



**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



**FINANCIAL CONDITION  
PICKAWAY COUNTY**

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

35 North Fourth Street  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

Board of County Commissioners  
Pickaway County  
207 S. Court Street  
Circleville, Ohio 43113

We have audited the accompanying general purpose financial statements of Pickaway County, Ohio, (the County) as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of Pickaway Diversified Industries Inc. (the Workshop). Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Workshop, is based on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Pickaway Diversified Industries Inc. were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Pickaway County, Ohio, as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund type and its discretely presented component unit for the year then ended in conformity with generally accepted accounting principles accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2000 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 grants.

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

The accompanying Schedule of Federal Awards Expenditures replaces the Schedule in the Pickaway County fiscal year ended December 31, 1999 report package. The Schedule was revised to reflect expenditures in the Community Development Block Grant, CFDA #14.228 and HOME Investment Partnership Program, CFDA #14.239.

**JIM PETRO**  
Auditor of State

July 28, 2000, except for the last two paragraphs which are dated August 15, 2001.

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**PICKAWAY COUNTY, OHIO**  
**COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS, AND**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**DECEMBER 31, 1999**

|  | Governmental Fund Types |                            |                         |                             | Proprietary<br>Fund Type |
|--|-------------------------|----------------------------|-------------------------|-----------------------------|--------------------------|
|  | <u>General</u>          | <u>Special<br/>Revenue</u> | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Enterprise</u>        |
| <u>Assets and Other Debits:</u>  |                         |                            |                         |                             |                          |
| <u>Assets:</u>   |                         |                            |                         |                             |                          |
| Equity with County   |                         |                            |                         |                             |                          |
| Treasurer (Notes 2, 5)   | \$1,623,722             | \$5,795,049                | \$113,161               | \$179,104                   | \$61,043                 |
| Cash and Cash Equivalents in   |                         |                            |                         |                             |                          |
| Segregated Accounts (Notes 2, 5)   | ---                     | 31,535                     | ---                     | ---                         | ---                      |
| Receivables - (net, where applicable of<br>allowances for uncollectibles):       |                         |                            |                         |                             |                          |
| Taxes  | 3,002,885               | 1,829,554                  | ---                     | 112,253                     | ---                      |
| Accounts   | ---                     | ---                        | ---                     | ---                         | 16,300                   |
| Accrued Interest   | 125,953                 | ---                        | ---                     | ---                         | ---                      |
| Special Assessments  |                         |                            | ---                     | 157,160                     | ---                      |
| Due from Other Funds (Note 17)   | 46,657                  | 27,851                     | ---                     | ---                         | ---                      |
| Due from Other Governments   | 78,249                  | 540,130                    | ---                     | ---                         | ---                      |
| Materials and Supplies Inventory (Note 2)  | 23,963                  | 308,244                    | ---                     | ---                         | ---                      |
| Prepaid Items  | 52,702                  | ---                        | ---                     | ---                         | ---                      |
| Interfund Receivable   | 77,223                  | ---                        | ---                     | ---                         | ---                      |
| Fixed Assets (net, where applicable of<br>accumulated depreciation) (Notes 2, 9) | ---                     | ---                        | ---                     | ---                         | 108,034                  |
| <u>Other Debits:</u>   |                         |                            |                         |                             |                          |
| Amount Available in Debt Service   |                         |                            |                         |                             |                          |
| Fund For Retirement of General<br>Obligation Debt                                | ---                     | ---                        | ---                     | ---                         | ---                      |
| Amount to be Provided for  |                         |                            |                         |                             |                          |
| Retirement of General Long-Term  | ---                     | ---                        | ---                     | ---                         | ---                      |
|  | -----                   | -----                      | -----                   | -----                       | -----                    |
| Total Assets and Other Debits  | <u>\$5,031,354</u>      | <u>\$8,532,363</u>         | <u>\$113,161</u>        | <u>\$448,517</u>            | <u>\$185,377</u>         |

The notes to the financial statements are an integral part of this statement.



| Fiduciary<br>Fund Types<br>Trust<br>and<br>Agency | Account Groups             |                                     | Totals<br>Primary Gov't<br>(Memorandum<br>Only)<br>1999 | Component Units |                  | Totals<br>Reporting<br>Entity<br>(Memorandum<br>Only)<br>1999 |
|---|----------------------------|-------------------------------------|---|-----------------|------------------|---|
|   | General<br>Fixed<br>Assets | General<br>Long-Term<br>Obligations |   | Airport         | Workshop         |   |
| \$1,748,036                                       | \$ ---                     | \$ ---                              | \$9,520,115   | \$ ---          | \$ ---           | \$9,520,115   |
| 578,538   | ---                        | ---                                 | 610,073   | 50,651          | 20,511           | 681,235   |
| 32,032,491  | ---                        | ---                                 | 36,977,183  | ---             | ---              | 36,977,183  |
| ---   | ---                        | ---                                 | 16,300  | 1,835           | 53,214           | 71,349  |
| ---   | ---                        | ---                                 | 125,953   | 29              | ---              | 125,982   |
| ---   | ---                        | ---                                 | 157,160   | ---             | ---              | 157,160   |
| ---   | ---                        | ---                                 | 74,508  | ---             | ---              | 74,508  |
| 690,508   | ---                        | ---                                 | 1,308,887   | 25,340          | ---              | 1,334,227   |
| ---   | ---                        | ---                                 | 332,207   | ---             | 16,382           | 348,589   |
| ---   | ---                        | ---                                 | 52,702  | ---             | ---              | 52,702  |
| ---   | ---                        | ---                                 | 77,223  | ---             | ---              | 77,223  |
| ---   | 27,301,278                 | ---                                 | 27,409,312  | ---             | 136,542          | 27,545,854  |
| ---   | ---                        | 113,161                             | 113,161   | ---             | ---              | 113,161   |
| ---   | ---                        | 4,885,550                           | 4,885,550   | ---             | ---              | 4,885,550   |
| <u>\$35,049,573</u>                               | <u>\$27,301,278</u>        | <u>\$4,998,711</u>                  | <u>\$81,660,334</u>                                     | <u>\$77,855</u> | <u>\$226,649</u> | <u>\$81,964,838</u>   |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED BALANCE SHEET-ALL FUND TYPES, ACCOUNT GROUPS, AND**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**DECEMBER 31, 1999**

|   | Governmental Fund Types |                    |                  |                     | Proprietary<br>Fund Type |
|---|-------------------------|--------------------|------------------|---------------------|--------------------------|
|   | General                 | Special<br>Revenue | Debt<br>Service  | Capital<br>Projects | Enterprise               |
| Liabilities, Fund Equity<br>and Other Credits:              |                         |                    |                  |                     |                          |
| <u>Liabilities:</u>   |                         |                    |                  |                     |                          |
| Accounts Payable  | \$104,428               | \$356,856          | \$ ---           | \$ ---              | \$4,728                  |
| Contracts Payable   | 210                     | ---                | ---              | 2,603               | ---                      |
| Accrued Wages and Benefits                                  | 247,908                 | 305,343            | ---              | ---                 | ---                      |
| Compensated Absences (Note 2)                               | 48,063                  | 91,108             | ---              | ---                 | ---                      |
| Due to Other Funds (Note 17)                                | ---                     | ---                | ---              | ---                 | ---                      |
| Due to Other Governments                                    | 62,706                  | ---                | ---              | ---                 | ---                      |
| Deferred Revenue  | 2,587,572               | 1,829,554          | ---              | 157,160             | ---                      |
| Interfund Payable   | ---                     | 15,875             | ---              | 51,348              | 10,000                   |
| Undistributed Monies  | ---                     | ---                | ---              | ---                 | ---                      |
| Deposits Held and Due to Others                             | ---                     | ---                | ---              | ---                 | ---                      |
| Accrued Interest Payable                                    | ---                     | 8,244              | ---              | ---                 | 3,139                    |
| Notes Payable (Note 15)                                     | ---                     | 55,673             | ---              | ---                 | 65,972                   |
| Capital Leases Payable (Note 16)                            | ---                     | ---                | ---              | ---                 | ---                      |
| Vehicle Notes Payable (Note 14)                             | ---                     | ---                | ---              | ---                 | ---                      |
| Voting Machine Notes Payable (Note 14)                      | ---                     | ---                | ---              | ---                 | ---                      |
| Energy Conservation Notes Payable (Note 14)                 | ---                     | ---                | ---              | ---                 | ---                      |
| Jail Window Replacement Notes Payable (Note 14)             | ---                     | ---                | ---              | ---                 | ---                      |
| General Obligation Bonds (Note 14)                          | ---                     | ---                | ---              | ---                 | ---                      |
| <b>Total Liabilities</b>                                    | <b>\$3,050,887</b>      | <b>\$2,662,653</b> | <b>\$0</b>       | <b>\$211,111</b>    | <b>\$83,839</b>          |
| <u>Fund Equity and Other Credits</u>                        |                         |                    |                  |                     |                          |
| Investment in General Fixed Assets                          | \$ ---                  | \$ ---             | \$ ---           | \$ ---              | \$ ---                   |
| Contributed Capital (Note 2)                                | ---                     | ---                | ---              | ---                 | 241,901                  |
| Retained Earnings:  |                         |                    |                  |                     |                          |
| Unreserved  | ---                     | ---                | ---              | ---                 | (140,363)                |
| Fund Balances (Deficit):                                    |                         |                    |                  |                     |                          |
| Reserved for Encumbrances                                   | ---                     | 4,277              | ---              | 13,932              | ---                      |
| Reserved for Inventory                                      | 23,963                  | 308,244            | ---              | ---                 | ---                      |
| Reserved for Unclaimed Monies                               | 52,000                  | ---                | ---              | ---                 | ---                      |
| Reserved for Debt Service                                   | ---                     | ---                | 113,161          | ---                 | ---                      |
| Undesignated  | 1,904,504               | 5,557,189          | ---              | 223,474             | ---                      |
| <b>Total Fund Equity and<br/>Other Credit</b>               | <b>1,980,467</b>        | <b>5,869,710</b>   | <b>113,161</b>   | <b>237,406</b>      | <b>101,538</b>           |
| <b>Total Liabilities, Fund Equity<br/>and Other Credits</b> | <b>\$5,031,354</b>      | <b>\$8,532,363</b> | <b>\$113,161</b> | <b>\$448,517</b>    | <b>\$185,377</b>         |

The notes to the financial statements are an integral part of this statement.

| Fiduciary<br>Fund Types<br>Trust<br>and<br>Agency | Account Groups             |                                     | Totals<br>Primary Gov't<br>(Memorandum<br>Only)<br>1999 | Component Units |                  | Totals<br>Reporting<br>Entity<br>(Memorandum<br>Only)<br>1999 |
|---|----------------------------|-------------------------------------|---|-----------------|------------------|---|
|   | General<br>Fixed<br>Assets | General<br>Long-Term<br>Obligations |   | Airport         | Workshop         |   |
| \$10,428  | \$ ---                     | \$ ---                              | \$476,440   | \$6,335         | \$26,648         | \$509,423   |
| ---   | ---                        | ---                                 | 2,813   | 27,600          | ---              | 30,413  |
| 36,873  | ---                        | ---                                 | 590,124   | ---             | 2,781            | 592,905   |
| ---   | ---                        | 863,554                             | 1,002,725   | ---             | ---              | 1,002,725   |
| 74,508  | ---                        | ---                                 | 74,508  | ---             | ---              | 74,508  |
| 34,420,982  | ---                        | ---                                 | 34,483,688  | ---             | ---              | 34,483,688  |
| ---   | ---                        | ---                                 | 4,574,286   | ---             | ---              | 4,574,286   |
| ---   | ---                        | ---                                 | 77,223  | ---             | ---              | 77,223  |
| 436,732   | ---                        | ---                                 | 436,732   | ---             | ---              | 436,732   |
| 67,637  | ---                        | ---                                 | 67,637  | ---             | ---              | 67,637  |
| ---   | ---                        | ---                                 | 11,383  | ---             | ---              | 11,383  |
| ---   | ---                        | 31,746                              | 153,391   | ---             | 19,193           | 172,584   |
| ---   | ---                        | 38,860                              | 38,860  | ---             | ---              | 38,860  |
| ---   | ---                        | 3,579                               | 3,579   | ---             | ---              | 3,579   |
| ---   | ---                        | 273,875                             | 273,875   | ---             | ---              | 273,875   |
| ---   | ---                        | 510,000                             | 510,000   | ---             | ---              | 510,000   |
| ---   | ---                        | 182,220                             | 182,220   | ---             | ---              | 182,220   |
| ---   | ---                        | 3,094,877                           | 3,094,877   | ---             | 57,717           | 3,152,594   |
| <u>\$35,047,160</u>                               | <u>\$0</u>                 | <u>\$4,998,711</u>                  | <u>\$46,054,361</u>                                     | <u>\$33,935</u> | <u>\$106,339</u> | <u>\$46,194,635</u>   |
| \$ ---  | \$27,301,278               | \$ ---                              | \$27,301,278  | \$ ---          | \$ ---           | \$27,301,278  |
| ---   | ---                        | ---                                 | 241,901   | ---             | 14,236           | 256,137   |
| ---   | ---                        | ---                                 | (140,363)   | ---             | ---              | (140,363)   |
| ---   | ---                        | ---                                 | 18,209  | ---             | ---              | 18,209  |
| ---   | ---                        | ---                                 | 332,207   | ---             | ---              | 332,207   |
| ---   | ---                        | ---                                 | 52,000  | ---             | ---              | 52,000  |
| ---   | ---                        | ---                                 | 113,161   | ---             | ---              | 113,161   |
| <u>2,413</u>                                      | <u>---</u>                 | <u>---</u>                          | <u>7,687,580</u>  | <u>43,920</u>   | <u>106,074</u>   | <u>7,837,574</u>  |
| <u>2,413</u>                                      | <u>27,301,278</u>          | <u>0</u>                            | <u>35,605,973</u>                                       | <u>43,920</u>   | <u>120,310</u>   | <u>35,770,203</u>   |
| <u>\$35,049,573</u>                               | <u>\$27,301,278</u>        | <u>\$4,998,711</u>                  | <u>\$81,660,334</u>                                     | <u>\$77,855</u> | <u>\$226,649</u> | <u>\$81,964,838</u>   |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES, DISCRETELY PRESENTED COMPONENT UNIT AND EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | Governmental Fund Types |                    |                    |                     | Component<br>Unit<br>Airport | Fiduciary<br>Fund Type | Totals<br>(Memoran-<br>dum Only) |
|---|-------------------------|--------------------|--------------------|---------------------|------------------------------|------------------------|----------------------------------|
|   | General                 | Special<br>Revenue | Debt<br>Service    | Capital<br>Projects |                              | Expendable<br>Trust    |                                  |
| Revenues:                                       |                         |                    |                    |                     |                              |                        |                                  |
| Taxes   | \$4,902,939             | \$1,790,675        | \$300,311          | \$305,177           | \$ ---                       | \$ ---                 | \$7,299,102                      |
| Charges for Services                            | 1,629,042               | 734,110            | ---                | ---                 | ---                          | ---                    | 2,363,152                        |
| Licenses and Permits                            | 7,196                   | ---                | ---                | ---                 | ---                          | ---                    | 7,196                            |
| Fines and Forfeitures                           | 75,273                  | 42,111             | ---                | ---                 | ---                          | ---                    | 117,384                          |
| Intergovernmental                               | 1,159,717               | 10,889,751         | ---                | 41,219              | 35,340                       | ---                    | 12,126,027                       |
| Special Assessments                             | ---                     | 2,771              | 802                | 229,739             | ---                          | ---                    | 233,312                          |
| Investment Income                               | 492,347                 | 57                 | ---                | ---                 | 422                          | ---                    | 492,826                          |
| All Other Revenues                              | 250,539                 | 288,531            | 12,079             | 84,605              | 24,653                       | ---                    | 660,407                          |
| Total Revenues                                  | <u>8,517,053</u>        | <u>13,748,006</u>  | <u>313,192</u>     | <u>660,740</u>      | <u>60,415</u>                | <u>0</u>               | <u>23,299,406</u>                |
| Expenditures:                                   |                         |                    |                    |                     |                              |                        |                                  |
| Current:  |                         |                    |                    |                     |                              |                        |                                  |
| General Government:                             |                         |                    |                    |                     |                              |                        |                                  |
| Legislative and Executive                       | 2,805,848               | 292,292            | ---                | ---                 | 21,419                       | ---                    | 3,119,559                        |
| Judicial  | 1,041,408               | 330,375            | ---                | ---                 | ---                          | ---                    | 1,371,783                        |
| Public Safety                                   | 3,483,660               | 505,801            | ---                | ---                 | ---                          | ---                    | 3,989,461                        |
| Public Works                                    | 95,416                  | 3,543,593          | ---                | ---                 | ---                          | ---                    | 3,639,009                        |
| Health  | 57,647                  | 3,216,955          | ---                | ---                 | ---                          | ---                    | 3,274,602                        |
| Human Services                                  | 492,014                 | 4,839,330          | ---                | ---                 | ---                          | ---                    | 5,331,344                        |
| Economic Development                            | ---                     | 602,049            | ---                | ---                 | ---                          | ---                    | 602,049                          |
| Conservation and Recreation                     | 315,472                 | 13,236             | ---                | ---                 | ---                          | ---                    | 328,708                          |
| Miscellaneous                                   | 47,345                  | ---                | ---                | ---                 | ---                          | 667                    | 48,012                           |
| Capital Outlay                                  | 138,114                 | ---                | ---                | 810,709             | 44,340                       | ---                    | 993,163                          |
| Debt Service:                                   |                         |                    |                    |                     |                              |                        |                                  |
| Principal Retirement                            | 56,478                  | 23,682             | 979,650            | 3,580               | ---                          | ---                    | 1,063,390                        |
| Interest and Fiscal Charges                     | 4,359                   | 19,581             | 306,711            | 9,896               | ---                          | ---                    | 340,547                          |
| Total Expenditures                              | <u>8,537,761</u>        | <u>13,386,894</u>  | <u>1,286,361</u>   | <u>824,185</u>      | <u>65,759</u>                | <u>667</u>             | <u>24,101,627</u>                |
| Excess of Revenues Over<br>(Under) Expenditures | <u>(\$20,708)</u>       | <u>\$361,112</u>   | <u>(\$973,169)</u> | <u>(\$163,445)</u>  | <u>(\$5,344)</u>             | <u>(\$667)</u>         | <u>(\$802,221)</u>               |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES, DISCRETELY PRESENTED COMPONENT UNIT AND EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|  | Governmental Fund Types   |                           |                         |                         | Component<br>Unit<br>Airport | Fiduciary<br>Fund Type | Totals<br>(Memoran-<br>dum Only) |
|--|---------------------------|---------------------------|-------------------------|-------------------------|------------------------------|------------------------|----------------------------------|
|  | General                   | Special<br>Revenue        | Debt<br>Service         | Capital<br>Projects     |                              | Expendable<br>Trust    |                                  |
| Other Financing Sources (Uses):  |                           |                           |                         |                         |                              |                        |                                  |
| Proceeds from Sale of Assets   | 5,954                     | 19,689                    | ---                     | ---                     | ---                          | ---                    | 25,643                           |
| Proceeds from Sale of Debt   | ---                       | ---                       | ---                     | 357,160                 | ---                          | ---                    | 357,160                          |
| Operating Transfers - In   | 72,300                    | 1,006,366                 | 913,412                 | 112,640                 | ---                          | ---                    | 2,104,718                        |
| Operating Transfers - Out  | <u>(323,154)</u>          | <u>(1,724,813)</u>        | <u>(401)</u>            | <u>(58,350)</u>         | ---                          | ---                    | <u>(2,106,718)</u>               |
| Total Other Financing<br>Sources (Uses)  | <u>(244,900)</u>          | <u>(698,758)</u>          | <u>913,011</u>          | <u>411,450</u>          | <u>0</u>                     | <u>0</u>               | <u>380,803</u>                   |
| Excess of Revenues and Other<br>Financing Sources Over<br>(Under) Expenditures and<br>Other Uses | (265,608)                 | (337,646)                 | (60,158)                | 248,005                 | (5,344)                      | (667)                  | (421,418)                        |
| Fund Balances (Deficit) at<br>Beginning of Year  | 2,241,896                 | 6,114,383                 | 173,319                 | (10,599)                | 49,264                       | 3,080                  | 8,571,343                        |
| Increase in Fund Inventory   | <u>4,179</u>              | <u>92,973</u>             | <u>---</u>              | <u>---</u>              | <u>---</u>                   | <u>---</u>             | <u>97,152</u>                    |
| Fund Balances (Deficit) at<br>End of Year  | <u><u>\$1,980,467</u></u> | <u><u>\$5,869,710</u></u> | <u><u>\$113,161</u></u> | <u><u>\$237,406</u></u> | <u><u>\$43,920</u></u>       | <u><u>\$2,413</u></u>  | <u><u>\$8,247,077</u></u>        |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | General Fund         |                    |  | Special Revenue Funds |                     |  |
|---|----------------------|--------------------|--|-----------------------|---------------------|--|
|   | Revised<br>Budget    | Actual             | Variance<br>Favorable<br>(Unfavorable) | Revised<br>Budget     | Actual              | Variance<br>Favorable<br>(Unfavorable) |
| Revenues:                                       |                      |                    |  |                       |                     |  |
| Taxes   | \$4,380,315          | \$4,846,017        | \$465,702                              | \$1,806,077           | \$1,809,758         | \$3,681                                |
| Charges for Services                            | 1,503,674            | 1,725,252          | 221,578                                | 503,471               | 589,957             | 86,486                                 |
| Licenses and Permits                            | 6,504                | 7,196              | 692                                    | ---                   | ---                 | 0                                      |
| Fines and Forfeitures                           | 67,276               | 74,429             | 7,153                                  | 53,420                | 41,026              | (12,394)                               |
| Intergovernmental                               | 1,062,202            | 1,215,301          | 153,099                                | 10,496,976            | 10,796,811          | 299,835                                |
| Special Assessments                             | ---                  | ---                | 0                                      | 35,515                | 2,771               | (32,744)                               |
| Investment Income                               | 542,803              | 600,512            | 57,709                                 | ---                   | 57                  | 57                                     |
| All Other Revenues                              | 404,591              | 268,413            | (136,178)                              | 250,547               | 253,297             | 2,750                                  |
|   | <u>7,967,365</u>     | <u>8,737,120</u>   | <u>769,755</u>                         | <u>13,146,006</u>     | <u>13,493,677</u>   | <u>347,671</u>                         |
| Total Revenues                                  |                      |                    |  |                       |                     |  |
| Expenditures:                                   |                      |                    |  |                       |                     |  |
| Current:  |                      |                    |  |                       |                     |  |
| General Government:                             |                      |                    |  |                       |                     |  |
| Legislative and Executive                       | 3,090,010            | 2,882,996          | 207,014                                | 299,915               | 267,952             | 31,963                                 |
| Judicial  | 1,134,824            | 1,032,984          | 101,840                                | 418,194               | 332,520             | 85,674                                 |
| Public Safety                                   | 3,858,510            | 3,461,790          | 396,720                                | 778,847               | 406,391             | 372,456                                |
| Public Works                                    | 96,978               | 94,640             | 2,338                                  | 4,292,683             | 3,449,652           | 843,031                                |
| Health  | 82,591               | 55,982             | 26,609                                 | 3,380,452             | 3,202,071           | 178,381                                |
| Human Services                                  | 506,707              | 497,321            | 9,386                                  | 5,069,979             | 4,706,189           | 363,790                                |
| Economic Development<br>and Assistance          | ---                  | ---                | 0                                      | 744,483               | 611,554             | 132,929                                |
| Conservation and Recreation                     | 326,239              | 315,472            | 10,767                                 | 93,077                | 13,236              | 79,841                                 |
| Miscellaneous                                   | 169,126              | 47,345             | 121,781                                | ---                   | ---                 | 0                                      |
| Capital Outlay                                  | 175,267              | 175,268            | (1)                                    | ---                   | ---                 | 0                                      |
| Debt Service:                                   |                      |                    |  |                       |                     |  |
| Principal Retirement                            | ---                  | ---                | 0                                      | 113,209               | 89,906              | 23,303                                 |
| Interest and Fiscal Charges                     | ---                  | ---                | 0                                      | ---                   | ---                 | 0                                      |
|   | <u>\$9,440,252</u>   | <u>\$8,563,798</u> | <u>\$876,454</u>                       | <u>\$15,190,839</u>   | <u>\$13,079,471</u> | <u>\$2,111,368</u>                     |
| Total Expenditures                              |                      |                    |  |                       |                     |  |
| Excess of Revenues Over<br>(Under) Expenditures | <u>(\$1,472,887)</u> | <u>\$173,322</u>   | <u>\$1,646,209</u>                     | <u>(\$2,044,833)</u>  | <u>\$414,206</u>    | <u>\$2,459,039</u>                     |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|  | General Fund      |                    |  | Special Revenue Funds |                    |  |
|--|-------------------|--------------------|--|-----------------------|--------------------|--|
|  | Revised<br>Budget | Actual             | Variance<br>Favorable<br>(Unfavorable) | Revised<br>Budget     | Actual             | Variance<br>Favorable<br>(Unfavorable) |
| Other Financing Sources (Uses):  |                   |                    |  |                       |                    |  |
| Proceeds of Notes  | \$ ---            | \$ ---             | \$0                                    | \$ ---                | \$ ---             | \$0                                    |
| Proceeds of Bonds  | ---               | ---                | ---                                    | ---                   | ---                | ---                                    |
| Proceeds from Sale of Assets   | ---               | 5,954              | 5,954                                  | 17,546                | 19,689             | 2,143                                  |
| Advances - In  | ---               | 131,255            | 131,255                                | ---                   | 125,696            | 125,696                                |
| Advances -Out  | ---               | (130,493)          | (130,493)                              | ---                   | (126,458)          | (126,458)                              |
| Operating Transfers - In   | 58,108            | 72,300             | 14,192                                 | 932,909               | 1,005,965          | 73,056                                 |
| Operating Transfer - Out   | (328,734)         | (323,154)          | 5,580                                  | (1,724,813)           | (1,724,813)        | 0                                      |
| <br>   |                   |                    |  |                       |                    |  |
| Total Other Financing<br>Sources (Uses)  | <u>(270,626)</u>  | <u>(244,138)</u>   | <u>26,488</u>                          | <u>(774,358)</u>      | <u>(699,921)</u>   | <u>74,437</u>                          |
| <br>   |                   |                    |  |                       |                    |  |
| Excess of Revenues and<br>Other Financing Sources<br>Over (Under) Expenditures<br>and Other Uses | (1,743,513)       | (70,816)           | 1,672,697                              | (2,819,191)           | (285,715)          | 2,533,476                              |
| <br>   |                   |                    |  |                       |                    |  |
| Fund Balances at Beginning<br>of Year  | 1,774,775         | 1,774,775          | 0                                      | 6,035,186             | 6,035,186          | 0                                      |
| <br>   |                   |                    |  |                       |                    |  |
| Appropriated Prior<br>Year Encumbrances  | ---               | ---                | 0                                      | 40,082                | 40,082             | 0                                      |
| <br>   |                   |                    |  |                       |                    |  |
| Fund Balances (Deficits) at<br>End of Year   | <u>\$31,262</u>   | <u>\$1,703,959</u> | <u>\$1,672,697</u>                     | <u>\$3,256,077</u>    | <u>\$5,789,553</u> | <u>\$2,533,476</u><br>(Continued)      |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | Debt Service Funds |                  |  | Capital Project Funds |                  |  |
|---|--------------------|------------------|--|-----------------------|------------------|--|
|   | Revised<br>Budget  | Actual           | Variance<br>Favorable<br>(Unfavorable) | Revised<br>Budget     | Actual           | Variance<br>Favorable<br>(Unfavorable) |
| Revenues:                                       |                    |                  |  |                       |                  |  |
| Taxes   | \$290,654          | \$349,322        | 58,668                                 | \$170,459             | \$241,935        | \$71,476                               |
| Charges for Services                            | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Licenses and Permits                            | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Fines and Forfeitures                           | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Intergovernmental                               | ---                | ---              | 0                                      | 50,000                | ---              | (50,000)                               |
| Special Assessments                             | ---                | 401              | 401                                    | 150,003               | 229,739          | 79,736                                 |
| Investment Income                               | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| All Other Revenues                              | 13,000             | 12,079           | (921)                                  | 89,532                | 119,029          | 29,497                                 |
| <b>Total Revenues</b>                           | <b>303,654</b>     | <b>361,802</b>   | <b>58,148</b>                          | <b>459,994</b>        | <b>590,703</b>   | <b>130,709</b>                         |
| Expenditures:                                   |                    |                  |  |                       |                  |  |
| Current:  |                    |                  |  |                       |                  |  |
| General Government:                             |                    |                  |  |                       |                  |  |
| Legislative and Executive                       | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Judicial  | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Public Safety                                   | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Public Works                                    | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Health  | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Human Services                                  | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Economic Development<br>and Assistance          | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Conservation and Recreation                     | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Miscellaneous                                   | ---                | ---              | 0                                      | ---                   | ---              | 0                                      |
| Capital Outlay                                  | ---                | ---              | 0                                      | 1,383,091             | 1,220,833        | 162,258                                |
| Debt Service:                                   |                    |                  |  |                       |                  |  |
| Principal Retirement                            | 964,006            | 961,548          | 2,458                                  | 17,780                | 17,780           | 0                                      |
| Interest and Fiscal Charges                     | 310,731            | 301,869          | 8,862                                  | 5,164                 | 5,164            | 0                                      |
| <b>Total Expenditures</b>                       | <b>1,274,737</b>   | <b>1,263,417</b> | <b>11,320</b>                          | <b>1,406,035</b>      | <b>1,243,777</b> | <b>162,258</b>                         |
| Excess of Revenues Over<br>(Under) Expenditures | (\$971,083)        | (\$901,615)      | \$69,468                               | (\$946,041)           | (\$653,074)      | \$292,967                              |

The notes to the financial statements are an integral part of this statement



**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|  | Debt Service Funds |                  |  | Capital Projects Funds |                  |  |
|--|--------------------|------------------|--|------------------------|------------------|--|
|  | Revised<br>Budget  | Actual           | Variance<br>Favorable<br>(Unfavorable) | Revised<br>Budget      | Actual           | Variance<br>Favorable<br>(Unfavorable) |
| Other Financing Sources (Uses):  |                    |                  |  |                        |                  |  |
| Proceeds of Notes  | \$ ---             | \$ ---           | \$0                                    | \$194,464              | \$297,833        | \$103,369                              |
| Proceeds of Bonds  | ---                | ---              | 0                                      | 102,991                | 357,736          | 254,745                                |
| Proceeds from Sale of Assets   | ---                | ---              | 0                                      | ---                    | ---              | 0                                      |
| Advances - In  | ---                | ---              | 0                                      | ---                    | ---              | 0                                      |
| Advances -Out  | ---                | ---              | 0                                      | ---                    | ---              | 0                                      |
| Operating Transfers - In   | 897,020            | 913,412          | 16,392                                 | 79,362                 | 135,584          | 56,222                                 |
| Operating Transfer - Out   | (22,944)           | (22,944)         | 0                                      | (69,680)               | (58,350)         | 11,330                                 |
| <b>Total Other Financing<br/>Sources (Uses)</b>  | <u>874,076</u>     | <u>890,468</u>   | <u>16,392</u>                          | <u>307,137</u>         | <u>732,803</u>   | <u>425,666</u>                         |
| Excess of Revenues and<br>Other Financing Sources<br>Over (Under) Expenditures<br>and Other Uses | (97,007)           | (11,147)         | 85,860                                 | (638,904)              | 79,729           | 718,633                                |
| Fund Balances at Beginning<br>of Year  | 124,303            | 124,303          | 0                                      | 82,841                 | 82,841           | 0                                      |
| Appropriated Prior<br>Year Encumbrances  | ---                | ---              | 0                                      | ---                    | ---              | 0                                      |
| Fund Balances (Deficits) at<br>End of Year   | <u>\$27,296</u>    | <u>\$113,156</u> | <u>\$85,860</u>                        | <u>(\$556,063)</u>     | <u>\$162,570</u> | <u>\$718,633</u>                       |

(Continued)

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | Expendable Trust Funds |            |  | Totals-Memorandum Only |                   |  |
|---|------------------------|------------|--|------------------------|-------------------|--|
|   | Revised<br>Budget      | Actual     | Variance<br>Favorable<br>(Unfavorable) | Revised<br>Budget      | Actual            | Variance<br>Favorable<br>(Unfavorable) |
| Revenues:                                       |                        |            |  |                        |                   |  |
| Taxes   | \$ ---                 | \$ ---     | \$0                                    | \$6,647,505            | \$7,247,032       | \$599,527                              |
| Charges for Services                            | ---                    | ---        | 0                                      | 2,007,145              | 2,315,209         | 308,064                                |
| Licenses and Permits                            | ---                    | ---        | 0                                      | 6,504                  | 7,196             | 692                                    |
| Fines and Forfeitures                           | ---                    | ---        | 0                                      | 120,696                | 115,455           | (5,241)                                |
| Intergovernmental                               | ---                    | ---        | 0                                      | 11,609,178             | 12,012,112        | 402,934                                |
| Special Assessments                             | ---                    | ---        | 0                                      | 185,518                | 232,911           | 47,393                                 |
| Investment Income                               | ---                    | ---        | 0                                      | 542,803                | 600,569           | 57,766                                 |
| All Other Revenues                              | 25,000                 | ---        | (25,000)                               | 782,670                | 652,818           | (129,852)                              |
| <b>Total Revenues</b>                           | <b>25,000</b>          | <b>0</b>   | <b>(25,000)</b>                        | <b>21,902,019</b>      | <b>23,183,302</b> | <b>1,281,283</b>                       |
| Expenditures:                                   |                        |            |  |                        |                   |  |
| Current:  |                        |            |  |                        |                   |  |
| General Government:                             |                        |            |  |                        |                   |  |
| Legislative and Executive                       | ---                    | ---        | 0                                      | 3,389,925              | 3,150,948         | 238,977                                |
| Judicial  | ---                    | ---        | 0                                      | 1,553,018              | 1,365,504         | 187,514                                |
| Public Safety                                   | ---                    | ---        | 0                                      | 4,637,357              | 3,868,181         | 769,176                                |
| Public Works                                    | ---                    | ---        | 0                                      | 4,389,661              | 3,544,292         | 845,369                                |
| Health  | ---                    | ---        | 0                                      | 3,463,043              | 3,258,053         | 204,990                                |
| Human Services                                  | ---                    | ---        | 0                                      | 5,576,686              | 5,203,510         | 373,176                                |
| Economic Development<br>and Assistance          | ---                    | ---        | 0                                      | 744,483                | 611,554           | 132,929                                |
| Conservation and Recreation                     | ---                    | ---        | 0                                      | 419,316                | 328,708           | 90,608                                 |
| Miscellaneous                                   | 28,080                 | 667        | (27,413)                               | 197,206                | 48,012            | 149,194                                |
| Capital Outlay                                  | ---                    | ---        | 0                                      | 1,558,358              | 1,396,101         | 162,257                                |
| Debt Service:                                   |                        |            |  |                        |                   |  |
| Principal Retirement                            | ---                    | ---        | 0                                      | 1,094,995              | 1,069,234         | 25,761                                 |
| Interest and Fiscal Charges                     | ---                    | ---        | 0                                      | 315,895                | 307,033           | 8,862                                  |
| <b>Total Expenditures</b>                       | <b>28,080</b>          | <b>667</b> | <b>(27,413)</b>                        | <b>27,339,943</b>      | <b>24,151,130</b> | <b>3,188,813</b>                       |
| Excess of Revenues Over<br>(Under) Expenditures | (\$3,080)              | (\$667)    | \$2,413                                | (\$5,437,924)          | (\$967,828)       | \$4,470,096                            |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|  | Expendable Trust  |                |  | Totals-Memorandum Only |                    |  |
|--|-------------------|----------------|--|------------------------|--------------------|--|
|  | Revised<br>Budget | Actual         | Variance<br>Favorable<br>(Unfavorable) | Revised<br>Budget      | Actual             | Variance<br>Favorable<br>(Unfavorable) |
| Other Financing Sources (Uses):  |                   |                |  |                        |                    |  |
| Proceeds of Notes  | \$ ---            | \$ ---         | \$0                                    | \$194,464              | \$297,833          | \$103,369                              |
| Proceeds of Bonds  | ---               | ---            | 0                                      | 102,991                | 357,736            | 254,745                                |
| Proceeds from Sale of Assets   | ---               | ---            | 0                                      | 17,546                 | 25,643             | 8,097                                  |
| Advances - In  | ---               | ---            | 0                                      | 0                      | 256,951            | 256,951                                |
| Advances -Out  | ---               | ---            | 0                                      | 0                      | (256,951)          | (256,951)                              |
| Operating Transfers - In   | ---               | ---            | 0                                      | 1,967,399              | 2,127,261          | 159,862                                |
| Operating Transfer - Out   | ---               | ---            | 0                                      | (2,146,171)            | (2,129,261)        | 16,910                                 |
| <b>Total Other Financing<br/>Sources (Uses)</b>  | <u>0</u>          | <u>0</u>       | <u>0</u>                               | <u>136,229</u>         | <u>679,212</u>     | <u>542,983</u>                         |
| Excess of Revenues and<br>Other Financing Sources<br>Over (Under) Expenditures<br>and Other Uses | (3,080)           | (667)          | 2,413                                  | (5,301,695)            | (288,616)          | 5,013,079                              |
| Fund Balances at Beginning<br>of Year  | 3,080             | 3,080          | 0                                      | 8,020,185              | 8,020,185          | 0                                      |
| Appropriated Prior<br>Year Encumbrances  | ---               | ---            | 0                                      | 40,082                 | 40,082             | 0                                      |
| Fund Balances (Deficits) at<br>End of Year   | <u>\$0</u>        | <u>\$2,413</u> | <u>\$2,413</u>                         | <u>\$2,758,572</u>     | <u>\$7,771,651</u> | <u>\$5,013,079</u>                     |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND EQUITY/FUND BALANCES**  
**PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | <u>Primary<br/>Government</u> | <u>Component<br/>Unit</u> | <u>Totals<br/>(Memorandum<br/>Only)</u> |
|---|-------------------------------|---------------------------|---|
|   | <u>Enterprise</u>             | <u>Workshop</u>           | <u>Reporting<br/>Entity</u>             |
| Operating Revenues:   |                               |                           |   |
| Charges for Services  | \$115,995                     | \$323,152                 | \$439,147                               |
| Other Operating Revenues                                    | 8,648                         | 1,025                     | 9,673                                   |
| Contributed Services from County                            | ---                           | 213,563                   | 213,563                                 |
| Total Operating Revenues                                    | <u>124,643</u>                | <u>537,740</u>            | <u>662,383</u>                          |
| Operating Expenses:   |                               |                           |   |
| Personal Services   | ---                           | 235,504                   | 235,504                                 |
| Donated Services  | ---                           | 213,563                   | 213,563                                 |
| Contractual Services  | 73,761                        | 18,349                    | 92,110                                  |
| Materials and Supplies                                      | 4,091                         | 46,176                    | 50,267                                  |
| Other   | 3,502                         | 5,046                     | 8,548                                   |
| Depreciation  | 9,406                         | 15,289                    | 24,695                                  |
| Total Operating Expenses                                    | <u>90,760</u>                 | <u>533,927</u>            | <u>624,687</u>                          |
| Operating Income (Loss)                                     | <u>33,883</u>                 | <u>3,813</u>              | <u>37,696</u>                           |
| Nonoperating Revenues (Expenses):                           |                               |                           |   |
| Loss on Disposal of Assets                                  | ---                           | (918)                     | (918)                                   |
| Investment Income   | ---                           | 588                       | 588                                     |
| Interest and Fiscal Charges                                 | (3,814)                       | (5,108)                   | (8,922)                                 |
| Total Nonoperating Revenues (Expenses)                      | <u>(3,814)</u>                | <u>(5,438)</u>            | <u>(9,252)</u>                          |
| Net Income (Loss) Before Operating Transfers                | 30,069                        | (1,625)                   | 28,444                                  |
| Operating Transfers In                                      | <u>2,000</u>                  | <u>---</u>                | <u>2,000</u>                            |
| Net Income (Loss)   | 32,069                        | (1,625)                   | 30,444                                  |
| Retained Earnings/Fund Balances<br>at Beginning of the Year | <u>(172,432)</u>              | <u>107,699</u>            | <u>(64,733)</u>                         |
| Retained Earnings/Fund Balances<br>at End of Year           | (140,363)                     | 106,074                   | (34,289)                                |
| Contributed Capital at Beginning of Year                    | 240,901                       | 14,236                    | 255,137                                 |
| Tap-in Fees   | <u>1,000</u>                  | <u>---</u>                | <u>1,000</u>                            |
| Contributed Capital at End of Year                          | <u>241,901</u>                | <u>14,236</u>             | <u>256,137</u>                          |
| Total Fund Equity/Fund Balances<br>at End of Year           | <u>\$101,538</u>              | <u>\$120,310</u>          | <u>\$221,848</u>                        |

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND EQUITY - BUDGET AND ACTUAL**  
**PROPRIETARY FUND TYPE - BUDGET BASIS (NOTE 2)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|                                  | Enterprise Fund          |                 |  |
|----------------------------------|--------------------------|-----------------|--|
|                                  | Revised<br><u>Budget</u> | <u>Actual</u>   | Variance<br>Favorable<br>(Unfavorable) |
| Revenues:                        |                          |                 |  |
| Charges for Services             | \$135,191                | \$132,972       | (\$2,219)                              |
| Other                            | 8,792                    | 8,648           | (144)                                  |
| Proceeds of Notes                | ---                      | 65,972          | 65,972                                 |
| Tap-in Fees                      | 1,017                    | 1,000           | (17)                                   |
|                                  | <u>145,000</u>           | <u>208,592</u>  | <u>63,592</u>                          |
| Total Revenues                   |                          |                 |  |
| Expenses:                        |                          |                 |  |
| Personal Services                | 281                      | 281             | 0                                      |
| Contractual Services             | 129,425                  | 73,818          | 55,607                                 |
| Materials and Supplies           | 5,221                    | 4,091           | 1,130                                  |
| Other                            | 4,468                    | 3,501           | 967                                    |
| Debt Service:                    |                          |                 |  |
| Principal Retirement             | 3,381                    | 68,059          | (64,678)                               |
| Interest and Fiscal Charges      | 6,338                    | 3,913           | 2,425                                  |
|                                  | <u>149,114</u>           | <u>153,663</u>  | <u>(4,549)</u>                         |
| Total Expenses                   |                          |                 |  |
| Excess of Revenues Over (Under)  |                          |                 |  |
| Expenses Before Operating        |                          |                 |  |
| Transfers                        | (4,114)                  | 54,929          | 68,141                                 |
|                                  | <u>---</u>               | <u>2,000</u>    | <u>2,000</u>                           |
| Operating Transfers In           |                          |                 |  |
| Excess of Revenues Over          |                          |                 |  |
| (Under) Expenses                 | <u>(4,114)</u>           | <u>56,929</u>   | <u>70,141</u>                          |
| Fund Equity at Beginning of Year | <u>4,114</u>             | <u>4,114</u>    | <u>0</u>                               |
| Fund Equity at End of Year       | <u>\$0</u>               | <u>\$61,043</u> | <u>\$61,043</u>                        |

The notes to the financial statements are an integral part of this statement.

**PICKAWAY COUNTY, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|                                       | <u>Primary</u><br><u>Government</u> | <u>Component</u><br><u>Unit</u> | <u>Totals</u><br><u>(Memorandum</u><br><u>Only)</u> |
|---------------------------------------|-------------------------------------|---------------------------------|---|
|                                       | <u>Enterprise</u>                   | <u>Workshop</u>                 | <u>Reporting</u><br><u>Entity</u>                   |
| Cash Flows from Operating Activities: |                                     |                                 |   |
| Cash Received from Customers          | \$132,972                           | \$302,561                       | \$435,533   |
| Other Cash Receipts                   | 8,648                               | 1,025                           | 9,673   |
| Cash Payments to Suppliers for        |                                     |                                 |   |
| Goods and Services                    | (77,909)                            | (53,921)                        | (131,830)   |
| Cash Payments for Employee            |                                     |                                 |   |
| Services and Benefits                 | (281)                               | (237,680)                       | (237,961)   |
| Cash Payments for Other Operating     |                                     |                                 |   |
| Expenses                              | <u>(3,501)</u>                      | <u>(5,046)</u>                  | <u>(8,547)</u>                                      |
| Net Cash Provided by (Used for)       |                                     |                                 |   |
| Operating Activities                  | <u>59,929</u>                       | <u>6,939</u>                    | <u>66,868</u>                                       |
| Cash Flows from Noncapital            |                                     |                                 |   |
| Financing Activities:                 |                                     |                                 |   |
| Operating Transfers In                | 2,000                               | ---                             | 2,000   |
| Proceeds from the Sale of Notes       | 65,972                              | ---                             | 65,972  |
| Note Principal Payments               | (68,059)                            | ---                             | (68,059)  |
| Interest Payments                     | <u>(3,913)</u>                      | <u>---</u>                      | <u>(3,913)</u>                                      |
| Net Cash Used for Noncapital          |                                     |                                 |   |
| Financing Activities                  | <u>(4,000)</u>                      | <u>0</u>                        | <u>(4,000)</u>                                      |
| Cash Flows from Capital and           |                                     |                                 |   |
| Related Financing Activities:         |                                     |                                 |   |
| Property & Equipment                  | ---                                 | (2,204)                         | (2,204)   |
| Tap-in Fees                           | 1,000                               | ---                             | 1,000   |
| Debt Principal Payments               | ---                                 | (14,643)                        | (14,643)  |
| Debt Interest Payments                | <u>---</u>                          | <u>(5,108)</u>                  | <u>(5,108)</u>                                      |
| Net Cash Used for Capital and         |                                     |                                 |   |
| Related Financing Activities          | <u>1,000</u>                        | <u>(21,955)</u>                 | <u>(20,955)</u>                                     |
| Cash Flows from Investing Activities: |                                     |                                 |   |
| Interest on Investments               | <u>---</u>                          | <u>588</u>                      | <u>588</u>  |
| Net Increase (Decrease) in Cash       |                                     |                                 |   |
| and Cash Equivalents                  | 56,929                              | (14,428)                        | 42,501  |
| Cash and Cash Equivalents at          |                                     |                                 |   |
| Beginning of Year                     | <u>4,114</u>                        | <u>34,939</u>                   | <u>39,053</u>                                       |
| Cash and Cash Equivalents at          |                                     |                                 |   |
| End of Year                           | <u>\$61,043</u>                     | <u>\$20,511</u>                 | <u>\$81,554</u>                                     |

(Continued)

The notes to the financial statements are an integral part of this statement

**PICKAWAY COUNTY, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

|   | Primary<br>Government | Component<br>Unit | Totals<br>(Memorandum<br>Only) |
|---|-----------------------|-------------------|--------------------------------|
|   | <u>Enterprise</u>     | <u>Workshop</u>   | <u>Reporting<br/>Entity</u>    |
| Reconciliation of Operating Income (Loss)<br>to Net Cash Provided by (Used for)<br>Operating Activities:        |                       |                   |                                |
| Operating Income (Loss)   | \$33,883              | \$3,813           | \$37,696                       |
| Adjustments to Reconcile Operating<br>Income (Loss) to Net Cash Provided by<br>(Used for) Operating Activities: |                       |                   |                                |
| Depreciation  | 9,406                 | 15,289            | 24,695                         |
| Changes in Assets and Liabilities:  |                       |                   |                                |
| (Increase)/Decrease in Accounts<br>Receivable   | 16,977                | (20,591)          | (3,614)                        |
| Decrease in Prepays   | ---                   | 502               | 502                            |
| (Increase) in Inventory   | ---                   | (13,382)          | (13,382)                       |
| Increase/(Decrease) in Accounts<br>Payable  | (57)                  | 23,484            | 23,427                         |
| (Decrease) in Accrued Wages<br>and Benefits   | (280)                 | (2,176)           | (2,456)                        |
| Total Adjustments   | <u>26,046</u>         | <u>3,126</u>      | <u>29,172</u>                  |
| Net Cash Provided by (Used for)<br>Operating Activities   | <u>\$59,929</u>       | <u>\$6,939</u>    | <u>\$66,868</u>                |

Summary of Significant Non-cash Transactions:

Contributed Services from the Pickaway County Board of MRDD  
to the Workshop amounted to \$213,563 during 1999.

The notes to the financial statements are an integral part of this statement

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**FINANCIAL CONDITION  
PICKAWAY COUNTY**

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

**1. REPORTING ENTITY AND BASIS OF PRESENTATION**

Pickaway County, Ohio (The County), was created in 1810. 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 that manage various segments of the County's operations are the County Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff and a Common Pleas 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 the chief administrators of public services for the entire County.

**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 Pickaway County, this includes the Pickaway County Board of Mental Retardation and Development Disabilities, Pickaway County Children Services Board, Pickaway County Child Support Enforcement Agency, and 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 organization'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 otherwise 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 issuance of debt or levying of taxes.

**Discretely Presented Components Units:** The component unit columns in the general purpose financial statements identify the financial data of the County's component units, Pickaway Diversified Industries, Inc. and Pickaway County Airport Authority. They are reported separately to emphasize that they are legally separate from the County.

**Pickaway Diversified Industries, Inc.** - Pickaway Diversified Industries, Inc. (the Workshop) is a legally separate, not-for-profit corporation, served by a self-appointing board of trustees. Pickaway Diversified Industries, Inc., under contractual agreement with the Pickaway County Board of Mental Retardation and Developmental Disabilities, provides sheltered employment for mentally retarded or handicapped adults in Pickaway County. Based on the significant services and resources provided by the County to Pickaway Diversified Industries, Inc. and their sole purpose of providing assistance to the retarded and handicapped adults of Pickaway County, the Workshop is presented as a component unit of Pickaway County. Pickaway Diversified Industries, Inc. operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from Pickaway Diversified Industries, Inc., located at 548 State Route 22 East, Circleville, Ohio 43113.

**Pickaway County Airport Authority** - Pickaway County Airport Authority operates on a fiscal year ending December 31. The five member Board is appointed by the County Commissioners. The Commissioners also review the budget and have the authority to impose its will on the Airport Authority. All the airport's land and fixed assets belong to the County. Pickaway County also provides utilities and insurance for the Authority. During 1999, the County made \$10,000 in financial contributions to the Authority. Financial information can be obtained from Pickaway County Airport Authority at 28181 McCrady Road, Circleville, Ohio 43113.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**1. REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)**

The County is associated with certain organizations which are defined as Jointly Governed Organizations or Related Organizations. These organizations are presented in Notes 19 and 20 to the General Purpose Financial Statements. These organizations are:

- Berger Hospital
- Paint Valley Mental Health Alcohol and Drug Addiction Board of Pike, Fayette, Highland, Pickaway, and Ross Counties
- Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District
- South Central Regional Detention Center
- CORSA
- Pickaway County Library

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 districts listed below, the County serves as fiscal agent, but the districts are not fiscally dependent on the County. Accordingly, the activity of the following districts are presented as agency funds within the County's financial statements.

- Soil and Water Conservation District
- Pickaway County Health District

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

A fund is defined as a fiscal and accounting entity with a self balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes herein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. For financial statement presentation purposes, the various funds of the County are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

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

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

**Special Revenue Funds** These funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**1. REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)**

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

Capital Projects Funds These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds).

**Proprietary Fund Type:** The proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. The following is the proprietary fund type utilized by the County:

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

**Fiduciary Fund Type:** Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following are the County's fiduciary fund types:

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

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

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

General Fixed Assets Account Group. The General Fixed Assets Account Group is used to account for all fixed assets of the County, other than those fixed assets accounted for in the enterprise funds.

General Long-Term Obligations Account Group. The General Long-Term Obligations Account Group is used to account for all long-term debt of the County, except that accounted for in the enterprise funds.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources. Additional information on the County's discretely presented component units can be found in Note 18 to the general purpose financial statements.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

All enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Enterprise fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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

The modified accrual basis of accounting is followed for the governmental, expendable trust and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the County is sixty days after year end. In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: earnings on investments, permissive sales tax (see Note 7), federal and state grants and entitlements, charges for current services, and fines and forfeitures. Major revenue sources not susceptible to accrual include licenses and permits which are not considered measurable until received. The County reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of December 31, 1999, and delinquent property taxes, whose availability is indeterminable and which are intended to finance 2000 operations, have been recorded as deferred revenue.

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

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The enterprise funds are reported using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized at the time they are incurred, if measurable. Unbilled service charges receivable are recognized as revenue at year end. Under the guidelines of GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities that use Proprietary Fund Accounting", the County has elected not to apply Financial Accounting Standards Boards Statements and Interpretations issued after November 30, 1989, to its proprietary activities.

**Budgetary Process:** The budgetary process is prescribed by provisions of the Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, legally are required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the County Commissioners.

**Tax Budget:** A budget of estimated revenues and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 15 of each year, for the period January 1 to December 31 of the following year.

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

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

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

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Budgeted Level of Expenditures:** Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation resolution without authority from the Commissioners. Expenditures plus encumbrances may not legally exceed appropriations at the level of appropriation. Commissioners appropriations are made to fund, department and object level (i.e., General Fund - Commissioners - personal services, fringe benefits, supplies and materials, contractual services and other expenditures).

**Encumbrances:** As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for enterprise funds.

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

**Cash and Cash Equivalents:** The County previously adopted GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, and records all its investments at fair value. Cash balances of the County's funds, except cash held by a trustee or fiscal agent and in segregated accounts, are pooled and invested in short-term investments in order to provide improved cash management. Investments are reported using adjusted cost basis, which approximates market value except for investments for deferred compensation which are stated at market value. Each fund type's share of the pool is presented on the balance sheet in the account "Equity in Pooled Cash and Cash Equivalents." For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, funds included within the Treasurer's cash management pool and investments with original maturities of three months or less are considered to be cash and cash equivalents. Cash and cash equivalents that are held separately within departments of the County and not held with the County Treasurer are recorded on the balance sheet as "Cash and Cash Equivalents in Segregated Accounts." Interest is distributed to the General Fund and the Law Enforcement Block Grant Fund. Interest earned during 1999 amounted to \$492,404.

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

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

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Interfund Assets and Liabilities:*** Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "Due from Other Funds" or "Due to Other Funds" on the balance sheet.

***Fixed Assets and Depreciation:*** The fixed asset values initially were determined at December 31, 1991, assigning original acquisition costs when such information was available. In cases where information supporting original costs was not available, estimated historical costs were developed. For certain fixed assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition. Donated fixed assets are capitalized at estimated fair market value on the date donated. During 1994, a comprehensive inventory management system was implemented to monitor and track fixed assets and related depreciation. The County has established \$1,000 as the threshold for which fixed assets are to be reported. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency of the asset are capitalized at cost.

***General Fixed Assets:*** General fixed assets (fixed assets used in governmental fund type operation) are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group at historical cost or estimated historical cost. Assets in the general fixed assets account group are not depreciated.

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

***Enterprise Fund Fixed Assets:*** Fixed assets reflected in the enterprise funds are stated at historical cost (or estimated historical cost) and are updated for the cost of additions and retirements during the year. The County capitalizes interest on debt financed fixed assets for enterprise funds. There were not any debt financed fixed assets nor any capitalized interest during 1999. Depreciation has been provided on a straight-line basis over the following estimated useful lives:

| <u>Description</u>                   | <u>Estimated Lives</u> |
|--------------------------------------|------------------------|
| Sewer treatment plants and buildings | 40                     |
| Sewer lines and related assets       | 70                     |

***Compensated Absences:*** The County uses the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and by those employees for whom it is probable will become eligible to receive payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

County employees earn vacation and sick leave at varying rates depending on length of service and departmental policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service. Accumulated, unused sick leave is paid up to a maximum of 240 hours depending on the length of service.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. The entire amount of compensated absences in the Enterprise Funds is reported (when applicable) as a fund liability.

**Intergovernmental Revenues:** For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis, shared revenues, and entitlements are recorded as receivables and revenues when measurable and available. Reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred. Grants, entitlements or shared revenues received for enterprise fund operating purposes are recognized as non-operating revenues in the accounting period in which they are earned and become measurable. Such resources restricted for the construction of capital assets are recorded as contributed capital.

**Contributed Capital:** Contributed capital represents resources from other funds, other governments, private sources, and tap-in fees, to the extent they exceed the cost of physical connection to the system, which have been provided to the enterprise funds and are not subject to repayment. Because the County, prior to 1992, had not prepared financial statements in accordance with generally accepted accounting principles, the exact amount of contributed capital pertaining to years prior to 1991 cannot be determined. Consequently, only those amounts that have been able to be identified specifically have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to the enterprise funds have been classified as retained earnings.

**Reserves of Fund Equity:** The County records reservations for those 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 expenditure. Undesignated fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, debt service, unclaimed monies and inventory of supplies.

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

**Interfund Transactions:** During the course of normal operations, the County has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers.



**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Nonrecurring and non-routine transfers of equity between funds and the transfer of residual balances of discontinued funds or projects to the general fund or capital projects funds are classified as residual equity transfers.

Transactions that constitute reimbursements for expenditures or expenses initially made from a fund that are properly allocable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures and expenses in the fund that is reimbursed.

***Total Columns on General Purpose Financial Statements:*** Total columns on the general purpose financial statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data. When the title of a statement indicates that a component unit is included, two total columns are presented. The first is captioned "Primary Government" to indicate that only those activities that comprise the County's legal entity have been included. The second is captioned "Reporting Entity" and includes the activity and operations of the County's legally separate discretely presented component units (see Note 1). The "Total" column on statements which do not include a component unit have no additional caption.

**3. CONVERSION OF OPERATIONS FROM BUDGET BASIS TO GAAP BASIS**

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

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual - All Governmental Fund Types and Similar Trust Funds and the Combined Statement of Revenues, Expenses, and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - All Enterprise Funds 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 that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis). Material encumbrances are disclosed in the notes for the enterprise funds (GAAP basis).
4. 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).
5. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**3. CONVERSION OF OPERATIONS FROM BUDGET BASIS TO GAAP BASIS (Continued)**

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

Excess of Revenues and Other Financing Sources  
Over (Under) Expenditures and Other Financing Uses  
All Governmental Fund Types And Expendable Trust Funds

|                               | <u>General</u>     | <u>Special<br/>Revenue</u> | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> | <u>Expendable<br/>Trust</u> |
|-------------------------------|--------------------|----------------------------|-------------------------|-----------------------------|-----------------------------|
| GAAP Basis                    | \$ (265,608)       | \$ (337,646)               | \$ (60,158)             | \$248,005                   | \$ (667)                    |
| Increases (Decreases) Due To: |                    |                            |                         |                             |                             |
| Revenue Accruals              | 220,067            | (254,730)                  | 48,610                  | (47,093)                    | 0                           |
| Expenditure Accruals          | 67,595             | 336,609                    | 401                     | (388,857)                   | 0                           |
| Advances - In                 | 131,255            | 125,696                    | 0                       | 0                           | 0                           |
| Advances - Out                | (130,493)          | (126,458)                  | 0                       | 0                           | 0                           |
| Proceeds of Notes             | 0                  | 0                          | 0                       | 298,409                     | 0                           |
| Encumbrances                  | (37,154)           | (5,504)                    | 0                       | (16,535)                    | 0                           |
| Debt Principal Retirement     | <u>(56,478)</u>    | <u>(23,682)</u>            | <u>0</u>                | <u>(14,200)</u>             | <u>0</u>                    |
| Budget Basis                  | <u>\$ (70,816)</u> | <u>\$ (285,715)</u>        | <u>\$ (11,147)</u>      | <u>\$ 79,729</u>            | <u>\$ (667)</u>             |

Net Loss/Excess of Revenues Over  
Expenses and Operating Transfers  
Proprietary Fund Type

|                               |                  |
|-------------------------------|------------------|
| GAAP Basis                    | <u>\$32,069</u>  |
| Increases (Decreases) Due To: |                  |
| Revenue Accruals              | 16,977           |
| Expense Accruals              | (436)            |
| Depreciation                  | 9,406            |
| Tap-in Fees                   | 1,000            |
| Note Principal Payment        | (68,059)         |
| Note Proceeds                 | <u>65,972</u>    |
| Budget Basis                  | <u>\$ 56,929</u> |

**4. ACCOUNTABILITY AND COMPLIANCE**

**Legal Compliance:** The following fund had expenditures plus encumbrances in excess of appropriations at December 31, 1999:

**Enterprise Fund**

|                                 |          |
|---------------------------------|----------|
| Countywide Sewer District (501) |          |
| Debt Service - Principal        | \$64,678 |

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**4. ACCOUNTABILITY AND COMPLIANCE (Continued)**

The following funds had appropriations in excess of estimated receipts at December 31, 1999:

|  |  |
|--|--|
| General Fund (101)                     | HUD Community Development Block Grant Fund (251) |
| Marine Patrol Rotary Fund (103)        | CDBG Chip Program Fund (252)                     |
| Williamsport Rotary Fund (106)         | Courthouse Security Fund (256)                   |
| Circleville Township Rotary Fund (107) | Wampler Hills Ditch Fund (287)                   |
| Board of Elections Fund (120)          | Downtown Annex Bond Retirement Fund (303)        |
| Court Referee Fund (212)               | Note Retirement - Windows Fund (310)             |
| Drug Court Grant Fund (215)            | Writsel Ditch Note Retirement Fund (320)         |
| Special Marriage License Fund (219)    | Capital Improvements Fund (401)                  |
| State Victims Assistance Fund (227)    | Northwood Park Sanitary Sewer Fund (405)         |
| Law Enforcement Block Grant Fund (234) | Old Jail Window Replacement Fund (406)           |
| Dog and Kennel Fund (246)              |  |

The Derby Sanitary Sewer Construction Capital Projects Fund had a deficit fund balance of \$51,348 as of December 31, 1999. The deficit in the Derby Sanitary Sewer Construction Fund is the result of recognizing an advance of \$51,348 from the General Fund as a liability and will be eliminated when the advance is repaid.

The Circleville Township Rotary Fund (which is reported as a General Fund Equivalent) had a deficit fund balance of \$2,423 as of December 31, 1999. The following Special Revenue Funds had deficit fund balances as of December 31, 1999:

|                     |             |                                   |            |
|---------------------|-------------|-----------------------------------|------------|
| Human Services      | (\$234,934) | COPS Grant                        | (\$12,864) |
| Step Grant          | (\$1,325)   | MRDD                              | (\$6,452)  |
| Early Start Program | (\$3,724)   | Misdemeanor Community Corrections | (\$2,669)  |

These deficits are the result of recognizing various payables as of December 31, 1999 and will be eliminated either through collection of additional revenues during 2000 or transfers from the General Fund.

**5. DEPOSITS AND INVESTMENTS**

**Primary Government:**

**Policies And Procedures:** The County uses GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, and records all its investments at fair value. At December 31, 1999, the County's net cost for investments exceeded fair value by \$121,175. Moneys held by the County are classified by State Statute into two categories. Active moneys means an amount of public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as 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.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**5. DEPOSITS AND INVESTMENTS (Continued)**

Moneys held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

1. Bonds, notes, or other obligations of, or guaranteed by, the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality;
3. Written repurchase and reverse repurchase agreements in the securities listed above;
4. Bond and other obligations of the State of Ohio, its political subdivision, or other units or agencies of this State 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 consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
7. The State Treasurer's investment pool (STAR Ohio).

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 moneys deposited with the institution. 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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits. At year-end, the carrying amount of the County's deposits was (\$161,643) and the bank balance was \$1,189,955. Of the bank balance, \$696,145 was covered by federal depository insurance. The remaining amounts were considered uninsured and uncollateralized. Although all Ohio statutory requirements for the collateralization of deposits had been followed, non-compliance with federal requirements could potentially prevent the County from exercising a successful claim as a secured creditor against the FDIC and render them a general creditor for the uncollateralized amount.

Investments. Statutory provisions require that the County Treasurer hold all securities acquired by the County or deposit them with a qualified trustee pursuant to Section 135.18, Revised Code.

GASB Statement No. 3 "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that local governments disclose the carrying amounts and market value of investments classified by risk. Category 1 includes investments that are insured or registered for which the securities are held by the County. Category 2 includes uninsured and unregistered investments for which the securities are held in the counter party's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter party or by its trust department but not in the County's name. Investments in Star Ohio are not categorized since they are not evidenced by securities that exist in physical or book entry form.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**5. DEPOSITS AND INVESTMENTS (Continued)**

|                                   | <u>Category</u><br>2 | <u>Carrying</u><br><u>Value</u> | <u>Market</u><br><u>Value</u> |
|-----------------------------------|----------------------|---------------------------------|-------------------------------|
| U.S. Government Securities        | \$8,077,858          | \$8,077,858                     | \$8,077,858                   |
| Commercial Paper                  | <u>491,268</u>       | 491,268                         | 491,268                       |
| Total for Categorized Investments | <u>\$8,569,126</u>   |                                 |                               |
| Star Ohio                         |                      | <u>1,722,705</u>                | <u>1,722,705</u>              |
| Total Investments                 |                      | <u>\$10,291,831</u>             | <u>\$10,291,831</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. A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications per GASB Statement No. 3 is as follows:

|                            | <u>Cash and Cash</u><br><u>Equivalents</u> | <u>Investments</u>  |
|----------------------------|--|---------------------|
| GASB Statement No. 9       | \$10,130,188                               | \$ -0-              |
| Investments:               |  |                     |
| U.S. Government Securities | (8,077,858)                                | 8,077,858           |
| Commercial Paper           | (491,268)                                  | 491,268             |
| Star Ohio                  | <u>(1,722,705)</u>                         | <u>1,722,705</u>    |
| GASB Statement No. 3       | <u>(\$161,643)</u>                         | <u>\$10,291,831</u> |

**Component Units:**

**Deposits and Investments**

Cash and cash equivalents held by Pickaway Diversified Industries, Inc. and the Pickaway County Airport Authority are classified as "Cash and Cash Equivalents in Segregated Accounts."

**(1) Pickaway Diversified Industries, Inc.**

At year end, the carrying amount of Pickaway Diversified Industries, Inc. deposits was \$20,511 and the bank balance was \$25,928. The entire bank balance was covered by federal depository insurance. The difference is due to outstanding checks as of December 31, 1999. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation.

**(2) Pickaway County Airport Authority**

At year end, the carrying amount of the Pickaway County Airport Authority deposits was \$50,651 and the bank balance was \$50,651. The entire bank balance was covered by federal depository insurance.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**6. PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 1993. Real property taxes are payable annually or semiannually. The first payment is due February 15, with the remainder payable by July 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due October 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by October 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to itself its share of the taxes collected. The County records receipt of these taxes in various funds.

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

The full tax rate for all County operations for the year ended December 31, 1999, was \$7.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 1999 property tax receipts were based are as follows:

| <u>Category</u>      | <u>Assessed Value</u> |
|----------------------|-----------------------|
| Real Estate          |                       |
| Agricultural         | \$ 80,815,470         |
| Residential          | 350,792,230           |
| Commercial           | 60,997,970            |
| Industrial           | 29,272,510            |
| Minerals             | 565,280               |
| Public Utilities     | 677,630               |
| Personal Property    |                       |
| General              | 119,409,046           |
| Public Utilities     | <u>88,134,100</u>     |
| Total Property Taxes | <u>\$730,664,236</u>  |

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**7. PERMISSIVE SALES TAX**

In 1988, in accordance with Sections 5739.02 and 5741.02 of the Revised Code, the County Commissioners, by resolution, imposed a one percent tax on all retail sales, except sales of motor vehicles, made in the County, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the 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 were credited to the General Fund and the Voting Machine Debt Service Fund. Amounts that have been collected by the State and are to be received within the available period are accrued as revenue. Sales and Use tax revenue for 1999 amounted to \$3,256,393 (GAAP Basis). The County also had an additional ½ % voted sales tax which was not renewed by the voters during 1998. The remaining proceeds from this tax during 1999 amounted to \$32,838 (GAAP Basis) and were credited to the Jail Sales Tax Fund.

**8. RECEIVABLES**

Receivables at December 31, 1999, consisted of taxes, special assessments, accounts (billings for user charged services), interest and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered collectible in full.

A summary of the principal items of intergovernmental receivables is as follows:

| Fund / Type   | Amount                         |
|---|--------------------------------|
| <i>General Fund</i>   |                                |
| Jail Confinement Costs - Various Governments                | 60,853                         |
| Grants and Entitlements                                     | 5,280                          |
| Municipal Court   | 5,197                          |
| Miscellaneous   | <u>6,919</u>                   |
| <i>Total General Fund</i>                                   | <u>78,249</u>                  |
| <i>Special Revenue Funds</i>                                |                                |
| License, Gasoline, and Permissive Taxes                     | 336,269                        |
| Grants and Entitlements                                     | 147,935                        |
| Municipal Court   | 3,671                          |
| Miscellaneous   | <u>52,255</u>                  |
| <i>Total Special Revenue Funds</i>                          | <u>540,130</u>                 |
| <i>Agency Funds</i>   |                                |
| License, Gasoline, and Permissive Taxes                     | 158,774                        |
| Local Government and Local<br>Government Revenue Assistance | 524,545                        |
| Municipal Court   | <u>7,189</u>                   |
| <i>Total Agency Funds</i>                                   | <u>690,508</u>                 |
| <br><b><i>Total All Funds</i></b>                           | <br><b><u>\$ 1,308,887</u></b> |

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**9. FIXED ASSETS**

A summary of the enterprise funds' fixed assets at December 31, 1999, are as follows:

|   |                   |
|---|-------------------|
|   | <u>Enterprise</u> |
| Land  | \$13,964          |
| Sewer Plants and Buildings                                | 376,966           |
| Sewer Lines and Related Assets                            | <u>50,542</u>     |
| Total Fund Fixed Assets                                   | 441,472           |
| Less: Accumulated Depreciation                            | <u>(333,438)</u>  |
| Total Fund Fixed Assets (net of accumulated depreciation) | <u>\$ 108,034</u> |

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

| <u>Asset Category</u>             | <u>Balance for the Year Ended 12/31/98</u> | <u>Additions</u>    | <u>Deletions</u>  | <u>Adjustments</u> | <u>Balance for the Year Ended 12/31/99</u> |
|-----------------------------------|--|---------------------|-------------------|--------------------|--|
| Land                              | \$ 902,042                                 | —                   | —                 | —                  | \$ 902,042                                 |
| Buildings                         | 17,247,186                                 | —                   | —                 | —                  | 17,247,186                                 |
| Improvements Other Than Buildings | 293,150                                    | 359,858             | —                 | —                  | 653,008                                    |
| Machinery and Equipment           | 4,966,946                                  | 476,178             | 202,574           | 46,841             | 5,287,391                                  |
| Furniture and Fixtures            | 1,090,537                                  | 72,213              | 4,535             | 1,281              | 1,159,496                                  |
| Vehicles                          | 1,915,881                                  | 154,599             | 36,224            | 17,899             | 2,052,155                                  |
| Totals                            | <u>\$ 26,415,742</u>                       | <u>\$ 1,062,848</u> | <u>\$ 243,333</u> | <u>\$ 66,021</u>   | <u>\$ 27,301,278</u>                       |

**10. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During 1999, the County contracted with County Risk Sharing Authority (CORSA), a jointly governed organization, for liability, property, and crime insurance. The CORSA program has a \$2,500 deductible.



**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**10. RISK MANAGEMENT (Continued)**

Coverages provided by the program are as follows:

|   |             |
|---|-------------|
| General Liability                         | \$1,000,000 |
| Public Officials                          | 1,000,000   |
| Law Enforcement                           | 1,000,000   |
| Automobile                                | 1,000,000   |
| Faithful Performance and<br>Employee Bond | 250,000     |

The County has excess coverage in the amount of \$3,000,000.

Health insurance is provided by Community Choice Blue Cross and Blue Shield.

Workers' compensation benefits are provided through the State Bureau of Workers' Compensation. The County pays all elected officials' bonds by statute.

**11. DEFINED BENEFIT RETIREMENT PLANS**

***Public Employees Retirement System:*** All Pickaway County full-time employees, other than certified teachers with the Board of Mental Retardation and Developmental Disabilities (MR/DD), participate in the Public Employees Retirement System of Ohio (the "System"), a cost-sharing multiple-employer public employee retirement system created by the State of Ohio. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees other than law enforcement. Law enforcement employees contribute 9.0% of covered salary. The 1999 employer contribution rate for local government employers was 13.55% of covered payroll. The law enforcement employer rate was 16.70% of covered payroll. Pickaway County's contributions to PERS for the years ended December 31, 1999, 1998, and 1997 were \$2,272,295, \$2,031,651, and \$1,825,677, respectively. These contributions were equal to the required contributions for each of the years.

***State Teachers Retirement System:*** The Pickaway County Board of Mental Retardation and Developmental Disabilities contributes to the State Teachers Retirement System of Ohio (STRS) for all certified teachers, a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a stand-alone financial report. Copies of STRS Ohio's 1999 Comprehensive Annual Financial Report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by calling (614) 227-4090.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**11. DEFINED BENEFIT RETIREMENT PLANS (Continued)**

Plan members are required to contribute 9.3 percent of their annual covered salary and the County is required to contribute 14 percent; 6 percent was the portion allocated to fund pension obligations for fiscal year 1999. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Pickaway County's contributions to STRS for the years ended December 31, 1999, 1998, and 1997 were \$29,019, \$67,165, and \$66,780, respectively. These contributions were equal to the required contributions for each of the years.

Effective July 1, 1991, all employees not otherwise covered by the Public Employees Retirement System or the State Teachers Retirement System have an option to choose social security or the Public Employees Retirement System/State Teachers Retirement System. As of December 31, 1999, none of the elected officials had elected social security.

**12. POSTEMPLOYMENT BENEFITS**

**Public Employees Retirement System:** The Public Employees Retirement System of Ohio (the System) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. A portion of each employer's contribution to the System is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1999 employer contribution rate was 13.55 percent of covered payroll; 4.2 percent was the portion that was used to fund health care for 1999. The law enforcement employer rate for 1999 was 16.7% of covered payroll and 4.2% was used to fund health care. The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

Other post employment benefits are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely.

Expenditures for other post employment benefits during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future other post employment benefits payments were \$9,870,285,641. The number of benefit recipients eligible for other post employment benefits at December 31, 1999 was 118,062. The County's actual contributions for 1999 which were used to fund other post employment benefits were \$424,631.

Employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses.

**State Teachers Retirement System:** The County provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System. Benefits include hospitalization, physicians' fees, prescription drugs and 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 State Teachers Retirement System is funded on a pay-as-you-go basis.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**12. POSTEMPLOYMENT BENEFITS (Continued)**

For the State Teachers Retirement System, all benefit recipients are required to pay a portion of health care costs in the form of a monthly premium. By Ohio law, the cost of the coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll. The Retirement Board allocates employer contributions equal to two percent of covered payroll to a Health Care Reserve Fund from which payments for health care benefits are paid. However, for the fiscal year-ended June 30, 1999, the Retirement Board allocated employer contributions equal to 8.0% of the covered payroll to the Health Care Reserve Fund. For the County, this amount equaled \$9,963 during the 1999 fiscal year. The balance in the Health Care Reserve Fund was \$2.783 billion on June 30, 1999. The Health Care Reserve allocation for the year ended June 30, 2000, will be 8% of covered payroll. For the fiscal year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000. There were 95,796 eligible benefit recipients.

**13. OTHER EMPLOYEE BENEFITS**

***Deferred Compensation Plans:*** Pickaway County employees and elected officials may participate in either of two state-wide deferred compensation plans created in accordance with Internal Revenue Code Section 457. One is offered by the State of Ohio, and the other is provided by the County Commissioners Association of Ohio. Participation is on a voluntary payroll deduction basis. Each plan permits deferral of compensation until future years. The deferred pay and income earned on it is not subject to taxation until it is received by the employee. According to the plans, the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The County Commissioners Association of Ohio Deferred Compensation Program changed its organization during 1997 which required a change in the way that the assets and related liabilities are reported by the County. The County Commissioners Association of Ohio is considered a trustee and Pickaway County is not considered the owner of these assets. This change was implemented for fiscal year 1997.

The Ohio Public Employees Deferred Compensation Program allows the same type of withdrawals as the County Commissioners Program. The Ohio Public Employees Deferred Compensation Program changed its organization during 1998 which required a change in the way that the assets and related liabilities are reported by the County. The Ohio Public Employees Deferred Compensation Program is now considered a trustee and Pickaway County is not considered the owner of these assets. This change was implemented for fiscal year 1998.

Neither of the above program's assets or liabilities are included in the accompanying financial statements.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**14. LONG-TERM DEBT**

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

| <u>Types / Issues</u>  | <u>Outstanding<br/>at 12/31/98</u> | <u>Increases</u>        | <u>Decreases</u>          | <u>Outstanding<br/>at 12/31/99</u> |
|--|------------------------------------|-------------------------|---------------------------|------------------------------------|
| <i>General Long-Term Obligations</i>                                   |                                    |                         |                           |                                    |
| 1991 - 5.75-6.75%<br>Administrative Complex<br>Refunding Bonds         | \$555,000                          | \$0                     | \$125,000                 | \$430,000                          |
| 1991 - 5.75-6.75%<br>Jail Construction Bonds                           | 2,795,000                          | 0                       | 630,000                   | 2,165,000                          |
| 1994 - 5.75%<br>MR/DD Facilities Improvement Bonds                     | 66,000                             | 0                       | 8,283                     | 57,717                             |
| 1994 - 6.00%<br>Downtown Annex Bonds                                   | 335,000                            | 0                       | 50,000                    | 285,000                            |
| 1995 - 4.2-5.3%<br>Energy Conservation Notes                           | 580,000                            | 0                       | 70,000                    | 510,000                            |
| 1995 - 6.75%<br>Vehicle Notes  | 7,159                              | 0                       | 3,580                     | 3,579                              |
| 1996 - 5.625%<br>Voting Equipment Acquisition Notes                    | 352,125                            | 0                       | 78,250                    | 273,875                            |
| 1999 - 5.15%<br>Jail Window Replacement Notes                          | 0                                  | 200,000                 | 17,780                    | 182,220                            |
| 1999 - 6.0%<br>Northwood Park Sanitary Sewer<br>Improvement Bonds      | 0                                  | 157,160                 | 0                         | 157,160                            |
| Various County Engineer Serial Notes<br>(Excluding Short Term Portion) | 86,688                             | 0                       | 54,942                    | 31,746                             |
| Compensated Absences   | 833,243                            | 30,311                  | 0                         | 863,554                            |
| Capital Leases   | <u>119,020</u>                     | <u>0</u>                | <u>80,160</u>             | <u>38,860</u>                      |
| <b>Total General Long-Term Obligations</b>                             | <b><u>\$5,729,235</u></b>          | <b><u>\$387,471</u></b> | <b><u>\$1,117,995</u></b> | <b><u>\$4,998,711</u></b>          |

During 1999 the County issued Long Term Notes in the amount of \$200,000 to finance the replacement of the jail windows. These notes will be repaid through the debt service funds. During 1999 the County issued General Obligation Bonds to finance improvements to the Northwood Park sanitary sewer system. These bonds will be repaid through the collection of special assessments on the benefitting property owners. All other bonds will be repaid through the debt service funds. The Energy Conservation Notes will also be repaid through the debt service funds. The Vehicle Note will be repaid through the General Fund, the Capital Improvements Fund and/or the Juvenile Court Computer Funds. The Voting Equipment Acquisition Notes will be repaid through the Debt Service Funds. The County Engineer Serial Notes have been issued during the past several years. The County is recording the current portion of the note payable (amount due in 2000) as a liability of the Special Revenue Funds (See Note 15). The remainder of the liability is reported in the General Long Term Obligations Account Group. This debt will be repaid through the Auto License and Gas Tax Fund (a Special Revenue Fund). The compensated absences liability will be paid from the fund from which the employees are paid. Additions and deletions of accrued vacation and sick leave are shown net since it is impractical for the County to determine these amounts separately.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**14. LONG-TERM DEBT (Continued)**

The following is a summary of the County's future principal and interest requirements for general long-term debt obligations, including \$724,607 of interest:

|           | Complex<br>Refunding<br>Bonds | Jail<br>Construction<br>Bonds | Downtown<br>Annex<br>Bonds | MR/DD Facilities<br>Improvement<br>Bonds | Energy<br>Conservation<br>Notes |
|-----------|-------------------------------|-------------------------------|----------------------------|--|---------------------------------|
| 2000      | \$158,625                     | \$819,068                     | \$66,388                   | \$11,296                                 | \$100,950                       |
| 2001      | 160,110                       | 819,855                       | 68,512                     | 11,831                                   | 102,350                         |
| 2002      | 170,800                       | 821,975                       | 65,350                     | 11,314                                   | 103,430                         |
| 2003      | 0                             | 0                             | 67,188                     | 11,791                                   | 99,138                          |
| 2004      | 0                             | 0                             | 68,738                     | 12,211                                   | 99,760                          |
| 2005-2009 | 0                             | 0                             | 0                          | 11,580                                   | 100,034                         |
| 2010-2014 | 0                             | 0                             | 0                          | 0  | 0                               |
| 2015-2019 | 0                             | 0                             | 0                          | 0  | 0                               |
| Totals    | <u>\$489,535</u>              | <u>\$2,460,898</u>            | <u>\$336,176</u>           | <u>\$70,023</u>                          | <u>\$605,662</u>                |

|               | Voting<br>Equipment<br>Acquisition<br>Notes | Vehicle<br>Note | Northwood<br>Park<br>Sanitary Sewer<br>Improvement<br>Bonds | Jail<br>Window<br>Replacement<br>Bonds | County<br>Engineer<br>Serial<br>Notes | Total              |
|---------------|---|-----------------|---|--|---------------------------------------|--------------------|
| 2000          | \$54,530                                    | \$3,822         | \$14,375  | \$45,889                               | \$0                                   | \$1,274,943        |
| 2001          | 52,330                                      | 0               | 14,180  | 45,889                                 | 38,258                                | 1,313,315          |
| 2002          | 50,129                                      | 0               | 13,880  | 45,889                                 | 0                                     | 1,282,767          |
| 2003          | 47,928                                      | 0               | 13,580  | 45,888                                 | 0                                     | 285,513            |
| 2004          | 45,727                                      | 0               | 13,280  | 22,944                                 | 0                                     | 262,660            |
| 2005-<br>2009 | 84,852                                      | 0               | 68,240  | 0                                      | 0                                     | 264,706            |
| 2010-<br>2014 | 0   | 0               | 69,320  | 0                                      | 0                                     | 69,320             |
| 2015-<br>2019 | 0   | 0               | 67,680  | 0                                      | 0                                     | 67,680             |
| Totals        | <u>\$335,496</u>                            | <u>\$3,822</u>  | <u>\$274,535</u>  | <u>\$206,499</u>                       | <u>\$38,258</u>                       | <u>\$4,820,904</u> |

The MR/DD Facilities Improvement Bonds of \$57,717 are reflected in the General Long Term Obligations Account Group because the County is legally obligated to pay for these bonds. However, Pickaway Diversified Industries, Inc. (PDI), one of the discretely presented component units, also reflects the debt because PDI used the bonds to make leasehold improvements to the facilities and is paying the bond's principal and interest requirements to the County. The County then makes the debt service payments on these bonds.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**15. NOTES PAYABLE**

A summary of the note transactions for the year ended December 31, 1999 follows:

| <u>Fund Type/Fund</u>                     | <u>Outstanding<br/>at 12/31/98</u> | <u>Issued</u>           | <u>Retired</u>          | <u>Outstanding<br/>at 12/31/99</u> |
|---|------------------------------------|-------------------------|-------------------------|------------------------------------|
| <i>Special Revenue Fund</i>               |                                    |                         |                         |                                    |
| Motor Grader Note - 6.0%                  | 11,497                             | 11,497                  | 11,497                  | 11,497                             |
| Chip Spreader Note - 6.0%                 | 11,700                             | 11,700                  | 11,700                  | 11,700                             |
| Trucks Note - 5.75%                       | 12,418                             | 12,418                  | 12,418                  | 12,418                             |
| Hydraulic Scope Boom<br>Note - 6.0        | <u>19,327</u>                      | <u>19,327</u>           | <u>19,327</u>           | <u>19,327</u>                      |
| Total Motor Vehicle Gas Tax Fund          | 54,942                             | 54,942                  | 54,942                  | 54,942                             |
|   |                                    |                         |                         |                                    |
| Ditch Maintenance Fund<br>Writsel - 6.00% | <u>1,068</u>                       | <u>731</u>              | <u>1,068</u>            | <u>731</u>                         |
| Total Ditch Maintenance Fund              | <u>1,068</u>                       | <u>731</u>              | <u>1,068</u>            | <u>731</u>                         |
| <i>Total Special Revenue Funds</i>        | 56,010                             | 55,673                  | 56,010                  | 55,673                             |
|   |                                    |                         |                         |                                    |
| <i>Capital Projects Fund</i>              |                                    |                         |                         |                                    |
| Northwood Park Draw<br>Note - 4.55%       | <u>88,780</u>                      | <u>297,833</u>          | <u>386,613</u>          | <u>—</u>                           |
| <i>Total Capital Projects Funds</i>       | 88,780                             | 297,833                 | 386,613                 | —                                  |
| <i>Enterprise Fund</i>                    |                                    |                         |                         |                                    |
| Pickaway County Sewer Fund                |                                    |                         |                         |                                    |
| Clark's Lake - 6.00%                      | 60,058                             | 58,972                  | 60,058                  | 58,972                             |
| Circle Hills - 6.00%                      | <u>8,000</u>                       | <u>7,000</u>            | <u>8,000</u>            | <u>7,000</u>                       |
| Total Pickaway County Sewer Fund          | <u>68,058</u>                      | <u>65,972</u>           | <u>68,058</u>           | <u>65,972</u>                      |
| <b>Total All Funds</b>                    | <b><u>\$212,848</u></b>            | <b><u>\$419,478</u></b> | <b><u>\$510,681</u></b> | <b><u>\$121,645</u></b>            |

All notes are backed by the full faith and credit of Pickaway County. The note liability is reflected in the fund which received the proceeds and will be retired from the general revenues of the County. As described in Note 14, the County records the long term portion of the County Engineer Serial Notes (Paid from the Motor Vehicle Gas Tax Fund) in the General Long Term Obligations Account Group. Only the current portion of the serial notes payable is reflected in the above schedule. Those notes pertaining to enterprise funds will be paid from enterprise fund revenues.

**16. CAPITALIZED LEASES - LESSEE DISCLOSURE**

During 1998, the County entered into a lease agreement for vehicles for the County Sheriff's Office. During 1997 the County had entered into a lease agreement for vehicles for the County Sheriff's Office. During 1996, the County entered into a lease agreement for various equipment for the County Engineer's Office. These leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. For both of the above lease agreements, capital lease payments have been reclassified and are reflected as debt service expenditures in the General Purpose Financial Statements for the governmental funds. These expenditures are reflected as program/object expenditures on a budgetary basis.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**16. CAPITALIZED LEASES - LESSEE DISCLOSURE (Continued)**

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 1999.

| Year Ending<br><u>December 31</u><br>2000 | General<br>Long-Term<br><u>Obligation</u><br><u>\$ 41,263</u> |
|---|---|
| Total Minimum Lease Payments              | 41,263  |
| Less: Amount Representing Interest        | <u>(2,403)</u>  |
| Present Value of Minimum Lease Payments   | <u><u>\$38,860</u></u>  |

**17. INTERFUND TRANSACTIONS**

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

| Fund Type/Fund                            | Due From<br><u>Other<br/>Funds</u> | Due To<br><u>Other<br/>Funds</u> | <u>Interfund<br/>Receivable</u> | <u>Interfund<br/>Payable</u> |
|---|------------------------------------|----------------------------------|---------------------------------|------------------------------|
| <i>General Fund</i>                       | \$ 46,657                          | \$ 0                             | \$ 77,223                       | \$ 0                         |
| <i>Special Revenue Funds</i>              |                                    |                                  |                                 |                              |
| Auto License & Gas Tax (201)              | 39                                 | 0                                | 0                               | 0                            |
| Child Support Enforcement Agency (211)    | 9,418                              | 0                                | 0                               | 0                            |
| Drug Court Grant (215)                    | 10                                 | 0                                | 0                               | 0                            |
| Probate (216)                             | 24                                 | 0                                | 0                               | 0                            |
| Probate Court Computer (217)              | 540                                | 0                                | 0                               | 0                            |
| Probate Court Computer Research (218)     | 162                                | 0                                | 0                               | 0                            |
| Special Marriage License (219)            | 984                                | 0                                | 0                               | 0                            |
| Indigent Guardianship (220)               | 60                                 | 0                                | 0                               | 0                            |
| Juvenile Court Computer (223)             | 580                                | 0                                | 0                               | 0                            |
| Juvenile Court Computer Research (224)    | 168                                | 0                                | 0                               | 0                            |
| Clerk of Courts Computer (229)            | 750                                | 0                                | 0                               | 0                            |
| Certificate of Title Administration (230) | 14,942                             | 0                                | 0                               | 0                            |
| Common Pleas Court Computer (231)         | 174                                | 0                                | 0                               | 0                            |
| COPS Grant (239)                          | 0                                  | 0                                | 0                               | 12,375                       |
| Step Grant (240)                          | 0                                  | 0                                | 0                               | 3,500                        |
| Total Special Revenue Funds               | 27,851                             | 0                                | 0                               | 15,875                       |
| <i>Capital Projects Fund</i>              |                                    |                                  |                                 |                              |
| Derby Sanitary Sewer Construction (404)   | 0                                  | 0                                | 0                               | 51,348                       |
| <i>Enterprise Fund</i>                    |                                    |                                  |                                 |                              |
| Pickaway County Sewer Fund (501)          | 0                                  | 0                                | 0                               | 10,000                       |
| <i>Agency Funds</i>                       |                                    |                                  |                                 |                              |
| Recorder Agency                           | 0                                  | 22,094                           | 0                               | 0                            |
| Sheriff Agency                            | 0                                  | 8,704                            | 0                               | 0                            |
| Court Agency                              | 0                                  | 34,292                           | 0                               | 0                            |
| Alimony and Child Support                 | 0                                  | 9,418                            | 0                               | 0                            |
| Total Agency Funds                        | 0                                  | 74,508                           | 0                               | 0                            |
| <b>Total All Funds</b>                    | <b>\$ 74,508</b>                   | <b>\$ 74,508</b>                 | <b>\$ 77,223</b>                | <b>\$ 77,223</b>             |

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**18. ADDITIONAL DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS**

A. Measurement Focus and Basis of Accounting

Pickaway Diversified Industries, Inc. uses fund accounting to report on their operations and uses the full accrual basis of accounting as set forth in SFAS No. 117 for non-profit corporations. Pickaway County Airport Authority uses fund accounting to report on their operations and uses the cash basis of accounting which is then converted to accrual accounting at year end.

B. Budgetary Basis of Accounting

Budgetary information for the discretely presented component units is not presented because they are not included in the entity for which the "appropriated budget" is adopted and do not maintain separate budgetary financial records.

C. Fixed Assets

Property and equipment for the component units are stated at historical cost and are updated for the costs of additions and retirements during the year. Donated fixed assets have been recorded at the fair market value at the date of the gift.

The assets for Pickaway Diversified Industries, Inc. are depreciated on a straight line basis using the following estimated useful lives:

| Category                | Estimated Life |
|-------------------------|----------------|
| Leasehold Improvements  | 40 years       |
| Machinery and Equipment | 5-7 years      |

D. Long Term Debt

At year end, Pickaway Diversified Industries, Inc. MR/DD Facilities Improvement Bonds liability was \$57,717. The County issued these Bonds on behalf of Pickaway Diversified Industries, Inc. (PDI). The County liability for these Bonds was \$57,717 at year end. PDI also issued \$28,226 in new notes during 1998 for the purchase of a new truck. The remaining balance on these notes as of December 31, 1999 was \$19,193.

E. Segment Information

Net working capital for Pickaway Diversified Industries, Inc. as of December 31, 1999 was \$46,832. Other segment information can be obtained in the general purpose financial statements.



**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**19. JOINTLY GOVERNED ORGANIZATIONS**

**Berger Hospital**

Berger Hospital is a jointly governed organization which provides diversified health care services to the community. The hospital is governed by a 9 member board: Pickaway County Commissioners appoint 4 members of the board, the City of Circleville appoints 4 members of the board and the final board member is the City of Circleville's Mayor. The Mayor is the President of the Board but does not have voting privileges unless there is a tie. The City of Circleville holds legal title to the Hospital. The degree of control exercised by the County is limited to its representation on the Board. Pickaway County does not have an ongoing financial interest in or an ongoing financial responsibility for the Hospital. During 1999, the County did not make any contributions to the Hospital. Complete financial statements can be obtained from the Berger Hospital, 600 N. Pickaway, Circleville, Ohio, 43113.

**Paint Valley Mental Health Alcohol and Drug Addiction Board of Pike, Fayette, Highland, Pickaway and Ross Counties**

The Paint Valley Mental Health Alcohol and Drug Addiction Board of Pike, Fayette, Highland, Pickaway and Ross Counties is a jointly governed organization that is responsible for developing, coordinating, modernizing, funding, monitoring and evaluating a community-based mental health and substance abuse program. The Board consists of eighteen members. Four members are appointed by the Director of the Ohio Department of Mental Health and four members are appointed by the Director of the Ohio Department of Alcohol and Drug Addiction Services. The remaining members are appointed by the County Commissioners of Pike, Fayette, Highland, Pickaway, and Ross Counties in the same proportion as each County's population bears to the total population of the five counties combined. The Board receives revenue from the participating counties and receives federal and state funding through grant monies which are applied for and received by the Board of Trustees. Pickaway County cannot significantly influence operations of the Board, who has sole budgetary authority and controls surpluses and deficits. Pickaway County has no ongoing financial interest or responsibility. During 1999, Pickaway County contributed \$529,523 to the program.

**Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District**

The County is a member of the Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District, which is a jointly governed organization of the four-named counties. The purpose of the District is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and land filling. The District was created in 1989, as required by the Ohio Revised Code.

The Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District is governed and operated through three groups. A twelve member board of directors, comprised of three commissioners from each county, is responsible for the District's financial matters. Financial records are maintained by the Ross County Auditor and Treasurer, and the Ross County Commissioners budget and finance the District with board approval. A twenty-nine member policy committee, comprised of seven members from each county and one at-large member appointed by the board of directors, is responsible for preparing the solid waste management plan of the District in conjunction with a twenty-three member Technical Advisory Council (members appointed by the policy committee). The District's sole revenue source is derived from a waste disposal fee for in-district and out-of-district waste. Although the counties contributed amounts to the District at the time of its creation, all contributions have since been returned to the respective counties and no future contributions by the counties are anticipated. Continued existence of the District is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**19. JOINTLY GOVERNED ORGANIZATIONS (Continued)**

**South Central Regional Juvenile Detention Center**

The South Central Regional Juvenile Detention Center is a jointly governed organization that was created as a holding place for juvenile offenders waiting for disposition by the respective Juvenile Courts of the member counties. The current members include Pike, Pickaway, Ross, Jackson, Hocking, Athens, Fayette, Vinton and Highland Counties. The Center's Board consists of one member from each participating county that is appointed by the Juvenile Court Judge or a County Commissioner from each county. The joint Board selects the superintendent as the Center's administrator.

The Center's revenue is from per diem charges for inmates to the respective counties and a percent of the county tax base to the total tax base. Ross County is the fiscal officer of the Center. Pickaway County does not have any financial interest or responsibility. During 1999, Pickaway County contributed \$70,511 to the Center.

**County Risk Sharing Authority (CORSA)**

The County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization 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 CORSA. The County's payment for insurance to CORSA in 1999 was \$166,502.

**20. RELATED ORGANIZATIONS**

**Pickaway County Library**

The Pickaway County District Library is statutorily created as a separate and distinct political subdivision of the State. Four trustees of the District Library are appointed by the County Commissioners, and three trustees are appointed by the judges of the Common Pleas Court. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the County for operational subsidies. Due process is required to remove board members. No subsidies are provided by the County.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999  
(Continued)**

**21. RELATED PARTY TRANSACTION**

**Pickaway Diversified Industries, Inc.**

Pickaway Diversified Industries, Inc. a discretely presented component unit of Pickaway County, received contributions from the County for facilities, certain equipment, transportation and salaries for administration, implementation and supervision of its program. These contributions are reflected as operating revenues and operating expenses at cost or fair market value as applicable, in the general purpose financial statements. In 1999, these contributions were \$213,563.

**22. SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The County maintains one enterprise fund which is intended to be self-supporting through user fees charged for services provided to consumers for sewage services. The component unit, Pickaway Diversified Industries Inc. was excluded because it is presented individually in the general purpose financial statements. Financial segment information as of and for the year ended December 31, 1999, is as follows:

|  | Pickaway County |
|--|-----------------|
|  | Sewer Fund      |
| Operating Revenues                               | \$ 124,643      |
| Operating Expenses Before Depreciation           | 81,354          |
| Depreciation Expense                             | 9,406           |
| Operating Income                                 | 33,883          |
| Non - Operating Revenues (Expenses):             |                 |
| Interest and Fiscal Charges                      | (3,814)         |
| Operating Transfers In                           | 2,000           |
| Net Income                                       | 32,069          |
| Current Contributed Capital:                     |                 |
| Tap - In Fees                                    | 1,000           |
| Net Working Capital                              | (6,496)         |
| Total Assets                                     | 185,377         |
| Notes Payable                                    | 65,972          |
| Total Fund Equity                                | 101,538         |
| Encumbrances Outstanding at<br>December 31, 1999 | \$ 0            |

**23. CONTINGENT LIABILITIES**

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

The County had several pending litigation cases at December 31, 1999.

Management believes that the financial impact on the general purpose financial statements, if any, would not be significant.

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PICKAWAY COUNTY

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

| Federal Grantor/<br>Pass Through Grantor<br>Program Title                                   | Pass Through<br>Entity<br>Number      | Federal<br>CFDA<br>Number | Expenditures       |
|---|---------------------------------------|---------------------------|--------------------|
| <b>U.S. DEPARTMENT OF AGRICULTURE-NUTRITION CLUSTER</b>                                     |                                       |                           |                    |
| <i>Passed Through Ohio Department of Education:</i>   |                                       |                           |                    |
| <b>NUTRITION CLUSTER</b>  |                                       |                           |                    |
| School Breakfast Program  | 066191-03-PU-99                       | 10.553                    | 1,342              |
| National School Lunch Program   | 066191-03-PU-99                       | 10.555                    | 2,094              |
| <b>Total U.S. Department of Education-Nutrition Cluster</b>                                 |                                       |                           | <b>3,436</b>       |
| <b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>                                     |                                       |                           |                    |
| <i>Passed Through Ohio Department of Development:</i>                                       |                                       |                           |                    |
| Community Development Block Grant/State's Program   | B-C-97-060-1                          | 14.228                    | 84,176             |
| Community Development Block Grant/State's Program   | B-F-97-060-1                          | 14.228                    | 100,633            |
| Community Development Block Grant/State's Program   | B-F-98-060-1                          | 14.228                    | 165,091            |
| Community Development Block Grant/State's Program   | B-C-99-060-1                          | 14.228                    | 24,000             |
| HOME Investment Partnerships Program  | B-C-97-060-2                          | 14.239                    | 13,000             |
| Total Passed Through the Ohio Department of Development                                     |                                       |                           | 386,900            |
| <i>Direct From U.S. Department of Housing and Urban Development:</i>                        |                                       |                           |                    |
| HOME Investment Partnerships Program  | B-C-97-060-2                          | 14.239                    | 242,961            |
| <b>Total U.S. Department of Housing and Urban Development</b>                               |                                       |                           | <b>629,861</b>     |
| <b>U.S. DEPARTMENT OF JUSTICE</b>   |                                       |                           |                    |
| <i>Passed Through State of Ohio Office of Attorney General:</i>                             |                                       |                           |                    |
| Crime Victim Assistance   |                                       |                           |                    |
|   | 99VAGENE095/<br>98VAGENE095           | 16.575                    | 60,268             |
| <i>Passed Through State of Ohio Office of Criminal Justice Services:</i>                    |                                       |                           |                    |
| Byrne Formula Grant Program   | 98DGO27182                            | 16.579                    | 4,750              |
| Juvenile Accountability Incentive Block Grants  | 83-65-0000-0                          | 16.523                    | 3,824              |
| Public Safety Partnership and Community Policing (COPS) Grant                               | 96-UM-NX-0566                         | 16.710                    | 44,985             |
| Total Passed Through the Ohio Office of Criminal Justice Services                           |                                       |                           | 53,559             |
| <b>Total U.S. Department of Justice</b>   |                                       |                           | <b>113,827</b>     |
| <b>U.S. DEPARTMENT OF TRANSPORTATION</b>  |                                       |                           |                    |
| <i>Passed Through Ohio Department of Public Safety:</i>                                     |                                       |                           |                    |
| State and Community Highway Safety (STEP) Grants  | GRO1-305                              | 20.600                    | 210                |
| <b>Total U.S. Department of Transportation</b>  |                                       |                           | <b>210</b>         |
| <b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>  |                                       |                           |                    |
| <i>Passed Through Ohio State Disaster Services Agency:</i>                                  |                                       |                           |                    |
| Emergency Management-State and Local Assistance   | 98-PPACA                              | 83.534                    | 10,070             |
| <b>Total Federal Emergency Management Agency</b>  |                                       |                           | <b>10,070</b>      |
| <b>U.S. DEPARTMENT OF EDUCATION</b>   |                                       |                           |                    |
| <i>Passed Through Ohio Department of Education:</i>   |                                       |                           |                    |
| <b>SPECIAL EDUCATION CLUSTER</b>  |                                       |                           |                    |
| Special Education-Grants to States  | 066191-6B-SF-99P                      | 84.027                    | 2,466              |
| Special Education-Preschool Grants  | 066191-PG-S1-98P/<br>066191-PG-S1-99P | 84.173                    | 17,229             |
| Total Passed Through Ohio Department of Education- Special Education Cluster                |                                       |                           | 19,695             |
| Innovative Education Program Strategies   | 066191-C2-S1-99(A)                    | 84.298                    | 218                |
| Total Passed Through Ohio Department of Education   |                                       |                           |                    |
| <i>Passed Through Ohio Department of Health and Human Services</i>                          |                                       |                           |                    |
| Special Education-Grants for Infants and Families with Disabilities                         | 9203B                                 | 84.181                    | 68,927             |
| <b>Total U.S. Department of Education</b>   |                                       |                           | <b>88,840</b>      |
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>   |                                       |                           |                    |
| <i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i> |                                       |                           |                    |
| Social Services Block Grant   | MR-65                                 | 93.667                    | 38,334             |
| <b>Total U.S. Department of Health and Human Services</b>                                   |                                       |                           | <b>38,334</b>      |
| <b>U.S. DEPARTMENT OF LABOR</b>   |                                       |                           |                    |
| <i>Passed Through Ohio Department of Jobs and Family Services</i>                           |                                       |                           |                    |
| Job Training Partnership Act  | Title 0-99-17-00-00                   | 17.250                    | 22,000             |
| <b>Total U.S. Department of Labor</b>   |                                       |                           | <b>22,000</b>      |
| <b>U.S. DEPARTMENT OF MRDD</b>  |                                       |                           |                    |
| <i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i> |                                       |                           |                    |
| Medical Assistance Program Title XIX Cluster  |                                       | 93.778                    |                    |
| Target of Case Management   |                                       |                           | 12,465             |
| CAFS  |                                       |                           | 265,470            |
| <b>Total U.S. Department of MRDD</b>  |                                       |                           | <b>277,935</b>     |
| <b>Total Federal Awards Expenditures</b>  |                                       |                           | <b>\$1,184,513</b> |

The accompanying notes to this schedule are an integral part of this schedule.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

**NOTE A-SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the County's federal awards programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B-SUBRECIPIENTS**

The County passes-through certain Federal Assistance received from the State of Ohio of Criminal Justice Services to not for profit agencies (subrecipients). As described in Note A, the County records expenditures of Federal Awards to subrecipients when paid in cash

**NOTE C - MATCHING REQUIREMENTS**

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

**NOTE D - SCHEDULE OF FEDERAL AWARDS EXPENDITURES REVISION**

The accompanying Schedule of Federal Awards Expenditures replaces the Schedule in the Pickaway County fiscal year ended December 31, 1999 report package. The Schedule was revised to accurately reflect the expenditures in the Community Development Block Grant, CFDA #14.228 and HOME Investment Partnership Program, CFDA #14.239 which were improperly stated in the previous schedule. The previous schedule inadvertently omitted \$19,342 of expenditures and misallocated the expenditures between the Community Development Block (CDBG), CFDA # 14.228 and the Home Investment Partnership Program, CFDA # 14.239. The enclosed, revised schedule includes the \$19,342 of expenditures and properly allocates the expenditures between the two federal programs.



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

35 North Fourth Street  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199  
www.auditor.state.oh.us

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

Board of County Commissioners  
Pickaway County  
207 South Court Street  
Circleville, Ohio 43113

We have audited the general purpose financial statements of Pickaway County, Ohio (the County) as of and for the year ended December 31, 1999, and have issued our report thereon dated July 28, 2000. We did not audit the financial statements of Pickaway Diversified Industries, Inc. (the Workshop). Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Workshop, is based on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Workshop were not audited in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

**Compliance**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the County in a separate letter dated July 28, 2000.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the County's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying schedule of findings as item 1999-60665-001.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the County in a separate letter dated July 28, 2000.

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

The fourth and fifth paragraph of this report and the accompanying schedule of findings were revised to reflect the internal control weakness identified in the Medical Assistance Program. This additional program was determined to be a major program, and tested accordingly, after the correction made to the Schedule of Federal Awards Expenditures.

**JIM PETRO**  
Auditor of State

July 28, 2000, except for the fourth, fifth and last paragraph which is dated August 15, 2001.





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

35 North Fourth Street  
Columbus, Ohio 43215  
Telephone 614-466-3402  
800-443-9275  
Facsimile 614-728-7199  
www.auditor.state.oh.us

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

Board of County Commissioners  
Pickaway County  
207 South Court Street  
Circleville, Ohio 43113

**Compliance**

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

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 1999.

**Internal Control Over Compliance**

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

Board of County Commissioners  
Pickaway County  
Report on Compliance With Requirements Applicable to Each Major  
Federal Program, Internal Control Over Compliance  
In Accordance With OMB Circular A-133 and Schedule of Federal Awards Expenditures  
Page 2

We noted a matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. A reportable condition is described in the accompanying schedule of findings as item 1999-60665-002.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over federal compliance that do not require inclusion in this report that we have reported to management of the County in a separate letter dated July 28, 2000.

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

The fourth and fifth paragraph of this report and the accompanying schedule of findings were revised to reflect the internal control weakness identified in the Medical Assistance Program. This additional program was determined to be a major program, and tested accordingly, after the correction made to the Schedule of Federal Awards Expenditures.

**JIM PETRO**  
Auditor of State

July 28, 2000, except for the fourth, fifth and last paragraph which is dated August 15, 2001.

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

DECEMBER 31, 1999

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133, SECTION .505**

|  |
|--|
| <b>1. SUMMARY OF AUDITOR'S RESULTS</b> |
|--|

|                     |   |   |
|---------------------|---|---|
| <b>(d)(1)(i)</b>    | <b>Type of Financial Statement Opinion</b>  | Unqualified   |
| <b>(d)(1)(ii)</b>   | <b>Were there any material control weakness conditions reported at financial statement level (GAGAS)?</b>             | No  |
| <b>(d)(1)(ii)</b>   | <b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b> | Yes   |
| <b>(d)(1)(iii)</b>  | <b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>                        | No  |
| <b>(d)(1)(iv)</b>   | <b>Were there any material internal control weakness conditions reported for major federal programs?</b>              | No  |
| <b>(d)(1)(iv)</b>   | <b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>      | Yes   |
| <b>(d)(1)(v)</b>    | <b>Type of Major Programs' Compliance Opinion</b>   | Unqualified   |
| <b>(d)(1)(vi)</b>   | <b>Are there any reportable findings under Section .510?</b>  | Yes   |
| <b>(d)(1)(vii)</b>  | <b>Major Programs (list):</b>   | <b>HOME Investment Partnership Program</b><br>CFDA #14.239<br><br><b>Medical Assistance Program</b><br>CFDA #93.778 |
| <b>(d)(1)(viii)</b> | <b>Dollar Threshold: Type A/B Programs</b>  | Type A: > \$300,000<br>Type B: all others   |
| <b>(d)(1)(ix)</b>   | <b>Low Risk Auditee?</b>  | Yes   |

**FINANCIAL CONDITION  
PICKAWAY COUNTY**

**DECEMBER 31, 1999**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133, SECTION .505  
(Continued)**

|   |
|---|
| <b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b> |
|---|

|                       |                       |
|-----------------------|-----------------------|
| <b>FINDING NUMBER</b> | <b>1999-60665-001</b> |
|-----------------------|-----------------------|

**Reconciliation of Medicaid Billings to Healthcare Billing Services Monthly Reports  
to Ensure Proper Matching**

Medical provider units of service for services render to eligible patients under the Medical Assistance Program (Medicaid) are provided to the County department of MRDD. The billing statements are forward to Heathcare Billing Services, by the County MRDD, for summarization and remittance to the Ohio Department of MRDD for reimbursement. During the County's fiscal year ended December 31, 1999, the units of service billing statements remitted to Healthcare Billing Services for remittance to Ohio Department of MRDD were not reconciled to the actual billings remitted for reimbursement or the cash collections received by the County. This weakness could allow the County to not receive their proportional reimbursement amount.

The units of service statements remitted to Healthcare Billing Services each month submitted to Ohio Department of MRDD for reimbursement should be reconciled to the units actually billed by Healthcare Billing Services each month. If the units of service sent to Healthcare Billing Services are not reconciled to those actually billed and collected the potential exists for billing errors to go undetected, and therefore loss of revenues.

We recommend the units of service billing statements remitted to Healthcare Billing Services be reconciled to those actually billed by Healthcare Billing Services each month and the reimbursed monies received by the County MRDD.

|                                       |
|---------------------------------------|
| <b>3. FINDINGS FOR FEDERAL AWARDS</b> |
|---------------------------------------|

|                                   |   |
|-----------------------------------|---|
| <b>FINDING NUMBER</b>             | <b>1999-60665-002</b>   |
| <b>CFDA Title and Number</b>      | <b>Medical Assistance Program ( Medicaid -Title XIX) CFDA #93.778</b> |
| <b>Federal Award Number/ Year</b> |   |
| <b>Federal Agency</b>             | <b>U. S Department of Health and Human Services</b>                   |
| <b>Pass-Through Agency</b>        | <b>Ohio Department of MRDD</b>  |

**Matching Requirement**

See finding related to the financial statements required to be reported under GAGAS number 1999-60665-001; this finding is also required to be reported under OMB Circular A-133 §.505(d)(3).



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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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

## PICKAWAY COUNTY FINANCIAL CONDITION

### PICKAWAY 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  
SEPTEMBER 20, 2001