

*Muskingum County, Ohio*

**Comprehensive Annual  
Financial Report**

**For the Year Ended December 31, 2004**

*Anita J. Adams*

**Muskingum County Auditor**

Prepared by the Muskingum County Auditor's Office



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***Muskingum County Auditor***  
**Office of the County Auditor**

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Mollye A. Beale

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**Alan K. Reed, Systems Manager**

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Sheila Mills                      Sharon Smart  
Brenda Ellis

**Inspector of Weights  
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**Charles Conkle**

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# OFFICE OF THE AUDITOR MUSKINGUM COUNTY, OHIO

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County Auditor

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July 8, 2005

To the Honorable Board of County Commissioners  
and Citizens of Muskingum County,

As Auditor of Muskingum County, it gives me great pleasure to present the County's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2004. This report has been carefully prepared in accordance with Generally Accepted Accounting Principles (GAAP) and provides a full and complete disclosure of the financial position and operations of the County. This is the second year the CAFR includes GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

The information contained in this report will assist County officials in making management decisions and 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 general public, as well as investors, will be able to compare the financial position of Muskingum County and the results of its operations with other governmental entities.

Responsibility for the accuracy, completeness, and fairness of the presentation, including all disclosures, lies with the management of Muskingum County and, in particular, the Muskingum County Auditor's Office. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities and status are included herein.

This is the fifteenth consecutive Comprehensive Annual Financial Report issued by the Auditor's office. The report is prepared in accordance with Generally Accepted Accounting Principles, as set forth by the Government Accounting Standards Board (GASB) and other authoritative sources, and the guidelines set by the Government Finance Officers Association (GFOA).

GAAP require that management provide a narrative introduction, overview, an analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Muskingum's MD&A can be found immediately following the Independent Accountants' Report.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes a table of contents, this transmittal letter, the 2003 Certificate of Achievement for Excellence in Financial Reporting, a list of elected officials, and the County's organizational chart. The financial section includes the Independent Accountants' Report, Management's Discussion and Analysis, the Basic Financial Statements which includes the Notes to the Basic Financial Statements that provide an overview of the County's financial position and operating results, the Combining Statements for nonmajor funds, and other schedules that provide detailed information relative to the Basic Financial Statements. The statistical section includes financial and demographic information which is generally presented on a multi-year basis.

## REPORTING ENTITY

For financial purposes, the County includes all funds, departments, and boards and agencies making up Muskingum County (the Primary Government) and its Component Units in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14 “The Financial Reporting Entity.” The County’s primary government comprises all entities not legally separate from the County, and includes the financial activities of the Children Services Board, the Board of Mental Retardation and Developmental Disabilities, Tuberculosis Clinic Board, the Board of Mental Health and Recovery Services, and all departments and activities that are directly operated by the County elected 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 or 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 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 Transportation Improvement District and the Muskingum Starlight Industries, Inc. have been included as discretely presented component units.

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

South East Ohio Joint Solid Waste Management District  
Mental Health and Recovery Services Board  
Mid East Ohio Regional Council of Governments (MEORC)  
Southeast Area Transit Authority (SEAT)  
Zanesville-Muskingum Family and Children First Council  
Area Agency on Aging  
Ohio Mid-Eastern Governments Association (OMEGA)  
Licking-Muskingum Community Based Correctional Facility (CBCF)  
Zanesville-Muskingum County Port Authority  
Perry Multi-County Juvenile Facility  
Muskingum County Center for Seniors

Additional disclosure of the jointly governed organizations is presented in Note 21 to the Basic Financial Statements.

The County also serves as the fiscal officer and custodian of funds, but is not financially accountable, for the Zanesville-Muskingum County Health Department, the Zanesville-Muskingum County Port Authority and the Muskingum County Soil and Water Conservation District whose activities are included in this report as agency funds.

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

Muskingum County Convention Facilities Authority  
Zanesville Metropolitan Housing Authority  
Muskingum County Park District

Information regarding the related organizations is presented in Note 22.

The County is associated with the County Risk Sharing Authority, Inc. (CORSA) and the County Commissioners Association of Ohio Workers’ Compensation Group Rating Plan which are defined as public entity pools. Information regarding these pools is presented in Note 23.



## **THE COUNTY AND THE FORM OF GOVERNMENT**

### *The County*

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 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. A rededication of the Muskingum County Courthouse was held June 4, 2002, in celebration of its 125<sup>th</sup> anniversary.

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 a population of 84,585 based on the 2000 Census. The population of the City of Zanesville is 25,586.

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, Zane State College (formerly 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 Genesis Health Care Systems. Genesis Health Care Systems consists of two acute care hospitals (Bethesda Hospital and Good Samaritan Hospital), a home health and hospice agency, a community pharmacy, and several specialty outpatient clinics.

The County is provided with banking and financial services by eight commercial banks, and savings and loan associations. Two of the commercial banks have 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.

### *Form of Government*

The County has only those powers, and powers incidental thereto, conferred upon it by the State constitution and statutes. A three-member Board of County Commissioners (the “Board”) is the primary legislative and executive body of the County. The Board is elected at-large in even numbered years for four-year overlapping terms. The Board is responsible for providing and managing the funds used to support the various County activities. The Board exercises its legislative powers in budgeting, appropriating monies, levying taxes, issuing bonds and notes, and allowing contracts for public works and services to provide this financial management. The Board has certain responsibilities for the management of most County facilities, including various courts, correctional and administrative facilities, public assistance and social services facilities, and general County facilities.

In addition to the Board, citizens elect eight other County administrative officials, each of whom is independent within the limits of State Statutes affecting the particular office. These officials, elected to four year terms, are the County Auditor, County Treasurer, County Prosecuting Attorney, County Engineer, County Coroner, County Clerk of Courts, County Recorder, and County Sheriff. Common Pleas Court Judges, including the Juvenile/Probate Court Judge, and County Court Judges are elected on a County-wide basis and serve six year terms.

The County Auditor serves as the chief fiscal officer for the County. As chief fiscal officer, no contract or obligation involving the County can be made without the Auditor's certification that appropriations are sufficient and that funds are available, or are in the process of collection, to ensure that the contract or obligation can be paid. The Auditor is also the central disbursing agent of the County, who, by issuance of County warrants, distributes funds to creditors in payment of liabilities incurred by the County and its departments. The Auditor is responsible for the preparation of the County payroll and also has statutory accounting responsibilities. The County Auditor also serves as tax assessor for all political subdivisions within the County. As tax assessor, the Auditor is responsible for establishing the tax rates for real estate, personal property, and manufactured homes. Once these taxes are collected, the Auditor is responsible for distributing those collections to the other governmental entities in accordance with legally adopted rates. In addition to these duties, by law, the Auditor serves as the secretary of the County Board of Revision and the Budget Commission.

The County Treasurer is the custodian of all County funds and is responsible for collecting all tax monies and applying those payments to the appropriate tax accounts. The Treasurer is responsible for the investment of idle County funds, as specified by Ohio law. Daily reconciliations of total County fund balances of the Auditor and Treasurer are performed by the two offices. Reconciliations, by fund, are performed monthly. The County Budget Commission is comprised of the County Treasurer, County Auditor, and County Prosecuting Attorney. The Budget Commission plays an important function in the financial administration of the County government and all other local governments located within the County.

The County Engineer, required by Ohio law to be a registered professional engineer and surveyor, serves as the civil engineer for the County and its officials. His primary responsibilities relate to the construction, maintenance and repair of County roads and bridges, and related roadside drainage facilities and storm sewer runoff systems. The Board of County Commissioners takes bids on and awards contracts for the projects recommended and approved by the County Engineer. The County Engineer also prepares tax maps for the County Auditor.

Muskingum County employs 1,109 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 departments administer the more significant of these major programs/services provided to Muskingum County citizens.

#### Job and Family Services

The County Department of Job and Family Services (Department) administers the public welfare functions within the County. The Department is headed by the Job and Family Services Director who is appointed by and responsible to the Board of County Commissioners.

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.

#### County and Child Welfare Program

This program provides for foster care and other children services in the County and is administered by the seven member Children Services Board. The Board of County Commissioners appoints six members, and the Juvenile Court appoints one. Each member serves a four-year term. 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, was voted as a ten year replacement levy in 1995, and is on the ballot as a five year replacement levy in November of 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 the 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. The Board is one of the largest departments in the County government, with 132 full-time employees on its payroll as of December 31, 2004.

### Mental Health Program

The Muskingum Area Alcohol, Drug Addition 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 eighteen members, three appointed by the Muskingum County Commissioners, seven by the other participating counties, four by the State Department of Alcohol and Drug Addition 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 an 80-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.

Revenues for operating the County Home are derived primarily from a 2.0 mill five-year levy first passed by voters in 1985, renewed in 1990 and 1995 and then voted as a replacement levy in 2000. This levy will expire in 2005. The existing 2.00 mill levy was replaced by a 2.50 mill levy in November 2004, with collection to begin in calendar year 2006. 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 five-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 a five year replacement levy in 1994, and again as a replacement levy in 1999. This levy will expire in 2005. The existing .40 mill levy was voted as a replacement levy in November 2004, with collections to begin in calendar year 2006. 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.

## Justice System

As part of its justice system, the County maintains the Court of Common Pleas, which includes a Domestic Relations Division, a Juvenile Division, and a Probate Division. The County also maintains a County Court District. 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 preparations and service of documents. The County also contracts with the City of Zanesville and several other municipalities in the County to house prisoners.

Operations of the Sheriff's office are funded in part by a .50 mill continuing levy approved by voters in 1994 for collections beginning in 1995.

## **ECONOMIC CONDITION AND OUTLOOK**

### *Overview*

Muskingum County's economic condition and outlook remained optimistic during 2004. Several new business developments and a steady tourism industry contributed to a heightened expectation for a better economy. The County's effective economic development activities have helped attract a large number of new employers. Just as importantly, the county's pro-business thinking has helped many local companies grow from small businesses into major national competitors and remain in Muskingum County to do so.

The Chamber of Commerce once again recognized area companies for their economic investments in Zanesville and Muskingum County with the "Awards for Community and Economic Success" (ACES). ACES were awarded to 54 local businesses in 2004. More than \$50 million dollars worth of investments were reported in 2004 by the award winners.

## *Infrastructure*

The County's location is a good choice for manufacturing and distribution facilities needing to move products or people from coast to coast. Muskingum County further builds on Ohio's logistical advantage by offering direct interstate, rail and air access. Interstate 70 runs through the heart of Muskingum County, providing direct access to one of the most important east-to-west corridors in the nation. Other major interstates are nearby adding to the ease of highway transportation.

Muskingum County's three prime development sites for large manufacturing and distribution facilities are publicly owned. With this public ownership, via the Zanesville-Muskingum County Port Authority, land can be purchased or leased at attractive rates.

The Airport Distribution Park offers unmatched access to ground and air transportation. The park is located adjacent to the Zanesville Municipal Airport. For ground transportation, the park is located just one mile from an Interstate 70 interchange with access provided by a state route. Sites ranging from two to ten acres are available for purchase. Tax incentives are available for eligible projects through the Ohio Enterprise Zone Program.

North Pointe Park, a 390-acre mixed-use development area is located in the northern portion of Zanesville. It is zoned and perfectly suited for commercial, office and industrial development. Further, the park provides direct access to North Pointe Drive, a newly constructed, limited access highway linking Zanesville to Dresden near State Route 16. More than 200 acres are still available for development with lot sizes ranging from three to fifty acres. Tax incentives are available within North Pointe through the Community Reinvestment Area and Ohio Enterprise Zone Programs.

The community's newest development site is EastPointe Industrial Park. The 1,200-acre development area can accommodate industrial and distribution projects, which have large acreage requirements. Companies that choose EastPointe have access to a new rail transfer facility served by CSX Transportation. EastPointe offers companies flexible lot sizes and plenty of room to grow. Tax incentives through the Ohio Enterprise Zone Program are available for eligible projects.

## *Marketing*

The Zanesville-Muskingum County Port Authority and the Zanesville-Muskingum County Chamber of Commerce continued their coordinated commitment to market the community, combining resources on national and regional advertising ventures and through attendance at trade shows.

Policom, an independent economics research firm based in Palm City, Florida, ranked the Zanesville-Muskingum County area third in Ohio and 77<sup>th</sup> nationally for economic strength among Micropolitan communities in 2004. A Micropolitan is defined by the Census bureau as an area with a city of at least 10,000 population but not more than 50,000, and it must cover at least one county.

Site Selection Magazine listed Zanesville as the top small city in Ohio for development in 2004, and the ninth most popular Micropolitan area in the U.S. Zanesville has appeared on the list in previous years but this is the first time the area has made it to the top ten.

## *Tourism*

The economic impact of tourism totals \$255 million in direct sales to visitors. In addition, sales to tourists support 7,200 direct and indirect jobs in Muskingum County. Travelers to Muskingum County are spending 33 percent of their dollars on food, 28 percent on shopping, 17 percent on transportation 15 percent on recreation and 7 percent on lodging.

An estimated 2.5 million people enjoyed the community's wide range of recreational and cultural activities, which includes tourists who arrived here on more than 3,800 motor coach tours. Downtown has had a major impact with the tourism community unveiling in 2004 the Artist Collective at the Armory and the start of the First Fridays Art Celebration. The focus on local artists has proven to be a great tourism attraction for our area. Also, new in 2004 is the Blue Rock Station – Ohio's First Earthship, a 2,200 square foot recyclable home. This new attraction is receiving visitors from all over. New to the Putnam Historic District in 2004 was the Putnam Underground Railroad (PURE) Center. This center houses a museum with artifacts from Africa and pre and post Civil War, Zanesville memorabilia and a library on the Underground Railroad movement. The Longaberger Company, The Wilds, Muskingum County's rich pottery heritage and the golf courses of Muskingum County continue to play an important role in the reasons tourists travel to our area. Muskingum County distributes over 95,000 visitor guides annually and hosts a web site with tourist information.

### *Agriculture*

Muskingum County remained strong in Agriculture during 2004. Agriculture contributes \$1.1 billion in output and employs 13,300 people in Muskingum County. There are approximately 1,220 farms located in the County that consist of 191,000 acres of total farmland. Producers in Muskingum County account for more than 1.8 million bushels of corn and over 341,000 bushels of soybeans annually. Almost 26,000 cattle, 9,200 hogs and 24.4 million pounds of milk are produced each year. Muskingum County ranks in the top ten producing counties in Ohio in hay production (3<sup>rd</sup>), cattle (8<sup>th</sup>), and sheep (4<sup>th</sup>).

### *Labor*

According to the latest census report, Muskingum County's population grew by 3.1 percent between 1990 and 2000.

The total labor force in Muskingum County at the end of 2004 was 41,400 down approximately 3,400 from 2003. The 2004 unemployment average was 8.2 percent, up from 7.4 percent the year before.

## **MAJOR INITIATIVES**

### *Current Year Projects*

Four companies signed tax abatement agreements for projects in 2004:

- Coconis Furniture, Inc., located in South Zanesville, committed to investing \$2,075,000 to construct a new facility, purchase new machinery, equipment, furniture, fixtures and acquire inventory to establish a new distribution facility.
- Worthington Foods will invest a total of \$10,100,000 at their existing location in the Northpointe Industrial Park. The project will involve \$500,000 to construct a new addition to its facility and \$9,600,000 to purchase first-used machinery and equipment. The Company will relocate 3 production lines from their Worthington, Ohio location to the Zanesville, Ohio location, creating 163 new jobs at the Zanesville facility.
- Carl Rittberger, Sr., Inc. will be purchasing new machinery and equipment to expand for their Case Ready Meat program. This expansion will involve a total investment of \$550,000. \$100,000 is to purchase first used machinery and equipment, \$300,000 for property improvements and \$150,000 for additional inventory. After completion of the project, they anticipating hiring 5 new full time employees.

- DK Manufacturing Frazeyburg, Inc. committed to purchasing machinery, equipment, inventory and the 60,000 square foot manufacturing facility from Ohio Plastics. The project will involve a total investment of \$1,200,000 to purchase used machinery and equipment. The retention of the existing 100 jobs will maintain the current payroll of \$1,440,000.

Construction began in late fall of 2004 for a new shopping center at the intersection of Northpointe Drive and Maple Avenue. The shopping center, the largest commercial project ever planned in Muskingum County, will include some 450,000 square-feet of commercial space in the first phase. Kohl's, a department store chain, plans to build a store with 88,000 square feet and the Home Depot store will be 102,000 square feet. These two stores, included in the first phase of the project, are expected to be completed in October 2005. The second phase will provide another 200,000 square feet of space for a total of about 40 stores. Eventually, there will be as many as five phases to the development.

Final work was completed in 2004 on the new county road between Zanesville and Dresden. The limited-access, two-lane highway called North Pointe Drive runs from its current northern terminus at Richvale Road and intersects with Ohio Route 60 near the Main Street intersection in Dresden. The roadway is approximately three miles shorter than the corresponding section of Ohio Route 60. It is also far less winding and it is hoped that limiting access to just two intersections between both ends will result in far fewer traffic accidents. Property acquisition for the road began in 1999 and was completed in 2000. Preliminary construction work began in the fall of 2000, and full construction began in January 2001. The road opened in 2003 and included enough right-of-way for expansion to a four-lane highway in the future.

Sixth Street in downtown Zanesville and bicycle and walking paths in Muskingum County will benefit from state funding announced in September 2004. The Ohio Department of Transportation earmarked \$940,000 to rehabilitate Sixth Street. The city plans to put up street lighting and fix curbs and sidewalks. The city must pay \$120,000 for engineering costs, so the project may not start until 2006. The Muskingum County Park District received \$414,281 for a 1.6 mile Muskingum Trail extension from the Ohio Department of Transportation.

Construction of a Super Wal-Mart store began in late 2004. Wal-Mart Corporation has been working on plans for expanding the existing Wal-Mart on Maple Avenue for several years. The retail chain hopes to open the new 197,000 square-foot store by summer of 2005. There are 200 employees at the Wal-Mart store, and an additional 250 will be hired with the expansion. New parking spaces also will be added, and the existing store will not close during the renovation. The expansion would make the Maple Avenue store similar to the Super Wal-Mart in South Zanesville that opened in 2003.

#### *Future Projects*

Two companies have signed tax abatement agreements for projects during the early part of 2005.

- Oaklawn Farms entered into an agreement in early 2005, as our first agricultural abatement. The project will involve a total investment of \$250,000 for property improvements.
- Russett Printing signed an agreement in early 2005, to invest \$415,000 at their Central Avenue location. The company plans on purchasing new machinery and equipment to make the business more competitive and productive, as well as make minor improvements to the real estate.

The State Route 93/US 22 Connector project is proceeding as the feasibility study has been completed. This project is very important not only locally, but also for the region. Three key transportation needs emerged from this study: regional mobility, economic development, and traffic safety. To improve regional mobility the study concluded that all major north-south and east-west highways currently pass through downtown Zanesville. An improved transportation network will make regional travel more efficient, particularly to local medical facilities. The connector will provide opportunities for economic development as well. An improved transportation network may attract new businesses to the area by improving access to undeveloped land and reducing travel time to interstate and state highways. An improved network may also encourage existing businesses to expand. Finally, the connector will improve traffic safety. Zanesville crash rates are the highest in Ohio cities with populations exceeding 25,000. The US 22/SR 93 crash rates through Zanesville exceeds the statewide average. Congestion, roadway deficiencies, and numerous driveways, all of which occur along this route, can contribute to unsafe driving conditions. An improved transportation network will address the problems that contribute to high crash rates. Construction is still at least three years away. Work continues on the design and right of way steps. Federal funding sources are being explored and chances are likely that money will be made available for the project from the Federal Government. Other funding sources will also be needed to fully fund the connector.

Construction of the long-awaited Ohio 146/60 connector road is slated to begin in the fall of 2005. The \$5.5 million project would create a four-lane road connecting Ohio 60 at Brandywine Loop to Ohio 146 past Kearns Drive. It is expected to be completed by the end of 2005. The project already received a \$1.7 million infusion of federal funding administered through the Ohio Department of Transportation several years ago. The rest of the project's price tag will be funded through a state infrastructure bank loan. The State infrastructure bank would loan the City nearly \$5 million at 3 percent interest, with the City agreeing to make incremental payments through a Tax Increment Financing program.

Plans were announced for a new 12-screen movie theater to be added to the Colony Square Mall. The new Cinemark Theater is expected to fill the empty Lazarus building space at the mall and construction began in May of 2005. The theater is the product of about a year of negotiations with Cinemark USA, Inc., a Texas-based theater company. It will replace the existing Cinemark 10-screen theater located just east of the mall. The new 38,900 square foot theater building will force the demolition of the existing Lazarus building to make room for the stadium-seating setup. Additional improvements to mall entrances will be made to complement the new theater addition. An estimated 75 to 80 employees will be needed to run the new theater; the existing theater has an estimated 50 employees.

Plans were announced in late 2004 for the Genesis Healthcare System to lease the vacant Maple Avenue Big Bear store and parking lot and move facilities from the Genesis Good Samaritan campus. The new building, after a \$3 million renovation, will be named The Genesis Health Center of Zanesville and will house administrative, accounting, billing, training and education and community education staff. The project is not expected to be complete for about a year.

## **GOVERNMENTAL PROJECTS**

The County has a number of projects underway to help government run more efficiently and help the County compete for future job growth.

### *Geographic Information System*

The County opened its new GIS (Geographic Information System) office in the Courthouse in late 2004. This project is a joint effort, being completed with the cooperation of the Commissioners' Office, the County Engineer's Office, the County Auditor's Office, the Water and Sewer Departments, the Emergency 911 Department, the Data Processing Department, the Zanesville-Muskingum County Health Department and the City of Zanesville.



The GIS provides a vast array of information to many of the county departments and agencies. The data generated by the system will aid these departments and agencies in the completion of their day-to-day operations by providing continually updated information that is specifically tailored to their needs. The Geographic Information System (GIS) will also allow Muskingum County to deliver services to a diverse customer base. Information will be available to help provide the following services: neighborhood indicators and asset mapping, social services master plan development, benchmarking, regional and community planning, policy and program coordination, data collection, data analysis, and promotion of economic development plans. In addition, the project will provide accurate and up-to-date information that will benefit the citizens who depend on County departments.

Economic development agencies will have important and valuable information readily available to provide to potential developers. This information can be used as an important tool to help persuade developers to invest in Muskingum County.

#### *Water and Sewer*

Muskingum County's Water and Sewer Departments have adopted a long range plan to perform a number of water improvement projects and sanitary sewer projects. These scheduled projects will allow the County to meet all current EPA mandated system improvements. Additionally, these projects will allow the County to provide water and sanitary sewer service to a number of new areas throughout the County. Water projects undertaken in 2004 included Gorsuch Road, Welsh Road, Saint Mary's Road, Harper Drive, and Winterwood Drive. Projects slated to begin in 2005 include Cutler Lake/Sugar Grove Road, Nashport/Dillon Hills Drive and the Lakeview subdivision. Preliminary work began on the Bartlett Run Sewer Project in 2004 and full construction is slated to begin in 2005 or 2006. Each of these projects will be completed through a combination of Rural Development loans, OWDA loans, and local funding.

#### *Work Release Center*

The 13,000-square foot Adamsville Work Release and Property Management Center opened in August 2004 after years of planning and months of work. Up to 75 residents, who are nonviolent offenders and are gainfully employed, can be housed in the facility. Residents must pay to stay at the facility, up to \$30 a night, depending on their income and other factors. They must participate in programs such as Alcoholics or Narcotics Anonymous during their stay. Group counseling and general education courses are also offered. The facility, located on seven acres of land outside Zanesville also houses the sheriff's office evidence room. This has freed up more space for sheriff's office personnel who work at the offices downtown.

#### *County 911*

The County contracted with Digital Data Technologies out of Columbus, Ohio to complete a location based response system. Funding for the project was shared between the County and the State. This contract will provide street centerline data, house numbering, locations of fire hydrants, stop signs, bridges, culverts and other important data. All of this information will be delivered in a digital format and incorporated into the County's Geographic Information System (GIS). The 911 system will then be utilizing this new data as well as the aerial photography and parcel information from the GIS. The combination of this information will enhance the accuracy and response time of emergency personnel. The possibility of implementing a "reverse 911" system is also being explored. This would allow the County and other government agencies to notify residents, in a specific area, of an emergency situation.

## *Planning Commission*

County officials approved legislation to create a nine-member planning commission as a way to direct Muskingum County's growth. The commission would help create subdivision regulations and make certain those regulations are followed. Under the county's new plan, townships will continue overseeing zoning, but the new county commission will tackle problems like making certain roadways are wide enough to accommodate the traffic from schools or make certain that apartment complexes are planned with sewer systems. The commission, made up of representatives from the public, county, real estate and development, would review and approve all construction and development projects. The financial activity of the commission is included within the County's General Fund.

## **FINANCIAL INFORMATION**

### *Basis of Accounting*

The County's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing set of accounts. The basis of accounting and the various funds utilized by the County are fully described in Note 2 to the Basic Financial Statements.

### *Internal Control Structure*

In developing the County's accounting system, consideration was given to the adequacy of internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss and misuse, and assurance regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal 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 account principles (GAAP).

### *Budgetary Controls*

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.

## **CASH MANAGEMENT**

The County pools all idle cash to achieve maximum investment efficiency and to enhance accountability. The County Treasurer, as custodian of all County monies, is responsible for all County investments. An investment policy is established by the Investment Advisory Board which is comprised of the County Treasurer, the Chair of the County Commissioners, and one other Commissioner chosen by the Chair. Ohio law requires the Board to meet every six months. 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, investments are reported at fair value which is based upon quoted market prices. Nonparticipating investments contracts are reported at cost or amortized cost. All investments are in Certificates of Deposit and Prime Investment Accounts in local financial institutions. Interest earned by the primary government in 2004 was \$1,184,866 for governmental activities, \$2,531 for business-type activities, \$3,392 for the Transportation Improvement District and \$5,963 for Muskingum Starlight Industries, Inc., (component units).

## **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, casualty 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 no annual aggregate (except error and omissions for public officials liability which has a \$1,000,000 annual aggregate) with a \$2,500 deductible per occurrence. Uninsured/Underinsured Motorists are covered in the amount of \$250,000 for each occurrence. Property damage is on a replacement cost basis for a blanket amount of \$100,000,000 on buildings and contents. The Hartford Steam Boiler Inspection and Insurance Company provides the County's boiler and machinery coverage, in the amount of \$100,000,000 for each accident. Employee dishonesty, money and securities inside and out, money orders and counterfeit, and depositor's forgery are covered in the amount of \$1,000,000 for each and every loss.

During 2004, the County entered into an agreement with the County Commissioners Association of Ohio Worker's Compensation Group Rating Plan. The plan is intended to lower workers' compensation rates for the Group and result in the establishment of safer working conditions and environments for each participant.

Muskingum County established a Loss Prevention Coordinator in 1985 who works with CORSA 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.

## **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

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 its comprehensive annual financial report for the fiscal year ended December 31, 2003. This was the thirteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **INDEPENDENT AUDIT**

Included in this report is an unqualified audit opinion rendered on the County's financial statements as of December 31, 2004, by our independent auditor, Betty Montgomery, Auditor of State. Their audit was conducted in accordance with generally accepted auditing standards and Governmental Auditing Standards, issued by the Comptroller General of the United States. In addition, the audit was designed to meet the requirements of the Federal Single Audit Act of 1984, as amended in 1996, and related OMB Circular A-133.

County management plans to continue to subject the County's financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit also serves to maintain and strengthen the County's accounting and budgetary controls.

## **ACKNOWLEDGMENTS**

The publication of this CAFR, which includes the new reporting model as promulgated by GASB Statement No. 34, represents an important achievement in the ability of Muskingum County to provide significantly enhanced financial information and accountability to the citizens of Muskingum County, its elected officials, County management, and investors. This report continues the aggressive program of the County Auditor's office to improve the County's overall financial accounting, management, and reporting capabilities.

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 would like to acknowledge the efforts of the entire staff of the Muskingum County Auditor's office. I offer my sincere thanks and gratitude to Debra Nye and the Accounting Staff for their dedication and hard work as leaders in this undertaking. My appreciation is also extended to the Local Government Services Division of the Auditor of State's Office for their guidance and assistance in preparing this financial report.

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

Sincerely,

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, 2003

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.



*Nancy L. Ziehl*

President

*Jeffrey R. Enos*

Executive Director

# *Muskingum County, Ohio*

## *Elected Officials*

*December 31, 2004*

### *Board of Commissioners*

Donald D. Madden  
R. Edward Kenily  
Dorothy M. Montgomery

### *County Auditor*

Anita J. Adams

### *County Treasurer*

Phillip D. Murphy

### *County Recorder*

Karen B. Vincent

### *County Engineer*

Loren C. Camp

### *Court of Common Pleas*

#### *General*

Mark C. Fleegle  
Howard S. Zwelling

### *Court of Common Pleas*

#### *Domestic Relations*

Jeffrey A. Hooper

### *County Court*

Kelly J. Cottrill  
Jay F. Vinsel

### *Clerk of Courts*

Todd A. Bickle

### *County Coroner*

Dr. Howard Marsh

### *Prosecutor*

D. Michael Haddox

### *County Sheriff*

Robert J. Stephenson

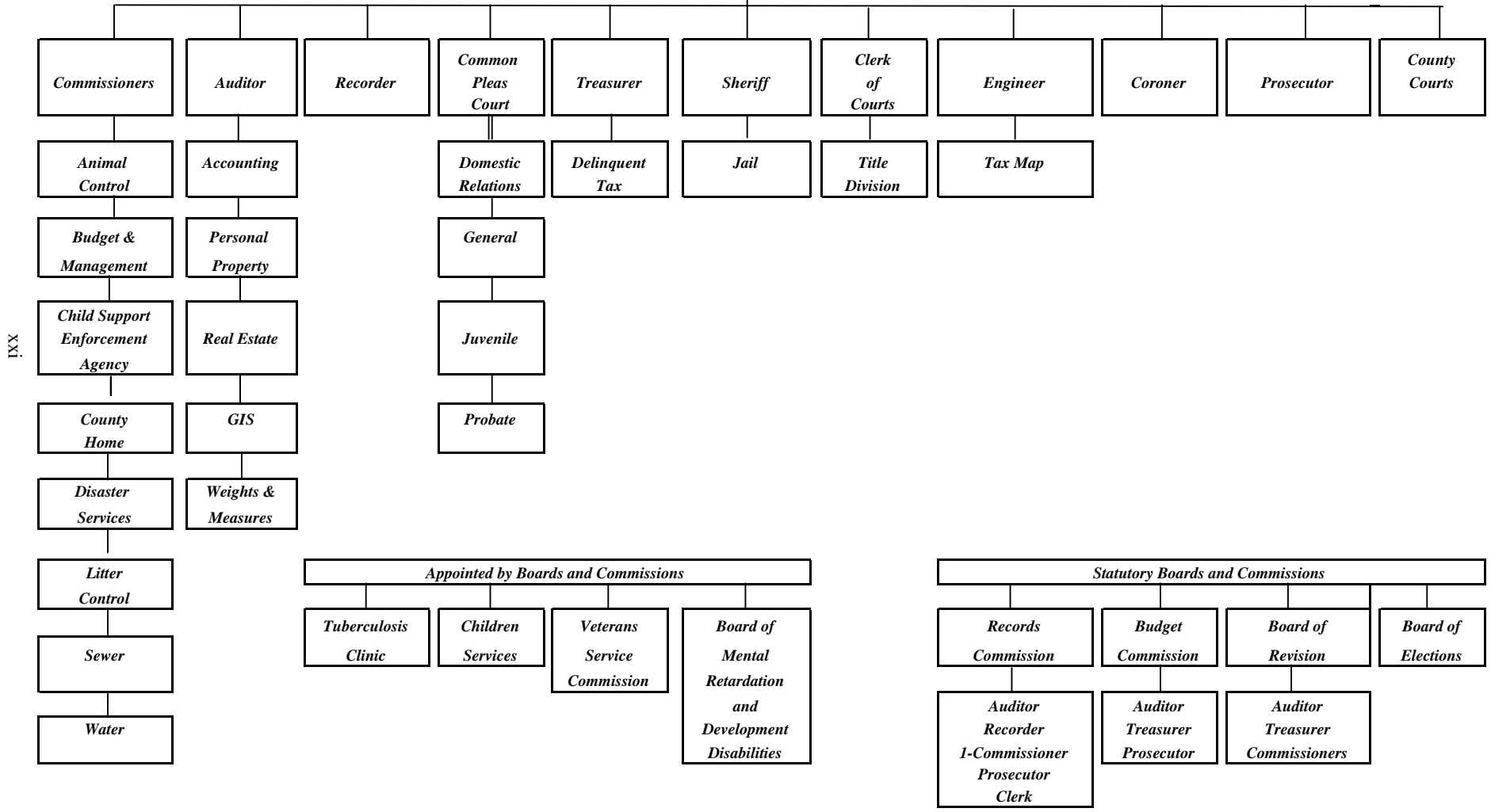
### *Court of Common Pleas*

#### *Probate and Juvenile*

Joseph A. Gormley

# ORGANIZATION OF MUSKINGUM COUNTY

## CITIZENS OF MUSKINGUM COUNTY



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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Muskingum County  
401 Main Street  
Zanesville, Ohio 43701-3519

To the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Muskingum County, Ohio (the County), as of and for the year ended December 31, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Muskingum County, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General, Public Assistance, Motor Vehicle and Gas Tax, Starlight Levy, and the Children's Services Levy Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2004, the County implemented GASB Statements No. 39 and No. 46 and Technical Bulletin 2004-02.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 8, 2005, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

743 E. State St. / Athens Mall Suite B / Athens, OH 45701  
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

July 8, 2005

## Muskingum County, Ohio

### Management's Discussion and Analysis For the Year Ended December 31, 2004 Unaudited

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Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the County of Muskingum, Ohio's (the County) financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the County's financial performance as a whole. The MD&A should be read in conjunction with the County's transmittal letter, notes to financial statements and financial statements to enhance their understanding of the County's financial performance.

#### Financial Highlights

Key financial highlights for 2004 are as follows:

- The assets of Muskingum County exceeded its liabilities at the close of the year ended December 31, 2004, by \$152,899,828 (net assets). Of this amount, \$13,643,819 may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets decreased by \$1,423,637 from the total net assets at the beginning of the year 2004.
- At the end of the current year, the County reported unrestricted net assets for governmental activities of \$6,626,641.
- At the end of the current year, the County's governmental funds reported a combined ending fund balance of \$32,219,980, a decrease of \$2,367,987 from the prior year. Of this amount, \$28,682,607 is available for spending (unreserved undesignated fund balance) on behalf of its citizens.
- At the end of the current year, unreserved fund balance for the General Fund was \$5,995,230 which represents a 27 percent decrease from the prior year, and represents 26 percent of total General Fund expenditures.

#### Using This Annual Financial Report

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity.

The *Statement of Net Assets* and the *Statement of Activities* provide information about the activities of the whole County, presenting an aggregate view of the County's finances as well as a longer-term view of those assets.

Fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's most significant funds in more detail than the government-wide statements. Nonmajor funds are presented separately from major funds in total and in one column.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

## Muskingum County, Ohio

### Management's Discussion and Analysis For the Year Ended December 31, 2004 Unaudited

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#### *Statement of Net Assets*

While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during 2004?" The Statement of Net Assets and the Statement of Activities answer this question.

The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The Statement of Activities presents information showing how the County's net assets changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net assets is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the Statement of Net Assets and the Statement of Activities, the County is divided into three kinds of activities:

**Governmental Activities** - Most of the County's programs and services are reported here, including general government, public safety, public works, health, human services, and economic development and assistance. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.

**Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's water and sewer systems are reported here.

**Component Units** - The County's financial statements include financial data of the Transportation Improvement District and the Muskingum Starlight Industries, Inc. These component units are described in the notes to the financial statements. The component units are separate and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name.

#### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to its residents. The County's major governmental funds are the General Fund and the Public Assistance, Motor Vehicle and Gasoline Tax, Children Services Levy and Starlight School Levy Special Revenue Funds.

## **Muskingum County, Ohio**

### **Management's Discussion and Analysis For the Year Ended December 31, 2004 Unaudited**

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Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds - The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses enterprise funds to account for the Sewer Fund and Water Fund operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's other programs and activities. The County's two self-insurance funds account for the claims and liabilities relating to the County's self-insured hospitalization program and also for the claims and liabilities relating to the County's workers' compensation program.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

Notes to the Basic Financial Statements - The notes provide additional information that is essential to the full understanding of the data provided on the government-wide and fund financial statements.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

**Muskingum County, Ohio**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited**

**Government-Wide Financial Analysis**

Table 1 provides a summary of the County's net assets for 2004 compared to 2003:

Table 1  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Assets:</b>						
Current and Other Assets	\$63,198,967	\$63,824,820	\$9,604,900	\$8,146,113	\$72,803,867	\$71,970,933
Capital Assets, Net	106,989,741	106,278,412	45,460,084	44,525,935	152,449,825	150,804,347
<b>Total Assets</b>	<b>170,188,708</b>	<b>170,103,232</b>	<b>55,064,984</b>	<b>52,672,048</b>	<b>225,253,692</b>	<b>222,775,280</b>
<b>Liabilities:</b>						
Current and Other Liabilities	21,410,769	18,394,970	2,524,359	641,906	23,935,128	19,036,876
Long-Term Liabilities	33,208,792	34,521,802	15,209,944	14,893,137	48,418,736	49,414,939
<b>Total Liabilities</b>	<b>54,619,561</b>	<b>52,916,772</b>	<b>17,734,303</b>	<b>15,535,043</b>	<b>72,353,864</b>	<b>68,451,815</b>
<b>Net Assets:</b>						
Invested in Capital Assets, Net of Related Debt	76,795,156	75,944,372	30,313,503	29,677,101	107,108,659	105,621,473
Restricted	32,147,350	32,261,080	0	0	32,147,350	32,261,080
Unrestricted	6,626,641	8,981,008	7,017,178	7,459,904	13,643,819	16,440,912
<b>Total Net Assets</b>	<b>\$115,569,147</b>	<b>\$117,186,460</b>	<b>\$37,330,681</b>	<b>\$37,137,005</b>	<b>\$152,899,828</b>	<b>\$154,323,465</b>

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by \$152,899,828 (\$115,569,147 in governmental activities and \$37,330,681 in business-type activities) as of December 31, 2004. By far, the largest portion of the County's net assets (70 percent) reflects its investment in capital assets (e.g., land, land improvements, construction in progress, buildings, machinery, equipment, furniture and fixtures, vehicles and infrastructure), less any related debt, used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets, \$32,147,350 or 21 percent, represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted net assets (9 percent) is to be used to meet the County's ongoing obligations to citizens and creditors.

## Muskingum County, Ohio

### Management's Discussion and Analysis For the Year Ended December 31, 2004 Unaudited

Table 2 shows the changes in net assets for 2004, compared to the changes in net assets for 2003.

Table 2  
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Revenues:</b>						
<b>Program Revenues</b>						
Charges for Services	\$10,378,467	\$9,773,306	\$4,403,726	\$4,314,311	\$14,782,193	\$14,087,617
Operating Grants, Contributions and Interest	29,161,392	30,491,123	0	0	29,161,392	30,491,123
Capital Grants and Contributions	1,073,927	1,288,966	1,168,615	2,058,649	2,242,542	3,347,615
<b>Total Program Revenues</b>	<b>40,613,786</b>	<b>41,553,395</b>	<b>5,572,341</b>	<b>6,372,960</b>	<b>46,186,127</b>	<b>47,926,355</b>
<b>General Revenues</b>						
Property Taxes	12,143,912	11,429,727	0	0	12,143,912	11,429,727
Permissive Sales Taxes	13,935,524	13,816,525	0	0	13,935,524	13,816,525
Intergovernmental	1,808,232	1,830,285	0	0	1,808,232	1,830,285
Investment Earnings	1,170,550	1,064,382	2,531	42,109	1,173,081	1,106,491
Payments in Lieu of Taxes	423,048	388,076	0	0	423,048	388,076
Miscellaneous	825,519	767,335	24,230	44,901	849,749	812,236
<b>Total General Revenues</b>	<b>30,306,785</b>	<b>29,296,330</b>	<b>26,761</b>	<b>87,010</b>	<b>30,333,546</b>	<b>29,383,340</b>
<b>Total Revenues</b>	<b>70,920,571</b>	<b>70,849,725</b>	<b>5,599,102</b>	<b>6,459,970</b>	<b>76,519,673</b>	<b>77,309,695</b>
<b>Program Expenses</b>						
<b>General Government</b>						
Legislative and Executive	10,640,486	10,702,124	0	0	10,640,486	10,702,124
Judicial	5,344,175	5,381,347	0	0	5,344,175	5,381,347
Public Safety	9,416,728	8,771,477	0	0	9,416,728	8,771,477
Public Works	7,656,460	6,564,687	0	0	7,656,460	6,564,687
Health	1,232,031	1,320,856	0	0	1,232,031	1,320,856
Human Services	35,310,650	34,610,003	0	0	35,310,650	34,610,003
<b>Economic Development and Assistance</b>						
Intergovernmental	1,814,782	3,181,411	0	0	1,814,782	3,181,411
Interest and Fiscal Charges	844,015	993,640	0	0	844,015	993,640
Sewer	0	0	2,968,027	2,685,186	2,968,027	2,685,186
Water	0	0	2,666,568	2,334,739	2,666,568	2,334,739
<b>Total Expenses</b>	<b>72,308,715</b>	<b>71,736,374</b>	<b>5,634,595</b>	<b>5,019,925</b>	<b>77,943,310</b>	<b>76,756,299</b>
Increase (Decrease) before transfers	(1,388,144)	(886,649)	(35,493)	1,440,045	(1,423,637)	553,396
Transfers	(229,169)	(537,210)	229,169	537,210	0	0
<b>Change in Net Assets</b>	<b>(1,617,313)</b>	<b>(1,423,859)</b>	<b>193,676</b>	<b>1,977,255</b>	<b>(1,423,637)</b>	<b>553,396</b>
Net Assets Beginning of Year	117,186,460	121,179,133	37,137,005	35,138,122	154,323,465	156,317,255
Change in Capital Asset Threshold Adjusted Net Assets	0	(2,568,814)	0	21,628	0	(2,547,186)
Beginning of Year - Note 3	117,186,460	118,610,319	37,137,005	35,159,750	154,323,465	153,770,069
<b>Net Assets End of Year</b>	<b>\$115,569,147</b>	<b>\$117,186,460</b>	<b>\$37,330,681</b>	<b>\$37,137,005</b>	<b>\$152,899,828</b>	<b>\$154,323,465</b>

**Muskingum County, Ohio**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited**

**Governmental Activities**

Operating grants, contributions, and restricted interest were the largest program revenues, accounting for \$29,161,392 or 41 percent of total revenues for governmental activities. The major recipients of intergovernmental revenues were the human services and public works programs.

Permissive sales tax revenues account for \$13,935,524 or 20 percent of total governmental revenues. Another major component of general governmental revenues was property tax revenues, which accounted for \$12,143,912 or 17 percent of total governmental revenues.

The County's direct charges to users of governmental services made up \$10,378,467 or 15 percent of total governmental revenues. These charges are for fees for real estate transfers, permissive motor vehicle license taxes, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits.

The County's human services programs accounted for \$35,310,650, or 49 percent of total expenses for governmental activities. Other major program expenses for governmental activities include legislative and executive programs, which accounted for \$10,640,486, or 15 percent of total expenses, and public safety programs, which accounted for \$9,416,728 or 13 percent of total expenses.

**Business-Type Activities**

The net assets for business-type activities increased \$193,676 during 2004. Charges for services were the largest program revenue, accounting for \$4,403,726 or 79 percent of total business-type revenues.

Table 3, for governmental activities, indicates the total cost of services and the net cost of services for 2004, as compared to 2003. The Statement of Activities reflects the cost of program services and the charges for services, grants, contributions, and interest offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues, unrestricted intergovernmental revenues, and unrestricted interest earnings.

Table 3  
Governmental Activities

	Total Cost of Services <u>2004</u>	Net Cost of Services <u>2004</u>	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
General Government				
Legislative and Executive	\$10,640,486	\$5,803,643	\$10,702,124	\$6,364,102
Judicial	5,344,175	4,046,201	5,381,347	4,370,760
Public Safety	9,416,728	6,555,391	8,771,477	6,240,849
Public Works	7,656,460	1,825,571	6,564,687	(181,340)
Health	1,232,031	858,088	1,320,856	1,021,282
Human Services	35,310,650	10,633,293	34,610,003	9,376,860
Economic Development and Assistance	49,388	49,388	210,829	210,829
Intergovernmental	1,814,782	1,079,339	3,181,411	1,785,997
Interest and Fiscal Charges	844,015	844,015	993,640	993,640
Total Expenses	<u>\$72,308,715</u>	<u>\$31,694,929</u>	<u>\$71,736,374</u>	<u>\$30,182,979</u>



## Muskingum County, Ohio

### Management's Discussion and Analysis For the Year Ended December 31, 2004 Unaudited

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Charges for services, operating and capital grants, contributions and interest of \$40,613,786, or 56 percent of the total costs of services, were received and used to fund the governmental activities expenses of the County for 2004. The remaining \$31,694,929 in governmental expenses is funded primarily by property taxes, non-restricted intergovernmental revenues, interest, and miscellaneous revenues.

The \$10,633,293 in net cost of services for human services demonstrates the costs of services that were not supported from state and federal resources during 2004. As such, the taxpayers have approved a property tax levy for the Children Services Board and Starlight School programs.

For public safety in 2004, the \$6,555,391 in net costs of services indicates the General Fund, permissive sales tax, and property tax levies provided for the operation of the Sheriff's Department and the Detention Center. Management is concerned with the fact that there are insufficient program revenues to operate the Sheriff's Department and the Detention Center. To help reduce the tax burden and increase program revenues, the County is actively pursuing contracts for the housing of prisoners from other entities outside the County.

#### **Financial Analysis of County Funds**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds* - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year.

As of December 31, 2004, the County's governmental funds reported a combined ending fund balance of \$32,219,980, a decrease of \$2,367,987 in comparison with the prior year. \$28,682,607, or 89 percent of this total, constitutes unreserved undesignated fund balance, which is available for spending. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior year (\$1,519,055), has been reserved for claimants (\$105,450), or has been reserved for a variety of other restricted purposes (\$1,912,868). While the bulk of the governmental fund balances is not reserved in the governmental fund statements, they lead to restricted net assets on the Statement of Net Assets due to expenditure restrictions mandated by the source of the resource, such as the state or federal government.

The General Fund is the primary operating fund of the County. At the end of 2004, unreserved fund balance was \$5,995,230, while total fund balance was \$6,280,689. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 26 percent to total General Fund expenditures, while total fund balance represents 27 percent of that same amount.

At the end of 2004 the Public Assistance Special Revenue Fund had a fund balance of \$540,518, in comparison to a fund balance of \$892,114 at the end of 2003. This is due to a decrease in money owed to the State as a result of an over advancement of cash to the County during 2003.

## Muskingum County, Ohio

### Management's Discussion and Analysis For the Year Ended December 31, 2004 Unaudited

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The fund balance of the Motor Vehicle and Gasoline Tax Special Revenue Fund at December 31, 2004 was \$1,392,550, a decrease of \$552,701 from the previous year. This decrease is primarily due to increased expenditures from the prior year.

The fund balance of the Children Services Levy Special Revenue Fund at December 31, 2004 was \$4,877,416. Revenues exceeded expenditures during 2004 by \$450,788 primarily due to increases in governmental revenues for this program.

The fund balance of the Starlight School Levy Special Revenue Fund at December 31, 2004 was \$9,531,619, an increase of \$204,827. This minimal change is the result of matching expenditures according to the increase in revenues received from property taxes and other governments.

*Proprietary Funds* - The County maintains two different types of proprietary funds. Enterprise funds are used to report functions presented as business-type activities on the government-wide financial statements. The County uses enterprise funds to account for Sewer Fund and Water Fund operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's other programs and activities. The County uses internal service funds to account for the health and workers' compensation self-insurance programs.

As of December 31, 2004, net assets for the County's enterprise funds were \$37,330,681. Of that total, \$7,017,178 represents unrestricted net assets that are available for spending at the County's discretion.

As of December 31, 2004, unrestricted net assets in the self-insurance programs were (\$465,946).

#### **General Fund Budgetary Highlights**

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. By State statute, the Board of County Commissioners adopts a temporary operating budget for the County prior to the first day of January. The Board of County Commissioners adopts a permanent annual operating budget for the County prior to the first day of April.

For the General Fund, changes from the original budget to the final budget have been minimal. Fluctuations in growth and diversity have typically not occurred in Muskingum County, allowing department managers the ability to consistently predict revenues and expenditures.

#### **Capital Assets and Debt Administration**

*Capital Assets* - The County's capital assets for governmental and business-type activities as of December 31, 2004, were \$152,449,825 (net of accumulated depreciation). This includes land, land improvements, construction in progress, buildings, machinery, equipment, furniture and fixtures, infrastructure, and vehicles.

For business-type activities, major capital asset additions during 2004 included the completion of various waterline extension projects and various sanitary sewer projects.

Table 4 provides a comparison of capital assets as of the end of 2003 and 2004. In addition, Note 10 (Capital Assets) provides capital asset activity during 2004.

**Muskingum County, Ohio**

**Management's Discussion and Analysis  
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Table 4  
Capital Assets  
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Land	\$3,912,575	\$3,869,372	\$199,100	\$174,100	\$4,111,675	\$4,043,472
Land Improvements	20,148,858	20,148,858	0	0	20,148,858	20,148,858
Construction in Progress	22,236	15,317,395	896,132	1,560,222	918,368	16,877,617
Buildings	32,409,945	32,065,630	164,210	179,246	32,574,155	32,244,876
Machinery, Equipment, Furniture and Fixtures	1,613,734	1,678,087	28,109	34,697	1,641,843	1,712,784
Vehicles	1,540,298	1,649,109	150,910	182,467	1,691,208	1,831,576
Infrastructure	47,342,095	31,549,961	44,021,623	42,395,203	91,363,718	73,945,164
<b>Total Capital Assets</b>	<b>\$106,989,741</b>	<b>\$106,278,412</b>	<b>\$45,460,084</b>	<b>\$44,525,935</b>	<b>\$152,449,825</b>	<b>\$150,804,347</b>

*Long-Term Debt* - As of December 31, 2004, the County had total debt outstanding of \$45,597,234, \$30,439,692 in governmental activities and \$15,157,542 in business-type activities. Table 5 outlines the long-term debt held by the County during 2004 and 2003.

Table 5  
Long-Term Debt

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
General Obligation Bonds	\$14,725,000	\$15,710,000	\$11,271,934	\$11,612,243	\$25,996,934	\$27,322,243
Special Assessment Debt	1,102,230	1,200,997	0	0	1,102,230	1,200,997
Revenue Bonds	0	0	566,700	577,500	566,700	577,500
OWDA Loans	0	0	3,318,908	2,659,091	3,318,908	2,659,091
Contracts Payable	14,444,899	14,783,391	0	0	14,444,899	14,783,391
Capital Leases	167,563	64,735	0	0	167,563	64,735
<b>Total Long-Term Debt</b>	<b>\$30,439,692</b>	<b>\$31,759,123</b>	<b>\$15,157,542</b>	<b>\$14,848,834</b>	<b>\$45,597,234</b>	<b>\$46,607,957</b>

In addition to the bonded debt, the County's long-term obligations include compensated absences and early retirement incentive payables. Additional information on the County's long-term debt can be found in Note 17 of this report.

The County's total unvoted legal debt margin at December 31, 2004, is \$6,431,103.

Moody's Investors Service, Inc. has assigned an underlying rating of A1 to the outstanding general obligation debt of the County. However, a Aaa credit rating was listed on the bonds since the County purchased insurance from MBIA Insurance Corporation guaranteeing bond payments.

**Economic Factors**

The average unemployment rate for the County in 2004 was 8.2 percent, which is an increase from 7.4 percent from 2003. This rate exceeds the state's average rate for 2004 of 6.1 percent and the average 2004 national rate of 5.5 percent. The increase demonstrates the impact from the national recession.

**Muskingum County, Ohio**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2004  
Unaudited**

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The County's \$1.355 billion tax base has increased 8.3 percent over the last three years. This growth is attributed to an increase in the County's real estate tax values, despite a decline in public utility personal property tax values due to State deregulation. Real property values within the County have risen steadily over the past several years, and are now at an all time high.

The County's permissive sales tax revenues have increased slightly over the past five years despite uncertain economic conditions.

The County's General Fund balance has started to decline in recent years. This is attributed to lower investment earnings, reductions in local government aid, and increased costs associated with services provided.

The various economic factors were considered in the preparation of the County's 2004 budget, and will be considered in the preparation of future budgets. Appropriate measures will be taken to ensure spending is within available resources.

A further discussion of the County and the economic factors which affect the County and its operations can be found in the transmittal letter of this report.

**Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Anita J. Adams, Muskingum County Auditor, 401 Main Street, Zanesville, Ohio 43701.

**Muskingum County, Ohio**  
**Statement of Net Assets**  
**December 31, 2004**

	Primary Government			Component Units	
	Governmental Activities	Business - Type Activities	Total	Transportation Improvement District	Muskingum Starlight Industries, Inc.
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$33,301,365	\$7,686,887	\$40,988,252	\$874,004	\$0
Cash and Cash Equivalents in Segregated Accounts	68,868	0	68,868	0	0
Cash and Cash Equivalents with Fiscal Agents	1,075,028	0	1,075,028	0	0
Cash and Cash Equivalents	0	0	0	0	518,314
Prepaid Items	131,640	0	131,640	0	3,444
Permissive Motor Vehicle License Tax Receivable	33,764	0	33,764	0	0
Materials and Supplies Inventory	600,434	1,336	601,770	0	104,926
Permissive Sales Tax Receivable	2,458,337	0	2,458,337	0	0
Intergovernmental Receivable	6,433,357	75,406	6,508,763	37,694	0
Accounts Receivable	106,643	1,647,129	1,753,772	0	52,706
Accrued Interest Receivable	71,132	0	71,132	0	0
Internal Balances	19,584	(19,584)	0	0	0
Property and Other Taxes Receivable	13,564,286	0	13,564,286	0	0
Payments in Lieu of Taxes Receivable	2,461,856	0	2,461,856	0	0
Loans Receivable	379,894	0	379,894	237,177	0
Special Assessments Receivable	1,622,779	0	1,622,779	0	0
Deferred Charges	0	213,726	213,726	0	0
Due from Component Unit	870,000	0	870,000	0	0
Contracts Receivable	0	0	0	14,444,899	0
Due from Primary Government	0	0	0	0	16,918
Non-Depreciable Capital Assets	24,083,669	1,095,232	25,178,901	0	0
Depreciable Capital Assets, Net	82,906,072	44,364,852	127,270,924	0	34,378
<i>Total Assets</i>	<u>170,188,708</u>	<u>55,064,984</u>	<u>225,253,692</u>	<u>15,593,774</u>	<u>730,686</u>
<b>Liabilities</b>					
Matured Compensated Absences Payable	1,356	0	1,356	0	0
Accrued Wages and Benefits	1,747,788	44,524	1,792,312	0	5,432
Intergovernmental Payable	1,270,851	222,945	1,493,796	0	761
Accounts Payable	915,991	60,976	976,967	474	3,912
Contracts Payable	169,182	61,383	230,565	1,143,409	0
Accrued Interest Payable	69,385	54,531	123,916	0	0
Claims Payable	1,198,073	0	1,198,073	0	0
Deferred Revenue	14,314,102	0	14,314,102	0	0
Deferred Income	0	0	0	0	69,958
Notes Payable	1,707,123	2,080,000	3,787,123	0	0
Due to Primary Government	0	0	0	870,000	0
Due to Component Unit	16,918	0	16,918	0	0
Long-Term Liabilities:					
Due Within One Year	2,478,232	482,554	2,960,786	715,220	0
Due In More Than One Year	30,730,560	14,727,390	45,457,950	13,729,679	0
<i>Total Liabilities</i>	<u>54,619,561</u>	<u>17,734,303</u>	<u>72,353,864</u>	<u>16,458,782</u>	<u>80,063</u>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	76,795,156	30,313,503	107,108,659	0	0
Restricted for:					
Capital Projects	3,013,426	0	3,013,426	0	0
Debt Service	1,410,127	0	1,410,127	0	0
Other Purposes	27,723,797	0	27,723,797	0	0
Unrestricted (Deficit)	6,626,641	7,017,178	13,643,819	(865,008)	650,623
<i>Total Net Assets</i>	<u>\$115,569,147</u>	<u>\$37,330,681</u>	<u>\$152,899,828</u>	<u>(\$865,008)</u>	<u>\$650,623</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2004**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
General Government:				
Legislative and Executive	\$10,640,486	\$4,719,544	\$117,299	\$0
Judicial	5,344,175	778,726	519,248	0
Public Safety	9,416,728	1,308,618	1,365,587	187,132
Public Works	7,656,460	845,162	4,633,047	352,680
Health	1,232,031	164,598	209,345	0
Human Services	35,310,650	2,561,819	22,115,538	0
Economic Development and Assistance	49,388	0	0	0
Intergovernmental	1,814,782	0	201,328	534,115
Interest and Fiscal Charges	844,015	0	0	0
<i>Total Governmental Activities</i>	<u>72,308,715</u>	<u>10,378,467</u>	<u>29,161,392</u>	<u>1,073,927</u>
Business-Type Activities:				
Sewer	2,968,027	1,932,031	0	938,575
Water	2,666,568	2,471,695	0	230,040
<i>Total Business-Type Activities</i>	<u>5,634,595</u>	<u>4,403,726</u>	<u>0</u>	<u>1,168,615</u>
<i>Total Primary Government</i>	<u>\$77,943,310</u>	<u>\$14,782,193</u>	<u>\$29,161,392</u>	<u>\$2,242,542</u>
<b>Component Units:</b>				
Transportation Improvement District	\$2,117,301	\$514,130	\$0	\$996,747
Muskingum Starlight Industries, Inc.	604,911	460,033	0	0
<i>Total Component Units</i>	<u>\$2,722,212</u>	<u>\$974,163</u>	<u>\$0</u>	<u>\$996,747</u>

**General Revenues**

Property Taxes Levied for General Purposes

Property Taxes Levied for:

  Public Safety

  Health

  Human Services

Sales Taxes Levied for General Purposes

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Payments in Lieu of Taxes

Miscellaneous

In-Kind Contribution

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

*Change in Net Assets*

Net Assets (Deficit) Beginning of Year - See Note 3

*Net Assets (Deficit) End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and  
Change in Net Assets

Primary Government			Component Units	
Governmental Activities	Business - Type Activities	Total	Transportation Improvement District	Muskingum Starlight Industries, Inc.
(\$5,803,643)	\$0	(\$5,803,643)	\$0	\$0
(4,046,201)	0	(4,046,201)	0	0
(6,555,391)	0	(6,555,391)	0	0
(1,825,571)	0	(1,825,571)	0	0
(858,088)	0	(858,088)	0	0
(10,633,293)	0	(10,633,293)	0	0
(49,388)	0	(49,388)	0	0
(1,079,339)	0	(1,079,339)	0	0
(844,015)	0	(844,015)	0	0
<u>(31,694,929)</u>	<u>0</u>	<u>(31,694,929)</u>	<u>0</u>	<u>0</u>
0	(97,421)	(97,421)	0	0
0	35,167	35,167	0	0
0	(62,254)	(62,254)	0	0
<u>(31,694,929)</u>	<u>(62,254)</u>	<u>(31,757,183)</u>	<u>0</u>	<u>0</u>
0	0	0	(606,424)	0
0	0	0	0	(144,878)
0	0	0	(606,424)	(144,878)
2,628,212	0	2,628,212	0	0
401,368	0	401,368	0	0
1,373,067	0	1,373,067	0	0
7,741,265	0	7,741,265	0	0
13,935,524	0	13,935,524	0	0
1,808,232	0	1,808,232	0	0
1,170,550	2,531	1,173,081	3,392	5,963
423,048	0	423,048	0	0
825,519	24,230	849,749	7,500	2,033
0	0	0	0	120,512
<u>30,306,785</u>	<u>26,761</u>	<u>30,333,546</u>	<u>10,892</u>	<u>128,508</u>
<u>(229,169)</u>	<u>229,169</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>30,077,616</u>	<u>255,930</u>	<u>30,333,546</u>	<u>10,892</u>	<u>128,508</u>
(1,617,313)	193,676	(1,423,637)	(595,532)	(16,370)
117,186,460	37,137,005	154,323,465	(269,476)	666,993
<u>\$115,569,147</u>	<u>\$37,330,681</u>	<u>\$152,899,828</u>	<u>(\$865,008)</u>	<u>\$650,623</u>

**Muskingum County, Ohio**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2004**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Levy	Starlight School Levy	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$5,549,007	\$1,268,476	\$896,535	\$5,301,361	\$8,647,348	\$9,981,511	\$31,644,238
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0	68,868	68,868
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	1,075,028	0	1,075,028
Restricted Cash and Cash Equivalents	0	0	0	0	0	925,000	925,000
Receivables:							
Property and Other Taxes	2,968,386	0	0	1,995,301	3,737,232	4,863,367	13,564,286
Payments in Lieu of Taxes	1,774,565	0	0	69,166	166,707	451,418	2,461,856
Permissive Sales Taxes	2,458,337	0	0	0	0	0	2,458,337
Permissive Motor Vehicle License Tax	0	0	33,764	0	0	0	33,764
Accounts	61,946	0	1,838	6,765	15	36,079	106,643
Intergovernmental	1,180,503	193,766	2,954,984	744,797	330,573	1,028,734	6,433,357
Interfund	208,391	0	247,999	0	0	0	456,390
Accrued Interest	71,132	0	0	0	0	0	71,132
Special Assessments	0	0	0	0	0	1,622,779	1,622,779
Loans	0	0	0	0	0	379,894	379,894
Due from Component Unit	0	0	0	0	0	870,000	870,000
Materials and Supplies Inventory	201,538	2,804	271,857	62,219	15,538	46,478	600,434
Prepaid Items	118,493	6,927	0	0	379	5,841	131,640
<b>Total Assets</b>	<b><u>\$14,592,298</u></b>	<b><u>\$1,471,973</u></b>	<b><u>\$4,406,977</u></b>	<b><u>\$8,179,609</u></b>	<b><u>\$13,972,820</u></b>	<b><u>\$20,279,969</u></b>	<b><u>\$62,903,646</u></b>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities</b>							
Accounts Payable	\$234,181	\$125,074	\$155,343	\$324,337	\$30,625	\$46,431	\$915,991
Contracts Payable	25,200	0	0	0	0	143,982	169,182
Accrued Interest Payable	0	0	0	0	0	8,102	8,102
Accrued Wages and Benefits	618,755	212,513	197,608	161,801	221,444	335,667	1,747,788
Matured Compensated							
Absences Payable	250	0	0	1,106	0	0	1,356
Interfund Payable	0	4,720	0	0	0	432,086	436,806
Intergovernmental Payable	381,178	395,382	64,491	102,798	105,363	221,639	1,270,851
Notes Payable	0	0	0	0	0	1,707,123	1,707,123
Due to Component Unit	0	0	0	0	16,918	0	16,918
Deferred Revenue	7,052,045	193,766	2,596,985	2,712,151	4,066,851	7,787,751	24,409,549
<b>Total Liabilities</b>	<b><u>8,311,609</u></b>	<b><u>931,455</u></b>	<b><u>3,014,427</u></b>	<b><u>3,302,193</u></b>	<b><u>4,441,201</u></b>	<b><u>10,682,781</u></b>	<b><u>30,683,666</u></b>
<b>Fund Balances</b>							
Reserved (See Note 25)	285,459	622,798	149,265	49,080	92,062	2,338,709	3,537,373
Unreserved:							
Undesignated, Reported in:							
General Fund	5,995,230	0	0	0	0	0	5,995,230
Special Revenue Funds (Deficit)	0	(82,280)	1,243,285	4,828,336	9,439,557	4,573,665	20,002,563
Debt Service Funds	0	0	0	0	0	570,417	570,417
Capital Projects Funds	0	0	0	0	0	2,114,397	2,114,397
<b>Total Fund Balances</b>	<b><u>6,280,689</u></b>	<b><u>540,518</u></b>	<b><u>1,392,550</u></b>	<b><u>4,877,416</u></b>	<b><u>9,531,619</u></b>	<b><u>9,597,188</u></b>	<b><u>32,219,980</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$14,592,298</u></b>	<b><u>\$1,471,973</u></b>	<b><u>\$4,406,977</u></b>	<b><u>\$8,179,609</u></b>	<b><u>\$13,972,820</u></b>	<b><u>\$20,279,969</u></b>	<b><u>\$62,903,646</u></b>

See accompanying notes to the basic financial statements



**Muskingum County, Ohio**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Assets of Governmental Activities**  
**December 31, 2004**

**Total Governmental Fund Balances** \$32,219,980

*Amounts reported for governmental activities in the statement of net assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 106,989,741

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:

Property and Other Taxes	1,532,932	
Permissive Sales Taxes	1,163,712	
Special Assessments	1,622,779	
Intergovernmental	5,659,809	
Interest	22,882	
Charges for Services	53,353	
Fines and Forfeitures	33,082	
Other	6,898	
<b>Total</b>	<b>10,095,447</b>	<b>10,095,447</b>

Internal service funds are used by management to charge the costs of insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. (465,946)

Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds	(14,725,000)	
Compensated Absences	(2,698,417)	
Accrued Interest Payable	(61,283)	
Special Assessments Bonds	(1,102,230)	
Early Retirement Incentive	(70,683)	
Long-Term Contracts Payable	(14,444,899)	
Capital Leases	(167,563)	
<b>Total</b>	<b>(33,270,075)</b>	<b>(33,270,075)</b>

**Net Assets of Governmental Activities** \$115,569,147

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2004**

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Levy	Starlight School Levy	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Property and Other Taxes	\$2,617,333	\$0	\$0	\$1,766,357	\$3,333,358	\$4,361,541	\$12,078,589
Special Assessments	0	0	0	0	0	81,692	81,692
Permissive Sales Taxes	14,013,240	0	0	0	0	0	14,013,240
Permissive Motor Vehicle License Tax	0	0	468,123	0	0	0	468,123
Charges for Services	4,393,587	0	0	1,523,180	0	2,241,170	8,157,937
Licenses and Permits	25,243	0	200	0	0	499,208	524,651
Fines and Forfeitures	365,034	0	95,994	0	0	179,603	640,631
Intergovernmental	2,251,362	12,473,293	4,880,848	4,293,026	3,296,310	5,303,634	32,498,473
Interest	1,093,186	0	13,213	0	0	78,467	1,184,866
Payments in Lieu of Taxes	21,934	0	0	18,637	42,773	339,704	423,048
Rent	20,603	0	0	0	0	565,208	585,811
Contributions and Donations	1,125	0	625	1,310	39,057	3,492	45,609
Other	414,985	66,741	14,063	36,514	46,793	202,139	781,235
<i>Total Revenues</i>	<u>25,217,632</u>	<u>12,540,034</u>	<u>5,473,066</u>	<u>7,639,024</u>	<u>6,758,291</u>	<u>13,855,858</u>	<u>71,483,905</u>
<b>Expenditures</b>							
Current:							
General Government:							
Legislative and Executive	9,794,278	0	0	0	0	924,401	10,718,679
Judicial	5,124,329	0	0	0	0	147,437	5,271,766
Public Safety	6,849,848	0	0	0	0	2,881,666	9,731,514
Public Works	254,890	0	5,387,985	0	0	1,383,833	7,026,708
Health	493,247	0	0	0	0	678,855	1,172,102
Human Services	396,333	13,272,740	0	7,188,236	6,101,648	7,957,053	34,916,010
Economic Development and Assistance	0	0	0	0	0	273,474	273,474
Capital Outlay	0	0	177,820	0	0	972,657	1,150,477
Intergovernmental	278,587	0	114,869	0	0	1,421,326	1,814,782
Debt Service:							
Principal Retirement	31,264	3,896	38,406	0	0	1,085,607	1,159,173
Interest and Fiscal Charges	2,965	1,314	0	0	0	841,861	846,140
<i>Total Expenditures</i>	<u>23,225,741</u>	<u>13,277,950</u>	<u>5,719,080</u>	<u>7,188,236</u>	<u>6,101,648</u>	<u>18,568,170</u>	<u>74,080,825</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,991,891</u>	<u>(737,916)</u>	<u>(246,014)</u>	<u>450,788</u>	<u>656,643</u>	<u>(4,712,312)</u>	<u>(2,596,920)</u>
<b>Other Financing Sources (Uses)</b>							
Proceeds from the Sale of							
Capital Assets	16,140	0	0	0	0	0	16,140
Inception of Capital Lease	0	0	177,820	0	0	0	177,820
Transfers In	364,861	386,320	7,249	0	410	6,134,870	6,893,710
Transfers Out	(4,762,691)	0	(491,756)	0	(452,226)	(1,152,064)	(6,858,737)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,381,690)</u>	<u>386,320</u>	<u>(306,687)</u>	<u>0</u>	<u>(451,816)</u>	<u>4,982,806</u>	<u>228,933</u>
<i>Net Change in Fund Balances</i>	<u>(2,389,799)</u>	<u>(351,596)</u>	<u>(552,701)</u>	<u>450,788</u>	<u>204,827</u>	<u>270,494</u>	<u>(2,367,987)</u>
Fund Balances at Beginning of Year	<u>8,670,488</u>	<u>892,114</u>	<u>1,945,251</u>	<u>4,426,628</u>	<u>9,326,792</u>	<u>9,326,694</u>	<u>34,587,967</u>
<i>Fund Balances at End of Year</i>	<u>\$6,280,689</u>	<u>\$540,518</u>	<u>\$1,392,550</u>	<u>\$4,877,416</u>	<u>\$9,531,619</u>	<u>\$9,597,188</u>	<u>\$32,219,980</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2004**

**Net Change in Fund Balances - Governmental Funds** (\$2,367,987)

*Amounts reported for governmental activities in the statement of activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:

Capital Asset Additions	4,194,116	
Current Year Depreciation	(2,838,731)	
Total	1,355,385	1,355,385

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the proceeds and the loss on disposal of assets:

Loss on disposal of capital assets	(1,012,876)	
Proceeds from sale of capital assets	16,140	
Total	(996,736)	(996,736)

Capital Asset contribution from component unit. 352,680

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property and Other Taxes	65,323	
Permissive Sales Taxes	(77,716)	
Special Assessments	(81,692)	
Charges for Services	(3,735)	
Fines and Forfeitures	3,924	
Intergovernmental	(1,105,667)	
Interest	973	
Other	6,898	
Total	(1,191,692)	(1,191,692)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:

General Obligation Bonds	985,000	
Special Assessment Bonds Payable	99,181	
Capital Leases	74,992	
Total	1,159,173	1,159,173

Amortization of Deferred Amount on Refunding (414)

Inception of capital leases are reported as other financing sources in the governmental funds, but the inception increases long-term liabilities on the statement of activities. (177,820)

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. 2,539

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated Absences Payable	(102,890)	
Early Retirement Incentive	96,469	
Long-Term Contracts Payable	338,492	
Total	332,071	332,071

The internal service funds used by management to charge the costs of insurance to individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service funds' revenues are eliminated. The net expense of the internal service funds is allocated among governmental activities. (84,512)

**Change in Net Assets of Governmental Activities** (\$1,617,313)

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Year Ended December 31, 2004**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Taxes	\$2,547,186	\$2,547,186	\$2,594,978	\$47,792
Permissive Sales Taxes	12,100,000	12,850,000	13,758,651	908,651
Charges for Services	3,550,444	4,088,295	4,426,712	338,417
Licenses and Permits	6,644	9,121	10,128	1,007
Fines and Forfeitures	417,000	389,614	383,745	(5,869)
Intergovernmental	2,014,788	2,157,798	2,214,684	56,886
Interest	1,011,000	1,000,000	978,205	(21,795)
Payments in Lieu of Taxes	7,000	7,000	0	(7,000)
Rent	1,200	2,482	20,603	18,121
Contributions and Donations	500	1,125	1,125	0
Other	187,432	544,575	411,193	(133,382)
<i>Total Revenues</i>	<u>21,843,194</u>	<u>23,597,196</u>	<u>24,800,024</u>	<u>1,202,828</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	10,818,633	11,594,887	10,194,877	1,400,010
Judicial	5,390,367	5,743,308	5,241,944	501,364
Public Safety	6,965,448	7,320,246	7,198,107	122,139
Public Works	591,230	592,437	277,785	314,652
Health	497,985	499,903	494,096	5,807
Human Services	516,077	515,161	399,400	115,761
Intergovernmental	2,459,246	510,665	279,212	231,453
Debt Service:				
Principal Retirement	31,264	31,264	31,264	0
Interest and Fiscal Charges	2,965	2,965	2,965	0
<i>Total Expenditures</i>	<u>27,273,215</u>	<u>26,810,836</u>	<u>24,119,650</u>	<u>2,691,186</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,430,021)</u>	<u>(3,213,640)</u>	<u>680,374</u>	<u>3,894,014</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from the Sale of Capital Assets	0	16,140	16,140	0
Advances In	0	0	61,320	61,320
Advances Out	0	0	(72,469)	(72,469)
Transfers In	93,947	2,259,728	364,861	(1,894,867)
Transfers Out	(1,369,465)	(6,258,597)	(4,762,691)	1,495,906
<i>Total Other Financing Sources (Uses)</i>	<u>(1,275,518)</u>	<u>(3,982,729)</u>	<u>(4,392,839)</u>	<u>(410,110)</u>
<i>Net Change in Fund Balance</i>	(6,705,539)	(7,196,369)	(3,712,465)	3,483,904
Fund Balance at Beginning of Year	7,782,852	7,782,852	7,782,852	0
Prior Year Encumbrances Appropriated	812,760	812,760	812,760	0
<i>Fund Balance at End of Year</i>	<u>\$1,890,073</u>	<u>\$1,399,243</u>	<u>\$4,883,147</u>	<u>\$3,483,904</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Public Assistance Fund**  
**For the Year Ended December 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$14,244,400	\$16,557,285	\$12,126,582	(\$4,430,703)
Other	100	100	66,793	66,693
<i>Total Revenues</i>	<u>14,244,500</u>	<u>16,557,385</u>	<u>12,193,375</u>	<u>(4,364,010)</u>
<b>Expenditures</b>				
Current:				
Human Services	15,549,016	17,120,856	14,055,436	3,065,420
Debt Service:				
Principal Retirement	3,896	3,896	3,896	0
Interest and Fiscal Charges	1,314	1,314	1,314	0
<i>Total Expenditures</i>	<u>15,554,226</u>	<u>17,126,066</u>	<u>14,060,646</u>	<u>3,065,420</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,309,726)</u>	<u>(568,681)</u>	<u>(1,867,271)</u>	<u>(1,298,590)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	320,000	1,587,893	386,320	(1,201,573)
Transfers Out	0	(946,661)	0	946,661
<i>Total Other Financing Sources (Uses)</i>	<u>320,000</u>	<u>641,232</u>	<u>386,320</u>	<u>(254,912)</u>
<i>Net Change in Fund Balance</i>	(989,726)	72,551	(1,480,951)	(1,553,502)
Fund Balance at Beginning of Year	581,249	581,249	581,249	0
Prior Year Encumbrances Appropriated	<u>1,029,725</u>	<u>1,029,725</u>	<u>1,029,725</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$621,248</u>	<u>\$1,683,525</u>	<u>\$130,023</u>	<u>(\$1,553,502)</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement 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, 2004**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Permissive Motor Vehicle License Tax	\$0	\$0	\$466,008	\$466,008
Licenses and Permits	0	0	200	200
Fines and Forfeitures	100,000	100,000	95,994	(4,006)
Intergovernmental	4,255,000	4,590,000	4,726,272	136,272
Interest	14,000	14,000	14,693	693
Contributions and Donations	0	0	625	625
Other	0	15,000	12,005	(2,995)
<i>Total Revenues</i>	<u>4,369,000</u>	<u>4,719,000</u>	<u>5,315,797</u>	<u>596,797</u>
<b>Expenditures</b>				
Current:				
Public Works	4,797,783	6,159,307	5,994,447	164,860
Intergovernmental	0	0	114,869	(114,869)
Debt Service:				
Principal Retirement	38,406	38,406	38,406	0
<i>Total Expenditures</i>	<u>4,836,189</u>	<u>6,197,713</u>	<u>6,147,722</u>	<u>49,991</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(467,189)</u>	<u>(1,478,713)</u>	<u>(831,925)</u>	<u>646,788</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	238,406	910,655	7,249	(903,406)
Transfers Out	(259,435)	(530,162)	(491,756)	38,406
<i>Total Other Financing Sources (Uses)</i>	<u>(21,029)</u>	<u>380,493</u>	<u>(484,507)</u>	<u>(865,000)</u>
<i>Net Change in Fund Balance</i>	(488,218)	(1,098,220)	(1,316,432)	(218,212)
Fund Balance at Beginning of Year	1,220,142	1,220,142	1,220,142	0
Prior Year Encumbrances Appropriated	688,218	688,218	688,218	0
<i>Fund Balance at End of Year</i>	<u>\$1,420,142</u>	<u>\$810,140</u>	<u>\$591,928</u>	<u>(\$218,212)</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Children Services Levy Fund**  
**For the Year Ended December 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property and Other Taxes	\$1,679,148	\$1,679,148	\$1,745,561	\$66,413
Charges for Services	1,181,229	1,181,229	1,529,738	348,509
Intergovernmental	2,476,000	2,506,000	4,098,024	1,592,024
Contributions and Donations	500	500	1,310	810
Other	5,000	5,000	38,331	33,331
<i>Total Revenues</i>	<u>5,341,877</u>	<u>5,371,877</u>	<u>7,412,964</u>	<u>2,041,087</u>
<b>Expenditures</b>				
Current:				
Human Services	<u>7,868,780</u>	<u>8,343,095</u>	<u>7,713,022</u>	<u>630,073</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,526,903)</u>	<u>(2,971,218)</u>	<u>(300,058)</u>	<u>2,671,160</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	2,000,000	0	(2,000,000)
Transfers Out	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>0</u>	<u>2,000,000</u>
<i>Total Other Financing Sources</i>	<u>(2,000,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,526,903)	(2,971,218)	(300,058)	2,671,160
Fund Balance at Beginning of Year	4,547,801	4,547,801	4,547,801	0
Prior Year Encumbrances Appropriated	<u>435,475</u>	<u>435,475</u>	<u>435,475</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$456,373</u>	<u>\$2,012,058</u>	<u>\$4,683,218</u>	<u>\$2,671,160</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**Starlight School Levy Fund**  
**For the Year Ended December 31, 2004**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property and Other Taxes	\$3,087,416	\$3,281,368	\$3,281,368	\$0
Intergovernmental	2,903,274	3,093,827	3,188,603	94,776
Contributions and Donations	8,000	30,999	39,057	8,058
Other	10,650	19,788	46,778	26,990
<i>Total Revenues</i>	<u>6,009,340</u>	<u>6,425,982</u>	<u>6,555,806</u>	<u>129,824</u>
<b>Expenditures</b>				
Current:				
Human Services	<u>6,741,591</u>	<u>6,833,328</u>	<u>6,343,918</u>	<u>489,410</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(732,251)</u>	<u>(407,346)</u>	<u>211,888</u>	<u>619,234</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	80,553	80,963	410	(80,553)
Transfers Out	<u>(90,445)</u>	<u>(532,779)</u>	<u>(452,226)</u>	<u>80,553</u>
<i>Total Other Financing Sources</i>	<u>(9,892)</u>	<u>(451,816)</u>	<u>(451,816)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(742,143)	(859,162)	(239,928)	619,234
Fund Balance at Beginning of Year	9,449,960	9,449,960	9,449,960	0
Prior Year Encumbrances Appropriated	<u>115,643</u>	<u>115,643</u>	<u>115,643</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$8,823,460</u></u>	<u><u>\$8,706,441</u></u>	<u><u>\$9,325,675</u></u>	<u><u>\$619,234</u></u>

See accompanying notes to the basic financial statements



**Muskingum County, Ohio**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**December 31, 2004**

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Funds
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
<b>Assets</b>				
<b>Current Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$3,835,483	\$1,974,169	\$5,809,652	\$732,127
Restricted Cash and Cash Equivalents	1,877,235	0	1,877,235	0
Materials and Supplies Inventory	1,336	0	1,336	0
Receivables:				
Intergovernmental	0	75,406	75,406	0
Accounts	1,282,769	364,360	1,647,129	0
Interfund	6,416	0	6,416	0
<i>Total Current Assets</i>	<u>7,003,239</u>	<u>2,413,935</u>	<u>9,417,174</u>	<u>732,127</u>
<b>Noncurrent Assets:</b>				
Deferred Charges	72,154	141,572	213,726	0
Non-Depreciable Capital Assets	281,560	813,672	1,095,232	0
Depreciable Capital Assets, Net	24,584,118	19,780,734	44,364,852	0
<i>Total Noncurrent Assets</i>	<u>24,937,832</u>	<u>20,735,978</u>	<u>45,673,810</u>	<u>0</u>
<i>Total Assets</i>	<u>31,941,071</u>	<u>23,149,913</u>	<u>55,090,984</u>	<u>732,127</u>
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accrued Wages and Benefits	20,940	23,584	44,524	0
Intergovernmental Payable	89,608	133,337	222,945	0
Accounts Payable	30,063	30,913	60,976	0
Contracts Payable	0	61,383	61,383	0
Accrued Interest Payable	29,672	24,859	54,531	0
Claims Payable	0	0	0	1,198,073
Interfund Payable	0	26,000	26,000	0
Notes Payable	2,080,000	0	2,080,000	0
Current Portion of Compensated Absences Payable	8,628	10,351	18,979	0
Current Portion of General Obligation Bonds Payable	126,500	250,000	376,500	0
Current Portion of Revenue Bonds Payable	10,900	0	10,900	0
Current Portion of OWDA Loans Payable	21,432	54,743	76,175	0
<i>Total Current Liabilities</i>	<u>2,417,743</u>	<u>615,170</u>	<u>3,032,913</u>	<u>1,198,073</u>
<b>Long-Term Liabilities (Net of Current Portion):</b>				
Compensated Absences Payable	9,681	23,742	33,423	0
General Obligation Bonds Payable	4,054,733	6,840,701	10,895,434	0
Revenue Bonds Payable	555,800	0	555,800	0
OWDA Loans Payable	265,400	2,977,333	3,242,733	0
<i>Total Long-Term Liabilities</i>	<u>4,885,614</u>	<u>9,841,776</u>	<u>14,727,390</u>	<u>0</u>
<i>Total Liabilities</i>	<u>7,303,357</u>	<u>10,456,946</u>	<u>17,760,303</u>	<u>1,198,073</u>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	19,700,302	10,613,201	30,313,503	0
Unrestricted (Deficit)	4,937,412	2,079,766	7,017,178	(465,946)
<i>Total Net Assets (Deficit)</i>	<u>\$24,637,714</u>	<u>\$12,692,967</u>	<u>\$37,330,681</u>	<u>(\$465,946)</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2004**

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Funds
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
<b>Operating Revenues</b>				
Charges for Services	\$1,932,031	\$2,471,695	\$4,403,726	\$6,333,199
<b>Operating Expenses</b>				
Personal Services	398,867	532,948	931,815	0
Contractual Services	1,344,295	629,768	1,974,063	0
Materials and Supplies	125,358	363,568	488,926	0
Claims	0	0	0	6,455,097
Depreciation	795,269	688,404	1,483,673	0
Other	0	1,023	1,023	0
<i>Total Operating Expenses</i>	<u>2,663,789</u>	<u>2,215,711</u>	<u>4,879,500</u>	<u>6,455,097</u>
<i>Operating Income (Loss)</i>	<u>(731,758)</u>	<u>255,984</u>	<u>(475,774)</u>	<u>(121,898)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Interest	282	2,249	2,531	0
Other Non-Operating Revenues	10,324	13,906	24,230	37,386
Interest and Fiscal Charges	(249,082)	(381,296)	(630,378)	0
Loss on Disposal of Capital Assets	(55,156)	0	(55,156)	0
Other Non-Operating Expenses	0	(69,561)	(69,561)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(293,632)</u>	<u>(434,702)</u>	<u>(728,334)</u>	<u>37,386</u>
<i>Loss Before Contributions and Transfers</i>	<u>(1,025,390)</u>	<u>(178,718)</u>	<u>(1,204,108)</u>	<u>(84,512)</u>
Capital Contributions from Customers	905,075	230,040	1,135,115	0
Capital Contributions from Grantors	33,500	0	33,500	0
Capital Contributions from Other Funds	172,738	91,404	264,142	0
Transfers In	0	6,681	6,681	0
Transfers Out	(41,654)	0	(41,654)	0
<i>Change in Net Assets</i>	<u>44,269</u>	<u>149,407</u>	<u>193,676</u>	<u>(84,512)</u>
Net Assets (Deficit) Beginning of Year - See Note 3	<u>24,593,445</u>	<u>12,543,560</u>	<u>37,137,005</u>	<u>(381,434)</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$24,637,714</u>	<u>\$12,692,967</u>	<u>\$37,330,681</u>	<u>(\$465,946)</u>

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2004**

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Fund
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$1,834,857	\$2,435,545	\$4,270,402	\$0
Cash Received from Transactions with Other Funds	0	0	0	6,333,199
Cash Payments for Employee Services and Benefits	(396,150)	(536,082)	(932,232)	0
Cash Payments for Goods and Services	(1,469,936)	(1,162,887)	(2,632,823)	0
Cash Payments for Claims	0	0	0	(6,328,474)
Cash Payments for Judgments	(25,000)	0	(25,000)	0
Other Non-Operating Revenues	10,324	13,906	24,230	37,386
Other Non-Operating Expenses	0	(69,561)	(69,561)	0
Other Operating Expenses	0	(1,023)	(1,023)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(45,905)</u>	<u>679,898</u>	<u>633,993</u>	<u>42,111</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Advances In	0	26,000	26,000	0
Transfers In	0	6,681	6,681	0
Transfers Out	(41,654)	0	(41,654)	0
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(41,654)</u>	<u>32,681</u>	<u>(8,973)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>				
Sale of Investments	0	2,097,660	2,097,660	0
Interest	282	6,774	7,056	0
<i>Net Cash Provided by Investing Activities</i>	<u>282</u>	<u>2,104,434</u>	<u>2,104,716</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Payments for Capital Acquisitions	(414,165)	(1,794,671)	(2,208,836)	0
Proceeds of Notes	2,080,000	0	2,080,000	0
OWDA Loans Received	0	768,210	768,210	0
Tap-In Fees	923,076	230,040	1,153,116	0
Capital Grants	33,500	140,113	173,613	0
Principal Paid on Debt	(157,164)	(338,529)	(495,693)	0
Interest and Fiscal Charges Paid on Debt	(237,317)	(341,034)	(578,351)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>2,227,930</u>	<u>(1,335,871)</u>	<u>892,059</u>	<u>0</u>
<i>Net Increase in Cash and Cash Equivalents</i>	2,140,653	1,481,142	3,621,795	42,111
Cash and Cash Equivalents Beginning of Year	<u>3,572,065</u>	<u>493,027</u>	<u>4,065,092</u>	<u>690,016</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$5,712,718</u>	<u>\$1,974,169</u>	<u>\$7,686,887</u>	<u>\$732,127</u>

(continued)

**Muskingum County, Ohio**  
**Statement of Cash Flows**  
**Proprietary Funds (Continued)**  
**For the Year Ended December 31, 2004**

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities- Internal Service Fund
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
Operating Income (Loss)	(\$731,758)	\$255,984	(\$475,774)	(\$121,898)
Adjustments:				
Other Non-Operating Revenues	10,324	13,906	24,230	37,386
Other Non-Operating Expenses	0	(69,561)	(69,561)	0
Depreciation	795,269	688,404	1,483,673	0
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	(97,174)	(36,150)	(133,324)	0
Decrease in Prepaid Items	100	750	850	0
Decrease in Materials and Supplies Inventory	245	0	245	0
Decrease in Accounts Payable	(72,813)	(17,283)	(90,096)	0
Decrease in Accrued Wages and Benefits	(3,758)	(4,929)	(8,687)	0
Decrease in Contracts Payable	0	(231,661)	(231,661)	0
Increase in Compensated Absences Payable	3,243	4,856	8,099	0
Decrease in Claims and Judgments Payable	(25,000)	0	(25,000)	126,623
Increase in Intergovernmental Payable	75,417	75,582	150,999	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$45,905)</u>	<u>\$679,898</u>	<u>\$633,993</u>	<u>\$42,111</u>

**Noncash Transactions:**

During 2004 the Sewer and Water Enterprise Funds reflected capital contributions in the amounts of \$172,738 and \$91,404, respectively, from governmental activities for capital asset additions. During 2004, capital contributions from customers decreased by \$18,001 in the Sewer Enterprise Fund due to a decrease in receivables for unbilled tap-in fees.

See accompanying notes to the basic financial statements

**Muskingum County, Ohio**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**December 31, 2004**

**Assets**

Equity in Pooled Cash and Cash Equivalents	\$10,210,810
Cash and Cash Equivalents in Segregated Accounts	536,894
Investments in Segregated Accounts	100,000
Receivables:	
Permissive Motor Vehicle License Tax	3,270
Intergovernmental	5,146,130
Accounts	1,799,392
Property and Other Taxes	51,347,984
Payments in Lieu of Taxes	55,942

<i>Total Assets</i>	<u><u>\$69,200,422</u></u>
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**Liabilities**

Intergovernmental Payable	\$64,141,145
Deposits Held and Due to Others	31,275
Undistributed Monies	5,028,002

<i>Total Liabilities</i>	<u><u>\$69,200,422</u></u>
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See accompanying notes to the basic financial statements

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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NOTE 1 - REPORTING ENTITY

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 County Court Judges, 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.

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 Services Board, the Board of Mental Retardation and Developmental Disabilities, the Tuberculosis Clinic Board, the Board of Mental Health and Recovery Services, 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 or 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, the Transportation Improvement District and Muskingum Starlight Industries, Inc. They are discretely reported to emphasize that they are legally separate from the County.

The Transportation Improvement District (TID) is a body politic and corporate, created for the purpose of financing, constructing, maintaining, repairing, and operating selected transportation projects. The District was specifically formed under the auspices of House Bill 154, and Ohio Revised Code Chapter 5540, as amended, and created by action of the Board of County Commissioners of Muskingum County on November 20, 1995. The District is governed by a Board of Directors that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members, with five members appointed by a majority vote of the Board of Commissioners.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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One member is appointed by the President of the Ohio Senate and one member is appointed by the Speaker of the House of Representatives. The Board of Directors appoints a Chairman, who presides at all meetings and is the chief officer of the District. He has the authority to sign all contracts, releases, notes, bonds, and other instruments and documents to be executed on behalf of the District. He is the chief officer of the District for the purpose of civil process and is authorized to accept such services on behalf of the District. He performs such other duties and has such authority as may be provided from time to time by the Board. Also, the Zanesville-Muskingum County Port Authority serves as the Administrative Agent for the Muskingum County Transportation Improvement District. The County may impose its will on the District and the relationship between the primary government and the organization is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Separately issued financial statements can be obtained from the Transportation Improvement District, Zanesville, Ohio.

Muskingum Starlight Industries, Inc. is a legally separate, non-governmental, 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 (MRDD), 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. The nature and significance of the relationship between the primary government and the organization is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Separately issued financial statements can be obtained from Muskingum Starlight Industries, Inc., Zanesville, Ohio.

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 Educational Service Center  
Muskingum County Law Library  
Muskingum County Library System  
Muskingum College  
Zanesville/Muskingum Convention and Visitors Bureau

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

Zanesville-Muskingum County Health Department 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, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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The Zanesville-Muskingum County Port Authority (the Port Authority) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Port Authority operates under the direction of a five member Board of Directors. The Board is comprised of two members appointed by the City of Zanesville, two members appointed by Muskingum County, and one member appointed jointly by the City and the County. The Port Authority is authorized to purchase, construct, sell, lease, and operate facilities within its jurisdiction as enumerated in Ohio Revised Code Chapter 4582.

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 participates in the following organizations which are defined as jointly governed organizations. Additional financial information concerning the jointly governed organizations is discussed in Note 21.

South East Ohio Joint Solid Waste Management District  
Mental Health and Recovery Services Board  
Mid East Ohio Regional Council of Governments (MEORC)  
Southeast Area Transit Authority (SEAT)  
Zanesville-Muskingum Family and Children First Council  
Area Agency on Aging  
Ohio Mid-Eastern Governments Association (OMEGA)  
Licking-Muskingum Community Based Correctional Facility (CBCF)  
Zanesville-Muskingum County Port Authority  
Perry Multi-County Juvenile Facility  
Muskingum County Center for Seniors

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 22.

Muskingum County Convention Facilities Authority  
Zanesville Metropolitan Housing Authority  
Muskingum County Park District

The County is associated with the County Risk Sharing Authority, Inc. (CORSA) and the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan which are defined as public entity pools. Additional information concerning these organizations is presented in Note 23.



Muskingum County, Ohio

Notes to the Basic Financial Statements  
December 31, 2004

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The County has elected not to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its enterprise funds and business-type activities. The most significant of the County's accounting policies are described below.

A. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The policy of the County is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

***Fund Financial Statements*** During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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**Governmental Funds** Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General Fund - The General Fund, the County's primary operating fund, accounts for all financial resources 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.

Public Assistance Fund - To account for various federal and state grants as well as transfers from the General Fund, 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 licenses, gasoline taxes, and grants. Ohio state law restricts expenditures in this fund to county road and bridge repair and improvement programs.

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.

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.

The other governmental funds of the County account for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County reports the following major proprietary funds:

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

Water Fund - To account for water services provided to individuals and commercial users. The costs of providing these services are financed primarily through user charges.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis. The internal service funds are used to account for the operation of the County's self insurance program for employee health benefits and prescription drugs and the County's workers' compensation program through a retrospective rating plan.

***Fiduciary Funds*** Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The County's fiduciary funds are all classified as agency funds. The agency funds account for assets held by the County as agent for the Board of Health and other districts and entities and for various taxes, assessments, and state shared resources collected on behalf of and distributed to other local governments.

#### C. Measurement Focus

***Government-wide Financial Statements*** The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

***Fund Financial Statements*** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in revenues, expenses, and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

#### D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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**Revenues - Exchange and Nonexchange Transactions** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within thirty days of year-end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the year for which the taxes are levied. (See Note 7) Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales tax (see Note 8), interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

**Deferred/Unearned Revenue** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue arises when assets are received before the period in which use is first permitted.

Property taxes for which there is an enforceable legal claim as of December 31, 2004, but which were levied to finance year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. Unearned revenue has been recorded for the over-advancement of cash relating to the child support enforcement agency.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

**Expenses/Expenditures** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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#### E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. 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 tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by County Commissioners at the fund, program, department, and object level. Budgetary modifications may only be made by resolution of the County Commissioners.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year.

#### F. Cash and Cash Equivalents

Cash balances of the County's funds, except cash held by a trustee, fiscal agent, or held in segregated accounts, are pooled and invested in short-term investments in order to provide improved cash management. During 2004, investments were limited to money market mutual funds, non-participating certificates of deposit, and federal agency securities. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Non-participating investment contracts are reported at cost or amortized cost. Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments. The County has segregated bank accounts for monies held separate from the County's central bank account. These interest bearing depository and investment accounts are presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts" and as "Investments in Segregated Accounts" since they are not required to be deposited into the County Treasury.

Interest revenue is distributed to the funds according to the Muskingum County Prosecutor's interpretation of Ohio constitutional and statutory requirements. During 2004, interest was distributed to the General Fund, and certain special revenue, capital project, debt service, enterprise, and agency funds. Interest revenue credited to the General Fund during 2004 amounted to \$1,093,186, which includes \$949,977 assigned from other County funds.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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G. Restricted Assets

Certain resources set aside for the guarantee of a component unit loan repayment is classified as a restricted asset on the combined balance sheet because its use is limited by applicable debt agreements. Restricted cash and cash equivalents in the Sewer Enterprise Fund represent the amount of unspent note proceeds as of December 31, 2004.

H. Receivables and Payables

Receivables and payables are recorded on the County's financial statements 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 receivables, collectibility.

Using this criteria, the County has elected to not record child support arrearages. 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.

I. Inventory of Supplies

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/ expense in the year in which services are consumed.

K. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "interfund receivables/ payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

L. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the funds.

Muskingum County, Ohio

Notes to the Basic Financial Statements  
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All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The County was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest costs incurred during the construction of capital assets utilized by the enterprise funds are also capitalized.

All reported capital assets are depreciated except for land, land improvements, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	50 Years	30-35 Years
Machinery, Equipment, Furniture and Fixtures	5-10 Years	5-10 Years
Infrastructure	15-50 Years	20-50 Years
Vehicles	5 Years	5 Years

M. 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 the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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 employee wage rates at year end taking into consideration any limits specified in the County's termination policy. The County records a liability for sick leave for employees after seven years of service at varying rates depending on County policy.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated leave are paid. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported in the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases, and long-term loans are recognized as a liability in the governmental fund financial statements when due.

O. Unamortized Bond Discounts and Issuance Costs

Bond discounts and issuance costs are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bonds payable are reported net of the applicable bond discount. Bond issuance costs are recorded as deferred charges and amortized over the term of the related debt.

On the governmental fund financial statements, governmental fund types recognize issuance costs and bond discounts in the current period. The face amount of the debt issue is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

P. Capital Contributions

Contributions of capital arise from outside contributions of capital assets from governmental activities to business-type activities, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Fund Balance Reserves

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 appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, long-term contracts payable, loan guarantee, loans receivable, and claimants. Reservation for claimants is established because by law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. Reservation for long-term contracts payable are for the guarantee of a component unit loan repayments because its use is limited by applicable debt agreements.

R. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.



**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include activities involving the upkeep of the County's roads and bridges, services for the handicapped and mentally retarded, and services for homeless children or children from troubled families. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide statement of net assets reports \$31,743,143 of restricted net assets, of which \$1,118,923 is restricted by enabling legislation.

T. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for wastewater treatment, sale of water, and self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as non-operating.

U. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County and that are either unusual in nature or infrequent in occurrence.

V. 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

For 2004, the County has implemented GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units", GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation", and GASB Technical Bulletin No. 2004-2, "Recognition of Pension and Other Post-employment Benefit Expenditures/Expenses and Liabilities by Cost-Sharing Employers.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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GASB Statement No. 39 states that entities for which a primary government is not financially accountable may still be reported as component units based on the nature and significance of their relationship with the primary government.

GASB Statement No. 46 clarifies how legal enforceability should be applied for determining restricted net assets.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as an expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple-employer pension and other post-employment benefit (OPEB) plans.

The implementation of GASB Statement No. 39, GASB Statement No. 46, and GASB Technical Bulletin No. 2004-2 did not affect the presentation of the financial statements of the County.

During 2004, the County changed the capitalization threshold for reporting capital assets. In addition, capital assets in the Sewer and Water Enterprise Funds were misstated as of December 31, 2003. These changes had the following affects on net assets as previously reported:

	Governmental Activities	Sewer Enterprise Fund	Water Enterprise Fund	Total Business-Type Activities
Net Assets December 31, 2003	\$119,755,274	\$24,588,763	\$12,526,614	\$37,115,377
Change in Capitalization Threshold	(2,568,814)	4,682	16,946	21,628
Restated Net Assets December 31, 2003	\$117,186,460	\$24,593,445	\$12,543,560	\$37,137,005

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the General Fund and each major special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- C. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance.
- D. 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).

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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- E. Unrecorded cash and unrecorded interest are reported on the balance sheet (GAAP basis), but not on the budgetary basis.
- F. Cash that is held by the agency funds on behalf of County funds on a budget basis are allocated and reported on the balance sheet (GAAP basis) in the appropriate County fund.

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

	General	Public Assistance	Motor Vehicle and Gasoline Tax	Children Services Levy	Starlight School Levy
GAAP Basis	(\$2,389,799)	(\$351,596)	(\$552,701)	\$450,788	\$204,827
Net Adjustment for Revenue Accruals	(328,354)	(247,277)	(158,749)	(75,445)	(126,903)
Beginning of the Year:					
Unrecorded Cash	47,450	0	0	0	1,952
Unreported Interest	8,748	0	1,480	0	0
Agency Fund					
Cash Allocation	76,919	0	0	71,553	178,882
Prepaid Items	126,797	262	1,340	345	9,433
End of the Year:					
Unrecorded Cash	(36,176)	(99,382)	0	(129,819)	(25,544)
Unreported Interest	(86,921)	0	0	0	0
Agency Fund					
Cash Allocation	(99,274)	0	0	(92,349)	(230,872)
Prepaid Items	(118,493)	(6,927)	0	(379)	0
Net Adjustment for Expenditure Accruals	(458,724)	263,040	(303,195)	(128,777)	(111,418)
Advances In	61,320	0	0	0	0
Advances Out	(72,469)	0	0	0	0
Encumbrances	(443,489)	(1,039,071)	(304,607)	(395,975)	(140,285)
Budget Basis	<u>(\$3,712,465)</u>	<u>(\$1,480,951)</u>	<u>(\$1,316,432)</u>	<u>(\$300,058)</u>	<u>(\$239,928)</u>

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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**NOTE 5 - ACCOUNTABILITY AND COMPLIANCE**

**A. Fund Deficits:**

The following funds had deficit fund balances/net assets as of December 31, 2004:

<u>Fund Type/Fund</u>	<u>Deficit Fund Balance/ Net Assets</u>
<u>Special Revenue Funds:</u>	
Child Support Enforcement Agency	\$467,567
County Home Levy	31,188
Miscellaneous Federal Grants	137,183
Homeland Security	35,149
Litter Prevention	5,155
<u>Capital Projects Funds:</u>	
Issue II	435,404
Job and Family Services Renovation	2,292
Brandywine Loop Construction	8,512
<u>Internal Service Fund:</u>	
Self-Insurance Health	1,054,220

The deficits in the special revenue and internal service 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 deficits in the capital projects funds are the result of the issuance of debt to finance projects in these funds. Once the debt is retired, the deficits will be eliminated.

**B. Legal Compliance:**

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

<u>Fund Type/Fund</u>	<u>Excess</u>
<u>Special Revenue Funds:</u>	
Motor Vehicle and Gasoline Tax	
Intergovernmental	
Contractual Services	\$114,869
Sheriff Commissary	
Public Safety	
Materials and Supplies	180,707
Childrens Services Christmas	
Human Services	
Materials and Supplies	5,114

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

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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**NOTE 6 - DEPOSITS AND INVESTMENTS**

Monies held by the County are classified by the State Statute into two categories, active and inactive. Active monies are public monies 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.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Monies held by the County which are not considered active are classified as inactive. Beginning June 15, 2004, inactive monies could be deposited or invested with certain limitations in the following securities provided the County has filed a written investment policy with the Ohio Auditor of State:

1. United States Treasury Bills, Notes, 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, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase agreements in the securities listed above;
4. Bond and other obligations of the State of Ohio or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds;
7. The State Treasurer's investment pool (STAROhio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either similar securities or cash, equal value for equal value;
9. Commercial paper notes, corporate notes and bankers acceptances; and,
10. Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Bankers acceptances must mature within 180 days. Commercial paper and corporate notes must mature within 270 days. All other investments must mature within five years from the date of settlement unless matched to a specific obligation or debt of the County. Investments must be purchased with the expectation that they 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.

#### Cash on Hand:

At year end, the County had \$400,397 in undeposited cash on hand which is included on the financial statements of the County as part of "Equity in Pooled Cash and Cash Equivalents" and "Cash and Cash Equivalents in Segregated Accounts".

#### Deposits:

At year-end, the carrying amount of the County's deposits was \$50,950,279, and the bank balance was \$53,879,573. Of the bank balance:

1. \$856,763 was covered by federal depository insurance;
2. \$53,022,810 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

At December 31, 2004, the County's Starlight School Levy Special Revenue Fund had a cash balance of \$1,075,028 with MEORC, a jointly governed organization (See Note 21). The money is held by MEORC in a pooled account which is representative of numerous entities and therefore cannot be classified by risk number under GASB Statement 3. The classification of cash and cash equivalents and investments for MEORC as a whole may be obtained from their audit report. To obtain financial information, write to the Mid East Ohio Regional Council, Cathy Henthorn, who serves as Associate Director of Business, 160 Columbus Road, Mt. Vernon, Ohio 43050.

#### Investments:

The County's investments are required to be categorized 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.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

Investment	Category 2	Fair Value	Rate	Maturity
Government Securities:				
Federal Home Loan Mortgage Corporation Bonds	\$49,484	\$49,484	3.500%	2/13/2008
Federal National Mortgage Association Bonds	48,415	48,415	3.125%	3/16/2009
State and Local Government Series Bonds	4,500	4,500	6.838%	7/1/2005
Federal Home Loan Bank Bonds	49,656	49,656	1.450%	7/22/2005
Federal Home Loan Bank Bonds	50,609	50,609	4.375%	11/15/2005
Federal Home Loan Bank Bonds	49,500	49,500	2.000%	12/28/2005
Federal Home Loan Bank Bonds	49,422	49,422	2.200%	4/28/2006
State and Local Government Series Bonds	4,800	4,800	6.838%	7/1/2006
Federal Home Loan Bank Bonds	49,859	49,859	3.020%	8/30/2006
Federal Home Loan Bank Bonds	49,234	49,234	2.330%	10/16/2006
State and Local Government Series Bonds	4,900	4,900	6.838%	7/1/2007
Federal Home Loan Bank Bonds	49,453	49,453	3.000%	9/17/2007
Federal Home Loan Bank Bonds	49,516	49,516	3.560%	5/23/2008
State and Local Government Series Bonds	5,200	5,200	6.838%	7/1/2008
State and Local Government Series Bonds	5,600	5,600	6.838%	7/1/2009
State and Local Government Series Bonds	6,000	6,000	6.838%	7/1/2010
State and Local Government Series Bonds	6,300	6,300	6.838%	7/1/2011
State and Local Government Series Bonds	7,100	7,100	6.838%	7/1/2012
State and Local Government Series Bonds	7,100	7,100	6.838%	7/1/2013
State and Local Government Series Bonds	7,500	7,500	6.838%	7/1/2014
Total	<u>\$554,148</u>	<u>\$554,148</u>		

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9; "Reporting Cash Flows of Proprietary and Non-expendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting". Cash equivalents are defined to include investments with original maturities of three months or less and investments of the County's cash management pool.

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

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

	Cash and Cash	
	Equivalents/Deposits	Investments
GASB Statement 9	\$52,879,852	\$100,000
Cash Held with MEORC	(1,075,028)	0
Undeposited Cash	(400,397)	0
Certificates of Deposit with a maturity of more than 90 days	100,000	(100,000)
Investments:		
Federal Home Loan Mortgage Corporation Bonds	(49,484)	49,484
Federal National Mortgage Association Bonds	(48,415)	48,415
State and Local Government Series Bonds	(59,000)	59,000
Federal Home Loan Bank Bonds	(397,249)	397,249
GASB Statement 3	\$50,950,279	\$554,148

**NOTE 7 - PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Property tax revenue received during 2004 for real and public utility property taxes represents collections of 2003 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) is for 2004 taxes.

2004 real property taxes are levied after October 1, 2004, on the assessed value as of January 1, 2004, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2004 real property taxes are collected in and intended to finance 2005.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2004 public utility property taxes became a lien December 31, 2003, are levied after October 1, 2004, and are collected in 2005 with real property taxes. 2004 tangible personal property taxes are levied after October 1, 2003, on the value as of December 31, 2003. Collections are made in 2004. Tangible personal property assessments for machinery and equipment are 25 percent of true value and 23 percent of true value for inventory.

The full tax rate for all County operations for the year ended December 31, 2004, was \$13.55 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2004 property tax receipts were based are as follows:

Real Property	\$1,136,991,170
Public Utility Personal Property	78,147,450
Tangible Personal Property	139,516,375
Total Assessed Value	\$1,354,654,995

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.



**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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Tangible personal property taxes 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 at September 20.

The County treasurer collects property taxes on behalf of all taxing districts in 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. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2004 and for which there is an enforceable legal claim. In the General Fund, Children Services Levy, Starlight School Levy, Tuberculosis Clinic, County Home Levy, Mental Health Levy, Sheriff Levy, and Senior Citizens Levy Special Revenue Funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2004 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**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.

**NOTE 9 - RECEIVABLES**

Receivables at December 31, 2004, consisted 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, loans, and intergovernmental receivables arising from grants, entitlements and shared revenues. Management believes all receivables are fully collectible. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for non-payment. Special assessments relating to the payment of debt are not expected to be collected within one year. The amount not scheduled for collection during the subsequent year is \$1,451,353. The County has \$18,997 in delinquent special assessments at December 31, 2004.

A summary of the principal items of intergovernmental receivables follows:

Muskingum County, Ohio

Notes to the Basic Financial Statements  
December 31, 2004

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<b><u>Governmental Activities</u></b>	<b><u>Amount</u></b>
Homestead and Rollback	\$654,288
Local Government Subsidies	627,419
Local Government Revenue Assistance Subsidies	159,287
Breakfast/Lunch Reimbursement	6,140
Public Defender	77,459
Housing of Prisoners	14,985
Detention Reimbursements	10,015
Indigent Drivers' Fines	5,328
Estate Taxes	10,889
MVL Distribution	2,954,764
Location Based Response System Grant	118,750
Victims of Criminal Account Grant	18,496
Cops in Schools Grant	64,798
FEMA	247,999
Homeland Security	161,998
Family Resources Grant	26,178
Community Development Block Grants	99,324
Population Reduction Grant	14,895
Litter Grant	11,320
Community Corrections Grant	107,554
Youth and Community Partnership Grant	28,951
Children Services Grants and Subsidies	648,809
Public Assistance Grants and Subsidies	193,766
Starlight School Levy Grants and Subsidies	163,135
Miscellaneous Grants/Reimbursements	<u>6,810</u>
Total Governmental Activities	6,433,357
<b><u>Business - Type Activities</u></b>	
Community Development Block Grants	<u>75,406</u>
Total Intergovernmental Receivables	<u><u>\$6,508,763</u></u>

The County entered into Tax Increment Financing Agreements with The Longaberger Company during 1999 and Lowe's Home Center, Inc. during 1994 for the construction of a distribution center and infrastructure improvements. To encourage these improvements, the companies were granted an exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the County in an amount equal to the real property taxes that otherwise would have been due. These payments are being used to finance the above improvements and will continue until the earlier of 30 years or until the revenue in lieu of taxes equals or exceeds the costs of the improvements. A receivable for the amount that will be received by the County in fiscal year 2005 has been recorded in the Redevelopment Tax Equivalent Special Revenue Fund and the Brandywine Loop Construction Capital Projects Fund. The receivables represent amounts measurable at December 31, 2004.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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During 2004, several tax abatement agreements were entered into between the County and local businesses to encourage economic growth in the County. In addition to the abatements, the businesses also agreed to make tax increment financing payments in lieu of taxes. Each agreement states a specified percentage that the businesses will pay based on what the property taxes would normally have been. The receivables have been recorded in each of the levied funds. The County is not able to record a receivable for the entire amount of all payments because the payments are based upon projected collections.

The County is reflecting a \$379,894 loan receivable in Other Governmental Funds. This is the result of a loan made to the County Fairboard during 2002.

**NOTE 10 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2004, was as follows:

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
<b><u>Governmental Activities:</u></b>				
Non-Depreciable Capital Assets:				
Land	\$3,869,372	\$43,203	\$0	\$3,912,575
Land Improvements	20,148,858	0	0	20,148,858
Construction in Progress	15,317,395	1,591,338	(16,886,497)	22,236
Total Non-Depreciable Capital Assets	<u>39,335,625</u>	<u>1,634,541</u>	<u>(16,886,497)</u>	<u>24,083,669</u>
Depreciable Capital Assets:				
Buildings	37,409,748	1,092,510	0	38,502,258
Machinery, Equipment, Furniture and Fixtures	4,462,187	328,934	(52,300)	4,738,821
Infrastructure	46,714,391	17,915,348	(1,864,334)	62,765,405
Vehicles	4,552,126	461,960	(267,421)	4,746,665
Total Depreciable Capital Assets	<u>93,138,452</u>	<u>19,798,752</u>	<u>(2,184,055)</u>	<u>110,753,149</u>
Accumulated Depreciation:				
Buildings	(5,344,118)	(748,195)	0	(6,092,313)
Machinery, Equipment, Furniture and Fixtures	(2,784,100)	(391,887)	50,900	(3,125,087)
Infrastructure	(15,164,430)	(1,249,725)	990,845	(15,423,310)
Vehicles	(2,903,017)	(448,924)	145,574	(3,206,367)
Total Accumulated Depreciation	<u>(26,195,665)</u>	<u>(2,838,731) *</u>	<u>1,187,319</u>	<u>(27,847,077)</u>
Total Depreciable Capital Assets, Net	<u>66,942,787</u>	<u>16,960,021</u>	<u>(996,736)</u>	<u>82,906,072</u>
Governmental Capital Assets, Net	<u>\$106,278,412</u>	<u>\$18,594,562</u>	<u>(\$17,883,233)</u>	<u>\$106,989,741</u>

During 2004, the Transportation Improvement District (component unit) contributed \$352,680 in infrastructure to the primary government. This amount is reflected as Capital Grants and Contributions on the Statement of Activities.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

\*Depreciation expense was charged to governmental activities as follows:

**Governmental Activities:**

General Government:

Legislative and Executive	\$272,044
Judicial	87,473
Public Safety	477,812
Public Works	1,575,059
Health	37,571
Human Services	388,772
Total Depreciation Expense	<u><u>\$2,838,731</u></u>

	<u>Balance December 31, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2004</u>
<b><u>Business - Type Activities:</u></b>				
Non-Depreciable Capital Assets:				
Land	\$174,100	\$25,000	\$0	\$199,100
Construction in Progress	1,560,222	1,854,271	(2,518,361)	896,132
Total Non-Depreciable Capital Assets	<u>1,734,322</u>	<u>1,879,271</u>	<u>(2,518,361)</u>	<u>1,095,232</u>
Depreciable Capital Assets:				
Buildings	626,484	5,074	0	631,558
Machinery, Equipment, Furniture and Fixtures	60,003	0	0	60,003
Infrastructure	59,016,328	3,018,017	(44,670)	61,989,675
Vehicles	575,863	88,977	(19,000)	645,840
Total Depreciable Capital Assets	<u>60,278,678</u>	<u>3,112,068</u>	<u>(63,670)</u>	<u>63,327,076</u>
Accumulated Depreciation:				
Buildings	(447,238)	(20,110)	0	(467,348)
Machinery, Equipment, Furniture and Fixtures	(25,306)	(6,588)	0	(31,894)
Infrastructure	(16,621,125)	(1,351,641)	4,714	(17,968,052)
Vehicles	(393,396)	(105,334)	3,800	(494,930)
Total Accumulated Depreciation	<u>(17,487,065)</u>	<u>(1,483,673)</u>	<u>8,514</u>	<u>(18,962,224)</u>
Total Depreciable Capital Assets, Net	<u>42,791,613</u>	<u>1,628,395</u>	<u>(55,156)</u>	<u>44,364,852</u>
Business - Type Activities Capital Assets, Net	<u><u>\$44,525,935</u></u>	<u><u>\$3,507,666</u></u>	<u><u>(\$2,573,517)</u></u>	<u><u>\$45,460,084</u></u>

Muskingum County, Ohio

Notes to the Basic Financial Statements  
December 31, 2004

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NOTE 11 - 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. The County contracts with County Risk Sharing Authority, Inc. (CORSA) to address property, liability, and crime insurance coverage. 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. In addition, the County contracts with Hartford Steam Boiler Inspection and Insurance Company for boiler and machinery coverage. Coverage is as follows:

Property Coverage:

Property	\$90,506,383 replacement cost value
Equipment Breakdown	100,000,000 replacement cost value
Crime	1,000,000

Liability Coverage:

Automobile Liability	\$1,000,000 each occurrence
Uninsured/Underinsured Motorists	250,000 each occurrence
General Liability	1,000,000 each occurrence
Stop Gap Liability	1,000,000 each occurrence
Law Enforcement Liability	1,000,000 each occurrence
Errors and Omissions Liability	1,000,000 each occurrence
	1,000,000 annual aggregate
Excess Liability	5,000,000

<u>Boiler and Machinery Coverage</u>	\$100,000,000 limit
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The deductible on the above coverage for each occurrence is \$2,500.

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, Cardinal, 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 annual individual claims in excess of \$90,000 and aggregate annual claims in excess of \$8,419,634.

From 1992 through 1999, the County maintained a retrospective rating workers' compensation program. Under the retrospective rating program, the County accumulated workers' compensation premiums in the Workers' Compensation Self-Insurance Internal Service Fund based upon rates actuarially determined by the State of Ohio. A portion of the premiums accumulated was paid directly to the State of Ohio, and the remaining premiums were maintained in the Workers' Compensation Self-Insurance Internal Service Fund for the payment of future claims. In 2000, the County rejoined the State of Ohio Workers' Compensation Plan.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

The claims liabilities of the Self-Insurance Health and Self-Insurance Workers' Compensation Internal Service Funds of \$1,177,000 and \$21,073, respectively, reported at December 31, 2004 are based on the requirements of Governmental Accounting Standards Board Statement No. 30 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. Changes in the funds' claims liability in 2003 and 2004 were:

Fund	Balance at Beginning of Year	Change in Estimate	Current Year Claims	Claims Payments	Balance at End of Year
Self Insurance Health					
2003	\$966,431	\$0	\$6,536,809	\$6,457,350	\$1,045,890
2004	1,045,890	0	6,455,097	6,323,987	1,177,000
Self-Insurance Workers' Compensation					
2003	78,766	(30,320)	0	22,886	25,560
2004	25,560	0	0	4,487	21,073

For 2004, the County participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. (See Note 23) The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate.

In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings that accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. For Muskingum County, a savings of approximately \$68,017 was realized on the annual premium cost. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

The County participates in the Ohio Public Employees Retirement System of Ohio (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800)-222-7377.

For the year ended December 31, 2004, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The County's contribution rate for pension benefits for 2004 was 9.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the County's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2004, 2003, and 2002 were \$3,018,869, \$2,611,644, and \$2,516,376, respectively; 95 percent has been contributed for 2004 and 100 percent for 2003 and 2002. Contributions to the member-directed plan for 2004 were \$45,704 made by the County and \$28,671 made by the plan members.

**B. State Teachers Retirement System (STRS)**

Certified teachers, employed by the school for Mental Retardation and Developmental Disabilities, participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS Ohio issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (614) 227-4090, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds, times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment.

The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2004, plan members were required to contribute 10 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2003, the portion used to fund pension obligations was 9.3 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2004, 2003, and 2002 were \$126,846, \$123,874, and \$83,758, respectively; 100 percent has been contributed for fiscal years 2004, 2003 and 2002. No contributions were made to the DC and Combined Plans for fiscal year 2004 by the County and plan members.



**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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**NOTE 13 - POST-EMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System (OPERS)**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other than Pension Benefits by State and Local Governmental Employers"*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 4.00 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8.00 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between 1.00 and 6.00 percent annually for the next eight years and 4.00 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits were \$1,220,947. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2003, (the latest information available) were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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**B. State Teachers Retirement System (STRS)**

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio). Benefits include hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The system is funded on a pay-as-you-go basis.

All STRS Ohio benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2004, the STRS Ohio Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. For the County, this amount equaled \$9,757 for 2004.

STRS Ohio pays health care benefits from the Health Care Reserve Fund. At June 30, 2004, (the latest information available) the balance in the Fund was \$3.1 billion. For the year ended June 30, 2004, net health care costs paid by STRS were \$268,739,000 and STRS Ohio had 111,853 eligible benefit recipients.

**NOTE 14 - OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has 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.

**B. Other Health Insurance Options**

The County offers additional health insurance options to employees not covered under the health self-insurance program. Cardinal Administrative Services health coverage is one alternative. The County also offers life insurance coverage through MetLife Inc., vision coverage through the Vision Service Plan, Inc., and dental coverage through Cardinal Administrative Services.

**C. Early Retirement Incentive**

In previous years, the County has offered multiple one-time retirement incentives. The amount of the incentives is based upon the employees' salaries and years of credit needed to be purchased to take advantage of this option. The OPERS requirements vary in that the County can pay for this cost in one-lump sum or over a period of years. The option chosen by the County depends upon the fund balances at the time these payments are due.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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**NOTE 15 - CAPITAL LEASES-LESSEE DISCLOSURE**

In prior years, the County has entered into capitalized leases for copiers and postage machines. During 2004, the County entered into a capitalized lease for an excavator for the engineer's office. 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 basic financial statements for the governmental funds.

Equipment acquired by lease has been capitalized in government- wide statements governmental activities in the amount of \$216,890, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide statements as part of governmental activities. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$212,978 at December 31, 2004. Principal payments towards capital leases during 2004 totaled \$74,992 for governmental activities.

Future minimum lease payments through 2008 for governmental activities are as follows:

	<u>Year</u>	<u>Principal</u>	<u>Interest</u>
	2005	\$40,360	\$7,730
	2006	42,320	5,770
	2007	44,391	3,699
	2008	40,492	1,576
Total		<u>\$167,563</u>	<u>\$18,775</u>

**NOTE 16 - CONTRACTUAL COMMITMENTS**

As of December 31, 2004, the County had contractual purchase commitments for the following projects:

<u>Project</u>	<u>Fund</u>	<u>Purchase Commitments</u>	<u>Amounts Paid as of 12/31/2004</u>	<u>Amounts Remaining on Contracts</u>
Manatron Revaluation	Real Estate Assessment	\$816,588	\$6,327	\$810,261
Gorsuch Road/Nashport Extension	Water Enterprise	548,744	503,612	45,132

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

**NOTE 17 - LONG-TERM OBLIGATIONS**

Changes in the County's long-term obligations during 2004 consist of the following:

	Outstanding 12/31/2003	Additions	Deletions	Outstanding 12/31/2004	Amounts Due Within One Year
<b><u>Governmental Activities:</u></b>					
General Obligation Bonds:					
1999 Various Interest Rate Child Support Enforcement Building Bonds - \$4,000,000	\$3,455,000	\$0	\$150,000	\$3,305,000	\$155,000
1999 Various Interest Rate Juvenile Detention Facility Bonds - \$5,000,000	4,325,000	0	185,000	4,140,000	195,000
1998 Variable Interest Rate County Facilities Refunding Bonds - \$6,905,000	5,070,000	0	355,000	4,715,000	375,000
2002 Various Interest Rate Various Purpose Serial Bonds - \$1,670,000	1,575,000	0	95,000	1,480,000	100,000
2002 Various Interest Rate Various Purpose Term Bonds - \$1,085,000	1,085,000	0	0	1,085,000	0
2003 Various Interest Rate Capital Facilities Refunding Serial Bonds - \$200,000	200,000	0	200,000	0	0
<b>Total General Obligation Bonds</b>	<b>15,710,000</b>	<b>0</b>	<b>985,000</b>	<b>14,725,000</b>	<b>825,000</b>
Special Assessment Debt:					
1989 7.89% Falls Special Assessment OWDA - \$957,246	263,245	0	47,862	215,383	47,862
1989 7.89% Maysville Special Assessment OWDA - \$445,478	187,102	0	17,819	169,283	17,819
1996 Variable Interest Nob Hill Special Assessment Bonds - \$610,000	470,000	0	25,000	445,000	25,000
2002 Various Interest Rate Ash Meadows Special Assessment Serial Bonds - \$130,000	125,000	0	5,000	120,000	10,000
2002 Various Interest Rate Ash Meadows Special Assessment Term Bonds - \$85,000	85,000	0	0	85,000	0
2003 Various Interest Rate Capital Facilities Refunding Serial Bonds - \$64,000	64,000	0	3,500	60,500	3,500
2003 Various Interest Rate Capital Facilities Refunding Term Bonds - \$17,000	17,000	0	0	17,000	0
Deferred Amount on Refunding	(10,350)	0	(414)	(9,936)	0
<b>Total Special Assessment Debt</b>	<b>1,200,997</b>	<b>0</b>	<b>98,767</b>	<b>1,102,230</b>	<b>104,181</b>
Compensated Absences	2,595,527	1,627,419	1,524,529	2,698,417	771,082
Long-Term Contracts Payable - Port Authority	224,086	0	224,086	0	0
Long-Term Contracts Payable - TID	14,559,305	340,506	454,912	14,444,899	715,220
Capital Lease	64,735	177,820	74,992	167,563	40,360
Early Retirement Incentive Payable	167,152	112,227	208,696	70,683	22,389
<b>Total Governmental Activities</b>	<b>\$34,521,802</b>	<b>\$2,257,972</b>	<b>\$3,570,982</b>	<b>\$33,208,792</b>	<b>\$2,478,232</b>

(continued)

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

(continued)

	Outstanding 12/31/2003	Additions	Deletions	Outstanding 12/31/2004	Amounts Due Within One Year
<b><u>Business - Type Activities:</u></b>					
General Obligation Bonds:					
1999 Various Interest Rate East Muskingum General Obligation					
Refunding Bonds - \$1,365,000	\$1,205,000	\$0	\$30,000	\$1,175,000	\$30,000
Unamortized Accounting Loss	(27,764)	0	(1,137)	(26,627)	0
2002 Various Interest Rate Sewer Improvement Serial Bonds - \$940,000	885,000	0	55,000	830,000	55,000
2002 Various Interest Rate Sewer Improvement Term Bonds - \$605,000	605,000	0	0	605,000	0
2003 Various Interest Rate Capital Facilities Refunding Serial Bonds - \$7,641,000	7,641,000	0	291,500	7,349,500	291,500
2003 Various Interest Rate Capital Facilities Refunding Term Bonds - \$2,078,000	2,078,000	0	0	2,078,000	0
Bond Discount	(15,300)	0	(612)	(14,688)	0
Deferred Amount on Refunding	(758,693)	0	(34,442)	(724,251)	0
<b>Total General Obligation Bonds</b>	<b>11,612,243</b>	<b>0</b>	<b>340,309</b>	<b>11,271,934</b>	<b>376,500</b>
Revenue Bonds:					
1990 5.00% Avondale Sewer Revenue Bonds - \$179,000	152,500	0	2,800	149,700	2,900
2002 4.5% Adamsville Sewer Revenue Bonds - \$387,000	381,000	0	6,000	375,000	6,000
2002 4.5% Adamsville Sewer Revenue Bonds - \$46,000	44,000	0	2,000	42,000	2,000
<b>Total Revenue Bonds</b>	<b>577,500</b>	<b>0</b>	<b>10,800</b>	<b>566,700</b>	<b>10,900</b>
OWDA Loans:					
1989 7.89% Maysville Mortgage Revenue OWDA - \$474,813	306,696	0	19,864	286,832	21,432
2002 1.5% Gaysport Water Line Extension OWDA - \$1,231,757	1,181,912	0	33,045	1,148,867	34,033
2002 1.5% Adamsville Water Project OWDA - \$749,580	719,048	0	19,911	699,137	20,710
2003 1.5% Coal Run Water Extension OWDA - \$20,474	20,474	225,843	7,646	238,671	0
2003 1.5% Chandlersville Waterlines OWDA - \$444,572	430,961	541,965	27,529	945,397	0
2004 % Chandlersville Waterlines OWDA - \$402	0	402	398	4	0
<b>Total OWDA Loans</b>	<b>2,659,091</b>	<b>768,210</b>	<b>108,393</b>	<b>3,318,908</b>	<b>76,175</b>
Compensated Absences	44,303	30,738	22,639	52,402	18,979
<b>Total Business - Type Activities</b>	<b>\$14,893,137</b>	<b>\$798,948</b>	<b>\$482,141</b>	<b>\$15,209,944</b>	<b>\$482,554</b>

Muskingum County, Ohio

Notes to the Basic Financial Statements  
December 31, 2004

**Governmental Activities:**

**General Obligation Bonds**

During 1999, the County issued \$9,000,000 in various interest rate general obligation bonds used in the construction of a child support enforcement agency building and a juvenile detention facility. The bonds are backed by the full faith and credit of the County and are going to be repaid from property taxes.

The 1998 County Facilities Refunding Bonds 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. \$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. These refunded bonds were fully called during 2002. The refunding bonds will be repaid from building rent and property taxes.

During 2002, the County issued \$1,670,000 in various interest rate Various Purpose Serial Bonds and \$1,085,000 in various interest rate Various Purpose Term Bonds. The proceeds of these bonds were used to purchase a County facility, construct and make improvements to the County Records building, and make a loan to the County Fairboard. These bonds are backed by the full faith and credit of the County and are paid from property taxes. Additionally, the County has entered into an agreement with the County Fairboard whereby the County Fairboard will make yearly payments to the County in amounts equal to the yearly debt service requirements as a source of repayment. This amount is presented as a Loan Receivable on the County's financial statements.

On December 1, 2003, the County issued \$10,000,000 of Various Purpose General Obligation Capital Facilities Refunding Bonds that consisted of \$7,905,000 in serial bonds and \$2,095,000 in term bonds with varying interest rates from 1.15% to 4.625%. \$200,000 of these proceeds was used to refund the outstanding 1989 County Office Building Improvement Bonds along with \$1,176,000 being paid by the County with available funds.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2005	\$825,000	\$700,606	\$1,525,606
2006	860,000	667,281	1,527,281
2007	895,000	631,951	1,526,951
2008	945,000	594,204	1,539,204
2009	970,000	553,329	1,523,329
2010-2014	4,700,000	2,079,396	6,779,396
2015-2019	4,945,000	862,918	5,807,918
2020-2022	585,000	58,310	643,310
Total	\$14,725,000	\$6,147,995	\$20,872,995

**Special Assessment Bonds**

During 1989, the County issued \$957,246 in Falls Special Assessment OWDA and \$445,478 in Maysville Special Assessment OWDA bonds. These bonds were issued to pay costs of planning and construction of sewer lines.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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During 1996, the County issued \$610,000 in variable interest rate Knob Hill Special Assessment Bonds. The proceeds of these bonds were used to pay the costs of planning and constructing sewer lines.

During 2002, the County issued \$130,000 in various interest rate Ash Meadows Special Assessment Serial Bonds and \$85,000 in various interest rate Ash Meadows Special Assessment Term Bonds. The proceeds of these bonds were used to retire that portion of the County's outstanding Various Purpose Notes that were used to pay the costs of planning and constructing sewer lines.

On December 1, 2003, the County issued \$10,000,000 of Various Purpose General Obligation Capital Facilities refunding bonds that consisted of \$7,905,000 in serial bonds and \$2,095,000 in term bonds with varying interest rates from 1.15% to 4.625%. \$81,000 of the proceeds was used to refund the outstanding 1990 Avondale Special Assessment Bonds.

All special assessment bonded 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 are as follows:

Year Ending December 31,	Principal	Interest	Total
2005	\$38,500	\$39,367	\$77,867
2006	38,500	37,647	76,147
2007	43,500	35,872	79,372
2008	43,500	33,594	77,094
2009	48,500	31,276	79,776
2010-2014	266,000	114,578	380,578
2015-2019	175,000	38,476	213,476
2020-2024	60,000	9,618	69,618
2025-2029	14,000	1,869	15,869
Total	<u>\$727,500</u>	<u>\$342,297</u>	<u>\$1,069,797</u>

Special assessment OWDA debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2005	\$65,681	\$30,350	\$96,031
2006	65,681	25,168	90,849
2007	65,681	19,985	85,666
2008	65,681	14,803	80,484
2009	41,751	9,621	51,372
2010-2014	80,191	17,574	97,765
Total	<u>\$384,666</u>	<u>\$117,501</u>	<u>\$502,167</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements  
December 31, 2004

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**Mandatory Redemptions**

The various purpose series 2002 bond issue consisted of serial and term bonds. The term bonds that were issued during 2002 are subject to mandatory sinking fund redemption. Governmental activities general obligation and special assessment bonds, in the amounts of \$540,000, mature in the year 2019 and \$630,000 mature in the year 2022. The 2019 mandatory redemption is to occur on December 1, in each of the years 2017 and 2018 (with the balance of \$190,000 to be paid at stated maturity on December 1, 2019) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2017	\$170,000
2018	\$180,000

The 2022 mandatory redemption is to occur on December 1, in each of the years 2020 and 2021 (with the balance of \$220,000 to be paid at stated maturity on December 1, 2022) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2020	\$200,000
2021	\$210,000

The various purpose series 2003 bond issue consisted of serial and term bonds. The term bonds that were issued during 2003 are subject to mandatory sinking fund redemption. Governmental activities special assessment bonds in the amount of \$6,000 mature in the year 2025 and \$11,000 mature in the year 2029. The bonds maturing on December 1, 2025 are subject to mandatory sinking fund redemption in part by lot on December 1, 2024 (with the balance of \$3,000 to be paid at stated maturity on December 1, 2025) at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
2024	\$3,000

The 2029 mandatory redemption is to occur on December 1, in each of the years 2026 through 2028 (with the balance of \$2,500 to be paid at stated maturity on December 1, 2029) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2026	\$3,000
2027	\$3,000
2028	\$2,500



## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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#### Optional Redemptions

The series 2002 bonds maturing on or after December 1, 2013 are subject to prior redemption on or after December 1, 2012 by and at the sole option of the County, either in whole or in part on any date and in integral multiples of \$5,000, at the following redemption prices, plus accrued interest to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2012 through November 30, 2013	101.0%
December 1, 2013 and thereafter	100.0%

The series 2003 bonds maturing on or after December 1, 2014 are subject to prior redemption on or after December 1, 2013 by and at the sole option of the County, either in whole or in part on any date and in integral multiples of \$5,000, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date.

#### Compensated Absences

The County will pay compensated absences from the General Fund and the Dog and Kennel, Real Estate Assessment, Public Assistance, Starlight School Levy, Children Services Levy, County Home Levy, Litter Prevention, Tuberculosis Clinic, Motor Vehicle and Gasoline Tax, Community Correction, Home Detention (Electronic Monitor), Senior Citizens Levy and Certificate of Title Administration Special Revenue Funds.

#### Long-Term Contracts Payable

The County entered into an agreement with the Muskingum County Port Authority and the City of Zanesville for construction of infrastructure improvements on April 1, 2000. The terms of the agreement call for an OWDA loan to be obtained by the Port Authority in the amount of \$2,114,068, to be repaid over a period of five years. The City of Zanesville and Muskingum County agree to pay annually, one-half of the required principal and interest requirements of the OWDA loan. The estimated cost to the County for the principal balance of this contract for 2004 is \$224,086.

An agreement between the State of Ohio, Department of Transportation (ODOT), and the Muskingum County Transportation Improvement District (District) was entered into on December 23, 1998. The agreement is for financing the construction of Northpointe Drive Extension located between the City of Zanesville and the Village of Dresden which is reported as part of the County's infrastructure.

The proposed terms call for a loan to be made from the State to the Transportation Improvement District in the amount of \$11,060,000, plus the refinancing of projected accumulated interest in the amount of \$404,129, to be repaid over 20 years, which coincide with the terms of a cooperative and guaranty agreements between Muskingum County, the District, and ODOT. The County, pursuant to the cooperative and guaranty agreements, will make use payments to the Transportation Improvement District in an amount equal to the debt requirements. The County has pledged non-tax revenues for the purpose of making the required use payments. The County is accumulating revenues from a tax increment financing agreement to meet a portion of the required use payments.

As collateral for the loan, the State Infrastructure Bank has received an assignment of all use payments from Muskingum County and an assignment of Tax Increment Financing from the Longaberger Company. As of December 31, 2004, the District had drawn down the total authorized amount of \$11,464,129 from the loan and Muskingum County has established a Guarantee Fund to collateralize the loan.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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In March 2003, the District obtained approval for an additional State Infrastructure Loan to finance design revisions and completion of the Northpointe Drive Project. The proposed terms call for a loan amount of \$4,010,000, plus the refinancing of projected accumulated interest in the amount of \$121,202 to be repaid over 12 years. As of December 31, 2004, the District had drawn down \$3,832,973 of \$4,131,203 total authorized.

Based upon the cooperative agreement, the County's financial statements reflect a long-term contract payable in the amount of \$14,444,899 at December 31, 2004. The long-term contracts payable amount reported in the County's financial statements is also reflected on the Transportation Improvement District's financial statements as a loan payable to the State Infrastructure Bank.

The long-term contract payable applicable to the Port Authority will be repaid from General Fund revenues. The County will pay the Transportation Improvement District long-term contract payable from tax increment financing and other non-tax revenues.

#### **Capital Leases**

The County has issued capital leases for copiers, postage machines, and an excavator. These leases will be repaid through the General Fund and the Public Assistance, Child Support Enforcement Agency and Motor Vehicle and Gasoline Tax Special Revenue Funds.

#### **Early Retirement Incentive Payable**

In previous years, the County has offered multiple one-time retirement incentives. The amount of the incentives is based upon the employees' salaries and years of credit needed to be purchased to take advantage of this option. The County will pay the early retirement incentive payable from the Motor Vehicle and Gasoline Tax and Child Support Enforcement Agency Special Revenue Funds.

#### **Business-Type Activities:**

##### **General Obligation Bonds**

During 1999, the County issued \$1,365,000 in East Muskingum Sewer General Obligation Refunding Bonds. The proceeds were used to pay \$1,292,100 in outstanding 1990 East Muskingum Sewer Revenue bonds which resulted in a current refunding of the 1990 bonds outstanding. These refunding bonds will be repaid from Sewer Enterprise Fund revenues. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as an increase to bonds payable, is being amortized to interest expense through the year 2029 using the straight-line method. The amount amortized for 2004 is \$1,137. The County completed the current refunding to reduce its total debt service payments over the remaining 16 years of the refunded bonds. Issuance costs associated with the bond issue in the amount of \$26,053 are deferred and will be amortized over the life of the bonds using the straight-line method.

During 2002, the County issued \$940,000 in various interest rate Sewer Improvement Serial Bonds and \$605,000 in various interest rate Sewer Improvement Term Bonds. The proceeds of these bonds were used to retire outstanding bond obligation notes that were used in the planning and construction of sanitary sewer lines within the County and will also be used for additional planning and construction of sanitary sewer lines. These bonds will be repaid from fees paid for the services provided by these sanitary improvements.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

On December 1, 2003, the County issued \$10,000,000 of Various Purpose General Obligation Capital Facilities Refunding Bonds that consisted of \$7,905,000 in serial bonds and \$2,095,000 in term bonds with varying interest rates from 1.15% to 4.625%. \$930 of the proceeds was used to refund outstanding Avondale general obligation bonds.

The capital facilities refunding bonds were sold at a discount of \$15,906 that will be amortized over the life of the bonds using the straight-line method. Issuance costs associated with the bond issue in the amount of \$196,611 are deferred and will be amortized over the life of the bonds using the straight-line method.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2005	\$376,500	\$484,593	\$861,093
2006	391,500	476,128	867,628
2007	401,500	467,128	868,628
2008	411,500	456,832	868,332
2009	416,500	445,259	861,759
2010-2014	2,314,000	1,992,951	4,306,951
2015-2019	2,790,000	1,495,788	4,285,788
2020-2024	3,225,000	834,407	4,059,407
2025-2029	1,616,000	167,462	1,783,462
2030	95,000	4,394	99,394
Total	<u>\$12,037,500</u>	<u>\$6,824,942</u>	<u>\$18,862,442</u>

**Revenue Bonds**

Revenue bonds will be paid from revenues derived by the County from the operation of the sewer system.

During 1990, the County issued \$179,000 in Avondale Sewer Revenue bonds. The proceeds were used to pay the costs of installing and constructing sewer lines.

During 2002, the County issued \$433,000 in Adamsville Sewer Revenue bonds. The proceeds were used to retire outstanding sewer improvement notes which were originally issued to pay costs of constructing, installing and equipping a wastewater collection system and treatment facility.

On December 1, 2003, the County issued \$10,000,000 of Various Purpose General Obligation Capital Facilities Refunding Bonds that consisted of \$7,905,000 in serial bonds and \$2,095,000 in term bonds with varying interest rates from 1.15% to 4.625%. \$9,718,070 of the proceeds were used to refund outstanding East Muskingum Sewer Revenue Bonds, East Muskingum Series F Improvement Bonds, and Water Resource Revenue Bonds.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
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Revenue bond debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2005	\$10,900	\$26,250	\$37,150
2006	12,100	25,745	37,845
2007	13,200	25,185	38,385
2008	13,400	24,575	37,975
2009	13,600	23,955	37,555
2010-2014	73,500	110,130	183,630
2015-2019	79,400	91,840	171,240
2020-2024	79,600	73,800	153,400
2025-2029	95,100	53,655	148,755
2030-2034	67,900	32,760	100,660
2035-2039	65,000	18,630	83,630
2040-2043	43,000	3,915	46,915
Total	<u>\$566,700</u>	<u>\$510,440</u>	<u>\$1,077,140</u>

**Mandatory Redemptions**

The various purpose series 2002 bond issue consisted of serial and term bonds. The term bonds that were issued during 2002 are subject to mandatory sinking fund redemption. Bonds for business-type activities in the amount of \$275,000 mature in the year 2019 and \$330,000 mature in the year 2022. The 2019 mandatory redemption is to occur on December 1, in each of the years 2017 and 2018 (with the balance of \$100,000 to be paid at stated maturity on December 1, 2019) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

Year	Amount
2017	\$85,000
2018	\$90,000

The 2022 mandatory redemption is to occur on December 1, in each of the years 2020 and 2021 (with the balance of \$115,000 to be paid at stated maturity on December 1, 2022) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

Year	Amount
2020	\$105,000
2021	\$110,000

The various purpose series 2003 bond issue consisted of serial and term bonds. The term bonds that were issued during 2003 are subject to mandatory sinking fund redemption. Business-type general obligation bonds in the amount of \$1,129,000 mature in the year 2025 and \$949,000 mature in the year 2030. The bonds maturing on December 1, 2025 are subject to mandatory sinking fund redemption in part by lot on December 1, 2024 (with the balance of \$577,000 to be paid at stated maturity on December 1, 2025) at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, as follows:

Year	Amount
2024	\$552,000

**Muskingum County, Ohio**

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The 2030 mandatory redemption is to occur on December 1, in each of the years 2026 through 2029 (with the balance of \$92,500 to be paid at stated maturity on December 1, 2030) at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2026	\$597,000
2027	\$82,000
2028	\$82,500
2029	\$95,000

**Optional Redemptions**

The various purpose series 2002 bonds maturing on or after December 1, 2013 are subject to prior redemption on or after December 1, 2012 by and at the sole option of the County, either in whole or in part on any date and in integral multiples of \$5,000, at the following redemption prices, plus accrued interest to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Prices</u>
December 1, 2012 through November 30, 2013	101.0%
December 1, 2013 and thereafter	100.0%

The series 2003 bonds maturing on or after December 1, 2014 are subject to prior redemption on or after December 1, 2013 by and at the sole option of the County, either in whole or in part on any date and in integral multiples of \$5,000, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date.

**Ohio Water Development Authority (OWDA) Loans**

During 2004, the County received additional OWDA loan proceeds associated with the Coal Run Water Extension and the Chandlersville Waterlines projects in the amounts of \$225,843 and \$541,965, respectively. In addition, during 2004 the County entered into an OWDA loans in the amounts of \$402 to be used for additional costs incurred for the Chandlersville Waterline project. This loan will be repaid from the revenues derived from the operation of the water systems. Amortization schedules for the Coal Run Water Extension and Chandlersville Waterlines loans will not be available until the entire amount of the loan has been drawn down or the project is complete.

Annual debt service requirements to maturity for the Maysville Mortgage Revenue OWDA, Gaysport Waterline Extension, and Adamsville Water OWDA loans are as follows:

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Year Ending December 31,	Principal	Interest	Total
2005	\$76,175	\$50,146	\$126,321
2006	78,690	47,631	126,321
2007	81,351	44,970	126,321
2008	84,169	42,152	126,321
2009	87,154	39,167	126,321
2010-2014	465,340	144,235	609,575
2015-2019	327,550	83,743	411,293
2020-2024	352,962	58,331	411,293
2025-2029	380,345	30,947	411,292
2030-2032	201,100	4,565	205,665
Total	<u>\$2,134,836</u>	<u>\$545,887</u>	<u>\$2,680,723</u>

**Compensated Absences**

The County will pay compensated absences from the Water and Sewer Enterprise Funds.

**Conduit Debt:**

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, 2004, \$109,640,000 of industrial revenue bonds have been issued, and \$62,960,000 remained outstanding.

**Escrow Trust Agreement:**

Effective December 1, 2003, the County entered into an Escrow Trust Agreement with JP Morgan. The agreement provides that the County deposit refunding bond proceeds into an irrevocable trust with the bank for the payment to the final maturity of the outstanding bonds from U.S. Treasury obligations. The funds deposited, together with interest thereon, shall be sufficient to pay annual principal and semi-annual interest payments, thus providing an insubstance defeasance. As a result, the liability for the 2001 Water Resource bonds was removed from the County's financial statements. As of December 31, 2004, \$8,212,433 of the refunded bonds remained outstanding.

The County's overall legal debt margin at December 31, 2004 was \$25,250,928.

**Muskingum County, Ohio**

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**NOTE 18 - NOTES PAYABLE**

The following summarizes the note transactions for the year ended December 31, 2004:

	Interest Rate	Outstanding 12/31/2003	Issued	Retired	Outstanding 12/31/2004
<b>Capital Projects Funds:</b>					
Energy Conservation Loan	5.60%	\$385,169	\$0	\$68,875	\$316,294
Brandywine Extension	1.66%	195,000	0	195,000	0
Brandywine Extension	2.59%	0	103,000	0	103,000
Job and Family Services Renovation	2.59%	0	850,000	0	850,000
Issue 2	2.00%	25,128	0	8,210	16,918
Issue 2	2.00%	4,368	0	4,368	0
Issue 2	2.00%	0	293,806	28,083	265,723
Issue 2	2.00%	197,578	0	42,390	155,188
<b>Total Capital Projects Funds</b>		<b>807,243</b>	<b>1,246,806</b>	<b>346,926</b>	<b>1,707,123</b>
<b>Sewer Enterprise Fund</b>	<b>2.59%</b>	<b>0</b>	<b>2,080,000</b>	<b>0</b>	<b>2,080,000</b>
<b>Total All Funds</b>		<b>\$807,243</b>	<b>\$3,326,806</b>	<b>\$346,926</b>	<b>\$3,787,123</b>

All notes are bond anticipation or revenue anticipation notes and are backed by the full faith and credit of the County. The note liability is reflected in the fund which received the proceeds. The Energy Conservation Loan has a remaining maturity of four years and will be retired with savings from energy conservation measures. The Brandywine Extension and Job and Family Services Renovation bond anticipation notes have a maturity of one year and will be reissued until paid or bonds are issued. The Issue 2 revenue anticipation notes have a remaining maturity of five years and will be retired from the Motor Vehicle and Gasoline Tax Major Special Revenue Fund. The Sewer Enterprise Fund bond anticipation note has a maturity of one year and will be reissued until paid or bonds are issued. This note was issued for the purpose of paying initial costs of sewer line construction.

Annual debt service requirements to maturity for the Energy Conservation Loan are reflected in the following table:

Year Ending December 31,	Principal	Interest	Total
2005	\$72,733	\$17,712	\$90,445
2006	76,805	13,639	90,444
2007	81,107	9,338	90,445
2008	85,649	4,796	90,445
<b>Total</b>	<b>\$316,294</b>	<b>\$45,485</b>	<b>\$361,779</b>

Annual debt service requirements to maturity for the Issue 2 revenue anticipation notes are as follows:

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Year Ending December 31,	Principal	Interest	Total
2005	\$108,627	\$8,216	\$116,843
2006	110,811	6,033	116,844
2007	104,323	3,849	108,172
2008	83,355	1,752	85,107
2009	30,713	307	31,020
<b>Total</b>	<b>\$437,829</b>	<b>\$20,157</b>	<b>\$457,986</b>

**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 month to month to the Anchor Glass Corporation. During 2004 the County incurred expenditures of \$52,240 for the operating lease. The rental payments for the land and building through 2008 are as follows:

Year Ending December 31,	Amount
2005	\$127,860
2006	130,750
2007	134,000
2008	121,469
<b>Total</b>	<b>\$514,079</b>

**NOTE 20 - INTERFUND TRANSACTIONS**

Interfund balances at December 31, 2004 consist of the following individual fund receivables and payables:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>			
	<u>Major Funds</u>			
	General	Motor Vehicle and Gasoline Tax	Water	Total
Major Funds:				
Public Assistance	\$4,720	\$0	\$0	\$4,720
Water	26,000	0	0	26,000
Other Nonmajor				
Governmental	177,671	247,999	6,416	432,086
<b>Total All Funds</b>	<b>\$208,391</b>	<b>\$247,999</b>	<b>\$6,416</b>	<b>\$462,806</b>



**Muskingum County, Ohio**

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The above interfund receivables/ payables are due to time lags between the dates interfund goods and services are provided, transactions recorded in the accounting system, and payments between funds were made. Also, short-term interfund loans were advanced from the General Fund to the Litter Prevention, Home Detention and Homeland Security Special Revenue Funds, and to the Water Enterprise Fund. On the Statement of Net Assets interfund receivables/payables between the Governmental and Business-Type Activities are presented as internal balances.

Interfund transfers during 2004 consisted of the following:

<u>Transfer from</u>	Transfer to						Totals
	Major Funds						
	General	Public Assistance	Motor Vehicle and Gasoline Tax	Starlight School Levy	Water	Other Nonmajor Governmental	
Major Funds:							
General Fund	\$0	\$386,320	\$7,249	\$410	\$6,681	\$4,362,031	\$4,762,691
Motor Vehicle and Gasoline Tax	0	0	0	0	0	491,756	491,756
Starlight School Levy	0	0	0	0	0	452,226	452,226
Sewer	0	0	0	0	0	41,654	41,654
Other Nonmajor Governmental	364,861	0	0	0	0	787,203	1,152,064
<b>Total All Funds</b>	<b>\$364,861</b>	<b>\$386,320</b>	<b>\$7,249</b>	<b>\$410</b>	<b>\$6,681</b>	<b>\$6,134,870</b>	<b>\$6,900,391</b>

Transfers were used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, to move monies back to the General Fund pursuant to court orders, and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 21 - JOINTLY GOVERNED ORGANIZATIONS**

**A. South East Ohio Joint Solid Waste Management District**

The County is a member of the South East Ohio Joint Solid Waste Management District (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 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 2004. No future contributions by the County are anticipated.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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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. Mental Health and Recovery Services Board

The Mental Health and Recovery Services 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 eighteen member board of trustees; three appointed by the Muskingum County Commissioners, seven appointed by the commissioners of the other participating counties, four 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 2004, Muskingum County contributed \$975,575 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, other than the property tax levy revenue, 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 East Ohio Regional Council of Governments (MEORC)

The Mid East Ohio Regional Council of Governments (MEORC) is a jointly governed organization which serves seventeen counties in Ohio. MEORC provides services to the mentally retarded and developmentally disabled residents in the participating counties. MEORC 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. During 2004, the County contributed \$42,848 to MEORC. Continued existence of MEORC is not dependent on the County's continued participation, and the County has no equity interest in or financial responsibility for MEORC. MEORC has no outstanding debt.

#### D. Southeast Area Transit Authority (SEAT)

The Southeast Area Transit Authority (SEAT) was created pursuant to state statutes in 1979. The County, the City of Zanesville, and the Village of South Zanesville appoint members to the SEAT'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 2004, the County contributed Section 18 Program funds to the SEAT in the amount of \$42,000. The continued existence of the SEAT is not dependent on the County's continued participation and the County has no equity interest in or financial responsibility for the SEAT. The SEAT has no outstanding debt. The SEAT is a component unit of the City of Zanesville.

**Muskingum County, Ohio**

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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, Superintendent of the Muskingum County Board of Mental Retardation and Developmental Disabilities, Director of the ADAMH Board, Director of the Muskingum County Department of Job and Family Services, Director of the Muskingum County Children Services Board, Superintendent of Muskingum Starlight Industries, Inc., 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 2004, the County contributed \$16,509 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 Agency on Aging

The Area Agency on Aging 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 Area Agency on Aging 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 Agency on Aging receives Title III monies to be used for programs within the member counties. During 2004, the 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 Area Agency on Aging 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 assist the participating counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a sixteen 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 a nine cent per capita membership fee based upon the most recent U.S. census. During 2004, OMEGA received \$8,850 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.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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#### 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 2004, 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.

#### I. Zanesville-Muskingum County Port Authority

The Zanesville-Muskingum County Port Authority (Authority) is a jointly governed organization under the laws of the State of Ohio. The Authority is governed by a four member board of directors. The board is comprised of two 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 the City sublease the facilities to 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's rent income and the related operating lease payments are reflected in the General Fund. In addition to the required operating lease and long-term contract payable payments, the County and the City made no contributions to the Authority during 2004. Separately issued financial statements can be obtained from the Zanesville-Muskingum County Port Authority, Zanesville, Ohio.

#### J. Perry Multi-County Juvenile Facility

The Perry Multi-County Juvenile Facility (Facility) is a jointly governed organization created to rehabilitate juvenile offenders in lieu of commitment to the Ohio Department of Youth Services. The Facility has an eight member governing board that consists of one juvenile court judge, or designee, from the counties of Coshocton, Delaware, Fairfield, Knox, Licking, Morgan, Muskingum, and Perry. The Facility also has an executive committee that handles the daily operations of the Facility and reports to the governing board. The executive committee shall be composed of the officers of the governing board. The Facility's revenues will consist of an annual grant applied for by the Director of the Facility and charges for services from the participating counties. During 2004, the County made no contributions to the Facility for the housing of juvenile offenders. Continued existence of the Facility is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

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K. Muskingum County Center for Seniors

The Muskingum County Center for Seniors (Center) is a jointly governed organization which operates as a not-for-profit organization created under 501(c)(3) of the Internal Revenue Code. The Center provides various services to seniors, including transportation services, nutritional and physical fitness information and instruction, meals, and legal counseling. The Center is governed by a seven member board consisting of three members appointed by the Muskingum County Board of County Commissioners, three members appointed by the Mayor of the City of Zanesville, and one member appointed by the above appointed six members. The Center was the recipient of support from the Muskingum County Senior Services Levy. Additional revenue is provided through contracts with the Area Agency on Aging. Continued existence of the Center is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

NOTE 22 - RELATED ORGANIZATIONS

A. Muskingum County Convention Facilities Authority

The Muskingum County Convention Facilities Authority (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 County is prohibited from contributing to the operations of the Convention Authority by State Law. During 2004, the Authority received \$374,704 from excise taxes and rental income. The Authority has no outstanding debt. Complete financial information can be obtained from the Muskingum County Conventions Facilities Authority, Zanesville, Ohio.

B. Zanesville Metropolitan Housing Authority

The Zanesville Metropolitan Housing Authority (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.

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C. Muskingum County Park District

The Muskingum County Park District was created 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 Board may adopt budgets, hire and fire employees, and issue revenue debt without the approval of the County. The Park District received local government and local government revenue assistance monies during 2004. The County serves as fiscal agent for the Park District and the activity is reflected in the Park District Agency Fund.

NOTE 23 - PUBLIC ENTITY POOLS

A. County Risk Sharing Authority, Inc. (CORSA)

The County Risk Sharing Authority, Inc. (CORSA) is a public entity shared risk pool among forty-one 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 2004 was \$279,509.

B. County Commissioners Association of Ohio Workers' Compensation Group Rating Plan

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool.

A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at the meeting held in the month of December each year. No participant can have more than member of the group executive committee in any year, and each elected members shall be a county commissioner.

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**NOTE 24 - 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 in-kind contributions and expenses at cost or fair market value as applicable, in the basic financial statements. In 2004, these contributions were \$120,512.

The Transportation Improvement District currently shares office space of Zanesville-Muskingum County Port Authority in the Welcome Center, located at 205 N. Fifth Street, Zanesville.

**NOTE 25 - FUND EQUITY RESERVES**

The following reservations of fund balances existed as of December 31, 2004:

<u>Fund Type/Reserve Type</u>	<u>Amount</u>
<u>General Fund:</u>	
Fund Balance	
Reserved for Encumbrances	\$180,009
Reserved for Claimants	105,450
Total General Fund	<u>285,459</u>
<u>Major Funds:</u>	
Fund Balances	
Public Assistance	
Reserved for Encumbrances	622,798
Motor Vehicle and Gasoline Tax	
Reserved for Encumbrances	149,265
Children Services Levy	
Reserved for Encumbrances	49,080
Starlight School Levy	
Reserved for Encumbrances	92,062
Total Major Funds	<u>913,205</u>
<u>Nonmajor Funds:</u>	
Fund Balances	
Reserved for Encumbrances	425,841
Reserved for Loans Receivable	379,894
Reserved for Loan Guarantee	925,000
Reserved for Long-Term Contracts Payable	607,974
Total Non-major Funds	<u>2,338,709</u>
Grand Total All Reserves	<u><u>\$3,537,373</u></u>

**Muskingum County, Ohio**

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NOTE 26 - FOOD STAMPS

The County's Department of Job and Family 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 Job and Family 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 Job and Family Services had on hand for distribution \$6,960 of federal food stamps at December 31, 2004.

NOTE 27 - 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.

NOTE 28 - TRANSPORTATION IMPROVEMENT DISTRICT

A. Reporting Entity

The Transportation Improvement District, Muskingum County (the District) is a body politic and corporate, created for the purpose of financing, constructing, maintaining, repairing, and operating selected transportation projects. The District was specifically formed under the auspices of House Bill 154, and Ohio Revised Code Chapter 5540, as amended, and created by action of the Board of County Commissioners of Muskingum County on November 20, 1995.

The District is governed by a Board of Directors that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members, with five members appointed by a majority vote of the Board of Commissioners of Muskingum County. One member is appointed by the President of the Ohio Senate and one member is appointed by the Speaker of the House of Representatives.

The Board of Directors appoints a Chairman, who presides at all meetings and is the chief officer of the District. He has the authority to sign all contracts, releases, notes, bonds and other instruments and documents to be executed on behalf of the District. He is the chief officer of the District for the purpose of civil process and is authorized to accept such services on behalf of the District. He performs such other duties and has such authority as may be provided from time to time by the Board.

The District is a discretely presented component unit in Muskingum County's December 31, 2004 Comprehensive Annual Financial Report, as defined by the provisions of GASB Statement Nos. 14 and 39. Also, the Zanesville-Muskingum County Port Authority serves as the Administrative Agent for the Muskingum County Transportation Improvement District.



Muskingum County, Ohio

Notes to the Basic Financial Statements  
December 31, 2004

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B. Summary of Significant Accounting Policies

The financial statements of the Transportation Improvement District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities.

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The statement of net assets presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limitations. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. All of the District's funds are classified as governmental.

***Governmental Funds*** Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

***General Fund*** The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Debt Service Fund*** The Debt Service Fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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***Northpointe Capital Projects Fund.*** The Northpointe Capital Projects Fund is used to account for loan proceeds received from the State Infrastructure Bank for the Northpointe Drive Project.

***State Route 93/22 Capital Projects Fund*** The State Route 93/22 Capital Projects Fund is used to account for grant monies for the State Route 93/22 project.

Measurement Focus

***Government-wide Financial Statements*** The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

***Revenues - Exchange and Nonexchange Transactions*** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

***Deferred Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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#### Cash and Cash Equivalents

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

Beginning July 1, 2004, the District contracted with the Muskingum County Auditor to act as fiscal agent. The County Treasurer is custodian for this cash and the District's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

#### Capital Assets

The District reports no capital assets. A road constructed by the District is nearing completion but through contractual agreements, Muskingum County uses and maintains the road. The County reports this road as a capital asset on its books. The asset will revert to the County upon full payment of the related debt.

#### Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

#### Net Assets

Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions, enabling legislation, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

#### C. Changes in Net Assets and Accounting Principles

***Changes in Accounting Principles*** For 2004, the District has implemented GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Technical Bulletin No. 2004-2, "Recognition of Pension and Other Post-employment Benefit Expenditures/Expenses and Liabilities by Cost-Sharing Employers."

GASB Statement No. 39 states that entities for which a primary government is not financially accountable may still be reported as component units based on the nature and significance of their relationship with the primary government.

GASB Statement No. 46 clarifies how legal enforceability should be applied for determining restricted net assets.

GASB Technical Bulletin No. 2004-2 addresses the amount that should be recognized as an expenditure/expense and as a liability each period by employers participating in a cost-sharing multiple-employer pension and other post-employment benefit (OPEB) plans.

The implementation of GASB Statement No. 39, GASB Statement No. 46 and GASB Technical Bulletin No. 2004-2 did not affect the presentation of the financial statements of the District.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

**D. Equity in Pooled Cash and Investments**

The County Auditor serves as fiscal officer of the Board. The Ohio Revised Code prescribes allowable deposits and investments for both the District and the County. At December 31, 2004, the District had cash and investments with a carrying amount of \$874,004, which is included in and collateralized with Muskingum County's cash management pool.

**E. Accountability**

At December 31, 2004, the Northpointe Drive Fund had a deficit fund balance in the amount of \$845,040, the General Fund had a deficit fund balance in the amount of \$9,496, and the State Route 93/22 Fund had a deficit fund balance of \$10,472. These deficits resulted from the recognition of accrued liabilities in accordance with generally accepted accounting principles.

**F. Receivables**

Receivables at December 31, 2004 consisted of loan draw downs, contract, and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State Loan programs, the current fiscal year guarantee of federal funds, and the executed contracts with the Muskingum County Commissioners.

A summary of the principal items of intergovernmental contracts and loan receivables follows:

Governmental Activities:	
Loan Receivable	\$237,177
Intergovernmental Receivable	37,694
Contract Receivable	<u>14,444,899</u>
 Total	 <u><u>\$14,719,770</u></u>

**G. Long-Term Obligations**

Changes in the long-term obligations of the District during 2004 were as follows:

	Outstanding 1/1/2004	Additions	(Reductions)	Loan Balance 12/31/2004	Additional Loan Proceeds Receivable	Outstanding 12/31/2004	Amounts Due in One Year
Governmental Activities:							
General long-term Obligations:							
State Infrastructure Bank - 4%	\$10,809,432	\$20,229	(\$454,912)	\$10,374,749	\$0	\$10,374,749	\$484,843
State Infrastructure Bank - 3%							
additional loan proceeds	2,238,600	1,594,373	0	3,832,973	237,177	4,070,150	230,377
Total general long-term obligations	<u>\$13,048,032</u>	<u>\$1,614,602</u>	<u>(\$454,912)</u>	<u>\$14,207,722</u>	<u>\$237,177</u>	<u>\$14,444,899</u>	<u>\$715,220</u>

The annual requirements to retire governmental activities debt are as follows:

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

	Loans			
	Principal	Interest	Principal	Interest
2005	\$484,843	\$435,830	\$230,377	\$61,968
2006	505,668	415,005	471,172	113,517
2007	527,387	393,286	485,414	99,276
2008	550,039	370,633	500,085	84,605
2009	573,664	347,008	515,201	69,489
2010-2014	3,259,776	1,343,586	1,928,953	117,459
2015-2019	4,022,614	580,747	0	0
2020	450,758	9,579	0	0
	<u>\$10,374,749</u>	<u>\$3,895,674</u>	<u>\$4,131,202</u>	<u>\$546,314</u>

The District accepted the terms of a loan agreement June 15, 1999 and entered into a loan agreement with the Ohio Department of Transportation where the District is to receive up to \$11,060,000 of loan proceeds, plus the refinancing of accumulated interest in the amount of \$404,125, to be repaid over 20 years. As collateral for the loan, the State Infrastructure Bank has received an assignment of all use payments from Muskingum County and an assignment of Tax Increment Financing from the Longaberger Company. As of December 31, 2004, the District had drawn down the total authorized amount of \$11,464,129.

In March 2003, the District obtained approval for an additional State Infrastructure Loan to finance design revisions and completion of the Northpointe Drive Project. The proposed terms call for a loan amount of \$4,010,000, plus the refinancing of projected accumulated interest in the amount of \$121,202 to be repaid over 8 years. In 2004, \$60,150 of accrued interest was added to the loan balance; the remaining balance of \$61,052 of accrued interest is scheduled to be added on March 24, 2005, which is the difference between the outstanding loan balance and the total amortization schedule loan balance above. As collateral for the loan, the State Infrastructure Bank has received an assignment of all use payments from Muskingum County and an assignment of Tax Increment Financing from the Longaberger Company. Loans payable recorded in the governmental activities include \$237,177 of capital outlay expenditures eligible to be drawn down from the loan as of December 31, 2004. As of December 31, 2004, the District had drawn down \$3,832,973 of \$4,131,203 total authorized.

**H. Contractual Commitments**

As of December 31, 2004, the District had contractual commitments for the following projects:

	Contractual Commitment	Expended	Balance 12/31/2004
Luburgh Inc./ RF Scurlock Co. Joint Venture	\$10,325,915	\$9,693,642	\$632,273
M-E Companies, Inc.	1,097,791	678,857	418,934
Total	<u>\$11,423,706</u>	<u>\$10,372,499</u>	<u>\$1,051,207</u>

## Muskingum County, Ohio

### Notes to the Basic Financial Statements December 31, 2004

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In addition to the above commitments, the District is currently negotiating the final amounts owed on the completion of Northpointe Drive for work performed in 2004. Currently, the balances of these negotiated amounts owed are as follows: Luburgh Inc./RF Scurlock Co. Joint Venture (\$163,030), American Electric Power (\$57,014), and Shelly Company (\$59,142). These amounts are reflected in the accompanying financial statements within contracts payable; however, the amount by which these commitments may be adjusted, if any, cannot reasonably be determined at this time.

#### I. Current Project

Northpointe Drive is located between the City of Zanesville and the Village of Dresden. This roadway begins on the southern end at Richvale Road and extends north to intersect with State Route 60 at Dresden. The project was built as a continuous route in a two-lane configuration; however, enough right of way will be purchased to potentially accommodate a future four lane divided highway. During 2004, the Transportation Improvement District incurred construction fees and related costs for this project. As more fully explained in Note 11, Muskingum County advanced funds to the District to provide interim funding for this project, a portion of which was repaid during 2000.

As of December 31, 2004 the 93/22 road project is in the process of a preliminary engineering and environmental study. The study is to determine which route would be best to construct the new main road. At the end of the year, no construction had been started.

#### J. Risk Management

The District has obtained commercial insurance for the following risks:

- General liability, and
- Vehicles

#### K. Intergovernmental Loan

In 1999 Muskingum County advanced the District \$1,620,000 in funding for the Northpointe Drive Extension Project. The District repaid \$750,000 of the loan on July 27, 2000 with proceeds from the State Infrastructure Bank loan. On March 31, 2005, the District repaid \$20,000 of the loan with loan proceeds. The County then granted the District \$20,000 for 2005 general operating expenses.

#### L. Related Party Transaction

The Transportation Improvement District currently shares office space with Zanesville Muskingum County Port Authority in the Welcome Center, located at 205 N. Fifth Street, Zanesville.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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NOTE 29 - MUSKINGUM STARLIGHT INDUSTRIES, INC.

A. Summary of Significant Accounting Policies

The summary of significant accounting policies of Muskingum Starlight Industries, Inc. is presented to assist in understanding the company's financial statements. The financial statements and notes are representations of the company's management who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and Purpose

Muskingum Starlight Industries, Inc. is a not-for-profit organization located in Zanesville, Ohio. The Organization is a sheltered workshop for mentally and developmentally handicapped adults and provides job and learning skills to their clients. The Organization operates under the mandate of the Muskingum County Board of Mental Retardation and Development Disability which provides a facility for the workshop along with an administrative staff.

Basis of Accounting

The financial statements of Muskingum Starlight Industries, Inc. have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity date of six months or less to be cash equivalents.

Inventory

Inventory is valued at cost on the first-in, first-out basis.

Property and Equipment

Property and equipment additions are recorded at cost. Depreciation is provided on assets purchased before 1987 on the straight-line method over the estimated useful lives of the respective assets. Assets purchased after 1986 are depreciated under the Modified Accelerated Cost Recovery system as prescribed by the Tax Reform Act of 1986.

**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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Income Tax Status

No federal income taxes are applicable as the corporation has received tax-exempt status by the Internal Revenue Service under Code Section 501(c)(3) and has been recognized as non-profit by the State of Ohio. Therefore, no tax provisions have been made in the accompanying financial statements.

Estimates

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that reflect amounts and disclosures, accordingly, actual results could differ from those estimates.

B. Donated Services, Equipment and Facilities

The Muskingum County Board of MR/DD made in-kind contributions to the Muskingum Starlight Industries, Inc. Workshop. The in-kind contributions as of December 31, 2004 and 2003 were \$120,512 and \$100,189 respectively.

C. Deferred Income

The Muskingum Starlight Industries, Inc. workshop serves as an agent for funds received from the State of Ohio to serve the Family Resource Program. However, another party serves as the administrator of this program. All monies are received by the administrator of this program and released by request to the workshop for disbursement to qualified families. Any unexpended monies remaining at year end are recorded as deferred income and are considered to be unrestricted net assets.

D. Financial Accounts with Off-Balance Sheet Risk

The company has maintained an account in excess of the federally insured maximum of \$100,000 by the Federal Deposit Insurance Corporation (FDIC).



**Muskingum County, Ohio**

**Notes to the Basic Financial Statements  
December 31, 2004**

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**Combining Statements  
and  
Individual Fund Schedules**

## NONMAJOR GOVERNMENTAL FUNDS

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### Nonmajor Special Revenue Funds

The special revenue funds account for those financial resources that are restricted by legal, regulatory, or administrative action to finance particular functions or activities of the County. The following are reported as nonmajor 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.

Childrens' Services Trust Fund - To account for bequests left for the purpose of maintaining the County Children's Home.

SBC Foundation Grant Fund - To account for a foundation grant used to support the Family and Workforce Center (One Stop) Program which will interconnect the family, health, education, employment, and training programs of the County government to increase operational efficiency and improve overall customer services.

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.

Redevelopment Tax Equivalent Fund - To account for money received pursuant to a tax increment financing agreement between the County and a local vendor to be used for expenses incurred during the construction of an adjoining road.

Drug Abuse Resistance Education (DARE) Fund - To account for the education of school children regarding drug abuse conducted by the Sheriff's Department.

Miscellaneous Federal Grants Fund - To account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. The individual funds are maintained separately on the County's books.

Mediation Project Phase III Fund - To account for state grants used in the mediation program associated with the Common Pleas Court.

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.

Homeland Security Fund - To account for federal grants used to strengthen county-level capability to respond effectively to weapons of mass destruction and all hazard incidences in Muskingum County.

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.

(continued)

## NONMAJOR GOVERNMENTAL FUNDS (Continued)

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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.

Litter Prevention Fund - To account for a state grant to enforce litter laws and educate citizens.

Ohio Childrens Trust Fund - To account for state grants to promote the prevention of child abuse and neglect in the County for children ages 0-5 and their families.

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.

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.

Hazardous Response and Education Fund - To account for fees charged in the administration of hazardous materials incidents assistance.

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.

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.

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## NONMAJOR GOVERNMENTAL FUNDS (Continued)

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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.

Sheriff 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 a County-wide property 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.

County Court Special Projects Fund - To account for money received by the County Court from fees and charges over and above normal court costs to be utilized for special projects of the court.

Transportation Improvement District (TID) Escrow Fund - To account for non-tax revenues set aside for the purpose of a loan guaranty.

Juvenile Detention Fund - To account for state and federal grants used in the operation and maintenance of the Detention Facility.

Concealed Weapon Fund - To account for fees collected from the issuance or renewal of license to carry a concealed handgun. These monies are used for costs incurred by the sheriff in connection with issuing these licenses or costs associated with handgun safety education programs.

### Nonmajor 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 are reported as nonmajor 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.

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 debt and related revenue activity. For GAAP reporting, this activity is reflected in the Sewer enterprise fund.

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## NONMAJOR GOVERNMENTAL FUNDS (Continued)

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Water Debt Service Fund - To account for the repayment of debt and related revenue activity. For GAAP reporting, this activity is reflected in the Water enterprise fund.

### Nonmajor 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). The following are reported as nonmajor capital projects funds:

STAR Region 8 Fund - To account for federal homeland security revenue to be used for equipment for a ten-county Southeast Ohio Search and Rescue Team.

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

Maysville School Fund - To account for money from the sale of bonds to be used to purchase the Maysville School.

Job and Family Services Renovation Fund - To account for note proceeds to be used in the renovations of the Job and Family Services building.

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.

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

Records Building Fund - To account for bond proceeds used to perform renovations at the County records building.

State Route 60 Project Fund - To account for transfers from the Economic Development capital project 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.

Energy Conservation Fund - To account for loan proceeds used to renovate the Starlight school and workshop. This fund will also reflect the tax revenue to be used for the debt payments associated with this loan.

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## NONMAJOR GOVERNMENTAL FUNDS (Continued)

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Work Release Facility Fund - To account for the costs incurred in remodeling the county work release facility.

Emergency Operations Center Fund - To account for donations used in the construction of a new disaster center.

Mitchell Lane Fund - To account for the contractual activity associated with the extension of an existing road. The upkeep and maintenance will then be turned over to the township.

Salt Creek Drive Fund - To account for federal and local match monies used in the resurfacing of Salt Creek Drive.

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$6,499,298	\$577,383	\$2,904,830	\$9,981,511
Cash and Cash Equivalents in Segregated Accounts	68,868	0	0	68,868
Restricted Cash and Cash Equivalents	925,000	0	0	925,000
Receivables:				
Property and Other Taxes	4,863,367	0	0	4,863,367
Payments in Lieu of Taxes	356,982	0	94,436	451,418
Accounts	36,079	0	0	36,079
Intergovernmental	1,028,734	0	0	1,028,734
Special Assessments	0	1,622,779	0	1,622,779
Loans	0	379,894	0	379,894
Due from Component Unit	0	0	870,000	870,000
Materials and Supplies Inventory	46,478	0	0	46,478
Prepaid Items	5,841	0	0	5,841
<i>Total Assets</i>	<u>\$13,830,647</u>	<u>\$2,580,056</u>	<u>\$3,869,266</u>	<u>\$20,279,969</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$46,431	\$0	\$0	\$46,431
Contracts Payable	143,982	0	0	143,982
Accrued Interest Payable	0	0	8,102	8,102
Accrued Wages and Benefits	335,667	0	0	335,667
Interfund Payable	425,670	6,416	0	432,086
Intergovernmental Payable	221,609	0	30	221,639
Notes Payable	0	0	1,707,123	1,707,123
Deferred Revenue	6,164,972	1,622,779	0	7,787,751
<i>Total Liabilities</i>	<u>7,338,331</u>	<u>1,629,195</u>	<u>1,715,255</u>	<u>10,682,781</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	385,677	550	39,614	425,841
Reserved for Loans	0	379,894	0	379,894
Reserved for Loan Guarantee	925,000	0	0	925,000
Reserved for Long -Term Contracts Payable	607,974	0	0	607,974
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	4,573,665	0	0	4,573,665
Debt Service Funds	0	570,417	0	570,417
Capital Projects Funds	0	0	2,114,397	2,114,397
<i>Total Fund Balances</i>	<u>6,492,316</u>	<u>950,861</u>	<u>2,154,011</u>	<u>9,597,188</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$13,830,647</u>	<u>\$2,580,056</u>	<u>\$3,869,266</u>	<u>\$20,279,969</u>



Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2004

	Dog and Kennel	Child Support Enforcement Agency	Childrens' Services Trust	SBC Foundation Grant
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$29,476	\$188,373	\$148,845	\$330
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Restricted Cash and Cash Equivalents	0	0	0	0
Receivables:				
Property and Other Taxes	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Materials and Supplies Inventory	0	3,638	0	0
Prepaid Items	0	117	0	0
<i>Total Assets</i>	<u>\$29,476</u>	<u>\$192,128</u>	<u>\$148,845</u>	<u>\$330</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$2,352	\$3,042	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	5,172	109,043	0	0
Interfund Payable	0	130,529	0	0
Intergovernmental Payable	2,657	108,105	0	0
Deferred Revenue	0	308,976	0	0
<i>Total Liabilities</i>	<u>10,181</u>	<u>659,695</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	100	118,964	0	330
Reserved for Loan Guarantee	0	0	0	0
Reserved for Long -Term Contracts Payable	0	0	0	0
Unreserved:				
Undesignated (Deficit)	19,195	(586,531)	148,845	0
<i>Total Fund Balances (Deficit)</i>	<u>19,295</u>	<u>(467,567)</u>	<u>148,845</u>	<u>330</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$29,476</u>	<u>\$192,128</u>	<u>\$148,845</u>	<u>\$330</u>

(continued)

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds (Continued)  
December 31, 2004

	County Home Levy	Real Estate Assessment	Redevelopment Tax Equivalent	Drug Abuse Resistance Education (DARE)	Miscellaneous Federal Grants
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$125,601	\$1,051,159	\$404,584	\$18,246	\$80,788
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Restricted Cash and Cash Equivalents	0	0	0	0	0
Receivables:					
Property and Other Taxes	2,208,572	0	0	0	0
Payments in Lieu of Taxes Accounts	69,763 0	0 0	203,390 0	0 0	0 0
Intergovernmental	108,699	743	0	0	314,415
Materials and Supplies Inventory	6,484	0	0	0	0
Prepaid Items	0	5,724	0	0	0
<i>Total Assets</i>	<u>\$2,519,119</u>	<u>\$1,057,626</u>	<u>\$607,974</u>	<u>\$18,246</u>	<u>\$395,203</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$30,853	\$0	\$0	\$0	\$0
Contracts Payable	0	143,982	0	0	0
Accrued Wages and Benefits	109,207	6,767	0	0	7,580
Interfund Payable	0	0	0	0	247,999
Intergovernmental Payable	52,139	3,403	0	376	3,737
Deferred Revenue	2,358,108	743	0	0	273,070
<i>Total Liabilities</i>	<u>2,550,307</u>	<u>154,895</u>	<u>0</u>	<u>376</u>	<u>532,386</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	569	150,038	0	0	0
Reserved for Loan Guarantee	0	0	0	0	0
Reserved for Long-Term Contracts Payable	0	0	607,974	0	0
Unreserved:					
Undesignated (Deficit)	(31,757)	752,693	0	17,870	(137,183)
<i>Total Fund Balances (Deficit)</i>	<u>(31,188)</u>	<u>902,731</u>	<u>607,974</u>	<u>17,870</u>	<u>(137,183)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,519,119</u>	<u>\$1,057,626</u>	<u>\$607,974</u>	<u>\$18,246</u>	<u>\$395,203</u>

Delinquent Real Estate Tax and Assessment Collection	Homeland Security	Tuberculosis Clinic	Youth Services	Block Grants	Computer Legal Research	Community Correction
\$397,647	\$0	\$570,631	\$8,755	\$51,170	\$64,542	\$10,133
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	441,715	0	0	0	0
0	0	13,953	0	0	0	0
0	0	0	0	0	20,297	0
0	161,998	21,740	28,951	99,324	0	107,554
0	0	2,987	0	646	0	0
0	0	0	0	0	0	0
<u>\$397,647</u>	<u>\$161,998</u>	<u>\$1,051,026</u>	<u>\$37,706</u>	<u>\$151,140</u>	<u>\$84,839</u>	<u>\$117,687</u>
\$0	\$0	\$1,559	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
5,799	0	12,968	0	0	0	8,273
0	35,149	0	0	0	0	0
3,035	0	6,467	0	898	0	4,116
0	161,998	471,623	28,951	53,148	20,297	53,777
<u>8,834</u>	<u>197,147</u>	<u>492,617</u>	<u>28,951</u>	<u>54,046</u>	<u>20,297</u>	<u>66,166</u>
3,651	0	41,464	0	56,888	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>385,162</u>	<u>(35,149)</u>	<u>516,945</u>	<u>8,755</u>	<u>40,206</u>	<u>64,542</u>	<u>51,521</u>
<u>388,813</u>	<u>(35,149)</u>	<u>558,409</u>	<u>8,755</u>	<u>97,094</u>	<u>64,542</u>	<u>51,521</u>
<u>\$397,647</u>	<u>\$161,998</u>	<u>\$1,051,026</u>	<u>\$37,706</u>	<u>\$151,140</u>	<u>\$84,839</u>	<u>\$117,687</u>

(continued)

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds (Continued)  
December 31, 2004

	Home Detention (Electronic Monitor)	Litter Prevention	Ohio Childrens Trust	Marriage License	Political Subdivision Housing
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$185,617	\$11,638	\$13,833	\$1,587	\$51,513
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Restricted Cash and Cash Equivalents	0	0	0	0	0
Receivables:					
Property and Other Taxes	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0
Accounts	15,782	0	0	0	0
Intergovernmental	14,895	11,320	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$216,294</u>	<u>\$22,958</u>	<u>\$13,833</u>	<u>\$1,587</u>	<u>\$51,513</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$0	\$1,587	\$0
Contracts Payable	0	0	0	0	0
Accrued Wages and Benefits	3,072	3,660	0	0	0
Interfund Payable	673	11,320	0	0	0
Intergovernmental Payable	1,472	1,813	0	0	0
Deferred Revenue	23,230	11,320	0	0	0
<i>Total Liabilities</i>	<u>28,447</u>	<u>28,113</u>	<u>0</u>	<u>1,587</u>	<u>0</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	868	0	0	0	0
Reserved for Loan Guarantee	0	0	0	0	0
Reserved for Long-Term Contracts Payable	0	0	0	0	0
Unreserved:					
Undesignated (Deficit)	186,979	(5,155)	13,833	0	51,513
<i>Total Fund Balances (Deficit)</i>	<u>187,847</u>	<u>(5,155)</u>	<u>13,833</u>	<u>0</u>	<u>51,513</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$216,294</u>	<u>\$22,958</u>	<u>\$13,833</u>	<u>\$1,587</u>	<u>\$51,513</u>

<u>Indigent Drivers Alcohol Treatment</u>	<u>Probate Conduct of Business</u>	<u>Enforcement and Education</u>	<u>Law Enforcement</u>	<u>Senior Citizens Levy</u>	<u>Felony Delinquent Care and Custody</u>
\$133,774	\$9,511	\$39,525	\$122,035	\$243,938	\$112,953
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	659,413	0
0	0	0	0	17,846	0
0	0	0	0	0	0
5,328	0	0	0	33,498	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$139,102</u>	<u>\$9,511</u>	<u>\$39,525</u>	<u>\$122,035</u>	<u>\$954,695</u>	<u>\$112,953</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	26,738	4,998
0	0	0	0	0	0
0	0	0	0	13,443	3,137
5,328	0	0	0	703,120	0
<u>5,328</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>743,301</u>	<u>8,135</u>
8,003	360	0	900	0	15
0	0	0	0	0	0
0	0	0	0	0	0
<u>125,771</u>	<u>9,151</u>	<u>39,525</u>	<u>121,135</u>	<u>211,394</u>	<u>104,803</u>
<u>133,774</u>	<u>9,511</u>	<u>39,525</u>	<u>122,035</u>	<u>211,394</u>	<u>104,818</u>
<u>\$139,102</u>	<u>\$9,511</u>	<u>\$39,525</u>	<u>\$122,035</u>	<u>\$954,695</u>	<u>\$112,953</u>

(continued)

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds (Continued)  
December 31, 2004

	Drug Law Enforcement	Indigent Guardianship	Victim of Criminals	Family Resources
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$52,460	\$988	\$9,608	\$26,178
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Restricted Cash and Cash Equivalents	0	0	0	0
Receivables:				
Property and Other Taxes	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	0	0	18,496	26,178
Materials and Supplies Inventory	0	0	0	0
Prepaid Items	0	0	0	0
<i>Total Assets</i>	<u>\$52,460</u>	<u>\$988</u>	<u>\$28,104</u>	<u>\$52,356</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	0	0	2,185	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	0	0	745	0
Deferred Revenue	0	0	18,496	13,089
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>21,426</u>	<u>13,089</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	0	0
Reserved for Loan Guarantee	0	0	0	0
Reserved for Long-Term Contracts Payable	0	0	0	0
Unreserved:				
Undesignated (Deficit)	52,460	988	6,678	39,267
<i>Total Fund Balances (Deficit)</i>	<u>52,460</u>	<u>988</u>	<u>6,678</u>	<u>39,267</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$52,460</u>	<u>\$988</u>	<u>\$28,104</u>	<u>\$52,356</u>

<u>Sheriff Commissary</u>	<u>Children Services Christmas</u>	<u>Mental Health Levy</u>	<u>Certificate of Title Administration</u>	<u>Sheriff Levy</u>	<u>County Court Special Projects</u>
\$0	\$0	\$46,174	\$797,321	\$382,933	\$193,421
9,664	59,204	0	0	0	0
0	0	0	0	0	0
0	0	1,103,463	0	450,204	0
0	0	34,882	0	17,148	0
0	0	0	0	0	0
0	0	54,299	192	21,104	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>9,664</u>	<u>59,204</u>	<u>1,238,818</u>	<u>797,513</u>	<u>871,389</u>	<u>193,421</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	6,825	21,246	2,134
0	0	0	0	0	0
0	0	0	3,344	11,161	725
0	0	1,178,181	0	481,517	0
<u>0</u>	<u>0</u>	<u>1,178,181</u>	<u>10,169</u>	<u>513,924</u>	<u>2,859</u>
0	0	0	3,527	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>9,664</u>	<u>59,204</u>	<u>60,637</u>	<u>783,817</u>	<u>357,465</u>	<u>190,562</u>
<u>9,664</u>	<u>59,204</u>	<u>60,637</u>	<u>787,344</u>	<u>357,465</u>	<u>190,562</u>
<u>9,664</u>	<u>59,204</u>	<u>1,238,818</u>	<u>797,513</u>	<u>871,389</u>	<u>193,421</u>

(continued)

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds (Continued)  
December 31, 2004

	Transportation Improvement District (TID) Escrow	Juvenile Detention	Concealed Weapon	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$785,987	\$118,479	\$9,545	\$6,499,298
Cash and Cash Equivalents in Segregated Accounts	0	0	0	68,868
Restricted Cash and Cash Equivalents	925,000	0	0	925,000
Receivables:				
Property and Other Taxes	0	0	0	4,863,367
Payments in Lieu of Taxes	0	0	0	356,982
Accounts	0	0	0	36,079
Intergovernmental	0	0	0	1,028,734
Materials and Supplies Inventory	0	32,723	0	46,478
Prepaid Items	0	0	0	5,841
<i>Total Assets</i>	<u>\$1,710,987</u>	<u>\$151,202</u>	<u>\$9,545</u>	<u>\$13,830,647</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$7,038	\$0	\$46,431
Contracts Payable	0	0	0	143,982
Accrued Wages and Benefits	0	0	0	335,667
Interfund Payable	0	0	0	425,670
Intergovernmental Payable	0	836	0	221,609
Deferred Revenue	0	0	0	6,164,972
<i>Total Liabilities</i>	<u>0</u>	<u>7,874</u>	<u>0</u>	<u>7,338,331</u>
<b>Fund Balance</b>				
Reserved for Encumbrances	0	0	0	385,677
Reserved for Loan Guarantee	925,000	0	0	925,000
Reserved for Long-Term Contracts Payable	0	0	0	607,974
Unreserved:				
Undesignated (Deficit)	785,987	143,328	9,545	4,573,665
<i>Total Fund Balances (Deficit)</i>	<u>1,710,987</u>	<u>143,328</u>	<u>9,545</u>	<u>6,492,316</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,710,987</u>	<u>\$151,202</u>	<u>\$9,545</u>	<u>\$13,830,647</u>



Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2004

	Debt Service	Special Assessment Debt Service	Total Nonmajor Debt Service Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$280,409	\$296,974	\$577,383
Receivables:			
Special Assessments	0	1,622,779	1,622,779
Loans	379,894	0	379,894
<i>Total Assets</i>	<u>\$660,303</u>	<u>\$1,919,753</u>	<u>\$2,580,056</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Interfund Payable	\$0	\$6,416	\$6,416
Deferred Revenue	0	1,622,779	1,622,779
<i>Total Liabilities</i>	0	1,629,195	1,629,195
<b>Fund Balances</b>			
Reserved for Encumbrances	550	0	550
Reserved for Loans	379,894	0	379,894
Unreserved:			
Undesignated	279,859	290,558	570,417
<i>Total Fund Balances</i>	660,303	290,558	950,861
<i>Total Liabilities and Fund Balances</i>	<u>\$660,303</u>	<u>\$1,919,753</u>	<u>\$2,580,056</u>

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2004

	<u>Issue II</u>	<u>Job and Family Services Renovation</u>	<u>Starlight Permanent Improvements</u>	<u>Recorder Equipment</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,425	\$850,000	\$727,637	\$322,540
Payments in Lieu of Taxes Receivable	0	0	0	0
Due from Component Unit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$2,425</u></u>	<u><u>\$850,000</u></u>	<u><u>\$727,637</u></u>	<u><u>\$322,540</u></u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accrued Interest Payable	\$0	\$2,292	\$0	\$0
Intergovernmental Payable	0	0	0	0
Notes Payable	<u>437,829</u>	<u>850,000</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>437,829</u>	<u>852,292</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	2,000	14,970
Unreserved:				
Undesignated (Deficit)	<u>(435,404)</u>	<u>(2,292)</u>	<u>725,637</u>	<u>307,570</u>
<i>Total Fund Balances (Deficit)</i>	<u>(435,404)</u>	<u>(2,292)</u>	<u>727,637</u>	<u>322,540</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$2,425</u></u>	<u><u>\$850,000</u></u>	<u><u>\$727,637</u></u>	<u><u>\$322,540</u></u>

<u>Court Computer</u>	<u>Brandywine Loop Construction</u>	<u>Economic Development</u>	<u>Records Building</u>	<u>State Route 60 Project</u>	<u>Law Enforcement Block Grant</u>	<u>Energy Conservation</u>
\$406,608	\$330	\$155,845	\$4,576	\$0	\$34,986	\$361,781
0	94,436	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>870,000</u>	<u>0</u>	<u>0</u>
<u>\$406,608</u>	<u>\$94,766</u>	<u>\$155,845</u>	<u>\$4,576</u>	<u>\$870,000</u>	<u>\$34,986</u>	<u>\$361,781</u>
\$0	\$278	\$0	\$0	\$0	\$0	\$5,532
30	0	0	0	0	0	0
<u>0</u>	<u>103,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>316,294</u>
<u>30</u>	<u>103,278</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>321,826</u>
8,035	0	0	0	0	14,609	0
<u>398,543</u>	<u>(8,512)</u>	<u>155,845</u>	<u>4,576</u>	<u>870,000</u>	<u>20,377</u>	<u>39,955</u>
<u>406,578</u>	<u>(8,512)</u>	<u>155,845</u>	<u>4,576</u>	<u>870,000</u>	<u>34,986</u>	<u>39,955</u>
<u>\$406,608</u>	<u>\$94,766</u>	<u>\$155,845</u>	<u>\$4,576</u>	<u>\$870,000</u>	<u>\$34,986</u>	<u>\$361,781</u>

(continued)

Muskingum County, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds (Continued)  
December 31, 2004

	Emergency Operations Center	Mitchell Lane	Salt Creek Drive	Total Nonmajor Capital Projects Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$36,664	\$41	\$1,397	\$2,904,830
Payments in Lieu of Taxes Receivable	0	0	0	94,436
Due from Component Unit	0	0	0	870,000
<i>Total Assets</i>	<u>\$36,664</u>	<u>\$41</u>	<u>\$1,397</u>	<u>\$3,869,266</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accrued Interest Payable	\$0	\$0	\$0	\$8,102
Intergovernmental Payable	0	0	0	30
Notes Payable	0	0	0	1,707,123
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,715,255</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	0	39,614
Unreserved:				
Undesignated (Deficit)	36,664	41	1,397	2,114,397
<i>Total Fund Balances (Deficit)</i>	<u>36,664</u>	<u>41</u>	<u>1,397</u>	<u>2,154,011</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$36,664</u>	<u>\$41</u>	<u>\$1,397</u>	<u>\$3,869,266</u>

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property and Other Taxes	\$4,361,541	\$0	\$0	\$4,361,541
Special Assessments	0	81,692	0	81,692
Charges for Services	2,161,719	0	79,451	2,241,170
Licenses and Permits	499,208	0	0	499,208
Fines and Forfeitures	103,962	0	75,641	179,603
Intergovernmental	4,564,039	18,348	721,247	5,303,634
Interest	2,076	76,379	12	78,467
Payments in Lieu of Taxes	245,268	0	94,436	339,704
Rent	0	565,208	0	565,208
Contributions and Donations	3,492	0	0	3,492
Other	202,133	6	0	202,139
<i>Total Revenues</i>	<u>12,143,438</u>	<u>741,633</u>	<u>970,787</u>	<u>13,855,858</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	924,401	0	0	924,401
Judicial	84,441	0	62,996	147,437
Public Safety	2,013,854	0	867,812	2,881,666
Public Works	1,369,265	0	14,568	1,383,833
Health	678,855	0	0	678,855
Human Services	7,875,815	0	81,238	7,957,053
Economic Development and Assistance	0	0	273,474	273,474
Capital Outlay	0	0	972,657	972,657
Intergovernmental	1,165,492	0	255,834	1,421,326
Debt Service:				
Principal Retirement	1,426	1,084,181	0	1,085,607
Interest and Fiscal Charges	496	805,859	35,506	841,861
<i>Total Expenditures</i>	<u>14,114,045</u>	<u>1,890,040</u>	<u>2,564,085</u>	<u>18,568,170</u>
<i>Excess of Revenues</i>				
<i>  Under Expenditures</i>	<u>(1,970,607)</u>	<u>(1,148,407)</u>	<u>(1,593,298)</u>	<u>(4,712,312)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,745,483	1,203,295	2,186,092	6,134,870
Transfers Out	(2,999)	0	(1,149,065)	(1,152,064)
<i>Total Other Financing Sources (Uses)</i>	<u>2,742,484</u>	<u>1,203,295</u>	<u>1,037,027</u>	<u>4,982,806</u>
<i>Net Changes in Fund Balances</i>	771,877	54,888	(556,271)	270,494
Fund Balances at Beginning of Year	<u>5,720,439</u>	<u>895,973</u>	<u>2,710,282</u>	<u>9,326,694</u>
<i>Fund Balances at End of Year</i>	<u>\$6,492,316</u>	<u>\$950,861</u>	<u>\$2,154,011</u>	<u>\$9,597,188</u>

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2004

	Dog and Kennel	Child Support Enforcement Agency	Childrens' Services Trust	SBC Foundation Grant	County Home Levy
<b>Revenues</b>					
Property and Other Taxes	\$0	\$0	\$0	\$0	\$2,014,852
Charges for Services	27,071	275,536	0	0	721,587
Licenses and Permits	106,075	0	0	0	0
Fines and Forfeitures	4,963	0	0	0	0
Intergovernmental	0	2,073,603	0	0	281,823
Interest	0	0	2,018	0	0
Payments in Lieu of Taxes	0	0	0	0	19,004
Contributions and Donations	0	0	169	0	1,667
Other	30	116,997	0	0	13,726
<i>Total Revenues</i>	<u>138,139</u>	<u>2,466,136</u>	<u>2,187</u>	<u>0</u>	<u>3,052,659</u>
<b>Expenditures</b>					
Current:					
General Government:					
Legislative and Executive	0	0	0	24,670	0
Judicial	0	0	0	0	0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health	172,375	0	0	0	0
Human Services	0	4,014,149	0	0	3,080,184
Intergovernmental	0	0	0	0	0
Debt Service:					
Principal Retirement	0	1,426	0	0	0
Interest and Fiscal Charges	0	496	0	0	0
<i>Total Expenditures</i>	<u>172,375</u>	<u>4,016,071</u>	<u>0</u>	<u>24,670</u>	<u>3,080,184</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(34,236)</u>	<u>(1,549,935)</u>	<u>2,187</u>	<u>(24,670)</u>	<u>(27,525)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	44,264	758,188	0	0	460
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>44,264</u>	<u>758,188</u>	<u>0</u>	<u>0</u>	<u>460</u>
<i>Net Changes in Fund Balances</i>	10,028	(791,747)	2,187	(24,670)	(27,065)
Fund Balances (Deficits) at					
Beginning of Year	<u>9,267</u>	<u>324,180</u>	<u>146,658</u>	<u>25,000</u>	<u>(4,123)</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$19,295</u></u>	<u><u>(\$467,567)</u></u>	<u><u>\$148,845</u></u>	<u><u>\$330</u></u>	<u><u>(\$31,188)</u></u>

<u>Real Estate Assessment</u>	<u>Redevelopment Tax Equivalent</u>	<u>Drug Abuse Resistance Education (DARE)</u>	<u>Miscellaneous Federal Grants</u>	<u>Mediation Project Phase III</u>	<u>Delinquent Real Estate Tax and Assessment Collection</u>	<u>Homeland Security</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0
623,314	0	0	0	0	180,863	0
0	0	0	0	0	0	0
1,510	0	0	0	0	0	0
0	0	12,235	140,269	0	0	323,476
0	0	0	0	0	0	0
0	203,390	0	0	0	0	0
0	0	1,656	0	0	0	0
0	0	0	0	0	0	0
<u>624,824</u>	<u>203,390</u>	<u>13,891</u>	<u>140,269</u>	<u>0</u>	<u>180,863</u>	<u>323,476</u>
565,731	0	0	0	0	175,335	0
0	0	0	0	1,367	0	0
0	0	54,678	393,957	0	0	358,625
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
<u>565,731</u>	<u>0</u>	<u>54,678</u>	<u>393,957</u>	<u>1,367</u>	<u>175,335</u>	<u>358,625</u>
<u>59,093</u>	<u>203,390</u>	<u>(40,787)</u>	<u>(253,688)</u>	<u>(1,367)</u>	<u>5,528</u>	<u>(35,149)</u>
0	0	35,000	79,186	0	0	0
0	0	0	0	0	0	0
0	0	35,000	79,186	0	0	0
59,093	203,390	(5,787)	(174,502)	(1,367)	5,528	(35,149)
843,638	404,584	23,657	37,319	1,367	383,285	0
<u>\$902,731</u>	<u>\$607,974</u>	<u>\$17,870</u>	<u>(\$137,183)</u>	<u>\$0</u>	<u>\$388,813</u>	<u>(\$35,149)</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds (Continued)  
For the Year Ended December 31, 2004

	Tuberculosis Clinic	Youth Services	Block Grants	Computer Legal Research
<b>Revenues</b>				
Property and Other Taxes	\$390,520	\$0	\$0	\$0
Charges for Services	1,725	0	0	11,188
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	238,350	42,417	419,913	0
Interest	0	0	0	0
Payments in Lieu of Taxes	3,801	0	0	0
Contributions and Donations	0	0	0	0
Other	30,115	0	3,148	0
<i>Total Revenues</i>	<u>664,511</u>	<u>42,417</u>	<u>423,061</u>	<u>11,188</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	2,063
Public Safety	0	33,903	0	0
Public Works	0	0	377,540	0
Health	479,638	0	0	0
Human Services	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
<i>Total Expenditures</i>	<u>479,638</u>	<u>33,903</u>	<u>377,540</u>	<u>2,063</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>184,873</u>	<u>8,514</u>	<u>45,521</u>	<u>9,125</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	19,556	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>19,556</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	184,873	8,514	65,077	9,125
Fund Balances (Deficits) at Beginning of Year	<u>373,536</u>	<u>241</u>	<u>32,017</u>	<u>55,417</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$558,409</u></u>	<u><u>\$8,755</u></u>	<u><u>\$97,094</u></u>	<u><u>\$64,542</u></u>



Community Correction	Home Detention (Electronic Monitor)	Litter Prevention	Ohio Childrens Trust	Marriage License	Political Subdivision Housing	Indigent Drivers Alcohol Treatment
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	39,120	0	0	0	0	0
0	0	0	0	24,764	0	0
0	0	0	0	0	31,257	19,820
267,545	29,698	66,600	27,665	0	0	240
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
<u>267,545</u>	<u>68,818</u>	<u>66,600</u>	<u>27,665</u>	<u>24,764</u>	<u>31,257</u>	<u>20,060</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
222,093	74,924	0	0	0	0	0
0	0	82,833	0	0	0	0
0	0	0	0	26,842	0	0
0	0	0	16,509	0	0	12,312
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>222,093</u>	<u>74,924</u>	<u>82,833</u>	<u>16,509</u>	<u>26,842</u>	<u>0</u>	<u>12,312</u>
<u>45,452</u>	<u>(6,106)</u>	<u>(16,233)</u>	<u>11,156</u>	<u>(2,078)</u>	<u>31,257</u>	<u>7,748</u>
0	74,179	29,194	0	0	0	0
0	0	(1,783)	0	0	0	0
0	74,179	27,411	0	0	0	0
45,452	68,073	11,178	11,156	(2,078)	31,257	7,748
<u>6,069</u>	<u>119,774</u>	<u>(16,333)</u>	<u>2,677</u>	<u>2,078</u>	<u>20,256</u>	<u>126,026</u>
<u>\$51,521</u>	<u>\$187,847</u>	<u>(\$5,155)</u>	<u>\$13,833</u>	<u>\$0</u>	<u>\$51,513</u>	<u>\$133,774</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds (Continued)  
For the Year Ended December 31, 2004

	Probate Conduct of Business	Enforcement and Education	Law Enforcement	Hazardous Response and Education
<b>Revenues</b>				
Property and Other Taxes	\$0	\$0	\$0	\$0
Charges for Services	668	0	0	0
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	4,734	36,490	0
Intergovernmental	0	0	0	500
Interest	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Contributions and Donations	0	0	0	0
Other	0	0	28,243	0
<i>Total Revenues</i>	<u>668</u>	<u>4,734</u>	<u>64,733</u>	<u>500</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	2,590	0	0	1,000
Public Safety	0	0	14,481	0
Public Works	0	0	0	0
Health	0	0	0	0
Human Services	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
<i>Total Expenditures</i>	<u>2,590</u>	<u>0</u>	<u>14,481</u>	<u>1,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,922)</u>	<u>4,734</u>	<u>50,252</u>	<u>(500)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	(1,216)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(1,216)</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	(1,922)	4,734	49,036	(500)
Fund Balances (Deficits) at				
Beginning of Year	<u>11,433</u>	<u>34,791</u>	<u>72,999</u>	<u>500</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$9,511</u></u>	<u><u>\$39,525</u></u>	<u><u>\$122,035</u></u>	<u><u>\$0</u></u>

Senior Citizens Levy	Felony Delinquent Care and Custody	Drug Law Enforcement	Indigent Guardianship	Victim of Criminals	Family Resources
\$581,439	\$0	\$0	\$0	\$0	\$0
0	0	0	16,554	0	0
0	0	0	0	0	0
0	0	5,188	0	0	0
82,751	141,560	0	0	27,741	52,941
0	0	0	0	0	0
5,000	0	0	0	0	0
0	0	0	0	0	0
3,458	0	0	0	0	0
<u>672,648</u>	<u>141,560</u>	<u>5,188</u>	<u>16,554</u>	<u>27,741</u>	<u>52,941</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	142,276	2,350	0	38,069	0
0	0	0	0	0	0
0	0	0	0	0	0
649,369	0	0	19,284	0	78,894
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>649,369</u>	<u>142,276</u>	<u>2,350</u>	<u>19,284</u>	<u>38,069</u>	<u>78,894</u>
<u>23,279</u>	<u>(716)</u>	<u>2,838</u>	<u>(2,730)</u>	<u>(10,328)</u>	<u>(25,953)</u>
1,010	0	0	0	567	0
0	0	0	0	0	0
<u>1,010</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>567</u>	<u>0</u>
24,289	(716)	2,838	(2,730)	(9,761)	(25,953)
<u>187,105</u>	<u>105,534</u>	<u>49,622</u>	<u>3,718</u>	<u>16,439</u>	<u>65,220</u>
<u>\$211,394</u>	<u>\$104,818</u>	<u>\$52,460</u>	<u>\$988</u>	<u>\$6,678</u>	<u>\$39,267</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds (Continued)  
For the Year Ended December 31, 2004

	Sheriff Commissary	Children Services Christmas	Mental Health Levy	Certificate of Title Administration
<b>Revenues</b>				
Property and Other Taxes	\$0	\$0	\$975,575	\$0
Charges for Services	176,588	0	0	0
Licenses and Permits	0	0	0	350,609
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	0	200,315	0
Interest	0	58	0	0
Payments in Lieu of Taxes	0	0	9,502	0
Contributions and Donations	0	0	0	0
Other	0	6,416	0	0
<i>Total Revenues</i>	<u>176,588</u>	<u>6,474</u>	<u>1,185,392</u>	<u>350,609</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative and Executive	0	0	0	158,665
Judicial	0	0	0	0
Public Safety	180,707	0	0	0
Public Works	0	0	0	0
Health	0	0	0	0
Human Services	0	5,114	0	0
Intergovernmental	0	0	1,165,492	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>180,707</u>	<u>5,114</u>	<u>1,165,492</u>	<u>158,665</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,119)</u>	<u>1,360</u>	<u>19,900</u>	<u>191,944</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	(4,119)	1,360	19,900	191,944
Fund Balances (Deficits) at Beginning of Year	<u>13,783</u>	<u>57,844</u>	<u>40,737</u>	<u>595,400</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$9,664</u>	<u>\$59,204</u>	<u>\$60,637</u>	<u>\$787,344</u>

Sheriff Levy	County Court Special Projects	Transportation Improvement District (TID) Escrow	Juvenile Detention	Concealed Weapon	Total Nonmajor Special Revenue Funds
\$399,155	\$0	\$0	\$0	\$0	\$4,361,541
0	87,505	0	0	0	2,161,719
0	0	0	0	17,760	499,208
0	0	0	0	0	103,962
58,640	0	0	75,757	0	4,564,039
0	0	0	0	0	2,076
4,571	0	0	0	0	245,268
0	0	0	0	0	3,492
0	0	0	0	0	202,133
<u>462,366</u>	<u>87,505</u>	<u>0</u>	<u>75,757</u>	<u>17,760</u>	<u>12,143,438</u>
0	0	0	0	0	924,401
0	27,274	0	50,147	0	84,441
480,576	0	0	0	17,215	2,013,854
0	0	908,892	0	0	1,369,265
0	0	0	0	0	678,855
0	0	0	0	0	7,875,815
0	0	0	0	0	1,165,492
0	0	0	0	0	1,426
0	0	0	0	0	496
<u>480,576</u>	<u>27,274</u>	<u>908,892</u>	<u>50,147</u>	<u>17,215</u>	<u>14,114,045</u>
<u>(18,210)</u>	<u>60,231</u>	<u>(908,892)</u>	<u>25,610</u>	<u>545</u>	<u>(1,970,607)</u>
0	0	1,694,879	0	9,000	2,745,483
0	0	0	0	0	(2,999)
0	0	1,694,879	0	9,000	2,742,484
(18,210)	60,231	785,987	25,610	9,545	771,877
<u>375,675</u>	<u>130,331</u>	<u>925,000</u>	<u>117,718</u>	<u>0</u>	<u>5,720,439</u>
<u>\$357,465</u>	<u>\$190,562</u>	<u>\$1,710,987</u>	<u>\$143,328</u>	<u>\$9,545</u>	<u>\$6,492,316</u>

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2004

	Debt Service	Special Assessment Debt Service	Total Nonmajor Debt Service Funds
<b>Revenues</b>			
Special Assessments	\$0	\$81,692	\$81,692
Intergovernmental	18,348	0	18,348
Interest	222	76,157	76,379
Rent	565,208	0	565,208
Other	6	0	6
<i>Total Revenues</i>	583,784	157,849	741,633
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	985,000	99,181	1,084,181
Interest and Fiscal Charges	733,452	72,407	805,859
<i>Total Expenditures</i>	1,718,452	171,588	1,890,040
<i>Excess of Revenues Under Expenditures</i>	(1,134,668)	(13,739)	(1,148,407)
<b>Other Financing Source</b>			
Transfers In	1,161,641	41,654	1,203,295
<i>Net Changes in Fund Balances</i>	26,973	27,915	54,888
Fund Balances at Beginning of Year	633,330	262,643	895,973
<i>Fund Balances at End of Year</i>	\$660,303	\$290,558	\$950,861

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2004

	STAR Region 8	Issue II	Maysville School	Job and Family Services Renovation
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$0	\$0
Fines and Forfeitures	0	0	0	0
Intergovernmental	150,468	534,115	0	0
Interest	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
<i>Total Revenues</i>	<u>150,468</u>	<u>534,115</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
General Government:				
Judicial	0	0	0	0
Public Safety	150,468	0	0	0
Public Works	0	0	0	0
Human Services	0	0	0	0
Economic Development and Assistance	0	0	0	0
Capital Outlay	0	801,054	171,603	0
Intergovernmental	0	255,834	0	0
Debt Service:				
Interest and Fiscal Charges	0	9,671	0	2,292
<i>Total Expenditures</i>	<u>150,468</u>	<u>1,066,559</u>	<u>171,603</u>	<u>2,292</u>
<i>Excess of Revenues Over (Under)</i>				
<i>Expenditures</i>	<u>0</u>	<u>(532,444)</u>	<u>(171,603)</u>	<u>(2,292)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	291,756	509,015	0
Transfers Out	0	0	(363,078)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>291,756</u>	<u>145,937</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	0	(240,688)	(25,666)	(2,292)
Fund Balances (Deficit) at				
Beginning of Year	<u>0</u>	<u>(194,716)</u>	<u>25,666</u>	<u>0</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$435,404)</u>	<u>\$0</u>	<u>(\$2,292)</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds (Continued)  
For the Year Ended December 31, 2004

	Starlight Permanent Improvements	Recorder Equipment	Court Computer	Brandywine Loop Construction
<b>Revenues</b>				
Charges for Services	\$0	\$79,451	\$0	\$0
Fines and Forfeitures	0	0	75,641	0
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Payments in Lieu of Taxes	0	0	0	94,436
<i>Total Revenues</i>	<u>0</u>	<u>79,451</u>	<u>75,641</u>	<u>94,436</u>
<b>Expenditures</b>				
Current:				
General Government:				
Judicial	0	0	62,996	0
Public Safety	0	0	0	0
Public Works	0	14,568	0	0
Human Services	81,238	0	0	0
Economic Development and Assistance	0	0	0	0
Capital Outlay	0	0	0	0
Intergovernmental	0	0	0	0
Debt Service:				
Interest and Fiscal Charges	0	0	0	3,178
<i>Total Expenditures</i>	<u>81,238</u>	<u>14,568</u>	<u>62,996</u>	<u>3,178</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(81,238)</u>	<u>64,883</u>	<u>12,645</u>	<u>91,258</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Changes in Fund Balances</i>	(81,238)	64,883	12,645	91,258
Fund Balances (Deficit) at Beginning of Year	<u>808,875</u>	<u>257,657</u>	<u>393,933</u>	<u>(99,770)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$727,637</u></u>	<u><u>\$322,540</u></u>	<u><u>\$406,578</u></u>	<u><u>(\$8,512)</u></u>



Economic Development	Records Building	State Route 60 Project	Law Enforcement Block Grant	Energy Conservation	Work Release Facility
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	12
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>
0	0	0	0	0	0
0	0	0	12,085	0	699,808
0	0	0	0	0	0
0	0	0	0	0	0
273,474	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,365</u>	<u>0</u>
<u>273,474</u>	<u>0</u>	<u>0</u>	<u>12,085</u>	<u>20,365</u>	<u>699,808</u>
<u>(273,474)</u>	<u>0</u>	<u>0</u>	<u>(12,085)</u>	<u>(20,365)</u>	<u>(699,796)</u>
230,808	0	0	1,216	452,226	699,796
0	0	(785,987)	0	0	0
<u>230,808</u>	<u>0</u>	<u>(785,987)</u>	<u>1,216</u>	<u>452,226</u>	<u>699,796</u>
(42,666)	0	(785,987)	(10,869)	431,861	0
<u>198,511</u>	<u>4,576</u>	<u>1,655,987</u>	<u>45,855</u>	<u>(391,906)</u>	<u>0</u>
<u>\$155,845</u>	<u>\$4,576</u>	<u>\$870,000</u>	<u>\$34,986</u>	<u>\$39,955</u>	<u>\$0</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds (Continued)  
For the Year Ended December 31, 2004

	Emergency Operations Center	Mitchell Lane	Salt Creek Drive	Total Nonmajor Capital Projects Funds
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$0	\$79,451
Fines and Forfeitures	0	0	0	75,641
Intergovernmental	36,664	0	0	721,247
Interest	0	0	0	12
Payments in Lieu of Taxes	0	0	0	94,436
<i>Total Revenues</i>	<u>36,664</u>	<u>0</u>	<u>0</u>	<u>970,787</u>
<b>Expenditures</b>				
Current:				
General Government:				
Judicial	0	0	0	62,996
Public Safety	5,451	0	0	867,812
Public Works	0	0	0	14,568
Human Services	0	0	0	81,238
Economic Development and Assistance	0	0	0	273,474
Capital Outlay	0	0	0	972,657
Intergovernmental	0	0	0	255,834
Debt Service:				
Interest and Fiscal Charges	0	0	0	35,506
<i>Total Expenditures</i>	<u>5,451</u>	<u>0</u>	<u>0</u>	<u>2,564,085</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>31,213</u>	<u>0</u>	<u>0</u>	<u>(1,593,298)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,275	0	0	2,186,092
Transfers Out	0	0	0	(1,149,065)
<i>Total Other Financing Sources (Uses):</i>	<u>1,275</u>	<u>0</u>	<u>0</u>	<u>1,037,027</u>
<i>Net Changes in Fund Balances</i>	32,488	0	0	(556,271)
Fund Balances (Deficit) at Beginning of Year	<u>4,176</u>	<u>41</u>	<u>1,397</u>	<u>2,710,282</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$36,664</u>	<u>\$41</u>	<u>\$1,397</u>	<u>\$2,154,011</u>

## INTERNAL SERVICE FUNDS

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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 and claims related to this self-insurance program.

Self-Insurance Workers' Compensation Fund - To account for claims and administrative expenses of the County's workers' compensation retrospective-rating program.

Muskingum County, Ohio  
Combining Statement of Fund Net Assets  
Internal Service Funds  
December 31, 2004

	<u>Self-Insurance Health</u>	<u>Self-Insurance Workers' Compensation</u>	<u>Totals</u>
<b>Assets</b>			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$122,780	\$609,347	\$732,127
<i>Total Assets</i>	<u>122,780</u>	<u>609,347</u>	<u>732,127</u>
<b>Liabilities</b>			
Current Liabilities:			
Claims Payable	1,177,000	21,073	1,198,073
<i>Total Liabilities</i>	<u>1,177,000</u>	<u>21,073</u>	<u>1,198,073</u>
<b>Net Assets</b>			
Unrestricted (Deficit)	(1,054,220)	588,274	(465,946)
<i>Total Net Assets (Deficit)</i>	<u><u>(\$1,054,220)</u></u>	<u><u>\$588,274</u></u>	<u><u>(\$465,946)</u></u>

Muskingum County, Ohio  
Combining Statement of Revenues,  
Expenses, and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2004

	Self-Insurance Health	Self-Insurance Workers' Compensation	Totals
<b>Operating Revenues</b>			
Charges for Services	\$6,333,199	\$0	\$6,333,199
<b>Operating Expenses</b>			
Claims	6,455,097	0	6,455,097
<i>Operating Income (Loss)</i>	(121,898)	0	(121,898)
<b>Non-Operating Revenues</b>			
Other Non-Operating Revenues	37,386	0	37,386
<i>Change in Net Assets</i>	(84,512)	0	(84,512)
Net Assets (Deficit) Beginning of Year	(969,708)	588,274	(381,434)
<i>Net Assets (Deficit) End of Year</i>	<u>(\$1,054,220)</u>	<u>\$588,274</u>	<u>(\$465,946)</u>

Muskingum County, Ohio  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2004

	Self-Insurance Health	Self-Insurance Workers' Compensation	Totals
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Transactions with Other Funds	\$6,333,199	\$0	\$6,333,199
Cash Payments for Claims	(6,323,987)	(4,487)	(6,328,474)
Other Non-Operating Revenues	37,386	0	37,386
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>46,598</u>	<u>(4,487)</u>	<u>42,111</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	46,598	(4,487)	42,111
Cash and Cash Equivalents Beginning of Year	<u>76,182</u>	<u>613,834</u>	<u>690,016</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$122,780</u>	<u>\$609,347</u>	<u>\$732,127</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>			
Operating Income (Loss)	(\$121,898)	\$0	(\$121,898)
Adjustments:			
Other Non-Operating Revenues	37,386	0	37,386
Changes in Liabilities:			
Increase (Decrease) in Claims Payable	<u>131,110</u>	<u>(4,487)</u>	<u>126,623</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$46,598</u>	<u>(\$4,487)</u>	<u>\$42,111</u>

## AGENCY FUNDS

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Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations. The following is a description of the County's agency funds:

Taxes Agency Fund - To account for the collection and distribution of various taxes.

Undivided State Monies Fund - To account for the collection and distribution of local government, local government revenue assistance, gasoline tax, and motor vehicle license monies.

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 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

State of Ohio Fund  
Local Emergency Planning Fund  
Fines Fund  
Escrow Fund  
Law Library Fund  
Hotel Lodging Tax Fund  
Soil and Water Fund  
Sheriff Fund  
County Home Residents Fund  
Children Services Fund

Port Authority Fund  
Family and Children First Fund  
Federally Owned Entitlement  
Land Fund  
Powelson Wildlife Fund  
Bankhead Jones Fund  
Ohio Elections Commission Fund  
Muskingum County Park  
Commission Fund  
Recorder Housing Trust Fund

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Taxes Agency</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,942,037	\$102,196,944	\$101,361,069	\$2,777,912
Receivables:				
Intergovernmental	578,904	784,887	578,904	784,887
Accounts	1,685,769	1,667,657	1,685,769	1,667,657
Property and Other Taxes	48,567,036	49,458,114	48,567,036	49,458,114
<i>Total Assets</i>	<u>\$52,773,746</u>	<u>\$154,107,602</u>	<u>\$152,192,778</u>	<u>\$54,688,570</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$52,773,746	\$154,107,602	\$152,192,778	\$54,688,570
<i>Total Liabilities</i>	<u>\$52,773,746</u>	<u>\$154,107,602</u>	<u>\$152,192,778</u>	<u>\$54,688,570</u>
<b>Undivided State Monies</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$23	\$12,325,375	\$12,236,831	\$88,567
Receivables:				
Permissive Motor Vehicle License Tax	0	3,270	0	3,270
Intergovernmental Receivable	6,400,616	4,218,537	6,400,616	4,218,537
<i>Total Assets</i>	<u>\$6,400,639</u>	<u>\$16,547,182</u>	<u>\$18,637,447</u>	<u>\$4,310,374</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$6,400,639	\$16,547,182	\$18,637,447	\$4,310,374
<i>Total Liabilities</i>	<u>\$6,400,639</u>	<u>\$16,547,182</u>	<u>\$18,637,447</u>	<u>\$4,310,374</u>
<b>Payroll</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$121,211	\$21,301,438	\$21,160,501	\$262,148
<i>Total Assets</i>	<u>\$121,211</u>	<u>\$21,301,438</u>	<u>\$21,160,501</u>	<u>\$262,148</u>
<b>Liabilities</b>				
Undistributed Monies	\$121,211	\$21,301,438	\$21,160,501	\$262,148
<i>Total Liabilities</i>	<u>\$121,211</u>	<u>\$21,301,438</u>	<u>\$21,160,501</u>	<u>\$262,148</u>

(continued)



Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Health</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$933,829	\$6,116,379	\$5,050,510	\$1,999,698
Receivables:				
Intergovernmental	113,085	94,144	113,085	94,144
Property and Other Taxes	2,268,267	1,870,556	2,268,267	1,870,556
Payments in Lieu of Taxes	10,122	55,942	10,122	55,942
<i>Total Assets</i>	<u>\$3,325,303</u>	<u>\$8,137,021</u>	<u>\$7,441,984</u>	<u>\$4,020,340</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$3,325,303	\$8,137,021	\$7,441,984	\$4,020,340
<i>Total Liabilities</i>	<u>\$3,325,303</u>	<u>\$8,137,021</u>	<u>\$7,441,984</u>	<u>\$4,020,340</u>
<b>ADAMH Board</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,197,751	\$18,537,997	\$18,682,322	\$4,053,426
<i>Total Assets</i>	<u>\$4,197,751</u>	<u>\$18,537,997</u>	<u>\$18,682,322</u>	<u>\$4,053,426</u>
<b>Liabilities</b>				
Undistributed Monies	\$4,197,751	\$18,537,997	\$18,682,322	\$4,053,426
<i>Total Liabilities</i>	<u>\$4,197,751</u>	<u>\$18,537,997</u>	<u>\$18,682,322</u>	<u>\$4,053,426</u>
<b>Child Support Enforcement</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$29,646	\$1,293,282	\$1,297,482	\$25,446
<i>Total Assets</i>	<u>\$29,646</u>	<u>\$1,293,282</u>	<u>\$1,297,482</u>	<u>\$25,446</u>
<b>Liabilities</b>				
Undistributed Monies	\$29,646	\$1,293,282	\$1,297,482	\$25,446
<i>Total Liabilities</i>	<u>\$29,646</u>	<u>\$1,293,282</u>	<u>\$1,297,482</u>	<u>\$25,446</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

<b>Court</b>	<u>Balance 1/1/04</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/04</u>
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$727,742	\$12,792,985	\$13,201,678	\$319,049
Investments in Segregated Accounts	100,000	250	250	100,000
Accounts Receivable	119,945	131,735	119,945	131,735
<i>Total Assets</i>	<u>\$947,687</u>	<u>\$12,924,970</u>	<u>\$13,321,873</u>	<u>\$550,784</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$31,445	\$31,735	\$31,445	\$31,735
Undistributed Monies	916,242	12,893,235	13,290,428	519,049
<i>Total Liabilities</i>	<u>\$947,687</u>	<u>\$12,924,970</u>	<u>\$13,321,873</u>	<u>\$550,784</u>
<b>State of Ohio</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$67,164	\$67,164	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$67,164</u>	<u>\$67,164</u>	<u>\$0</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$0	\$67,164	\$67,164	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$67,164</u>	<u>\$67,164</u>	<u>\$0</u>
<b>Local Emergency Planning</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$45,721	\$12,000	\$46,067	\$11,654
<i>Total Assets</i>	<u>\$45,721</u>	<u>\$12,000</u>	<u>\$46,067</u>	<u>\$11,654</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$45,721	\$12,000	\$46,067	\$11,654
<i>Total Liabilities</i>	<u>\$45,721</u>	<u>\$12,000</u>	<u>\$46,067</u>	<u>\$11,654</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Fines</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$37,572	\$491,200	\$496,447	\$32,325
<i>Total Assets</i>	<u>\$37,572</u>	<u>\$491,200</u>	<u>\$496,447</u>	<u>\$32,325</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$37,572	\$491,200	\$496,447	\$32,325
<i>Total Liabilities</i>	<u>\$37,572</u>	<u>\$491,200</u>	<u>\$496,447</u>	<u>\$32,325</u>
<b>Escrow</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$10,560	\$237	\$3,988	\$6,809
<i>Total Assets</i>	<u>\$10,560</u>	<u>\$237</u>	<u>\$3,988</u>	<u>\$6,809</u>
<b>Liabilities</b>				
Undistributed Monies	\$10,560	\$237	\$3,988	\$6,809
<i>Total Liabilities</i>	<u>\$10,560</u>	<u>\$237</u>	<u>\$3,988</u>	<u>\$6,809</u>
<b>Law Library</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$195,275	\$195,275	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$195,275</u>	<u>\$195,275</u>	<u>\$0</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$0	\$195,275	\$195,275	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$195,275</u>	<u>\$195,275</u>	<u>\$0</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Hotel Lodging Tax</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$42,635	\$272,686	\$294,956	\$20,365
Property and Other Taxes Receivable	16,274	19,314	16,274	19,314
<i>Total Assets</i>	<u>\$58,909</u>	<u>\$292,000</u>	<u>\$311,230</u>	<u>\$39,679</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$58,909	\$292,000	\$311,230	\$39,679
<i>Total Liabilities</i>	<u>\$58,909</u>	<u>\$292,000</u>	<u>\$311,230</u>	<u>\$39,679</u>
<b>Soil and Water</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$70,126	\$455,169	\$414,176	\$111,119
<i>Total Assets</i>	<u>\$70,126</u>	<u>\$455,169</u>	<u>\$414,176</u>	<u>\$111,119</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$70,126	\$455,169	\$414,176	\$111,119
<i>Total Liabilities</i>	<u>\$70,126</u>	<u>\$455,169</u>	<u>\$414,176</u>	<u>\$111,119</u>
<b>Sheriff</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$128,323	\$3,676,504	\$3,646,690	\$158,137
<i>Total Assets</i>	<u>\$128,323</u>	<u>\$3,676,504</u>	<u>\$3,646,690</u>	<u>\$158,137</u>
<b>Liabilities</b>				
Undistributed Monies	\$128,323	\$3,676,504	\$3,646,690	\$158,137
<i>Total Liabilities</i>	<u>\$128,323</u>	<u>\$3,676,504</u>	<u>\$3,646,690</u>	<u>\$158,137</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>County Home Residents</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$4,750	\$21,223	\$22,986	\$2,987
<i>Total Assets</i>	<u>\$4,750</u>	<u>\$21,223</u>	<u>\$22,986</u>	<u>\$2,987</u>
<b>Liabilities</b>				
Undistributed Monies	\$4,750	\$21,223	\$22,986	\$2,987
<i>Total Liabilities</i>	<u>\$4,750</u>	<u>\$21,223</u>	<u>\$22,986</u>	<u>\$2,987</u>
<b>Children Services</b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$9,445	\$101,854	\$80,024	\$31,275
<i>Total Assets</i>	<u>\$9,445</u>	<u>\$101,854</u>	<u>\$80,024</u>	<u>\$31,275</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	\$9,445	\$101,854	\$80,024	\$31,275
<i>Total Liabilities</i>	<u>\$9,445</u>	<u>\$101,854</u>	<u>\$80,024</u>	<u>\$31,275</u>
<b>Port Authority</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$966,560	\$706,981	\$259,579
<i>Total Assets</i>	<u>\$0</u>	<u>\$966,560</u>	<u>\$706,981</u>	<u>\$259,579</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$0	\$966,560	\$706,981	\$259,579
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$966,560</u>	<u>\$706,981</u>	<u>\$259,579</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Family and Children First</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$355,774	\$1,345,283	\$1,385,541	\$315,516
<i>Total Assets</i>	<u>\$355,774</u>	<u>\$1,345,283</u>	<u>\$1,385,541</u>	<u>\$315,516</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$355,774	\$1,345,283	\$1,385,541	\$315,516
<i>Total Liabilities</i>	<u>\$355,774</u>	<u>\$1,345,283</u>	<u>\$1,385,541</u>	<u>\$315,516</u>
<b>Federally Owned Entitlement Land</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$9,897	\$9,897	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$9,897</u>	<u>\$9,897</u>	<u>\$0</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$0	\$9,897	\$9,897	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$9,897</u>	<u>\$9,897</u>	<u>\$0</u>
<b>Powelson Wildlife</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$19,055	\$19,055	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$19,055</u>	<u>\$19,055</u>	<u>\$0</u>
<b>Liabilities</b>				
Undistributed Monies	\$0	\$19,055	\$19,055	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$19,055</u>	<u>\$19,055</u>	<u>\$0</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Bankhead Jones</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$1,576	\$1,576	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$1,576</u>	<u>\$1,576</u>	<u>\$0</u>
<b>Liabilities</b>				
Undistributed Monies	\$0	\$1,576	\$1,576	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$1,576</u>	<u>\$1,576</u>	<u>\$0</u>
<b>Ohio Elections Commission</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$405	\$190	\$595	\$0
<i>Total Assets</i>	<u>\$405</u>	<u>\$190</u>	<u>\$595</u>	<u>\$0</u>
<b>Liabilities</b>				
Undistributed Monies	\$405	\$190	\$595	\$0
<i>Total Liabilities</i>	<u>\$405</u>	<u>\$190</u>	<u>\$595</u>	<u>\$0</u>
<b>Muskingum County Park Commission</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$287,430	\$288,492	\$421,806	\$154,116
Intergovernmental Receivable	52,011	48,562	52,011	48,562
<i>Total Assets</i>	<u>\$339,441</u>	<u>\$337,054</u>	<u>\$473,817</u>	<u>\$202,678</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$339,441	\$337,054	\$473,817	\$202,678
<i>Total Liabilities</i>	<u>\$339,441</u>	<u>\$337,054</u>	<u>\$473,817</u>	<u>\$202,678</u>

(continued)

Muskingum County, Ohio  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Continued)  
For the Year Ended December 31, 2004

	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Recorder Housing Trust Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$144,932	\$527,967	\$555,323	\$117,576
<i>Total Assets</i>	<u>\$144,932</u>	<u>\$527,967</u>	<u>\$555,323</u>	<u>\$117,576</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$144,932	\$527,967	\$555,323	\$117,576
<i>Total Liabilities</i>	<u>\$144,932</u>	<u>\$527,967</u>	<u>\$555,323</u>	<u>\$117,576</u>
	Balance 1/1/04	Additions	Reductions	Balance 12/31/04
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$8,190,006	\$165,130,884	\$163,110,080	\$10,210,810
Cash and Cash Equivalents in Segregated Accounts	899,906	17,885,848	18,248,860	536,894
Investments in Segregated Accounts	100,000	250	250	100,000
Receivables:				
Permissive Motor Vehicle Licence Taxes	0	3,270	0	3,270
Intergovernmental	7,144,616	5,146,130	7,144,616	5,146,130
Accounts	1,805,714	1,799,392	1,805,714	1,799,392
Property and Other Taxes	50,851,577	51,347,984	50,851,577	51,347,984
Payments in Lieu of Taxes	10,122	55,942	10,122	55,942
<i>Total Assets</i>	<u>\$69,001,941</u>	<u>\$241,369,700</u>	<u>\$241,171,219</u>	<u>\$69,200,422</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$63,583,608	\$183,523,109	\$182,965,572	\$64,141,145
Deposits Held and Due to Others	9,445	101,854	80,024	31,275
Undistributed Monies	5,408,888	57,744,737	58,125,623	5,028,002
<i>Total Liabilities</i>	<u>\$69,001,941</u>	<u>\$241,369,700</u>	<u>\$241,171,219</u>	<u>\$69,200,422</u>



**Individual Fund Schedules of Revenues,  
Expenditures/Expenses, and Changes in Fund  
Balance/Equity - Budget (Non-GAAP Basis)  
and Actual**

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$2,547,186	\$2,594,978	\$47,792
Permissive Sales Taxes	12,850,000	13,758,651	908,651
Charges for Services	4,088,295	4,426,712	338,417
Licenses and Permits	9,121	10,128	1,007
Fines and Forfeitures	389,614	383,745	(5,869)
Intergovernmental	2,157,798	2,214,684	56,886
Interest	1,000,000	978,205	(21,795)
Payments in Lieu of Taxes	7,000	0	(7,000)
Rent	2,482	20,603	18,121
Contributions and Donations	1,125	1,125	0
Other	544,575	411,193	(133,382)
<i>Total Revenues</i>	<u>23,597,196</u>	<u>24,800,024</u>	<u>1,202,828</u>
<b>Expenditures</b>			
Current:			
General Government -			
Legislative and Executive			
Board of County Commissioners			
Salaries and Wages	649,387	631,307	18,080
Fringe Benefits	156,861	135,207	21,654
Materials and Supplies	69,843	68,863	980
Contractual Services	1,236,713	917,974	318,739
Capital Outlay	204,338	105,533	98,805
Other	669,373	541,595	127,778
<i>Total Board of County Commissioners</i>	<u>2,986,515</u>	<u>2,400,479</u>	<u>586,036</u>
County Auditor			
Salaries and Wages	387,687	365,193	22,494
Fringe Benefits	24,088	7,735	16,353
Materials and Supplies	37,761	30,406	7,355
Contractual Services	259,839	254,995	4,844
Capital Outlay	28,325	25,523	2,802
Other	1,302	989	313
<i>Total County Auditor</i>	<u>739,002</u>	<u>684,841</u>	<u>54,161</u>
Economic Development			
Contractual Services	509,239	212,141	297,098
<i>Total Economic Development</i>	<u>509,239</u>	<u>212,141</u>	<u>297,098</u>

(continued)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
General Government - Legislative and Executive (continued)			
Assessing Personal Property			
Salaries and Wages	\$52,324	\$52,299	\$25
Fringe Benefits	7,792	7,469	323
Materials and Supplies	1,482	1,428	54
<i>Total Assessing Personal Property</i>	<u>61,598</u>	<u>61,196</u>	<u>402</u>
Assessing Real Property			
Salaries and Wages	104,898	104,720	178
Fringe Benefits	61,170	60,101	1,069
<i>Total Assessing Real Property</i>	<u>166,068</u>	<u>164,821</u>	<u>1,247</u>
County Treasurer			
Salaries and Wages	182,259	161,791	20,468
Fringe Benefits	24,140	23,196	944
Materials and Supplies	6,000	3,634	2,366
Contractual Services	40,056	36,533	3,523
Capital Outlay	2,000	548	1,452
<i>Total County Treasurer</i>	<u>254,455</u>	<u>225,702</u>	<u>28,753</u>
Prosecuting Attorney			
Salaries and Wages	716,651	714,066	2,585
Fringe Benefits	110,194	109,476	718
Materials and Supplies	49,857	48,045	1,812
Contractual Services	4,950	4,172	778
Capital Outlay	52,333	47,024	5,309
Other	92,644	77,906	14,738
<i>Total Prosecuting Attorney</i>	<u>1,026,629</u>	<u>1,000,689</u>	<u>25,940</u>
Budget Commission			
Salaries and Wages	36,080	36,080	0
Fringe Benefits	5,557	5,165	392
Materials and Supplies	2,752	963	1,789
Capital Outlay	29,638	29,638	0
<i>Total Budget Commission</i>	<u>74,027</u>	<u>71,846</u>	<u>2,181</u>
Bureau of Inspection			
Examinations - County Offices	110,000	97,365	12,635
<i>Total Bureau of Inspection</i>	<u>110,000</u>	<u>97,365</u>	<u>12,635</u>

(continued)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
General Government - Legislative and Executive (continued)			
Board of Revision			
Other	\$4,070	\$4,023	\$47
<i>Total Board of Revision</i>	<u>4,070</u>	<u>4,023</u>	<u>47</u>
Board of Elections			
Salaries and Wages	209,870	203,213	6,657
Fringe Benefits	37,187	32,295	4,892
Materials and Supplies	62,300	59,791	2,509
Contractual Services	101,424	96,909	4,515
Capital Outlay	18,044	16,400	1,644
Other	500	0	500
<i>Total Board of Elections</i>	<u>429,325</u>	<u>408,608</u>	<u>20,717</u>
Automatic Data Processing Board			
Salaries and Wages	46,082	46,076	6
Fringe Benefits	6,589	6,589	0
Materials and Supplies	7,088	5,041	2,047
Contractual Services	21,135	19,527	1,608
Capital Outlay	12,553	12,536	17
<i>Total Automatic Data Processing Board</i>	<u>93,447</u>	<u>89,769</u>	<u>3,678</u>
Information Services			
Salaries and Wages	132,586	132,586	0
Fringe Benefits	20,272	19,124	1,148
Materials and Supplies	1,098	930	168
Capital Outlay	35,540	34,845	695
<i>Total Information Services</i>	<u>189,496</u>	<u>187,485</u>	<u>2,011</u>
Maintenance and Operation			
Salaries and Wages	608,669	592,147	16,522
Fringe Benefits	90,714	85,398	5,316
Materials and Supplies	93,928	74,622	19,306
Contractual Services	405,900	301,889	104,011
Capital Outlay	10,404	6,760	3,644
Other	338,768	213,387	125,381
<i>Total Maintenance and Operation</i>	<u>1,548,383</u>	<u>1,274,203</u>	<u>274,180</u>

(continued)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
General Government - Legislative and Executive (continued)			
Recorder			
Salaries and Wages	\$159,073	\$157,669	\$1,404
Fringe Benefits	25,385	23,747	1,638
Materials and Supplies	11,466	7,604	3,862
Contractual Services	76,252	42,317	33,935
Other	1,821	1,821	0
<i>Total Recorder</i>	<u>273,997</u>	<u>233,158</u>	<u>40,839</u>
Insurance on Property			
County Buildings	279,509	279,509	0
Other County Property	63,133	34,563	28,570
<i>Total Insurance on Property</i>	<u>342,642</u>	<u>314,072</u>	<u>28,570</u>
Insurance on Persons			
Official Bonds	16,630	16,108	522
Group and Liability	2,127,911	2,120,988	6,923
<i>Total Insurance on Persons</i>	<u>2,144,541</u>	<u>2,137,096</u>	<u>7,445</u>
Pensions			
Medicare	391,292	390,095	1,197
<i>Total Pensions</i>	<u>391,292</u>	<u>390,095</u>	<u>1,197</u>
Fleet Garage			
Salaries and Wages	109,802	98,981	10,821
Fringe Benefits	14,777	14,221	556
Materials and Supplies	125,582	124,086	1,496
<i>Total Fleet Garage</i>	<u>250,161</u>	<u>237,288</u>	<u>12,873</u>
<i>Total General Government - Legislative and Executive</i>	<u>11,594,887</u>	<u>10,194,877</u>	<u>1,400,010</u>
General Government - Judicial			
Court of Appeals			
Other	15,024	15,024	0
<i>Total Court of Appeals</i>	<u>15,024</u>	<u>15,024</u>	<u>0</u>
Domestic Relations Court			
Salaries and Wages	548,315	507,619	40,696
Fringe Benefits	73,398	68,803	4,595
Materials and Supplies	12,913	12,530	383
Contractual Services	26,675	3,828	22,847
Capital Outlay	15,889	12,393	3,496
Other	3,295	966	2,329
<i>Total Domestic Relations Court</i>	<u>680,485</u>	<u>606,139</u>	<u>74,346</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
General Government - Judicial (continued)			
Common Pleas Court			
Salaries and Wages	\$219,813	\$197,185	\$22,628
Fringe Benefits	44,171	31,049	13,122
Materials and Supplies	21,002	18,697	2,305
Contractual Services	122,050	55,258	66,792
Capital Outlay	64,302	56,356	7,946
Other	12,680	2,322	10,358
<i>Total Common Pleas Court</i>	<u>484,018</u>	<u>360,867</u>	<u>123,151</u>
Jury Commission			
Salaries and Wages	6,540	6,540	0
Fringe Benefits	1,007	980	27
<i>Total Jury Commission</i>	<u>7,547</u>	<u>7,520</u>	<u>27</u>
Adult Probation			
Salaries and Wages	199,303	188,077	11,226
Fringe Benefits	27,495	25,584	1,911
Materials and Supplies	3,164	1,227	1,937
Contractual Services	2,392	2,256	136
Capital Outlay	413	373	40
<i>Total Adult Probation</i>	<u>232,767</u>	<u>217,517</u>	<u>15,250</u>
Juvenile Court			
Salaries and Wages	277,248	266,357	10,891
Fringe Benefits	44,177	40,037	4,140
Materials and Supplies	21,312	19,499	1,813
Contractual Services	114,397	114,173	224
Capital Outlay	3,500	3,153	347
Other	20,886	20,513	373
<i>Total Juvenile Court</i>	<u>481,520</u>	<u>463,732</u>	<u>17,788</u>
Juvenile Probation			
Salaries and Wages	391,665	387,965	3,700
Fringe Benefits	52,033	50,267	1,766
Materials and Supplies	2,746	2,746	0
Capital Outlay	10,664	5,210	5,454
Other	16,705	14,661	2,044
<i>Total Juvenile Probation</i>	<u>473,813</u>	<u>460,849</u>	<u>12,964</u>

(continued)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
General Government - Judicial (continued)			
Detention Home			
Salaries and Wages	\$1,244,740	\$1,241,545	\$3,195
Fringe Benefits	185,250	172,058	13,192
Materials and Supplies	112,525	107,651	4,874
Contractual Services	7,529	7,359	170
Capital Outlay	6,124	2,500	3,624
Other	73,493	72,721	772
<i>Total Detention Home</i>	<u>1,629,661</u>	<u>1,603,834</u>	<u>25,827</u>
Probate Court			
Salaries and Wages	124,230	124,061	169
Fringe Benefits	21,264	20,748	516
Materials and Supplies	9,094	8,815	279
Contractual Services	4,594	3,860	734
Capital Outlay	6,426	6,382	44
Other	4,661	4,576	85
<i>Total Probate Court</i>	<u>170,269</u>	<u>168,442</u>	<u>1,827</u>
Clerk of Courts			
Salaries and Wages	244,065	244,048	17
Fringe Benefits	37,116	36,736	380
Materials and Supplies	28,526	28,464	62
Contractual Services	38,512	20,276	18,236
Capital Outlay	6,837	6,837	0
Other	1,206	1,206	0
<i>Total Clerk of Courts</i>	<u>356,262</u>	<u>337,567</u>	<u>18,695</u>
County Court			
Salaries and Wages	244,298	236,686	7,612
Fringe Benefits	34,744	33,564	1,180
Materials and Supplies	12,195	9,814	2,381
Contractual Services	1,504	974	530
Capital Outlay	5,553	3,131	2,422
Other	10,322	8,634	1,688
<i>Total County Court</i>	<u>308,616</u>	<u>292,803</u>	<u>15,813</u>
Municipal Court			
Salaries and Wages	69,906	69,524	382
Fringe Benefits	9,401	9,158	243
<i>Total Municipal Court</i>	<u>79,307</u>	<u>78,682</u>	<u>625</u>

(continued)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
General Government - Judicial (continued)			
Law Library			
Salaries and Wages	\$20,920	\$20,920	\$0
Fringe Benefits	3,099	3,007	92
<i>Total Law Library</i>	<u>24,019</u>	<u>23,927</u>	<u>92</u>
Attorney Fees - Public Defender Attorney Fees	800,000	605,041	194,959
<i>Total Attorney Fees - Public Defender</i>	<u>800,000</u>	<u>605,041</u>	<u>194,959</u>
<i>Total General Government - Judicial</i>	<u>5,743,308</u>	<u>5,241,944</u>	<u>501,364</u>
Public Safety			
Coroner's Office			
Salaries and Wages	43,308	42,382	926
Fringe Benefits	6,151	6,129	22
Contractual Services	69,288	68,656	632
<i>Total Coroner's Office</i>	<u>118,747</u>	<u>117,167</u>	<u>1,580</u>
Sheriff			
Salaries and Wages	4,179,241	4,150,239	29,002
Fringe Benefits	945,888	925,899	19,989
Materials and Supplies	193,778	189,659	4,119
Contractual Services	319,328	312,585	6,743
Capital Outlay	357,416	352,584	4,832
Other	36,825	36,166	659
<i>Total Sheriff</i>	<u>6,032,476</u>	<u>5,967,132</u>	<u>65,344</u>
Jail			
Salaries and Wages	253,186	253,186	0
Fringe Benefits	1,548	656	892
Contractual Services	329,739	329,689	50
<i>Total Jail</i>	<u>584,473</u>	<u>583,531</u>	<u>942</u>

(continued)



Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
Public Safety (continued)			
Disaster Services			
Salaries and Wages	\$21,004	\$21,004	\$0
Fringe Benefits	3,067	2,961	106
Materials and Supplies	504	170	334
Capital Outlay	27,010	25,710	1,300
Other	2,053	1,853	200
<i>Total Disaster Services</i>	<u>53,638</u>	<u>51,698</u>	<u>1,940</u>
Building Regulation			
Salaries and Wages	227,536	227,300	236
Fringe Benefits	46,016	39,504	6,512
Materials and Supplies	21,539	11,724	9,815
Contractual Services	185,787	162,311	23,476
Other	50,034	37,740	12,294
<i>Total Building Regulation</i>	<u>530,912</u>	<u>478,579</u>	<u>52,333</u>
<i>Total Public Safety</i>	<u>7,320,246</u>	<u>7,198,107</u>	<u>122,139</u>
Public Works			
Engineer			
Salaries and Wages	134,177	132,958	1,219
Fringe Benefits	19,190	18,820	370
Materials and Supplies	6,791	5,813	978
Contractual Services	5,317	4,506	811
Capital Outlay	313,174	10,721	302,453
Other	991	902	89
<i>Total Engineer</i>	<u>479,640</u>	<u>173,720</u>	<u>305,920</u>
Technical Support			
Salaries and Wages	90,169	83,582	6,587
Fringe Benefits	12,928	11,388	1,540
Materials and Supplies	2,500	2,500	0
Other	7,200	6,595	605
<i>Total Technical Support</i>	<u>112,797</u>	<u>104,065</u>	<u>8,732</u>
<i>Total Public Works</i>	<u>592,437</u>	<u>277,785</u>	<u>314,652</u>
Health			
Humane Society			
Salaries and Wages	22,950	22,950	0
Fringe Benefits	3,607	3,153	454
Other	5,655	5,642	13
<i>Total Humane Society</i>	<u>32,212</u>	<u>31,745</u>	<u>467</u>
Agriculture			
Grant	275,059	275,059	0
Apiary Inspection	4,323	553	3,770
<i>Total Agriculture</i>	<u>279,382</u>	<u>275,612</u>	<u>3,770</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
Health (continued)			
Other Health			
Crippled Children Aid	\$126,604	\$126,244	\$360
Other	61,705	60,495	1,210
<i>Total Other Health</i>	<u>188,309</u>	<u>186,739</u>	<u>1,570</u>
<i>Total Health</i>	<u>499,903</u>	<u>494,096</u>	<u>5,807</u>
Human Services			
Soldier's Relief			
Salaries and Wages	20,333	19,641	692
Fringe Benefits	9,200	6,208	2,992
Materials and Supplies	28,400	21,337	7,063
Contractual Services	234,676	162,771	71,905
Capital Outlay	6,300	4,411	1,889
Other	1,000	50	950
<i>Total Soldier's Relief</i>	<u>299,909</u>	<u>214,418</u>	<u>85,491</u>
Veteran's Services			
Salaries and Wages	153,852	137,700	16,152
Fringe Benefits	24,350	19,976	4,374
Materials and Supplies	8,500	3,575	4,925
Contractual Services	28,050	23,731	4,319
Other	500	0	500
<i>Total Veteran's Services</i>	<u>215,252</u>	<u>184,982</u>	<u>30,270</u>
<i>Total Human Services</i>	<u>515,161</u>	<u>399,400</u>	<u>115,761</u>

(continued)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
Intergovernmental			
Contractual Services	\$53,895	\$52,865	\$1,030
Grants	456,770	226,347	230,423
<i>Total Intergovernmental</i>	<u>510,665</u>	<u>279,212</u>	<u>231,453</u>
Debt Service:			
Principal Retirement	31,264	31,264	0
Interest and Fiscal Charges	2,965	2,965	0
<i>Total Debt Service</i>	<u>34,229</u>	<u>34,229</u>	<u>0</u>
<i>Total Expenditures</i>	<u>26,810,836</u>	<u>24,119,650</u>	<u>2,691,186</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,213,640)</u>	<u>680,374</u>	<u>3,894,014</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from the Sale of Capital Assets	16,140	16,140	0
Advances In	0	61,320	61,320
Advances Out	0	(72,469)	(72,469)
Transfers In	2,259,728	364,861	(1,894,867)
Transfers Out	(6,258,597)	(4,762,691)	1,495,906
<i>Total Other Financing Sources (Uses)</i>	<u>(3,982,729)</u>	<u>(4,392,839)</u>	<u>(410,110)</u>
<i>Net Change in Fund Balance</i>	<u>(7,196,369)</u>	<u>(3,712,465)</u>	<u>3,483,904</u>
Fund Balance at Beginning of Year	7,782,852	7,782,852	0
Prior Year Encumbrances Appropriated	812,760	812,760	0
<i>Fund Balance at End of Year</i>	<u><u>\$1,399,243</u></u>	<u><u>\$4,883,147</u></u>	<u><u>\$3,483,904</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Public Assistance Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$16,557,285	\$12,126,582	(\$4,430,703)
Other	100	66,793	66,693
<i>Total Revenues</i>	<u>16,557,385</u>	<u>12,193,375</u>	<u>(4,364,010)</u>
<b>Expenditures</b>			
Current:			
Human Services			
Public Assistance			
Salaries and Wages	4,173,915	3,813,284	360,631
Fringe Benefits	1,583,228	1,339,634	243,594
Materials and Supplies	305,582	266,868	38,714
Contractual Services	8,586,026	6,222,117	2,363,909
Capital Outlay	69,656	62,381	7,275
Other	2,402,449	2,351,152	51,297
<i>Total Human Services</i>	<u>17,120,856</u>	<u>14,055,436</u>	<u>3,065,420</u>
Debt Service:			
Principal Retirement	3,896	3,896	0
Interest and Fiscal Charges	1,314	1,314	0
<i>Total Debt Service</i>	<u>5,210</u>	<u>5,210</u>	<u>0</u>
<i>Total Expenditures</i>	<u>17,126,066</u>	<u>14,060,646</u>	<u>3,065,420</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(568,681)</u>	<u>(1,867,271)</u>	<u>(1,298,590)</u>
<b>Other Financing Source (Use)</b>			
Transfers In	1,587,893	386,320	(1,201,573)
Transfers Out	(946,661)	0	946,661
<i>Total Other Financing Source (Use)</i>	<u>641,232</u>	<u>386,320</u>	<u>(254,912)</u>
<i>Net Change in Fund Balance</i>	72,551	(1,480,951)	(1,553,502)
Fund Balance at Beginning of Year	581,249	581,249	0
Prior Year Encumbrances Appropriated	1,029,725	1,029,725	0
<i>Fund Balance at End of Year</i>	<u><u>\$1,683,525</u></u>	<u><u>\$130,023</u></u>	<u><u>(\$1,553,502)</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Permissive Motor Vehicle License Tax	\$0	\$466,008	\$466,008
Licenses and Permits	0	200	200
Fines and Forfeitures	100,000	95,994	(4,006)
Intergovernmental	4,590,000	4,726,272	136,272
Interest	14,000	14,693	693
Contributions and Donations	0	625	625
Other	15,000	12,005	(2,995)
<i>Total Revenues</i>	<u>4,719,000</u>	<u>5,315,797</u>	<u>596,797</u>
<b>Expenditures</b>			
Current:			
Public Works			
Engineer			
Salaries and Wages	445,003	444,395	608
Fringe Benefits	500	266	234
Materials and Supplies	3,186	2,674	512
Contractual Services	3,643	2,000	1,643
Capital Outlay	18,004	17,785	219
Other	1,000	1,000	0
<i>Total Engineer</i>	<u>471,336</u>	<u>468,120</u>	<u>3,216</u>
Roads			
Salaries and Wages	857,500	857,076	424
Fringe Benefits	534,580	524,356	10,224
Materials and Supplies	1,502,636	1,418,441	84,195
Contractual Services	748,804	703,199	45,605
Capital Outlay	368,139	366,344	1,795
Other	428,789	414,431	14,358
<i>Total Roads</i>	<u>4,440,448</u>	<u>4,283,847</u>	<u>156,601</u>
Bridges and Culverts			
Salaries and Wages	191,430	190,261	1,169
Fringe Benefits	27,231	27,231	0
Materials and Supplies	229,935	227,031	2,904
Contractual Services	792,896	792,471	425
Other	6,031	5,486	545
<i>Total Bridges and Culverts</i>	<u>1,247,523</u>	<u>1,242,480</u>	<u>5,043</u>
<i>Total Public Works</i>	<u>6,159,307</u>	<u>5,994,447</u>	<u>164,860</u>
Intergovernmental			
Contractual Services	0	114,869	(114,869)
Debt Service:			
Principal Retirement	38,406	38,406	0
<i>Total Expenditures</i>	<u>6,197,713</u>	<u>6,147,722</u>	<u>49,991</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,478,713)</u>	<u>(831,925)</u>	<u>646,788</u>
<b>Other Financing Source (Use)</b>			
Transfers In	910,655	7,249	(903,406)
Transfers Out	(530,162)	(491,756)	38,406
<i>Total Other Financing Source (Use)</i>	<u>380,493</u>	<u>(484,507)</u>	<u>(865,000)</u>
<i>Net Change in Fund Balance</i>	<u>(1,098,220)</u>	<u>(1,316,432)</u>	<u>(218,212)</u>
Fund Balance at Beginning of Year	1,220,142	1,220,142	0
Prior Year Encumbrances Appropriated	688,218	688,218	0
<i>Fund Balance at End of Year</i>	<u>\$810,140</u>	<u>\$591,928</u>	<u>(\$218,212)</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Children Services Levy Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$1,679,148	\$1,745,561	\$66,413
Charges for Services	1,181,229	1,529,738	348,509
Intergovernmental	2,506,000	4,098,024	1,592,024
Contributions and Donations	500	1,310	810
Other	5,000	38,331	33,331
<i>Total Revenues</i>	<u>5,371,877</u>	<u>7,412,964</u>	<u>2,041,087</u>
<b>Expenditures</b>			
Current:			
Human Services			
Children Services			
Salaries and Wages	3,009,000	2,876,185	132,815
Fringe Benefits	1,037,048	981,219	55,829
Materials and Supplies	271,198	256,843	14,355
Contractual Services	3,124,835	2,971,075	153,760
Capital Outlay	51,468	24,376	27,092
Other	849,546	603,324	246,222
<i>Total Expenditures</i>	<u>8,343,095</u>	<u>7,713,022</u>	<u>630,073</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,971,218)	(300,058)	2,671,160
<b>Other Financing Source (Use)</b>			
Transfers In	2,000,000	0	(2,000,000)
Transfers Out	(2,000,000)	0	2,000,000
<i>Total Other Financing Source (Use)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,971,218)	(300,058)	2,671,160
Fund Balance at Beginning of Year	4,547,801	4,547,801	0
Prior Year Encumbrances Appropriated	435,475	435,475	0
<i>Fund Balance at End of Year</i>	<u><u>\$2,012,058</u></u>	<u><u>\$4,683,218</u></u>	<u><u>\$2,671,160</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$3,281,368	\$3,281,368	\$0
Intergovernmental	3,093,827	3,188,603	94,776
Contributions and Donations	30,999	39,057	8,058
Other	19,788	46,778	26,990
<i>Total Revenues</i>	<u>6,425,982</u>	<u>6,555,806</u>	<u>129,824</u>
<b>Expenditures</b>			
Current:			
Human Services			
Starlight School			
Salaries and Wages	4,338,381	4,234,272	104,109
Fringe Benefits	1,363,987	1,210,257	153,730
Materials and Supplies	95,138	80,441	14,697
Contractual Services	817,999	692,761	125,238
Capital Outlay	158,197	126,187	32,010
Other	59,626	0	59,626
<i>Total Expenditures</i>	<u>6,833,328</u>	<u>6,343,918</u>	<u>489,410</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(407,346)</u>	<u>211,888</u>	<u>619,234</u>
<b>Other Financing Source (Use)</b>			
Transfers In	80,963	410	(80,553)
Transfers Out	(532,779)	(452,226)	80,553
<i>Total Other Financing Source (Use)</i>	<u>(451,816)</u>	<u>(451,816)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(859,162)	(239,928)	619,234
Fund Balance at Beginning of Year	9,449,960	9,449,960	0
Prior Year Encumbrances Appropriated	115,643	115,643	0
<i>Fund Balance at End of Year</i>	<u>\$8,706,441</u>	<u>\$9,325,675</u>	<u>\$619,234</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Sewer Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$1,836,717	\$1,833,933	(\$2,784)
Tap-In Fees	614,443	923,076	308,633
Grants	34,000	33,500	(500)
Bond Anticipation Notes Issued	3,080,000	2,080,000	(1,000,000)
Premium on Debt Issued	7,904	0	(7,904)
Other Non-Operating Revenues	0	10,324	10,324
<i>Total Revenues</i>	<u>5,573,064</u>	<u>4,880,833</u>	<u>(692,231)</u>
<b>Expenses</b>			
Personal Services	490,631	396,150	94,481
Contractual Services	2,801,025	2,003,139	797,886
Materials and Supplies	222,781	167,138	55,643
Claims	25,000	25,000	0
Capital Outlay	1,011,200	311,200	700,000
Debt Service:			
Principal Retirement	44,960	0	44,960
Interest and Fiscal Charges	7,904	0	7,904
<i>Total Expenses</i>	<u>4,603,501</u>	<u>2,902,627</u>	<u>1,700,874</u>
<i>Excess of Revenues Over Expenses</i>	969,563	1,978,206	1,008,643
Transfers Out	<u>(374,381)</u>	<u>(374,381)</u>	<u>0</u>
<i>Excess of Revenues Over Expenses and Transfers</i>	595,182	1,603,825	1,008,643
Fund Equity at Beginning of Year	3,265,889	3,265,889	0
Prior Year Encumbrances Appropriated	<u>62,710</u>	<u>62,710</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$3,923,781</u></u>	<u><u>\$4,932,424</u></u>	<u><u>\$1,008,643</u></u>



Muskingum County, Ohio  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Water Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,592,772	\$2,588,416	(\$4,356)
Tap-In Fees	61,800	237,400	175,600
Proceeds of Loans	836,557	768,210	(68,347)
Interest	12,051	12,051	0
Grants	166,113	140,113	(26,000)
Other Non-Operating Revenues	2,323	15,227	12,904
<i>Total Revenues</i>	<u>3,671,616</u>	<u>3,761,417</u>	<u>89,801</u>
<b>Expenses</b>			
Personal Services	573,221	536,082	37,139
Contractual Services	3,791,197	2,909,333	881,864
Materials and Supplies	485,850	476,026	9,824
Capital Outlay	215,571	210,571	5,000
Other Operating Expenses	9,769	2,201	7,568
Other Non-Operating Expenses	75,017	71,416	3,601
<i>Total Expenses</i>	<u>5,150,625</u>	<u>4,205,629</u>	<u>944,996</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(1,479,009)	(444,212)	1,034,797
Advances In	0	26,000	26,000
Transfers In	6,681	6,681	0
Transfers Out	(761,179)	(678,066)	83,113
<i>Excess of Revenues Over (Under) Expenses, Advances and Transfers</i>	(2,233,507)	(1,089,597)	1,143,910
Fund Equity at Beginning of Year	1,441,299	1,441,299	0
Prior Year Encumbrances Appropriated	881,928	881,928	0
<i>Fund Equity at End of Year</i>	<u><u>\$89,720</u></u>	<u><u>\$1,233,630</u></u>	<u><u>\$1,143,910</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$46,648	\$27,071	(\$19,577)
Licenses and Permits	83,000	106,075	23,075
Fines and Forfeitures	7,000	4,963	(2,037)
Other	0	30	30
<i>Total Revenues</i>	<u>136,648</u>	<u>138,139</u>	<u>1,491</u>
<b>Expenditures</b>			
Current:			
Health			
Animal Control			
Salaries and Wages	125,283	120,610	4,673
Fringe Benefits	47,400	37,587	9,813
Materials and Supplies	2,985	2,249	736
Contractual Services	22,688	17,433	5,255
Capital Outlay	17,720	12,664	5,056
<i>Total Expenditures</i>	<u>216,076</u>	<u>190,543</u>	<u>25,533</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(79,428)	(52,404)	27,024
<b>Other Financing Source</b>			
Transfers In	<u>44,264</u>	<u>44,264</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(35,164)	(8,140)	27,024
Fund Balance at Beginning of Year	32,756	32,756	0
Prior Year Encumbrances Appropriated	<u>2,408</u>	<u>2,408</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$27,024</u></u>	<u><u>\$27,024</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$265,000	\$305,927	\$40,927
Intergovernmental	3,325,000	2,382,579	(942,421)
Other	55,000	116,997	61,997
<i>Total Revenues</i>	<u>3,645,000</u>	<u>2,805,503</u>	<u>(839,497)</u>
<b>Expenditures</b>			
Current:			
Human Services			
Child Support Enforcement			
Salaries and Wages	1,973,000	1,860,099	112,901
Fringe Benefits	775,254	746,890	28,364
Materials and Supplies	83,359	65,093	18,266
Contractual Services	1,753,838	1,298,006	455,832
Capital Outlay	39,419	35,080	4,339
Other	116,407	71,968	44,439
<i>Total Human Services</i>	<u>4,741,277</u>	<u>4,077,136</u>	<u>664,141</u>
Debt Service:			
Principal Retirement	1,426	1,426	0
Interest and Fiscal Charges	496	496	0
<i>Total Debt Service</i>	<u>1,922</u>	<u>1,922</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,743,199</u>	<u>4,079,058</u>	<u>664,141</u>
<i>Excess of Revenues Under Expenditures</i>	(1,098,199)	(1,273,555)	(175,356)
<b>Other Financing Source</b>			
Transfers In	758,188	758,188	0
<i>Net Change in Fund Balance</i>	(340,011)	(515,367)	(175,356)
Fund Balance at Beginning of Year	437,277	437,277	0
Prior Year Encumbrances Appropriated	87,478	87,478	0
<i>Fund Balance at End of Year</i>	<u><u>\$184,744</u></u>	<u><u>\$9,388</u></u>	<u><u>(\$175,356)</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Childrens' Services Trust Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$1,870	\$1,870
Contributions and Donations	0	169	169
<i>Total Revenues</i>	0	2,039	2,039
<b>Expenditures</b>			
Current:			
Human Services			
Childrens' Services Trust Fund			
Capital Outlay	146,532	0	146,532
<i>Net Change in Fund Balance</i>	(146,532)	2,039	148,571
Fund Balance at Beginning of Year	146,522	146,522	0
Prior Year Encumbrances Appropriated	10	10	0
<i>Fund Balance at End of Year</i>	\$0	\$148,571	\$148,571

Muskingum County, Ohio  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 SBC Foundation Grant Fund  
 For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
General Government - Legislative and Executive			
Capital Outlay	25,000	25,000	0
<i>Net Change in Fund Balance</i>	(25,000)	(25,000)	0
Fund Balance at Beginning of Year	25,000	25,000	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$1,994,056	\$1,994,056	\$0
Charges for Services	721,587	721,587	0
Intergovernmental	281,823	281,823	0
Payments in Lieu of Taxes	6,277	0	(6,277)
Contributions and Donations	1,667	1,667	0
Other	13,726	13,726	0
<i>Total Revenues</i>	<u>3,019,136</u>	<u>3,012,859</u>	<u>(6,277)</u>
<b>Expenditures</b>			
Current:			
Human Services			
County Home			
Salaries and Wages	1,770,189	1,770,189	0
Fringe Benefits	590,539	590,539	0
Materials and Supplies	239,029	228,083	10,946
Contractual Services	486,877	484,307	2,570
Capital Outlay	26,673	26,673	0
Other	10,378	10,282	96
<i>Total Expenditures</i>	<u>3,123,685</u>	<u>3,110,073</u>	<u>13,612</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(104,549)	(97,214)	7,335
<b>Other Financing Source</b>			
Transfers In	460	460	0
<i>Net Change in Fund Balance</i>	(104,089)	(96,754)	7,335
Fund Balance at Beginning of Year	98,693	98,693	0
Prior Year Encumbrances Appropriated	24,076	24,076	0
<i>Fund Balance at End of Year</i>	<u>\$18,680</u>	<u>\$26,015</u>	<u>\$7,335</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$546,700	\$623,314	\$76,614
Fines and Forfeitures	1,500	1,510	10
Other	398	0	(398)
<i>Total Revenues</i>	<u>548,598</u>	<u>624,824</u>	<u>76,226</u>
<b>Expenditures</b>			
Current:			
General Government - Legislative and Executive			
Salaries and Wages	124,518	124,418	100
Fringe Benefits	18,639	17,906	733
Materials and Supplies	3,800	3,757	43
Contractual Services	576,608	564,764	11,844
Other	14,817	13,320	1,497
<i>Total Expenditures</i>	<u>738,382</u>	<u>724,165</u>	<u>14,217</u>
<i>Net Change in Fund Balance</i>	(189,784)	(99,341)	90,443
Fund Balance at Beginning of Year	715,700	715,700	0
Prior Year Encumbrances Appropriated	<u>140,780</u>	<u>140,780</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$666,696</u></u>	<u><u>\$757,139</u></u>	<u><u>\$90,443</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Redevelopment Tax Equivalent Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payments in Lieu of Taxes	\$203,023	\$203,023	\$0
<b>Expenditures</b>			
Current:			
Public Works			
Board of County Commissioners			
Contractual Services	404,584	0	404,584
<i>Net Change in Fund Balance</i>	(201,561)	203,023	404,584
Fund Balance at Beginning of Year	201,561	201,561	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$404,584</u>	<u>\$404,584</u>



Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$20,514	\$20,514	\$0
Other	1,520	1,656	136
<i>Total Revenues</i>	<u>22,034</u>	<u>22,170</u>	<u>136</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Drug Law Enforcement			
Salaries and Wages	35,500	34,603	897
Fringe Benefits	15,650	14,178	1,472
Materials and Supplies	6,000	5,521	479
<i>Total Expenditures</i>	<u>57,150</u>	<u>54,302</u>	<u>2,848</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(35,116)	(32,132)	2,984
<b>Other Financing Source</b>			
Transfers In	35,000	35,000	0
<i>Net Change in Fund Balance</i>	(116)	2,868	2,984
Fund Balance at Beginning of Year	<u>15,378</u>	<u>15,378</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$15,262</u></u>	<u><u>\$18,246</u></u>	<u><u>\$2,984</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Miscellaneous Federal Grants Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$393,924	\$98,924	(\$295,000)
<b>Expenditures</b>			
Current:			
Public Safety			
Miscellaneous Federal Grants			
Salaries and Wages	100,750	97,882	2,868
Fringe Benefits	45,622	38,063	7,559
Contractual Services	250	0	250
Capital Outlay	15,332	4,530	10,802
Other	5,000	1,627	3,373
<i>Total Public Safety</i>	166,954	142,102	24,852
Public Works			
Miscellaneous Federal Grants			
Contractual Services	21,091	0	21,091
<i>Total Expenditures</i>	188,045	142,102	45,943
<i>Excess of Revenues Over (Under) Expenditures</i>	205,879	(43,178)	(249,057)
<b>Other Financing Source</b>			
Transfers In	79,186	79,186	0
<i>Net Change in Fund Balance</i>	285,065	36,008	(249,057)
Fund Balance at Beginning of Year	44,780	44,780	0
<i>Fund Balance at End of Year</i>	\$329,845	\$80,788	(\$249,057)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Mediation Project Phase III Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
General Government - Judicial			
Contractual Services	1,367	1,367	0
<i>Net Change in Fund Balance</i>	(1,367)	(1,367)	0
Fund Balance at Beginning of Year	1,367	1,367	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$95,000	\$180,863	\$85,863
<b>Expenditures</b>			
Current:			
General Government - Legislative and Executive			
DRETAC			
Salaries and Wages	206,285	140,889	65,396
Fringe Benefits	30,950	17,694	13,256
Materials and Supplies	2,000	0	2,000
Capital Outlay	13,070	5,694	7,376
Other	196,304	24,275	172,029
<i>Total Expenditures</i>	448,609	188,552	260,057
<i>Net Change in Fund Balance</i>	(353,609)	(7,689)	345,920
Fund Balance at Beginning of Year	390,376	390,376	0
Prior Year Encumbrances Appropriated	11,309	11,309	0
<i>Fund Balance at End of Year</i>	\$48,076	\$393,996	\$345,920

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Homeland Security Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,221,812	\$323,476	(\$898,336)
<b>Expenditures</b>			
Current:			
Public Safety			
Homeland Security			
Contractual Services	10,750	10,750	0
Capital Outlay	1,211,062	347,875	863,187
<i>Total Expenditures</i>	1,221,812	358,625	863,187
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(35,149)	(35,149)
<b>Other Financing Source</b>			
Advances In	0	35,149	35,149
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Tuberculosis Clinic Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$373,314	\$386,361	\$13,047
Charges for Services	10,000	1,725	(8,275)
Intergovernmental	162,734	238,350	75,616
Payments in Lieu of Taxes	1,300	0	(1,300)
Other	0	30,115	30,115
<i>Total Revenues</i>	<u>547,348</u>	<u>656,551</u>	<u>109,203</u>
<b>Expenditures</b>			
Current:			
Health			
Tuberculosis Clinic			
Salaries and Wages	226,771	183,814	42,957
Fringe Benefits	75,438	59,461	15,977
Materials and Supplies	261,271	198,319	62,952
Contractual Services	81,864	76,750	5,114
Capital Outlay	12,873	11,672	1,201
Other	5,065	3,712	1,353
<i>Total Expenditures</i>	<u>663,282</u>	<u>533,728</u>	<u>129,554</u>
<i>Net Change in Fund Balance</i>	(115,934)	122,823	238,757
Fund Balance at Beginning of Year	339,615	339,615	0
Prior Year Encumbrances Appropriated	46,700	46,700	0
<i>Fund Balance at End of Year</i>	<u><u>\$270,381</u></u>	<u><u>\$509,138</u></u>	<u><u>\$238,757</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Youth Services Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$100,985	\$42,417	(\$58,568)
<b>Expenditures</b>			
Current:			
Public Safety			
Youth Services			
Salaries and Wages	67,323	33,662	33,661
Fringe Benefits	73	73	0
Contractual Services	33,903	241	33,662
<i>Total Expenditures</i>	101,299	33,976	67,323
<i>Net Change in Fund Balance</i>	(314)	8,441	8,755
Fund Balance at Beginning of Year	314	314	0
<i>Fund Balance at End of Year</i>	\$0	\$8,755	\$8,755

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Block Grants Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$473,560	\$417,384	(\$56,176)
Other	3,148	3,148	0
<i>Total Revenues</i>	<u>476,708</u>	<u>420,532</u>	<u>(56,176)</u>
<b>Expenditures</b>			
Current:			
Public Works			
Block Grants			
Salaries and Wages	2,719	2,719	0
Fringe Benefits	27,632	27,632	0
Materials and Supplies	700	700	0
Contractual Services	417,191	417,191	0
<i>Total Expenditures</i>	<u>448,242</u>	<u>448,242</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>28,466</u>	<u>(27,710)</u>	<u>(56,176)</u>
<b>Other Financing Source (Use)</b>			
Advances Out	0	(50,000)	(50,000)
Transfers In	19,556	19,556	0
<i>Total Other Financing Source (Use)</i>	<u>19,556</u>	<u>(30,444)</u>	<u>(50,000)</u>
<i>Net Change in Fund Balance</i>	48,022	(58,154)	(106,176)
Fund Balance at Beginning of Year	<u>52,436</u>	<u>52,436</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$100,458</u></u>	<u><u>(\$5,718)</u></u>	<u><u>(\$106,176)</u></u>



Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$8,789	\$8,614	(\$175)
<b>Expenditures</b>			
Current:			
General Government - Judicial			
Computer Legal Research			
Contractual Services	15,880	2,063	13,817
Other	3,000	0	3,000
<i>Total Expenditures</i>	18,880	2,063	16,817
<i>Net Change in Fund Balance</i>	(10,091)	6,551	16,642
Fund Balance at Beginning of Year	54,590	54,590	0
<i>Fund Balance at End of Year</i>	\$44,499	\$61,141	\$16,642

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Community Correction Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$213,768	\$213,768	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Community Correction			
Salaries and Wages	148,910	148,910	0
Fringe Benefits	73,723	63,590	10,133
Materials and Supplies	1,219	1,219	0
Contractual Services	11,693	11,693	0
Other	159	159	0
<i>Total Expenditures</i>	235,704	225,571	10,133
<i>Net Change in Fund Balance</i>	(21,936)	(11,803)	10,133
Fund Balance at Beginning of Year	21,936	21,936	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$10,133</u>	<u>\$10,133</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$40,000	\$39,289	(\$711)
Intergovernmental	30,110	29,606	(504)
<i>Total Revenues</i>	<u>70,110</u>	<u>68,895</u>	<u>(1,215)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Electronic Monitor			
Salaries and Wages	89,274	53,755	35,519
Fringe Benefits	30,656	5,843	24,813
Materials and Supplies	22,223	13,755	8,468
Contractual Services	26,171	0	26,171
Capital Outlay	2,856	1,706	1,150
<i>Total Expenditures</i>	<u>171,180</u>	<u>75,059</u>	<u>96,121</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(101,070)	(6,164)	94,906
<b>Other Financing Source</b>			
Transfers In	74,179	74,179	0
<i>Net Change in Fund Balance</i>	(26,891)	68,015	94,906
Fund Balance at Beginning of Year	112,748	112,748	0
Prior Year Encumbrances Appropriated	984	984	0
<i>Fund Balance at End of Year</i>	<u><u>\$86,841</u></u>	<u><u>\$181,747</u></u>	<u><u>\$94,906</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Litter Prevention Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$67,920	\$66,600	(\$1,320)
<b>Expenditures</b>			
Current:			
Public Works			
Litter Prevention			
Salaries and Wages	66,044	66,044	0
Fringe Benefits	17,829	16,192	1,637
Materials and Supplies	100	100	0
Other	1,905	1,905	0
<i>Total Expenditures</i>	85,878	84,241	1,637
<i>Excess of Revenues Over (Under) Expenditures</i>	(17,958)	(17,641)	317
<b>Other Financing Sources (Uses)</b>			
Advances In	0	11,320	11,320
Advances Out	0	(11,320)	(11,320)
Transfers In	29,194	29,194	0
Transfers Out	(1,783)	(1,783)	0
<i>Total Other Financing Sources (Uses)</i>	27,411	27,411	0
<i>Net Change in Fund Balance</i>	9,453	9,770	317
Fund Balance at Beginning of Year	1,784	1,784	0
Prior Year Encumbrances Appropriated	84	84	0
<i>Fund Balance at End of Year</i>	\$11,321	\$11,638	\$317

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Ohio Childrens Trust Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$29,970	\$27,665	(\$2,305)
<b>Expenditures</b>			
Current:			
Human Services			
Ohio Childrens Trust			
Contractual Services	16,560	16,509	51
<i>Net Change in Fund Balance</i>	13,410	11,156	(2,254)
Fund Balance at Beginning of Year	2,677	2,677	0
<i>Fund Balance at End of Year</i>	<u>\$16,087</u>	<u>\$13,833</u>	<u>(\$2,254)</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Marriage License Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$27,578	\$25,255	(\$2,323)
<b>Expenditures</b>			
Current:			
Health			
Marriage License			
Contractual Services	27,578	25,255	2,323
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance (Deficit) at Beginning of Year	(2,078)	(2,078)	0
Prior Year Encumbrances Appropriated	2,078	2,078	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$28,602	\$31,257	\$2,655
<b>Expenditures</b>			
Current:			
Public Safety			
Political Subdivision Housing			
Contractual Services	45,256	0	45,256
<i>Net Change in Fund Balance</i>	(16,654)	31,257	47,911
Fund Balance at Beginning of Year	20,256	20,256	0
<i>Fund Balance at End of Year</i>	<u>\$3,602</u>	<u>\$51,513</u>	<u>\$47,911</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$23,000	\$19,820	(\$3,180)
Intergovernmental	240	240	0
<i>Total Revenues</i>	23,240	20,060	(3,180)
<b>Expenditures</b>			
Current:			
Human Services			
Indigent Drivers Alcohol Treatment			
Contractual Services	25,826	20,315	5,511
<i>Net Change in Fund Balance</i>	(2,586)	(255)	2,331
Fund Balance at Beginning of Year	122,200	122,200	0
Prior Year Encumbrances Appropriated	3,826	3,826	0
<i>Fund Balance at End of Year</i>	<u>\$123,440</u>	<u>\$125,771</u>	<u>\$2,331</u>



Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$750	\$695	(\$55)
<b>Expenditures</b>			
Current:			
General Government - Judicial			
Probate Conduct of Business			
Other	2,950	2,950	0
<i>Net Change in Fund Balance</i>	(2,200)	(2,255)	(55)
Fund Balance at Beginning of Year	11,371	11,371	0
<i>Fund Balance at End of Year</i>	\$9,171	\$9,116	(\$55)

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$4,072	\$4,734	\$662
<b>Expenditures</b>			
Current:			
Public Safety			
Enforcement and Education			
Capital Outlay	1,000	0	1,000
Other	1,500	0	1,500
<i>Total Expenditures</i>	2,500	0	2,500
<i>Net Change in Fund Balance</i>	1,572	4,734	3,162
Fund Balance at Beginning of Year	34,791	34,791	0
<i>Fund Balance at End of Year</i>	\$36,363	\$39,525	\$3,162

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Law Enforcement Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$5,000	\$36,490	\$31,490
Other	28,243	28,243	0
<i>Total Revenues</i>	<u>33,243</u>	<u>64,733</u>	<u>31,490</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Law Enforcement			
Materials and Supplies	2,000	0	2,000
Contractual Services	39,743	4,923	34,820
Capital Outlay	5,284	5,100	184
Other	11,550	5,358	6,192
<i>Total Expenditures</i>	<u>58,577</u>	<u>15,381</u>	<u>43,196</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(25,334)	49,352	74,686
<b>Other Financing Use</b>			
Transfers Out	(1,216)	(1,216)	0
<i>Net Change in Fund Balance</i>	(26,550)	48,136	74,686
Fund Balance at Beginning of Year	72,949	72,949	0
Prior Year Encumbrances Appropriated	50	50	0
<i>Fund Balance at End of Year</i>	<u><u>\$46,449</u></u>	<u><u>\$121,135</u></u>	<u><u>\$74,686</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Hazardous Response and Education Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$500	\$500	\$0
<b>Expenditures</b>			
Current:			
General Government - Judicial			
Hazardous Response and Education			
Contractual Services	1,000	1,000	0
<i>Net Change in Fund Balance</i>	(500)	(500)	0
Fund Balance at Beginning of Year	500	500	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$576,240	\$576,240	\$0
Intergovernmental	79,110	82,751	3,641
Payments in Lieu of Taxes	300	0	(300)
Other	0	3,458	3,458
<i>Total Revenues</i>	<u>655,650</u>	<u>662,449</u>	<u>6,799</u>
<b>Expenditures</b>			
Current:			
Human Services			
Senior Citizens Levy			
Salaries and Wages	488,204	486,953	1,251
Fringe Benefits	184,981	173,343	11,638
<i>Total Expenditures</i>	<u>673,185</u>	<u>660,296</u>	<u>12,889</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(17,535)	2,153	19,688
<b>Other Financing Source</b>			
Transfers In	1,010	1,010	0
<i>Net Change in Fund Balance</i>	(16,525)	3,163	19,688
Fund Balance at Beginning of Year	<u>217,688</u>	<u>217,688</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$201,163</u></u>	<u><u>\$220,851</u></u>	<u><u>\$19,688</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$141,560	\$141,560	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Specialized Probation			
Salaries and Wages	141,931	94,700	47,231
Fringe Benefits	59,679	35,130	24,549
Contractual Services	33,627	14,650	18,977
<i>Total Expenditures</i>	235,237	144,480	90,757
<i>Net Change in Fund Balance</i>	(93,677)	(2,920)	90,757
Fund Balance at Beginning of Year	115,832	115,832	0
Prior Year Encumbrances Appropriated	26	26	0
<i>Fund Balance at End of Year</i>	<u>\$22,181</u>	<u>\$112,938</u>	<u>\$90,757</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$10,041	\$5,056	(\$4,985)
<b>Expenditures</b>			
Current:			
Public Safety			
Drug Law Enforcement			
Contractual Services	30,776	0	30,776
Capital Outlay	2,000	2,000	0
Other	2,000	350	1,650
<i>Total Expenditures</i>	34,776	2,350	32,426
<i>Net Change in Fund Balance</i>	(24,735)	2,706	27,441
Fund Balance at Beginning of Year	49,622	49,622	0
<i>Fund Balance at End of Year</i>	\$24,887	\$52,328	\$27,441

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Indigent Guardianship Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$20,000	\$17,104	(\$2,896)
<b>Expenditures</b>			
Current:			
Human Services			
Indigent Guardianship			
Contractual Services	21,000	20,784	216
<i>Net Change in Fund Balance</i>	(1,000)	(3,680)	(2,680)
Fund Balance at Beginning of Year	4,058	4,058	0
<i>Fund Balance at End of Year</i>	\$3,058	\$378	(\$2,680)



Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$36,990	\$36,990	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Victim of Criminals			
Salaries and Wages	39,664	39,303	361
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,674)	(2,313)	361
<b>Other Financing Source</b>			
Transfers In	567	567	0
<i>Net Change in Fund Balance</i>	(2,107)	(1,746)	361
Fund Balance at Beginning of Year	2,107	2,107	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$361</u>	<u>\$361</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Family Resources Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$80,274	\$54,096	(\$26,178)
<b>Expenditures</b>			
Current:			
Human Services			
Family Resources			
Contractual Services	39,571	35,906	3,665
Other	91,679	42,988	48,691
<i>Total Expenditures</i>	131,250	78,894	52,356
<i>Net Change in Fund Balance</i>	(50,976)	(24,798)	26,178
Fund Balance at Beginning of Year	50,976	50,976	0
<i>Fund Balance at End of Year</i>	\$0	\$26,178	\$26,178

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Sheriff Commissary Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$0	\$176,345	\$176,345
<b>Expenditures</b>			
Current:			
Public Safety			
Sheriff Commissary			
Materials and Supplies	0	180,707	(180,707)
<i>Net Change in Fund Balance</i>	0	(4,362)	(4,362)
Fund Balance at Beginning of Year	13,783	13,783	0
<i>Fund Balance at End of Year</i>	<u>\$13,783</u>	<u>\$9,421</u>	<u>(\$4,362)</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Children Services Christmas Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$58	\$58
Other	0	6,416	6,416
<i>Total Revenues</i>	0	6,474	6,474
<b>Expenditures</b>			
Current:			
Human Services			
Children Services			
Materials and Supplies	0	5,114	(5,114)
<i>Net Change in Fund Balance</i>	0	1,360	1,360
Fund Balance at Beginning of Year	57,844	57,844	0
<i>Fund Balance at End of Year</i>	\$57,844	\$59,204	\$1,360

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$965,177	\$965,177	\$0
Intergovernmental	200,315	200,315	0
<i>Total Revenues</i>	1,165,492	1,165,492	0
<b>Expenditures</b>			
<i>Total Expenditures</i>	1,165,492	1,165,492	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$325,000	\$349,926	\$24,926
<b>Expenditures</b>			
Current:			
General Government -			
Legislative and Executive			
Clerk of Courts Title			
Salaries and Wages	126,000	122,430	3,570
Fringe Benefits	21,907	19,438	2,469
Materials and Supplies	16,850	16,775	75
Contractual Services	5,700	5,161	539
Capital Outlay	4,500	1,502	2,998
Other	123,093	0	123,093
<i>Total Expenditures</i>	298,050	165,306	132,744
<i>Net Change in Fund Balance</i>	26,950	184,620	157,670
Fund Balance at Beginning of Year	582,273	582,273	0
Prior Year Encumbrances Appropriated	3,050	3,050	0
<i>Fund Balance at End of Year</i>	\$612,273	\$769,943	\$157,670

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Sheriff Levy Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property and Other Taxes	\$397,597	\$393,956	(\$3,641)
Intergovernmental	54,999	58,640	3,641
<i>Total Revenues</i>	<u>452,596</u>	<u>452,596</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Sheriff Department			
Salaries and Wages	346,500	340,344	6,156
Fringe Benefits	134,299	127,407	6,892
Capital Outlay	24,201	15,418	8,783
<i>Total Expenditures</i>	<u>505,000</u>	<u>483,169</u>	<u>21,831</u>
<i>Net Change in Fund Balance</i>	(52,404)	(30,573)	21,831
Fund Balance at Beginning of Year	<u>390,419</u>	<u>390,419</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$338,015</u></u>	<u><u>\$359,846</u></u>	<u><u>\$21,831</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
County Court Special Projects Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$92,000	\$89,264	(\$2,736)
<b>Expenditures</b>			
Current:			
General Government - Judicial			
County Court Special Projects			
Salaries and Wages	22,880	22,126	754
Fringe Benefits	12,346	2,908	9,438
Materials and Supplies	15,707	614	15,093
Contractual Services	22,250	753	21,497
Capital Outlay	15,000	655	14,345
<i>Total Expenditures</i>	88,183	27,056	61,127
<i>Net Change in Fund Balance</i>	3,817	62,208	58,391
Fund Balance at Beginning of Year	121,880	121,880	0
Prior Year Encumbrances Appropriated	2,957	2,957	0
<i>Fund Balance at End of Year</i>	\$128,654	\$187,045	\$58,391



Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Transportation Improvement District (TID) Escrow Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Public Works			
TID Escrow			
Contractual Services	908,892	908,892	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(908,892)	(908,892)	0
<b>Other Financing Source</b>			
Transfers In	1,996,333	1,694,879	(301,454)
<i>Net Change in Fund Balance</i>	1,087,441	785,987	(301,454)
Fund Balance at Beginning of Year	925,000	925,000	0
<i>Fund Balance at End of Year</i>	<u>\$2,012,441</u>	<u>\$1,710,987</u>	<u>(\$301,454)</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Juvenile Detention Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$122,205	\$75,757	(\$46,448)
<b>Expenditures</b>			
Current:			
General Government - Judicial			
Juvenile Court			
Salaries and Wages	69,348	62,137	7,211
Fringe Benefits	39,615	4,888	34,727
Materials and Supplies	36,262	454	35,808
Contractual Services	6,776	6,776	0
Capital Outlay	39,746	9,350	30,396
Other	3,803	506	3,297
<i>Total Expenditures</i>	195,550	84,111	111,439
<i>Net Change in Fund Balance</i>	(73,345)	(8,354)	64,991
Fund Balance at Beginning of Year	119,795	119,795	0
<i>Fund Balance at End of Year</i>	\$46,450	\$111,441	\$64,991

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Concealed Weapon Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Licenses and Permits	\$17,760	\$17,760	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Sheriff			
Contractual Services	17,540	8,265	9,275
Capital Outlay	8,950	8,950	0
<i>Total Expenditures</i>	<u>26,490</u>	<u>17,215</u>	<u>9,275</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,730)	545	9,275
<b>Other Financing Source</b>			
Transfers In	9,000	9,000	0
<i>Net Change in Fund Balance</i>	270	9,545	9,275
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$270</u>	<u>\$9,545</u>	<u>\$9,275</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Debt Service Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$34,420	\$33,348	(\$1,072)
Interest	222	222	0
Rent	565,760	565,208	(552)
Other	0	6	6
<i>Total Revenues</i>	<u>600,402</u>	<u>598,784</u>	<u>(1,618)</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	1,036,170	985,000	51,170
Interest and Fiscal Charges	788,932	734,002	54,930
<i>Total Expenditures</i>	<u>1,825,102</u>	<u>1,719,002</u>	<u>106,100</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,224,700)	(1,120,218)	104,482
<b>Other Financing Source</b>			
Transfers In	2,195,977	1,161,641	(1,034,336)
<i>Net Change in Fund Balance</i>	971,277	41,423	(929,854)
Fund Balance at Beginning of Year	<u>238,436</u>	<u>238,436</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,209,713</u></u>	<u><u>\$279,859</u></u>	<u><u>(\$929,854)</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Special Assessments	\$72,863	\$81,692	\$8,829
Interest	76,157	76,157	0
<i>Total Revenues</i>	<u>149,020</u>	<u>157,849</u>	<u>8,829</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	99,637	99,181	456
Interest and Fiscal Charges	74,706	72,407	2,299
<i>Total Expenditures</i>	<u>174,343</u>	<u>171,588</u>	<u>2,755</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(25,323)	(13,739)	11,584
<b>Other Financing Source</b>			
Transfers In	60,251	41,654	(18,597)
<i>Net Change in Fund Balance</i>	34,928	27,915	(7,013)
Fund Balance at Beginning of Year	<u>269,059</u>	<u>269,059</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$303,987</u></u>	<u><u>\$296,974</u></u>	<u><u>(\$7,013)</u></u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Note Retirement Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	195,000	195,000	0
Interest and Fiscal Charges	3,610	3,219	391
<i>Total Expenditures</i>	198,610	198,219	391
<i>Excess of Revenues Over (Under) Expenditures</i>	(198,610)	(198,219)	391
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	103,000	103,000	0
Transfers In	94,992	94,992	0
Premium on Debt Issued	391	0	(391)
<i>Total Other Financing Sources</i>	198,383	197,992	(391)
<i>Net Change in Fund Balance</i>	(227)	(227)	0
Fund Balance at Beginning of Year	557	557	0
<i>Fund Balance at End of Year</i>	\$330	\$330	\$0

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$282	\$282
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	168,699	157,164	11,535
Interest and Fiscal Charges	240,876	237,317	3,559
<i>Total Expenditures</i>	409,575	394,481	15,094
<i>Excess of Revenues Over (Under) Expenditures</i>	(409,575)	(394,199)	15,376
<b>Other Financing Source</b>			
Transfers In	512,778	332,727	(180,051)
<i>Net Change in Fund Balance</i>	103,203	(61,472)	(164,675)
Fund Balance at Beginning of Year	243,466	243,466	0
<i>Fund Balance at End of Year</i>	<u>\$346,669</u>	<u>\$181,994</u>	<u>(\$164,675)</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Water Debt Service Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$2,249	\$2,249	\$0
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	338,529	338,529	0
Interest and Fiscal Charges	483,823	341,034	142,789
<i>Total Expenditures</i>	822,352	679,563	142,789
<i>Excess of Revenues Over (Under) Expenditures</i>	(820,103)	(677,314)	142,789
<b>Other Financing Source (Use)</b>			
Transfers In	823,030	678,066	(144,964)
Transfers Out	(101,309)	0	101,309
<i>Total Other Financing Source (Use)</i>	721,721	678,066	(43,655)
<i>Net Change in Fund Balance</i>	(98,382)	752	99,134
Fund Balance at Beginning of Year	98,382	98,382	0
<i>Fund Balance at End of Year</i>	\$0	\$99,134	\$99,134



Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
STAR Region 8 Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$150,468	\$150,468	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Disaster Services			
Capital Outlay	150,468	150,468	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Issue II Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$534,115	\$534,115	\$0
<b>Expenditures</b>			
Capital Outlay			
Issue 2			
Capital Outlay	801,087	801,054	33
Intergovernmental			
Issue 2			
Capital Outlay	255,834	255,834	0
Debt Service:			
Principal Retirement	87,520	83,051	4,469
Interest and Fiscal Charges	9,671	9,671	0
<i>Total Debt Service</i>	97,191	92,722	4,469
<i>Total Expenditures</i>	1,154,112	1,149,610	4,502
<i>Excess of Revenues Over (Under) Expenditures</i>	(619,997)	(615,495)	4,502
<b>Other Financing Sources</b>			
Transfers In	351,191	291,756	(59,435)
Notes Issued	293,806	293,806	0
<i>Total Other Financing Sources</i>	644,997	585,562	(59,435)
<i>Net Change in Fund Balance</i>	25,000	(29,933)	(54,933)
Fund Balance at Beginning of Year	32,358	32,358	0
<i>Fund Balance at End of Year</i>	\$57,358	\$2,425	(\$54,933)

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Maysville School Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay			
Maysville School Fund			
Capital Outlay	171,917	171,603	314
<i>Excess of Revenues Over (Under) Expenditures</i>	(171,917)	(171,603)	314
<b>Other Financing Source (Use)</b>			
Transfers In	509,329	509,015	(314)
Transfers Out	(363,078)	(363,078)	0
<i>Total Other Financing Source (Use)</i>	146,251	145,937	(314)
<i>Net Change in Fund Balance</i>	(25,666)	(25,666)	0
Fund Balance at Beginning of Year	25,166	25,166	0
Prior Year Encumbrances Appropriated	500	500	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Job and Family Services Renovation Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Debt Service:			
Interest and Fiscal Charges	3,230	0	3,230
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,230)</u>	<u>0</u>	<u>3,230</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	850,000	850,000	0
Premium on Debt Issues	3,230	0	(3,230)
<i>Total Other Financing Sources</i>	<u>853,230</u>	<u>850,000</u>	<u>(3,230)</u>
<i>Net Change in Fund Balance</i>	850,000	850,000	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$850,000</u></u>	<u><u>\$850,000</u></u>	<u><u>\$0</u></u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Human Services			
Starlight Permanent Improvements			
Contractual Services	346,773	83,238	263,535
<i>Net Change in Fund Balance</i>	(346,773)	(83,238)	263,535
Fund Balance at Beginning of Year	802,102	802,102	0
Prior Year Encumbrances Appropriated	6,773	6,773	0
<i>Fund Balance at End of Year</i>	<u>\$462,102</u>	<u>\$725,637</u>	<u>\$263,535</u>

Muskingum County, Ohio  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Recorder Equipment  
 For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$75,000	\$79,451	\$4,451
<b>Expenditures</b>			
Current:			
Public Works			
Recorder Equipment			
Capital Outlay	75,000	29,538	45,462
<i>Net Change in Fund Balance</i>	0	49,913	49,913
Fund Balance at Beginning of Year	257,657	257,657	0
<i>Fund Balance at End of Year</i>	\$257,657	\$307,570	\$49,913

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Court Computer Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$83,920	\$79,300	(\$4,620)
<b>Expenditures</b>			
Current:			
General Government - Judicial			
Court Computer Fund			
Salaries and Wages	7,000	2,685	4,315
Fringe Benefits	1,079	433	646
Contractual Services	91,291	54,267	37,024
Materials and Supplies	13,504	9,500	4,004
Capital Outlay	49,603	34,676	14,927
<i>Total Expenditures</i>	162,477	101,561	60,916
<i>Net Change in Fund Balance</i>	(78,557)	(22,261)	56,296
Fund Balance at Beginning of Year	379,350	379,350	0
Prior Year Encumbrances Appropriated	38,558	38,558	0
<i>Fund Balance at End of Year</i>	<u>\$339,351</u>	<u>\$395,647</u>	<u>\$56,296</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Brandywine Loop Construction Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Payments in Lieu of Taxes	\$100,000	\$94,992	(\$5,008)
<b>Expenditures</b>			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	100,000	94,992	(5,008)
<b>Other Financing Use</b>			
Transfers Out	<u>(94,992)</u>	<u>(94,992)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,008	0	(5,008)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$5,008</u></u>	<u><u>\$0</u></u>	<u><u>(\$5,008)</u></u>



Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Economic Development Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Economic Development and Assistance			
Economic Development			
Contractual Services	429,320	273,474	155,846
<i>Excess of Revenues Over (Under) Expenditures</i>	(429,320)	(273,474)	155,846
<b>Other Financing Source</b>			
Transfers In	461,616	230,808	(230,808)
<i>Net Change in Fund Balance</i>	32,296	(42,666)	(74,962)
Fund Balance at Beginning of Year	60,276	60,276	0
Prior Year Encumbrances Appropriated	138,235	138,235	0
<i>Fund Balance at End of Year</i>	<u>\$230,807</u>	<u>\$155,845</u>	<u>(\$74,962)</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Records Building Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Public Works			
Records Building			
Contractual Services	4,576	0	4,576
<i>Net Change in Fund Balance</i>	(4,576)	0	4,576
Fund Balance at Beginning of Year	4,576	4,576	0
<i>Fund Balance at End of Year</i>	\$0	\$4,576	\$4,576

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<b>Other Financing Use</b>			
Transfers Out	(785,987)	(785,987)	0
<i>Net Change in Fund Balance</i>	(785,987)	(785,987)	0
Fund Balance at Beginning of Year	785,987	785,987	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
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, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Law Enforcement Block Grant			
Materials and Supplies	35,216	26,694	8,522
<i>Excess of Revenues Over (Under) Expenditures</i>	(35,216)	(26,694)	8,522
<b>Other Financing Source</b>			
Transfers In	1,216	1,216	0
<i>Net Change in Fund Balance</i>	(34,000)	(25,478)	8,522
Fund Balance at Beginning of Year	45,855	45,855	0
<i>Fund Balance at End of Year</i>	<u>\$11,855</u>	<u>\$20,377</u>	<u>\$8,522</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Energy Conservation Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	68,875	68,875	0
Interest and Fiscal Charges	21,570	21,570	0
<i>Total Expenditures</i>	90,445	90,445	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(90,445)	(90,445)	0
<b>Other Financing Source</b>			
Transfers In	452,226	452,226	0
<i>Net Change in Fund Balance</i>	361,781	361,781	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$361,781</u>	<u>\$361,781</u>	<u>\$0</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Work Release Facility Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Work Release Facility			
Contractual Services	699,796	699,796	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(699,796)	(699,796)	0
<b>Other Financing Source (Use)</b>			
Transfers In	750,000	699,796	(50,204)
Transfers Out	(50,204)	0	50,204
<i>Total Other Financing Source (Use)</i>	699,796	699,796	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Emergency Operations Center Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$36,664	\$36,664	\$0
<b>Expenditures</b>			
Current:			
Public Safety			
Permanent Improvements			
Materials and Supplies	2,550	2,550	0
Contractual Services	36,664	0	36,664
<i>Total Expenditures</i>	39,214	2,550	36,664
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,550)	34,114	36,664
<b>Other Financing Source</b>			
Transfers In	1,275	1,275	0
<i>Net Change in Fund Balance</i>	(1,275)	35,389	36,664
Fund Balance at Beginning of Year	1,275	1,275	0
<i>Fund Balance at End of Year</i>	\$0	\$36,664	\$36,664

Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Mitchell Lane Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	0
<b>Other Financing Use</b>			
Transfers Out	(41)	0	41
<i>Net Change in Fund Balance</i>	(41)	0	41
Fund Balance at Beginning of Year	41	41	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$41</u>	<u>\$41</u>



Muskingum County, Ohio  
Schedule of Revenues, Expenditures, and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Salt Creek Drive Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	0
<b>Other Financing Use</b>			
Transfers Out	(1,397)	0	1,397
<i>Net Change in Fund Balance</i>	(1,397)	0	1,397
Fund Balance at Beginning of Year	1,397	1,397	0
<i>Fund Balance at End of Year</i>	\$0	\$1,397	\$1,397

Muskingum County, Ohio  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Self-Insurance Health Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$6,962,614	\$6,333,199	(\$629,415)
Other Non-Operating Revenues	37,386	37,386	0
<i>Total Revenues</i>	7,000,000	6,370,585	(629,415)
<b>Expenses</b>			
Claims	7,060,125	6,323,987	736,138
<i>Net Change in Fund Equity</i>	(60,125)	46,598	106,723
Fund Equity at Beginning of Year	16,057	16,057	0
Prior Year Encumbrances Appropriated	60,125	60,125	0
<i>Fund Equity at End of Year</i>	<u>\$16,057</u>	<u>\$122,780</u>	<u>\$106,723</u>

Muskingum County, Ohio  
Schedule of Revenues, Expenses, and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
Self-Insurance Workers' Compensation Fund  
For the Year Ended December 31, 2004

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Other Non-Operating Revenues	\$0	\$0	\$0
<b>Expenses</b>			
Claims	4,487	4,487	0
<i>Net Change in Fund Equity</i>	(4,487)	(4,487)	0
Fund Equity at Beginning of Year	613,834	613,834	0
<i>Fund Equity at End of Year</i>	<u>\$609,347</u>	<u>\$609,347</u>	<u>\$0</u>

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## **Statistical Section**

The following unaudited statistical tables reflect social and economic data, financial trends, and fiscal capacity of the County.

**Table 1****Muskingum County, Ohio****General Governmental Expenditures by Function (1)****Last Ten Years**

Year	General Government						Economic Development and Assistance
	Legislative and Executive	Judicial	Public Safety	Public Works	Health	Human Services	
1995	\$5,713,605	\$2,181,405	\$3,973,009	\$5,156,770	\$543,615	\$16,967,957	\$0
1996	5,790,463	2,364,505	4,675,726	4,686,464	582,155	17,888,019	0
1997	6,091,276	2,497,658	4,940,871	4,785,526	858,300	18,489,281	0
1998	6,198,091	2,637,207	5,693,644	4,716,899	662,005	22,552,590	0
1999	7,333,296	2,778,603	6,256,357	4,710,733	983,309	26,578,488	0
2000	8,486,836	3,371,481	6,577,647	6,714,462	980,906	29,997,228	0
2001	9,354,515	4,298,202	7,122,080	6,108,478	1,049,478	36,831,751	0
2002	10,222,311	4,710,982	7,448,024	6,448,298	1,086,797	33,474,700	0
2003	10,828,545	5,307,299	8,169,253	6,997,696	1,264,062	33,996,146	599,198
2004	10,718,679	5,271,766	9,731,514	7,026,708	1,172,102	34,916,010	273,474

## Note:

- (1) Includes general, special revenue, debt service and capital projects funds. Once a significant number of years of full accrual information has been obtained, it will be included in a separate table.
- (2) Represents refunds of overpayment of property taxes.

Source: Muskingum County Auditor

Other	Refund of Property Taxes (2)	Capital Outlay	Inter- governmental	Debt Service	Total
\$2,600	\$0	\$3,445,737	\$1,494,220	\$1,800,876	\$41,279,794
2,060	0	3,425,288	2,002,955	1,821,309	43,238,944
2,810	23,877	3,334,942	1,806,185	1,925,238	44,755,964
2,600	37,432	2,469,693	3,242,232	1,969,950	50,182,343
4,000	32,030	7,362,288	1,620,793	2,235,028	59,894,925
4,000	18,664	10,458,582	1,674,831	2,682,090	70,966,727
4,000	0	2,309,450	1,570,241	2,650,483	71,298,678
4,000	0	3,820,691	1,662,730	2,142,018	71,020,551
0	0	876,696	3,181,411	3,213,281	74,433,587
0	0	1,150,477	1,814,782	2,005,313	74,080,825

**Table 2****Muskingum County, Ohio****General Governmental Revenues by Source (1)****Last Ten Years**

Year	Property and Other Taxes	Special Assessments	Permissive Sales Taxes	Permissive Motor Vehicle License Tax	Charges for Services	Licenses and Permits	Fines and Forfeitures	Inter- governmental
1995	\$9,001,372	\$159,392	\$9,820,115	\$0	\$3,713,826	\$412,157	\$540,579	\$19,090,147
1996	9,474,376	163,752	10,210,675	0	3,885,998	450,358	537,910	18,935,486
1997	9,915,697	173,877	10,876,779	0	3,878,596	457,152	560,134	20,539,534
1998	10,423,478	169,511	11,643,851	0	4,620,348	663,625	569,867	23,503,715
1999	10,994,058	166,026	12,443,482	0	4,916,318	460,647	680,074	26,026,984
2000	11,296,061	158,555	13,458,803	0	5,563,268	455,537	528,464	31,934,530
2001	11,844,518	155,040	13,246,444	0	6,917,108	461,370	583,213	37,477,218
2002	11,172,659	152,200	13,592,599	0	6,985,268	472,190	766,609	34,955,974
2003	11,427,537	81,362	13,733,258	0	7,679,245	484,334	701,211	32,234,244
2004	12,078,589	81,692	14,013,240	468,123 (3)	8,157,937	524,651	640,631	32,498,473

## Note:

- (1) Includes general, special revenue, debt service and capital projects funds. Once a significant number if years of full accrual information has been obtained, it will be included in a separate table.
- (2) Represents payments in lieu of taxes for the Brandywine Loop Extension Notes and for various tax increment financing agreements.
- (3) In previous years, this amount was presented as part of intergovernmental revenue.

Source: Muskingum County Auditor



Interest	Payments in Lieu of Taxes (2)	Rent	Contributions and Donations	Other	Total
\$1,266,245	\$0	\$327,841	\$0	\$175,677	\$44,507,351
1,485,780	0	331,708	0	148,184	45,624,227
1,666,635	82,059	343,458	0	177,976	48,671,897
2,065,513	88,232	352,274	0	142,301	54,242,715
2,487,299	94,349	258,385	0	307,589	58,835,211
3,049,153	93,652	258,603	0	362,838	67,159,464
2,537,866	393,154	914,550	0	681,329	75,211,810
1,500,122	360,421	598,970	0	564,803	71,121,815
1,118,975	388,076	567,197	36,471	328,777	68,780,687
1,184,866	423,048	585,811	45,609	781,235	71,483,902

**Table 3****Muskingum County, Ohio****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
1995	\$1,547,534	\$1,477,908	95.5%	\$61,744	\$1,539,652	99.5%	\$129,573	8.4%
1996	1,575,206	1,506,131	95.6%	70,489	1,576,620	100.1%	153,589	9.8%
1997	1,604,065	1,541,498	96.1%	65,182	1,606,680	100.2%	136,506	8.5%
1998	1,842,679	1,750,154	95.0%	77,185	1,827,339	99.2%	140,789	7.6%
1999	1,872,469	1,792,682	95.7%	73,520	1,866,202	99.7%	149,155	8.0%
2000	1,906,216	1,821,316	95.5%	81,316	1,902,632	99.8%	147,880	7.8%
2001	2,381,108	2,240,197	94.1%	84,022	2,324,219	97.6%	204,920	8.6%
2002	2,363,210	2,239,338 (2)	94.8%	112,232	2,351,570	99.5%	224,877	9.5%
2003	2,423,571	2,290,012	94.5%	118,453	2,408,465	99.4%	241,405	10.0%
2004	2,611,051	2,478,897	94.9%	138,211	2,617,108	100.2%	237,230	9.1%

All amounts represent County general operating monies only.

(1) The amounts include all prior year delinquencies and the current year delinquencies.

(2) The reduction is due to gas and electric deregulation which resulted in a reduction in assessed valuation.

Source: Muskingum County Auditor

**Table 4****Muskingum County, Ohio****Property Tax Levies and Collections - Tangible Personal Property****Last Ten Years**

<b>Year</b>	<b>Current Tax Levy</b>	<b>Total Tax Collections</b>	<b>Percent of Total Collection to Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent of Outstanding Delinquent Taxes to Tax Levy</b>
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%
1999	274,162	288,725	105.3%	82,643	30.1%
2000	298,925	321,952	107.7%	78,871	26.4%
2001	321,639	332,504	103.4%	74,388	23.1%
2002	320,649	325,826	101.6%	67,764	21.1%
2003	302,685	313,022	103.4%	63,476	21.0%
2004	299,960	318,878	106.3%	78,530	26.2%

All amounts represent County general operating monies only.

Source: Muskingum County Auditor

**Table 5****Muskingum County, Ohio****Assessed and Estimated Actual Value of Taxable Property****Last Ten Years**

Collection Year	Real Property (1)		Personal Property		Public Utilities - Personal (2)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1995	\$615,419,650	\$1,758,341,857	\$110,237,226	\$440,948,904	\$102,273,490	\$102,273,490
1996	630,380,520	1,801,087,200	120,934,720	483,738,880	100,571,080	100,571,080
1997	645,505,660	1,844,301,885	127,931,535	511,726,140	99,071,260	99,071,260
1998	757,999,440	2,165,712,685	129,957,914	519,831,656	100,536,540	100,536,540
1999	770,379,080	2,201,083,086	127,515,839	510,063,356	95,951,950	95,951,950
2000	790,660,220	2,259,026,940	139,035,055	556,140,220	99,203,390	99,203,390
2001	1,008,288,560	2,880,824,460	149,599,655	598,398,620	71,615,740	71,615,740
2002	1,027,551,480	2,935,861,370	149,138,885	621,412,020	78,281,320	78,281,320
2003	1,048,960,670	2,997,030,486	140,783,708	563,134,832	77,451,290	77,451,290
2004	1,136,991,170	3,248,546,200	139,516,375	558,065,500	78,147,450	78,147,450

(1) Real property values include public utility real property.

(2) Beginning in 2001, the reduction in Public Utility Personal Property assessed and estimated actual values is due to gas and electric deregulation.

Source: Muskingum County Auditor

Totals		
Assessed Value	Estimated Actual Value	Ratio
\$827,930,366	\$2,301,564,251	35.97%
851,886,320	2,385,397,160	35.71%
872,508,455	2,455,099,285	35.54%
988,493,894	2,786,080,881	35.48%
993,846,869	2,807,098,392	35.40%
1,028,898,665	2,914,370,550	35.30%
1,229,503,955	3,550,838,820	34.63%
1,254,971,685	3,635,554,710	34.52%
1,267,195,668	3,637,616,608	34.84%
1,354,654,995	3,884,759,150	34.87%

Table 6

## Muskingum County, Ohio

Property Tax Rates - Direct and All Overlapping Governments  
(Per Thousand Dollars of Assessed Value)

## Last Ten Years

<b>County Units</b>	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
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	5.00	5.00	5.00	5.00	5.00	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	0.80	0.70	0.70	0.70	0.70	0.50	0.10	0.00	0.00	0.00
Sheriff Operations	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Senior Services	0.00	0.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Total Rates</b>	<b>13.85</b>	<b>13.75</b>	<b>14.25</b>	<b>14.25</b>	<b>14.25</b>	<b>14.05</b>	<b>13.65</b>	<b>13.55</b>	<b>13.55</b>	<b>13.55</b>
<b>Special Districts</b>										
Muskingum County General Health District	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	1.50
<b>School Districts</b>										
East Muskingum	37.96	37.61	37.01	37.01	36.81	40.01	40.01	39.81	39.81	39.01
Franklin	38.40	38.40	38.40	38.40	38.20	37.10	37.10	37.10	38.25	37.85
Maysville	37.45	37.45	37.45	41.35	41.35	40.95	40.95	40.85	40.65	40.45
Tri-Valley	35.55	35.55	35.55	35.55	35.55	35.55	40.45	40.55	40.55	40.55
West Muskingum	41.90	41.90	41.50	41.50	41.10	40.60	40.60	46.59	44.00	44.00
Zanesville	38.05	44.95	44.55	43.85	44.45	43.70	43.90	49.38	49.20	49.30
<b>Out of County School Districts</b>										
Licking Valley	30.90	30.90	30.90	39.70	38.90	38.48	38.38	37.18	37.00	36.93
Morgan	32.50	32.50	32.50	32.50	35.76	35.76	35.78	35.86	36.37	35.97
Riverview	31.30	31.30	31.30	31.30	31.30	31.30	31.30	31.30	31.30	31.30
Rolling Hills	39.25	40.25	34.09	33.34	33.34	32.16	31.55	31.40	29.45	29.10

(continued)

Table 6

## Muskingum County, Ohio

Property Tax Rates - Direct and All Overlapping Governments  
(Per Thousand Dollars of Assessed Value)Last Ten Years  
(Continued)

<b>Joint Vocational School Districts</b>	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Mid-East Ohio Career and Technology Centers (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	2.50	2.50	2.50	2.50
Licking County	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.80	3.00
<b>Corporations</b>										
Adamsville	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65	2.65
Dresden - Cass Township	4.30	4.10	3.70	3.70	3.70	4.00	3.90	3.90	3.90	4.10
Dresden - Jefferson Township	5.25	5.05	4.65	4.65	4.65	4.95	4.85	4.85	4.85	5.05
Frazeysburg	5.15	5.15	5.15	5.15	5.15	7.15	7.15	7.15	7.15	7.15
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	7.80	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	7.55	10.05
Roseville	10.80	10.80	10.80	10.80	10.80	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
Zanesville - Falls Township (2)	0.00	0.00	0.00	0.00	0.40	0.40	0.40	0.40	0.40	0.40

Note: School District (SD)

(continued)

(1) Formerly Muskingum Area Joint Vocational School

(2) New District Created by annexation

Table 6

Muskingum County, Ohio

Property Tax Rates - Direct and All Overlapping Governments  
(Per Thousand Dollars of Assessed Value)

Last Ten Years  
(Continued)

Townships	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
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	4.70	4.70	4.70	4.70	4.70	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	3.25	3.25	3.25	3.25	3.25	2.75	2.75	3.25	3.25	3.25
Clay	3.50	3.50	3.50	3.50	3.50	3.50	2.50	3.25	3.25	3.25
Falls	3.35	3.35	3.35	3.65	3.65	3.65	3.65	3.65	3.65	3.65
Harrison	10.30	11.80	11.80	10.80	10.80	11.80	10.30	11.80	11.80	11.80
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	6.65	6.65	6.85	6.85	6.85	6.85	6.85	6.85	6.85	5.85
Jefferson	3.40	3.40	3.40	3.40	3.40	2.40	2.40	2.40	2.40	2.40
Licking	5.75	5.75	6.25	6.25	6.25	6.25	4.75	5.75	5.75	6.25
Madison	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	4.00	4.00
Meigs	4.25	4.25	4.25	3.25	4.25	4.25	4.25	4.25	4.25	4.25
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	4.00	4.00	4.00
Newton	5.45	5.45	5.45	5.45	5.45	8.45	8.45	8.45	8.45	8.45
Perry	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
Rich Hill	3.20	3.20	3.20	3.20	3.20	3.20	3.20	4.20	4.20	4.20
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	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Springfield	5.35	5.35	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	3.60
Washington	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Wayne	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Source: Muskingum County Auditor



**Table 7****Muskingum County, Ohio****Special Assessments Billed and Collected (1)****Last Ten Years**

<b>Year</b>		<b>Total Assessments Levied</b>	<b>Assessments Collected</b>	<b>Percent Collected</b>	<b>Outstanding Delinquencies</b>
1995		\$175,423	\$159,392	90.9%	\$16,031
1996		173,860	163,752	94.2%	10,108
1997	(2)	187,620	173,877	92.7%	13,743
1998		184,733	169,511	91.8%	15,222
1999		181,259	166,026	91.6%	15,233
2000	(3)	157,404	158,555	100.7%	13,191
2001		153,809	155,040	100.8%	13,439
2002		150,117	152,200	101.4%	16,575
2003	(4)	156,025	159,163	102.0%	18,505
2004		156,025	157,849	101.2%	18,997

These figures only reflect the Falls, Maysville and Capital Facilities Refunding Sewer Assessments and do not include certified delinquent sewer accounts or line fence assessments.

- (1) Includes interest.
- (2) Beginning with 1997, figures also include Nob Hill Sewer Assessments.
- (3) Beginning with 2000, amounts levied are current charges only and assessments collected are total collections including delinquents.
- (4) Beginning with 2003, figures also include Ash Meadows Sewer Assessments.

Source: Muskingum County Auditor

**Table 8**

**Muskingum County, Ohio**

**Computation of Legal Debt Margin  
December 31, 2004**

	<b>Total Debt Limit (1)</b>	<b>Total Unvoted Limit (2)</b>
Total Assessed Property Value for 2004	\$1,354,654,995	\$1,354,654,995
Debt Limitation of Assessed Value	32,366,375	13,546,550
Total Outstanding Debt December 31, 2004		
General Obligation Bonds Payable	\$26,762,500	\$26,762,500
Notes Payable	3,787,123	3,787,123
Revenue Bonds Payable	566,700	566,700
OWDA Loans Payable from Enterprise Funds	3,318,908	3,318,908
Special Assessment Debt Payable	1,112,166	1,112,166
Total Outstanding Debt	<u>35,547,397</u>	<u>35,547,397</u>
Less:		
General Obligation Bonds Payable - Exempt	18,986,750	18,986,750
Notes Payable - Exempt	3,787,123	3,787,123
Revenue Bonds Payable	566,700	566,700
OWDA Loans Payable from Enterprise Revenues	3,318,908	3,318,908
Bonds Payable From Special Assessments	1,112,166	1,112,166
Amount Available in Debt Service Fund	660,303	660,303
Total	<u>28,431,950</u>	<u>28,431,950</u>
Net Debt Applicable to Debt Limitation	7,115,447	7,115,447
<b>Total Legal Debt Margin</b>	<b><u>\$25,250,928</u></b>	<b><u>\$6,431,103</u></b>

(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.

**Table 9****Muskingum County, Ohio****Ratio of Net General Obligation Bonded Debt to Assessed Value and  
Net General Obligation Bonded Debt Per Capita****Last Ten Years**

<b>Year</b>	<b>Population</b>	<b>Assessed Value</b>	<b>General Obligation Bonded Debt (1)</b>	<b>Debt Service Monies Available</b>	<b>Net General Obligation Bonded Debt</b>	<b>Ratio of Net General Obligation Bonded Debt to Assessed Value</b>	<b>Net Bonded General Obligation Debt Per Capita</b>
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	1.294%	130.97
1997	84,169	872,508,455	10,840,000	772,142	10,067,858	1.154%	119.61
1998	84,169	988,493,894	10,615,000	1,074,420	9,540,580	0.965%	113.35
1999	84,169	993,846,869	18,680,000	1,540,999	17,139,001	1.725%	203.63
2000	84,585	1,028,898,665	17,380,000	1,559,264	15,820,736	1.538%	187.04
2001	84,585	1,229,503,955	15,990,000	1,680,783	14,309,217	1.164%	169.17
2002	84,585	1,254,971,685	17,775,000	1,859,951	15,915,049	1.268%	188.15
2003	84,585	1,267,195,668	15,710,000	633,330	15,076,670	1.190%	178.24
2004	84,585	1,354,654,995	14,725,000	660,303	14,064,697	1.038%	166.28

(1) Includes only general obligation bonds payable from property taxes and rent.

Source: Population estimates from Chamber of Commerce and the Census Bureau.

**Table 10****Muskingum County, Ohio****Ratio of Annual Debt Service Expenditures for  
General Obligation Bonded Debt to Total General Governmental Expenditures****Last Ten Years**

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Total General Governmental Expenditures</b>	<b>Ratio of Annual Debt Service to Total Governmental Fund Expenditures</b>
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	45,755,964	3.31%
1998	840,000	644,736	1,484,736	50,182,343	2.96%
1999	935,000	790,396	1,725,396	59,894,925	2.88%
2000	1,300,000	952,234	2,252,234	70,966,727	3.17%
2001	1,390,000	881,225	2,271,225	71,304,678	3.19%
2002	970,000	857,076	1,827,076	71,022,751	2.57%
2003	2,265,000	875,083	3,140,083	74,433,587	4.22%
2004	985,000	733,452	1,718,452	74,080,825	2.32%

Note: Includes only general obligation bonds payable from property taxes and rent

Source: Muskingum County Auditor

Table 11

Muskingum County, Ohio

Computation of Direct and Overlapping Net General Obligation Debt  
December 31, 2004

Political Subdivision	Net Debt Outstanding (1)	Percent Applicable to Muskingum County	Amount Applicable to Muskingum County
<b>DIRECT DEBT</b>			
The County	\$14,064,697	100.00%	\$14,064,697
Total Direct Debt	<u>14,064,697</u>		<u>14,064,697</u>
<b>OVERLAPPING DEBT</b>			
<b>Entities Wholly Within the County</b>			
The City of Zanesville	5,275,000	100.00%	5,275,000
School Districts	37,894,576	100.00%	37,894,576
All villages wholly within County	1,764,032	100.00%	1,764,032
All townships wholly within County	0	100.00%	0
Total Entities Wholly Within the County	<u>44,933,608</u>		<u>44,933,608</u>
<b>Entities Not Wholly Within the County</b>			
East Muskingum Local School District	6,628,000	73.37%	4,862,964
Rolling Hills Local School District	1,300,000	0.12%	1,560
Tri-Valley Local School District	17,665,000	97.91%	17,295,802
Morgan Local School District	6,416,905	0.07%	4,492
Licking County Career Center Joint Vocational School	31,970,000	0.01%	3,197
West Muskingum Local School District	23,170,000	94.60%	21,918,820
Franklin Local School District	7,880,000	93.71%	7,384,348
Licking Valley Local	16,054,984	0.07%	11,238
Roseville Village	19,280	45.47%	8,767
Total Entities Not Wholly Within the County	<u>111,104,169</u>		<u>51,491,187</u>
Total Overlapping Debt	<u>156,037,777</u>		<u>96,424,795</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>\$170,102,474</u></u>		<u><u>\$110,489,492</u></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****Revenue Bond Coverage  
Sewer Fund****Last Ten Years**

<b>Year</b>	<b>Gross Revenues (1)</b>	<b>Expenses, Net of Depreciation and Interest</b>	<b>Net Revenue Available for Debt Service</b>
1995	\$1,392,328	\$1,136,343	\$255,985
1996	1,462,266	1,310,638	151,628
1997	1,685,552	1,312,044	373,508
1998	1,805,763	1,686,964	118,799
1999	1,597,962	1,078,597	519,365
2000	1,899,048	1,633,241	265,807
2001	1,956,682	1,375,419	581,263
2002	2,262,928	1,829,783	433,145
2003	1,737,106	1,626,027	111,079
2004	1,942,637	1,868,520	74,117

(1) Includes investment income and other non-operating revenues.

Source: Muskingum County Auditor's Office

<b>Debt Service Requirements</b>		<b>Total</b>	<b>Coverage</b>
<b>Principal</b>	<b>Interest</b>		
\$25,200	\$215,279	\$240,479	1.06
39,100	179,601	218,701	0.69
34,900	177,840	212,740	1.76
36,800	175,918	212,718	0.56
24,900	94,780	119,680	4.34
26,000	93,525	119,525	2.22
27,300	92,215	119,515	4.86
28,700	64,767	93,467	4.63
38,100	107,903	146,003	0.76
10,800	27,025	37,825	1.96

**Table 13**

**Muskingum County, Ohio**

**Assessed Real Property Values, New Construction and Bank Deposits**

**Last Ten Years**

Year (4)	New Construction			Bank Deposits (1)
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction	
1995	\$9,640,350	\$6,587,030	\$16,227,380	\$289,095,000
1996	9,745,870	8,930,640	18,676,510	341,890,000
1997	11,535,470	8,463,060	19,998,530	660,855,000
1998	13,558,720	5,102,680	18,661,400	1,106,444,000
1999	12,549,140	7,740,930	20,290,070	1,135,931,000
2000	16,840,150	11,807,540	28,647,690	1,475,951,000
2001	15,501,310	9,352,150	24,853,460	1,508,212,000
2002	13,770,890	5,476,560	19,247,450	402,085,000 (5)
2003	17,242,490	5,097,470	22,339,960	421,153,000
2004	17,984,080	7,123,010	25,107,090	641,880,000

- (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.
- (5) Reductions in bank deposits are due to First National Bank, merging under Unizan, headquartered in Canton, Ohio.

Source: Muskingum County Auditor  
Federal Reserve Bank



**Real Property Value (4)**

<b>Agricultural/ Residential</b>	<b>Commercial/ Industrial (2)</b>	<b>Public Utility (3)</b>	<b>Total Taxable</b>	<b>Tax Exempt</b>
\$478,623,180	\$151,156,510	\$600,830	\$630,380,520	\$114,311,390
486,913,570	157,905,220	686,870	645,505,660	122,245,310
581,059,110	176,185,810	754,520	757,999,440	126,935,340
593,971,220	175,665,350	742,510	770,379,080	136,312,270
606,434,560	183,566,630	659,030	790,660,220	143,087,490
791,604,750	216,144,440	539,370	1,008,288,560	169,684,020
806,605,230	220,293,140	653,110	1,027,551,480	187,312,620
822,412,390	225,901,470	646,810	1,048,960,670	200,554,990
889,187,820	247,142,500	660,850	1,136,991,170	221,614,930
907,209,640	256,141,210	670,330	1,164,021,180	229,839,640

**Table 14****Muskingum County, Ohio****Ten Largest Employers**

<b>Employer</b>	<b>Nature of Business</b>	<b>Number of Employees</b>
Longaberger Incorporated	Hand-woven baskets and wood products	4,500
Genesis Health Care	Hospital - Health Services	3,184
Zandex Incorporated	Health Services	1,200
The County	Government (1)	1,109
Dollar General Corporations	Distributions Center	905
Auto Zone Incorporated	Automobile Retail Distribution Center	700
Lear Corporation	Manufacturer Automotive Switches	655
City of Zanesville	Government	384
Owens-Illinois	Manufacturer of Glass Containers	376
New Bakery Company of Ohio	Buns for Wendy's Resturants	360

(1) Includes permanent part-time

Source: Individual Employers and Zanesville-Muskingum Area Chamber of Commerce

**Table 15**

**Muskingum County, Ohio**

**Principal Property Taxpayers  
December 31, 2004**

	<b>Assessed Valuation</b>	<b>% of Total Assessed Valuation</b>
<b>Public Utilities</b>		
Ohio Power Company	\$39,853,640	2.94%
Ohio Bell Telephone Company	9,332,750	0.69%
Texas Eastern Trans Lp	5,015,720	0.37%
National Gas ad Oil Corp	4,544,330	0.34%
Guernsey-Muskingum Electric	4,360,380	0.32%
<b>Real Property</b>		
Longaberger Company	17,367,180	1.28%
Colony Square Partners	6,395,410	0.47%
DGC Properties, LLC	3,282,240	0.24%
Wal-Mart Real Estate	3,167,540	0.23%
North Coast Energy	3,122,510	0.23%
Beam J. Robert Trustee	3,097,420	0.23%
Zanesville Country Fair	2,596,620	0.19%
BV Zanesville LLC	2,396,670	0.18%
Zandex, Inc.	1,978,010	0.15%
2000 Maysville Pike Ltd.	1,827,880	0.14%
<b>Tangible Personal Property</b>		
Longaberger Company	19,920,650	1.47%
AK Steel Corporation	8,483,430	0.63%
Owen's Illinois Corporation	6,115,050	0.45%
Dolgencorp, Inc.	4,161,290	0.31%
Lear Operations Corporation	3,845,140	0.28%
Twfanch One Company	3,590,390	0.26%
Burnham Corporation	2,992,770	0.22%
Shelly and Sands Corporation	2,969,160	0.22%
Sidwell Materials Corporation	2,958,870	0.22%
Wendy's International	2,577,440	0.19%
<b>Total Assessed Value</b>	<b>\$165,952,490</b>	<b>12.25%</b>

Source: Muskingum County Auditor

**Table 16**

**Muskingum County, Ohio**

**Demographic Statistics  
December 31, 2004**

<b>(1) Population</b>		<b>(1) Age Distribution 2000 Census</b>		
<b>Year</b>	<b>County</b>	<b>Age</b>	<b>Number</b>	<b>Percentage</b>
1940	69,795	Under 5 years	5,637	6.67%
1950	74,535	5-14 years	12,409	14.67%
1960	79,159	15-19 years	6,517	7.70%
1970	77,826	20-24 years	5,350	6.32%
1980	83,340	25-44 years	23,430	27.70%
1990	82,068	45-54 years	11,261	13.31%
2000	84,585	55-59 years	4,217	4.99%
		60-64 years	3,672	4.34%
		65-74 years	6,360	7.52%
		75-84 years	4,196	4.96%
		85 years and older	1,536	1.82%
		<b>Totals</b>	<b>84,585</b>	<b>100.00%</b>

<b>(1) Population for the Last Ten Years</b>		<b>(2) Annual Average Unemployment Rates</b>			
<b>Year</b>	<b>County</b>	<b>Year</b>	<b>County</b>	<b>State</b>	<b>U.S.</b>
1995	84,169	1995	6.8%	4.7%	6.1%
1996	84,169	1996	7.7%	4.8%	5.4%
1997	84,169	1997	7.4%	4.5%	5.4%
1998	84,169	1998	6.4%	4.2%	4.5%
1999	84,169	1999	6.7%	4.3%	4.2%
2000	84,585	2000	5.9%	4.1%	4.0%
2001	84,585	2001	5.9%	4.3%	4.8%
2002	84,585	2002	6.4%	5.7%	5.8%
2003	84,585	2003	7.4%	6.1%	6.0%
2004	84,585	2004	8.2%	6.1%	5.5%

(continued)

Sources: (1) Census Bureau and Muskingum County Ohio Director  
(2) Ohio Bureau of Employment Services

Table 16

Muskingum County, Ohio

Demographic Statistics  
December 31, 2004  
(Continued)

(1) Civilian Labor Force Estimates				
Year	Labor Force	Employment	Unemployment	Percentage of Unemployment
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%
1999	44,300	41,400	2,900	6.54%
2000	45,200	42,600	2,600	5.80%
2001	45,700	43,000	2,700	5.90%
2002	44,200	41,400	2,800	6.40%
2003	44,800	41,500	3,300	7.40%
2004	41,400	38,000	3,400	8.20%

(2) Public Schools in Muskingum County 2004		K-12 School Enrollment	
Total Enrollment	15,682	1996	16,508
The Daily Attendance Rate	94.7%	1997	16,709
Graduation Rate	90.8%	1998	16,697
		1999	17,230
		2000	16,194
		2001	15,529
		2002	15,601
		2003	15,635
		2004	15,682

(3) Per Capita Income (Current Dollars)		
2002	2000	Change
\$24,540	\$23,528	10.15%

- Sources:
- (1) Ohio Bureau of Employment Services.
  - (2) State Board of Education, Muskingum County Board of Education and individual School Districts
  - (3) Zanesville-Muskingum County Chamber of Commerce

**Table 17****Muskingum County, Ohio****Miscellaneous Statistics  
December 31, 2004**

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 - 396,551 Volumes
Radio Stations	1 AM and 4 FM stations
Television Stations	1
Daily Newspaper	1 - Circulation 20,700
Muskingum Area Technical College	Undergraduate Enrollment: 2,000
Ohio University of Zanesville	Undergraduate Enrollment: 1,350
Muskingum College	Undergraduate Enrollment: 1,584

**(continued)**

**Table 17**

**Muskingum County, Ohio**

**Miscellaneous Statistics  
December 31, 2004  
(Continued)**

<b>Transportation</b>	
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
<b>Health Care</b>	
Hospitals	2
Number of Beds	398 (staffed) 725 (licensed)
Physicians and Dentists	155 (Approximate)
<b>Lodging (Hotels and Motels)</b>	
Days Inn	60 rooms
Holiday Inn of Zanesville	130 rooms
Thriftlodge	54 rooms
Best Western Town House	58 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
<b>Voter Statistics</b>	
Total Number of Registered Voters	51,552
Voters in November 2004 Election	39,565
Percentage of Registered Voters Voting	76.75%

(continued)

**Table 17**

**Muskingum County, Ohio**

**Miscellaneous Statistics**

**December 31, 2003**

**(Continued)**

<b>Recreation</b>	
Auditorium (Public)	Secrest Auditorium - 1800 Seats
Cinema	Colony Square Cinema - 10 Screens
Golf Courses	9 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 Norwich Valley Golf Course (Public) - 9 Holes
Bowling Alleys	Maysville Bowling Center - 24 Lanes Sunrise Bowl - 32 Lanes
Skating Rink	Lind Arena The Field House
State Parks	Dillon State Park Blue Rock State Park Muskingum River Parkway Powelson Wildlife Area
City Parks	Zanes Landing Park Riverside Park Pioneer Hill Park Putnam Hill Park
<b>Tourist Attractions</b>	
National Road/Zane Grey Museum	S-Bridge/National Road
Ohio Ceramic Center	Zane Grey's Home
Dr. Increase Mathews House	Stone Academy
Lorena Sternwheeler	International Center for the Preservation of Wild Animals
Zanesville Art Center	Leslie Cope Gallery, Roseville
Y-Bridge	Putnam Historic Tour
Salt Creek Covered Bridge	McIntire Terrace Walking Tour
Longaberger Basket Tours	Colony Square Mall
Zanesville Pottery & Christmas House	John Glenn Museum
Ohio Pottery East	Alan Cottrill Sculpture Studio and Gallery
Ohio Pottery West	
Schultz Mansion	

Sources: (1) Muskingum County Board of Elections, (2) Muskingum County Highway Department  
(3) Muskingum County Library Systems, (4) Muskingum County Ohio Rural Directory