

Popular Annual Financial Report

For Fiscal Year Ended December 31, 2004—Issued by Jill A. Thompson Athens County Auditor



Special points of interest:

- Auditor's Office
- Keeping Track of the Dollars
- Spotlight on the General Fund

July 29, 2005

Citizens of Athens County:

What an exciting opportunity to be able to present to the Citizens of Athens County our very first Popular Annual Financial Report (PAFR) for fiscal year ended December 31, 2004.

The information in this report has been taken from the 2004 Athens County Comprehensive Financial Report (CAFR).

The CAFR is comprised of more than 250 pages of detailed financial statements, notes, schedules and reports. The CAFR was audited by the Auditor of State, and received an unqualified opinion. A copy of the County's CAFR can be obtained by contacting the Auditor's Office or accessing the Auditor's office website.

The PAFR is a summary of the financial activities and operating results reported in the Athens County audited CAFR.

This PAFR, generated internally by Financial Accounting Administrator

Alan Ferguson with the help of our staff is a condensed and simplified overview of the CAFR.

The PAFR is unaudited and does not conform to the Generally Accepted Accounting Principals (GAAP) and governmental reporting standards and does not include component units of the county.

The Popular Annual Financial Report of Athens County is presented as a means of increasing public confidence in County Government and its elected officials through easier, more user-friendly financial reporting.

The PAFR is a tool to help taxpayers better understand how their tax dollars are being utilized to better serve the citizens of Athens County.

I am thankful to the citizens of Athens County for their continued support and encouragement. I commend my dedicated staff for continuing the tradition of



Jill A. Thompson
Athens County Auditor

excellence in financial reporting, which has resulted in numerous awards and recognition from the Government Finance Officers Association and the Auditor of State.

As you take the time to review this report, I welcome your questions, concerns and recommendations.

Jill A. Thompson
Athens County Auditor
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COUNTY AUDITOR'S OFFICE RESPONSIBILITIES

General Accounting/Fiscal Officer

The Athens County Auditor is the watchdog of County funds. As the County's chief financial officer, it is the Auditor's responsibility to:

- Account for over \$44 million received by the County each year.
- Issue payments for all County obligations—including the distribution of tax dollars to the townships, villages, cities, school districts, libraries and other County agencies.
- Administer and distribute tax and license revenues including real estate taxes, personal property taxes, motor vehicle license fees, gasoline taxes, estate taxes, manufactured home taxes, and local government funds.
- Administer the County payroll.
- Produce the County's annual financial report as required by law.

Licensing

Licenses for dog tags, kennels, vendors, and cigarettes are all issued by the Auditor's office. Athens County annually issues more than 8,000 dog licenses. Vendor licenses authorize businesses to sell tangible property to the public and collect sales tax, a part of which is returned for use on the local level.

Real Estate Taxes and Rates

The County Auditor cannot raise or lower property taxes. Tax rates are determined by the budgetary requests of each government unit, as authorized by the vote of the people. Rates are computed in strict accordance with procedures required by the Ohio Department of Taxation, Division of Tax Equalization.

Each year, the Auditor prepares the General Tax List. Your tax bill is based on the tax rate multiplied by your valuation on this tax list. This is your proportional share of the cost including schools, townships, villages, and the County.

Under Ohio law, the amount of taxation without a vote of the people is limited to 10 mills (\$10 per \$1,000) of assessed valuation. County residents must vote any additional real estate taxes, for any purpose. Your "tax rate" is the total of all levy and bond issues.

Real Estate Appraisal and Assessment

Athens County has over 43,000 separate parcels of property. It is the job of the Auditor's office to ensure that every parcel of land and the buildings on it are fairly and uniformly assessed for tax purposes.

A general appraisal is conducted every six years and is updated every three years. The office maintains a detailed record of the appraisal of each parcel in the County. The records are open to the public. For taxation purposes, property owners are assessed at 35% of fair market value. The last General appraisal was in the year 2002.

Mobile Home Assessment

The Auditor's office is also charged with assessing taxes on manufactured housing (mobile homes). Under Ohio law, mobile home owners must register their homes with the Auditor's office for tax purposes. The Auditor assesses each manufactured home annually and prepares a tax list. The manufactured home tax is distributed back to the local taxing districts (municipalities, townships and schools) in the same manner as real estate taxes.

Personal Property Tax

The Auditor's office also administers the state's tangible personal property tax on equipment, furniture, fixtures and inventory used in business. The tax is distributed back to the local tax districts like real estate taxes.

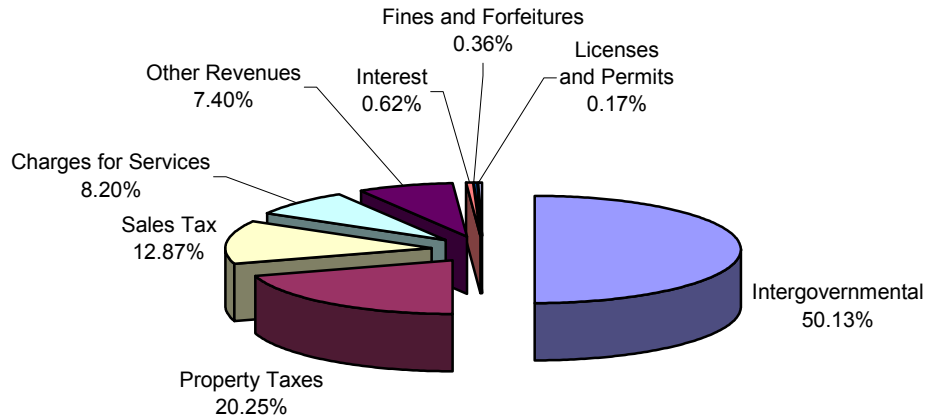
Weights and Measures

The Athens County Auditor's office helps protect County residents and businesses by ensuring that all commercial weighing and measuring devices are accurate. Gas pumps, price scanners, and meat produce scales are checked regularly. Each year the Auditor's office inspects more than 900 devices at over 200 locations throughout the county.

Dollars In ...

The revenues presented here have been reported in the general, special revenue, debt service and capital projects funds. The modified accrual basis of accounting is used, which means that revenues are recognized when they become measurable and available to pay current period liabilities. The table summarizes revenues by source, and shows increases (decreases) in relation to prior year amounts.

Governmental Fund Type Revenues Year Ended December 31, 2004



Source: Athens County Auditor

REVENUES	2004 ACTUAL	\$ CHANGE FROM 2003	% CHANGE FROM 2003
Intergovernmental	\$22,015,512	(\$2,561,033)	-10.42%
Property Taxes	8,891,896	256,265	2.97%
Sales Tax	5,651,234	247,318	4.58%
Charges for Services	3,601,155	238,489	7.09%
Other Revenues	3,251,579	(541,126)	-14.27%
Interest	274,390	(123,357)	-31.01%
Fines and Forfeitures	156,024	(16,469)	-9.55%
Licenses and Permits	79,326	(41,801)	-34.51%
	<u>\$43,921,116</u>	<u>(\$2,541,714)</u>	-5.47%

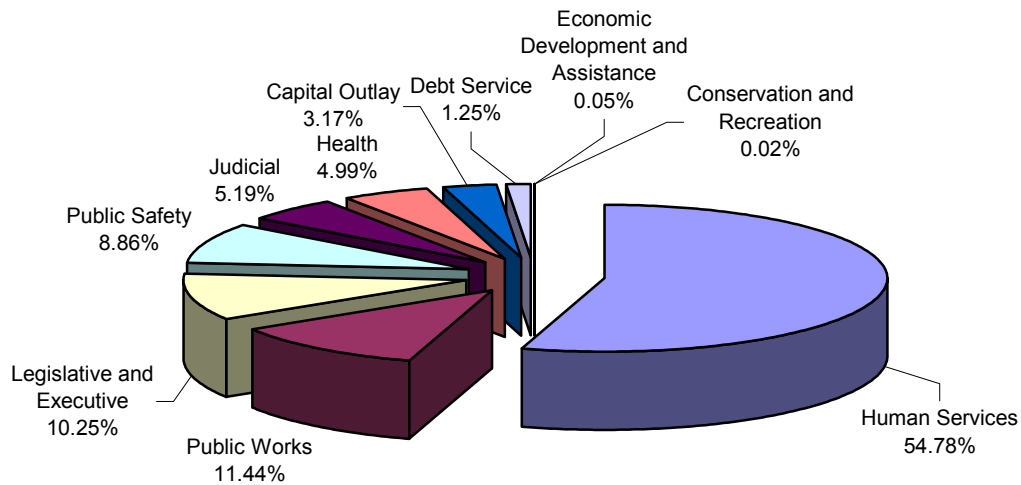
Source: Athens County Auditor

Intergovernmental revenues are monies received for the State of Ohio and the federal government which include Local Government, Homestead & Rollbacks, Gasoline Tax, Motor Vehicle License fees and grants. Property Taxes include real estate, personal property, manufactured home and estate taxes. Athens County receives a 1% sales tax for the County general fund and 0.25% sales tax for 911 Emergency Communication. Charges for Services are fees charged by the various County offices. Other Revenues are miscellaneous income that is not included in another category. Interest is earned on the County's investments and deposits. Fines and Forfeitures are imposed by the courts or by the Ohio Revised Code. Licenses and Permits include Dog, Marriage, Vendor and Cigarette licenses sold by the County.

Dollars Out ...

The expenditures shown are those of the general, special revenue, debt service and capital projects funds. Under the modified accrual basis of accounting, expenditures are recorded when the liability is incurred. The pie chart depicts expenditures by function as a percentage of the total expenditures for the year ended December 31, 2004. The table shows expenditures by function, and increases (decreases) in relation to the prior year amounts.

Governmental Fund Type Expenditures Year Ended December 31, 2004



Source: Athens County Auditor

EXPENDITURES	2004 ACTUAL	\$ CHANGE FROM 2003	% CHANGE FROM 2003
Human Services	\$25,538,505	(\$939,138)	-3.55%
Public Works	5,335,375	(252,257)	-4.51%
Legislative and Executive	4,776,331	315,425	7.07%
Public Safety	4,128,560	273,973	7.11%
Judicial	2,420,386	(59,179)	-2.39%
Health	2,324,820	(658)	-0.03%
Capital Outlay	1,480,035	506,916	52.09%
Debt Service	585,029	(80,127)	-12.05%
Economic Development and Assistance	21,352	479	2.29%
Conservation and Recreation	8,382	3,432	69.33%
	<u>\$46,618,775</u>	<u>(\$231,134)</u>	-0.49%

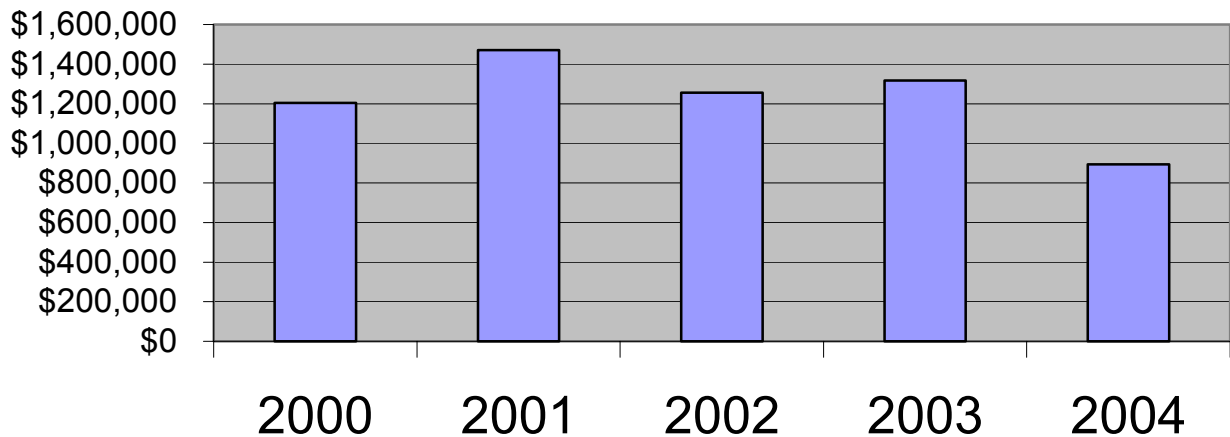
Source: Athens County Auditor

Human Services includes Job & Family Services, Children Services, MR/DD (Beacon School), Veterans Services, Child Support Enforcement, Senior Citizens and others. Public Works includes the Road (MVG), Community Development Block Grants and others. Legislative and Executive includes the Commissioners, Auditor, Treasurer, Prosecuting Attorney, Recorder, Data Processing, Building and Grounds, Real Estate Assessment and others. Public Safety includes the Sheriff, Coroner, 911 Emergency Communications, EMA and others. Judicial includes the Court of Appeals, Common Pleas Court, Probate & Juvenile Courts, Municipal Court, Clerk of Courts and others. Health includes Ambulance Service, TB Hospital, Dog & Kennel and others. Capital Outlay is expenditures for equipment and buildings. Debt Service is payments of principal and interest on the County's outstanding debt. Economic Development and Assistance is a revolving loan program for local businesses. Conservation and Recreation is payments made by the County Commissioners for Ferndale Park.

General Fund

The amounts in the chart below are the general fund unencumbered cash balances for the past 5 years. That is the unexpended cash balances less any monies encumbered and set aside for outstanding expenses incurred in the reported year but not to be paid until the following year.

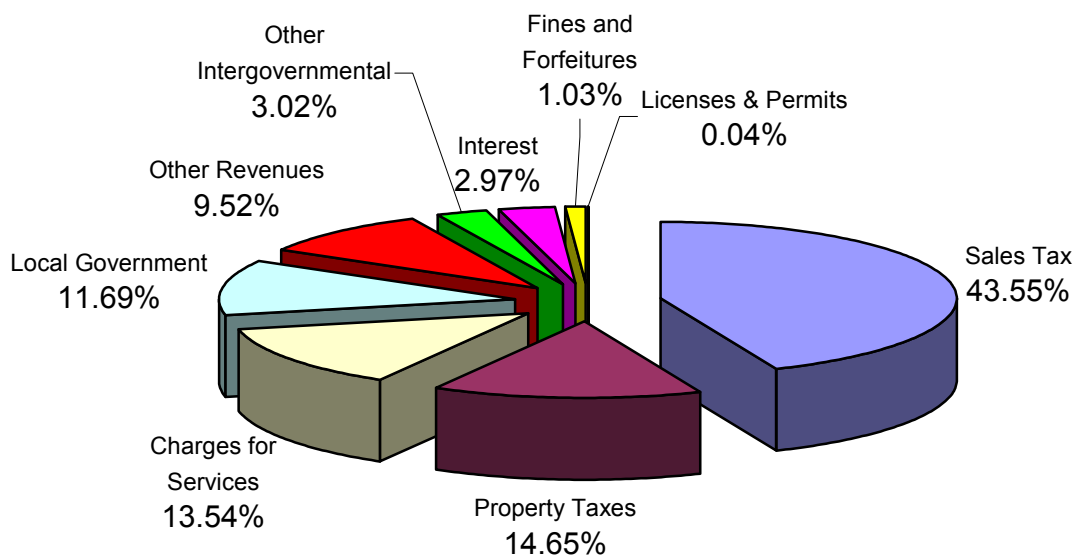
General Fund Unencumbered Cash Balances Last 5 Years



Source: Athens County Auditor

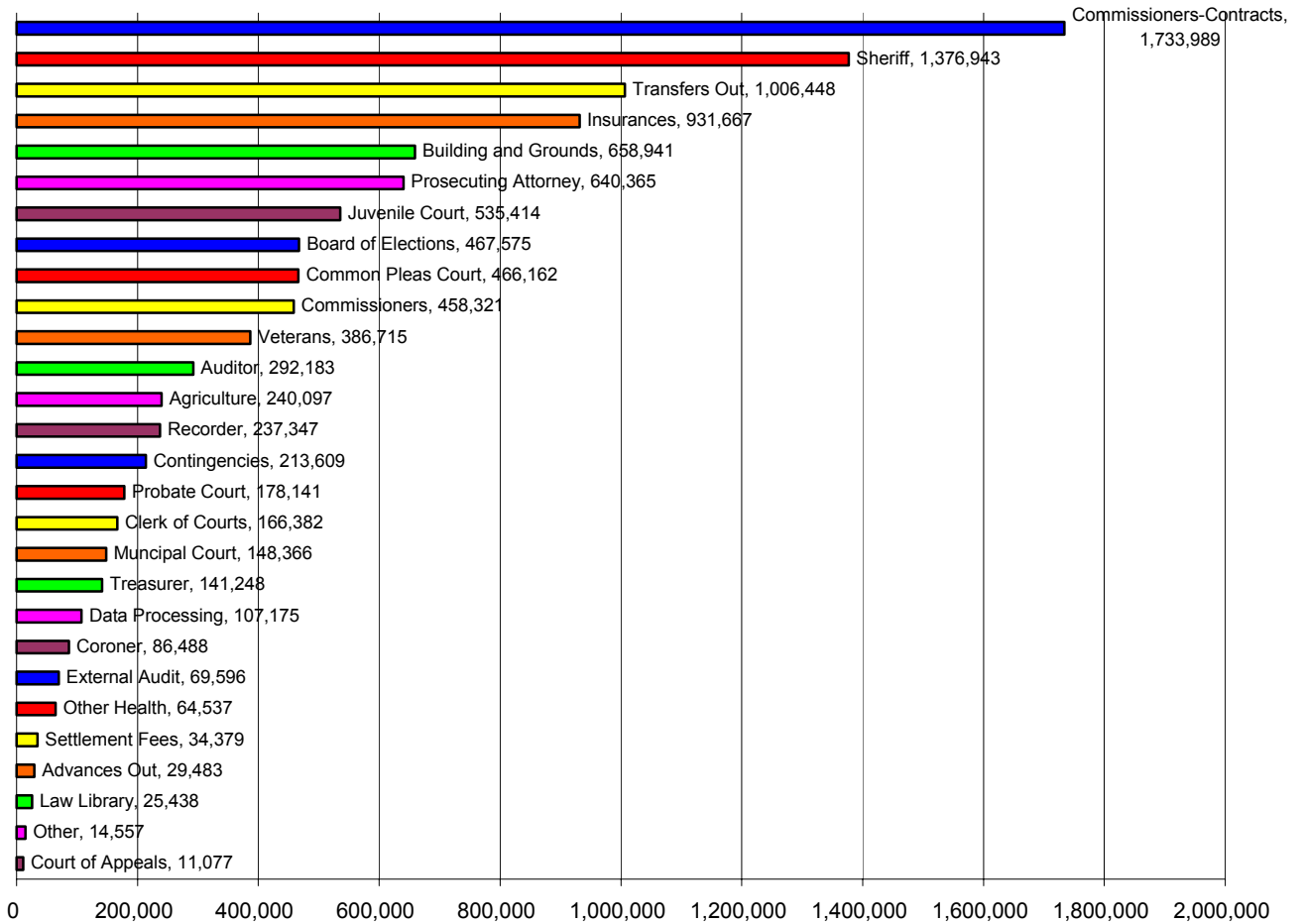
The revenues and expenditures presented here have been reported for the general fund. The general fund is the primary operating fund of the County. The cash basis of accounting is used, which means that revenues and expenditures are recognized when they are received or paid. This information comes from the non-GAAP budgetary schedules in the County's 2004 CAFR.

General Fund Revenues Year Ended December 31, 2004



Source: Athens County Auditor

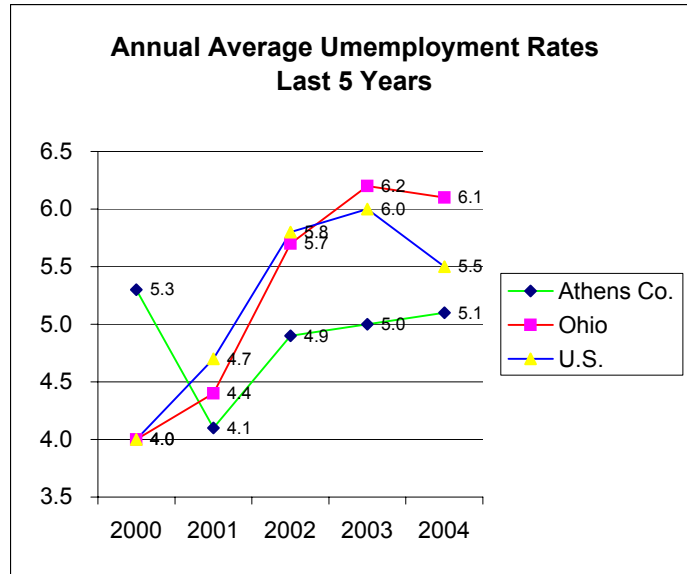
General Fund Expenditures Year Ended December 31, 2004



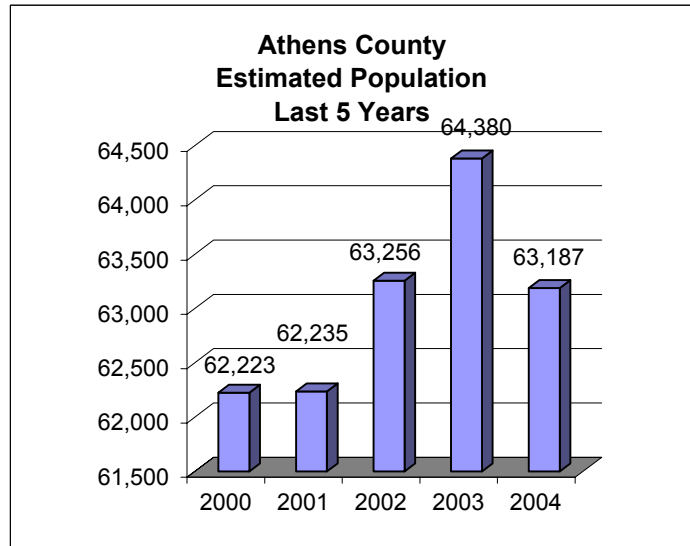
Source: Athens County Auditor

The above expenditures are broken down by general fund department. Commissioners – Contracts are services that are contracted for by the County. Transfers Out are payments made by the general fund to other County funds. Advances Out are loans to other County funds that will be repaid. Other includes payments for the County Planning Commission, Vital Statistics and Conservation and Recreation.

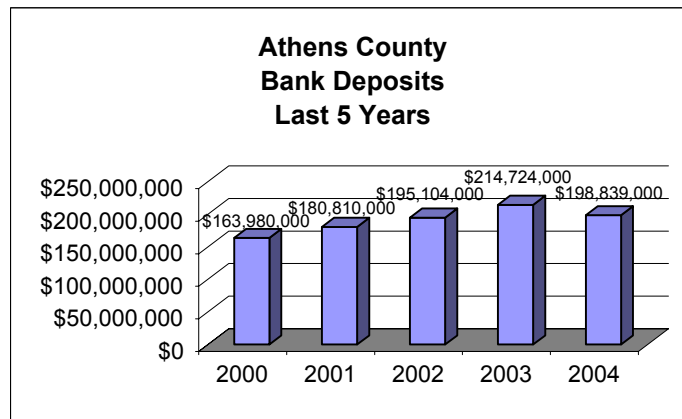
Athens County Economy



Source: U.S. Department of Labor Bureau of Labor Statistics



Source: Bureau of Economic Analysis



Source: Federal Reserve Bank of Cleveland