

Columbiana County, Ohio

Financial Forecast

For the Year Ending December 31, 2000

Columbiana County, Ohio
Financial Forecast

Table of Contents

	Page
Accountant's Report	1
Schedule of Revenues, Expenditures, and Changes in Fund Balance	
General Fund	2
Summary of Significant Forecast Assumptions and Accounting Policies	9
Clerk's Certification	20



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

Board of Commissioners
Columbiana County
105 South Market Street
Lisbon, Ohio 44432

We have examined the accompanying forecasted Schedule of Revenues, Expenditures, and Changes in Fund Balance of the General Fund of Columbiana County for the year ending December 31, 2000. Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included such procedures as we considered necessary to evaluate both the assumptions used by the Board and the preparation and presentation of the forecast.

In our opinion, the forecasted schedules referred to above are presented in conformity with the guidelines for presentation of forecasted information established by the American Institute of Certified Public Accountants (AICPA), and the underlying assumptions provide a reasonable basis for the Board's forecast. However, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after its date.

The historical financial statements for the years ended December 31, 1997 through 1999, were audited by other accountants, and they expressed an unqualified opinion on them in their reports dated June 12, 1998, May 28, 1999, and May 26, 2000.

JIM PETRO
Auditor of State

September 27, 2000

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
<u>Revenues</u>					
Sales Tax	\$6,151,000	\$6,616,000	\$5,179,000	\$16,000	(\$5,163,000)
Property Taxes	1,913,000	1,966,000	2,277,000	2,282,000	5,000
Charges for Services	2,286,000	2,373,000	2,561,000	2,407,000	(154,000)
Licenses and Permits	17,000	16,000	16,000	16,000	0
Fines and Forfeitures	418,000	488,000	459,000	455,000	(4,000)
Intergovernmental	2,450,000	2,625,000	2,664,000	2,579,000	(85,000)
Investment Income	1,214,000	1,346,000	1,545,000	1,369,000	(176,000)
Other	252,000	324,000	578,000	441,000	(137,000)
Total Revenues	14,701,000	15,754,000	15,279,000	9,565,000	(5,714,000)
<u>Other Financing Sources</u>					
Transfers In	113,000	214,000	600,000	0	(600,000)
Advances In	10,000	0	0	68,000	68,000
Other financing sources	0	0	0	600,000	600,000
Total Other Financing Sources	123,000	214,000	600,000	668,000	68,000
Total Revenues and Other Financing Sources	14,824,000	15,968,000	15,879,000	10,233,000	(5,646,000)
<u>Expenditures:</u>					
General Government - Legislative and Executive:					
Commissioners:					
Commissioners' Office					
Salaries	200,000	177,000	168,000	162,000	(6,000)
Fringe Benefits	27,000	26,000	25,000	23,000	(2,000)
Materials and Supplies	4,000	5,000	6,000	2,000	(4,000)
Contractual Services	28,000	133,000	124,000	18,000	(106,000)
Capital Outlay	0	2,000	5,000	0	(5,000)
Other	68,000	46,000	74,000	19,000	(55,000)
Total Commissioners' Office	327,000	389,000	402,000	224,000	(178,000)
Maintenance and Operations					
Salaries	105,000	74,000	61,000	52,000	(9,000)
Fringe Benefits	16,000	11,000	9,000	12,000	3,000
Materials and Supplies	29,000	24,000	23,000	6,000	(17,000)
Contractual Services	451,000	521,000	605,000	655,000	50,000
Other	7,000	15,000	5,000	1,000	(4,000)
Total Maintenance and Operations	608,000	645,000	703,000	726,000	23,000
Xerox and Photostat Services:					
Salaries	39,000	23,000	22,000	25,000	3,000
Fringe Benefits	4,000	4,000	4,000	4,000	0
Materials and Supplies	14,000	14,000	6,000	5,000	(1,000)
Capital Outlay	10,000	10,000	14,000	7,000	(7,000)
Total Xerox and Photostat Services	67,000	51,000	46,000	41,000	(5,000)
Air Navigations Facilities:					
Salaries	2,000	2,000	2,000	2,000	0
Contractual Services	7,000	6,000	6,000	7,000	1,000
Capital Outlay	0	6,000	0	0	0
Total Air Navigations Facilities:	\$9,000	\$14,000	\$8,000	\$9,000	\$1,000

(continued)

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND (continued)

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
Agricultures:					
Contractual Services	\$60,000	\$68,000	\$60,000	\$25,000	(\$35,000)
Examinations - County Offices:					
Contractual Services	89,000	69,000	74,000	69,000	(5,000)
County Planning:					
Salaries	6,000	0	0	0	0
Fringe Benefits	2,000	0	0	0	0
Total County Planning:	8,000	0	0	0	0
Total Commissioners	1,168,000	1,236,000	1,293,000	1,094,000	(199,000)
County Auditor:					
Auditor - General:					
Salaries	162,000	158,000	147,000	133,000	(14,000)
Fringe Benefits	23,000	24,000	22,000	18,000	(4,000)
Materials and Supplies	16,000	15,000	5,000	4,000	(1,000)
Other	16,000	22,000	16,000	26,000	10,000
Total Auditor - General	217,000	219,000	190,000	181,000	(9,000)
Auditor - Personal Property:					
Salaries	20,000	24,000	22,000	22,000	0
Fringe Benefits	3,000	3,000	3,000	3,000	0
Materials and Supplies	4,000	3,000	4,000	4,000	0
Total Auditor - Personal Property:	27,000	30,000	29,000	29,000	0
Data Processing:					
Materials and Supplies	12,000	16,000	16,000	18,000	2,000
Contractual Services	187,000	135,000	115,000	141,000	26,000
Capital Outlay	22,000	66,000	28,000	31,000	3,000
Total Data Processing	221,000	217,000	159,000	190,000	31,000
Total County Auditor	465,000	466,000	378,000	400,000	22,000
Treasurer:					
Salaries	140,000	173,000	146,000	135,000	(11,000)
Fringe Benefits	22,000	25,000	22,000	22,000	0
Materials and Supplies	30,000	35,000	13,000	1,000	(12,000)
Contractual Services	2,000	1,000	1,000	1,000	0
Capital Outlay	0	11,000	0	1,000	1,000
Other	2,000	1,000	0	0	0
Total Treasurer	\$196,000	\$246,000	\$182,000	\$160,000	(\$22,000)

(continued)

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND (continued)

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
Prosecuting Attorney:					
Salaries	\$599,000	\$633,000	\$657,000	\$620,000	(\$37,000)
Fringe Benefits	84,000	85,000	88,000	101,000	13,000
Materials and Supplies	4,000	9,000	5,000	0	(5,000)
Contractual Services	0	0	1,000	0	(1,000)
Capital Outlay	16,000	1,000	0	0	0
Other	20,000	57,000	21,000	10,000	(11,000)
Total Prosecuting Attorney	723,000	785,000	772,000	731,000	(41,000)
Board of Elections:					
Salaries	272,000	285,000	301,000	284,000	(17,000)
Fringe Benefits	30,000	29,000	29,000	31,000	2,000
Materials and Supplies	16,000	16,000	22,000	12,000	(10,000)
Contractual Services	47,000	63,000	51,000	26,000	(25,000)
Capital Outlay	0	0	38,000	0	(38,000)
Other	5,000	4,000	8,000	5,000	(3,000)
Total Board of Elections	370,000	397,000	449,000	358,000	(91,000)
Recorder:					
Salaries	176,000	149,000	180,000	116,000	(64,000)
Fringe Benefits	25,000	23,000	26,000	18,000	(8,000)
Materials and Supplies	1,000	1,000	1,000	3,000	2,000
Contractual Services	15,000	18,000	11,000	9,000	(2,000)
Other	1,000	3,000	2,000	2,000	0
Total Recorder	218,000	194,000	220,000	148,000	(72,000)
Total General Government - Legislative and Executive:	3,140,000	3,324,000	3,294,000	2,891,000	(403,000)
General Government - Judicial:					
Court of Appeals:					
Salaries	31,000	33,000	30,000	19,000	(11,000)
Common Pleas Court:					
Salaries	294,000	355,000	315,000	366,000	51,000
Fringe Benefits	48,000	43,000	47,000	55,000	8,000
Materials and Supplies	11,000	19,000	14,000	10,000	(4,000)
Contractual Services	201,000	89,000	4,000	25,000	21,000
Capital Outlay	23,000	40,000	20,000	7,000	(13,000)
Other	4,000	18,000	0	16,000	16,000
Total Common Pleas Court	581,000	564,000	400,000	479,000	79,000
County Law Library:					
Salaries	16,000	16,000	23,000	24,000	1,000
Fringe Benefits	2,000	2,000	3,000	4,000	1,000
Total County Law Library	\$18,000	\$18,000	\$26,000	\$28,000	\$2,000

(continued)

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND (continued)

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
Juvenile Court:					
Salaries	\$164,000	\$185,000	\$186,000	\$211,000	\$25,000
Fringe Benefits	31,000	31,000	32,000	35,000	3,000
Materials and Supplies	15,000	16,000	19,000	16,000	(3,000)
Contractual Services	49,000	10,000	7,000	5,000	(2,000)
Other	34,000	44,000	34,000	27,000	(7,000)
Total Juvenile Court	293,000	286,000	278,000	294,000	16,000
Probate Court:					
Salaries	126,000	129,000	137,000	144,000	7,000
Fringe Benefits	19,000	19,000	20,000	28,000	8,000
Materials and Supplies	10,000	11,000	14,000	21,000	7,000
Contractual Services	1,000	4,000	9,000	6,000	(3,000)
Capital Outlay	3,000	4,000	0	0	0
Other	8,000	14,000	6,000	30,000	24,000
Total Probate Court	167,000	181,000	186,000	229,000	43,000
Clerk of Courts:					
Salaries	323,000	307,000	313,000	318,000	5,000
Fringe Benefits	48,000	46,000	45,000	51,000	6,000
Materials and Supplies	28,000	34,000	32,000	26,000	(6,000)
Capital Outlay	0	11,000	0	0	0
Other	(38,000)	315,000	(80,000)	12,000	92,000
Total Clerk of Courts	361,000	713,000	310,000	407,000	97,000
County Courts:					
Salaries	480,000	483,000	477,000	512,000	35,000
Fringe Benefits	73,000	72,000	71,000	72,000	1,000
Materials and Supplies	16,000	38,000	36,000	8,000	(28,000)
Contractual Services	116,000	22,000	6,000	12,000	6,000
Capital Outlay	2,000	0	9,000	0	(9,000)
Other	11,000	14,000	12,000	19,000	7,000
Total County Courts	698,000	629,000	611,000	623,000	12,000
Police & Municipal Courts:					
Salaries	53,000	54,000	56,000	59,000	3,000
Fringe Benefits	8,000	8,000	8,000	8,000	0
Contractual Services	0	0	63,000	8,000	(55,000)
Total Police & Municipal Courts	61,000	62,000	127,000	75,000	(52,000)
County Public Defender:					
Salaries	7,000	7,000	0	0	0
Fringe Benefits	1,000	1,000	0	0	0
Contractual Services	141,000	260,000	298,000	233,000	(65,000)
Total County Public Defender:	149,000	268,000	298,000	233,000	(65,000)
Total General Government - Judicial	\$2,359,000	\$2,754,000	\$2,266,000	\$2,387,000	\$121,000

(continued)

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND (continued)

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
Public Safety:					
Adult Probation Department:					
Salaries	\$182,000	\$203,000	\$224,000	\$242,000	\$18,000
Fringe Benefits	26,000	28,000	31,000	49,000	18,000
Materials and Supplies	6,000	4,000	5,000	5,000	0
Capital Outlay	6,000	5,000	0	0	0
Other	4,000	5,000	3,000	3,000	0
Total Adult Probation Department	224,000	245,000	263,000	299,000	36,000
Juvenile Probation Department:					
Salaries	115,000	93,000	111,000	140,000	29,000
Fringe Benefits	14,000	13,000	15,000	18,000	3,000
Other	4,000	3,000	2,000	1,000	(1,000)
Total Juvenile Probation Department	133,000	109,000	128,000	159,000	31,000
Coroner:					
Salaries	60,000	70,000	81,000	70,000	(11,000)
Fringe Benefits	9,000	11,000	12,000	11,000	(1,000)
Materials and Supplies	1,000	0	0	0	0
Contractual Services	63,000	52,000	42,000	22,000	(20,000)
Other	0	1,000	1,000	0	(1,000)
Total Coroner	133,000	134,000	136,000	103,000	(33,000)
Sheriff:					
Salaries	1,793,000	1,126,000	1,109,000	1,084,000	(25,000)
Fringe Benefits	490,000	253,000	193,000	253,000	60,000
Materials and Supplies	55,000	24,000	25,000	0	(25,000)
Contractual Services	1,152,000	1,646,000	1,939,000	2,619,000	680,000
Capital Outlay	0	203,000	0	0	0
Other	265,000	245,000	176,000	169,000	(7,000)
Total Sheriff	3,755,000	3,497,000	3,442,000	4,125,000	683,000
Total Public Safety	4,245,000	3,985,000	3,969,000	4,686,000	717,000
Public Works:					
Engineer:					
Salaries	55,000	57,000	58,000	40,000	(18,000)
Fringe Benefits	8,000	8,000	8,000	6,000	(2,000)
Total Public Works	63,000	65,000	66,000	46,000	(20,000)
Health:					
Vital Statistics:					
Contractual Services	2,000	2,000	2,000	2,000	0
Humane Society					
Salaries	2,000	2,000	2,000	2,000	0
Total Health	\$4,000	\$4,000	\$4,000	\$4,000	\$0

(continued)

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND (continued)

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
Human Services:					
Soldiers Relief:					
Salaries	\$61,000	\$63,000	\$63,000	\$63,000	\$0
Fringe Benefits	9,000	9,000	9,000	9,000	0
Materials and Supplies	7,000	7,000	4,000	3,000	(1,000)
Contractual Services	106,000	106,000	96,000	96,000	0
Capital Outlay	6,000	11,000	1,000	0	(1,000)
Other	3,000	6,000	3,000	3,000	0
Total Soldiers Relief	<u>192,000</u>	<u>202,000</u>	<u>176,000</u>	<u>174,000</u>	<u>(2,000)</u>
Veteran Services:					
Salaries	75,000	82,000	90,000	74,000	(16,000)
Fringe Benefits	11,000	11,000	11,000	10,000	(1,000)
Materials and Supplies	6,000	8,000	5,000	1,000	(4,000)
Contractual Services	15,000	16,000	14,000	27,000	13,000
Capital Outlay	2,000	1,000	0	0	0
Other	8,000	7,000	8,000	0	(8,000)
Total Veteran Services	<u>117,000</u>	<u>125,000</u>	<u>128,000</u>	<u>112,000</u>	<u>(16,000)</u>
Total Human Services	<u>309,000</u>	<u>327,000</u>	<u>304,000</u>	<u>286,000</u>	<u>(18,000)</u>
Miscellaneous:					
Official Bonds:					
Contractual Services	2,000	2,000	2,000	2,000	0
Health Insurance					
Contractual Services	1,222,000	1,190,000	1,242,000	1,278,000	36,000
Insurance - County Property:					
Contractual Services	185,000	187,000	204,000	200,000	(4,000)
David Griffith & Associates					
Contractual Services	10,000	10,000	10,000	10,000	0
Unanticipated Emergencies					
Contractual Services	107,000	158,000	38,000	56,000	18,000
Multi-County					
Contractual Services	369,000	531,000	638,000	698,000	60,000
Crippled Children Allocation					
Contractual Services	91,000	182,000	106,000	108,000	2,000
Office on Aging					
Contractual Services	32,000	17,000	24,000	21,000	(3,000)
Other					
Other	0	(16,000)	0	200,000	(200,000)
Total Miscellaneous	<u>2,018,000</u>	<u>2,261,000</u>	<u>2,264,000</u>	<u>2,573,000</u>	<u>(124,000)</u>
Intergovernmental					
Mandated Share:					
Contractual Services	434,000	394,000	358,000	318,000	(40,000)
Debt Service:					
Principal Retirement	368,000	468,000	594,000	583,000	(11,000)
Interest and Fiscal Charges	299,000	707,000	667,000	680,000	13,000
Total Debt Service	<u>667,000</u>	<u>1,175,000</u>	<u>1,261,000</u>	<u>1,263,000</u>	<u>2,000</u>
Total Expenditures	<u>\$13,239,000</u>	<u>\$14,289,000</u>	<u>\$13,786,000</u>	<u>\$14,454,000</u>	<u>\$668,000</u>

(continued)

COLUMBIANA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 1997, 1998 AND 1999 ACTUAL;
YEAR ENDING DECEMBER 31, 2000 FORECASTED
GENERAL FUND (continued)

	1997	1998	1999	2000	Variance
	Actual	Actual	Actual	Forecasted	Increase (Decrease)
<u>Other Financing Uses</u>					
Advances Out	\$40,000	\$0	\$0	\$68,000	\$68,000
Operating Transfers Out	871,000	1,272,000	663,000	300,000	(363,000)
Total Other Financing Uses	<u>911,000</u>	<u>1,272,000</u>	<u>663,000</u>	<u>368,000</u>	<u>(295,000)</u>
Total Expenditures and Other Financing Uses	<u>14,150,000</u>	<u>15,561,000</u>	<u>14,449,000</u>	<u>14,822,000</u>	<u>373,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	674,000	407,000	1,430,000	(4,589,000)	(6,019,000)
Cash Balance, January 1	<u>448,000</u>	<u>1,122,000</u>	<u>1,529,000</u>	<u>2,959,000</u>	<u>1,430,000</u>
Cash Balance, December 31	1,122,000	1,529,000	2,959,000	(1,630,000)	(4,589,000)
Estimated Encumbrances, December 31	<u>(404,000)</u>	<u>(235,000)</u>	<u>(1,132,000)</u>	<u>(549,000)</u>	<u>583,000</u>
Unencumbered Fund (Deficit) Balance, December 31	<u>\$718,000</u>	<u>\$1,294,000</u>	<u>\$1,827,000</u>	<u>(\$2,179,000)</u>	<u>(\$4,006,000)</u>

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies For the Year Ending December 31, 2000

Note 1 - The County

Columbiana County, Ohio (The "County") is governed by a board of three commissioners elected by the voters of the County. A County Auditor and County Treasurer, both of whom are elected, are responsible for fiscal control of the financial resources of the County. In addition, there are other officials elected by the voters of the County that manage various segments of the County's operations. These are the County Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, two Common Pleas Court Judges, a Probate/Juvenile Court Judge, three County Court Judges, and one Municipal Court Judge. Although these elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures and serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the County, including each of these departments.

Note 2 - Nature of Presentation

The financial forecast presents, to the best of the knowledge and belief of the County Commissioners and those elected officials whose operations are financed by the general fund, the expected revenues, expenditures, and changes in fund balance of the general fund for the year ending December 31, 2000. Accordingly, the forecast reflects the management's judgment of the expected conditions and its expected course of action as of September 27, 2000, the date of this forecast. The assumptions disclosed herein are those that management believes are significant to the forecast. Differences between the forecasted and actual results will usually arise because events and circumstances frequently do not occur as expected, and those differences may be material.

Note 3 - Basis of Accounting

The financial forecast has been prepared on a basis of cash receipts and disbursements which is consistent with the basis (non-GAAP) of accounting used to prepare the historical financial statements. Under this basis of accounting, certain revenue and related assets are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred. However, by virtue of Ohio law, the County is required to maintain the encumbrance method of accounting. This method requires purchase orders, contracts, and other commitments for the expenditure of monies to be recorded as the equivalent of an expenditure in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

Note 4 - Significant Assumptions for Revenues and Other Financing Sources

A. - Property Taxes

Property taxes consist of amounts levied against all real estate, public utility real and personal property and tangible personal property in the County. The County Treasurer collects property taxes for all taxing districts in the County. The County Auditor periodically remits to the County its portion of the tax collected. Advances may be requested by the County Auditor as the tax is collected. When settlements are made, any amounts remaining to be distributed to the County are paid. Deductions for auditor and treasurer's fees, advertising delinquent taxes, election expenses, and other fees are made at these settlement times.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

The County's property tax revenues are generated from a share of the 10 mills authorized under State law. The County's portion, 2.2 mills, has two mills allocated to the general fund for operations and .2 mills allocated to the debt service fund for the payment of general obligation debt. The general fund's portion of the levy is estimated to generate \$2,282,000 for the year. This amount represents gross property taxes less rollback and homestead exemptions. Amounts forecasted for the rollback and homestead exemption are included under intergovernmental revenue. The forecasted amount is based on the Official Certificate of Estimated Resources.

B. - Permissive Sales Tax

In 1994, the voters of Columbiana County approved a permissive sales tax of one percent, for five years, on all retail sales made in the County. The sales tax is collected by vendors in the County. Vendors remit the tax to the State Treasurer in month following collection and the State Tax Commissioner certifies to the Audit of State the amount of the tax to be returned to the County. The Tax Commissioner's certification is made within forty-five days after the end of each month. The Auditor of State has five days from the date of certification in which to issue a warrant payable to the County.

The sales tax levy expired in June 1999. During the last half of 1999 and 2000 the County has received settlements representing final collections of the tax. In 1998, the last full year of collection, the sales tax levy generated \$6.6 million in revenue for general fund operations.

The County Commissioners have placed the sales tax levy on the ballot for November 2000. The results of prior ballot issues for the sales tax are presented below:

<u>Date</u>	<u>Type</u>	<u>Amount</u>	<u>Term</u>	<u>Election Results</u>
November 1990	Sales Tax	1%	5 years	Failed
November 1991	Sales Tax	1%	3 years	Passed
November 1993	Sales Tax	1%	5 years	Failed
May 1994	Sales Tax	1%	5 years	Passed
May 1999	Sales Tax	1%	5 years	Failed
November 1999	Sales Tax	1%	5 years	Failed
March 2000	Sales Tax	.5%	5 years	Failed

C. - Charges for Services

Charges for services include conveyance, property tax collection, county court, and sheriff fees and other various fees and charges collected by the various County departments. The forecasted amount of \$2,407,000 is based on the average for the last three years.

D. - Fines and Forfeitures

Fines and forfeitures are resources collected by the County Courts. The forecasted amount of \$455,000 is based on the average for the last three years.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

E. - Intergovernmental Revenues

Intergovernmental revenue includes local government funds, local government revenue assistance, homestead and rollback, and the personal property tax exemption, all which are received from the State of Ohio. The local government funds and local government revenue assistance revenues are based on estimates from the State Department of Taxation.

State law grants tax relief in the form of a ten percent reduction in real property tax bills. In addition, a two and one-half percent rollback is granted on residential property taxes. Tax relief is also granted to qualified elderly and disabled homeowners based on their income. The State reimburses the County for the loss of real property taxes as a result of the above (rollback and homestead). In addition, the first \$10,000 of tangible personal property is exempt from taxation. The State also reimburses the County for all revenue lost due to this exemption.

Intergovernmental revenues are forecasted at \$2,579,000, a decrease of \$85,000. This decrease is primarily due to a decreased amount in local government fund revenues.

F. - Investment Income

Investment income represents interest received on the investments of the County. Interest is allocated to those funds required to receive interest under State law with the remaining balance recorded to the general fund. The forecasted investment income is based on the average amount of interest received for the last three years.

G. - Other

Other revenue includes rental income, refunds, and miscellaneous receipts. Rental income is anticipated to remain the same as 1999; however, significant increases were realized in 1998 and 1999. Refunds and miscellaneous receipts are anticipated to decrease \$34,000.

H. - Transfers and Advances-In

Advances-in represents amounts lent to other funds to meet cash flow requirements. The advances are generally repaid in the same or subsequent year. Outstanding advances to other funds in the amount of \$68,000 are anticipated to be repaid by year end.

I. - Other Financing Sources

Other financing sources include a settlement with Nationwide Insurance Company in the amount of \$600,000 relating to the embezzlement of county funds.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

Note 5 - Significant Assumptions for Expenditures and Other Financing Uses

A. - Salaries and Wages

Salaries and wages include all compensation paid to County elected officials and employees. The annual compensation is set by State law for the elected officials, various negotiated agreements for bargaining unit members, and the County Commissioners for non-bargaining unit employees. All employees are compensated on a biweekly basis. Overall, County employees received a three percent increase in 2000. Most elected officials also received a three percent increase under State law.

Various County departments have reduced staff, decreased staff hours from 40 to 32 hours per week, or have changed where the employees' compensation is charged from the general fund to other funds of the County. These changes are addressed under the specific departments below.

B. - Fringe Benefits

The County provides retirement, health, life, dental, vision, medicare, workers' compensation, and unemployment compensation benefits for its employees. All benefits, except health care benefits, are charged to the department in which the employees' wages are recorded. Health care benefits for all employees whose wages are recorded to the general fund are recorded under miscellaneous - health in the general fund.

All County employees participate in the Public Employees Retirement System of Ohio (PERS). PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. Plan members, other than those engaged in law enforcement, are required to contribute 8.5 percent of their annual covered salary and the County is required to contribute 13.55 percent. For law enforcement employees, the employee contribution is 9 percent and the employer contribution is 16 percent. Effective July 1, 2000, PERS adopted a temporary employer contribution rate rollback of 20 percent for state and local government divisions and a 6 percent temporary rollback for the law enforcement division. The employer rate reduction will be realized with the third quarter employer contribution due in December 2000.

The County participates in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan ("the Plan"). 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 prior years the County received refunds of past premiums and the Ohio Bureau of Workers' Compensation has significantly reduced the premium. The refunds were recorded in a separate fund. The premiums from 1999 and 2000 have been paid from the separate fund and no additional costs have been or will be recorded to the general fund.

The County provides medical (including health, dental and vision), prescription drug coverage and life insurance to its employees. The County maintains a self insurance fund to account for and finance its uninsured risks of loss for these benefits. A third-party administrator reviews and pays all claims on behalf of the County. The monthly premium paid for medical coverage in 2000 is \$285.87 for single coverage and \$646.25 for family coverage. The monthly premium for prescription drug benefits is \$30 per person.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

In 1999, the monthly premium paid for medical coverage was is \$240.56 for single coverage and \$581.54 for family coverage.

C. - General Government - Legislative

Board of County Commissioners (Board) - The Board of County Commissioners serve as the taxing authority, the contracting body and the chief administrators of public services for the County. The Board creates and adopts the annual operating budget and prepares the annual appropriations measure for the expenditures of all County funds. The Commissioners are directly responsible for the operations of their office and various other departments and agencies within the County.

The Commissioners office has reduced the hours of the two clerical positions from 40 to 32 hours per week. In addition, contractual services are anticipated to decrease because of legal costs incurred with the contract for the privatization of the County jail in 1998 and 1999.

Maintenance and Operations - The maintenance and operations department has eliminated one clerical position and reduced the hours of the two full-time employees from 40 to 32 hours per week. Fringe benefits are anticipated to increase because of unemployment compensation. In addition, cost-cutting measures have been implemented to reduce expenditures for materials and supplies. Contractual services are anticipated to increase due to repairs to various facilities and maintenance agreements.

Xerox and Photostat Services - Xerox and photostat services purchased new equipment in 1999 that will not occur again in 2000.

Agricultures - Agricultures represents the expenditures associated with the Ohio State University Cooperative Extension Service operations with the County. The amount forecasted is based on the budget request submitted to the County Commissioners.

Examinations - Examinations is the cost of the annual financial audit of the County. The amount forecasted represents the total cost for all funds and departments within the County.

County Auditor - The County Auditor serves as the chief fiscal officer for the County and is the tax assessor for all political subdivisions within the County. In addition, the County Auditor processes all County warrants for the payment of goods and services incurred by all departments and offices and processes all of the County payroll. The County Auditor is responsible for the operations of the Auditor's Office, as well as the personal property and data processing departments.

The County Auditor has reduced salaries by eliminating one full-time position. Other expenditures have increased because of the purchase of new payroll software and computer hardware.

Data Processing - The Data Processing Department is anticipating a \$38,000 increase in contractual services, due to maintenance agreements on all County Auditor and Treasurer computer software and hardware.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies For the Year Ending December 31, 2000

County Treasurer - The County Treasurer is the custodian of County funds. The Treasurer is responsible for the investment of idle County funds as specified by Ohio law. The Treasurer is also responsible for collecting all tax monies and applying those payments to the appropriate tax accounts.

The County Treasurer has reduced the hours of the five employees from 40 to 32 hour week. Materials and supplies and legal advertising expenditures will be made from other funds in 2000 or will be donated. In addition, the County Treasurer will pay for all travel expenses from mandatory seminars.

Prosecuting Attorney - The County Prosecutor is responsible for all legal matters for the County and provides legal services to all townships and local school districts within the County. The County Prosecutor is required to prosecute all criminal felony and misdemeanor offenses in Columbiana County and have prosecutors assigned to eight different courts.

The County Prosecutor has reduced six staff and lost five other employees, two of which will be replaced. Fringe benefits are anticipated to increase because of unemployment compensation benefits. In addition, no purchases for materials and supplies will be authorized from the general fund.

Board of Elections - The Board of Elections is responsible for overseeing all elections in the County. The reduction in salaries is a result of a reduction in voting precincts from 138 to 103 and the related poll workers.

County Recorder - The County Recorder is responsible for recording and maintaining all deeds, mortgages, liens and veterans discharge records. For the last half of 2000, all employees' salaries and benefits are charged to the recorder's equipment fund.

D. - General Government - Judicial

All Courts - The forecasted expenditures for all the courts are based on the current year spending levels and historical trends and assumes no change in the existing staff levels or hours per week.

Clerk of Courts - The Clerk of Courts is responsible for two divisions, the legal and title divisions. The legal division's main function is to file, process and preserve papers for cases that will be handled by the Common Pleas Court, Court of Appeals and Municipal Court's civil and criminal divisions. The title division's main function is to issue vehicle titles which serve as a person's only proof of ownership.

Other expenditures of the Clerk of Courts includes receipts from the Child Support Enforcement Agency which are recorded as an expenditure reduction rather than a receipt. Other expenditures which are in excess of \$100,000 includes equipment purchases, lease payments for copiers, and other miscellaneous expenditures.

Police and Municipal Courts - In 1999, the Municipal Courts incurred \$62,000 in outside attorney fees.

Public Defender - During 1999, the Public Defender's office was faced with costs associated with an attorney doing public defense work for the municipal court, which will not recur in 2000.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

E. - Public Safety

Adult Probation - Salaries are forecasted to increase due to an increase in staff. The Adult Probation Department employs twelve staff. Seven of the staff are fully paid out of the general fund, and two are partially paid out of the general fund. The remaining three employees and remaining partial salaries are paid by a State grant.

Juvenile Probation - Juvenile Probation is responsible for rehabilitating juvenile offenders who are on probation. The increase is primarily due to additional salaries and benefits.

Coroner - The County Coroner is responsible for ordering autopsies, investigating suspicious deaths and issuing death certifications. Salaries and benefits are anticipated to decrease due to a reduction in staffing levels. In addition, the County will not pay for ambulance and autopsy fees due to financial constraints. These costs will be the responsibility of the deceased's families.

Sheriff - The County Sheriff is the chief law enforcement officer of the County and provides certain specialized services. Salaries are expected to decrease due to layoffs; however, an increase is anticipated in fringe benefits for unemployment compensation. A decrease in materials and supplies is forecasted due to cost-cutting measures in the Sheriff's department.

The Sheriff has a contract with CiviGenics for the operation and maintenance of the County jail. The agreement requires the County to pay \$44.17 per inmate, per day. In addition, the County is to reimburse CiviGenics for inmate medical expenses. Based on the amounts billed through July 2000, the County estimates the total due to CiviGenics for the operation and maintenance of the County Jail to be \$2,619,000 for the year.

F. - Public Works

Engineer - The County Engineer is required by Ohio law to be a registered professional engineer and surveyor and 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, related roadside drainage facilities, and storm or surface runoff systems. He also prepares tax maps for the County Auditor.

The decrease in the salaries and fringe benefits are due to the County's ability to charge the sanitary engineers' portion of the salary and benefits to the Elkton WWTP capital projects fund.

G. - Human Services

Soldiers Relief - The forecasted expenditures for Soldiers Relief are based on the current year spending levels and historical trends and assumes no change in the existing staff levels or hours per week.

Veteran's Services - Veteran's Services expenditures of \$112,000 forecasted for the year ending December 31, 2000 reflects a \$16,000 decrease from 1999 levels. Salaries are anticipated to decrease due to the retirement of one staff member. Contractual services are expected to increase due to needed updates and maintenance on department software, and maintenance of office equipment.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

H. - Miscellaneous

Medical Insurance on Persons - This account represents all health care premiums for those employee whose compensation is paid by the general fund (see Note 5B).

Multi-County Juvenile Attention System (MCJAS) - MCJAS is a six-County consortium with the purpose of providing a secure and safe environment for youth prior to a court hearing on a delinquency charge or while awaiting placement or commitment to another facility. The member counties share in the cost of the system on a population basis use and receive a credit for beds not used. The total obligation for Columbiana County for 2000 is \$698,000, a \$60,000 increase over 1999. The increase is due to construction costs and additional staff to operate the facility.

Crippled Children - The Ohio Department of Health's Bureau for Children with Medical Handicaps provides payment for diagnostic and treatment services to Ohio residents who are potentially or actually medically handicapped. Section 3701.023 (I), Revised Code, mandates the Department of Health to collect reimbursement from each Ohio county up to a maximum amount for treatment services provided to County residents. For Columbiana County, the maximum amount for 2000 is forecasted at \$108,000, which represents one-tenth of one mill of the County's total property tax valuation.

Other - Other expenditures include the cost of legal services relating the embezzlement of county funds.

Note 6 - Intergovernmental

Intergovernmental expenditures represent payments made to other governmental agencies and departments. For Columbiana County, this represents payments made to the Ohio Department of Human Services for the statutory share of expenditures. The statutory share is accordance with Section 5105.16, Revised Code and represents the County's share of public assistance expenditures which are estimated to be \$318,000 for 2000.

Note 7 - Debt Service

The County's debt service expenditures required for fiscal year 2000 includes a State loan, the engineer's building note, the County Board of Education note, and the jail facilities refunding bonds. These debt payments will be made with general fund revenues.

The principal and interest payments due in 2000 for the debt issues are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
State Loan for Investment Loss	\$276,000	\$81,000	\$357,000
Engineer's Building Note	51,000	31,000	82,000
County Board of Education Note	32,000	54,000	86,000
Jail Facilities Refunding Bonds	<u>224,000</u>	<u>514,000</u>	<u>738,000</u>
	<u>\$583,000</u>	<u>\$680,000</u>	<u>\$1,263,000</u>

The State loan and the jail facilities refunding bonds are repaid from local government fund revenues. The engineer's building note and the County Board of Education note are repaid from rental income.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

Note 8 - Other Financing Uses

A. - Transfers-Out

The County transfers resources to various funds each year. Below are the transfers for the last three years and the anticipated transfers out for the year ending December 31, 2000:

Fund	1997 Actual	1998 Actual	1999 Actual	2000 Forecasted
Misdemeanant/New County Jail	\$405,000	\$80,000	\$80,000	\$0
Sheriff's Policing Rotary	2,000	2,000	0	0
Special Bridge	23,000	30,000	32,000	30,000
Fair Board	3,000	3,000	2,000	2,000
Soil and Water	19,000	25,000	35,000	38,000
Dog and Kennel	10,000	0	0	0
Litter	20,000	0	0	0
Port Authority	188,000	0	0	0
Hanover Kensington Winona	93,000	46,000	46,000	0
County Sewer District	0	272,000	0	0
Indigent Electronic Monitoring	0	1,000	0	0
County Parks	0	7,000	0	0
Emergency Management Agency	0	10,000	0	0
Local Emergency Planning Commission	0	9,000	10,000	0
County Capital Improvements	0	14,000	38,000	82,000
Reserve	0	600,000	0	0
Child Welfare	0	0	142,000	0
Clerk of Court Capital Improvements	0	0	5,000	0
Capital Projects	0	0	7,000	0
Water/Sewer Capital Improvements	0	0	21,000	0
Elkton Sewer Bond Retirement	0	0	68,000	0
Law Enforcement Block Grant	0	0	1,000	0
Motor Vehicle Gas Tax	108,000	173,000	129,000	132,000
Jail Facilities	0	0	46,000	5,000
Juvenile Accountability Incentive	0	0	0	2,000
Certificate of Title	0	0	0	9,000
Totals	\$871,000	\$1,272,000	\$662,000	\$300,000

B. - Advances Out

As of the date of this forecast, the County has advanced \$68,000 to the DRETAC fund. This money will be repaid by year end.

Note 9 - Permissive Sales Tax Levy

The County has placed a one percent sales tax levy on the November 2000 ballot. If passed, the levy it is estimated to generate \$6,000,000 in annual revenues with the collections beginning in 2001.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

Note 10 - Pending Litigation

The County is a party to various legal proceedings. Management of the County is of the opinion that settlement, if any, during the forecast period would not result in any expenditure from the general fund.

Note 11 - Other Funds

The County has numerous other funds on the books that are restricted for specific purposes; however, certain funds have balances that may be available to the general fund. In addition, there are certain funds that annually rely upon a subsidy from the general fund. Transfers out to these funds have been addressed under Note 8. Other funds that may be available to the general fund or may require a transfer from the general fund are as follows:

Unclaimed Monies Fund - The unclaimed monies fund has a balance of the date of the forecast in the amount of \$423,000. The County Auditor's office has identified \$178,000 as available for transfer from the fund. It is the opinion of the County Prosecutor that the amount, if any, that belongs to other funds of the County should be transferred to those funds. The amount that may be available to the general fund has not been determined and no transfer in to the general fund is forecasted.

Workers' Compensation Fund - The workers' compensation fund accounts for resources collected from other funds for the annual payment of the workers' compensation premium. In 1998, the County received a large refund from the Bureau of Workers' Compensation. The refund was placed in this fund and used to pay the premiums due in 1999 and 2000. The balance in the fund as of the date of the forecast is \$217,000. The amount, if any, that must be allocated back to other funds has not been determined. Therefore, the amount that may be transferred to the general fund is unknown and not included in the forecasted revenues.

Self Insurance Fund - The self insurance fund accounts for the employee health care program. The cost of claims for the past few months has risen significantly in comparison to prior years. The balance in the fund as of the date of the forecast is approximately \$43,000. If the cost of claims remains at their current level, they will exceed the available balance and premiums due for the remainder of the year. The amount, if any, that may be transferred from the general fund or charged in the form of additional premiums to the general fund, has not been determined nor has any amount been included in the forecast.

General Obligation Bond Retirement - The general obligation bond fund receives property taxes from a .2 mill allocation of the County's inside millage. As of the date of the forecast, the fund has a balance of \$1,531,000. The County has not yet determined whether this balance is necessary to meet current obligations. Further analysis may be done between the Commissioners' office and the Prosecutor's office to determine if some or all of this balance may be available for obligations.

Columbiana County, Ohio

Summary of Significant Forecast Assumptions and Accounting Policies
For the Year Ending December 31, 2000

Note 12 - Budgetary Process

Budget - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the succeeding fiscal year.

Estimated Resources - The County Budget Commission certifies its actions to the County by September 1. As part of this certification, the County receives the Official Certificate of Estimated Resources which states the projected receipts of each fund. Prior to December 31, the County must revise its budget so that total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the annual appropriation measure.

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

Encumbrances - The County uses the encumbrance method of accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation.

Note 13 - Property, Plant and Equipment

Fixed assets acquired or constructed for general governmental services are recorded as expenditures. Depreciation is not recorded for these fixed assets as the purpose of the financial statements for the general governmental services is to report the expenditure of resources, not costs.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

FINANCIAL FORECAST

COLUMBIANA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
OCTOBER 11, 2000