

# IT'S YOUR MONEY

## A QUARTERLY NEWSLETTER FROM YOUR COUNTY AUDITOR 2007 ANNUAL FINANCIAL REPORT NOW AVAILABLE



**CRAWFORD COUNTY COURTHOUSE**

### Special points of interest:

- 2007 Financial Report Available
- CAUV Inspections
- General Fund Revenues vs Expenditures
- Tangible Personal Property Tax Distributions

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**DEDICATED TO SERVING CRAWFORD COUNTY WITH ACCOUNTABILITY, INTEGRITY AND PROFESSIONALISM**

### OVERVIEW

The 2007 Comprehensive Annual Financial Report (CAFR) was audited and released during the 2nd quarter of 2008.

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

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

### KEY FINANCIAL HIGHLIGHTS

The net assets of the County increased by a modest 2 percent or \$1,222,865 for governmental activities and \$1,116,701 for business-type activities.

The General Fund balance at December 31, 2007 was \$4,322,045 which represents a 14 percent decrease from the

2006 balance of \$5,028,668. In 2007, general operating revenues and department expenditures remained comparable to prior years, however, transfers from the General Fund increased by 23 percent due in part to a one time transfer for the Northeast Water Project.

### BUDGETARY HIGHLIGHTS

Actual revenues in the General Fund were higher than the final budget by about 12 percent. The County does not increase its estimated revenues unless actual revenues realized exceed original estimates and additional spending authority is necessary.

Changes in appropriations for the General Fund were minimal as total expenditures were 7 percent less than the final budget.

### LONG-TERM DEBT

At December 31, 2007, the

County's overall long-term obligations included \$16,891,192 in general obligation bonds and \$47,099 in OPWC loans. Of this amount, \$4,776,242 is expected to be repaid from business-type activities.

In 2007, the County's credit rating was upgraded for the first time in twenty years. Citing sound financial operations, healthy reserves, a moderately sized agricultural base, and an affordable debt burden with limited future borrowing, Moody's Investors Service and Standard and Poor's upgraded the County's underlying rating to A3 and A, respectively.

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

## CAUV INSPECTIONS WILL PROTECT PROGRAM

### OVERVIEW

Over the next few weeks, representatives of the County Auditor's Office will be inspecting each agricultural property that is currently enrolled in the Current Agricultural Use Value Program (CAUV).

Ohio law establishes the eligibility criteria for the CAUV program and it sets forth the administrative requirements of the County Auditor as well. As such, these inspections are being done in accordance with Ohio law and for the protection of all property taxpayers in the County.

### CAUV PROGRAM REQUIREMENTS

The land must be used for commercial agricultural production in the current year. For a new application, the land must have been used for commercial agricultural production in the 3 years prior to making the application. If an application covers several parcels of land, the parcels must all be within the same county and be farmed as one unit, although

the parcels do not need to be contiguous.

### Parcels under 10 acres must:

- Either prove an anticipated gross income of \$2,500 per year;
- Or prove a gross income average of \$2,500 per year over a three-year period.
- The gross income requirement is waived for any land that qualifies for either a federal land retirement or federal land conservation program.

### Parcels of 10 acres or more must:

- Be actively earning a commercial income from agriculture;
- Or be under a federal land retirement or federal land conservation program.

### WHAT PROPERTY OWNERS CAN EXPECT

Inspections will include photographs, walking the property to verify that the parcel in question

is an active farm or that agricultural activities are taking place, and matching county records with other government records to document the parcel is included in an eligible farm credit program. All findings will be documented and maintained as required by law.

All inspectors will be wearing a photo-identification badge and their vehicles will be clearly marked and registered with local law enforcement.

Agriculture supports the local economy with more than 230,000 of the County's 260,000 acres of land being used in agricultural production. As such, it is vitally important to protect the integrity of this program by accounting for and documenting that only qualified applicants are receiving benefit from this tax reduction program.

## **ON THE YEAR; GENERAL FUND REVENUES, EXPENDITURES AND CASH**

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

Actual operating revenues of the General Revenue Fund for the first six months of 2008 were \$4,370,346.01 or 50.23% of the \$8,700,067.56 estimated by the County Budget Commission in January. Operating revenues collected for the same period last year were \$4,296,581.65.

When compared to the same period last year, operating revenue of the County General Fund increased by \$73,764.36. A review of the County's actual operating revenue for the period indicates that receipts are being collected as expected and within the amounts estimated. The variance in interest revenue is due to the timing of when receipts are actually posted (July) to the fund and are not an indication of any anticipated reduction.

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

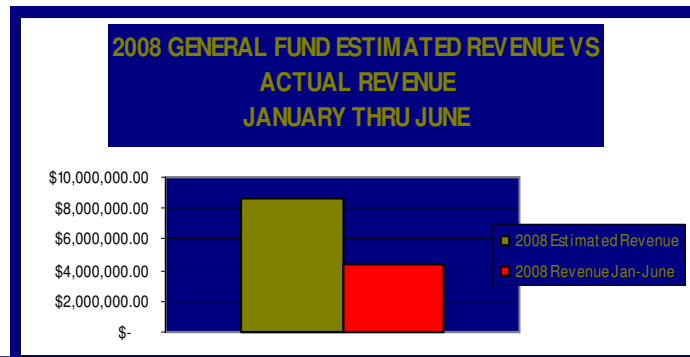
Operating expenditures totaled \$5,390,372.87 or 46.03% of the \$11,710,397.69 appropriated for 2008. Operating expenditures for the same period last year totaled \$5,135,342.48, indicating an overall increase of \$255,030.39 in expenditures. The increase in expenditures can be mostly attributed to timing differences in transfers from the General Fund for Child Welfare and Public Assistance grants and for general increases in the cost of doing business in some areas of the County.

For the first half of 2008, General Fund operating expenditures exceeded operating revenues by \$1,020,026.86. This can be compared to the first half of 2007 where operating expenditures exceeded operating revenues by \$835,760.83. Certain financial transactions such as debt and property tax payments are made at particular times during the calendar year. As such, a more meaningful comparison between operating expenditures and operating revenues should be made on an annual basis.

The cash balance of the General Fund at June 30, 2007 was \$2,091,477.95 as compared to \$1,913,935.13 at June 30, 2007. The cash balance at March 31, 2008 was \$2,548,395.86. The decrease in cash position since March is due to operating costs exceeding operating revenues that was offset by some \$426,282 in loans to other funds that were repaid.

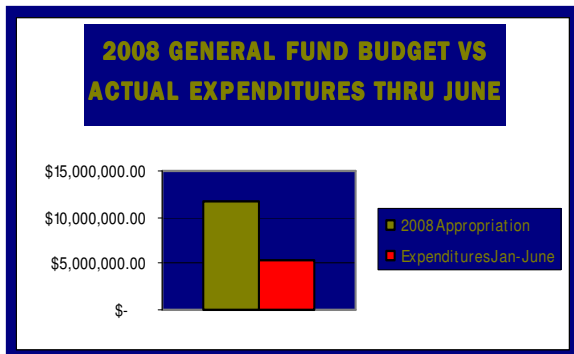
### **2008 GENERAL FUND BUDGET VS ACTUAL REVENUES**

	2008 ESTIMATED REVENUE	2008 ACTUAL REVENUE JANUARY-JUNE	PERCENT COLLECTED
PROPERTY TAXES	\$ 1,375,000.00	\$ 679,100.79	49.39%
SALES TAXES	\$ 3,150,000.00	\$ 1,686,577.33	53.54%
CHARGES FOR SERVICES	\$ 1,866,750.00	\$ 920,216.71	49.30%
LICENSES AND PERMITS	\$ 3,410.00	\$ 1,432.59	42.01%
FINES AND FORFEITURES	\$ 180,282.00	\$ 119,370.45	66.21%
INTERGOVERNMENTAL	\$ 1,438,281.00	\$ 806,784.56	56.09%
INTEREST	\$ 600,000.00	\$ 68,108.48	11.35%
OTHER	\$ 86,344.56	\$ 88,755.10	102.79%
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 8,700,067.56</b>	<b>\$ 4,370,346.01</b>	<b>50.23%</b>
ADVANCE REPAYMENT	\$-0-	\$ 426,282.00	
TRANSFERS IN	\$-0-	\$ 159,097.41	



## 2008 GENERAL FUND BUDGET VS ACTUAL EXPENDITURES

	<u>2008 Appropriation</u>	<u>Expenditures Jan-June</u>	<u>Unexpended Balance</u>	<u>Percent Expended</u>
<b>General Fund Operating Expenditures and Transfers</b>	<b>\$ 11,710,397.69 \$</b>	<b>5,390,372.87 \$</b>	<b>6,320,024.82</b>	<b>46.03%</b>
<b>Department Breakdown</b>				
COUNTY COMMISSIONERS	\$ 361,231.75 \$	180,788.59 \$	180,443.16	50.05%
COUNTY AUDITOR	\$ 404,901.20 \$	190,795.25 \$	214,105.95	47.12%
COUNTY TREASURER	\$ 130,965.48 \$	65,905.45 \$	65,060.03	50.32%
PROSECUTING ATTORNEY	\$ 562,613.71 \$	295,242.89 \$	267,370.82	52.48%
BUDGET COMMISSION	\$ 500.00 \$	- \$	500.00	0.00%
BOARD OF REVISION	\$ 500.00 \$	- \$	500.00	0.00%
BUREAU OF EXAMINATION	\$ 131,727.06 \$	47,250.77 \$	84,476.29	35.87%
COUNTY PLANNING	\$ 35,000.00 \$	10,000.00 \$	25,000.00	28.57%
DATA PROCESSING	\$ 111,802.00 \$	56,699.26 \$	55,102.74	50.71%
COURT OF APPEALS	\$ 31,979.65 \$	19,908.52 \$	12,071.13	62.25%
COMMON PLEAS COURT	\$ 676,052.64 \$	337,824.35 \$	338,228.29	49.97%
JUVENILE COURT	\$ 893,012.31 \$	351,884.28 \$	541,128.03	39.40%
PROBATE COURT	\$ 145,333.87 \$	67,736.86 \$	77,597.01	46.61%
CLERK OF COURTS	\$ 272,807.24 \$	132,702.43 \$	140,104.81	48.64%
CORONER	\$ 143,158.51 \$	61,724.53 \$	81,433.98	43.12%
MUNICIPAL COURT	\$ 603,555.00 \$	270,427.30 \$	333,127.70	44.81%
BOARD OF ELECTION	\$ 439,514.33 \$	194,800.03 \$	244,714.30	44.32%
COURT HOUSE AND JAIL	\$ 830,126.67 \$	444,514.61 \$	385,612.06	53.55%
SHERIFF ROAD PATROL ONLY	\$ 2,291,691.55 \$	1,018,463.55 \$	1,273,228.00	44.44%
COUNTY RECORDER	\$ 199,285.06 \$	91,037.98 \$	108,247.08	45.68%
EMERGENCY MANAGEMENT	\$ 75,000.00 \$	- \$	75,000.00	0.00%
AGRICULTURE	\$ 329,732.00 \$	235,602.96 \$	94,129.04	71.45%
T.B. HOSPITAL	\$ 610.00 \$	393.51 \$	216.49	64.51%
VITAL STATISTICS	\$ 1,000.00 \$	738.00 \$	262.00	73.80%
OTHER HEALTH	\$ 69,771.43 \$	35,582.03 \$	34,189.40	51.00%
VETERANS SERVICES	\$ 381,417.69 \$	180,011.88 \$	201,405.81	47.20%
PUBLIC ASSISTANCE GRANT	\$ 285,000.00 \$	141,084.96 \$	143,915.04	49.50%
CHILD WELFARE GRANT	\$ 215,000.00 \$	107,500.02 \$	107,499.98	50.00%
VICTIMS OF CRIME GRANT	\$ 12,671.00 \$	12,671.00 \$	-	100.00%
SANITARY ENGINEER	\$ 39,275.00 \$	19,037.72 \$	20,237.28	48.47%
COUNTY ENGINEER	\$ 159,996.33 \$	59,643.17 \$	100,353.16	37.28%
LAW LIBRARY	\$ 47,321.74 \$	23,924.87 \$	23,396.87	50.56%
LIABILITY INSURANCE	\$ 274,200.00 \$	- \$	274,200.00	0.00%
TRANSFERS/MISCELLANEOUS	\$ 1,553,644.47 \$	736,476.10 \$	817,168.37	47.40%
TOTAL OPERATING EXP/TRANSFERS	\$ 11,710,397.69 \$	5,390,372.87 \$	6,320,024.82	46.03%
LOANS TO OTHER FUNDS	\$	320,018.68		
TOTAL EXPENDITURES AND LOANS	\$ 11,710,397.69 \$	5,710,391.55 \$	6,320,024.82	



The 2008 appropriation includes all encumbrances carried forward from 2007 and any adjustments to the budget approved by the County Commissioners on January 1, 2008. 2007 encumbrances now total \$184,472.40.

## **TANGIBLE PERSONAL PROPERTY TAX DISTRIBUTIONS**

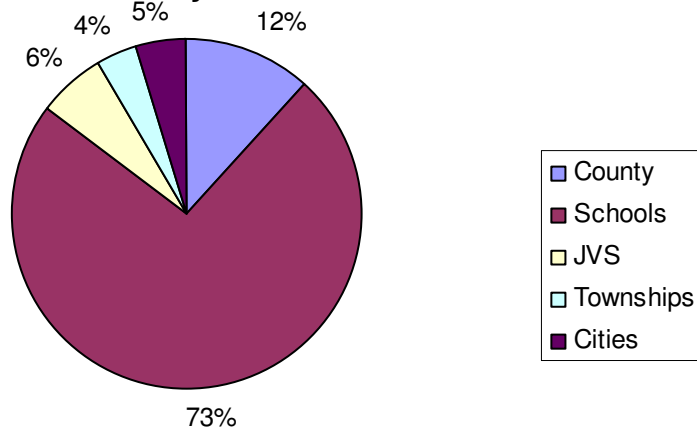
*Ohio law requires the County Auditor to distribute many types of taxes collected by the County Treasurer. Currently, the two major types of property taxes are real estate and tangible personal. Shown below is the distribution of tangible personal property for the first half of 2008. Personal property distributions are made in May and October each year. A tax reform package was passed by the Ohio Legislature and signed into law effective July 1, 2005. This tax reform package essentially phases out the tangible personal property tax local revenue by 2009. The State of Ohio will be reimbursing local governments for this tax revenue until 2019. 2007 represents the third year of the elimination of the tangible personal property local tax revenue.*

**Tangible Personal Property Tax Distributions  
May 2008**

<u>District</u>	<u>May 2008 Distributions</u>	<u>Percentage of Total</u>
County	\$ 12,224.63	11.86%
Schools	\$ 75,772.77	73.50%
JVS	\$ 6,528.35	6.33%
Townships	\$ 3,745.50	3.63%
Cities	<u>\$ 4,827.67</u>	<u>4.68%</u>
<b>TOTAL</b>	<b>\$ 103,098.92</b>	<b>100.00%</b>

**Tangible Personal Property Tax Distributions**

**May 2008**



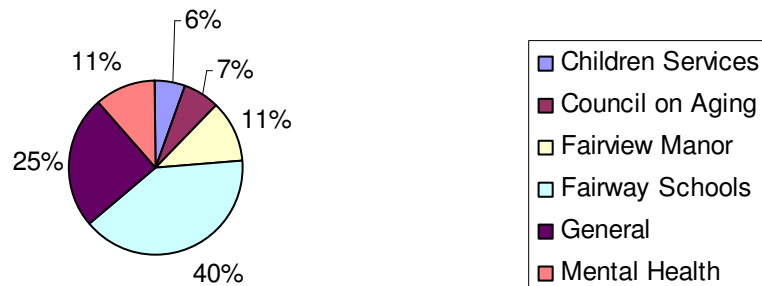
**TANGIBLE PERSONAL PROPERTY TAX DISTRIBUTIONS, CONTINUED**

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

Tangible Personal Property Tax Distributions  
 May 2008  
 Crawford County Breakdown

<u>District</u>	<u>May 2008 Distributions</u>	<u>Percentage of Total</u>
Children Services	\$ 694.58	5.68%
Council on Aging	\$ 833.49	6.82%
Fairview Manor	\$ 1,389.19	11.36%
Fairway Schools	\$ 4,862.02	39.77%
General	\$ 3,056.16	25.00%
Mental Health	\$ 1,389.19	11.36%
<b>TOTAL</b>	<b>\$ 12,224.63</b>	<b>100.00%</b>

Tangible Personal Property Tax Distributions  
 May 2008  
 Crawford County Breakdown



**A QUARTERLY NEWSLETTER FROM YOUR COUNTY AUDITOR**

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**ABOUT YOUR COUNTY**

**With 11 employees, the County Auditor serves as both the Chief Financial Officer and the Real Property Assessor for all political subdivisions within the County. It is the goal of this office to provide the citizens of Crawford County with the most cost effective and efficient office possible while never forgetting the people we serve. In addition to the County Auditor, there are seven elected administrative officials and three judges who operate independently as set forth by Ohio law. These officials are: Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff, Treasurer, two Common Pleas Judges and a Municipal County Judge. All of these officials serve four-year terms except for the judges, who serve six-year terms. The County was formed by an act of the General Assembly on April 1, 1826 and includes 400 square miles and has an estimated population of 44,227.**

**UPCOMING DATES TO REMEMBER**

- July 1, 2008 - Monthly financial statements filed with County Commissioners.
- July 20, 2008 - 2008 County budget to be filed by County Commissioners with County Auditor for public inspection.
- July 31, 2008 - Last Day to pay 2nd half mobile home taxes without penalty.
- August 1, 2008 - Monthly financial statements filed with County Commissioners.
- August 10, 2008 - County Auditor required to make real property tax distribution to schools, townships, villages, and cities.
- September 1, 2008 - Monthly financial statements filed with County Commissioners.
- September 1, 2008- Budget Commission to complete work relating to the setting of tax rates for calendar year 2008.
- September 20, 2008 - Last Day to pay 2nd half personal property taxes without penalty.

# DEPARTMENT FOCUS

The County Auditor's Office is responsible for maintaining certain records and data that can help provide some perspective on what the effects of the national housing and mortgage crisis are having locally. While some of this information may prove to be useful to readers, users of this information need to understand that the records and data being maintained by the County Auditor's Office are done so in accordance with Ohio law and for very specific purposes. Listed below is the first six months of information for property transfer data, new home permits, sales of property foreclosures and property sales for residential property. Also provided, is a comparison of the same information to the first six months of 2007.

	First Six Months <u>2007</u>	First Six Months <u>2008</u>
Real Property Transfers	510	453
*New Home Permits Issued by County Auditor	12	5
Other Building Permits Issued by County Auditor	31	33
Sheriff Sales/Foreclosures	116	131
Sales Value as a Percent of County's Tax Value	90%	96%

\*Only includes permits issued for construction in unincorporated areas of the County.

"Efficiency is doing things right. Effectiveness is doing the right things."  
 - Zig Ziglar