receivable is therefore offset by a credit to deferred revenue.

The full tax rate for all County operations for the year ended December 31, 1998, was \$14.25 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 1998 property tax receipts were based are as follows:

Real Property	\$757,999,440
Public Utility Personal Property	100,536,540
Tangible Personal Property	129,957,914
Total Assessed Value	<u>\$988,493,894</u>

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 8. Permissive Sales and Use Tax

In 1971, the County Commissioners by resolution imposed a one-half percent tax, and an additional one-half percent tax in 1982 and 1993, respectively, on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to sales tax. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. 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 each month. The State Auditor then has five days in which to draw the warrant payable to the County. Proceeds of the tax are credited entirely to the General Fund. Amounts that are to be received in the available period are accrued as revenue. Sales and Use Tax revenue for 1998 amounted to \$11,643,851.

Note 9. Receivables

(1) Primary Government

Receivables at December 31, 1998, consist of taxes, accounts (billings for user charged services, including unbilled utility services and tap-in fees that the County is allowing property owners to pay over time), special assessments, interfund, accrued interest, and intergovernmental receivables arising from grants, entitlements and shared revenues. Included in total receivables is \$633,234 in delinquent special assessments which may be collected through foreclosure. All receivables are considered collectible in full. Delinquent accounts receivable are certified and collected as a special assessment, subject to foreclosure for non-payment.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 9. Receivables (Continued)

A summary of the principal items of intergovernmental receivables follows:

<i>Fund Type / Source</i>	<i>Amount</i>
General Fund	
Local Government Revenue Assistance	\$20,453
Local Government	84,965
Title III	6,478
Miscellaneous State Revenues	7,522
Juvenile Court Food Subsidy	6,608
Estate Tax	1,420
Defense of Indigents Reimbursement	12,762
Ohio Department of Transportation	1,430
Detention Reimbursement	45,632
Total General Fund	187,270
Special Revenue Funds	
Litter Control Grant	22,640
Community Development Block Grants	53,980
Community Corrections Grant	13,476
Federal School Lunch Program	8,247
Title IV-E	376,846
Child and Family Services Grant	190,833
Adoption Services Grant	2,134
State Child Protection Grant	100,149
Childrens Services Performance Grant	22,436
Motor Vehicle License Tax	120,596
Motor Vehicle License Permissive Tax	30,879
DARE Grant	6,437
Gasoline Tax	114,286
Child Support Enforcement	75,300
Miscellaneous State Revenues	6,573
MR/DD Case Management	77,175
Title XX	21,323
Total Special Revenue Funds	1,243,310
Capital Projects	
Federal Emergency Management Assistance	136,146
Violent Defender Housing	62,605
Jail Reduction	122,012
Total Capital Projects Funds	320,763
Agency Funds	
Motor Vehicle Permissive Tax	2,974
Motor Vehicle License Tax	28,425
Gasoline Tax	103,272
Local Government Revenue Assistance	28,833
Library and Local Government	243,284
Local Government Revenue Assistance	119,771
Total Agency Funds	526,559
Grand Total All Fund Types	\$2,277,902

Notes to the General Purpose Financial Statements
December 31, 1998

Note 9. Receivables (Continued)

(B) Component Units

The Muskingum Starlight Industries, Inc. and the Zanesville/Muskingum County Port Authority uses the allowance method of accounting for doubtful accounts. All accounts were considered to be fully collectible at December 31, 1998; therefore, no allowance for doubtful accounts has been recorded.

Note 10. Fixed Assets

A summary of the enterprise fund and Muskingum Starlight Industries, Inc. (Component Unit) fixed assets at December 31, 1998, respectively, follows:

<i>Category</i>	<i>Enterprise Fund Primary Government</i>	<i>Muskingum Starlight Industries, Inc. (Component Unit)</i>
Land	\$0	\$0
Buildings	466,900	4,857
Improvements other than buildings	29,311,078	
Machinery, Equipment, Furniture and Fixtures	121,255	121,136
Vehicles	154,891	74,767
Construction in Progress	400,527	0
Total	30,454,651	200,760
Accumulated Depreciation	(7,537,718)	(116,185)
Net Fixed Assets	\$22,916,933	\$84,575

A summary of the changes in general fixed assets during 1998 follows:

Notes to the General Purpose Financial Statements
December 31, 1998

Note 10. Fixed Assets

(A) Primary Government

<i>Category</i>	<i>Balance</i>			<i>Balance</i>
	<i>January 1, 1998</i>	<i>Additions</i>	<i>Deletions</i>	<i>December 31, 1998</i>
Land	\$2,185,509	\$3,120	\$0	\$2,188,629
Buildings	19,348,059	237,102	0	19,585,161
Machinery, Equipment, Furniture and Fixtures	2,563,907	476,720	183,229	2,857,398
Vehicles	4,951,717	276,486	118,460	5,109,743
Construction in Progress	9,152	482,257	31,654	459,755
Total	\$29,058,344	\$1,475,685	\$333,343	\$30,200,686

(B) Component Unit

A summary of the changes in general fixed assets of the Zanesville/Muskingum County Port Authority during 1998 follows:

<i>Category</i>	<i>Balance</i>			<i>Balance</i>
	<i>January 1, 1997</i>	<i>Additions</i>	<i>Deletions</i>	<i>December 31, 1998</i>
Land and Land Improvements	\$647,702	\$1,446,596	\$40,844	\$2,053,454
Buildings	3,849,050	0	99,000	3,750,050
Machinery, Equipment, Furniture and Fixtures	35,044	1,062	0	36,106
Total	\$4,531,796	\$1,447,658	\$139,844	\$5,839,610

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 11. Risk Management

(1) Primary Government

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries and natural disasters. The County contracts with the County Risk Sharing Authority (CORSA) to address these various types of risks. CORSA, a non-profit corporation sponsored by the County Commissioners Association of Ohio, was created to provide affordable liability, property, casualty and crime insurance coverage for its members and was established May 12, 1987.

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 \$32,170,883 on buildings and contents. Boiler and machinery is covered in the amount of \$50,000,000 for extended comprehensive. Employee dishonesty, money and securities inside and out, money orders and counterfeit, and depositor's forgery are covered in the amount of \$250,000 for each and every loss and \$1,000,000 aggregate. Third-party liability claims which occur as a result of the Year 2000 issue coverage is provided by CORSA with a limit of \$50,000.

In addition, the County maintains other property insurance including: \$1,000,000 for extra expenses, \$1,200,000 for data processing equipment, \$1,368,485 for contractor's equipment and miscellaneous equipment, \$1,000,000 for valuable papers and records, actual cash value for automobile physical damage, and \$6,000,000 for flood and earthquake damage. Comprehensive boiler and machinery coverage is carried in the amount of \$50,000,000.

Settlements have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

The County maintains a limited risk health insurance program for employees. Premiums are paid to a third party administrator, Benefit Services, Inc. The claims are processed and monitored by a County insurance administrator in conjunction with the third party administrator. An internal service fund is presented in the financial statements and reflects premiums paid into the health self-insurance internal service fund by other funds which are available to pay claims and administrative costs, and establish claim reserves. An excess coverage insurance policy covers individual claims in excess of \$50,000 and aggregate annual claims in excess of \$1,036,387.

The County also maintains a retrospective rating workers' compensation program. Under the retrospective rating program, the County accumulates workers' compensation premiums in the workers' compensation self-insurance fund based upon rates actuarially determined by the State of Ohio. A portion of the premiums accumulated are paid directly to the State of Ohio, and the remaining premiums are maintained in the Workers' Compensation Self-Insurance Fund for the payment of future claims. In the past, workers' compensation premiums were paid to the State a year behind. The County is currently continuing this policy for workers' compensation premiums paid to the internal service fund and as a result, 1998 premiums will be paid in cash during 1999.

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 11. Risk Management (Continued)

The claims liabilities of the Self-Insurance Health and Self-Insurance Workers Compensation internal service funds of \$783,160 and \$2,473,287, respectively, reported at December 31, 1998 are 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. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Amounts reported were provided by the County's third party administrators. The Self-Insurance Workers' Compensation Funds current year claims expense was reduced by \$292,959 for a refund received from the Ohio Bureau of Workers' Compensation. Changes in the funds' claims liability in 1997 and 1998 were:

<i>Fund</i>	<i>Balance at Beginning of Year</i>	<i>Current Year Claims</i>	<i>Claims Payments</i>	<i>Balance at End of Year</i>
<i>Self-Insurance Health</i>				
1997	\$711,310	\$2,315,129	\$2,285,547	\$740,892
1998	740,892	2,248,850	2,206,582	783,160
<i>Self-Insurance Workers Compensation</i>				
1997	1,574,688	671,419	95,963	2,150,144
1998	2,150,144	587,134	263,991	2,473,287

B) Component Unit

The Zanesville/Muskingum County Port Authority 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. The Port Authority has commercial general liability, commercial property, and business auto coverage through United States Fidelity and Guaranty Company. The Port Authority has commercial general liability as follows: a general injury limit of \$1,000,000, and \$1,000,000 on each occurrence. The Port Authority's business auto policy includes a liability limit of \$1,000,000 for any one accident or loss.

The Port Authority's employees are covered under limited risk health insurance through the City of Zanesville and Muskingum County. The Port Authority pays premiums to the City and the County for 100 percent of the premium costs under the insurance plan. The Port Authority makes annual premium payments to the Bureau of Workers' Compensation based upon rates actuarially determined by the State of Ohio. Workers' Compensation premiums are paid to the State a year behind, therefore, 1998 premiums will be paid in cash during 1999.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 12. Defined Benefit Pension Plans

(A) Primary Government

(1) Public Employee Retirement System

All County of Muskingum full-time employees, other than certified teachers with the Board of Mentally Retarded/Developmentally Disabled (MRDD), contribute to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members, other than those engaged in law enforcement, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations and Muskingum County is required to contribute 9.35 percent. For law enforcement employees, the employee contribution is 9 percent and the employer contribution is 12.5 percent. Contributions are authorized by state statute. The contribution rates are determined actuarially. Muskingum County's contributions to PERS for the years ended December 31, 1998, 1997, and 1996 were \$2,849,782, \$2,146,207, and \$2,424,393, respectively. The full amount has been contributed for 1997 and 1996. 97 percent has been contributed for 1998 with the remainder being reported as a fund liability.

(2) State Teachers Retirement System (STRS)

Certified teachers employed by the school for the Mentally Retarded/ Developmentally Disabled Board contribute to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public 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. That 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 Muskingum County is required to contribute 14 percent for fiscal year 1998, 10.5 percent was the portion used to fund pension obligations. Beginning July 1, 1998, the amount was decreased to 6 percent. 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 to STRS for the years ended December 31, 1998, 1997, and 1996 were \$88,964, \$87,594, and \$89,063, respectively. The full amount has been contributed for 1997 and 1996. 90 percent has been contributed for 1998 with the remainder being reported as a fund liability.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 12. Defined Benefit Pension Plans

(B) Component Unit

All Zanesville/Muskingum County Port Authority full time employees participate in the Public Employees Retirement System of Ohio (PERS) as discussed in Section A(1) of this note.

Complete information regarding PERS is presented in Section A (1) of this note.

The Authority's contributions to PERS for the years ended December 31, 1998, 1997, and 1996 were \$18,498, \$27,373, and \$20,036, respectively, equal to the required contributions for each year.

Note 13. Post-employment Benefits

A) Primary Government

(1.) 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 Number 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 1998 employer contribution rate was 13.55 of covered payroll for employees not engaged in law enforcement; 4.2 percent was the portion that was used to fund health care. The law enforcement employer rate for 1998 was 16.70 percent and 4.2 percent was used to fund health care. For 1997, the percent to fund health care was 5.11 percent for employees not engaged in law enforcement and 5.48 percent for law enforcement employees.

Benefits are funded on a pay-as-you go basis. OPEB are financed through employer contributions and investment earnings. The contributions allocated to retiree health care and Medicare, 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 1998, OPEB expenditures made by PERS were \$440,596,663. As of December 31, 1998, the unaudited estimated net assets available for future OPEB payments were \$9,447,325,318. At December 31, 1998, the total number of benefit recipients eligible for OPEB through PERS was 115,579. The County's actual contribution for 1998 which was used to fund OPEB were \$1,142,898.

During 1997, PERS adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equaled 4.2 percent of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 13. Post-employment Benefits (Continued)

(2) State Teachers Retirement System (STRS)

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 is included in the employer contribution rate, currently 14 percent of covered payroll. For fiscal year 1998, the board allocated employer contributions equal to 3.5 percent of covered payroll to the Health Care Reserve Fund. Beginning July 1, 1998, this allocation was increased to 8 percent. For the County this amount equaled \$40,320 during 1998.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,156 million at June 30, 1998. For the year ended June 30, 1998, net health care costs paid by STRS were \$219,223,000 and STRS had 91,999 eligible benefit recipients.

(B) Component Unit

The Zanesville/Muskingum County Port Authority (Component Unit) retirants are provided postemployment health coverage by the Public Employees Retirement System of Ohio. Complete information regarding postemployment benefits is discussed in Section A(1) of this note. The Authority's actual contributions for 1998 which were to fund postemployment benefits were \$18,756.

Note 14. Other Employee Benefits

(1) Deferred Compensation Plans

(A) Primary Government

Muskingum County employees and elected officials may participate in one of two statewide deferred compensation plans created in accordance with Internal Revenue Code Section 457, one offered by the State of Ohio and one by the County Commissioners Association of Ohio. Participation is on a voluntary payroll deduction basis. Each plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Due to the implementation of GASB Statement 32, both plans have established trust funds under new IRS guidelines and the County is no longer required to report the balances of the programs on the balance sheet.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 14. Other Employee Benefits (Continued)

(B) Component Unit

Zanesville/Muskingum County Port Authority employees may participate in the Ohio Public Employees Deferred Compensation Program as discussed in part A(1) of this note. Due to the implementation of GASB Statement 32, the Ohio Public Employees Deferred Compensation Program has established a trust fund under new IRS guidelines and the Port Authority is no longer required to report the balances of the programs on the balance sheet.

(2) Compensated Absences

(A) Primary Government

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 at least one year of service with the County. Accumulated, unused sick leave and compensatory time are paid upon retirement to an employee at varying rates depending on length of service and department policy. As of December 31, 1998, the liability for compensated absences was \$1,891,440 for the entire County.

(B) Component Unit

Zanesville/Muskingum County Port Authority employees earn vacation leave at varying rates depending on length of service and policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year service with the Authority. Amounts accumulated for unused sick leave are deemed immaterial. As of December 31, 1998, the liability for compensated absences was \$16,445 for the Authority.

(3) Other Health Insurance Options

The County also offers additional health insurance options to employees not covered under the health self-insurance program. United Health Care health coverage is offered as an alternative. The County also offers life insurance coverage through UNUM, Inc., and vision coverage through the Vision Service Plan, Inc.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 15. Capital Leases - Lessee Disclosure

In prior years, the County has entered into capitalized leases for copying equipment, road maintenance equipment, a 911 system, and computers. New capital leases were entered into during 1998 and are reflected as other financing sources at the net present value of future minimum lease payments, and as capital outlay in the respective governmental fund types. Each lease meets the criteria of a capital lease set forth in the Statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease 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 has been capitalized in the general fixed assets account group in the amount of \$583,212 which is the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in 1998 totaled \$55,691.

Future minimum lease payments through 2001 are as follows:

Year	Amount
1999	\$64,767
2000	52,168
2001	2,667
Total	\$119,602
Less: Amount Representing Interest	(9,962)
Present Value of Net Minimum Lease Payments	\$109,640

Note 16. Contractual Commitments

As of December 31, 1998, the County had contractual purchase commitments for the following project:

Project	Fund	Purchase Commitments	Amounts Paid As of 12/31/98	Amounts Remaining on Contracts
Adamsville Sewer Construction	Sewer Enterprise Fund	\$954,850	\$400,527	\$554,323
Totals		\$954,850	\$400,527	\$554,323

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 17. Long-Term Debt

(A) Primary Government

Changes in the County's long-term obligations during 1998 consist of the following:

	<i>Outstanding 12/31/97</i>	<i>Additions</i>	<i>Deletions</i>	<i>Outstanding 12/31/98</i>
General Long-Term Obligations:				
General Obligation Bonds:				
1989 Variable Interest Rate County Office Building				
Improvement Bonds	\$2,100,000	\$0	\$105,000	\$1,995,000
1990 Variable Interest Rate County Office Building Bonds	1,745,000	0	1,745,000	0
1989 - 7.03% Library Bonds	2,450,000	0	490,000	1,960,000
1992 Variable Interest Rate County Jail Facilities				
Improvement Bonds	4,545,000	0	4,545,000	0
1998 County Facilities Variable Rate				
Refunding Bonds	0	6,905,000	245,000	6,660,000
Total General Obligation Bonds	10,840,000	6,905,000	7,130,000	10,615,000
Special Assessment Debt:				
1990 - 5.0% Avondale Special Assessment Bonds	95,860	0	2,965	92,895
1989 - 7.89% Falls Special Assessment OWDA	550,417	0	47,862	502,555
1989 - 7.89% Maysville Special Assessment OWDA	294,016	0	17,819	276,197
1996- Variable Interest Nob Hill Special Assessment Bonds	595,000	0	20,000	575,000
Total Special Assessment Debt	1,535,293	0	88,646	1,446,647
Compensated Absences	1,607,326	1,242,351	1,026,815	1,822,862
Tax Refund Payable	88,126	0	37,432	50,694
Capital Leases	156,693	8,638	55,691	109,640
Total General Long-Term Obligations	14,227,438	8,155,989	8,338,584	14,044,843
Enterprise Fund Obligations:				
1990 - 5.00 % Avondale Project General Obligation Bonds	1,140	0	35	1,105
1990 - 5.00% Avondale Sewer Revenue Bonds	166,700	0	2,100	164,600
1990 - Variable Interest Rate East Muskingum				
Sewer Revenue Bonds	2,427,100	0	27,200	2,399,900
1993 - 5.125% East Muskingum Series F Improvement Bonds	615,500	0	7,500	608,000
Total Revenue Bonds	3,209,300	0	36,800	3,172,500
1989 - 7.89% Maysville Mortgage Revenue - OWDA	398,833	0	12,594	386,239
Total All Long-Term Obligations	\$17,836,711	\$8,155,989	\$8,388,013	\$17,604,687

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 17. Long-Term Debt (Continued)

The 1989 County office building and 1990 County office improvement bonds were used to construct and make improvements to the County office building which houses the Health Department, Welfare Department, and Children's Services and provides space to the County Board of Education. The 1989 debt is being retired with rent payments and in the event that rent is deficient, property taxes will be used for the debt repayment. The 1990 County office building bonds were refunded during 1998 as discussed below.

The library bonds were used to construct a new library. The bonds are backed by the full faith and credit of the County and are paid from property taxes.

The County jail facilities improvement bonds were used to construct new jail facilities. The debt was refunded during 1998 as discussed below.

The Avondale project general obligation bonds will be paid from sewer enterprise fund revenues derived by the County from the operation of the sewer system. All general obligation bonds are backed by the full faith and credit of the County.

On June 30, 1998, the County issued \$6,905,000 in general obligation bonds with interest rates varying from 3.65 percent to 4.8 percent. Proceeds were used to refund \$1,745,000 of the outstanding 1990 County Office Building Improvement Bonds, and \$4,545,000 of outstanding 1992 County Jail Facilities Bonds. The bonds were sold at a discount of \$10,172. \$6,760,654 (after discount, underwriting fees, and other issuance costs) was deposited in an irrevocable trust to provide for all future debt service payments on the refunded 1990 County Office Building Bonds and the 1992 County Jail Facilities Bonds. As a result, \$6,905,000 of these bonds are considered defeased and the liability for the refunded portion of these bonds has been removed from the general long-term obligations account group.

The County has decreased its total debt service payments by \$493,723 as a result of the advance refunding. The County also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$327,570. The 1998 bonds will be paid from building rent and property taxes.

Annual debt service requirements to maturity for general obligation bonds, including interest of \$5,172,521, are as follows:

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 17. Long-Term Debt (Continued)

<i>Year Ending December 31</i>	<i>General Long-Term Obligations Account Group</i>	<i>Enterprise Fund</i>	<i>Total</i>
1999	\$1,507,787	\$90	\$1,507,877
2000	1,527,665	88	1,527,753
2001	1,547,556	86	1,547,642
2002	1,056,630	85	1,056,715
2003	839,598	81	839,679
2004	840,132	80	840,212
2005	849,063	80	849,143
2006	832,737	78	832,815
2007	1,590,210	78	1,590,288
2008-2029	5,195,210	1,292	5,196,502
Total	\$15,786,588	\$2,038	\$15,788,626

The Avondale Special Assessment bonds, the Falls Township OWDA, Maysville OWDA, and the Nob Hill Special Assessment bonds special assessment debt will be repaid from the proceeds of special assessments levied against benefited property owners. In the event the property owners do not pay their assessments, the County would be responsible for the debt service payment. Special assessment bond debt service requirements to maturity, including \$567,054 of interest, are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$62,066
2000	60,917
2001	59,877
2002	58,520
2003	62,022
2004	60,399
2005	58,950
2006	57,377
2007	31,204
2008-30	723,617
Total	\$1,234,949

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 17. Long-Term Debt (Continued)

Special assessment OWDA debt service requirements to maturity, including \$391,442 of interest, are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$110,124
2000	121,943
2001	116,670
2002	112,280
2003	107,098
2004	101,916
2005	98,734
2006	91,552
2007	76,757
2008-30	233,120
<i>Total</i>	\$1,170,194

The County will pay compensated absences out of the fund from which employees salaries are paid. Capital lease obligations will be paid from the fund that maintains custody of the related asset.

The Avondale Sewer revenue bonds, East Muskingum Sewer revenue bonds, East Muskingum Series F Improvement Bonds and the Maysville OWDA loan will be paid from revenues derived by the County from the operation of the sewer system. Revenue bond debt service requirements to maturity, including \$3,620,753 of interest, are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$212,721
2000	212,515
2001	212,504
2002	212,423
2003	212,515
2004	212,420
2005	212,578
2006	212,687
2007	212,530
2008-2014	4,881,360
<i>Total</i>	\$6,794,253

Notes to the General Purpose Financial Statements
December 31, 1998

Note 17. Long-Term Debt (Continued)

Annual debt service requirements to maturity for Sewer Maysville OWDA mortgage revenue debt, including interest of \$280,416, are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$44,062
2000	44,062
2001	44,062
2002	44,062
2003	44,062
2004	44,062
2005	44,062
2006	44,062
2007	44,062
2008-2014	270,097
Total	\$666,655

The tax refund outstanding obligation of \$54,986 is a long-term obligation for a repayment of taxes to the Texas Eastern Transmission Corporation, a public utility company, for tax years 1992 through 1996. The amounts repaid from the General Fund; the Tuberculosis Clinic, County Home Levy, Starlight School Levy, Children Services Levy, Mental Health Levy, and Sheriff Levy Special Revenue Funds; and the ADAMH Agency Fund during 1998 were for the 1992 tax repayment. Future payments, which include no interest amounts, are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$34,733
2000	20,253
Total	\$54,986

Pursuant to State Statute, various industrial revenue bonds have been issued for private industry within the County. The proceeds of the industrial revenue bonds are used by the various private industries for new construction or improvements. The bonds are to be repaid by the recipients of the proceeds and do not represent an obligation of the County. As of December 31, 1998, \$87,340,000 of industrial revenue bonds have been issued, and \$68,542,490 remained outstanding.

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 17. Long-Term Debt (Continued)

Effective July 23, 1990 the County entered into an Escrow Trust Agreement with BancOhio. The agreement provides that the County deposit \$2,721,500 from bond proceeds into an irrevocable trust with the bank for the payment to the final maturity of outstanding certificates of participation from U.S. Treasury obligations in substitution of the lease and base lease payments. The funds deposited, together with interest thereon, shall be sufficient to pay annual certificate of participation principal and semi-annual interest payments, thus providing an insubstance defeasance. As of December 31, 1998, \$1,865,000 of certificates of participation remained outstanding. The insubstance defeasance occurred for the lease and base lease for the County office building which house children's services, the health department and the board of education.

The County's overall legal debt margin at December 31, 1998 was \$24,286,767.

(B) Component Unit

Changes in the Zanesville/Muskingum County Port Authority's long-term obligations during 1998 consist of the following:

	<i>Outstanding 12/31/97</i>	<i>Additions</i>	<i>Deletions</i>	<i>Outstanding 12/31/98</i>
General Obligation Bonds:				
1988 - Variable Interest Rate Anchor Glass				
Bond	\$2,025,000	\$0	\$200,000	\$1,825,000

The Zanesville/Muskingum County Port Authority Anchor Glass revenue bonds were issued to construct a warehouse. The debt is being retired by operating lease income received from Muskingum County and the City of Zanesville. Annual debt service requirements to maturity for the revenue bonds, including interest of \$1,012,929, are as follows:

<i>Year Ending December 31</i>	<i>Amount</i>
1999	\$406,938
2000	383,875
2001	263,375
2002	250,563
2003	261,469
2004	246,094
2005	255,719
2006	261,500
2007-2008	508,396
Total	\$2,837,929

**Notes to the General Purpose Financial Statements
December 31, 1998**

Note 17. Long-Term Debt (Continued)

On September 1, 1994, the Zanesville/Muskingum County Port Authority served as the issuer of \$4,700,000 in Industrial Development Bonds. The proceeds were loaned to B.E. Products, Inc. to finance the cost of acquiring, rehabilitating, and equipping an egg processing facility located in Muskingum County. Loan payments shall be made by B.E. Products, Inc. to the trustee, PNC Bank, sufficient in time and amounts to pay, when due, an amount equal to the debt principal and interest payments. The trustee then makes the principal and interest payments on the bonds. The Industrial Development Bonds do not constitute a general obligation debt or bonded indebtedness of the Zanesville/Muskingum County Port Authority, nor is the full faith and credit or taxing power of the Authority pledged to make repayment. As of December 31, 1998, \$2,820,000 remained outstanding on the bonds.

Note 18. Notes Payable

The following summarizes the note transactions for the year ended December 31, 1998:

	<i>Interest Rate</i>	<i>Outstanding 12/31/97</i>	<i>Issued</i>	<i>Retired</i>	<i>Outstanding 12/31/98</i>
Special Revenue Fund:					
Motor Vehicle and Gas Tax	5.00%	\$24,000	\$0	\$12,000	\$12,000
Capital Projects Funds:					
Brandywine Extension	4.30%	640,000	580,000	640,000	580,000
Detention Center Construction	3.65%	1,200,000	2,400,000	2,400,000	1,200,000
Issue 2	0.00%	122,571	0	74,479	48,092
Issue 2	2.00%	160,622	0	27,912	132,710
Issue 2	2.00%	24,714	0	8,075	16,639
County Office Building Construction	3.75%	1,200,000	0	1,200,000	0
Total Capital Projects Funds		3,347,907	2,980,000	4,350,466	1,977,441
Sewer Improvement Notes	3.80%	\$0	\$2,440,000	\$0	\$2,440,000
Total Note Transactions		\$3,371,907	\$5,420,000	\$4,362,466	\$4,429,441

All notes are bond anticipation or revenue anticipation notes and are backed by the full faith and credit of Muskingum County. The note liability is reflected in the fund which received the proceeds. Brandywine Extension and Detention Center Construction bond anticipation notes have a maturity of one year and will be reissued until paid or bonds are issued. Motor Vehicle and Gas Tax and Issue 2 revenue anticipation notes have specific revenues pledged for the note repayment. The Motor Vehicle and Gas Tax revenue anticipation notes will mature in 1999. Issue 2 revenue anticipation notes will mature in 2003. The Sewer Improvement Notes are bond anticipation notes, have a maturity of one year, and will be reissued until paid or bonds are issued.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 18. Notes Payable (Continued)

Annual debt service requirements to maturity for the Motor Vehicle and Gas Tax revenue anticipation notes, including interest of \$600, is reflected the following table:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$12,600
<i>Total</i>	<i>\$12,600</i>

Annual debt service requirements to maturity for the Issue 2 revenue anticipation notes, including interest of \$7,120, are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
1999	\$78,924
2000	43,834
2001	35,325
2002	30,986
2003	15,492
<i>Total</i>	<i>\$204,561</i>

Notes to the General Purpose Financial Statements
December 31, 1998

Note 19. Operating Leases - Lessee Disclosure

The County has entered into a lease for land and a building in conjunction with the City of Zanesville. The County and City lease the Anchor Glass Facilities from the Zanesville/Muskingum County Port Authority and in turn rent the facilities to the Anchor Glass Corporation. During 1998, the County incurred expenditures of \$201,216 for the operating lease. The rental payments for the land and building through 2008 are as follows:

Year	Amount
1999	\$203,469
2000	191,938
2001	131,688
2002	125,281
2003	133,734
2004-08	892,144

Note 20. Interfund Transactions

Interfund balances at December 31, 1998, consist of the following individual fund receivables and payables:

<i>Interfund Transactions</i>	<i>Receivable</i>	<i>Payable</i>
<i>Interfund Receivable/Payables</i>		
General Fund	\$1,096,000	\$0
Special Revenue Funds:		
Starlight School Levy	77,281	50,038
Block Grants	0	11,223
Motor Vehicle and Gas Tax	0	282,687
Litter Prevention	0	16,056
Chapter I - Starlight	0	22,169
Starlight Title - VI	0	5,074
Total Special Revenue Funds	77,281	387,247
Debt Service Fund:		
Special Assessment Debt Service Fund	26	0
Capital Projects Fund:		
Violent Defender Housing Construction Fund	0	177,453
Proprietary Fund:		
Sewer Fund	0	608,607
Total Interfund Receivables/Payables	\$1,173,307	\$1,173,307

(Continued)

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 20. Interfund Transactions (Continued)

<i>Interfund Transactions (Continued)</i>	<i>Receivable</i>	<i>Payable</i>
<i>Due From/To Other Funds</i>		
General Fund	\$2,190,916	\$262,203
Special Revenue Funds:		
Block Grants	0	1,672
Child Support Enforcement Fund	0	52,179
Children Services Levy Fund	1,802,594	55,835
Community Correction Fund	0	5,233
County Home Levy Fund	1,633,087	42,227
Delinquent Real Estate Collection Fund	0	1,366
Dog and Kennel Fund	0	2,405
Litter Fund	0	1,752
Motor Vehicle and Gas Tax Fund	0	36,542
Public Assistance Fund	0	108,482
Real Estate Assessment Fund	0	5,504
Felony Delinquent Care and Custody Fund	0	714
Certificate of Title Administration Fund	0	3,960
Starlight School Levy Fund	3,421,571	99,450
Tuberculosis Clinic Fund	360,518	6,651
Sheriff Levy Fund	408,271	10,619
Senior Citizens Levy Fund	450,656	13,880
Mental Health Fund	993,576	0
Youth Services Fund	0	2,981
Chapter I - Starlight Fund	0	2,173
Total Special Revenue Funds	9,070,273	453,625
Debt Service Funds:		
Library Debt Service Fund	695,715	0
Special Assessment Debt Service Fund	2,739,477	0
Total Debt Service Funds	3,435,192	0
Capital Projects Fund:		
Court Computer Fund	0	0
Total Capital Projects Fund	0	0
Proprietary Funds:		
Sewer Fund	0	5,944
Sunshine Child Care Center Fund	0	2,870
Workers' Compensation Self-Insurance Fund	787,738	0
Total Proprietary Funds	787,738	8,814

(Continued)

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 20. Interfund Transactions (Continued)

<i>Interfund Transactions (Continued)</i>	<i>Receivable</i>	<i>Payable</i>
<i>Due From/To Other Funds (Continued)</i>		
<i>Agency Funds:</i>		
Court Agency	\$0	\$44,286
Ohio Children First Fund	0	85
Health Agency	905,060	52,802
Soil and Water Agency	0	4,458
Muskingum Area Board of Alcohol, Drug Addiction and Mental Health Services	0	15,542
Real Estate Agency	0	13,189,835
Undivided General Personal Agency	0	2,357,529
Total Agency Funds	905,060	15,664,537
Total Due From/To Other Funds	\$16,389,179	\$16,389,179
<i>Advances To/From Other Funds:</i>		
General Fund	\$543,000	\$0
<i>Proprietary Fund:</i>		
Sewer Fund	0	543,000
Total Advance To/From Other Funds	\$543,000	\$543,000

Notes to the General Purpose Financial Statements
December 31, 1998

Note 21. Segment Information for Enterprise Funds and Component Unit

The County's sewer enterprise fund accounts for the provision of sewer services and is the only enterprise fund of the primary government as presented below. The Muskingum Starlight Industries, Inc. (Component Unit) provides various services for the mentally retarded/developmentally disabled. The Zanesville/Muskingum County Port Authority's primary function is to promote economic growth and development in the County.

	<i>Sewer Enterprise Fund</i>	<i>Sunshine Child Care Center Enterprise Fund</i>	<i>Total Primary Government</i>	<i>Muskingum Starlight Industries, Inc. (Component Unit)</i>
Operating Revenues	\$1,798,543	\$109,202	\$1,907,745	\$870,665
Operating Expenses Before Depreciation	1,686,964	118,995	1,805,959	824,038
Depreciation Expense	626,440	0	626,440	25,823
Operating Income (Loss)/Excess of Support Over Expenses	(514,861)	(9,793)	(524,654)	20,804
Net Non-Operating Revenues/(Expenses)	(227,915)	0	(227,915)	7,926
Operating Transfers-In	75,799	0	75,799	0
Net Income (Loss)	(666,977)	(9,793)	(676,770)	28,730
Current Capital Contributions	680,344	0	680,344	0
Increase in Plant and Equipment	745,068	0	745,068	69,864
Net Working Capital	1,868,089	717	1,868,806	448,532
Total Assets	28,230,372	6,952	28,237,324	458,913
Bonds and Other Long-Term Liabilities				
Payable from Revenues	4,057,502	0	4,057,502	0
Total Equity	20,727,520	717	20,728,237	448,532
Encumbrances Outstanding at December 31, 1998	245,650	0	245,650	0

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 22. Jointly Governed Organizations

(A) Joint Solid Waste District

The County is a member of the Muskingum, Morgan, Monroe, Washington, Noble and Guernsey Solid Waste District, which is a jointly governed organization. The purpose of the District is to make disposal of waste in the six-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 Muskingum, Morgan, Monroe, Washington, Noble and Guernsey Solid Waste District is governed and operated through three groups. An eighteen member board of directors, comprised of three commissioners from each County, is responsible for the District's financial matters. Financial records were maintained by Muskingum County until May 1993 at which time Noble County assumed the responsibility. The District's sole revenue source is a waste disposal fee for in-district and out-of-district waste. Although the County contributed amounts to the District at the time of its creation, no contributions were received from the County in 1998. No future contributions by the County are anticipated. A forty-three member policy committee, comprised 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 participation. The County does not have an equity interest in or a financial responsibility for the District. The District has no outstanding debt.

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

The ADAMH Board is a jointly governed organization. Participants are Muskingum, Coshocton, Guernsey, Perry, Morgan and Noble counties. The Board has the 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; three appointed by the Muskingum 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 1998, Muskingum County contributed \$721,504 in tax levy revenue money through a 1.0 mill levy. The remaining revenues are provided by levies from other member counties, and state and federal grants awarded to the multi-county board. Since Muskingum County serves as the fiscal agent for the Board, the financial activity is presented in an agency fund. Continued existence of the Board is not dependent on the County's continued participation and the County has no equity interest in or financial responsibility for the Board. The Board has no outstanding debt.

(C) Mid Eastern Ohio Regional Council of Governments (MEORC)

The Mid Eastern Ohio Regional Council Governments (MEORC) is a jointly governed organization which serves fourteen counties in Ohio. MEORC provides services to the mentally retarded and developmentally disabled residents in the participating counties. The Council is made up of the superintendents of each county's Board of Mental Retardation and Developmental Disabilities. Revenues are generated by fees and state grants. Although the County contributed to the Council upon its creation, during 1998, the County contributed \$11,281 to the Council. Continued existence of the Council is not dependent on the County's continued participation, and the County has no equity interest in or financial responsibility for the Council. The Council has no outstanding debt.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 22. Jointly Governed Organizations (Continued)

(D) Muskingum Area Public Transit Authority

The Muskingum Area Public Transit Authority was created pursuant to state statutes in 1979. The County, the City of Zanesville, and the Village of South Zanesville appoint members to the Authority's Board of Directors. The County appoints two members, the City of Zanesville appoints six members and the Village of South Zanesville appoints one member. During 1998, the County contributed Section 18 program funds to the Authority in the amount of \$52,500 which represented approximately 5.15 percent of the Authority's total operating budget. The continued existence of the Authority is not dependent on the County's continued participation and the County has no equity interest in or financial responsibility for the Authority. The Authority has no outstanding debt. The Authority is a component unit of the City of Zanesville.

(E) Zanesville-Muskingum Family and Children First Council

The Zanesville-Muskingum Family and Children First Council is a jointly governed organization created under Ohio Revised Code Section 121.37. The Council is comprised of the following members: Director of the Zanesville-Muskingum County Health Department, Superintendent of the Zanesville City School District, Superintendent of the Muskingum County Educational Service Center, Director of the ADAMH Board, Director of the Muskingum County Department of Human Services, Director of the Muskingum County Childrens Services Board, an United Way representative, an Eastside Community Services representative, a Zanesville Civic League representative, a Behavioral Health representative, a County Commissioner, representatives from the public sector, and a representative from a local hospital. During 1998, the County made no contributions to the Council. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

(F) Area Office on Aging Council

The Area Office on Aging Council (the Council) is a regional council of governments that assists nine counties including Muskingum County in providing services to senior citizens in the Council's service area. The Council is governed by a board of directors comprised of one representative appointed by each participating County. The board has total control over budgeting, personnel and all other financial matters. The Area Office on Aging receives Title III monies to be used for programs within the member Counties. During 1998, Muskingum County contracted with the Area Agency on Aging to provide senior citizens services. A local not-for-profit corporation (The Muskingum County Senior Citizens Center) provided the senior citizens services pursuant to the County's contract. The continued existence of the Council is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for the Council. The Council has no outstanding debt.

(G) Ohio Mid-Eastern Governments Association (OMEGA)

The Ohio Mid-Eastern Governments Association (OMEGA) is a ten county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbia, Guernsey, Harrison, Holmes, Jefferson, Muskingum and Tuscarawas counties. OMEGA was formed to aid and assist the participating counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a sixteen

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 22. Jointly Governed Organizations (Continued)

member executive board comprised of members appointed from each participating county and cities within each county. City membership is voluntary. The County Commissioners from each County currently appoint one member to the board of directors. The board has total control over budgeting, personnel, and financial matters. Each member currently pays an eight cent per capita membership fee based upon the most recent U.S. census. During 1998, OMEGA received \$4,976 from Muskingum County. The continued existence of OMEGA is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for OMEGA. OMEGA has no outstanding debt.

(H) Licking-Muskingum Community Based Correctional Facility (CBCF)

The Licking-Muskingum Community Based Correctional Facility (CBCF) is a four county facility created pursuant to Ohio Revised Code Section 2301.51. The CBCF serves Licking, Muskingum, Coshocton, and Knox counties. The CBCF was formed in 1994 to offer treatment, education, work and other rehabilitation services to convicted felons within the four counties. The CBCF is governed by a seven member board comprised of two common pleas court judges from Licking, Muskingum and Coshocton counties and one common pleas court judge from Knox county. The common pleas judges and the respective county commissioners appoint a thirteen member citizens advisory board to assist in the operation of the CBCF. The board has total control over budgeting, personnel, and financial matters. The CBCF receives funding in the form of state grant monies which are used to provide the various services of the CBCF. Licking County serves as fiscal agent for the CBCF. During 1998, the CBCF received no monies from Muskingum County. The continued existence of the CBCF is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for the CBCF. The CBCF has no outstanding debt.

Note 23. Related Organizations

(A) Muskingum County Convention Facilities Authority

The Muskingum County Convention Facilities Authority was created pursuant to State Statutes for the purpose of acquiring, constructing, equipping and operating a convention facility in Muskingum County. The Authority operates under the direction of an eleven member appointed board of directors. The board consists of six members appointed by Muskingum County, three members appointed by the Mayor of the City of Zanesville and two members appointed by the remaining municipal corporations located within the County. The board exercises total control over the operation of the district including budgeting, appropriating, contracting and designating management. The authority receives funding in the form of excise tax on hotels and motels in the amount of four percent of each transaction occurring within the boundaries of Muskingum County. The tax is levied and collected by the Authority directly. The County is prohibited from contributing to the operations of the Convention Authority by State Law. During 1998, the Authority received \$371,115 from excise taxes and miscellaneous revenue sources. The Authority has no outstanding debt. Complete financial information can be obtained from the Muskingum County Conventions Facilities Authority, Zanesville, Ohio.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 23. Related Organizations (Continued)

(B) Zanesville Metropolitan Housing Authority

The Zanesville Metropolitan Housing Authority was created in 1938, and currently operates pursuant to Ohio Revised Code Section 3735.27. The Authority is governed by a five member board. Muskingum County appoints three members and the City of Zanesville appoints two members. The board adopts their own appropriations, is their own contracting authority, hires and fires their own staff, authorizes all expenditures, and does not rely on the County or the City to finance deficits. The Authority receives funding from the federal government in the form of grants. All monies are received directly by the Authority in the Authority's name. The County is not financially accountable for the Authority and the Authority is not fiscally dependent on the County. The Authority has no outstanding debt. The Authority is a stand-alone government, and complete financial information can be obtained from the Zanesville Metropolitan Housing Authority, Zanesville, Ohio.

Note 24. Public Entity Shared Risk Pool

County Risk Sharing Authority (CORSA)

The County Risk Sharing Authority, Inc. (CORSA) is a public entity shared risk pool among thirty-nine counties in Ohio. CORSA was formed as an Ohio non-profit 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 coverages 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 an equity interest in or a financial responsibility for CORSA. Any additional premium or contribution amounts and estimates of losses are not reasonably determinable. The County's payment for insurance to CORSA in 1998 was \$168,144.

Note 25. Related Party Transactions

Muskingum Starlight Industries, Inc., a discretely presented component unit of Muskingum County, received contributions from the County for facilities, certain equipment, transportation and salaries for administration, implementation and supervision of its programs. These contributions are reflected as operating revenues and operating expenses at cost or fair market value as applicable, in the general purpose financial statements. In 1998, these contributions were \$447,467.

Notes to the General Purpose Financial Statements
December 31, 1998

Note 25. Related Party Transactions (Continued)

The Zanesville/Muskingum County Port Authority, a discretely presented component unit of Muskingum County, received contributions from the County for general operating expenses for the implementation of its economic development activities. These contributions are reflected as operating revenues and operating expenses. In 1998, these contributions were \$498,995 from the County and \$326,381 from the City of Zanesville.. In addition, the County paid \$201,219 in operating lease payments to the Authority during 1998, pursuant to an operating lease agreement. The County also contributed \$1,200,000 to the Authority for the purchase of land during 1998.

The Transportation Improvement District, a discretely presented component unit of Muskingum County, received contributions from the County for general operating expenses for the implementation of it's economic development activities. These contributions are reflected as operating revenues and operating expenses. In 1998, these contributions were \$184,689 from the County which are to be used for a feasabiltiy study for a TID project.

Note 26. Fund Equity Reserves

(A) Primary Government

The following reservations of fund balances existed as of December 31, 1998:

<i>Fund Type/Reserve Type</i>	<i>Amount</i>
General Fund:	
Fund Balance:	
Reserved for Encumbrances	\$464,860
Reserved for Inventory	226,030
Reserved for Advances	543,000
Reserved for Claimants	44,059
Total General Fund	<u>1,277,949</u>
Special Revenue Funds:	
Fund Balance:::	
Reserved for Encumbrances	1,011,819
Reserved for Inventory	225,660
Reserved for Revolving Loans	9,373
Total Special Revenue Funds	<u>1,246,852</u>
Capital Projects Funds:	
Fund Balance:	
Reserved for Encumbrances	722,238
Total Capital Projects Funds	<u>722,238</u>
Non-Expendable Trust Funds	
Fund Balance:	
Reserved for Endowment	37,171
Total Non-Expendable Trust Funds	<u>37,171</u>
Grand Total All Reserves	<u><u>33,294,210</u></u>

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 26. Fund Equity Reserves (Continued)

(B) Component Unit

The Zanesville/Muskingum County Port Authority has a reservation of fund balance in the amount of \$398,621 for amounts restricted for the payment of outstanding bonds.

Note 27. Contributed Capital

During the year, contributed capital in the Sewer enterprise fund increased by the following amounts:

<i>Source</i>	<i>Amount</i>
Governmental Funds	\$201,910
Grants	77,330
Customer Tap-In Fees	401,104
Total Additions	680,344
Contributed Capital January 1, 1998	27,520,351
Contributed Capital December 31, 1998	\$28,200,695

Note 28. Food Stamps

The County's Department of Human Services (Welfare) distributes, through contracting issuance centers, federal food stamps to entitled recipients within Muskingum County. The receipt and issuance of the stamps have the characteristics of a federal grant. However, the Department of Human Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements, as the only economic interest related to these stamps rests with the ultimate recipient. The County's Department of Human Services had on hand for distribution approximately \$154,388 of federal food stamps at December 31, 1998.

Note 29. 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.

Claims and lawsuits are pending against the County. Based upon information provided by the County's legal counsel, any potential liability and effect on the financial statements, if any, is not determinable at this time.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 30. Year 2000 Issue

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the government's operations as early as fiscal year 1999.

(A) Primary Government

Muskingum County has completed an inventory of computer systems and other equipment necessary to conducting County operations and has identified these systems as follows:

Financial Reporting, Tax Collection, and Payroll Systems

The County has completed the remediation phase for financial reporting as of April 1999. Validation and testing of this system was not completed as of December 31, 1998; however, validation and individual module testing was completed as of April 1999. End to end testing with the payroll system was also completed at this time. The County is currently in operation using the year 2000 version of this system.

As of December 31, 1998, the payroll system had not been remediated; however, remediation, validation and individual testing was completed as of April 1999. End to end testing with the financial reporting system was also completed at this time. The County is currently in operation using the year 2000 version of this system. Remaining contracted amounts of \$12,000 were committed to the financial reporting and payroll remediation projects as of December 31, 1998.

The County has completed the programming and testing related to making the tax collection system year 2000 operational, and has installed, converted, and tested the year 2000 version of the software. The installation and conversion of the system occurred prior to December 31, 1998. The County is currently in operation using the year 2000 version of the tax collection system. The outside vendor provided remediation at no additional cost to the County.

911 Police and Fire Emergency Reporting System

The County operates a regional 911 reporting system for police and fire emergencies. At December 31, 1998, the system was not year 2000 compliant. Modifications have since been made and final testing and validation have been completed by the vendor. The vendor believes the system to be year 2000 compliant.

Wastewater Treatment Systems, and Sewer Billings

All electronics associated with the County's Wastewater Treatment Systems have been evaluated and are non-time based functions activated by pressure readings and flows.

As of December 31, 1998, the Sewer billing system was determined not to be year 2000 compliant. Since that time, the vendor has made modifications to the system and believes the Sewer billing system to be year 2000 compliant.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 30. Year 2000 Issue (Continued)

County Building Security, Heating and Cooling Systems

The County is currently assessing its security, heating and cooling systems. All of these systems are PC based and hardware was upgraded as of December 31, 1998. Software for the central work stations for the heating and cooling systems is not year 2000 compliant and the County intends to replace this software prior to December 31, 1999. In the event of non-compliant software, the County can manually override the systems.

Court Systems

As of December 31, 1998, the County had completed the assessment of the Court systems. Currently, the vendors have indicated that application software and hardware are believed to be year 2000 compliant. However, the server's operating system is not year 2000 compliant and the County intends to obtain upgrades before December 31, 1999 to gain assurance that the operating system is Year 2000 compliant.

Child Support Enforcement Systems

The County is responsible for collecting and distributing child support payments. Collections and payments during 1998 were approximately \$14,750,000. To comply with the 1998 Federal Family Support Act, the Ohio Department of Human Services (ODHS) assumed responsibility for developing the Support Enforcement Tracking System (SETS) software all counties must use to account for child support activity. ODHS is responsible for all costs (which are significantly reimbursed by Federal matching dollars) and programming for SETS development. ODHS estimates the testing and validation of the SETS software will be completed by September 1999.

As of December 31, 1998, SETS had been installed and the County estimates that currently 90 percent of the County's caseload has been converted to the new centralized system. The County estimates the remaining cases will be converted by September 1999. In the event not all of the remaining cases are not converted by December 31, 1999, the County can issue checks manually.

Human Services

The Department of Human Services currently uses the State's computer system to maintain and provide services. The department has been given assurance by the State that remediation, testing and validation will be completed by December 31, 1999. The State will establish a contingency plan in the event these systems would experience any problems on January 1, 2000.

Clerk of Courts Title Department

The Clerk of Courts Title Department currently uses the State's Automated Title Processing System (ATPS) to process titles. The Department has been given assurances by the State that remediation, testing and validation will be completed by December 31, 1999. The State will establish a contingency plan in the event these systems would experience any problems on January 1, 2000.

*Notes to the General Purpose Financial Statements
December 31, 1998*

Note 30. Year 2000 Issue (Continued)

The State of Ohio distributes a substantial sum of money to the County in the form of federal and state grant payments as well as sales tax, local government taxes, gasoline taxes and motor vehicle license taxes. These funds are distributed by warrants or electronic fund transfers. The State has completed the identification, remediation and testing of these two mission critical systems. They will continue to monitor these systems and assess the risk of any Year 2000 related problems. Where risks are identified, they will take the appropriate actions necessary to maintain the State's ability to operate and provide services.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that Muskingum County is or will be Year 2000 ready, that the County's remediation efforts will be successful in whole or in part, or that parties with whom the County does business will be Year 2000 ready.

(B) Component Units

As of December 31, 1998, the Zanesville/Muskingum County Port Authority (Port Authority) and the Transportation Improvement District (TID) had inventoried computer systems and other equipment necessary to conducting operations. The Port Authority is the fiscal agent for the TID.

The Port Authority utilizes the Quickbooks Pro 99 software for windows for its financial reporting. Intuit Inc. has indicated they are Year 2000 compliant.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that Zaneville/Muskingum County Port Authority and the Transportation Improvement District are or will be Year 2000 ready, that remediation efforts will be successful in whole or in part, or that parties with whom the Port Authority and the TID does business will be Year 2000 ready.

Note 31. Subsequent Events

On June 1, 1999, the County issued general obligation bonds in the amount of \$10,365,000 for the purpose of (i) constructing, equipping and furnishing a new building for personnel, operations and equipment of the Child Support Enforcement office of the County's Department of Human Services, (ii) acquiring, constructing, equipping and furnishing a Juvenile Detention Center, together with all necessary appurtenances, and (iii) refunding the County's outstanding Sewer District Improvement Bonds, Series A, Sewer District Improvement Bonds, Series B, and Sewer District Improvement Bonds, Series C.

*Combining, Individual Fund and Account Group
Statements and Schedules*

GENERAL FUND

The General Fund is used to account for all activities of the County not included in other specified funds.

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property and Other Taxes	\$2,131,796	\$2,138,975	\$7,179
Permissive Sales Taxes	11,468,479	11,468,479	0
Charges for Services	1,686,349	1,721,471	35,122
Licenses and Permits	266,862	272,675	5,813
Fines and Forfeitures	339,523	346,948	7,425
Intergovernmental	2,554,192	2,574,810	20,618
Interest	1,861,761	2,001,672	139,911
Rent Income	21,483	22,102	619
Reimbursements	0	983	983
Other	17,672	43,567	25,895
Total Revenues	20,348,117	20,591,682	243,565
Expenditures:			
Current:			
General Government -			
Legislative and Executive			
Board of County Commissioners			
Salaries and Wages	441,823	434,673	7,150
Fringe Benefits	100,472	94,645	5,827
Materials and Supplies	19,700	16,623	3,077
Contractual Services	691,003	238,558	452,445
Capital Outlay	148,316	112,174	36,142
Other	404,382	353,027	51,355
Total Board of County Commissioners	1,805,696	1,249,700	555,996
County Auditor			
Salaries and Wages	245,857	242,416	3,441
Fringe Benefits	44,567	42,621	1,946
Materials and Supplies	35,485	34,202	1,283
Contractual Services	39,463	39,463	0
Capital Outlay	8,794	8,794	0
Total County Auditor	374,166	367,496	6,670

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General Government - Legislative and Executive (Continued)			
Assessing Personal Property			
Salaries and Wages	\$54,149	\$41,727	\$12,422
Fringe Benefits	7,819	7,129	690
Materials and Supplies	4,400	4,191	209
Total Assessing Personal Property	66,368	53,047	13,321
Assessing Real Property			
Salaries and Wages	25,444	24,989	455
Fringe Benefits	4,545	4,437	108
Total Assessing Real Property	29,989	29,426	563
County Treasurer			
Salaries and Wages	136,085	135,614	471
Fringe Benefits	23,488	23,438	50
Materials and Supplies	36,696	27,912	8,784
Contractual Services	2,967	2,967	0
Capital Outlay	8,000	6,981	1,019
Other	1,518	1,518	0
Total County Treasurer	208,754	198,430	10,324
Prosecuting Attorney			
Salaries and Wages	690,550	490,551	199,999
Fringe Benefits	157,378	134,172	23,206
Materials and Supplies	19,381	14,912	4,469
Contractual Services	19,855	17,566	2,289
Capital Outlay	10,997	10,581	416
Other	13,050	9,404	3,646
Total Prosecuting Attorney	911,211	677,186	234,025
Board of Revision			
Other	400	0	400
Total Board of Revision	400	0	400
Bureau of Inspection			
Examinations - County			
Offices	70,000	58,000	12,000
Total Bureau of Inspection	70,000	58,000	12,000

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General Government - Legislative and Executive (Continued)			
County Planning Commission			
Materials and Supplies	\$1,000	\$0	\$1,000
County Planning Commission	1,000	0	1,000
Board of Elections			
Salaries and Wages	198,801	198,801	0
Fringe Benefits	35,610	34,800	810
Materials and Supplies	37,905	37,905	0
Contractual Services	25,997	25,997	0
Capital Outlay	2,727	2,727	0
Other	260	260	0
Total Board of Elections	301,300	300,490	810
Automatic Data Processing Board			
Salaries and Wages	14,468	14,324	144
Fringe Benefits	4,444	2,571	1,873
Materials and Supplies	11,530	11,530	0
Contractual Services	12,238	12,238	0
Capital Outlay	31,265	31,265	0
Total Automatic Data Processing Board	73,945	71,928	2,017
Maintenance and Operation			
Salaries and Wages	369,249	369,249	0
Fringe Benefits	62,074	60,418	1,656
Materials and Supplies	88,500	88,143	357
Contractual Services	746,242	650,361	95,881
Capital Outlay	34,392	28,495	5,897
Other	279,731	275,100	4,631
Total Maintenance and Operation	1,580,188	1,471,766	108,422

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General Government - Legislative and Executive (Continued)			
Recorder			
Salaries and Wages	\$135,267	\$128,775	\$6,492
Fringe Benefits	25,360	23,094	2,266
Materials and Supplies	12,500	10,234	2,266
Contractual Services	65,500	49,300	16,200
Other	1,000	815	185
Total Recorder	239,627	212,218	27,409
Insurance on Property			
County Buildings	450,000	0	450,000
Other County Property	131,725	45,671	86,054
Total Insurance on Property	581,725	45,671	536,054
Insurance on Persons			
Workers' Compensation	70,000	0	70,000
Official Bonds	13,600	1,244	12,356
Group and Liability	969,585	960,857	8,728
Total Insurance on Persons	1,053,185	962,101	91,084
Pensions			
Public Employees Retirement	30,000	0	30,000
Medicare	189,218	188,704	514
Total Pensions	219,218	188,704	30,514
General Government - Legislative and Executive	7,516,772	5,886,163	1,630,609
General Government - Judicial			
Court of Appeals			
Salaries and Wages	240	0	240
Fringe Benefits	33	0	33
Other	12,000	10,557	1,443
Total Court of Appeals	12,273	10,557	1,716

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
General Government - Judicial (Continued)			
Common Pleas Court			
Salaries and Wages	\$354,605	\$346,256	\$8,349
Fringe Benefits	69,161	63,007	6,154
Materials and Supplies	12,360	9,073	3,287
Contractual Services	138,733	134,193	4,540
Other	5,550	3,749	1,801
Total Common Pleas Court	580,409	556,278	24,131
Jury Commission			
Salaries and Wages	4,380	4,380	0
Fringe Benefits	784	784	0
Total Jury Commission	5,164	5,164	0
Adult Probation			
Salaries and Wages	115,575	115,516	59
Fringe Benefits	21,240	18,594	2,646
Materials and Supplies	550	0	550
Contractual Services	2,400	1,846	554
Other	1,000	66	934
Total Adult Probation	140,765	136,022	4,743
Juvenile Court			
Salaries and Wages	141,234	132,894	8,340
Fringe Benefits	25,536	24,497	1,039
Materials and Supplies	14,000	14,000	0
Contractual Services	71,700	70,450	1,250
Capital Outlay	3,000	3,000	0
Other	11,000	11,000	0
Total Juvenile Court	266,470	255,841	10,629
Juvenile Probation			
Salaries and Wages	159,887	146,224	13,663
Fringe Benefits	28,916	28,741	175
Materials and Supplies	500	492	8
Capital Outlay	3,000	3,000	0
Other	6,000	6,000	0
Total Juvenile Probation	198,303	184,457	13,846

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
General Government - Judicial (Continued)			
Detention Home			
Salaries and Wages	\$285,076	\$284,334	\$742
Fringe Benefits	46,862	46,290	572
Materials and Supplies	26,500	26,500	0
Contractual Services	5,700	5,631	69
Capital Outlay	3,000	3,000	0
Other	19,500	19,500	0
Total Detention Home	386,638	385,255	1,383
Probate Court Court			
Salaries and Wages	124,245	122,490	1,755
Fringe Benefits	31,000	23,683	7,317
Materials and Supplies	7,500	4,370	3,130
Contractual Services	10,100	3,303	6,797
Capital Outlay	7,500	5,161	2,339
Other	17,000	16,806	194
Total Probate Court Court	197,345	175,813	21,532
Clerk of Courts			
Salaries and Wages	177,187	172,635	4,552
Fringe Benefits	32,813	32,046	767
Materials and Supplies	14,040	14,040	0
Contractual Services	12,000	12,000	0
Capital Outlay	18,700	18,700	0
Other	921	921	0
Total Clerk of Courts	255,661	250,342	5,319
County Court			
Salaries and Wages	202,083	186,724	15,359
Fringe Benefits	32,280	32,139	141
Materials and Supplies	6,000	5,868	132
Contractual Services	1,000	500	500
Capital Outlay	10,000	9,700	300
Other	11,235	10,910	325
Total County Court	262,598	245,841	16,757
Municipal Court			
Salaries and Wages	59,369	59,138	231
Fringe Benefits	9,653	9,399	254
Materials and Supplies	334	334	0
Other	884	884	0
Total Municipal Court	70,240	69,755	485

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
General Government - Judicial (Continued)			
Law Library			
Salaries and Wages	\$14,188	\$10,226	\$3,962
Fringe Benefits	3,463	2,743	720
Total Law Library	17,651	12,969	4,682
Attorney Fees - Public Defender			
Attorney Fees	400,000	325,843	74,157
Total Attorney Fees - Public Defender	400,000	325,843	74,157
Total General Government - Judicial	2,793,517	2,614,137	179,380
Public Safety			
Coroner's Office			
Salaries and Wages	32,087	28,637	3,450
Fringe Benefits	6,741	4,945	1,796
Materials and Supplies	100	0	100
Contractual Services	48,945	43,289	5,656
Capital Outlay	0	0	0
Other	100	0	100
Total Coroner's Office	87,973	76,871	11,102
Sheriff			
Salaries and Wages	1,745,963	1,738,210	7,753
Fringe Benefits	360,857	358,831	2,026
Materials and Supplies	102,804	100,804	2,000
Contractual Services	212,246	212,085	161
Capital Outlay	280,073	193,960	86,113
Other	36,725	36,683	42
Total Sheriff	2,738,668	2,640,573	98,095
Jail			
Salaries and Wages	1,142,812	1,137,478	5,334
Fringe Benefits	213,577	213,577	0
Materials and Supplies	179,823	179,823	0
Contractual Services	59,568	59,565	3
Capital Outlay	35,677	35,664	13
Other	7,502	7,502	0
Total Jail	1,638,959	1,633,609	5,350

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Public Safety (Continued)			
Disaster Services			
Salaries and Wages	\$14,915	\$14,584	\$331
Fringe Benefits	2,632	2,477	155
Materials and Supplies	400	300	100
Other	2,000	2,000	0
Total Disaster Services	19,947	19,361	586
Building Regulation			
Salaries and Wages	85,340	83,543	1,797
Fringe Benefits	18,532	14,529	4,003
Materials and Supplies	10,188	8,402	1,786
Contractual Services	104,976	101,643	3,333
Other	12,000	9,498	2,502
Total Building Regulation	231,036	217,615	13,421
Total Public Safety	4,716,583	4,588,029	128,554
Public Works			
Engineer			
Salaries and Wages	100,000	99,433	567
Fringe Benefits	15,206	15,206	0
Materials and Supplies	4,000	4,000	0
Contractual Services	673,970	342,829	331,141
Capital Outlay	56,295	37,435	18,860
Other	3,268	3,268	0
Total Engineer	852,739	502,171	350,568
Total Public Works	852,739	502,171	350,568
Health			
Humane Society			
Salary and Wages	10,682	10,070	612
Fringe Benefits	1,845	1,739	106
Other	4,500	4,500	0
Total Humane Society	17,027	16,309	718
Agriculture			
Apiary Inspection	1,100	1,100	0
Cattle Disease Prevention	300	0	300
Total Agriculture	1,400	1,100	300

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Health (Continued)			
Vital Statistics			
Fees	\$3,000	\$0	\$3,000
Total Vital Statistics	3,000	0	3,000
Other Health			
Hydrophobia Claims	500	0	500
Crippled Children Aid	83,400	83,400	0
Other	71,000	63,569	7,431
Total Other Health	154,900	146,969	7,931
Total Health	176,327	164,378	11,949
Human Services			
Soldier's Relief			
Salaries and Wages	52,516	52,516	0
Fringe Benefits	16,731	15,015	1,716
Materials and Supplies	3,500	3,484	16
Contractual Services	226,920	219,454	7,466
Capital Outlay	5,553	5,553	0
Other	190	190	0
Total Soldier's Relief	305,410	296,212	9,198
Veteran's Services			
Salaries and Wages	68,717	68,229	488
Fringe Benefits	9,850	9,850	0
Materials and Supplies	5,742	4,292	1,450
Contractual Services	11,618	11,609	9
Capital Outlay	0	0	0
Other	0	0	0
Total Veteran's Services	95,927	93,980	1,947
Total Human Services	401,337	390,192	11,145

(Continued)

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) Basis and Actual
General Fund (Continued)
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other	\$21,625	\$2,600	\$19,025
Total Other	21,625	2,600	19,025
Total Other	21,625	2,600	19,025
Intergovernmental			
Grants	888,647	855,457	33,190
Total Intergovernmental	888,647	855,457	33,190
Total Expenditures	17,367,547	15,003,127	2,364,420
Excess of Revenues Over Expenditures	2,980,570	5,588,555	2,607,985
Other Financing Sources (Uses):			
Sale of Fixed Assets	13,336	13,336	0
Advances - In	116,700	262,000	145,300
Advances - Out	(487,419)	(487,419)	0
Payment to Refunded Bond Escrow			
Operating Transfers - Out	(4,598,630)	(4,553,573)	45,057
Total Other Financing Sources (Uses)	(4,956,013)	(4,765,656)	190,357
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,975,443)	822,899	2,798,342
Fund Balance at Beginning of Year	5,607,422	5,607,422	0
Unexpended Prior Year Encumbrances	275,510	275,510	0
Fund Balance at End of Year	\$3,907,489	\$6,705,831	\$2,798,342

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. Following is a description of all special revenue funds:

Dog and Kennel Fund

To account for the dog warden's operations, financed by sales of dog tags, kennel permits and fine collections.

Child Support Enforcement Agency Fund

To account for state, federal and local revenue used to administer the County Child Support program.

Public Assistance Fund

To account for various federal and state grants as well as County contributions, used to provide public assistance to general relief recipients and to pay their providers of medical assistance, and for certain public social services.

Motor Vehicle and Gasoline Tax Fund

To account for revenues derived from motor vehicle license and gasoline taxes. Expenditures in this special revenue fund are restricted by state law to county road and bridge repair/improvement programs.

County Home Levy Fund

To account for revenues from room and board as well as property taxes used to administer and operate the County Home.

Real Estate Assessment Fund

To account for state mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

Children Services Levy Fund

To account for revenues derived from property taxes and state and federal funds. State law restricts the expenditure of these revenues to programs designed to aid homeless children or children from troubled families.

Drug Abuse Resistance Education (DARE) Fund

To account for the education of school children regarding drug abuse conducted by the Sheriff's Department.

(Continued)

SPECIAL REVENUE FUNDS (Continued)***Starlight School Levy Fund***

To account for property tax revenues and federal and state grants. Expenditures are restricted by state law to those that benefit the mentally retarded and the developmentally disabled. County expenditures have been for social service contracts, medical providers and costs to maintain and operate buildings and buses provided for the mentally retarded and developmentally disabled.

Delinquent Real Estate Tax and Assessment Collection Fund

To account for the monies received from delinquent real estate tax and assessment collections. Half of the money is to be allocated to the Prosecutor and the other half to the Treasurer for use in the collection of delinquent property taxes and assessments.

Tuberculosis Clinic Fund

To account for a County-wide property tax levy used to diagnose and treat people with tuberculosis and respiratory diseases in the County.

Youth Services Fund

To account for grant monies received from the State Department of Youth Services used for the placement of children, a diversion program, juvenile delinquency prevention and other related activities.

Block Grants Fund

To account for revenue from the federal government used for a revolving loan program and for improvements to targeted areas within the County.

Computer Legal Research Fund

To account for Clerk of Courts computer fees used for computerization of the Law Library.

Community Correction Fund

To account for grant monies from the State of Ohio used to assist the County in correctional rehabilitation of persons on probation.

Home Detention (Electronic Monitor) Fund

To account for fees from the County Courts used for in-home housing of prisoners.

(Continued)

SPECIAL REVENUE FUNDS (Continued)

Litter Prevention Fund

To account for a state grant to enforce litter laws and educate citizens.

Marriage License Fund

To account for marriage license fees. Fees are paid to Transitions Inc. and used for the treatment of battered women.

Political Subdivision Housing Fund

To account for fines and forfeitures used for the Adult Probation Program as specified by entry from the Courts. Created pursuant to Ohio Revised Code Section 4511.99.

Indigent Drivers Alcohol Treatment Fund

To account for fines from the State and County Court. Created pursuant to Ohio Revised Code Section 4511.191.

Probate Conduct of Business Fund

To account for monies from a portion of marriage license fees to be used at the discretion of the Probate Judge pursuant to Ohio Revised Code Section 2101.19.

Enforcement and Education Fund

To account for monies received from convictions on alcohol related cases used for education of the community at large and for the purchase of law enforcement equipment.

Chapter I - Starlight Fund

To account for federal grant monies used for salaries and fringe benefits of classroom assistants.

Law Enforcement Fund

To account for fines from the County Courts used by the Sheriff and Prosecuting Attorney for investigations, prosecutions and training for law enforcement personnel.

Senior Citizens Levy Fund

To account for revenue derived from property taxes used to assist in the providing of Programs and services to the senior citizens of the County.

(Continued)

SPECIAL REVENUE FUNDS (Continued)

Felony Delinquent Care and Custody Fund

To account for grant monies which are used for the Intensive Probation Program.

Drug Law Enforcement Fund

To account for income from fines on drug-related cases used for drug-related investigations.

Indigent Guardianship Fund

To account for probate court fees used for court appointed guardians for indigents.

Victim of Criminals Fund

To account for donations for state grant monies to be used to assist the victims of crime.

Family Resources Fund

To account for State grant monies to be used for respicare, family training, home modification, adaptive equipment, and special diets.

Commissary Fund

To account for sales within the commissary to County jail inmates.

Children Services Christmas Fund

To account for donations from citizens used to purchase gifts for children under care.

Mental Health Levy Fund

To account for the County tax levy used for the County's share in the Muskingum Area Alcohol, Drug Addiction and Mental Health Board.

Certificate of Title Administration Fund

To account for the title fees used for the operation of the title office of the Clerk of Courts.

Sheriff Levy Fund

To account for a County wide property tax levy to be used to provide additional law enforcement in the county.

Starlight Title VI Fund

To account for state grant monies used for materials and supplies for MR/DD students.

Combining Balance Sheet
All Special Revenue Funds
December 31, 1998

	Dog and Kennel	Child Support Enforcement Agency	Public Assistance	Motor Vehicle and Gasoline Tax
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$41,429	\$746,608	\$632,476	\$2,103,554
Segregated Accounts:				
Cash and Cash Equivalents	0	0	0	0
Receivables:				
Accounts	0	0	0	1,096
Interfund	0	0	0	0
Revolving Loans	0	0	0	0
Due From Agency Funds:				
Property Taxes	0	0	0	0
Due from Other Governments	0	0	75,300	265,761
Materials and Supplies				
Inventory	0	0	3,512	174,358
Prepaid Items	0	335	373	2,361
Total Assets	\$41,429	\$746,943	\$711,661	\$2,547,130
Liabilities:				
Accounts Payable	\$1,000	\$1,100	\$281,779	\$79,189
Contracts Payable	0	0	0	2,923
Accrued Wages and Benefits	3,706	47,060	121,995	64,159
Compensated Absences Payable	369	2,784	9,858	2,105
Retainage Payable	0	0	0	0
Interfund Payable	0	0	0	282,687
Due to Other Funds	2,405	52,179	108,482	36,542
Due to Other Governments	0	0	12,326	30,879
Deferred Revenue	0	298,782	0	0
Accrued Interest Payable	0	0	0	49
Notes Payable	0	0	0	12,000
Total Liabilities	7,480	401,905	534,440	510,533
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	5,686	94,900	24,138	244,173
Reserved for Inventory	0	0	3,512	174,358
Reserved for Loans	0	0	0	0
Unreserved:				
Designated:				
Undesignated (Deficit)	28,263	250,138	149,571	1,618,066
Total Fund Equity (Deficit)	33,949	345,038	177,221	2,036,597
Total Liabilities and Fund Equity	\$41,429	\$746,943	\$711,661	\$2,547,130

(Continued)

Combining Balance Sheet
All Special Revenue Funds (Continued)
December 31, 1998

	County Home Levy	Real Estate Assessment	Children Services Levy	Drug Abuse Resistance Education (DARE)
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$833,501	\$804,064	\$1,628,750	\$1,497
Segregated Accounts:				
Cash and Cash Equivalents	0	0	0	0
Receivables:				
Accounts	0	0	4,302	0
Interfund	0	0	0	0
Revolving Loans	0	0	0	0
Due From Agency Funds:				
Property Taxes	1,633,087	0	1,802,594	0
Due from Other Governments	0	0	692,398	6,437
Materials and Supplies				
Inventory	16,442	0	9,096	0
Prepaid Items	0	0	935	0
Total Assets	\$2,483,030	\$804,064	\$4,138,075	\$7,934
Liabilities:				
Accounts Payable	\$13,924	\$5,977	\$232,709	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	43,012	3,014	61,419	0
Compensated Absences Payable	1,573	0	3,543	0
Retainage Payable	0	47,240	0	0
Interfund Payable	0	0	0	0
Due to Other Funds	42,227	5,504	55,835	0
Due to Other Governments	1,094	0	0	0
Deferred Revenue	1,633,087	0	1,802,594	0
Accrued Interest Payable	0	0	0	0
Notes Payable	0	0	0	0
Total Liabilities	1,734,917	61,735	2,156,100	0
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	10,507	165,713	354,225	0
Reserved for Inventory	16,442	0	9,096	0
Reserved for Loans	0	0	0	0
Unreserved:				
Designated:				
Undesignated (Deficit)	721,164	576,616	1,618,654	7,934
Total Fund Equity (Deficit)	748,113	742,329	1,981,975	7,934
Total Liabilities and Fund Equity	\$2,483,030	\$804,064	\$4,138,075	\$7,934

Starlight School Levy	Delinquent Real Estate Tax and Assessment Collection	Tuberculosis Clinic	Youth Services	Block Grants	Computer Legal Research
\$4,678,031	\$161,718	\$419,163	\$103,859	\$43,747	\$32,837
0	0	0	0	0	0
0	0	0	0	0	0
77,281	0	0	0	0	0
0	0	0	0	9,373	0
3,421,571	0	360,518	0	0	0
113,318	0	0	0	53,980	0
22,252	0	0	0	0	0
0	108	906	0	0	0
\$8,312,453	\$161,826	\$780,587	\$103,859	\$107,100	\$32,837
\$33,147	\$0	\$6,670	\$8,176	\$0	\$0
0	0	0	0	0	0
105,776	1,462	6,982	3,221	1,214	0
3,246	0	993	0	67	0
0	0	0	0	0	0
50,038	0	0	0	11,223	0
99,450	1,366	6,651	2,981	1,672	0
0	0	0	0	0	0
3,421,571	0	360,518	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
3,713,228	2,828	381,814	14,378	14,176	0
26,378	5,879	4,660	101	34,040	0
22,252	0	0	0	0	0
0	0	0	0	9,373	0
4,550,595	153,119	394,113	89,380	49,511	32,837
4,599,225	158,998	398,773	89,481	92,924	32,837
\$8,312,453	\$161,826	\$780,587	\$103,859	\$107,100	\$32,837

(Continued)

Combining Balance Sheet
All Special Revenue Funds (Continued)
December 31, 1998

	<i>Community Correction</i>	<i>Home Detention (Electric Monitor)</i>	<i>Litter Prevention</i>	<i>Marriage License</i>
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$28,177	\$137,314	\$1,098	\$0
Segregated Accounts:				
Cash and Cash Equivalents	0	0	0	0
Receivables:				
Accounts	0	0	0	714
Interfund	0	0	0	0
Revolving Loans	0	0	0	0
Due From Agency Funds:				
Property Taxes	0	0	0	0
Due from Other Governments	0	0	22,640	0
Materials and Supplies				
Inventory	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$28,177	\$137,314	\$23,738	\$714
Liabilities:				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	5,846	0	2,051	0
Compensated Absences Payable	626	0	327	0
Retainage Payable	0	0	0	0
Interfund Payable	0	0	16,056	0
Due to Other Funds	5,233	0	1,752	0
Due to Other Governments	0	0	0	0
Deferred Revenue	0	0	0	0
Accrued Interest Payable	0	0	0	0
Notes Payable	0	0	0	0
Total Liabilities	11,705	0	20,186	0
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	72	2,308	0	0
Reserved for Inventory	0	0	0	0
Reserved for Loans	0	0	0	0
Unreserved:				
Designated:				
Undesignated (Deficit)	16,400	135,006	3,552	714
Total Fund Equity (Deficit)	16,472	137,314	3,552	714
Total Liabilities and Fund Equity	\$28,177	\$137,314	\$23,738	\$714

<i>Political Sub-Division Housing</i>	<i>Indigent Drivers Alcohol Treatment</i>	<i>Probate Conduct of Business</i>	<i>Enforcement and Education</i>	<i>Chapter I Starlight</i>	<i>Law Enforcement</i>
\$53,358	\$89,335	\$7,961	\$13,635	\$23,601	\$46,548
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
\$53,358	\$89,335	\$7,961	\$13,635	\$23,601	\$46,548
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	2,464	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	22,169	0
0	0	0	0	2,173	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	26,806	0
0	28,084	0	100	0	1,900
0	0	0	0	0	0
0	0	0	0	0	0
53,358	61,251	7,961	13,535	(3,205)	44,648
53,358	89,335	7,961	13,635	(3,205)	46,548
\$53,358	\$89,335	\$7,961	\$13,635	\$23,601	\$46,548

(Continued)

Combining Balance Sheet
All Special Revenue Funds (Continued)
 December 31, 1998

	Senior Citizens Levy	Felony Delinquent Care and Custody	Drug Law Enforcement	Indigent Guardianship
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$149,679	\$40,041	\$4,840
Segregated Accounts:				
Cash and Cash Equivalents	0	0	0	0
Receivables:				
Accounts	0	0	0	0
Interfund	0	0	0	0
Revolving Loans	0	0	0	0
Due From Agency Funds:				
Property Taxes	450,656	0	0	0
Due from Other Governments	0	13,476	0	0
Materials and Supplies				
Inventory	0	0	0	0
Prepaid Items	0	0	0	0
Total Assets	\$450,656	\$163,155	\$40,041	\$4,840
Liabilities:				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	19,241	776	0	0
Compensated Absences Payable	0	0	0	0
Retainage Payable	0	0	0	0
Interfund Payable	0	0	0	0
Due to Other Funds	13,880	714	0	0
Due to Other Governments	0	0	0	0
Deferred Revenue	450,656	0	0	0
Accrued Interest Payable	0	0	0	0
Notes Payable	0	0	0	0
Total Liabilities	483,777	1,490	0	0
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	0	7,802	0	168
Reserved for Inventory	0	0	0	0
Reserved for Loans	0	0	0	0
Unreserved:				
Designated:				
Undesignated (Deficit)	(33,121)	153,863	40,041	4,672
Total Fund Equity (Deficit)	(33,121)	161,665	40,041	4,840
Total Liabilities and Fund Equity	\$450,656	\$163,155	\$40,041	\$4,840

<i>Victim of Criminals</i>	<i>Family Resources</i>	<i>Commissary</i>	<i>Children Services Christmas</i>	<i>Mental Health Levy</i>	<i>Certificate of Title Administration</i>
\$9,695	\$43,422	\$0	\$0	\$0	\$476,911
0	0	7,771	22,772	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	993,576	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
\$9,695	\$43,422	\$7,771	\$22,772	\$993,576	\$476,911
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	3,864
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	3,960
0	0	0	0	993,576	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	993,576	7,824
0	275	0	0	0	710
0	0	0	0	0	0
0	0	0	0	0	0
9,695	43,147	7,771	22,772	0	468,377
9,695	43,422	7,771	22,772	0	469,087
\$9,695	\$43,422	\$7,771	\$22,772	\$993,576	\$476,911

(Continued)

Combining Balance Sheet
All Special Revenue Funds (Continued)
December 31, 1998

	Sheriff Levy	Starlight Title VI	Totals
Assets:			
Equity with County Treasurer:			
Equity in Pooled Cash and Cash Equivalents	\$79,548	\$3,030	\$13,439,427
Segregated Accounts:			
Cash and Cash Equivalents	0	0	30,543
Receivables:			
Accounts	0	0	6,112
Interfund	0	0	77,281
Revolving Loans	0	0	9,373
Due From Agency Funds:			
Property Taxes	408,271	0	9,070,273
Due from Other Governments	0	0	1,243,310
Materials and Supplies			
Inventory	0	0	225,660
Prepaid Items	0	0	5,018
Total Assets	\$487,819	\$3,030	\$24,106,997
Liabilities:			
Accounts Payable	\$0	\$0	\$663,671
Contracts Payable	0	0	2,923
Accrued Wages and Benefits	0	0	497,262
Compensated Absences Payable	0	0	25,491
Retainage Payable	0	0	47,240
Interfund Payable	0	5,074	387,247
Due to Other Funds	10,619	0	453,625
Due to Other Governments	408,271	0	1,446,146
Deferred Revenue	0	0	7,967,208
Accrued Interest Payable	0	0	49
Notes Payable	0	0	12,000
Total Liabilities	418,890	5,074	11,502,862
Fund Equity:			
Fund Balance:			
Reserved for Encumbrances	0	0	1,011,819
Reserved for Inventory	0	0	225,660
Reserved for Loans	0	0	9,373
Unreserved:			
Designated:			
Undesignated (Deficit)	68,929	(2,044)	11,357,283
Total Fund Equity (Deficit)	68,929	(2,044)	12,604,135
Total Liabilities and Fund Equity	\$487,819	\$3,030	\$24,106,997

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds
For the Year Ended December 31, 1998*

	<u>Dog and Kennel</u>	<u>Child Support Enforcement Agency</u>	<u>Public Assistance</u>	<u>Motor Vehicle and Gasoline Tax</u>
Revenues:				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	26,118	174,457	0	0
Licenses and Permits	67,413	0	0	0
Fines and Forfeitures	0	0	0	102,396
Intergovernmental	0	1,755,779	8,292,334	4,498,056
Interest	0	0	0	20,942
Other	3,891	1,340	4,030	5,122
Total Revenues	\$97,422	\$1,931,576	\$8,296,364	\$4,626,516
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	0
Public Safety	0	0	0	0
Public Works	0	0	0	3,766,190
Health	121,756	0	0	0
Human Services	0	2,685,450	8,482,935	0
Refund of Property Taxes	0	0	0	0
Intergovernmental	0	0	0	227,255
Debt Service:				
Principal Retirement	0	0	0	43,263
Interest and Fiscal Charges	0	0	0	9,020
Total Expenditures	121,756	2,685,450	8,482,935	4,045,728
Excess of Revenues Over (Under) Expenditures	(24,334)	(753,874)	(186,571)	580,788
Other Financing Sources (Uses):				
Sale of Fixed Assets	0	0	2,071	0
Operating Transfers - In	15,200	897,546	348,943	16,883
Operating Transfers - Out	0	0	0	(424,971)
Total Other Financing Sources (Uses)	15,200	897,546	351,014	(408,088)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,134)	143,672	164,443	172,700
Fund Balances (Deficit) at Beginning of Year	43,083	201,366	12,950	1,875,859
Increase (Decrease) in Reserve for Inventory	0	0	(172)	(11,962)
Fund Balances (Deficits) at End of Year	\$33,949	\$345,038	\$177,221	\$2,036,597

(Continued)

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances*

All Special Revenue Funds (Continued)

For the Year Ended December 31, 1998

	County Home Levy	Real Estate Assessment	Children Services Levy	Drug Abuse Resistance Education (DARE)
Revenues:				
Property and Other Taxes	\$1,413,612	\$0	\$1,560,832	\$0
Charges for Services	562,975	454,012	1,350,721	0
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	168,853	0	1,964,926	8,762
Interest	0	0	0	0
Other	2,435	128	29,749	3,245
Total Revenues	\$2,147,875	\$454,140	\$4,906,228	\$12,007
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	189,814	0	0
Judicial	0	0	0	0
Public Safety	0	0	0	17,577
Public Works	0	0	0	0
Health	0	0	0	0
Human Services	2,184,153	0	4,048,788	0
Refund of Property Taxes	5,039	0	13,622	0
Intergovernmental	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	2,189,192	189,814	4,062,410	17,577
Excess of Revenues Over (Under) Expenditures	(41,317)	264,326	843,818	(5,570)
Other Financing Sources (Uses):				
Sale of Fixed Assets	0	0	0	0
Operating Transfers - In	0	0	0	0
Operating Transfers - Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(41,317)	264,326	843,818	(5,570)
Fund Balances (Deficit) at Beginning of Year	781,730	478,003	1,141,763	13,504
Increase (Decrease) in Reserve for Inventory	7,700	0	(3,606)	0
Fund Balances (Deficits) at End of Year	\$748,113	\$742,329	\$1,981,975	\$7,934

Starlight School Levy	Delinquent Real Estate Tax and Assessment Collection	Tuberculosis Clinic	Youth Services	Block Grants	Computer Legal Research
\$2,966,840	\$0	\$312,167	\$0	\$0	\$0
0	103,467	48,707	0	0	7,254
0	0	0	0	0	0
0	0	0	0	0	0
2,015,914	0	37,823	160,324	634,177	0
0	0	0	0	554	0
39,240	0	0	0	0	0
\$5,021,994	\$103,467	\$398,697	\$160,324	\$634,731	\$7,254
0	123,263	0	0	0	0
0	0	0	0	0	11,830
0	0	0	173,405	0	0
0	0	0	0	384,288	0
0	0	354,217	0	0	0
4,154,339	0	0	0	0	0
7,559	0	1,008	0	0	0
0	0	0	0	244,106	0
0	0	0	0	0	0
0	0	0	0	0	0
4,161,898	123,263	355,225	173,405	628,394	11,830
860,096	(19,796)	43,472	(13,081)	6,337	(4,576)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
860,096	(19,796)	43,472	(13,081)	6,337	(4,576)
3,738,261	178,794	355,301	102,562	86,587	37,413
868	0	0	0	0	0
\$4,599,225	\$158,998	\$398,773	\$89,481	\$92,924	\$32,837

(Continued)

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds (Continued)
For the Year Ended December 31, 1998*

	Community Correction	Home Dentention (Electric Monitor)	Litter Prevention	Marriage License
Revenues:				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	32,518	0	0
Licenses and Permits	0	0	0	26,943
Fines and Forfeitures	0	0	0	0
Intergovernmental	155,707	63,576	53,261	0
Interest	0	0	0	0
Other	0	0	0	0
Total Revenues	\$155,707	\$96,094	\$53,261	\$26,943
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	0
Public Safety	273,251	44,174	0	0
Public Works	0	0	99,832	0
Health	0	0	0	26,229
Human Services	0	0	0	0
Refund of Property Taxes	0	0	0	0
Intergovernmental	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	273,251	44,174	99,832	26,229
Excess of Revenues Over (Under) Expenditures	(117,544)	51,920	(46,571)	714
Other Financing Sources (Uses):				
Sale of Fixed Assets	0	0	0	0
Operating Transfers - In	0	0	28,300	0
Operating Transfers - Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	28,300	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(117,544)	51,920	(18,271)	714
Fund Balances (Deficit) at Beginning of Year	134,016	85,394	22,023	0
Increase (Decrease) in Reserve for Inventory	0	0	(200)	0
Fund Balances (Deficits) at End of Year	\$16,472	\$137,314	\$3,552	\$714

<i>Political Sub-Division Housing</i>	<i>Indigent Drivers Alcohol Treatment</i>	<i>Probate Conduct of Business</i>	<i>Enforcement and Education</i>	<i>Chapter I Starlight</i>	<i>Law Enforcement</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	677	0	0	0
0	0	0	0	0	0
5,522	17,896	0	11,614	0	0
0	200	0	0	47,787	0
0	0	0	0	0	0
0	0	0	0	0	0
\$5,522	\$18,096	\$677	\$11,614	\$47,787	\$0
0	0	0	0	0	0
0	0	61	0	0	0
0	0	0	6,847	0	23,724
0	0	0	0	0	0
0	0	0	0	0	0
0	6,696	0	0	42,481	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	6,696	61	6,847	42,481	23,724
5,522	11,400	616	4,767	5,306	(23,724)
0	0	0	0	0	16,817
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	16,817
5,522	11,400	616	4,767	5,306	(6,907)
47,836	77,935	7,345	8,868	(8,511)	53,455
0	0	0	0	0	0
\$53,358	\$89,335	\$7,961	\$13,635	(\$3,205)	\$46,548

(Continued)

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds (Continued)
For the Year Ended December 31, 1998*

	Senior Citizens Levy	Felony Delinquent Care and Custody	Drug Law Enforcement	Indigent Guardianship
Revenues:				
Property and Other Taxes	\$388,442	\$0	\$0	\$0
Charges for Services	0	0	0	21,974
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	18,156	0
Intergovernmental	73,840	149,400	0	0
Interest	0	0	0	0
Other	0	0	0	0
Total Revenues	\$462,282	\$149,400	\$18,156	\$21,974
Expenditures:				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	0
Public Safety	0	47,694	13,323	0
Public Works	0	0	0	0
Health	0	0	0	0
Human Services	480,562	0	0	30,725
Refund of Property Taxes	0	0	0	0
Intergovernmental	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	480,562	47,694	13,323	30,725
Excess of Revenues Over (Under) Expenditures	(18,280)	101,706	4,833	(8,751)
Other Financing Sources (Uses):				
Sale of Fixed Assets	0	0	4,450	0
Operating Transfers - In	0	0	0	0
Operating Transfers - Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	4,450	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(18,280)	101,706	9,283	(8,751)
Fund Balances (Deficit) at Beginning of Year	(14,841)	59,959	30,758	13,591
Increase (Decrease) in Reserve for Inventory	0	0	0	0
Fund Balances (Deficits) at End of Year	(\$33,121)	\$161,665	\$40,041	\$4,840

Victim of Criminals	Family Resources	Commissary	Children Services Christmas	Mental Health Levy	Certificate of Title Administration
\$0	\$0	\$0	\$0	\$645,670	\$0
0	0	51,804	0	0	0
0	0	0	0	0	305,173
0	0	0	0	0	0
36,405	56,650	0	0	75,834	0
0	0	0	366	0	0
0	0	0	6,195	0	0
\$36,405	\$56,650	\$51,804	\$6,561	\$721,504	\$305,173
0	0	0	0	0	137,458
0	0	0	0	0	0
34,357	0	47,960	2,482	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	46,603	0	0	0	0
0	0	0	0	2,519	0
0	0	0	0	718,985	0
0	0	0	0	0	0
0	0	0	0	0	0
34,357	46,603	47,960	2,482	721,504	137,458
2,048	10,047	3,844	4,079	0	167,715
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
2,048	10,047	3,844	4,079	0	167,715
7,647	33,375	3,927	18,693	0	301,372
0	0	0	0	0	0
\$9,695	\$43,422	\$7,771	\$22,772	\$0	\$469,087

(Continued)

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds (Continued)
For the Year Ended December 31, 1998*

	Sheriff Levy	Starlight Title VI	Totals
Revenues:			
Property and Other Taxes	\$354,904	\$0	\$7,997,371
Charges for Services	0	0	2,834,684
Licenses and Permits	0	0	399,529
Fines and Forfeitures	0	0	155,584
Intergovernmental	42,212	2,548	20,336,580
Interest	0	0	21,862
Other	0	0	95,375
Total Revenues	397,116	\$2,548	31,840,985
Expenditures:			
Current:			
General Government:			
Legislative and Executive	0	0	450,535
Judicial	0	0	11,891
Public Safety	375,918	0	1,436,630
Public Works	0	0	4,250,310
Health	0	0	502,202
Human Services	0	2,147	22,164,879
Refund of Property Taxes	0	0	29,747
Intergovernmental	0	0	1,190,346
Debt Service:			
Principal Retirement	0	0	43,263
Interest and Fiscal Charges	0	0	9,020
Total Expenditures	375,918	2,147	30,088,823
Excess of Revenues Over (Under) Expenditures	21,198	401	1,752,162
Other Financing Sources (Uses):			
Sale of Fixed Assets	0	0	23,338
Operating Transfers - In	3,291	0	1,313,454
Operating Transfers - Out	0	0	(424,971)
Total Other Financing Sources (Uses)	3,291	0	911,821
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	24,489	401	2,663,983
Fund Balances (Deficit) at Beginning of Year	44,440	(2,445)	10,016,453
Increase (Decrease) in Reserve for Inventory	0	0	(7,372)
Fund Balances (Deficits) at End of Year	68,929	(\$2,044)	\$12,673,064

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Dog and Kennel Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$22,855	\$26,118	\$3,263
Licenses and Permits	65,598	67,413	1,815
Other	2,848	3,891	1,043
Total Revenues	91,301	97,422	6,121
Expenditures:			
Current:			
Health			
Animal Control			
Salaries and Wages	62,360	60,893	1,467
Fringe Benefits	27,517	24,904	2,613
Materials and Supplies	4,000	0	4,000
Contractual Services	36,571	29,204	7,367
Other	9,186	8,905	281
Total Expenditures	139,634	123,906	15,728
Excess of Revenues Under Expenditures	(48,333)	(26,484)	21,849
Other Financing Sources:			
Operating Transfers - In	15,200	15,200	0
Total Other Financing Sources	15,200	15,200	0
Excess of Revenues and Other Financing Sources Under Expenditures	(33,133)	(11,284)	21,849
Fund Balance at Beginning of Year	42,698	42,698	0
Unexpended Prior Year Encumbrances	5,305	5,305	0
Fund Balance at End of Year	\$14,870	\$36,719	\$21,849

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Child Support Enforcement Agency Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$191,268	\$191,265	(\$3)
Intergovernmental	1,951,608	1,951,608	0
Other	1,756	1,794	38
Total Revenues	2,144,632	2,144,667	35
Expenditures:			
Current:			
Human Services			
Child Support Enforcement			
Salary and Wages	1,592,906	1,215,139	377,767
Fringe Benefits	295,449	214,211	81,238
Materials and Supplies	130,000	80,660	49,340
Contractual Services	936,220	903,259	32,961
Capital Outlay	120,000	81,897	38,103
Other	278,447	267,851	10,596
Total Expenditures	3,353,022	2,763,017	590,005
Excess of Revenues Under Expenditures	(1,208,390)	(618,350)	590,040
Other Financing Sources:			
Operating Transfers - In	587,000	587,000	0
Total Other Financing Sources	587,000	587,000	0
Excess of Revenues and Other Financing Sources Under Expenditures	(621,390)	(31,350)	590,040
Fund Balance at Beginning of Year	674,079	674,079	0
Unexpended Prior Year Encumbrances	15,388	15,388	0
Fund Balance at End of Year	\$68,077	\$658,117	\$690,040

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Assistance
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	7,598,890	7,638,625	39,735
Other	0	4,521	4,521
Total Revenues	7,598,890	7,643,146	44,256
Expenditures:			
Current:			
Human Services			
Public Assistance			
Salaries and Wages	2,539,850	2,496,957	42,893
Fringe Benefits	454,312	454,112	200
Materials and Supplies	110,000	97,974	12,026
Contractual Services	1,619,979	1,445,105	174,874
Capital Outlay	210,000	197,887	12,113
Other	827,590	792,057	35,533
Total Public Assistance	5,761,731	5,484,092	277,639
Public Social Services			
Salaries and Wages	527,370	419,621	107,749
Fringe Benefits	114,639	88,349	26,290
Materials and Supplies	10,000	7,059	2,941
Contractual Services	2,628,304	2,235,434	392,870
Capital Outlay	12,000	2,122	9,878
Other	1,000	0	1,000
Total Public Social Services	3,293,313	2,752,585	540,728
Total Expenditures	9,055,044	8,236,677	818,367
Excess of Revenues Under Expenditures	(1,456,154)	(593,531)	862,623
Other Financing Sources:			
Sale of Fixed Assets	2,071	2,071	0
Operating Transfers - In	348,943	348,943	0
Total Other Financing Sources	351,014	351,014	0
Excess of Revenues and Other Financing Sources Under Expenditures	(1,105,140)	(242,517)	862,623
Fund Balance at Beginning of Year	244,337	244,337	0
Unexpended Prior Year Encumbrances	12,824	12,824	0
Fund Balance (Deficit) at End of Year	(\$847,979)	\$14,644	\$862,623

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and Forfeitures	\$95,105	\$102,396	\$7,291
Intergovernmental	4,446,556	4,486,849	40,293
Interest	20,265	20,265	0
Other	5,067	5,122	55
Total Revenues	4,566,993	4,614,632	47,639
Expenditures:			
Current:			
Public Works			
Engineer			
Salaries and Wages	187,877	186,885	992
Fringe Benefits	58,012	56,370	1,642
Materials and Supplies	1,917	1,917	0
Contractual Services	1,500	1,195	305
Capital Outlay	15,733	15,732	1
Other	267	258	9
Total Engineer	265,306	262,357	2,949
Roads			
Salaries and Wages	700,000	661,910	38,090
Fringe Benefits	209,472	187,686	21,786
Materials and Supplies	858,266	829,934	28,332
Contractual Services	392,505	371,438	21,067
Capital Outlay	314,040	298,483	15,557
Other	283,678	273,883	9,795
Total Roads	2,757,961	2,623,334	134,627
Bridges and Culverts			
Salaries and Wages	134,900	133,653	1,247
Fringe Benefits	24,566	22,615	1,951
Materials and Supplies	158,216	153,010	5,206
Contractual Services	823,548	679,398	144,150
Other	4,583	2,688	1,895
Total Bridges and Culverts	1,145,813	991,364	154,449
Total Public Works	4,169,080	3,877,055	292,025
Intergovernmental:			
Grants	0	198,020	(198,020)
Total Intergovernmental	0	198,020	(198,020)
Debt Service:			
Principal Retirement	46,419	43,263	3,156
Interest and Fiscal Charges	7,771	7,771	0
Total Debt Service	54,190	51,034	3,156
Total Expenditures	4,223,270	4,126,109	97,161
Excess of Revenues Over Expenditures	343,723	488,523	144,800
Other Financing Sources (Uses):			
Advances - In	282,687	282,687	0
Operating Transfers - In	336,420	16,883	(319,537)
Operating Transfers - Out	(621,233)	(438,221)	183,012
Total Other Financing Sources (Uses)	(2,126)	(138,651)	(136,525)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	341,597	349,872	5,119
Fund Balance at Beginning of Year	1,416,497	1,416,497	0
Unexpended Prior Year Encumbrances	29,656	29,656	0
Fund Balance at End of Year	\$1,787,750	\$1,796,025	\$8,275

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Home Levy Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Taxes	\$1,408,573	\$1,408,573	\$0
Charges for Services	559,878	562,975	3,097
Intergovernmental	168,853	168,853	0
Other	2,406	2,435	29
Total Revenues	2,139,710	2,142,836	3,126
Expenditures:			
Current:			
Human Services			
County Home			
Salary and Wages	1,406,300	1,376,545	29,755
Fringe Benefits	345,500	338,419	7,081
Materials and Supplies	309,000	300,132	8,868
Contractual Services	130,000	115,877	14,123
Capital Outlay	42,510	39,603	2,907
Other	15,000	13,887	1,113
Total Expenditures	2,248,310	2,184,463	63,847
Excess of Revenues Under Expenditures	(108,600)	(41,627)	66,973
Fund Balance at Beginning of Year	859,548	859,548	0
Unexpended Prior Year Encumbrances	14,372	14,372	0
Fund Balance at End of Year	\$765,320	\$832,293	\$66,973

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Real Estate Assessment Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$454,012	\$454,012	\$0
Other	128	128	0
Total Revenues	454,140	454,140	0
Expenditures:			
Current:			
General Government -			
Legislative and Executive			
Real Estate Assessment			
Salaries and Wages	107,494	72,461	35,033
Fringe Benefits	18,563	12,397	6,166
Materials and Supplies	3,000	262	2,738
Contractual Services	250,000	214,822	35,178
Other	10,850	10,838	12
Total Expenditures	389,907	310,780	79,127
Excess of Revenues Over Expenditures	64,233	143,360	79,127
Fund Balance at Beginning of Year	486,254	486,254	0
Unexpended Prior Year Encumbrances	4,505	4,505	0
Fund Balance at End of Year	\$554,992	\$634,119	\$79,127

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Childrens Services Levy Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property and Other Taxes	\$1,547,210	\$1,547,210	\$0
Charges for Services	1,360,196	1,360,196	0
Intergovernmental	1,614,960	1,770,052	155,092
Other	5,108	5,308	200
Total Revenues	4,527,474	4,682,766	155,292
Expenditures:			
Current:			
Human Services			
Children Services			
Salary and Wages	1,650,000	1,501,132	148,868
Fringe Benefits	345,148	310,817	34,331
Materials and Supplies	142,269	118,344	23,925
Contractual Services	2,402,926	2,112,144	290,782
Capital Outlay	125,000	82,199	42,801
Other	300,000	247,046	52,954
Total Expenditures	4,965,343	4,371,682	593,661
Excess of Revenues Over (Under) Expenditures	(437,869)	311,084	748,953
Other Financing Uses:			
Advances - Out	(200,000)	(200,000)	0
Total Other Financing Uses	(200,000)	(200,000)	0
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	(637,869)	111,084	748,953
Fund Balance at Beginning of Year	940,157	940,157	0
Unexpended Prior Year Encumbrances	23,974	23,974	0
Fund Balance at End of Year	\$326,262	\$1,075,215	\$748,953

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Abuse Resistance Education (DARE) Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	14,495	14,495	0
Other	3,245	3,245	0
Total Revenues	17,740	17,740	0
Expenditures:			
Current:			
Public Safety			
Drug Law Enforcement			
Materials and Supplies	9,825	9,025	800
Contractual Services	12,170	12,170	0
Other	800	698	102
Total Expenditures	22,795	21,893	902
Excess of Revenues Under Expenditures	(5,055)	(4,153)	902
Fund Balance at Beginning of Year	5,650	5,650	0
Fund Balance at End of Year	\$595	\$1,497	\$902

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Starlight School Levy Fund
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property and Other Taxes	2,959,281	2,959,281	0
Intergovernmental	1,943,415	1,988,058	44,643
Other	37,653	39,240	1,587
Total Revenues	4,940,349	4,986,579	46,230
Expenditures:			
Current:			
Human Services			
Starlight School			
Salaries and Wages	2,745,344	2,588,526	156,818
Fringe Benefits	635,000	572,831	62,169
Materials and Supplies	104,000	92,563	11,437
Contractual Services	920,754	812,923	107,831
Capital Outlay	151,000	22,070	128,930
Other	6,375	1,683	4,692
Total Expenditures	4,562,473	4,090,596	471,877
Excess of Revenues Over Expenditures	377,876	895,983	518,107
Other Financing Sources (Uses):			
Advances - In	74,755	74,755	0
Advances - Out	(24,717)	(24,717)	0
Total Other Financing Sources (Uses)	50,038	50,038	0
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	427,914	946,021	518,107
Fund Balance at Beginning of Year	3,694,017	3,694,017	0
Unexpended Prior Year Encumbrances	11,304	11,304	0
Fund Balance at End of Year	\$4,133,235	\$4,651,342	\$518,107

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Delinquent Real Estate Tax and Assessment Collection Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$104,557	\$103,467	(\$1,090)
Total Revenues	104,557	103,467	(1,090)
Expenditures:			
Current:			
General Government -			
Legislative and Executive			
DRETAC			
Salaries and Wages	76,150	73,730	2,420
Fringe Benefits	11,200	6,495	4,705
Materials and Supplies	1,850	1,806	44
Contractual Services	2,000	0	2,000
Capital Outlay	2,000	1,196	804
Other	137,583	49,093	88,490
Total Expenditures	230,783	132,320	98,463
Excess of Revenues Under Expenditures	(126,226)	(28,853)	97,373
Fund Balance at Beginning of Year	180,357	180,357	0
Unexpended Prior Year Encumbrances	4,717	4,717	0
Fund Balance at End of Year	\$58,848	\$156,221	\$97,373

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tuberculosis Clinic Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property and Other Taxes	\$311,159	\$311,159	\$0
Charges for Services	48,595	48,707	112
Intergovernmental	37,823	37,823	0
Total Revenues	397,577	397,689	112
Expenditures:			
Current:			
Health			
Tuberculosis Clinic			
Salaries and Wages	172,356	172,278	78
Fringe Benefits	54,473	50,751	3,722
Materials and Supplies	81,400	71,608	9,792
Contractual Services	33,661	16,804	16,857
Capital Outlay	8,995	9,513	(518)
Other	33,580	30,914	2,666
Total Expenditures	384,465	351,868	32,597
Excess of Revenues Over Expenditures	13,112	45,821	32,709
Fund Balance at Beginning of Year	361,155	361,155	0
Unexpended Prior Year Encumbrances	4,345	4,345	0
Fund Balance at End of Year	\$378,612	\$411,321	\$32,709

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Youth Services Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$160,324	\$160,324	\$0
Total Revenues	160,324	160,324	0
Expenditures:			
Current:			
Public Safety			
Youth Services			
Salaries and Wages			
Fringe Benefits	83,114	80,153	2,961
Materials and Supplies	25,972	23,051	2,921
Contractual Services	2,248	1,170	1,078
Capital Outlay	79,037	67,354	11,683
Other	250	90	160
	668	410	258
Total Expenditures	191,289	172,228	19,061
Excess of Revenues Under Expenditures	(30,965)	(11,904)	19,061
Fund Balance at Beginning of Year	109,754	109,754	0
Fund Balance at End of Year	\$78,789	\$97,850	\$19,061

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Block Grants Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Intergovernmental	\$694,197	\$694,197	\$0
Total Revenues	694,197	694,197	0
Expenditures:			
Current:			
Public Works			
Block Grants			
Salaries and Wages	49,975	44,943	5,032
Fringe Benefits	15,528	15,113	415
Materials and Supplies	13,586	10,749	2,837
Contractual Services	509,342	488,227	21,115
Total Public Works	588,431	559,032	29,399
Intergovernmental	239,500	236,270	3,230
Total Intergovernmental	239,500	236,270	3,230
Total Expenditures	827,931	795,302	32,629
Excess of Revenues Under Expenditures	(133,734)	(101,105)	32,629
Other Financing Sources:			
Advances - In	11,000	11,223	223
Total Other Financing Sources	11,000	11,223	223
Excess of Revenues and Other Financing Sources Under Expenditures	(122,734)	(89,882)	32,852
Fund Balance at Beginning of Year	82,285	82,285	0
Unexpended Prior Year Encumbrances	18,013	18,013	0
Fund Balance (Deficit) at End of Year	(\$22,436)	\$10,416	\$32,852

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Computer Legal Research Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$7,533	\$7,533	\$0
Total Revenues	7,533	7,533	0
Expenditures:			
Current:			
General Government -			
Judicial			
Computer Legal Research			
Contractual Services	12,250	10,070	2,180
Other	1,800	1,760	40
Total Expenditures	14,050	11,830	2,220
Excess of Revenues Under Expenditures	(6,517)	(4,297)	2,220
Fund Balance at Beginning of Year	36,834	36,834	0
Fund Balance at End of Year	\$30,317	\$32,537	\$2,220

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Correction Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$206,588	\$206,588	\$0
Total Revenues	206,588	206,588	0
Expenditures:			
Current:			
Public Safety			
Community Correction			
Salary and Wages	155,690	141,388	14,302
Fringe Benefits	42,248	42,248	0
Materials and Supplies	12,721	8,549	4,172
Contractual Services	84,100	76,661	7,439
Capital Outlay	8,200	2,813	5,387
Total Expenditures	302,959	271,659	31,300
Excess of Revenues Under Expenditures	(96,371)	(65,071)	31,300
Fund Balance at Beginning of Year	96,371	96,371	0
Unexpended Prior Year Encumbrances	29	29	0
Fund Balance at End of Year	\$29	\$31,329	\$31,300

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Home Detention (Electronic Monitor) Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$32,978	\$32,978	\$0
Intergovernmental	82,687	85,501	2,814
Total Revenues	115,665	118,479	2,814
Expenditures:			
Current:			
Public Safety			
Electric Monitor			
Salaries and Wages	37,826	34,346	3,480
Fringe Benefits	201	201	0
Materials and Supplies	14,500	8,720	5,780
Contractual Services	4,683	437	4,246
Capital Outlay	5,357	2,649	2,708
Total Expenditures	62,567	46,353	16,214
Excess of Revenues Over Expenditures	53,098	72,126	19,028
Fund Balance at Beginning of Year	57,151	57,151	0
Unexpended Prior Year Encumbrances	3,718	3,718	0
Fund Balance at End of Year	\$113,967	\$132,995	\$19,028

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Litter Prevention Fund
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$64,581	\$64,581	\$0
Total Revenues	64,581	64,581	0
Expenditures:			
Current:			
Public Works			
Litter Prevention			
Salaries and Wages	66,824	66,824	0
Fringe Benefits	2,151	2,151	0
Materials and Supplies	588	571	17
Capital Outlay	8,555	8,555	0
Other	22,056	22,056	0
Total Expenditures	100,174	100,157	17
Excess of Revenues Under Expenditures	(35,593)	(35,576)	17
Other Financing Sources (Uses):			
Advances - In	0	16,056	16,056
Advances - Out	(8,000)	(8,000)	0
Operating Transfers - In	28,300	28,300	0
Total Other Financing Sources (Uses)	20,300	36,356	16,056
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(15,293)	780	16,073
Fund Balance at Beginning of Year	1,208	1,208	0
Fund Balance (Deficit) at End of Year	(\$14,085)	\$1,988	\$16,073

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Marriage License Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Licenses and Permits	\$28,082	\$28,082	\$0
Total Revenues	28,082	28,082	0
Expenditures:			
Current:			
Health			
Marriage Licenses			
Contractual Services	28,082	28,082	0
Total Expenditures	28,082	28,082	0
Excess of Revenues Over Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Political Subdivision Housing Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fines and Forfeitures	\$5,026	\$5,522	\$496
Total Revenues	5,026	5,522	496
Expenditures:			
Total Expenditures	0	0	0
Excess of Revenues Over Expenditures	5,026	5,522	496
Fund Balance at Beginning of Year	47,836	47,836	0
Fund Balance at End of Year	\$52,862	\$53,358	\$496

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Alcohol Treatment Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fines and Forfeitures	\$17,389	\$17,896	\$507
Intergovernmental	200	200	0
Total Revenues	17,589	18,096	507
Expenditures:			
Current:			
Human Services			
Indigent Guardianship			
Contractual Services	40,075	8,000	32,075
Total Expenditures	40,075	8,000	32,075
Excess of Revenues Over (Under) Expenditures	(22,486)	10,096	32,582
Fund Balance at Beginning of Year	77,935	77,935	0
Fund Balance at End of Year	\$55,449	\$88,031	\$32,582

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Probate Conduct of Business Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$722	\$722	\$0
Total Revenues	722	722	0
Expenditures:			
Current:			
General Government -			
Judicial			
Probate Conduct of			
Business			
Other	750	61	689
Total Expenditures	750	61	689
Excess of Revenues Over (Under) Expenditures	(28)	661	689
Fund Balance at Beginning of Year	7,300	7,300	0
Fund Balance at End of Year	\$7,272	\$7,961	\$689

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fines and Forfeitures	\$11,328	\$11,614	\$286
Total Revenues	11,328	11,614	286
Expenditures:			
Current:			
Public Safety			
Enforcement and Education			
Other	10,083	6,912	3,171
Total Expenditures	10,083	6,912	3,171
Excess of Revenues Over Expenditures	1,245	4,702	3,457
Fund Balance at Beginning of Year	8,468	8,468	0
Unexpended Prior Year Encumbrances	365	365	0
Fund Balance at End of Year	\$10,078	\$13,535	\$3,457

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Chapter I - Starlight Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$47,787	\$47,787	\$0
Total Revenues	47,787	47,787	0
Expenditures:			
Current:			
Human Services			
Chapter I - Starlight			
Contractual Services	75,372	43,080	32,292
Total Expenditures	75,372	43,080	32,292
Excess of Revenues Over (Under) Expenditures	(27,585)	4,707	32,292
Other Financing Sources (Uses):			
Advances - In	22,169	22,169	0
Advances - Out	(74,755)	(74,755)	0
Total Other Sources (Uses)	(52,586)	(52,586)	0
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(80,171)	(47,879)	32,292
Fund Balance at Beginning of Year	91,079	91,079	0
Fund Balance at End of Year	\$10,908	\$43,200	\$32,292

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	17,782	0	17,782
Capital Outlay	27,000	20,811	6,189
Other	6,817	4,813	2,004
Total Expenditures	51,599	25,624	25,975
Excess of Revenues Under Expenditures	(51,599)	(25,624)	25,975
Other Financing Sources:			
Sale of Fixed Assets	16,817	16,817	0
Total Other Financing Sources	16,817	16,817	0
Excess of Revenues and Other Financing Sources (Under) Expenditures	(34,782)	(8,807)	25,975
Fund Balance at Beginning of Year	53,455	53,455	0
Fund Balance at End of Year	\$18,673	\$44,648	\$25,975

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Senior Citizens Levy Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property and Other Taxes	\$388,442	\$388,442	\$0
Intergovernmental	49,153	73,840	24,687
Total Revenues	437,595	462,282	24,687
Expenditures:			
Current:			
Human Services			
Senior Citizens Levy			
Salaries and Wages	373,174	373,174	0
Fringe Benefits	89,108	89,108	0
Total Expenditures	462,282	462,282	0
Excess of Revenues Under Expenditures	(24,687)	0	24,687
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	(\$24,687)	\$0	\$24,687

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Felony Delinquent Care and Custody Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Intergovernmental	\$135,924	\$135,924	\$0
Total Revenues	135,924	135,924	0
Expenditures:			
Current:			
Public Safety			
Specialized Probation			
Salaries and Wages	19,963	19,201	762
Fringe Benefits	8,308	5,166	3,142
Materials and Supplies	3,877	354	3,523
Contractual Services	67,333	30,320	37,013
Capital Outlay	710	346	364
Total Expenditures	100,191	55,387	44,804
Excess of Revenues Over Expenditures	35,733	80,537	44,804
Fund Balance at Beginning of Year	61,704	61,704	0
Fund Balance at End of Year	\$97,437	\$142,241	\$44,804

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fines and Forfeitures	\$18,466	\$18,466	\$0
Total Revenues	18,466	18,466	0
Expenditures:			
Current:			
Public Safety			
Drug Law Enforcement			
Contractual Services	37,592	13,286	24,306
Capital Outlay	8,725	0	8,725
Total Expenditures	46,317	13,286	33,031
Excess of Revenues Over (Under) Expenditures	(27,851)	5,180	33,031
Other Financing Sources			
Sale of Fixed Assets	4,450	4,450	0
Total Other Financing Sources	4,450	4,450	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(23,401)	9,630	33,031
Fund Balance at Beginning of Year	30,402	30,402	0
Unexpended Prior Year Encumbrances	9	9	0
Fund Balance at End of Year	\$7,010	\$40,041	\$33,031

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Guardianship Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$20,894	\$21,983	\$1,089
Total Revenues	20,894	21,983	1,089
Expenditures:			
Current:			
Human Services			
Indigent Guardianship			
Contractual Services	31,000	30,893	107
Total Expenditures	31,000	30,893	107
Excess of Revenues Under Expenditures	(10,106)	(8,910)	1,196
Fund Balance at Beginning of Year	12,482	12,482	0
Fund Balance at End of Year	\$2,376	\$3,572	\$1,196

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Victim of Criminals Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$36,405	\$36,405	\$0
Total Revenues	36,405	36,405	0
Expenditures:			
Current:			
Public Safety			
Victim of Criminals			
Salaries and Wages	30,505	27,742	2,763
Fringe Benefits	8,300	6,688	1,612
Materials and Supplies	2,281	240	2,041
Capital Outlay	2,650	0	2,650
Other	1,030	401	629
Total Expenditures	44,766	35,071	9,695
Excess of Revenues Over (Under) Expenditures	(8,361)	1,334	9,695
Fund Balance at Beginning of Year	8,361	8,361	0
Fund Balance at End of Year	\$0	\$9,695	\$9,695

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Family Resources Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$56,650	\$56,650	\$0
Total Revenues	56,650	56,650	0
Expenditures:			
Current:			
Human Services			
Family Resources			
Contractual Services	54,780	26,535	28,245
Capital Outlay	24,173	12,920	11,253
Other	10,697	7,231	3,466
Total Expenditures	89,650	46,686	42,964
Excess of Revenues Over (Under) Expenditures	(33,000)	9,964	42,964
Fund Balance at Beginning of Year	33,000	33,000	0
Unexpended Prior Year Encumbrances	183	183	0
Fund Balance at End of Year	\$183	\$43,147	\$42,964

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Commissary Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$0	\$51,804	\$51,804
Total Revenues	0	51,804	51,804
Expenditures:			
Current:			
Public Safety			
Sheriff Commissary			
Materials and Supplies	0	47,960	(47,960)
Total Expenditures	0	47,960	(47,960)
Excess of Revenues Over Expenditures	0	3,844	3,844
Fund Balance at Beginning of Year	3,927	3,927	0
Fund Balance at End of Year	\$3,927	\$7,771	\$3,844

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Childrens Services Christmas Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Interest	\$0	\$366	\$366
Other	0	6,195	6,195
Total Revenues	0	6,561	6,561
Expenditures:			
Current:			
Human Services			
Childrens Services			
Materials and Supplies	0	2,482	(2,482)
Total Expenditures	0	2,482	(2,482)
Excess of Revenues Over Expenditures	0	4,079	4,079
Fund Balance at Beginning of Year	18,693	18,693	0
Fund Balance at End of Year	\$18,693	\$22,772	\$4,079

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Mental Health Levy Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Property and Other Taxes	\$643,151	\$643,151	\$0
Intergovernmental	75,834	75,834	0
Total Revenues	718,985	718,985	0
Expenditures:			
Intergovernmental	718,985	718,985	0
Total Expenditures	718,985	718,985	0
Excess of Revenues Over Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Certificate of Title Administration Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Licenses and Permits	\$302,842	\$302,842	\$0
Total Revenues	302,842	302,842	0
Expenditures:			
Current:			
Clerk of Courts Title			
General Government			
Judicial			
Salaries and Wages	108,000	106,466	1,534
Fringe Benefits	19,727	18,606	1,121
Materials and Supplies	10,000	6,978	3,022
Contractual Services	4,500	2,773	1,727
Capital Outlay	7,000	0	7,000
Other	85,773	500	85,273
Total Expenditures	235,000	135,323	99,677
Excess of Revenues Over Expenditures	67,842	167,519	99,677
Fund Balance at Beginning of Year	284,786	284,786	0
Unexpended Prior Year Encumbrances	67	67	0
Fund Balance at End of Year	\$352,695	\$452,372	\$99,677

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sheriff Levy Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property and Other Taxes	\$354,904	\$354,904	\$0
Intergovernmental	42,212	42,212	0
Total Revenues	397,116	397,116	0
Expenditures:			
Current:			
Public Safety			
Sheriff Department			
Salaries and Wages	299,126	285,488	13,638
Fringe Benefits	94,081	93,479	602
Materials and Supplies	2,000	0	2,000
Contractual Services	0	0	0
Capital Outlay	9,000	0	9,000
Other	0	0	0
Total Expenditures	404,207	378,967	25,240
Excess of Revenues Over (Under) Expenditures	(7,091)	18,149	25,240
Other Financing Sources:			
Operating Transfers - In	3,291	3,291	0
Total Other Financing Sources	3,291	3,291	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(3,800)	21,440	25,240
Fund Balance at Beginning of Year	61,466	61,466	0
Unexpended Prior Year Encumbrances	818	818	0
Fund Balance at End of Year	\$58,484	\$83,724	\$25,240

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Starlight Title VI Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$2,548	\$2,548	\$0
Total Revenues	2,548	2,548	0
Expenditures:			
Current:			
Human Services			
Starlight Title VI			
Materials and Supplies	2,629	2,629	0
Total Expenditures	2,629	2,629	0
Excess of Revenues Under Expenditures	(81)	(81)	0
Other Financing Sources:			
Advances - In	2,548	2,548	0
Total Other Financing Sources	2,548	2,548	0
Excess of Revenues and Other Financing Sources Over Expenditures	2,467	2,467	0
Fund Balance at Beginning of Year	81	81	0
Fund Balance at End of Year	\$2,548	\$2,548	\$0

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The following is a listing of all Debt Service Funds:

Debt Service Fund

To account for rent monies from the agencies of Health, Human Services and Children Services used for the retirement of County general obligation bonds.

Library Debt Service Fund

To account for tax monies used to retire library bonds.

Special Assessment Debt Service Fund

To account for special assessment revenue used for the repayment of OWDA and bonded special assessment debt.

Note Retirement Fund

To account for the repayment of note debt and related revenue activity. For GAAP reporting, this activity is reflected in the fund that received the note proceeds.

Sewer Debt Service Fund

To account for the repayment of bonded debt and related revenue activity. For GAAP reporting, this activity is reflected in the Sewer Enterprise Fund.

*Combining Balance Sheet
All Debt Service Funds
December 31, 1998*

	<u>Debt Service</u>	<u>Library Debt Service</u>	<u>Special Assessment Debt Service</u>	<u>Totals</u>
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$949,812	\$124,608	\$185,399	\$1,259,819
Receivables:				
Special Assessments	0	0	2,739,477	2,739,477
Interfund	0	0	26	26
Due from Agency Funds:				
Property Taxes	0	695,715	0	695,715
Total Assets	\$949,812	820,323	2,924,902	4,695,037
Liabilities:				
Deferred Revenue	\$0	\$695,715	\$2,739,477	\$3,435,192
Total Liabilities	0	695,715	2,739,477	3,435,192
Fund Equity:				
Fund Balance:				
Unreserved: Undesignated	949,812	124,608	185,425	1,259,845
Total Fund Equity	949,812	124,608	185,425	1,259,845
Total Liabilities and Fund Equity	\$949,812	\$820,323	\$2,924,902	\$4,695,037

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Debt Service Funds
For the Year Ended December 31, 1998*

	<u>Debt Service</u>	<u>Library Debt Service</u>	<u>Special Assessment Debt Service</u>	<u>Totals</u>
Revenues:				
Taxes	\$0	\$636,619	\$0	\$636,619
Intergovernmental	0	40,254	0	40,254
Special Assessments	0	0	169,511	169,511
Rent	240,931	0	0	240,931
Total Revenues	240,931	676,873	169,511	1,087,315
Expenditures:				
Current:				
General Government:				
Refund of Property Taxes	0	2,268	0	2,268
Debt Service:				
Principal Retirement	350,000	490,000	88,646	928,646
Interest and Fiscal Charges	479,117	165,619	106,819	751,555
Refunding Issuance Costs	128,265	0	0	128,265
Total Expenditures	957,382	657,887	195,465	1,810,734
Excess of Revenues Over (Under) Expenditures	(716,451)	18,986	(25,954)	(723,419)
Other Financing Sources (Uses):				
Proceeds of Refunding Bonds	6,894,828	0	0	6,894,828
Payment to Refunded Bond Escrow Agent	(6,760,654)	0	0	(6,760,654)
Operating Transfers - In	865,569	0	28,168	893,737
Total Other Financing Sources (Uses)	999,743	0	28,168	1,027,911
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	283,292	18,986	2,214	304,492
Fund Balances at Beginning of Year	666,520	105,622	183,211	955,353
Fund Balances at End of Year	\$949,812	\$124,608	\$185,425	\$1,259,845

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Rent	\$240,931	\$240,931	\$0
Total Revenues	240,931	240,931	0
Expenditures:			
Debt Service:			
Principal Retirement	455,000	350,000	105,000
Interest and Fiscal Charges	553,863	479,117	74,746
Refunding Issuance Costs	12,829	128,265	(115,436)
Total Expenditures	1,021,692	957,382	64,310
Excess of Revenues Under Expenditures	(780,761)	(716,451)	64,310
Other Financing Sources (Uses):			
Proceeds of Refunding Bonds	0	6,894,828	6,894,828
Payment to Refunded Bond Escrow Agent	0	(6,760,654)	(6,760,654)
Operating Transfers - In	865,569	865,569	0
Operating Transfers - Out	(137,195)	0	137,195
Total Other Financing Sources (Uses)	728,374	999,743	271,369
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(52,387)	283,292	335,679
Fund Balance at Beginning of Year	666,520	666,520	0
Fund Balances at End of Year	\$614,133	\$949,812	\$335,679

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Library Debt Service Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Property and Other Taxes	\$634,351	\$634,351	\$0
Intergovernmental	40,254	40,254	0
Total Revenues	674,605	674,605	0
Expenditures:			
Debt Service:			
Principal Retirement	490,000	490,000	0
Interest and Fiscal Charges	165,619	165,619	0
Total Expenditures	655,619	655,619	0
Excess of Revenues Over Expenditures	18,986	18,986	0
Fund Balance at Beginning of Year	105,622	105,622	0
Fund Balances at End of Year	\$124,608	\$124,608	\$0

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Debt Service Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Special Assessments	\$169,511	\$169,511	\$0
Total Revenues	169,511	169,511	0
Expenditures:			
Debt Service:			
Principal Retirement	88,646	88,646	0
Interest and Fiscal Charges	109,411	106,819	2,592
Total Expenditures	198,057	195,465	2,592
Excess of Revenues Under Expenditures	(28,546)	(25,954)	2,592
Other Financing Sources (Uses):			
Advances - Out	(92)	(92)	0
Operating Transfers - In	28,168	28,168	0
Total Other Financing Sources (Uses)	28,076	28,076	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(470)	2,122	2,592
Fund Balance at Beginning of Year	183,277	183,277	0
Fund Balance at End of Year	\$182,807	\$185,399	\$2,592

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Note Retirement Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Payment in Lieu of Taxes	\$88,232	\$88,232	\$0
Total Revenues	88,232	88,232	0
Expenditures:			
Debt Service:			
Principal Retirement	1,852,000	1,852,000	0
Interest and Fiscal Charges	78,890	78,890	0
Total Debt Service	1,930,890	1,930,890	0
Total Expenditures	1,930,890	1,930,890	0
Excess of Revenues Under Expenditures	(1,842,658)	(1,842,658)	0
Other Financing Sources:			
Proceeds of Notes	580,000	580,000	0
Operating Transfers - In	63,050	63,050	0
Total Other Financing Sources	643,050	643,050	0
Excess of Revenues and Other Financing Sources Under Expenditures	(1,199,608)	(1,199,608)	0
Fund Balance at Beginning of Year	1,202,909	1,202,909	0
Fund Balances at End of Year	\$3,301	\$3,301	\$0

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Debt Service Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Tap-In Fees	\$120,052	\$124,242	\$4,190
Total Revenues	120,052	124,242	4,190
Expenditures:			
Debt Service:			
Principal Retirement	49,464	49,429	35
Interest and Fiscal Charges	207,500	207,443	57
Total Expenditures	256,964	256,872	92
Excess of Revenues Under Expenditures	(136,912)	(132,630)	4,282
Other Financing Sources:			
Advances - In	92	92	0
Operating Transfers - In	134,291	134,291	0
Total Other Financing Sources	134,383	134,383	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(2,529)	1,753	4,282
Fund Balance at Beginning of Year	293,726	293,726	0
Fund Balance at End of Year	\$291,197	\$295,479	\$4,282

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds). Following is a listing of all capital projects funds:

Detention Center Construction Fund

To account for transfers from the General Fund and monies from the sale of notes to be used for the construction of a new detention center.

Federal Emergency Management Assistance (FEMA) Fund

To account for State and Federal grant revenues to be used for the replacement and repair of County assets damaged or destroyed by flooding.

Violent Offender Housing Fund

To account for State grants and transfers from the General Fund to be used for improvements at the Jail.

Issue 2 Fund

To account for Issue 2 monies used for bridge painting, county road paving and repair.

County Office Building Parking Lot Fund

To account for money from the sale of notes and advances from the General Fund to be used for the construction of the parking lot.

Starlight Permanent Improvements Fund

To account for revenues from an operating levy used for permanent improvements at the Starlight School.

Recorder Equipment Fund

To account for a portion of the recorder's fees to be used for the purchase of equipment.

Court Computer Fund

To account for a portion of court fees to be used for the purchase of computer equipment.

Brandywine Loop Construction Fund

To account for monies from the sale of notes to be used for the construction of a bypass route. For budgetary purposes, the payment of the note is reflected in the Note Retirement Debt Service Fund.

(Continued)

CAPITAL PROJECTS FUNDS (Continued)

Economic Development Fund

To account for revenues derived from General Fund transfers to be used for various capital projects in the County.

Ninth Street Project Fund

To account for transfers from the Economic Development Capital Project Fund and the General Fund to be used for improvements to Ninth Street.

County Office Building Construction Fund

To account for bond and note proceeds to be used for the construction of an addition to the county office building.

Norwich Interchange Project Fund

To account for transfers from the Economic Development Capital Projects Fund to be used for the construction of the Norwich Interchange.

State Route 60 Project Fund

To account for transfers from the Economic Development Capital Projects Fund to be used for improvements to State Route 60.

Law Enforcement Block Grant Fund

To account for Federal Grants to be used for the purchase of various equipment to enhance law enforcement in the County.

*Combining Balance Sheet
All Capital Projects Funds
December 31, 1998*

	<i>Detention Center Construction</i>	<i>Federal Emergency Management Assistance (FEMA)</i>	<i>Violent Offender Housing Construction</i>	<i>Issue 2</i>
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$1,465,972	\$72,591	\$0	\$288,169
Due from Other Governments	0	136,146	184,617	0
Total Assets	\$1,465,972	\$208,737	\$184,617	\$288,169
Liabilities:				
Accounts Payable	0	0	0	0
Interfund Payable	0	0	177,453	0
Accrued Interest Payable	3,360	0	0	0
Notes Payable	1,200,000	0	0	197,441
Total Liabilities	1,203,360	0	177,453	197,441
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	163,724	683	0	156,528
Unreserved:				
Undesignated (Deficit)	98,888	208,054	7,164	(65,800)
Total Fund Equity (Deficit)	262,612	208,737	7,164	90,728
Total Liabilities and Fund Equity	\$1,465,972	\$208,737	\$184,617	\$288,169

(Continued)

Combining Balance Sheet
All Capital Projects Funds (Continued)
December 31, 1998

	<i>County Office Building Parking Lot</i>	<i>Starlight Permanent Improvements</i>	<i>Recorder Equipment</i>	<i>Court Computer</i>
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$81,921	\$1,083,157	\$194,988	\$170,591
Due from Other Governments	0	0	0	0
Total Assets	\$81,921	\$1,083,157	\$194,988	\$170,591
Liabilities:				
Accounts Payable	0	0	19,543	0
Interfund Payable	0	0	0	0
Accrued Interest Payable	0	0	0	0
Notes Payable	0	0	0	0
Total Liabilities	0	0	19,543	0
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	0	0	0	8,220
Unreserved:				
Undesignated (Deficit)	81,921	1,083,157	175,445	162,371
Total Fund Equity (Deficit)	81,921	1,083,157	175,445	170,591
Total Liabilities and Fund Equity	\$81,921	\$1,083,157	\$194,988	\$170,591

<i>Brandywine Loop Construction</i>	<i>Economic Development</i>	<i>Ninth Street Project</i>	<i>County Office Building Construction</i>	<i>Norwich Interchange Project</i>	<i>State Route 60 Project</i>
\$3,301 0	\$518,931 0	\$92,452 0	\$101,858 0	\$20,833 0	\$2,450,761 0
\$3,301	\$518,931	\$92,452	\$101,858	\$20,833	\$2,450,761
0	0	0	0	0	0
0	0	0	0	0	0
1,682	0	0	0	0	0
580,000	0	0	0	0	0
581,682	0	0	0	0	0
0	283,071	0	79,188	274	30,550
(578,381)	235,860	92,452	22,670	20,559	2,420,211
(578,381)	518,931	92,452	101,858	20,833	2,450,761
\$3,301	\$518,931	\$92,452	\$101,858	\$20,833	\$2,450,761

(Continued)

*Combining Balance Sheet
All Capital Projects Funds (Continued)
December 31, 1998*

	<u>Law Enforcement Block Grant</u>	<u>Totals</u>
Assets:		
Equity with County Treasurer:		
Equity in Pooled Cash and		
Cash Equivalents	\$2,200	\$6,547,725
Due from Other Governments	0	320,763
Total Assets	\$2,200	\$6,868,488
Liabilities:		
Accounts Payable	0	19,543
Interfund Payable	0	177,453
Accrued Interest Payable	0	5,042
Notes Payable	0	1,977,441
Total Liabilities	0	2,179,479
Fund Equity:		
Fund Balance:		
Reserved for Encumbrances	0	722,238
Unreserved:		
Undesignated (Deficit)	2,200	3,966,771
Total Fund Equity (Deficit)	2,200	4,689,009
Total Liabilities and Fund Equity	\$2,200	\$6,868,488

**Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Capital Projects Funds
For the Year Ended December 31, 1998**

	Detention Center Construction	Federal Emergency Management Assistance (FEMA)	Violent Offender Housing Construction	Issue 2
Revenues:				
Charges for Services	\$0	\$0	\$0	\$0
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	225,083	185,895	151,868
Investment Income	0	0	0	0
Rent	0	0	0	0
Payment in Lieu of Taxes	0	0	0	0
Other	0	0	0	0
Total Revenues	0	225,083	185,895	151,868
Expenditures:				
Current:				
General Government:				
Capital Outlay	427,775	16,346	206,129	261,571
Intergovernmental	0	0	0	0
Debt Service:				
Interest and Fiscal Charges	49,464	0	0	3,527
Total Expenditures	477,239	16,346	206,129	265,098
Excess of Revenues Over (Under) Expenditures	(477,239)	208,737	(20,234)	(113,230)
Other Financing Sources:				
Operating Transfers - In	29,957	0	27,398	424,971
Operating Transfers - Out	0	0	0	0
Total Other Financing Sources (Uses)	29,957	0	27,398	424,971
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(447,282)	208,737	7,164	311,741
Fund Balances (Deficit) at Beginning of Year	709,894	0	0	(221,013)
Residual Equity Transfers	0	0	0	0
Fund Balances (Deficits) at End of Year	\$262,612	\$208,737	\$7,164	\$90,728

(Continued)

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Capital Projects Funds (Continued)
For the Year Ended December 31, 1998*

	<i>County Office Building Parking Lot</i>	<i>Starlight Permanent Improvements</i>	<i>Recorder Equipment</i>	<i>Court Computer</i>
Revenues:				
Charges for Services	\$0	\$0	\$92,016	\$0
Fines and Forfeitures	0	0	0	67,685
Intergovernmental	0	0	0	0
Investment Income	0	0	0	0
Rent	19,464	0	0	0
Payment in Lieu of Taxes	0	0	0	0
Other	0	0	0	0
Total Revenues	19,464	0	92,016	67,685
Expenditures:				
Current:				
General Government:				
Capital Outlay	0	128,010	49,739	98,795
Intergovernmental	0	0	0	0
Debt Service:				
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	0	128,010	49,739	98,795
Excess of Revenues Over (Under) Expenditures	19,464	(128,010)	42,277	(31,110)
Other Financing Sources:				
Operating Transfers - In	0	0	0	19,747
Operating Transfers - Out	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	19,747
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	19,464	(128,010)	42,277	(11,363)
Fund Balances (Deficit) at Beginning of Year	62,457	1,211,167	133,168	181,954
Residual Equity Transfers	0	0	0	0
Fund Balances (Deficits) at End of Year	\$81,921	\$1,083,157	\$175,445	\$170,591

<i>Brandywine Loop Construction Fund</i>	<i>Economic Development</i>	<i>Ninth Street Project</i>	<i>County Office Building Construction</i>	<i>Norwich Interchange Project</i>	<i>State Route 60 Project</i>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	8,310	0	0	0
2,212	0	0	0	0	0
0	0	0	0	0	0
88,232	0	0	0	0	0
0	0	20	0	0	0
90,444	0	8,330	0	0	0
0	852,289	82,794	0	21,647	305,012
0	1,200,000	0	0	0	0
29,522	0	0	8,596	0	0
29,522	2,052,289	82,794	8,596	21,647	305,012
60,922	(2,052,289)	(74,464)	(8,596)	(21,647)	(305,012)
0	1,175,929	83,458	49,800	20,559	1,000,000
0	(6,587)	0	0	0	0
0	1,169,342	83,458	49,800	20,559	1,000,000
60,922	(882,947)	8,994	41,204	(1,088)	694,988
(639,303)	1,591,288	83,458	60,654	21,921	1,755,773
0	(189,410)	0	0	0	0
(\$578,381)	\$518,931	\$92,452	\$101,858	\$20,833	\$2,450,761

(Continued)

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Capital Projects Funds (Continued)
For the Year Ended December 31, 1998*

	Law Enforcement Block Grant	Totals
Revenues:		
Charges for Services	\$0	\$92,016
Fines and Forfeitures	0	67,685
Intergovernmental	17,627	588,783
Investment Income	0	2,212
Rent	0	19,464
Payment in Lieu of Taxes	0	88,232
Other	0	20
Total Revenues	17,627	858,412
Expenditures:		
Current:		
General Government:		
Capital Outlay	19,586	2,469,693
Intergovernmental	0	1,200,000
Debt Service:		
Interest and Fiscal Charges	0	91,109
Total Expenditures	19,586	3,760,802
Excess of Revenues Over (Under) Expenditures	(1,959)	(2,902,390)
Other Financing Sources:		
Operating Transfers - In	4,159	2,835,978
Operating Transfers - Out	0	(6,587)
Total Other Financing Sources (Uses)	4,159	2,829,391
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,200	(72,999)
Fund Balances (Deficit) at Beginning of Year	0	4,951,418
Residual Equity Transfers	0	(189,410)
Fund Balances (Deficits) at End of Year	\$2,200	\$4,689,009

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Detention Center Construction Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Public Works			
Permanent Improvements			
Contractual Services	532,000	451,999	80,001
Other	88,747	0	88,747
Total Public Works	620,747	451,999	168,748
Debt Service:			
Principal Retirement	2,400,000	2,400,000	0
Interest and Fiscal Charges	61,937	61,937	0
Total Debt Service	2,461,937	2,461,937	0
Total Expenditures	3,082,684	2,913,936	168,748
Excess of Revenues Under Expenditures	(3,082,684)	(2,913,936)	168,748
Other Financing Sources:			
Proceeds of Notes	2,400,000	2,400,000	0
Operating Transfers - In	29,957	29,957	0
Total Other Financing Sources	2,429,957	2,429,957	0
Excess of Revenues and Other Financing Sources Under Expenditures	(652,727)	(483,979)	168,748
Fund Balance at Beginning of Year	1,745,727	1,745,727	0
Fund Balance at End of Year	\$1,093,000	\$1,261,748	\$168,748

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Emergency Management Assistance (FEMA) Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$87,643	\$88,937	\$1,294
Total Revenues	87,643	88,937	1,294
Expenditures:			
Current:			
Public Works			
Permanent Improvements			
Other	17,029	17,029	0
Total Expenditures	17,029	17,029	0
Excess of Revenues Over Expenditures	70,614	71,908	1,294
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$70,614	\$71,908	\$1,294

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Violent Offender Housing Project Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$1,278	\$1,278	\$0
Total Revenues	1,278	1,278	0
Expenditures:			
Current:			
Public Safety			
Permanent Improvements			
Materials and Supplies	10,000	7,920	2,080
Contractual Services	141,879	136,431	5,448
Other	61,778	61,778	0
Total Expenditures	213,657	206,129	7,528
Excess of Revenues Under Expenditures	(212,379)	(204,851)	7,528
Other Financing Sources:			
Advances - In	0	177,453	177,453
Operating Transfers - In	27,398	27,398	0
Total Other Financing Sources	27,398	204,851	177,453
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	(184,981)	0	184,981
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	(\$184,981)	\$0	\$184,981

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue 2 Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$144,352	\$151,868	\$7,516
Total Revenues	144,352	151,868	7,516
Expenditures:			
Current:			
Public Works			
Issue 2			
Capital Outlay	421,525	418,099	3,426
Total Public Works	421,525	418,099	3,426
Debt Service:			
Principal Retirement	110,468	110,466	2
Interest and Fiscal Charges	3,528	3,527	1
Total Debt Service	113,996	113,993	3
Total Expenditures	535,521	532,092	3,429
Excess of Revenues Under Expenditures	(391,169)	(380,224)	10,945
Other Financing Sources (Uses):			
Advances - Out	(54,000)	(54,000)	0
Operating Transfers - In	424,971	424,971	0
Total Other Financing Sources (Uses)	370,971	370,971	0
Excess of Revenues and Other Financing Sources Under Expenditures and Other Uses	(20,198)	(9,253)	10,945
Fund Balance at Beginning of Year	137,465	137,465	0
Prior Year Encumbrances Appropriated	3,429	3,429	0
Fund Balance at End of Year	\$120,696	\$131,641	\$10,945

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Office Building Parking Lot Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>Revenues:</i>			
Rent	\$19,464	\$19,464	\$0
Total Revenues	19,464	19,464	0
<i>Expenditures:</i>			
Total Expenditures	0	0	0
Excess of Revenues Over Expenditures	19,464	19,464	0
Fund Balance at Beginning of Year	62,457	62,457	0
Fund Balance at End of Year	\$81,921	\$81,921	\$0

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Starlight Permanent Improvements Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Human Services			
Permanent Improvements			
Contractual Services	600,000	122,431	477,569
Total Expenditures	600,000	122,431	477,569
Excess of Revenues Under Expenditures	(600,000)	(122,431)	477,569
Other Financing Uses:			
Operating Transfers - Out	(400,000)	0	400,000
Total Other Financing Uses	(400,000)	0	400,000
Excess of Revenues Under Expenditures and Other Uses	(1,000,000)	(122,431)	877,569
Fund Balance at Beginning of Year	1,193,143	1,193,143	0
Unexpended Prior Year Encumbrances	12,445	12,445	0
Fund Balance at End of Year	\$205,588	\$1,083,157	\$877,569

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recorder Equipment Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$90,088	\$93,008	\$2,920
Total Revenues	90,088	93,008	2,920
Expenditures:			
Current:			
Recorder Equipment			
Permanent Improvements			
Capital Outlay	60,000	49,059	10,941
Total Expenditures	60,000	49,059	10,941
Excess of Revenues Over Expenditures	30,088	43,949	13,861
Fund Balance at Beginning of Year	130,892	130,892	0
Unexpended Prior Year Encumbrances	300	300	0
Fund Balance at End of Year	\$161,280	\$175,141	\$13,861

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computer Fund
For the Year Ended December 31, 1998*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and Forfeitures	\$72,921	\$72,921	\$0
Total Revenues	72,921	72,921	0
Expenditures:			
Current:			
Court Computers			
Fringe Benefits	725	432	293
Materials and Supplies	9,075	1,826	7,249
Contractual Services	6,700	2,559	4,141
Capital Outlay	126,869	104,535	22,334
Total Expenditures	143,369	109,352	34,017
Excess of Revenues Under Expenditures	(70,448)	(36,431)	34,017
Other Financing Sources:			
Operating Transfers - In	19,747	19,747	0
Total Other Financing Sources	19,747	19,747	0
Excess of Revenues and Other Financing Sources Under Expenditures	(50,701)	(16,684)	34,017
Fund Balance at Beginning of Year	175,411	175,411	0
Prior Year Encumbrances Appropriated	2,622	2,622	0
Fund Balance at End of Year	\$127,332	\$161,349	\$34,017

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Economic Development Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Public Works			
Permanent Improvements			
Contractual Services	1,074,921	863,321	211,600
Other	272,039	272,039	0
Total Public Works	1,346,960	1,135,360	211,600
Intergovernmental:			
Grants	1,200,000	1,200,000	0
Total Intergovernmental	1,200,000	1,200,000	0
Total Expenditures	2,546,960	2,335,360	211,600
Excess of Revenues Under Expenditures	(2,546,960)	(2,335,360)	211,600
Other Financing Sources (Uses):			
Operating Transfers - In	1,151,669	1,175,929	24,260
Operating Transfers - Out	(195,997)	(196,297)	(300)
Total Other Financing Sources (Uses)	955,672	979,632	23,960
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(1,591,288)	(1,355,728)	235,560
Fund Balance at Beginning of Year	1,591,288	1,591,288	0
Fund Balance at End of Year	\$0	\$235,560	\$235,560

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ninth Street Project Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$0	\$8,310	\$8,310
Other	20	20	0
Total Revenues	20	8,330	8,310
Expenditures:			
Current:			
Public Works			
Permanent Improvements			
Capital Outlay	82,794	82,794	0
Total Expenditures	82,794	82,794	0
Excess of Revenues Under Expenditures	(82,774)	(74,464)	8,310
Other Financing Sources (Uses):			
Operating Transfers - In	83,458	83,458	0
Operating Transfers - Out	(77,258)	0	77,258
Total Other Financing Sources (Uses)	6,200	83,458	77,258
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(76,574)	8,994	85,568
Fund Balance at Beginning of Year	83,458	83,458	0
Fund Balances at End of Year	\$6,884	\$92,452	\$85,568

*Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Office Building Construction Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
<i>Revenues:</i>			
<i>Total Revenues</i>	\$0	\$0	\$0
<i>Expenditures:</i>			
Current:			
Public Works			
Permanent Improvements			
Contractual Services	79,189	79,189	0
<i>Total Expenditures</i>	<i>79,189</i>	<i>79,189</i>	<i>0</i>
Excess of Revenues Under Expenditures	(79,189)	(79,189)	0
Fund Balance at Beginning of Year	22,669	22,669	0
Prior Year Encumbrances Appropriated	79,189	79,189	0
<i>Fund Balance at End of Year</i>	<i>\$22,669</i>	<i>\$22,669</i>	<i>\$0</i>

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Norwich Interchange Project Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Public Works			
Permanent Improvements			
Other	20,559	20,559	0
Total Expenditures	20,559	20,559	0
Excess of Revenues Under Expenditures	(20,559)	(20,559)	0
Other Financing Sources:			
Operating Transfers - In	20,559	20,559	0
Total Other Financing Sources	20,559	20,559	0
Excess of Revenues and Other Financing Sources Over Expenditures	0	0	0
Fund Balance at Beginning of Year	19,025	19,025	0
Unexpended Prior Year Encumbrances	1,534	1,534	0
Fund Balance at End of Year	\$20,559	\$20,559	\$0

Muskingum County, Ohio

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*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Route 60 Project Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Public Works			
Permanent Improvements			
Contractual Services	2,025,773	330,562	1,695,211
Other	400,000	0	400,000
Total Expenditures	2,425,773	330,562	2,095,211
Excess of Revenues Under Expenditures	(2,425,773)	(330,562)	2,095,211
Other Financing Sources:			
Operating Transfers - In	1,000,000	1,000,000	0
Total Other Financing Sources	1,000,000	1,000,000	0
Excess of Revenues and Other Financing Sources Over Expenditures	(1,425,773)	669,438	2,095,211
Fund Balance at Beginning of Year	1,750,773	1,750,773	0
Fund Balance at End of Year	\$325,000	\$2,420,211	\$2,095,211

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Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Block Grant Fund
 For the Year Ended December 31, 1998

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$17,627	\$17,627	\$0
Total Revenues	17,627	17,627	0
Expenditures:			
Current:			
Public Safety			
Permanent Improvements			
Capital Outlay	21,786	19,586	2,200
Total Expenditures	21,786	19,586	2,200
Excess of Revenues Under Expenditures	(4,159)	(1,959)	2,200
Other Financing Sources:			
Operating Transfers - In	4,159	4,159	0
Total Other Financing Sources	4,159	4,159	0
Excess of Revenues and Other Financing Sources Over Expenditures	0	2,200	2,200
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$2,200	\$2,200

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Following is a description of the County's Enterprise Funds:

Sewer Fund

The Sewer Fund is used to account for sanitary sewer services provided to individuals and commercial users. The costs of providing these services are financed primarily through user charges.

Sunshine Child Care Center Fund

The Sunshine Child Care Center Fund is used to account for child care services provided to county employees and the general public. The costs of providing these services are financed primarily through charges for the child care services.

*Combining Balance Sheet
All Enterprise Funds
December 31, 1998*

	Sewer	Sunshine Child Care Center	Totals
Assets:			
Current Assets:			
Equity with County Treasurer:			
Equity in Pooled Cash and Cash Equivalents	\$4,461,335	\$6,090	\$4,467,425
Cash and Cash Equivalents in Segregated Accounts	29,876	0	29,876
Receivables:			
Accounts	822,228	862	823,090
Total Current Assets	5,313,439	6,952	5,320,391
Fixed Assets (Net of Accumulated Depreciation)	22,916,933	0	22,916,933
Total Assets	\$28,230,372	\$6,952	\$28,237,324
Liabilities:			
Current Liabilities:			
Accounts Payable	\$128,031	\$0	\$128,031
Contracts Payable	122,463	0	122,463
Accrued Wages and Benefits	6,200	3,365	9,565
Compensated Absences Payable	760	0	760
Retainage Payable	29,876	0	29,876
Interfund Payable	608,607	0	608,607
Due to Other Funds	5,944	2,870	8,814
Accrued Interest Payable	39,702	0	39,702
Notes Payable	2,440,000	0	2,440,000
Current Portion of OWDA Loans Payable	15,232	0	15,232
Current Portion of General Obligation Bonds Payable	35	0	35
Current Portion of Revenue Bonds Payable	48,500	0	48,500
Total Current Liabilities	3,445,350	6,235	3,451,585
Long-Term Liabilities:			
Advances from Other Funds	543,000	0	543,000
Compensated Absences	18,425	0	18,425
OWDA Loans Payable (Net of Current Portion)	371,007	0	371,007
General Obligation Bonds Payable (Net of Current Portion)	1,070	0	1,070
Revenue Bonds Payable (Net of Current Portion)	3,124,000	0	3,124,000
Total Long-Term Liabilities	4,057,502	0	4,057,502
Total Liabilities	7,502,852	6,235	7,509,087
Fund Equity:			
Contributed Capital	28,200,695	0	28,200,695
Retained Earnings:			
Unreserved (Deficit)	(7,473,175)	717	(7,472,458)
Total Fund Equity	20,727,520	717	20,728,237
Total Liabilities and Fund Equity	\$28,230,372	6,952	28,237,324

*Combining Statement of Revenues,
Expenses and Changes in Fund Equity
All Enterprise Funds
For the Year Ended December 31, 1998*

	Sewer	Sunshine Child Care Center	Totals
Operating Revenues:			
Charges for Services	\$1,798,543	109,202	1,907,745
Total Operating Revenues	1,798,543	109,202	1,907,745
Operating Expenses:			
Personal Services	185,786	104,466	290,252
Contractual Services	1,468,015	12,857	1,480,872
Materials and Supplies	33,163	1,672	34,835
Depreciation	626,440	0	626,440
Total Operating Expenses	2,313,404	118,995	2,432,399
Operating Loss	(514,861)	(9,793)	(524,654)
Non-Operating Revenues (Expenses):			
Interest Income	7,220	0	7,220
(Loss) on Disposal of Fixed Assets	(2,454)		(2,454)
Interest and Fiscal Charges	(232,681)	0	(232,681)
Total Non-Operating Revenues (Expenses)	(227,915)	0	(227,915)
Loss Before Operating Transfers	(742,776)	(9,793)	(752,569)
Operating Transfers - In	75,799	0	75,799
Net Loss	(666,977)	(9,793)	(676,770)
Retained Earnings (Deficit) at Beginning of Year	(6,806,198)	10,510	(6,795,688)
Retained Earnings (Deficit) at End of Year	(7,473,175)	717	(7,472,458)
Contributed Capital at Beginning of Year	27,520,351	0	27,520,351
Current Year Contributions:			
Governmental Funds	201,910	0	201,910
Intergovernmental	77,330		77,330
Customers	401,104	0	401,104
Contributed Capital at End of Year	28,200,695	0	28,200,695
Total Fund Equity at End of Year	\$20,727,520	\$717	\$20,728,237

Combining Statement of Cash Flows
All Enterprise Funds
For the Year Ended December 31, 1998

	Sewer Enterprise	Sunshine Child Care Center	Totals
Increase (Decrease) in			
Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash Received from Customers	\$1,787,475	\$108,340	\$1,895,815
Cash Payments for Employees and Benefits	(190,021)	(102,297)	(292,318)
Cash Payments to Suppliers for Goods and Services	(1,578,235)	(14,529)	(1,592,764)
Net Cash Provided by (Used in) Operating Activities	19,219	(8,486)	10,733
Cash Flows from Noncapital			
Financing Activities:			
Advances - In	92	0	92
Operating Transfers In	75,799	0	75,799
Net Cash Provided by Noncapital Financing Activities	75,891	0	75,891
Cash Flows from Capital and			
Related Financing Activities:			
Acquisition of Capital Assets	(653,035)	0	(653,035)
Proceed from Sale of Notes	2,440,000	0	2,440,000
Capital Contributed by Customers	283,859	0	283,859
Capital Contributed by Governmental Funds	189,410	0	189,410
Principal Paid on Debt	(49,429)	0	(49,429)
Interest Paid on Debt	(207,443)	0	(207,443)
Grants	77,330	0	77,330
Net Cash Provided By (Used for) Capital and Related Financing Activities	2,080,692	0	2,080,692
Cash Flows from Investing Activities:			
Interest on Investments	7,220	0	7,220
Net Cash Provided by Investing Activities	7,220	0	7,220
Net Increase (Decrease) in Cash and Cash Equivalents	2,183,022	(8,486)	2,174,536
Cash and Cash Equivalents Beginning of Year	2,308,189	14,576	2,322,765
Cash and Cash Equivalents End of Year	\$4,491,211	\$6,090	\$4,497,301
Reconciliation of Operating Loss to Net Cash			
Provided by (Used In) Operating Activities:			
Operating Loss	(\$514,861)	(\$9,793)	(\$524,654)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used In) Operating Activities			
Depreciation	626,440	0	626,440
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(11,068)	(862)	(11,930)
Decrease in Inventory	2,498	0	2,498
Decrease in Accounts Payable	(36,366)	0	(36,366)
Increase (Decrease) in Accrued Salaries	(1,738)	1,913	175
Decrease in Due to Other Governments	(45,567)	0	(45,567)
Increase (Decrease) in Due to Other Funds	(1,379)	256	(1,123)
Decrease in Compensated Absences	(1,118)	0	(1,118)
Increase in Retainage Payable	2,378	0	2,378
Net Cash Provided by (Used in) Operating Activities	\$19,219	(\$8,486)	\$10,733

Non-Cash Transactions:

During 1998, capital contributions from governmental funds included \$12,500 for assets purchased by the Economic Development Capital Projects Fund and donated to the Sewer Enterprise Fund. In addition, contributed capital from customers increased \$117,245 for receivables for customers who have tapped into the Sewer system.

*Schedule of Revenues Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Charges for Services	\$1,728,472	\$1,764,126	\$35,654
Tap-In Fees	155,536	159,617	4,081
Interest Income	7,183	7,183	0
Grants	77,330	77,330	0
Proceeds of Notes	2,440,000	2,440,000	0
Total Revenues	4,408,521	4,448,256	39,735
Expenses:			
Personal Services	187,039	187,409	(370)
Contractual Services	4,272,774	2,490,598	1,782,176
Materials and Supplies	62,800	30,187	32,613
Other Operating Expenses	40,015	15	40,000
Capital Outlay	182,784	171,441	11,343
Total Expenses	4,745,412	2,879,650	1,865,762
Excess of Revenues Over (Under) Expenses	(336,891)	1,568,606	1,905,497
Operating Transfers - In	265,209	265,209	0
Operating Transfers - Out	(134,306)	(134,306)	0
Excess of Revenues Over (Under) Expenses and Operating Transfers	(205,988)	1,699,509	1,905,497
Fund Equity at Beginning of Year	1,601,204	1,601,204	0
Unexpended Prior Year Encumbrances	37,196	37,196	0
Fund Equity at End of Year	\$1,432,412	\$3,337,909	\$1,905,497

*Schedule of Revenues, Expenditures and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sunshine Child Care Center Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$103,296	\$108,340	\$5,044
Total Revenues	103,296	108,340	5,044
Expenses:			
Personal Services	104,760	99,734	5,026
Contractual Services	12,940	12,902	38
Materials and Supplies	2,500	1,723	777
Total Expenses	120,200	114,359	5,841
Excess of Revenues Under Expenses	(16,904)	(6,019)	10,885
Fund Equity at Beginning of Year	14,576	14,576	0
Fund Equity (Deficit) at End of Year	(\$2,328)	\$8,557	\$10,885

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing on a cost-reimbursement basis of services provided by the self-insurance funds to other County departments and agencies. Charges to the user departments and agencies are intended to recover total costs.

Self-Insurance Health Fund

To account for employee health care benefits. The fund is used to account for claims related to the self-insurance program.

Self-Insurance Workers' Compensation Fund

To account for the County's workers compensation retrospective-rating program. This fund is used to account for premiums from the various County funds to pay employee claims and administration expenses.

*Combining Balance Sheet
All Internal Service Funds*

December 31, 1998

	<u>Self-Insurance Health</u>	<u>Self-Insurance Workers' Compensation</u>	<u>Totals</u>
Assets:			
Equity with County Treasurer:			
Equity in Pooled Cash and Cash Equivalents	\$0	\$2,179,112	\$2,179,112
Segregated Accounts:			
Cash and Cash Equivalents	9,789	0	9,789
Receivables:			
Due from Other Funds	0	787,738	787,738
Total Assets	\$9,789	\$2,966,850	\$2,976,639
Liabilities:			
Due to Other Governments	\$0	\$200,604	\$200,604
Claims and Judgements Payable	783,160	2,473,287	3,256,447
Total Liabilities	783,160	2,673,891	3,457,051
Fund Equity:			
Retained Earnings:			
Unreserved (Deficit)	(773,371)	292,959	(480,412)
Total Fund Equity (Deficit)	(773,371)	292,959	(480,412)
Total Liabilities and Fund Equity	\$9,789	\$2,966,850	\$2,976,639

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*Combining Statement of Revenues,
Expenses and Changes in Retained Earnings
All Internal Service Funds
For the Year Ended December 31, 1998*

	<i>Self-Insurance Health</i>	<i>Self-Insurance Workers' Compensation</i>	<i>Totals</i>
Operating Revenues:			
Charges for Services	\$2,236,315	\$787,738	\$3,024,053
Total Operating Revenues	2,236,315	787,738	3,024,053
Operating Expenses:			
Contractual Services	216,417	200,604	417,021
Claims and Judgments	2,248,850	294,175	2,543,025
Total Operating Expenses	2,465,267	494,779	2,960,046
Operating Income (Loss)	(228,952)	292,959	64,007
Non-Operating Revenues			
Interest Income	1,776	0	1,776
Total Non-Operating Revenues	1,776	0	1,776
Income (Loss) Before Operating Transfers	(227,176)	292,959	65,783
Operating Transfers-In	180,000	0	180,000
Net Income (Loss)	(47,176)	292,959	245,783
Retained Earnings (Deficit) at Beginning of Year	(726,195)	0	(726,195)
Retained Earnings (Deficit) at End of Year	(\$773,371)	\$292,959	(\$480,412)

*Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended December 31, 1998*

	<u>Self-Insurance Health</u>	<u>Self-Insurance Workers' Compensation</u>	<u>Totals</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>			
<i>Cash Flows from Operating Activities:</i>			
Cash Received from Quasi- External Transactions with Other Funds	\$2,237,793	\$723,239	\$2,961,032
Cash Payments to Suppliers for Goods and Services	(216,417)	(51,820)	(268,237)
Cash Payments for Claims	(2,206,582)	(263,991)	(2,470,573)
Other Non-Operating Revenues	0	292,959	292,959
Net Cash Provided by (Used in) Operating Activities	(185,206)	700,387	515,181
<i>Cash Flows from Noncapital Financing Activities:</i>			
Operating Transfers In	180,000	0	180,000
Net Cash Provided by Noncapital Financing Activities	180,000	0	180,000
<i>Cash Flows from Investing Activities:</i>			
Interest on Investments	1,776	0	1,776
Net Cash Provided by Investing Activities	1,776	0	1,776
Net Increase (Decrease) in Cash and Cash Equivalents	(3,430)	700,387	696,957
Cash and Cash Equivalents Beginning of Year	13,219	1,478,725	1,491,944
Cash and Cash Equivalents End of Year	9,789	2,179,112	2,188,901
<i>Reconciliation of Operating Income (Loss) to Net Cash by (Used In) Operating Activities:</i>			
Operating Income (Loss)	(228,952)	292,959	64,007
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:</i>			
<i>Changes in Assets and Liabilities:</i>			
Decrease in Accounts Receivable	1,478	0	1,478
Increase in Due from Other Funds	0	(64,499)	(64,499)
Increase in Due to Other Governments	0	148,784	148,784
Increase in Claims Payable	42,268	323,143	365,411
Net Cash Provided by (Used In) Operating Activities	(\$185,206)	\$700,387	\$515,181

*Schedule of Revenues, Expenditures and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self-Insurance Health Fund
For the Year Ended December 31, 1998*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Charges for Services	\$2,235,245	\$2,237,793	\$2,548
Interest Income	1,776	1,776	0
Total Revenues	2,237,021	2,239,569	2,548
Expenses:			
Contractual Services	216,417	216,417	0
Claims and Judgments	2,093,219	2,206,582	(113,363)
Total Expenses	2,309,636	2,422,999	(113,363)
Excess of Revenues Under Expenses	(72,615)	(183,430)	(110,815)
Operating Transfers - In	180,000	180,000	0
Excess of Revenues Over (Under) Expenses and Operating Transfers	107,385	(3,430)	(110,815)
Fund Equity at Beginning of Year	13,219	13,219	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Equity at End of Year	\$120,604	\$9,789	(\$110,815)

*Schedule of Revenues Expenditures and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self-Insurance Workers' Compensation Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
Revenues:			
Charges for Services	\$723,239	\$723,239	\$0
Other Non-Operating Revenues	292,959	292,959	0
Total Revenues	1,016,198	1,016,198	0
Expenses:			
Contractual Services	51,820	51,820	0
Claims and Judgments	263,991	263,991	0
Total Expenses	315,811	315,811	0
Excess of Revenues Over Expenses	700,387	700,387	0
Fund Equity at Beginning of Year	1,478,725	1,478,725	0
Fund Equity at End of Year	\$2,179,112	\$2,179,112	\$0

FIDUCIARY FUNDS

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 and the funds within each type:

Expendable Trust Fund

Besser Trust Fund

To account for a bequest left by the Besser estate for the purpose of maintaining the County Children's Home.

Waltz Trust Fund

To account for a bequest left by the Waltz estate for the purpose of maintaining the County's Children's Home.

Non-Expendable Trust Funds

Casner Trust Fund

To account for a bequest left by the Casner estate for the purpose of maintaining the County Children's Home.

Robinson Trust Fund

To account for a bequest left by the Robinson estate for the purpose of maintaining the County Children's Home.

Agency Funds

Real Estate Taxes Fund

To account for the collection of real estate taxes and special assessments that are periodically apportioned to local governments in the County (including Muskingum County itself).

Undivided General Personal Fund

To account for the collection of tangible personal property taxes from the owners of such property. These taxes are also periodically apportioned to local governments in the County (including Muskingum County itself).

Estate Tax Fund

To account for the collection of taxes on estates that are distributed to the various subdivisions.

Gasoline Tax (Township) Fund

To account for gasoline tax monies received from the State and distributed to townships.

(Continued)

Agency Funds (Continued)

Motor Vehicle License Fund

To account for motor vehicle license fees received from the State and distributed to the County and subdivisions.

Undivided Local Government Fund

To account for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes, state sales taxes, and corporate franchise taxes which are returned to the County. These monies are apportioned to local governments on a monthly basis according to a formula agreed upon by the recipients.

Library Local Government Support Fund

To account for the collection of shared revenues from the State of Ohio that represents a portion of state income taxes which are returned to the County for use by district libraries and park districts. These monies are apportioned on a monthly basis.

Payroll Fund

To account for payroll, payroll taxes and other related payroll deductions accumulated for payment to other governmental units and private organizations.

Health Fund

To account for the funds and subfunds of the Board of Health for which the County Auditor is ex-officio fiscal agent.

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

To account for all revenues and related expenditures for the six County Alcohol, Drug Addiction and Mental Health Board for which Muskingum County is the fiscal agent.

Child Support Enforcement Fund

To account for the collection of alimony and child support payments and the distribution of of such monies to the court-designated recipients.

Court Fund

To account for Clerk of Courts auto title fees, probate, juvenile, and County court receipts.

Other Agency Funds

Trailer Tax Fund	Soil and Water Fund
State of Ohio Fund	Deferred Compensation Fund
Local Government Revenue Assistance Fund	Sheriff Fund
Local Emergency Planning Fund	Undivided State Income Tax Fund
Township Motor Vehicle License	Maysville Regional Water Fund
Permissive Levy Fund	County Home Residents Fund
Ohio Advanced Real Estate Fund	Children Services Fund
Fines Fund	Issue 2 Fund
Escrow Fund	Family and Children First Fund
Law Library Fund	Federally Owned Entitlement Land Fund
Hotel Lodging Tax Fund	Powelson Wildlife Fund
Cigarette Licenses Fund	Bankhead Jones Fund
Undivided State Income Fund	Ohio Elections Commission Fund

*Combining Balance Sheet
All Trust and Agency Funds*

December 31, 1998

	Expendable Trust		Non-Expendable Trust		All Agency Funds	Total
	Besser Trust	Waltz Trust	Casner Trust	Robinson Trust		
Assets:						
Equity with County Treasurer:						
Equity in Pooled Cash and Cash Equivalents	\$0	\$0	\$0	\$0	\$5,756,613	\$5,756,613
Segregated Accounts:						
Cash and Cash Equivalents	8,412	77,976	43,828	3,331	661,639	795,186
Investments	0	0	35,185	1,933	0	37,118
Receivables:						
Taxes	0	0	0	0	47,828,472	47,828,472
Accounts	0	0	0	0	82,801	82,801
Special Assessments	0	0	0	0	4,159,565	4,159,565
Due from Other Funds	0	0	0	0	905,060	905,060
Due from Other Governments	0	0	0	0	526,559	526,559
Due from Others	0	0	0	0	306	306
Total Assets	\$8,412	\$77,976	\$79,013	\$5,264	\$59,921,015	\$60,091,680
Liabilities:						
Due to Other Funds	\$0	\$0	\$0	\$0	\$15,664,537	\$15,664,537
Due to Other Governments	0	0	0	0	41,833,190	41,833,190
Undistributed Monies	0	0	0	0	2,305,983	2,305,983
Due to Others	0	0	0	0	117,305	117,305
Total Liabilities	0	0	0	0	59,921,015	59,921,015
Fund Equity						
Fund Balance:						
Reserved:						
Reserved for Endowment	0	0	35,185	1,986	0	37,171
Unreserved	8,412	77,976	43,828	3,278	0	133,494
Total Fund Equity	8,412	77,976	79,013	5,264	0	170,665
Total Liabilities and Fund Equity	\$8,412	\$77,976	\$79,013	\$5,264	\$59,921,015	\$60,091,680

*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Expendable Trust Funds
For the Year Ended December 31, 1998*

	<u>Besser Trust</u>	<u>Waltz Trust</u>	<u>Totals</u>
<i>Revenues:</i>			
Interest	\$874	\$196	\$1,070
Donations	573	77,780	78,353
Total Revenues	1,447	77,976	79,423
<i>Expenditures:</i>			
Total Expenditures	0	0	0
Excess of Revenues Over Expenditures	1,447	77,976	79,423
Fund Balances at Beginning of Year	6,965	0	6,965
Fund Balances at End of Year	\$8,412	\$77,976	\$86,388

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Besser Trust Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
<i>Revenues:</i>			
Interest	\$0	\$874	\$874
Donations	0	573	573
Total Revenues	0	1,447	1,447
<i>Expenditures:</i>			
Total Expenditures	0	0	0
Excess of Revenues Over Expenditures	0	1,447	1,447
Fund Balance at Beginning of Year	6,965	6,965	0
Fund Balance at End of Year	\$6,965	\$8,412	\$1,447

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Waltz Trust Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
<i>Revenues:</i>			
Interest	\$0	\$196	\$196
Donations	0	77,780	77,780
Total Revenues	0	77,976	77,976
<i>Expenditures:</i>			
Total Expenditures	0	0	0
Excess of Revenues Over Expenditures	0	77,976	77,976
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$77,976	\$77,976

*Combining Statement of Revenues,
Expenses and Changes in Fund Equity
All Non-Expendable Trust Funds
For the Year Ended December 31, 1998*

	<i>Casner Trust</i>	<i>Robinson Trust</i>	<i>Totals 1997</i>
<i>Operating Revenues:</i>			
Interest	\$4,283	\$401	\$4,684
Total Revenues	4,283	401	4,684
<i>Operating Expenses:</i>			
Total Operating Expenses	0	0	0
Operating Income	4,283	401	4,684
Retained Earnings at Beginning of Year	74,730	4,863	79,593
Retained Earnings at End of Year	\$79,013	\$5,264	\$84,277

*Combining Statement of Cash Flows
Non-Expendable Trust Funds
For the Year Ended December 31, 1998*

	<u>Casner Trust</u>	<u>Robinson Trust</u>	<u>Totals</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>			
<i>Cash Flows from Investing Activities:</i>			
Interest on Investments	\$4,283	\$401	\$4,684
<u>Net Cash Provided by Investing Activities</u>	<u>4,283</u>	<u>401</u>	<u>4,684</u>
Net Increase in Cash and Cash Equivalents	4,283	401	4,684
Cash and Cash Equivalents Beginning of Year	39,545	2,930	42,475
<u>Cash and Cash Equivalents End of Year</u>	<u>\$43,828</u>	<u>\$3,331</u>	<u>\$47,159</u>
<i>Reconciliation of Operating Income to Net Cash by Operating Activities:</i>			
Operating Income	\$4,283	\$401	\$4,684
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Interest	(4,283)	(401)	(4,684)
<u>Net Cash Provided by Operating Activities</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

*Schedule of Revenues Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Casner Trust Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
<i>Revenues:</i>			
Interest	\$0	\$4,283	\$4,283
<i>Total Revenues</i>	0	4,283	4,283
<i>Expenses:</i>			
<i>Total Expenses</i>	0	0	0
Excess of Revenues Over Expenses	0	4,283	4,283
Fund Equity at Beginning of Year	74,730	74,730	0
<i>Fund Equity at End of Year</i>	\$74,730	\$79,013	\$4,283

*Schedule of Revenues Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Robinson Trust Fund
For the Year Ended December 31, 1998*

	<i>Revised Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
<i>Revenues:</i>			
Interest Income	\$0	\$401	\$401
Total Revenues	0	401	401
<i>Expenses:</i>			
Total Expenses	0	0	0
Excess of Revenues Over Expenses	0	401	401
Fund Equity at Beginning of Year	4,863	4,863	0
Fund Equity at End of Year	\$4,863	\$5,264	\$401

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 1998

197

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Real Estate Taxes				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash and Cash Equivalents	\$1,262,225	\$34,648,308	\$34,490,434	\$1,420,099
Receivables:				
Taxes	36,856,486	38,019,285	36,856,486	38,019,285
Special Assessments	4,355,053	4,159,565	4,355,053	4,159,565
Total Assets	\$42,473,764	\$76,827,158	\$75,701,973	\$43,598,949
Liabilities:				
Due to Other Funds	\$12,823,299	\$13,189,835	\$12,823,299	\$13,189,835
Due to Other Governments	29,650,465	63,637,323	62,878,674	30,409,114
Total Liabilities	\$42,473,764	\$76,827,158	\$75,701,973	\$43,598,949
Undivided General Personal				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$122,844	\$9,292,734	\$9,022,640	\$392,938
Receivables:				
Taxes	9,223,146	9,809,187	9,223,146	9,809,187
Total Assets	\$9,345,990	\$19,101,921	\$18,245,786	\$10,202,125
Liabilities:				
Due to Other Governments	\$7,132,778	\$16,744,392	\$16,032,574	\$7,844,596
Due to Other Funds-Property Taxes	2,213,212	2,357,529	2,213,212	2,357,529
Total Liabilities	\$9,345,990	\$19,101,921	\$18,245,786	\$10,202,125
Estate Tax				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$413,059	\$2,589,409	\$1,651,665	\$1,350,803
Total Assets	\$413,059	\$2,589,409	\$1,651,665	\$1,350,803
Liabilities:				
Due to Other Governments	\$413,059	\$2,589,409	\$1,651,665	\$1,350,803
Total Liabilities	\$413,059	\$2,589,409	\$1,651,665	\$1,350,803

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

198

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Gasoline Tax (Township)				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$1,218,311	\$1,218,311	\$0
Due from Other Governments	97,108	103,272	97,108	103,272
Total Assets	\$97,108	\$1,321,583	\$1,315,419	\$103,272

Liabilities:				
Due to Other Governments	\$97,108	\$1,321,583	\$1,315,419	\$103,272
Total Liabilities	\$97,108	\$1,321,583	\$1,315,419	\$103,272

Motor Vehicle License

Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$3,002,672	\$3,002,672	\$0
Due from Other Governments	27,447	28,425	27,447	28,425
Total Assets	\$27,447	\$3,031,097	\$3,030,119	\$28,425

Liabilities:				
Due to Other Governments	\$27,447	\$3,031,097	\$3,030,119	\$28,425
Total Liabilities	\$27,447	\$3,031,097	\$3,030,119	\$28,425

Undivided Local Government

Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$2,974,988	\$2,974,988	\$0
Due from Other Governments	115,113	119,771	115,113	\$119,771
Total Assets	\$115,113	\$3,094,759	\$3,090,101	\$119,771

Liabilities:				
Due to Other Governments	\$115,113	\$3,094,759	\$3,090,101	\$119,771
Total Liabilities	\$115,113	\$3,094,759	\$3,090,101	\$119,771

(Continued)

Muskingum County

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Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

For the Year Ended December 31, 1998

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Library Local Government Support				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$2,829,760	\$2,829,760	\$0
Due from Other Governments	226,127	243,284	226,127	243,284
Total Assets	\$226,127	\$3,073,044	\$3,055,887	\$243,284

Liabilities:				
Due to Other Governments	\$226,127	\$3,073,044	\$3,055,887	\$243,284
Total Liabilities	\$226,127	\$3,073,044	\$3,055,887	\$243,284

Payroll Fund

Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$129,506	34,466,610	34,533,544	\$62,572
Due from Others	306			306
Due from Other Funds	175,839		175,839	0
Total Assets	\$305,651	\$34,466,610	\$34,709,383	\$62,878

Liabilities:				
Due to Others	\$305,651	\$34,466,610	\$34,709,383	\$62,878
Total Liabilities	\$305,651	\$34,466,610	\$34,709,383	\$62,878

Health

Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$193,817	\$3,101,895	\$3,066,336	\$229,376
Due from Agency Fund - Property Taxes	766,548	905,060	766,548	905,060
Total Assets	\$960,365	\$4,006,955	\$3,832,884	\$1,134,436

Liabilities:				
Due to Other Funds	\$66,961	\$52,802	\$66,961	\$52,802
Due to Other Governments	893,404	3,954,153	3,765,923	1,081,634
Total Liabilities	\$960,365	\$4,006,955	\$3,832,884	\$1,134,436

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
ADAMH Board				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$1,491,515	\$12,091,067	\$11,874,841	\$1,707,741
Segregated Accounts:				
Cash and Cash Equivalents	6,515	0	0	6,515
Total Assets	\$1,498,030	\$12,091,067	\$11,874,841	\$1,714,256
Liabilities:				
Due to Other Funds	\$13,046	\$15,542	\$13,046	\$15,542
Undistributed Monies	1,484,984	12,075,525	11,861,795	1,698,714
Total Liabilities	\$1,498,030	\$12,091,067	\$11,874,841	\$1,714,256
Child Support Enforcement				
Assets:				
Segregated Accounts:				
Cash and Cash Equivalents	\$30,391	\$14,742,374	\$14,751,484	\$21,281
Total Assets	\$30,391	\$14,742,374	\$14,751,484	\$21,281
Liabilities:				
Due to Others	\$30,391	\$14,742,374	\$14,751,484	\$21,281
Total Liabilities	\$30,391	\$14,742,374	\$14,751,484	\$21,281
Court				
Assets:				
Segregated Accounts:				
Cash and Cash Equivalents	\$370,895	\$11,030,935	\$10,844,214	\$557,616
Receivables:				
Accounts	62,483	82,801	62,483	82,801
Total Assets	\$433,378	\$11,113,736	\$10,906,697	\$640,417
Liabilities:				
Due to Other Funds	\$32,238	\$44,286	\$32,238	\$44,286
Due to Other Governments	29,007	38,515	29,007	38,515
Undistributed Monies	372,133	11,030,935	10,845,452	557,616
Total Liabilities	\$433,378	\$11,113,736	\$10,906,697	\$640,417

(Continued)

Muskingum County

*Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998*

	<u>Balance 1/1/98</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/98</u>
Trailer Tax				
Assets:				
Equity with County Treasurer: Equity in Pooled Cash and Cash Equivalents	\$19,719	\$604,598	\$552,558	\$71,759
Total Assets	\$19,719	\$604,598	\$552,558	\$71,759
Liabilities:				
Due to Other Governments	\$19,719	\$604,598	\$552,558	\$71,759
Total Liabilities	\$19,719	\$604,598	\$552,558	\$71,759
State of Ohio				
Assets:				
Equity with County Treasurer: Equity in Pooled Cash and Cash Equivalents	\$0	\$550,815	\$550,815	\$0
Total Assets	\$0	\$550,815	\$550,815	\$0
Liabilities:				
Due to Other Governments	\$0	\$550,815	\$550,815	\$0
Total Liabilities	\$0	\$550,815	\$550,815	\$0
Local Government Revenue Assistance				
Assets:				
Equity with County Treasurer: Equity in Pooled Cash and Cash Equivalents	\$0	\$682,463	\$682,463	\$0
Due from Other Governments	28,112	28,833	28,112	28,833
Total Assets	\$28,112	\$711,296	\$710,575	\$28,833
Liabilities:				
Due to Other Governments	\$28,112	\$711,296	\$710,575	\$28,833
Total Liabilities	\$28,112	\$711,296	\$710,575	\$28,833

(Continued)

Muskingum County

Combining Statement of Changes in Assets and Liabilities
 All Agency Funds (Continued)
 For the Year Ended December 31, 1998

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Local Emergency Planning				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$30,695	\$0	\$15,815	\$14,880
Total Assets	\$30,695	\$0	\$15,815	\$14,880
Liabilities:				
Due to Other Funds	\$186	\$0	\$186	\$0
Due to Other Governments	30,509	0	15,629	14,880
Total Liabilities	\$30,695	\$0	\$15,815	\$14,880
Township Motor Vehicle License Permissive Levy				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$40,370	\$40,370	\$0
Due from Other Governments	2,643	2,974	2,643	2,974
Total Assets	\$2,643	\$43,344	\$43,013	\$2,974
Liabilities:				
Due to Other Governments	\$2,643	\$43,344	\$43,013	\$2,974
Total Liabilities	\$2,643	\$43,344	\$43,013	\$2,974
Ohio Advanced Real Estate				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$933	\$0	\$0	\$933
Total Assets	\$933	\$0	\$0	\$933
Liabilities:				
Due to Other Governments	\$933	\$0	\$0	\$933
Total Liabilities	\$933	\$0	\$0	\$933

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

203

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Fines Fund				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$0	\$385,927	\$371,498	\$14,429
Total Assets	\$0	\$385,927	\$371,498	\$14,429
Liabilities:				
Due to Other Governments	\$0	\$385,927	\$371,498	\$14,429
Total Liabilities	\$0	\$385,927	\$371,498	\$14,429
Escrow Fund				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$6,572	\$2,336	\$2,336	\$6,572
Total Assets	\$6,572	\$2,336	\$2,336	\$6,572
Liabilities:				
Due to Others	\$6,572	\$2,336	\$2,336	\$6,572
Total Liabilities	\$6,572	\$2,336	\$2,336	\$6,572
Law Library				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and				
Cash Equivalents	\$21,975	\$163,788	\$173,149	\$12,614
Total Assets	\$21,975	\$163,788	\$173,149	\$12,614
Liabilities:				
Due to Other Governments	\$21,975	\$163,788	\$173,149	\$12,614
Total Liabilities	\$21,975	\$163,788	\$173,149	\$12,614

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

	<u>Balance 1/1/98</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/98</u>
Hotel Lodging Tax				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$10,856	\$283,582	\$279,690	\$14,748
Total Assets	\$10,856	\$283,582	\$279,690	\$14,748
Liabilities:				
Due to Other Governments	\$10,856	\$283,582	\$279,690	\$14,748
Total Liabilities	\$10,856	\$283,582	\$279,690	\$14,748
Cigarette Licenses				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$16	\$4,905	\$4,907	\$14
Total Assets	\$16	\$4,905	\$4,907	\$14
Liabilities:				
Due to Other Governments	\$16	\$4,905	\$4,907	\$14
Total Liabilities	\$16	\$4,905	\$4,907	\$14
Undivided State Income				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$654,719	\$654,719	\$0
Total Assets	\$0	\$654,719	\$654,719	\$0
Liabilities:				
Due to Other Governments	\$0	\$654,719	\$654,719	\$0
Total Liabilities	\$0	\$654,719	\$654,719	\$0

(Continued)

Muskingum County

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Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

For the Year Ended December 31, 1998

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Soil and Water				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$95,278	\$275,404	\$235,528	\$135,154
Total Assets	\$95,278	\$275,404	\$235,528	\$135,154

Liabilities:				
Due to Other Funds	\$4,851	\$4,458	\$4,851	\$4,458
Due to Other Governments	90,427	270,946	230,677	130,696
Total Liabilities	\$95,278	\$275,404	\$235,528	\$135,154

Deferred Compensation

Assets:				
Funds on Deposit with Deferred Compensation Boards	\$3,120,681	\$474,170	\$3,594,851	\$0
Total Assets	\$3,120,681	\$474,170	\$3,594,851	\$0

Liabilities:				
Deferred Compensation Payable	\$3,120,681	\$474,170	\$3,594,851	\$0
Total Liabilities	\$3,120,681	\$474,170	\$3,594,851	\$0

Sheriff

Assets:				
Segregated Accounts:				
Cash and Cash Equivalents	\$45,526	\$1,412,899	\$1,408,772	\$49,653
Total Assets	\$45,526	\$1,412,899	\$1,408,772	\$49,653

Liabilities:				
Undistributed Monies	\$45,526	\$1,412,899	\$1,408,772	\$49,653
Total Liabilities	\$45,526	\$1,412,899	\$1,408,772	\$49,653

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

	<u>Balance 1/1/98</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/98</u>
Undivided State Income Tax				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$19,795	\$19,795	\$0
Total Assets	\$0	\$19,795	\$19,795	\$0
Liabilities:				
Due to Other Governments	\$0	\$19,795	\$19,795	\$0
Total Liabilities	\$0	\$19,795	\$19,795	\$0
Maysville Regional Water				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$1,883	\$1,883	\$0
Total Assets	\$0	\$1,883	\$1,883	\$0
Liabilities:				
Undistributed Monies	\$0	\$1,883	\$1,883	\$0
Total Liabilities	\$0	\$1,883	\$1,883	\$0
County Home Residents				
Assets:				
Segregated Accounts:				
Cash and Cash Equivalents	\$7,211	\$318	\$3,704	\$3,825
Total Assets	\$7,211	\$318	\$3,704	\$3,825
Liabilities:				
Due to Others	\$7,211	\$318	\$3,704	\$3,825
Total Liabilities	\$7,211	\$318	\$3,704	\$3,825

(Continued)

Muskingum County

Combining Statement of Changes in Assets and Liabilities
 All Agency Funds (Continued)
 For the Year Ended December 31, 1998

	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Childrens Services				
Assets:				
Segregated Accounts:				
Cash and Cash Equivalents	\$144,485	\$59,033	\$180,769	\$22,749
Total Assets	\$144,485	\$59,033	\$180,769	\$22,749
Liabilities:				
Due to Others	\$144,485	\$59,033	\$180,769	\$22,749
Total Liabilities	\$144,485	\$59,033	\$180,769	\$22,749
Issue 2				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$25,655	\$113,420	\$114,597	\$24,478
Total Assets	\$25,655	\$113,420	\$114,597	\$24,478
Liabilities:				
Due to Other Governments	\$25,655	\$113,420	\$114,597	\$24,478
Total Liabilities	\$25,655	\$113,420	\$114,597	\$24,478
Family and Children First				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$35,448	\$1,015,377	\$753,322	\$297,503
Total Assets	\$35,448	\$1,015,377	\$753,322	\$297,503
Liabilities:				
Due to Others Funds	\$0	\$85	\$0	\$85
Due to Other Governments	35,448	1,015,292	753,322	297,418
Total Liabilities	\$35,448	\$1,015,377	\$753,322	\$297,503

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

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	Balance 1/1/98	Additions	Reductions	Balance 12/31/98
Federal Owned Entitlement Land				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$4,126	\$4,126	\$0
Total Assets	\$0	\$4,126	\$4,126	\$0
Liabilities:				
Due to Other Governments	\$0	\$4,126	\$4,126	\$0
Total Liabilities	\$0	\$4,126	\$4,126	\$0
Powelson Wildlife				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$19,051	\$19,051	\$0
Total Assets	\$0	\$19,051	\$19,051	\$0
Liabilities:				
Undistributed Monies	\$0	\$19,051	\$19,051	\$0
Total Liabilities	\$0	\$19,051	\$19,051	\$0
Bankhead Jones				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$34,658	\$34,658	\$0
Total Assets	\$0	\$34,658	\$34,658	\$0
Liabilities:				
Undistributed Monies	\$0	\$34,658	\$34,658	\$0
Total Liabilities	\$0	\$34,658	\$34,658	\$0

(Continued)

Muskingum County

**Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998**

	<u>Balance</u> <u>1/1/98</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/98</u>
Ohio Elections Commission				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$4,031	\$483	\$4,514	\$0
Total Assets	\$4,031	\$483	\$4,514	\$0
Liabilities:				
Due to Others	\$4,031	\$483	\$4,514	\$0
Total Liabilities	\$4,031	\$483	\$4,514	\$0

(Continued)

Muskingum County
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 1998

210

	<u>Balance</u> <u>1/1/98</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/98</u>
Total - All Agency Funds				
Assets:				
Equity with County Treasurer:				
Equity in Pooled Cash and Cash Equivalents	\$3,864,144	\$111,073,454	\$109,180,985	\$5,756,613
Cash and Cash Equivalents in Segregated Accounts	605,023	27,245,559	27,188,943	661,639
Receivables:				
Taxes	46,079,632	47,828,472	46,079,632	47,828,472
Accounts	62,483	82,801	62,483	82,801
Special Assessments	4,355,053	4,159,565	4,355,053	4,159,565
Due from Other Funds	942,387	905,060	942,387	905,060
Due from Other Governments	496,550	526,559	496,550	526,559
Due from Others	306	0	0	306
Funds on Deposit with Deferred Compensation Boards	3,120,681	474,170	3,594,851	0
Total Assets	\$59,526,259	\$192,295,640	\$191,900,884	\$59,921,015
Liabilities:				
Due to Other Funds	\$15,153,793	\$15,664,537	\$15,153,793	\$15,664,537
Due to Other Governments	38,850,801	102,310,828	99,328,439	41,833,190
Undistributed Monies	1,902,643	24,574,951	24,171,611	2,305,983
Due to Others	498,341	49,271,154	49,652,190	117,305
Deferred Compensation Payable	3,120,681	474,170	3,594,851	0
Total Liabilities	\$59,526,259	\$192,295,640	\$191,900,884	\$59,921,015

General Fixed Assets Account Group

The General Fixed Assets Account Group is used to account for all fixed assets not used in the operation of the Proprietary Fund Types or Trust Funds.

Schedule of General Fixed Assets by Function

December 31, 1998

<i>Function</i>	<i>Total</i>	<i>Land</i>	<i>Buildings</i>	<i>Machinery, Equipment, Furniture, and Fixtures</i>	<i>Vehicles</i>
General Government:					
Legislative and Executive	\$8,545,589	\$1,272,543	\$5,971,907	\$907,688	\$393,451
Judicial	3,265,727	163,500	2,855,460	184,621	62,146
Public Safety	5,907,658	0	5,033,316	490,472	383,870
Public Works	4,809,714	600,786	360,281	397,070	3,451,577
Health	283,439	0	16,500	230,939	36,000
Human Services	6,908,934	151,800	5,327,827	646,608	782,699
Other	19,870	0	19,870	0	0
Construction in Progress	459,755				
Total General Fixed Assets	\$30,200,686	\$2,188,629	\$19,585,161	\$2,857,398	\$5,109,743

*Schedule of Changes in General Fixed Assets by Function**For the Year Ended December 31, 1998*

<i>Function</i>	<i>General Fixed Assets 1/1/98</i>	<i>Additions</i>	<i>Deductions</i>	<i>General Fixed Assets 12/31/98</i>
General Government:				
Legislative and Executive	\$8,473,545	\$214,432	\$142,388	\$8,545,589
Judicial	3,222,291	46,785	3,349	3,265,727
Public Safety	5,742,923	265,455	100,720	5,907,658
Public Works	4,621,227	188,487	0	4,809,714
Health	255,439	28,000	0	283,439
Human Services	6,713,897	250,269	55,232	6,908,934
Other	19,870	0	0	19,870
Construction in Progress	9,152	482,257	31,654	459,755
Total General Fixed Assets	\$29,058,344	\$1,475,685	\$333,343	\$30,200,686

Schedule of General Fixed Assets by Source
December 31, 1998

General Fixed Assets:

Land	\$2,188,629
Buildings	19,585,161
Machinery, Equipment, Furnitures and Fixtures	2,857,398
Vehicles	5,109,743
Construction in Progress	459,755

Total General Fixed Assets **\$30,200,686**

Investment in General Fixed Assets from:

Federal Grants	\$229,040
State Grants	1,517,911
General Fund Revenues	12,320,599
Special Revenue Fund Revenues	7,173,577
Donations	18,925
Note Debt	8,940,634

Total Investments in General Fixed Assets **\$30,200,686**



STATISTICAL SECTION

General Governmental Expenditures by Function (1)

Last Ten Years (2)

Year	General Government				Public Safety	Public Works	Health	Human Services	Conservation/ Recreation	Other	Refund of Property Taxes (3)	Capital Outlay	Inter-governmental	Debt Service	Total
	Legislative and Executive	Judicial	Public Safety	Public Works											
1989	\$3,755,220	\$1,476,525	\$2,059,948	\$3,935,709	\$223,592	\$13,106,657	\$6,000	\$748,806	\$0	\$0	\$0	\$11,463,908	\$36,776,365		
1990	3,750,776	1,628,869	2,443,085	3,663,344	334,791	13,107,766	0	1,167,888	0	1,508,010	0	3,089,740	30,694,269		
1991	4,242,665	1,735,987	2,511,367	3,926,306	451,708	13,865,481	0	3,087	0	2,467,246	1,313,102	1,399,620	31,916,569		
1992	4,570,476	1,779,312	2,554,691	3,885,276	474,297	15,170,631	0	3,362	0	2,464,897	1,506,060	1,431,774	33,840,776		
1993	5,692,156	1,782,110	3,046,218	4,323,712	502,963	14,895,645	0	2,600	0	3,121,998	1,563,453	1,628,344	36,559,199		
1994	5,736,668	2,075,357	3,574,155	5,041,246	580,532	15,212,255	0	3,380	0	1,052,284	1,250,460	1,742,255	33,268,592		
1995	5,713,605	2,181,405	3,973,009	5,156,770	543,615	16,967,957	0	2,600	0	3,445,737	1,494,220	1,800,876	41,279,794		
1996	5,790,463	2,364,505	4,675,726	4,686,464	582,155	17,888,019	0	2,060	0	3,425,288	2,002,955	1,821,309	43,238,944		
1997	6,091,276	2,497,658	4,940,871	4,785,526	858,300	18,489,281	0	2,810	23,877	3,334,942	1,806,185	1,925,238	44,529,964		
1998	6,198,091	2,637,207	5,693,644	4,716,899	662,005	22,552,590	0	2,600	37,432	2,469,693	3,242,232	1,969,950	50,182,343		

Note: (1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.

(2) 1989 amounts are reported on a cash basis; 1990-1998 amounts are presented on a GAAP basis.

(3) Represents refunds of overpayment of property taxes, See Note 17 for additional information.

Source: Muskingum County Auditor

General Governmental Revenues by Source (1)

Last Ten Years (2)

Year	Property and Other Taxes	Permissive Sales Taxes	Charges for Services	Licenses and Permits	Fines and Forfeitures	Inter-governmental	Special Assessments	Interest (3)	Rent	Payment In Lieu of Taxes (4)	Other (3)	Total
1989	\$6,075,565	\$4,384,917	\$1,485,171	\$11,357	\$310,006	\$10,668,321	\$0	\$0	\$0	\$0	\$1,421,991	\$24,357,328
1990	1,258,364	4,535,075	1,947,207	11,083	334,325	17,175,957	0	1,295,767	0	0	1,120,220	27,677,998
1991	7,020,583	4,189,688	2,323,246	233,944	277,475	13,619,303	190,219	1,237,192	403,698	0	529,834	30,025,182
1992	6,791,237	4,946,958	2,779,901	359,398	453,912	14,549,893	174,038	786,546	424,126	0	294,445	31,560,454
1993	6,989,681	6,916,869	2,985,757	365,639	397,932	16,289,202	172,382	670,333	543,458	0	193,875	35,525,128
1994	7,070,687	9,071,303	3,149,624	476,412	517,960	17,506,469	172,486	772,541	349,450	0	153,607	39,240,539
1995	9,001,372	9,820,115	3,713,826	412,157	540,579	19,090,147	159,392	1,266,245	327,841	0	175,677	44,507,351
1996	9,474,376	10,210,675	3,885,998	450,358	537,910	18,935,486	163,752	1,485,780	331,708	0	148,184	45,624,227
1997	9,915,697	10,878,779	3,878,596	457,152	560,134	20,539,534	173,877	1,666,635	343,458	82,056	177,976	48,671,897
1998	10,423,478	11,643,851	4,620,348	663,625	569,867	23,503,715	169,511	2,065,513	352,274	88,232	142,301	54,242,715

Note: (1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.
 (2) 1989 amounts are reported on a cash basis; 1990-1998 amounts are reported on a GAAP basis.
 (3) Prior to 1990 Interest was included in Other Revenue Category.
 (4) Represents payments in lieu of taxes for the Brandywine Loop Extension Notes.

Source: Muskingum County Auditor

Property Tax Levies and Collections - Real and Public Utility Property

Last Ten Years

Year	Equalized Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collection	Total Tax Collections	Percent of Total Collection To Levy	Outstanding Delinquent Taxes (1)	Percent of Outstanding Delinquent Taxes to Tax Levy
1989	\$1,262,089	\$1,169,398	92.66 %	\$47,319	\$1,216,717	96.41 %	\$121,228	9.6 %
1990	1,274,667	1,215,369	95.3	50,346	1,265,715	99.3	129,253	10.1
1991	1,293,410	1,230,509	95.1	46,248	1,276,757	98.7	130,658	10.1
1992	1,314,789	1,253,323	95.3	54,497	1,307,820	99.5	141,441	10.8
1993	1,330,354	1,270,898	95.5	64,167	1,335,065	100.4	143,163	10.8
1994	1,351,608	1,281,597	95.5	60,472	1,352,069	100.0	143,515	10.6
1995	1,547,534	1,477,908	95.5	61,744	1,539,652	98.5	129,573	8.4
1996	1,575,206	1,506,131	95.6	70,489	1,576,620	100.0	153,589	9.7
1997	1,604,065	1,541,498	96.1	65,182	1,606,680	100.1	136,506	8.5
1998	1,842,679	1,750,154	95.0	77,185	1,827,339	99.0	140,789	7.6

All amounts represent County general operating monies only.

(1) Outstanding delinquent taxes are as of the second half real estate collection settlement date for the years 1988-1990. For years subsequent to 1990 delinquent taxes are as of December 31. The amounts include all prior year delinquencies and the current year delinquencies.

Source: Muskingum County Auditor

Table 4

Muskingum County, Ohio

S-4

Property Tax Levies and Collections - Tangible Personal Property

Last Ten Years

Year	Current Tax Levy	Total Tax Collections	Percent of Total Collection to Levy	Outstanding Delinquent Taxes (1)	Percent of Outstanding Delinquent Taxes to Tax Levy
1989	\$209,879	\$231,353	110.2 %	\$18,450	8.8 %
1990	234,206	240,315	102.6	13,762	5.9
1991	192,163	203,428	105.9	78,392 (2)	40.8
1992	219,528	254,439	115.9	67,700	30.8
1993	229,729	242,260	105.5	64,314	28.0
1994	232,062	237,304	102.2	62,152	26.8
1995	237,010	241,767	102.0	63,399	26.7
1996	260,010	260,117	100.0	67,857	26.1
1997	275,053	288,800	105.0	59,312	21.6
1998	279,410	273,865	98.0	73,741	26.4

All amounts represent county general operating monies only.

(1) Outstanding delinquent taxes are as of the last settlement date and are current year delinquencies only for the years 1988-1990.

(2) Beginning with 1991, outstanding delinquent taxes are all delinquencies and are as of December 31.

Source: Muskingum County Auditor

Assessed and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property (1)		Personal Property		Public Utilities - Personal		Totals		Ratio
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1989	\$500,150,810	\$1,429,002,314	\$97,617,977	\$336,613,714	\$91,101,710	\$91,101,710	\$688,870,497	\$1,856,717,738	37.10 %
1990	501,761,880	1,433,605,372	108,932,814	389,152,907	94,305,940	94,305,940	705,000,634	1,917,064,219	36.78
1991	507,280,250	1,449,372,140	89,378,270	331,030,630	101,871,700	101,871,700	698,530,220	1,882,274,470	37.11
1992	509,658,410	1,456,166,886	102,106,278	392,716,454	103,572,200	103,572,200	715,336,888	1,952,455,540	36.64
1993	515,196,870	1,471,991,058	106,850,625	427,402,500	102,241,430	102,241,430	724,288,925	2,001,634,988	36.18
1994	526,408,840	1,504,025,258	107,935,614	431,742,456	104,363,240	104,363,240	738,707,694	2,040,130,954	36.21
1995	615,419,650	1,758,341,857	110,237,226	440,948,904	102,273,490	102,273,490	827,930,366	2,301,564,251	35.97
1996	630,380,520	1,801,087,200	120,934,720	483,738,880	100,571,080	100,571,080	851,886,320	2,385,397,160	35.71
1997	645,505,660	1,844,301,885	127,931,535	511,726,140	99,071,260	99,071,260	872,508,455	2,455,099,285	35.54
1998	757,999,440	2,165,712,685	129,957,914	519,831,656	100,536,540	100,536,540	988,493,894	2,786,080,881	35.48

(1) Real Property values include public utility real property.

Source: Muskingum County Auditor

Property Tax Rates - Direct and All Overlapping Governments
(Per Thousand Dollars of Assessed Value)
Last Ten Years

County Units	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
General Fund	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15
T.B. Clinic	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Mental Retardation and Development Disabilities	3.00	3.00	3.00	3.00	3.00	5.00	5.00	5.00	5.00	5.00
County Home	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Children Services	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Library Bond	0.85	0.85	0.85	0.90	0.90	0.80	0.80	0.70	0.70	0.70
Sheriff Operations	0.00	0.00	0.00	0.00	0.00	0.50	0.50	0.50	0.50	0.50
Senior Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.50
Total Rates	11.40	11.40	11.40	11.45	11.45	13.85	13.85	13.75	14.25	14.25
Special Districts										
Muskingum County General Health District	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
School Districts										
East Muskingum	31.15	31.25	31.25	31.25	39.11	38.61	37.96	37.61	37.01	37.01
Franklin	33.90	33.90	33.90	33.90	33.90	33.90	38.40	38.40	38.40	38.40
Maysville	38.45	37.95	37.45	37.45	37.45	37.45	37.45	37.45	37.45	41.35
Tri-Valley	36.25	35.55	35.55	35.55	35.55	35.55	35.55	35.55	35.55	35.55
West Muskingum	38.90	38.70	38.40	38.40	43.30	42.30	41.90	41.90	41.50	41.50
Zanesville	42.95	38.95	38.75	38.75	38.65	38.45	38.05	44.95	44.55	43.85
Out of County										
School Districts										
Licking Valley	35.90	35.90	35.90	35.90	35.90	30.90	30.90	30.90	30.90	39.70
Morgan	26.70	32.50	32.50	32.50	32.50	32.50	32.50	32.50	32.50	32.50
Riverview	24.70	24.70	29.50	29.50	29.50	29.50	31.30	31.30	31.30	31.30
Rolling Hills	29.90	30.30	29.80	45.50	45.50	43.70	39.25	40.25	34.09	33.34

(Continued)

*Property Tax Rates - Direct and All Overlapping Governments
(Per Thousand Dollars of Assessed Value)
Last Ten Years*

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Joint Vocational School Districts										
Mid-East Ohio (1)	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20
Coshocton County	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Licking County	2.80	2.80	2.80	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Corporations										
Adamsville	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65
Dresden-										
Cass Township	1.90	1.90	5.90	5.40	5.10	4.40	4.30	4.10	3.70	3.70
Dresden-										
Jefferson Township	2.85	2.85	6.85	6.35	6.05	5.35	5.25	5.05	4.65	4.65
Frazeyburg	7.15	7.15	8.15	8.15	8.15	8.15	5.15	5.15	5.15	5.15
Fultonham	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
Gratiot	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
New Concord	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Norwich	7.80	7.80	7.80	2.80	7.80	7.80	7.80	7.80	7.80	7.80
Philo	11.65	11.65	11.65	11.65	11.65	11.65	11.65	11.65	11.65	11.65
Roseville	7.80	7.80	7.80	7.80	7.80	10.80	10.80	10.80	10.80	10.80
South Zanesville	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Zanesville-										
Zanesville SD & Tri-Valley SD	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Zanesville-										
West Muskingum SD	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85

Note: School District (SD)

(1) Formerly Muskingum Area Joint Vocational School

(Continued)

Property Tax Rates - Direct and All Overlapping Governments
(Per Thousand Dollars of Assessed Value)
Last Ten Years

Townships	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Adams	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35	\$4.35
Blue Rock	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70
Brush Creek	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90
Cass	2.75	3.45	3.45	3.45	3.45	3.45	3.25	3.25	3.25	3.25
Clay	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Falls	3.05	3.05	3.05	3.05	3.35	3.35	3.35	3.35	3.35	3.65
Harrison	8.30	12.30	12.30	12.30	12.30	12.30	10.30	11.80	11.80	10.80
HIGHLAND	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Hopewell	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85	4.85
Jackson	4.65	4.65	4.65	4.65	4.65	4.65	6.65	6.65	6.85	6.85
Jefferson	2.40	3.90	3.90	3.90	3.90	3.90	3.40	3.40	3.40	3.40
Licking	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	6.25	6.25
Madison	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Melgs	3.25	3.25	3.25	3.25	3.25	3.25	4.25	4.25	4.25	3.25
Monroe	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Muskingum	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Newton	7.45	7.45	7.45	7.45	5.45	5.45	5.45	5.45	5.45	5.45
Perry	8.20	9.70	7.20	7.20	7.20	7.20	6.20	6.20	6.20	6.20
Rich Hill	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Salem	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55	3.55
Salt Creek	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00
Springfield	5.15	5.15	5.35	5.35	5.35	5.35	5.35	5.35	5.35	5.35
Union	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60
Washington	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Wayne	4.50	4.50	4.50	4.50	6.00	5.00	5.00	5.00	5.00	5.00

Source: Muskingum County Auditor

*Special Assessments Billed and Collected
Last Ten Years*

Year	Total Assessments Levied	Assessments Collected	Percent Collected	Outstanding Delinquencies
1989	\$181,907	\$170,801	93.9 %	\$11,106
1990	181,715	171,566	94.4	10,149
1991 (1)	198,935	190,219	95.6	8,716
1992	186,204	174,038	93.5	12,166
1993	183,605	172,382	93.9	11,223
1994	178,956	172,486	96.4	6,470
1995	175,423	159,392	90.9	16,031
1996	173,860	163,752	93.0	10,108
1997 (2)	187,620	173,877	93.0	13,743
1998	184,733	169,511	92.0	15,222

These figures only reflect the Falls, Maysville and Avondale Sewer Assessments and do not include certified delinquent sewer accounts or line fence assessments.

(1) Beginning with 1991, amounts levied, collected and delinquent are as of December 31. All prior years' figures are through August Settlements.

(2) Beginning with 1997, figures also include Nob Hill Sewer Assessments.

Source: Muskingum County Auditor

*Computation of Legal Debt Margin
December 31, 1998*

	<i>Total Debt Limit (1)</i>	<i>Total Unvoted Limit (2)</i>
Total Assessed Property Value for 1998	\$988,493,894	\$988,493,894
Debt Limitation of Assessed Value	23,212,347	9,884,939
Total Outstanding Debt December 31, 1997		
General Obligation Bonds Payable	\$10,616,105	\$8,656,105
Notes Payable	4,429,441	4,429,441
Revenue Bonds Payable	3,172,500	3,172,500
OWDA Loans Payable from Enterprise Funds	386,239	386,239
Special Assessment Debt Payable	1,446,647	1,446,647
Total Outstanding Debt	\$20,050,932	\$18,090,932
Less:		
General Obligation Bonds Payable - Exempt	10,616,105	6,416,645
Notes Payable - Exempt	4,429,441	2,649,441
Revenue Bonds Payable	3,172,500	3,172,500
OWDA Loans Payable from Enterprise Revenues	386,239	398,833
Bonds Payable From Special Assessments	1,446,647	1,449,647
Amount Available in Debt Service Fund	1,074,420	1,074,420
Total	21,125,352	15,161,486
Net Debt Applicable to Debt Limitation	(1,074,420)	2,929,446
Total Legal Debt Margin	\$24,286,767	\$6,955,493

(1) Debt limit is a total of a sum equal to three percent of the first \$100,000,000 of the assessed valuation 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.

(2) Debt limit is one percent of total assessed valuation.

*Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Years*

Year	Population	Assessed Value	General Obligation Bonded Debt (1)	Debt Service Monies Available	Net General Obligation Bonded Debt	Ratio of Net General Obligation Bonded Debt		Net Bonded General Obligation Debt Per Capita
						Bonded Debt	Assessed Value	
1989	84,100	\$688,870,497	\$11,344,000	\$1,361,563	\$9,982,437	1.449	%	\$118.70
1990	82,068	705,000,634	9,616,350	215,947	9,400,403	1.333		114.54
1991	82,068	698,530,220	9,261,350	86,337	9,175,013	1.313		111.80
1992	82,068	715,336,888	13,870,000	1,283	13,868,717	1.939		168.99
1993	82,068	724,288,925	13,445,000	16,852	13,428,148	1.854		163.62
1994	82,068	738,707,694	12,880,000	133,398	12,746,602	1.726		155.32
1995	84,169	827,930,366	12,265,000	135,636	12,129,364	1.465		144.11
1996	84,169	851,886,320	11,590,000	566,116	11,023,884	1.290		130.97
1997	84,169	872,508,455	10,840,000	772,142	10,167,858	1.150		119.61
1998	84,169	988,483,894	10,615,000	1,074,420	9,540,580	0.962		113.35

(1) Includes only general obligation bonds payable from property taxes and rent.

Source: Population estimates from Chamber of Commerce

*Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Governmental Expenditures
Last Ten Years*

<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>(2) Total</i>	<i>(1) Total General Governmental Expenditures</i>	<i>Ratio of Annual Debt Service to Total Governmental Fund Expenditures</i>
1989	\$6,973,354	\$326,721	\$7,300,075	\$37,849,431	19.29 %
1990	130,000	681,991	811,991	30,628,993	2.65
1991	355,000	683,919	1,038,919	31,839,489	3.26
1992	390,000	659,328	1,049,328	33,769,645	3.11
1993	425,000	925,764	1,350,764	36,488,585	3.70
1994	565,000	898,255	1,463,255	36,269,092	4.03
1995	615,000	856,292	1,471,292	41,279,794	3.56
1996	675,000	813,654	1,488,654	43,238,944	3.44
1997	750,000	765,860	1,515,860	44,529,964	3.40
1998	840,000	644,736	1,484,736	50,179,343	2.95

Note: Includes only general obligation bonds payable from property taxes and rent.

(1) Includes other financing uses prior to 1990

(2) Prior to 1990, amounts include note rollovers.

Source: Muskingum County Auditor

*Computation of Direct and Overlapping Net General Obligation Debt
December 31, 1998*

Political Subdivision	Net Debt Outstanding (1)	Percent Applicable to Muskingum County	Amount Applicable to Muskingum County
The County	\$9,982,437	100.00 %	\$9,982,437
The City of Zanesville	7,975,000	100.00	7,975,000
All villages wholly within County	1,651,358	100.00	1,651,358
All townships wholly within County	12,428	100.00	12,428
Zanesville School District	558,000	100.00	558,000
Maysville Local School District	181,000	100.00	181,000
East Muskingum Local School District	137,696	69.34	95,478
Rolling Hills Local School District	3,250,000	0.10	3,250
Tri-Valley Local School District	0	97.61	0
Mid-East Ohio Joint Vocational School District	0	56.28	0
West Muskingum Local School District	0	95.35	0
Franklin Local School District	4,250,000	93.78	3,985,650
Licking Valley Local	9,800,000	0.03	2,940
Roseville Village	42,654	46.70	19,919
Total Amount Applicable to County			<u>\$24,467,460</u>

Note: The percentage of gross indebtedness of the County's overlapping political subdivision was determined by dividing each overlapping subdivision's assessed valuation within the County by its total assessed valuation.

(1) Amount includes only general obligation bonds payable from property taxes and rent.

Source: OMAC and Muskingum County Auditor's Office

Table 12

Muskingum County, Ohio

S-14

Revenue Bond Coverage
Sewer Fund
Last Nine Years

Year	Gross Revenue (1)	Expenses, Net of Depreciation and Interest	Net Revenue Available for Debt Service	Debt Service Requirements		Total	Coverage
				Principal	Interest		
1990	\$820,961	\$688,860	\$132,101	\$0	\$0	\$0	N/A
1991	991,368	911,801	79,567	1,600	140,462	142,062	0.56
1992	1,168,081	1,083,066	85,015	21,200	152,401	173,601	0.49
1993	1,351,975	1,230,673	121,302	22,400	151,237	173,637	0.70
1994	1,344,489	1,818,216	(473,727)	29,800	180,927	210,727	(0.44)
1995	1,392,328	1,136,343	255,985	25,200	215,279	240,479	0.94
1996	1,462,266	1,310,638	151,628	39,100	179,601	218,701	0.69
1997	1,685,552	1,312,044	373,508	34,900	177,840	212,740	1.76
1998	1,805,763	1,686,964	118,799	36,800	175,918	212,718	0.56

(1) Includes investment income.

Source: Muskingum County Auditor's Office

Assessed Real Property Values, New Construction and Bank Deposits
Last Ten Years

Year	New Construction			Total New Construction	Bank Deposits (1)	Real Property Value (4)			Total Taxable	Tax Exempt
	Agricultural/ Residential	Commercial/ Industrial	Commercial/ Industrial			Agricultural/ Residential	Commercial/ Industrial (2)	Public Utility (3)		
1989	\$3,712,070	\$2,044,440	\$5,756,510	\$215,754,000	\$382,505,520	\$118,812,040	\$444,320	\$501,761,880	\$91,059,820	
1990	4,387,360	1,872,640	6,260,000	235,385,000	386,178,840	120,464,370	637,040	507,280,250	91,708,730	
1991	5,220,450	5,337,660	10,558,110	258,820,000	383,036,720	125,977,240	644,450	509,658,410	95,167,980	
1992	4,020,580	3,478,500	7,499,080	290,334,000	386,392,330	128,132,230	672,310	515,196,870	97,303,990	
1993	7,539,190	6,048,180	13,587,370	289,869,000	392,641,770	133,104,030	663,040	526,408,840	99,726,570	
1994	5,848,820	2,937,330	8,786,150	300,277,000	469,963,550	144,841,390	614,710	615,419,650	110,647,950	
1995	9,640,350	6,587,030	16,227,380	289,095,000	478,623,180	151,156,510	600,830	630,380,520	114,311,390	
1996	9,745,870	8,930,640	18,676,510	341,890,000	486,913,570	157,905,220	686,870	645,505,660	122,245,310	
1997	11,535,470	8,463,060	19,998,530	660,855,000	581,059,110	176,185,810	754,520	757,999,440	126,935,340	
1998	13,558,720	5,102,680	18,661,400	1,106,444,000	593,971,220	175,665,350	742,510	770,379,080	136,312,270	

(1) Through 1996, bank deposit information available includes banks headquartered in Muskingum County, which is only 1st National Bank. Beginning in 1997, bank deposit information includes 1st National and Century National Bank, which are both headquartered in Muskingum County.

(2) Amount includes mineral lands and rights.

(3) Public utility values include railroads only. New legislation effective for 1983 Tax Year required all real property belonging to a utility to be classified according to use (Agricultural, Mineral, Commercial, etc.) with the exception of railroads.

(4) Table reflects tax year not collection year.

Source: Muskingum County Auditor
Federal Reserve Bank

Ten Largest Employers

<i>Employer</i>	<i>Nature of Business</i>	<i>Number of Employees</i>
Longaberger Incorporated	Hand-woven baskets and wood products	6,560
Genesis Health Care	Hospital - Health Services	2,529
United Technologies Automotive	Electrical parts for engines/wire assemblies	1,301
Zandex Inc.	Health Services	1,100
The County	Government (1)	905
Five B's Inc.	Fleecewear Manufacturing & Contract Embroidery	723
Zanesville City School District	Education	595
Auto Zone	Automobile Retail Distribution Center	432
Owens-Brockway Glass Container	Glass containers and jars	420
City of Zanesville	Government	350

(1) Includes permanent part-time

Source: Individual Employers and Zanesville-Muskingum County Port Authority

*Principal Property Taxpayers
December 31, 1998*

	Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
Ohio Power Company	\$42,465,620	4.29 %
Ohio Bell Telephone Company	17,227,660	1.74
National Gas and Oil	12,421,620	1.26
Columbia Gas of Ohio Incorporated	8,541,510	0.86
Texas Eastern Trans Corporation	5,056,750	0.51
Real Property		
Longaberger Company	10,485,850	1.06
Colony Square Partners	5,752,220	0.58
Good Sam Medical Center	3,697,120	0.37
Zandex, Inc.	1,638,520	0.17
New Concord Ohio Inc.	1,570,260	0.16
Wares Delaware Corp.	1,473,500	0.15
Associated Estates	1,419,110	0.14
Buckeye Supply Company	1,378,680	0.14
Auto Zone, Inc.	1,300,750	0.13
Armco Inc.	1,298,500	0.13
Tangible Personal Property		
Longaberger Company	15,401,560	1.56
Armco Incorporated	7,861,720	0.80
Owens Illinois Incorporated	6,612,710	0.67
United Technology	5,731,990	0.58
Burnham Corporation	3,917,010	0.40
Ohio Machinery Company.	2,615,470	0.26
Akro Corporation	2,446,730	0.25
Wendy's International Incorporated	1,859,650	0.19
Lowe's Home Center Inc.	1,747,480	0.18
Wal Mart Stores East Inc.	1,455,790	0.15
Total Assessed Value	\$165,377,780	16.73 %

Source: Muskingum County Auditor

Demographic Statistics
December 31, 1998

(1) Population	
Year	County
1940	69,795
1950	74,535
1960	79,159
1970	77,826
1980	83,340
1990	82,068

(1) Age Distribution 1990 Census		
Age	Number	Percentage
Under 5 years	5,878	7.16 %
5-17 years	16,043	19.56
18-20 years	3,920	4.78
21-24 years	4,524	5.51
25-44 years	24,203	29.49
45-54 years	8,464	10.31
55-59 years	3,826	4.66
60-64 years	3,857	4.70
65-74 years	6,428	7.83
75-84 years	3,668	4.47
85 years and older	1,257	1.53
Totals	82,068	100.00 %

(1) Population for the Last Ten Years	
Year	County
1989	84,100
1990	82,068
1991	82,068
1992	82,068
1993	82,068
1994	82,068
1995	84,169
1996	84,169
1997	84,169
1998	84,169

(2) Annual Average Unemployment Rates			
Year	County	State	U.S.
1989	7.4	5.5	5.3 %
1990	8.5	5.6	5.2
1991	9.1	6.4	6.7
1992	9.4	7.3	7.4
1993	10.0	7.6	7.4
1994	7.8	5.5	6.1
1995	6.8	4.7	6.1
1996	7.7	4.8	5.4
1997	7.4	4.5	5.4
1998	6.4	4.2	4.5

Sources: (1) Census Bureau and Muskingum County Ohio Directory, (2) Ohio Bureau of Employment Services

(Continued)

Demographic Statistics
December 31, 1998

(1) Civilian Labor Force Estimates				
Year	Labor Force	Employment	Unemployment	Percentage of Unemployment
1990	41,000	37,500	3,500	8.53 %
1991	40,900	37,200	3,700	9.02
1992	41,500	37,500	4,000	9.42
1993	42,100	37,900	4,200	10.00
1994	41,600	39,000	2,600	6.20
1995	42,600	39,300	3,300	7.70
1996	43,700	40,200	3,500	7.99
1997	42,400	39,500	2,900	6.83
1998	43,000	40,000	3,000	6.97

(2) Public Schools in Muskingum County 1998		K-12 School Enrollment	
Total Enrollment	16,697	1993	16,431
The Daily Attendance Rate	94.3%	1994	15,793
		1995	16,309
		1996	16,508
		1997	16,709
		1998	16,697

(3) Per Capita Income (Current Dollars)		
1994	1992	Change
\$17,575	\$15,795	11.30 %

- Sources: (1) Ohio Bureau of Employment Services, figures are for December of each year
 (2) State Board of Education, Muskingum County Board of Education and individual School Districts
 (3) Zanesville-Muskingum County Chamber of Commerce

*Miscellaneous Statistics
December 31, 1998*

The County	
Date of Incorporation	1804
County Seat	Zanesville, Ohio
Area	653 Square Miles
Altitude	725 Feet Above Sea Level
Climate	Mean Annual Temperature - 45 degrees Average Rainfall - 34 inches
County Roads	518 Miles
Township Roads	687 Miles
State Routes	240 Miles
Major Highways	I-70 East and West; US Routes 40 and 22; State Routes 60, 83, 93, 146, 208, 586 and 666
Villages and Cities	11
Townships	25
School Districts	7
Public Library	Muskingum County Library System - 268,970 Volumes
Communications	
Radio Stations	1 AM and 3 FM stations
Television Stations	5
Daily Newspaper	1 - Circulation 23,000
Colleges and Universities	
Muskingum Area Technical College	Enrollment: 1,899
Ohio University of Zanesville	Enrollment: 1,117
Muskingum College	Enrollment: 1,738

(Continued)

Miscellaneous Statistics
December 31, 1998

Transportation

Truck Lines	13 Terminals - 44 Motor Freight Companies
Air Freight Services	Federal Express
Bus Service	Greyhound, Muskingum Coach, Muskingum Authority of Public Transit
Nearest Water Port	Cleveland, Lake Erie
Local Airport	Zanesville Municipal Airport Runway Length - 5,005 feet
Railroads	CSX, Ohio Southern, Ohio Central, Columbus & Ohio River
Parcel Service	UPS, Purolator Courier, Airbourne Express Federal Express, Roadway Package System

Health Care

Hospitals	2
Number of Beds	467 (staffed) 725 (licensed)
Physicians	188
Dentists	41

Lodging (Hotels and Motels)

Days Inn	60 rooms
Holiday Inn of Zanesville	130 rooms
Thriftlodge	54 rooms
Best Western Town House	59 rooms
Comfort Inn	93 rooms
Super 8 Motel	62 rooms
Fairfield Inn	63 rooms
Bakers Motel	53 rooms
Amerihost Inn	60 rooms
Hampton Inn	64 rooms
Red Roof Inn	78 rooms

Voter Statistics

Total Number of Registered Voters	51,551
Voters in November 1998 Election	25,958
Percentage of Registered Voters Voting	50.35 %

(Continued)

Miscellaneous Statistics
December 31, 1998

Recreation	
Auditorium (Public) Cinema	Secret Auditorium - 1800 Seats Colony Square Cinema - 10 Screens Sunrise Cinema - 5 Screens
Golf Courses	7 Public and 1 Private Eagle Sticks (Public) - 18 holes Fullers Fairways (Public) - 18 Holes Green Valley Golf Club (Public) - 18 Holes Jaycee Public Golf Course (Public) - 18 Holes Vista View Golf Course (Public) - 18 Holes Wildfire Golf Club (Public) - 18 Holes Zanesville Country Club (Private) - 18 Holes Creekside Golf Course (Public) 9 Holes Crystal Springs (Public) 18 Holes
Bowling Alleys	Maysville Bowling Center - 24 Lanes Sunrise Bowl - 32 Lanes
Skating Rink	Lind Arena
State Parks	Dillon State Park Blue Rock State Park Muskingum River Parkway Powelson Wildlife Area
City Parks	Zanes Landing Park Riverside Park
Tourist Attractions	
National Road/Zane Grey Museum Ohio Ceramic Center Dr. Increase Mathews House Lorena Sternwheeler Zanesville Art Center Y-Bridge Salt Creek Covered Bridge Longaberger Basket Tours Zanesville Pottery & Christmas House Ohio Pottery East Ohio Pottery West Schultz Mansion	Ebenezer's Baskets S-Bridge/National Road Zane Grey's Home Stone Academy International Center for the Preservation of Wild Animals Leslie Cope Gallery, Roseville Putnam Historic Tour McIntire Terrace Walking Tour Colony Square Mall 5 B's Inc.

Sources: (1) Muskingum County Board of Elections, (2) Muskingum County Highway Department, (3) Muskingum County Library Systems, (4) Muskingum County Ohio Rural Directory

Muskingum County Offices
ZANESVILLE, Ohio 43701 • (740) 455-7109



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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FINANCIAL CONDITION

MUSKINGUM 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.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 27, 2000**