



Mary Taylor, CPA
Auditor of State

MUSKINGUM COUNTY

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Muskingum County
401 Main Street
Zanesville, Ohio 43701-3519

To the Board of County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Muskingum County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Other auditors audited the financial statements of the Muskingum Starlight Industries, Inc., in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards* and accordingly this report does not extend to that component unit.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the basic financial statements, but not to opine on the effectiveness of the County's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the County's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the County's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the County's management in a separate letter dated June 26, 2008.

Compliance and Other Matters

As part of reasonably assuring whether the County's basic financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed an instance of noncompliance that we must report under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings as item 2007-001.

We did note certain noncompliance or other matters that we reported to the County's management in a separate letter dated June 26, 2008.

The County's response to the finding identified in our audit is described in the accompanying Schedule of Findings. We did not audit the County's response and, accordingly, we express no opinion on it.

We intend this report solely for the information and use of the audit committee, management, the Board of County Commissioners, federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

June 26, 2008



Mary Taylor, CPA

Auditor of State

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

Muskingum County
401 Main Street
Zanesville, Ohio 43701-3519

To the Board of County Commissioners:

Compliance

We have audited the compliance of Muskingum 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 apply to each of its major federal programs for the year ended December 31, 2007. The Summary of Auditor's Results section of the accompanying Schedule of Findings identifies the County's major federal programs. The County's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Transportation Improvement District, Muskingum County, Ohio, which received \$597,604 in federal awards which are not included in the Schedule of Federal Awards Expenditures for the year ended December 31, 2007. Our audit of Federal awards, described below, did not include the operations of the Transportation Improvement District because the component unit is legally separate from the primary government which this report addresses.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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 apply to each of its major federal programs for the year ended December 31, 2007.

In a separate letter to the County's management dated June 26, 2008, we reported an other matter related to federal noncompliance not requiring inclusion in this report.

Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that the entity's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the County's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Expenditures Schedule

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of Muskingum County, Ohio, as of and for the year ended December 31, 2007, and have issued our report thereon dated June 26, 2008, wherein we reported Muskingum Starlight Industries, Inc. was audited by other auditors. Our audit was performed to form opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Federal Awards Expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, the Board of County Commissioners, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

June 26, 2008

MUSKINGUM COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2007

FEDERAL GRANTOR/ <i>Pass-Through Grantor/ Program Title</i>	Pass Through Grantor/Award Number	Federal CFDA Number	Disbursements	Noncash Disbursements
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Education:</i>				
Food Donation Program	N/A	10.550		\$14,882
Nutrition Cluster:				
School Breakfast Program	N/A	10.553	\$29,244	
National School Lunch Program	N/A	10.555	49,978	
Total Nutrition Cluster			<u>79,222</u>	<u>0</u>
Total U.S. Department of Agriculture			79,222	14,882
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Passed Through Ohio Department of Development:</i>				
Community Development Block Grant - State's Program	B-C-05-055-1	14.228	67,116	
	B-C-07-055-1	14.228	15,478	
	B-F-05-055-1	14.228	1,132	
	B-F-06-055-1	14.228	171,875	
	B-W-05-055-1	14.228	411,284	
Total Community Development Block Grant - State's Program			<u>666,885</u>	<u>0</u>
Home Investment Partnership Program	B-C-05-055-2	14.239	144,496	
	B-C-07-055-2	14.239	6,235	
Total Home Investment Partnership Program			<u>150,731</u>	<u>0</u>
Total U.S. Department of Housing and Urban Development			817,616	0
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
<i>Passed Through Ohio Department of Youth Services:</i>				
AmeriCorps Program	JJWC-010-05	94.006	2,703	
	JJWC-010-06	94.006	11,501	
Total AmeriCorps Program			<u>14,204</u>	<u>0</u>
Total Corporation for National and Community Service			14,204	0
U.S. DEPARTMENT OF LABOR				
<i>Passed Through Workforce Investment Act Area 7:</i>				
Workforce Investment Act Cluster:				
Workforce Investment Act-Youth	N/A	17.259	401,850	
Workforce Investment Act-Youth Administration	N/A	17.259	24,225	
Workforce Investment Act-Youth Total			<u>426,075</u>	<u>0</u>
Workforce Investment Act - Adult	N/A	17.258	501,155	
Workforce Investment Act - Adult Administration	N/A	17.258	20,844	
Workforce Investment Act - Adult Total			<u>521,999</u>	<u>0</u>
Workforce Investment Act - Dislocated Worker	N/A	17.260	622,976	
Workforce Investment Act - Dislocated Worker Administration	N/A	17.260	33,364	
Workforce Investment Act - Dislocated Worker Total			<u>656,340</u>	<u>0</u>
Total Workforce Investment Act Cluster			<u>1,604,414</u>	<u>0</u>
Total U.S. Department of Labor			1,604,414	0

(Continued)

MUSKINGUM COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2007
(Continued)

FEDERAL GRANTOR/ Pass-Through Grantor/ Program Title	Pass Through Grantor/Award Number	Federal CFDA Number	Disbursements	Noncash Disbursements
U.S. DEPARTMENT OF EDUCATION				
<i>Passed Through Ohio Department of Education:</i>				
Special Education Cluster:				
Special Education - Grants to States	066357-6BSF-2008	84.027	\$39,732	
	066357-6BSF-2007	84.027	29,265	
Total Special Education - Grants to States			68,997	\$0
Special Education - Preschool Grant	066357-PGS1-2008	84.173	12,977	
	066357-PGS1-2007	84.173	5,116	
Total Special Education - Preschool Grant			18,093	0
Total Special Education Cluster			87,090	0
Innovative Education Program Strategies	066357-C2S1-2007	84.298	227	
Total U. S. Department of Education			87,317	0
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>				
Social Services Block Grant	N/A	93.667	76,839	
Medical Assistance Program	TCM	93.778	170,504	
	LV1	93.778	55,934	
	I/O	93.778	287,921	
Total Medical Assistance Program			514,359	0
State Children's Insurance Program	N/A	93.767	4,511	
Total U.S. Department of Health and Human Services			595,709	0
U.S. DEPARTMENT OF JUSTICE				
<i>Direct From Federal Government:</i>				
Public Safety Partnership and Community Policing Grants	2004-SHWX-0093	16.710	60,066	
Total U.S. Department of Justice			60,066	0
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Passed Through Ohio Department of Public Safety:</i>				
State Homeland Security Program	2005-GE-T5-0001	97.073	15,202	
	2006-GE-T6-0051	97.073	31,025	
Total State Homeland Security Program			46,227	0
Emergency Management Performance Grants	2007-EM-E7-0024	97.042	19,452	
Total U.S. Department of Homeland Security			65,679	0
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Passed Through Ohio Department of Transportation:</i>				
Highway Planning and Construction	PID 78738	20.205	16,436	
	PID 75138	20.205	273,399	
	PID 75140	20.205	620,214	
	PID 24276	20.205	174,147	
Total Highway Planning and Construction			1,084,196	0
Total U.S. Department of Transportation			1,084,196	0
TOTAL FEDERAL AWARDS EXPENDITURES			\$4,408,423	\$14,882

The Notes to the Schedule of Federal Awards Expenditures are an integral part of this Schedule.

MUSKINGUM COUNTY

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE C - FOOD DONATION PROGRAM

Program regulations do not require the County to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

NOTE D -- 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 E - NON-FEDERAL CASH RECEIPTS

The following programs received cash advances and other non-federal monies which were commingled with federal monies:

Federal Program	Pass-through Number or Grant Number	Amount
Community Development Block Grant Program	B-F-05-055-1	\$900
Community Development Block Grant Program	B-C-05-055-1	\$2,311
Community Development Block Grant Program	B-W-05-055-1	\$175
Community Development Block Grant Program	B-F-06-055-1	\$854
Home Investment Partnership Program	B-C-05-055-2	\$293
AmeriCorps Program	JJWC-010-06	\$2,683

NOTE F – FEDERAL FUNDS RETURNED

Disbursements include the return of federal funds for the following programs and amounts:

Federal Program	Pass-through Number or Grant Number	Amount
Community Development Block Grant Program	B-C-03-055-1	\$581
Community Development Block Grant Program	B-F-05-055-1	\$7,902
State Homeland Security Program	2005-GE-T5-0001	\$597

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MUSKINGUM COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2007

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Highway Planning and Construction Program – CFDA No. 20.205 Community Development Block Grant – CFDA No. 14.228
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

MUSKINGUM COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2007
(Continued)

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

FINDING NUMBER 2007-001

Noncompliance Finding

Ohio Revised Code Section 5705.39 prohibits total appropriations in each fund from exceeding total estimated resources. No appropriation measure is to become effective until the County Auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate.

In addition, Ohio Rev. Code Section 5705.36(A)(2) allows subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon a determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources. Ohio Rev. Code Section 5705.36(A)(4) requires that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the current level of appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

During January 2007, the County's appropriations in the Public Assistance Fund and the Workforce Investment Act (WIA) Funds exceeded total estimated resources in the amounts of \$1,179,201 and \$558,972, respectively, for a total excess of \$1,738,173 in the County's Major Public Assistance Fund. For the year ended December 31, 2007, appropriations exceeded the beginning unencumbered balance plus actual receipts in the Public Assistance and WIA Funds by \$1,553,937 and \$690,576, respectively.

Failure to limit appropriations to available estimated resources could result in deficit spending. Failure to obtain reduced amended certificates of estimated resources and to make corresponding reductions in appropriations could also result in deficit spending.

We recommend the County limit appropriations to available estimated resources. The County should consider adopting temporary appropriations until beginning unencumbered balances are certified to the County Auditor. The County Auditor should compare appropriations with estimated resources each time appropriations are adopted or modified by the Board of County Commissioners and certify whether appropriations are within estimated resources for the appropriate fund(s) and maintain these certifications on file. In such cases where appropriations are found to be in excess of estimated resources, the corresponding modifications to appropriations and/or estimated resources should be made in a timely manner.

Officials' Response:

In the future, the County Commissioners will adopt "Temporary Appropriations" for the ensuing year for all funds.

3. FINDINGS FOR FEDERAL AWARDS

There were no findings for federal awards required to be reported.

MUSKINGUM COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
 OMB CIRCULAR A-133 § .315(b)
 DECEMBER 31, 2007

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2006-001	Significant deficiency concerning the County's capital asset policy.	Yes	
2006-002	Significant deficiency concerning the posting of Issue 2 funding.	Yes	
2006-003	Significant deficiency concerning the approval of Water Department adjustments.	Yes	
2006-004	Significant deficiency concerning the segregation of duties in the Water Department.	Yes	

MUSKINGUM COUNTY, OHIO



Comprehensive Annual Financial Report
For the Year Ended
December 31, 2007

THE WILDS

The new Mid-Sized Carnivore Conservation Center at the Wilds opened to visitors in 2007, an important milestone for the Wilds. This center is the only one of its kind in the United States dedicated to the breeding and scientific study of endangered mid-sized carnivores like cheetahs and African wild dogs. The Wilds' breeding programs will help maintain a secure genetic resource to support wild populations and provide the all-important space needed for managed populations to grow. The 60-acre Carnivore Center site includes rolling hills, wooded areas and open grassy fields. The large enclosures support naturalistic group sizes and behaviors, and the facility's design integrates the technical aspects of research with visitor experiences. The Carnivore Center features elevated walkways, a second-story observation area, boardwalks, and viewing platforms for excellent observation of the animals in a naturalistic environment. Viewable animal management and research areas allow visitors to observe staff performing routine care and procedures for an enhanced learning experience. A stop at the Carnivore Center is included in Safari Transport tours, Open-Air Safaris, and Sunset Safari tours. Dholes, a canine from Asia, will be the third species at the Carnivore Center, and are expected to arrive in 2008.

Muskingum County, Ohio

**Comprehensive Annual
Financial Report**

For the Year Ended December 31, 2007

Anita J. Adams

Muskingum County Auditor

Prepared by the Muskingum County Auditor's Office



Anita J. Adams
Muskingum County Auditor
Office of the County Auditor

Real Property Division

Beth Iden, Chief Administrator
Cindy Bugglin Velma J. Martin
Holly Kohler Ann Bonifant
Marge Wright

Personal Property Division

Regina K. Price, Supervisor
Mollye A. Beale

Data Processing

Alan K. Reed, Systems Manager

Appraisal Division

Todd Hixson Steve Neilley
Brent Huffman

Mapping Division

Eugene Durant Andrew Roberts
Patrick Denbow

Fiscal Service Division

Debra J. Nye, Chief Administrator
Jan E. Bates Jennifer Scott
Sheila Mills Sharon Smart
Brenda Ellis

**Inspector of Weights
and Measures**

Don Lang

INTRODUCTORY SECTION



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Comprehensive Annual Financial Report
For the Year Ended December 31, 2007
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Comprehensive Annual Financial Report
For the Year Ended December 31, 2007
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Muskingum County, Ohio
401 Main Street
Zanesville, OH 43701

740-455-7109 (County Auditor)
740-455-7100 (County Commissioners)

June 26, 2008

CITIZENS OF MUSKINGUM COUNTY, OHIO

We are pleased to issue the Comprehensive Annual Financial Report (CAFR) of Muskingum County, Ohio for the year ended December 31, 2007. This report is prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The County Auditor's Office prepared this report, pursuant to Section 117.38 Ohio Revised Code, which requires that unaudited general purpose external financial statements be submitted to the State Auditor's Office annually within 150 days after the close of the year. The report includes the basic financial statements which provide an overview of the County's financial position and the results of financial operations. This is the eighteenth consecutive Comprehensive Annual Financial Report issued by the Auditor's office.

County management assumes full responsibility for the completeness and reliability of the information contained in this report. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Internal Controls

In developing the County's accounting system, consideration was given to the adequacy of internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss and misuse, and assurance regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal controls should not exceed the benefits expected to be derived from their implementation.

The County utilizes a fully automated accounting system as well as automated systems for control of capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment by the accounting department of the Auditor's Office, ensure that the financial information generated is both accurate and reliable. The County's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing set of accounts. The basis of accounting and the various funds utilized by the County are fully described in Note 2 to the Basic Financial Statements.

As a recipient of federal funds, the County has a responsibility to see that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. The County's day-to-day accounting and budgetary records are maintained on a basis other than one in compliance with generally accepted account principles (GAAP).

Independent Audit

In compliance with State statute, the basic financial statements have been audited by the Ohio Auditor of State's Office. The independent auditor concluded that Muskingum County's financial statements for the year ended December 31, 2007 are fairly presented in conformity with Generally Accepted Accounting Principles. The independent accountants' report is presented as the first component of the financial section of this report. In addition, the County coordinates the requirement for the "Single Audit" of all its federal funds received in conjunction with the Auditor of State.

Management's Discussion and Analysis

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the management's discussion and analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A as they are designed to complement each other. Muskingum County's MD&A can be found immediately following the independent accountants' report.

PROFILE OF THE GOVERNMENT

Basic Information

Muskingum County was created by an act of the Ohio General Assembly on March 1, 1804. The name "Muskingum" is derived from the Delaware Indian language, meaning "Elk Eye River," which refers to the Muskingum River. Muskingum County encompasses twenty-five townships, ten villages, and the City of Zanesville which is the County seat. The County includes 653 square miles and has a population of 84,585 based on the 2000 Census. The population of the City of Zanesville is 25,586.

For financial purposes, the County includes all funds, departments, and boards and agencies making up Muskingum County (the Primary Government) and its Component Units in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity." The County's primary government comprises all entities not legally separate from the County, and includes the financial activities of the Children Services Board, the Board of Mental Retardation and Developmental Disabilities, Tuberculosis Clinic Board, the Board of Mental Health and Recovery Services, and all departments and activities that are directly operated by the County elected officials.

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

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

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

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

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

As part of its justice system, the County maintains the Court of Common Pleas, which includes a Domestic Relations Division, a Juvenile Division, and a Probate Division. The County also maintains a County Court District. The Prosecuting Attorney is designated by Ohio law as the Chief Legal Counsel for all County offices, boards and agencies, including the Board of County Commissioners, the Auditor, Treasurer, and all townships and local school districts. In addition, the Prosecuting Attorney is a member of the County Budget Commission.

The Clerk of Courts keeps all official records of the Common Pleas Court. When the Court of Appeals holds sessions within the County, the Clerk of Courts also serves as Clerk of Courts of the Court of Appeals. The office of Clerk of Courts operates on a system of fees charged for services and is essentially self-supporting.

The County Sheriff is the chief law enforcement officer of the County and provides certain specialized services which include maintaining a special staff of deputies whose duties are to assist local law enforcement officers upon their request and to enforce the law in unincorporated areas of the County. The Sheriff also operates and maintains the County Jail and is responsible for its inmates, including persons detained for trial or transfer to other institutions. As an officer of the County Courts, the Sheriff is in charge of the preparation and service of documents. The County also contracts with the City of Zanesville and several other municipalities in the County to house prisoners.

Muskingum County employed 982 people at the close of 2007, which provided its citizens with a wide range of services that include human and social services, health and community assistance related services, civil and criminal justice system services, road and bridge maintenance, water and sewer utility services, and other general and administrative support services.

Component Units

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the program's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the levying of taxes, or the issuance of debt. The Transportation Improvement District and the Muskingum Starlight Industries, Inc. have been included as discretely presented component units.

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

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

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

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

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

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

Information regarding the related organizations is presented in Note 22.

ASSESSING ECONOMIC CONDITION

Local Economy

The County is located in east central Ohio, approximately 60 miles east of the City of Columbus. The County enjoys the benefits of urbanization while offering a rural atmosphere and a variety of lifestyles for its inhabitants. Residents of the County are served by a county-wide library system, seven school districts, Muskingum College, Zane State College (formerly Muskingum Area Technical College) and the Zanesville Branch of Ohio University.

The Zanesville Art Center maintains a library of fine arts materials and features classes and exhibitions. The Zane Grey Museum, the John and Annie Glenn Museum, Zanesville's Secrest Auditorium and two stadiums located in the City also contribute to the County's cultural facilities, as do two municipal park systems and four state recreational areas that are located throughout the County.

Excellent medical care is available to area citizens through Genesis Health Care Systems. Genesis Health Care Systems consists of two acute care hospitals (Bethesda Hospital and Good Samaritan Hospital), a home health and hospice agency, a community pharmacy, and several specialty outpatient clinics.

The County is provided with banking and financial services by eight commercial banks, and savings and loan associations. The County is serviced by one daily newspaper and is within the broadcast area of five television stations and several AM and FM radio stations. Cable television is available to many county residents and offers government, education, and community access channels in addition to entertainment channels.

Muskingum County's economic condition leveled off slightly during 2007. New business developments and the tourism industry were countered by layoffs and business closings. The County's effective economic development strategies continue to attract new businesses. Just as importantly, the County's pro-business thinking has helped many local companies grow from small businesses into major national competitors and remain in Muskingum County to do so.

The County's location is a good choice for manufacturing and distribution facilities needing to move products or people from coast to coast. Muskingum County further builds on Ohio's logistical advantage by offering direct interstate, rail and air access. Interstate 70 runs through the heart of Muskingum County, providing direct access to one of the most important east-to-west corridors in the nation. Other major interstates are nearby adding to the ease of highway transportation. The Chamber of Commerce once again recognized area companies for their economic investments in Zanesville and Muskingum County with the "Awards for Community and Economic Success" (ACES). ACES were awarded to 56 local businesses in 2007, indicating that good things are happening in our soft economy.

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

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

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

The community's newest development site is East Pointe Industrial Park. The 1,000-acre development area can accommodate industrial and distribution projects, which have large acreage requirements. Companies that choose EastPointe have access to a new rail transfer facility served by Ohio Central Rail Transportation. East Pointe offers companies flexible lot sizes and plenty of room to grow. Tax incentives through the Ohio Enterprise Zone Program are available for eligible projects.

The widening project at the intersection of Blue and Adair Avenues began in June. The project consisted of work on .12 mile of Adair and .10 mile of Blue, including widening of turn lanes, new traffic signals, curbs, sidewalks, storm sewers and paving. The widening of the turn lanes should allow for smooth, easy lane transitions and should also cut down on side-angle crashes which have occurred in that intersection.

Infrastructure improvements along the Brandywine Loop were completed during 2007. The work included new curbing, gutters and storm sewers, as well as a new layer of asphalt on Brandywine from near the intersection with Northpointe Drive to near the Brandywine Lock-N-Stock. New traffic signals for the intersection are also slated to be installed at some point. The County provided engineering plans for the project and will share the cost of the improvements with the City.

Plans are underway for extending Future Drive, relocating Bateman Road, constructing a rail loop and adding additional entrances, all at the Eastpointe Industrial Park. The project will extend over three or four years. The new rail system and additional access points to augment the current main entrance will improve traffic flow, greatly enhance safety and reduce congestion in the park.

During 2007 the County approved an engineering contract to perform a planning study for a new connector road linking the Northpointe Drive area at Ohio 146 to U.S. 40. The study will assist the Muskingum County Transportation Improvement District's efforts to find feasible alternatives to link the two routes. The project would provide a natural progression between the new Northpointe Drive, or Ohio 146/60 connector, and the pending plans for the Ohio 93/U.S. 22 connector.

Several small business developments occurred during the year. In November, Community Bank unveiled its new downtown banking center. The center, housed in the former AEP and Unizan office building at 113 N. Fifth Street, is part of the Bank's growth strategy. The building purchase and renovations topped \$3 million in investment. The Zanesville Social Security Administration office, which serves four counties (Muskingum, Perry, Coshocton and Morgan) moved to new offices on James Court in the Northpointe Development area. The new location offers more office and parking space as well as easier access. Three nationally known businesses announced expansions during 2007. Tim Horton's will open its second location in Muskingum County on Maple Avenue. The store will be located in the Country Fair Shopping Center. A new Holiday Inn Express will be built in the Underwood Street area. The 12,000 square foot, 75 bed hotel will be built on the hillside behind the Hampton Inn, with an outparcel that could be used to attract another restaurant. Finally the John Deere dealership, Finton Equipment LLC, purchased 26 acres near the Northpointe Industrial Park. Only 5 of the acres will be used for the dealer showroom, offices and parking, while the remaining 21 acres are for future considerations.

In June, the Zanesville-Muskingum County Port Authority announced that Avon was coming to Zanesville. Avon Products Inc. will be building a 590,000 square foot distribution center at the Eastpointe Industrial Park and will employ more than 500 people. The facility will have the capacity to ship 50 percent of its US products once operational. The company expects to invest approximately \$117 million in capital expenditures and have a \$14 million payroll. Ground breaking began in August and the center is expected to be fully operational between mid-2009 and mid-2010.

Time Warner is planning to build a new \$5.5 million customer service center. A 42,000 square foot facility is proposed for the Northpointe Drive area, consolidating Time Warner's two local facilities and creating more than 180 new jobs. The facility will be used to answer incoming calls from subscribers pertaining to billing, new products and troubleshooting.

Other companies expanding their existing facilities in Muskingum County include The Bilco Company, AK Steel and Enviro-Flow. The Bilco Company will be relocating its current metal manufacturing operation from West Haven Connecticut, to its recently completed facility in Zanesville. Bilco estimates adding 25-30 jobs in the next six months. AK Steel began work on a \$33 million investment in Zanesville. The expansion will increase production capacity for high quality grain orientated electrical sheet steels by about 12 percent and modify existing production equipment. The expansion could create additional jobs. Enviro-Flow Companies of Zanesville has signed an agreement with a European firm to distribute its products in the United States and plans to build a new facility in the Northpointe Industrial Park. A 60,000 square foot distribution facility will be constructed, which would double the size of their current building. The effect on employment is unknown at this time.

Expansions also occurred in the areas of housing, health care, parks and recreation. Primrose Retirement Communities is in the midst of constructing a 76-unit independent and senior assisted living facility on Northpointe Drive. Groundbreaking for the 90-unit Wellington Place condominium development took place in August. The 28 acre site is near the intersection of Richvale and Northpointe roads and units are built as they are sold. Another housing development in the Northpointe area is Kensington Village. The plans call for 104 two and three bedroom condominiums along with 156 one and two bedroom apartments and is estimated to be a \$17 million investment. November saw the opening of the 60-unit Frank Cook Senior Housing Project on Baker Street, overlooking the Coopermill Manor. Also under construction in this area are 50 single family homes.

The Wilds opened a carnivore center in July, adding to the already amazing experience offered by the facility. Visitors to the Wilds can now view cheetahs, African wild dogs and Indian dholes in a natural environment, along with the other species already housed at the Wilds.

A co-op art gallery, Gallery Z, officially opened in November, with three living spaces upstairs at 616 Main Street. After being closed for 18 months, the Matthews House Museum reopened. The facility was closed for structural, electrical and plumbing updates, as well as the addition of a room that houses a modern Military Room exhibit.

Health care facilities and professionals explored various alternative options over the past year. Some of the ideas explored were having a Provisional Level Three Trauma Unit at Good Samaritan Hospital and constructing a community health center, which could be vital for area residents who are unable to afford medical insurance or emergency room fees.

Despite new development projects and expansions throughout the County, other existing businesses faced difficulties. Continuing to struggle due to the economy was the Longaberger Company. While facing challenges in marketing and turning to online retail to boost sales, numerous lay-offs occurred. Longaberger laid off 710 employees in March, citing over-estimated sales projections, but 471 returned in June. Later in the year, 113 and then 30 employees from the corporate headquarters in Newark were laid off as part of its ongoing plan to streamline the business.

Two businesses closed their doors during 2007. Buckeye Stoneware, one of the area's potteries, shut down in July. At its peak, the business employed about 33 people but had since downsized and about 10-12 people will be affected by the closure. Coachman Industries announced in September that it would close its All American Homes subsidiary plant in Zanesville by the end of the year. The company cited "the continued weak market conditions in the Midwest housing market" as the reason for the decision. The move affected a little under 100 jobs.

The large retail growth that the County has experienced in the last few years has increased sales tax revenues. This comes to the County at a time when other sources of revenue are being reduced or eliminated all together as a result of legislative changes at the State level.

Population growth is a major indicator of economic activity. According to the latest census report, Muskingum County's population grew by 3.1 percent between 1990 and 2000. Although this is not a large increase, the population has remained steady over the past decade, which can be attributed to the County's retail and manufacturing growth.

The total labor force in Muskingum County averaged 39,086 during 2007, down only 14 from the 2006 average. At 7.8 percent, the 2007 unemployment rate for the county was somewhat higher than the State of Ohio at (5.6 percent), and also higher than the national rate of (4.6 percent). The 2007 unemployment rate for the County increased .6 percent from 2006. Page S-43 in the Statistical Section of this report shows the unemployment rates of Muskingum County over the past 10 years.

Long - Term Financial Planning and Financial Policies

Local elected officials recognize that a vibrant and growing business community will improve the area's quality of life. Although the economic activity in our County continues to expand, there is a need to exercise fiscal restraint in County spending patterns due to factors external to the County. The Ohio Legislature continues to limit funding to local governments, including the County. Therefore, the County cannot assume that future local government funding by the State will continue at present levels.

The County continues to be conservative in its spending in an effort to recover from the sluggish economy of the past several years. All transfers of money to other local governments and agencies have been suspended unless they are mandated or it is an emergency situation. Departments have been asked to make cuts where possible and only purchase equipment if it is absolutely necessary. The County now charges back to other funds the costs for Medicaid, liability insurance, vehicle repairs and gasoline. These expenses were previously paid by the General Fund.

The County has implemented some new procedures in order to better manage the issuance of debt. These procedures include the securing of a revenue source for the retirement of the debt when it is issued as well as the periodic review of existing debt for the possibility of refinancing and/or refunding. This will establish a higher level of debt control and has already resulted in a considerable amount of savings for the County. We expect this endeavor to continue to be a valuable cost saving measure for the County.

The County has also implemented a fleet vehicle policy, where the fleet manager will rotate vehicles out of service when their age or mileage makes them ineffective. The policy allows for the purchase of a limited number of new vehicles each year. An inventory of available vehicles within the fleet is maintained so that existing vehicles can be transferred to various departments when they are needed.

Major Initiatives

Muskingum County officials are still working on a comprehensive plan. They are seeking input from the public for the new document which will outline the County's vision for infrastructure and growth for the next 20 years. The Muskingum County Commissioners have created ten task forces to develop separate recommendations for the comprehensive plan. They are agriculture, commercial and retail development, parks and green spaces, emergency services, law enforcement and health care, natural resources, residential housing and education, technology and communications, tourism and cultural/historical resources, and transportation and infrastructure. The comprehensive plan will examine the community's assets and make recommendations for development and future uses of local resources.

The County Commissioners are continuing to explore options concerning the County Home. Those options include building a new facility, renovation and rehabilitation and privatization. Estimates indicate it would cost around \$15 million to build a new County Home. An engineering study on the structure in 2006 showed that the current building has five to eight years left of use, unless major repair work is done. The County Home houses approximately 66 residents and employees 88 people.

The Muskingum County Sheriff's Office upgraded to a multi-agency communications system for a cost of approximately \$360,000 which covers 99 percent of the County. The Multi-Agency Radio Communications System (MARCS) is expected to allow law enforcement to maintain uninterrupted communications with public safety forces statewide. The upgrade provides 70 mobile units for sheriff's vehicles and 15 portable units. Some of those will be given to police departments around the County. The new system allows communication with 172 hospitals around the state, other Sheriff's offices, the State Patrol, fire departments and EMS.

County priorities continue to include major water and sewer projects to serve the County's economic growth. The County also continues to look at ways to extend water and sewer services to rural areas within the community. Some of the projects planned or started include: Adamsville Water, Rose Hill Water, Eastpointe Water, West Pike Sewer, Coopermill Sewer, Sonora Sewer and upgrades to the Wastewater Treatment Facility.

Cash Management

The County pools all idle cash to achieve maximum investment efficiency and to enhance accountability. The County Treasurer, as custodian of all County monies, is responsible for all County investments. An investment policy is established by the Investment Advisory Board which is comprised of the County Treasurer, the Chair of the County Commissioners, and one other Commissioner chosen by the Chair. Ohio law requires the Board to meet once every three months. The County has an investment program that recognizes and calculates the lag between issue and redemption of warrants. Investment procedures are restricted by the provisions of the Revised Code. Except for nonparticipating investment contracts, investments are reported at fair value which is based upon quoted market prices. Nonparticipating investments contracts are reported at cost or amortized cost. All investments are in certificates of deposit and prime investment accounts in local financial institutions. Interest earned by the primary government in 2007 was \$3,524,198 for governmental activities and \$18,888 Muskingum Starlight Industries, Inc., (component unit).

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries and natural disasters. By contracting with the County Risk Sharing Authority (CORSA) for liability, property, casualty and crime insurance, the County has addressed these various types of risks. Under the CORSA program for general liability, auto liability, errors and omissions for public officials, and law enforcement liability, the County has \$1,000,000 of total liability coverage and no annual aggregate (except error and omissions for public officials liability which has a \$1,000,000 annual aggregate) with a \$5,000 deductible per occurrence. Uninsured/Underinsured Motorists are covered in the amount of \$250,000 for each occurrence. Property damage is on a replacement cost basis for a blanket amount of \$100,000,000 on buildings and contents.

The Hartford Steam Boiler Inspection and Insurance Company provides the County's boiler and machinery coverage, in the amount of \$100,000,000 for each accident. Employee dishonesty, money and securities inside and out, money orders and counterfeit, and depositor's forgery are covered in the amount of \$1,000,000 for each and every loss. During 2007, the County entered into a "retrospective rating program" in conjunction with the State of Ohio for Workers' Compensation. The County maintains a Workers' Compensation Self-Insurance Internal Service Fund to accumulate premiums. A portion of these premiums is paid to the State of Ohio for administration costs, and the remaining premiums are maintained for the payment of future claims.

Muskingum County established a Loss Prevention Coordinator in 1985 who works with CORSA to provide training to County departments and their employees. One purpose of the program is to identify potential accident areas on County properties for both County employees and citizens. Other training includes driving and material safety data. High risk departments are a training priority.

AWARDS AND ACKNOWLEDGMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Muskingum County for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the sixteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

The publication of this CAFR, which includes the new reporting model as promulgated by GASB Statement No. 34, represents an important achievement in the ability of Muskingum County to provide significantly enhanced financial information and accountability to the citizens of Muskingum County, its elected officials, County management, and investors. This report continues the aggressive program of the County Auditor's office to improve the County's overall financial accounting, management, and reporting capabilities. The preparation and publication of this report would not have been possible without the cooperation of each elected official, department head, and a number of County employees. We are grateful for their assistance and cooperation.

We would like to acknowledge the efforts of the entire staff of the Muskingum County Auditor's office. We offer our sincere thanks and gratitude to Debra Nye and the Accounting Staff for their dedication and hard work as leaders in this undertaking. Our appreciation is also extended to the Local Government Services Division of the Auditor of State's Office for their guidance and assistance in preparing this financial report. We especially thank the citizens of Muskingum County for this opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Respectfully submitted,



Anita J. Adams
Muskingum County Auditor



Brian Hill
President, Board of Commissioners

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Muskingum County
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Charles S. Cox

President

Jeffrey R. Emmer

Executive Director

Muskingum County, Ohio

Elected Officials

December 31, 2007

Board of Commissioners

John D. Bates
Dorothy M. Montgomery
Brian D. Hill

County Auditor

Anita J. Adams

County Treasurer

Phillip D. Murphy

County Recorder

Karen B. Vincent

County Engineer

Douglas R. Davis

Court of Common Pleas

General

Mark C. Fleegle
Kelly J. Cottrill

Court of Common Pleas

Domestic Relations

Jeffrey A. Hooper

County Court

Eric D. Martin
Jay F. Vinsel

Clerk of Courts

Todd A. Bickle

County Coroner

Dr. Howard Marsh

Prosecutor

D. Michael Haddox

County Sheriff

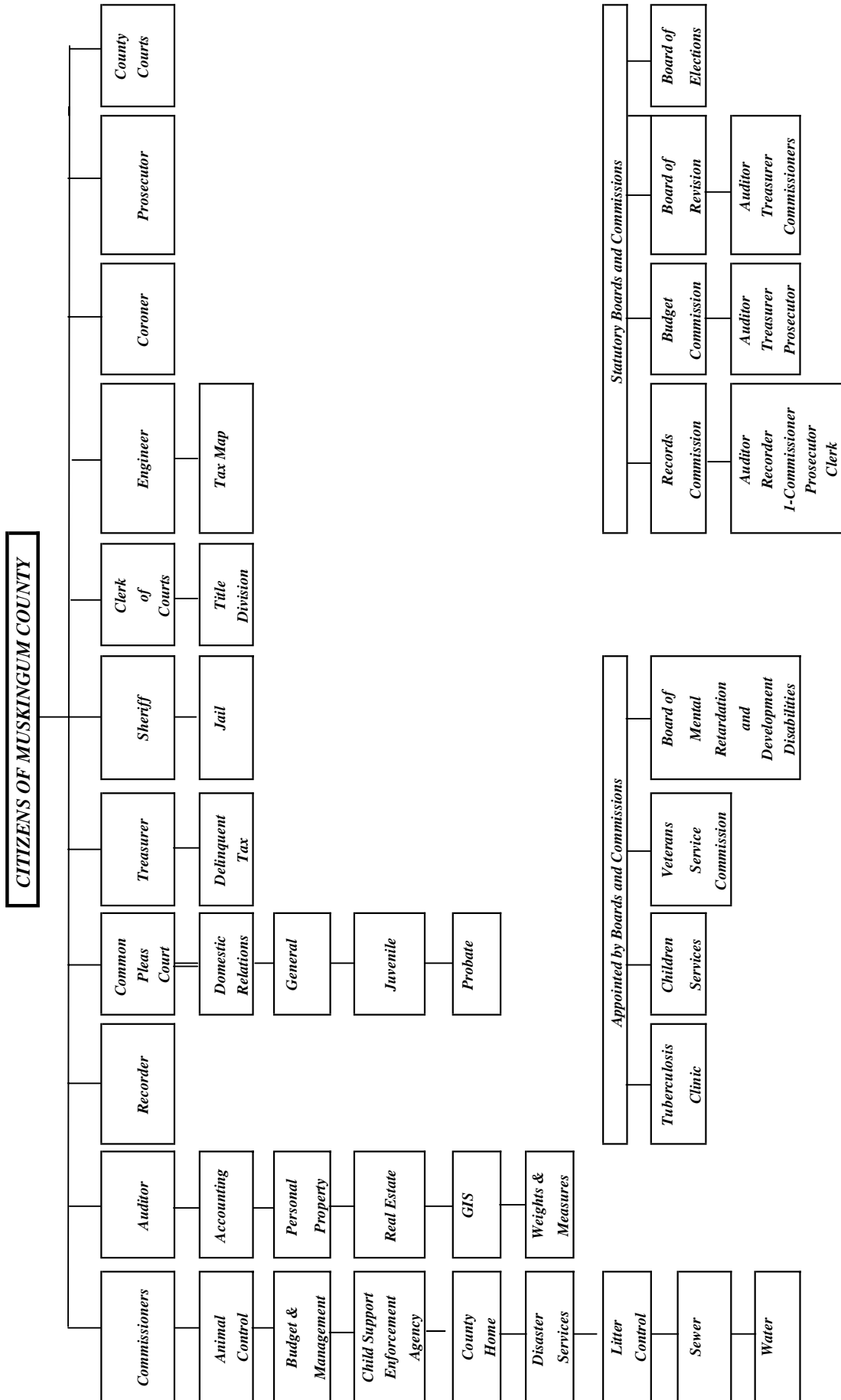
Robert J. Stephenson

Court of Common Pleas

Probate and Juvenile

Joseph A. Gormley

ORGANIZATION OF MUSKINGUM COUNTY



FINANCIAL SECTION





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Muskingum County Commissioners
Muskingum County
401 Main Street
Zanesville, Ohio 43701-3519

To members of the Board of County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Muskingum County, Ohio (the County), as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Muskingum Starlight Industries Inc., which represent five percent of assets, ninety-nine percent of net assets, and forty-eight percent of revenues for the discretely presented component units of the County. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for Muskingum Starlight Industries Inc., on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. The other auditors audited the financial statements of Muskingum Starlight Industries Inc. in accordance with auditing standards generally accepted in the United States of America and not 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 our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Muskingum County, Ohio, as of December 31, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Public Assistance, Motor Vehicle and Gasoline Tax, Starlight School Levy, Children Services Levy and the County Home Levy funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2008, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



Mary Taylor, CPA
Auditor of State

June 26, 2008

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the County of Muskingum, Ohio's (the County) financial activities for the year ended December 31, 2007. The intent of this discussion and analysis is to look at the County's financial performance as a whole. The MD&A should be read in conjunction with the County's transmittal letter, basic financial statements, and notes to the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2007 are as follows:

- The assets of Muskingum County exceeded its liabilities at the close of the year ended December 31, 2007, by \$159,113,824 (net assets). Of this amount, \$18,083,703 may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$2,825,045 from the total net assets at the beginning of the year 2007.
- At the end of the current year, the County reported unrestricted net assets for governmental activities of \$11,217,398.
- At the end of the current year, the County's governmental funds reported a combined ending fund balance of \$36,529,748, an increase of \$1,024,432 from the prior year. Of this amount, \$33,604,611 is available for spending (unreserved undesignated fund balance) on behalf of its citizens.
- At the end of the current year, unreserved fund balance for the General Fund was \$11,093,699, which represents 45 percent of total General Fund expenditures.

Using This Annual Financial Report

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

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

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

Government-Wide Financial Statements

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

Statement of Net Assets

While this document contains information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during 2007?" The *Statement of Net Assets* and the *Statement of Activities* answer this question.

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

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

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

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

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

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

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

Fund Financial Statements

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

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

Muskingum County, Ohio

**Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited**

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

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

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

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

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

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

Government-Wide Financial Analysis

Table 1 provides a summary of the County's net assets for 2007 compared to 2006:

Muskingum County, Ohio

**Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited**

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Assets:						
Current and Other Assets	\$70,734,142	\$63,543,141	\$12,685,410	\$12,892,316	\$83,419,552	\$76,435,457
Capital Assets, Net	101,664,856	104,085,804	57,241,380	56,253,256	158,906,236	160,339,060
Total Assets	172,398,998	167,628,945	69,926,790	69,145,572	242,325,788	236,774,517
Liabilities:						
Current and Other Liabilities	23,578,810	19,722,141	1,052,086	6,217,697	24,630,896	25,939,838
Long-Term Liabilities	30,576,594	31,813,627	28,004,474	22,732,273	58,581,068	54,545,900
Total Liabilities	54,155,404	51,535,768	29,056,560	28,949,970	83,211,964	80,485,738
Net Assets:						
Invested in Capital Assets, Net of Related Debt	76,266,104	76,740,170	34,003,925	32,714,447	110,270,029	109,454,617
Restricted	30,760,092	28,077,326	0	0	30,760,092	28,077,326
Unrestricted	11,217,398	11,275,681	6,866,305	7,481,155	18,083,703	18,756,836
Total Net Assets	\$118,243,594	\$116,093,177	\$40,870,230	\$40,195,602	\$159,113,824	\$156,288,779

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by \$159,113,824 (\$118,243,594 in governmental activities and \$40,870,230 in business-type activities) as of December 31, 2007. By far, the largest portion of the County's net assets (69 percent) reflects its investment in capital assets (e.g., land, land improvements, construction in progress, buildings, machinery, equipment, furniture and fixtures, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets, \$30,760,092 or 19 percent, represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted net assets (12 percent) is to be used to meet the County's ongoing obligations to citizens and creditors. The County's total net assets increased by \$2,825,045 during 2007. The majority of this increase is in the Governmental Activities with an increase of \$2,150,417 resulting from an increase of cash and cash equivalents. The County is diligently working to keep expenses below relatively fixed revenue streams. The increase in net assets for Business-Type Activities is a direct result of capital contributions from grantors and customers. Capital contributions totaled \$1,365,050 during 2007 in the Sewer and Water Enterprise Funds. These capital contributions resulted in increases in capital assets; however, current year capital asset deletions and depreciation offset this amount and resulted in a net increase in capital assets of \$988,124 as can be demonstrated from the above table.

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

Table 2 shows the changes in net assets for 2007, compared to the changes in net assets for 2006.

Table 2
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program Revenues						
Charges for Services	\$12,568,384	\$11,858,030	\$5,421,362	\$5,034,633	\$17,989,746	\$16,892,663
Operating Grants, Contributions, and Interest	33,914,486	32,827,493	0	0	33,914,486	32,827,493
Capital Grants and Contributions, and Interest	1,235,066	2,103,860	1,365,050	3,545,669	2,600,116	5,649,529
Total Program Revenues	47,717,936	46,789,383	6,786,412	8,580,302	54,504,348	55,369,685
General Revenues						
Property Taxes	14,480,659	11,796,684	0	0	14,480,659	11,796,684
Permissive Sales Taxes	14,691,023	14,774,019	0	0	14,691,023	14,774,019
Intergovernmental	1,969,306	1,921,577	0	0	1,969,306	1,921,577
Investment Earnings	3,524,198	3,117,217	0	43,495	3,524,198	3,160,712
Payments in Lieu of Taxes	270,415	491,029	0	0	270,415	491,029
Gain in Sale of Capital Assets	85,975	632	0	0	85,975	632
Miscellaneous	474,622	518,725	78,656	64,614	553,278	583,339
Total General Revenues	35,496,198	32,619,883	78,656	108,109	35,574,854	32,727,992
Total Revenues	83,214,134	79,409,266	6,865,068	8,688,411	90,079,202	88,097,677
Program Expenses						
General Government						
Legislative and Executive	10,093,026	9,926,117	0	0	10,093,026	9,926,117
Judicial	6,474,827	6,253,392	0	0	6,474,827	6,253,392
Public Safety	10,880,837	10,823,005	0	0	10,880,837	10,823,005
Public Works	9,912,912	11,314,742	0	0	9,912,912	11,314,742
Health	2,705,873	2,499,762	0	0	2,705,873	2,499,762
Human Services	40,249,996	36,982,530	0	0	40,249,996	36,982,530
Interest and Fiscal Charges	790,269	803,774	0	0	790,269	803,774
Sewer	0	0	3,318,613	3,254,399	3,318,613	3,254,399
Water	0	0	2,827,804	2,775,820	2,827,804	2,775,820
Total Expenses	81,107,740	78,603,322	6,146,417	6,030,219	87,254,157	84,633,541
Increase before transfers	2,106,394	805,944	718,651	2,658,192	2,825,045	3,464,136
Transfers	44,023	43,824	(44,023)	(43,824)	0	0
Change in Net Assets	2,150,417	849,768	674,628	2,614,368	2,825,045	3,464,136
Net Assets Beginning of Year	116,945,163	116,095,395	40,267,726	36,617,336	157,212,889	152,712,731
Prior Period Adjustment	(851,986)	0	(72,124)	1,036,022	(924,110)	1,036,022
Adjusted Net Assets						
Beginning of Year - Note 3	116,093,177	116,095,395	40,195,602	37,653,358	156,288,779	153,748,753
Net Assets End of Year	\$118,243,594	\$116,945,163	\$40,870,230	\$40,267,726	\$159,113,824	\$157,212,889

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

Governmental Activities

Governmental activities added to the County's net assets by \$2,150,417. Key elements of this change are as follows.

The County's direct charges to users of governmental services made up \$12,568,384 or 15 percent of total governmental revenues. These charges are for fees for real estate transfers, permissive motor vehicle license taxes, rent, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits.

Operating grants, contributions, and restricted interest were the largest program revenues, accounting for \$33,914,486 or 41 percent of total revenues for governmental activities. This revenue source increased by \$1,086,993 during 2007. The major recipients of intergovernmental revenues were the human services and public works programs with the largest change in the human services program. During 2007, the public assistance program recognized an increased amount of their State funding, however, a portion of this revenue was over-funded and required to be paid back to the State as can be seen from the increase in human services expenses from the prior year. Included in operating grants, contributions, and interest is restricted homestead and rollback revenue. During 2007, this revenue increased as a result of the expansion of the homestead exemption to approximately 566,000 additional homeowners statewide for which the County is reimbursed for this property tax relief for approximately 4,450 additional homeowners.

Permissive sales tax revenues account for \$14,691,023 or 18 percent of total governmental revenues. Another major component of general governmental revenues is property tax revenues, which accounted for \$14,480,659 or 17 percent of total governmental revenues. This revenue type saw the largest change from the prior year, an increase of \$2,683,975. During 2007, the Starlight School Levy Special Revenue Fund replaced 2 levies originating from 1976 and 1980. The voted millage remained the same but these replacement levies are generating more revenue due to the increase in the effective millage as compared to the replaced levies.

The County's human services programs accounted for \$40,249,996, or 50 percent of total expenses for governmental activities. Other major program expenses for governmental activities include legislative and executive programs, which accounted for \$10,093,026, or 12 percent of total expenses, and public safety programs, which accounted for \$10,880,837 or 13 percent of total expenses. The public works and human services programs showed the largest change from the previous years, (\$1,401,830) and \$3,267,466, respectively. The decrease in public works was due to a grant of \$1,000,000 given to the City of Zanesville for an extension of Brandywine Loop during 2006. Also, there was approximately \$413,175 additional in public works expenses capitalized to infrastructure than in the previous year. The increase in the human services expense relates to the public assistance and children services programs. The public assistance program was required to pay back an over advancement of funding and the children services program increased its services due to additional property taxes being received than in prior years.

Business-Type Activities

The net assets for business-type activities increased \$674,628 during 2007. Charges for services were the largest program revenue, accounting for \$5,421,362 or 79 percent of total business-type revenues.

Table 3, for governmental activities, indicates the total cost of services and the net cost of services for 2007 as compared to 2006. The Statement of Activities reflects the cost of program services and the charges for services, grants, contributions, and interest offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues, unrestricted intergovernmental revenues, and unrestricted interest earnings.

Muskingum County, Ohio

**Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited**

Table 3
Governmental Activities

	Total Cost of Services <u>2007</u>	Net Cost of Services <u>2007</u>	Total Cost of Services <u>2006</u>	Net Cost of Services <u>2006</u>
General Government				
Legislative and Executive	\$10,093,026	\$5,753,001	\$9,926,117	\$5,960,831
Judicial	6,474,827	5,301,255	6,253,392	4,895,212
Public Safety	10,880,837	7,964,368	10,823,005	7,660,217
Public Works	9,912,912	1,943,531	11,314,742	2,862,883
Health	2,705,873	1,762,970	2,499,762	1,616,499
Human Services	40,249,996	9,874,410	36,982,530	8,014,523
Interest and Fiscal Charges	790,269	790,269	803,774	803,774
Total Expenses	<u>\$81,107,740</u>	<u>\$33,389,804</u>	<u>\$78,603,322</u>	<u>\$31,813,939</u>

Charges for services, operating and capital grants, contributions, and interest of \$47,717,936, or 59 percent of the total costs of services, were received and used to fund the governmental activities expenses of the County. The remaining \$33,389,804 in governmental expenses is funded primarily by property and permissive sales taxes, non-restricted intergovernmental revenues, interest, and miscellaneous revenues.

The \$9,874,410 in net cost of services for human services demonstrates the costs of services that were not supported from state and federal resources during 2007. As such, the taxpayers have approved property tax levies for the County Home, Starlight School, and Children Services programs. For public safety in 2007, the \$7,964,368 in net costs of services indicates the General Fund permissive sales tax and property tax levies are needed for the operation of the Sheriff's Department and the Detention Center. Management is concerned with the fact that there are insufficient program revenues to operate the Sheriff's Department and the Detention Center. To help reduce the tax burden and increase program revenues, the County is actively pursuing contracts for the housing of prisoners from other entities outside the County. The net cost of \$5,753,001 in the legislative and executive program represents activities related to the governing body as well as activities that directly support other County programs that serve the County's residents. As a result, this program relies on the general revenues of the County to support its activities.

Financial Analysis of County Funds

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

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

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

As of December 31, 2007, the County's governmental funds reported a combined ending fund balance of \$36,529,748, an increase of \$1,024,432 in comparison with the prior year. \$33,604,611, or 92 percent of this total, constitutes unreserved undesignated fund balance, which is available for spending. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior year (\$1,372,375), has been reserved for claimants (\$94,062), or has been reserved for a variety of other restricted purposes (\$1,458,700). While the bulk of the governmental fund balances is not reserved in the governmental fund statements, they lead to restricted net assets on the Statement of Net Assets due to restrictions for use for a particular purpose mandated by the source of the funding, such as tax levy language or the underlying grant.

The General Fund is the primary operating fund of the County. At the end of 2007, unreserved fund balance was \$11,093,699, while total fund balance was \$11,472,446. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 45 percent to total General Fund expenditures, while total fund balance represents 46 percent of that same amount. The fund balance increased from 2006 by \$448,620. This change is due to higher property tax and interest receipts from the prior year along with more fiscal responsibility within the departments.

At the end of 2007, the Public Assistance Special Revenue Fund had a deficit fund balance of \$947,136, in comparison to a deficit fund balance of \$170,639 at the end of 2006. This is due to an increase in amounts expended for the various public assistance programs which includes an over advancement of grant revenue that was required to be sent back to the State.

The fund balance of the Motor Vehicle and Gasoline Tax Special Revenue Fund at December 31, 2007 was \$1,870,384, a decrease of \$171,509 from the previous year. This fund saw a decrease in state shared revenues during 2007 along with higher fuel costs than in the previous year.

The fund balance of the County Home Levy Special Revenue Fund at December 31, 2007 was \$1,553,193, compared to a fund balance of \$868,448 at the end of 2006. Revenues exceeded expenditures by \$678,245. Revenues and expenditures have minimally changed from the prior year but this program continues to keep expenditures well below revenues in order to create an adequate carry over balance into the next year.

The fund balance of the Starlight School Levy Special Revenue Fund at December 31, 2007 was \$9,176,934, a decrease of \$177,516. This minimal change is the result of increased operating expenditures within this department.

The fund balance of the Children Services Levy Special Revenue Fund at December 31, 2007 was \$4,246,309, an increase of \$883,385 from 2006. This is a direct result of a property tax replacement levy generating revenue on a higher tax base than the replaced levies generated.

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

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

As of December 31, 2007, net assets for the County's enterprise funds were \$40,870,230. Of that total, \$6,866,305 represents unrestricted net assets that are available for spending at the County's discretion.

As of December 31, 2007, unrestricted net assets in the self-insurance programs were \$164,517 which represents an accumulation of resources to pay future claims and payables in accordance with generally accepted accounting principles.

General Fund Budgetary Highlights

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

For the General Fund, there were changes from the original budget to the final budget. Budgeted revenues for charges for services and transfers in were increased from the original estimate during the year due to additional revenues in these areas being received than originally anticipated. Final budgeted intergovernmental expenditures decreased significantly due to the re-appropriation of money into transfers out. The County had originally anticipated making specific intergovernmental expenditures out of the General Fund but later on in the year decided to transfer money to other funds for these payments. Other than these specific situations, fluctuations in growth and diversity have typically not occurred in Muskingum County, allowing department managers the ability to consistently predict revenues and expenditures.

Capital Assets and Debt Administration

Capital Assets - The County's capital assets for governmental and business-type activities as of December 31, 2007, were \$158,906,236 (net of accumulated depreciation). This includes land, land improvements, construction in progress, buildings, machinery, equipment, furniture and fixtures, vehicles, and infrastructure.

For business-type activities, major capital asset additions during 2007 included additional work on construction in progress and current year capitalizations relating to various sanitary sewer and waterline extension projects throughout the County.

Table 4 provides a comparison of capital assets as of the end of 2006 and 2007. In addition, Note 10 (Capital Assets) provides capital asset activity during 2007.

Muskingum County, Ohio

**Management's Discussion and Analysis
For the Year Ended December 31, 2007
Unaudited**

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$6,194,160	\$6,192,040	\$199,100	\$199,100	\$6,393,260	\$6,391,140
Land Improvements	32,060,921	32,324,079	0	0	32,060,921	32,324,079
Construction in Progress	32,490	0	1,539,981	2,960,616	1,572,471	2,960,616
Buildings	31,304,149	31,956,765	453,794	294,551	31,757,943	32,251,316
Machinery, Equipment, Furniture and Fixtures	1,867,084	1,805,933	214,401	16,662	2,081,485	1,822,595
Vehicles	999,445	1,119,169	105,612	103,929	1,105,057	1,223,098
Infrastructure	29,206,607	30,687,818	54,728,492	52,678,398	83,935,099	83,366,216
Total Capital Assets	\$101,664,856	\$104,085,804	\$57,241,380	\$56,253,256	\$158,906,236	\$160,339,060

Long-Term Debt - As of December 31, 2007, the County had total debt outstanding of \$54,014,080, \$26,080,721 in governmental activities and \$27,933,359 in business-type activities. Table 5 outlines the long-term debt held by the County during 2007 and 2006.

Table 5
Long-Term Debt

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
General Obligation Bonds	\$13,000,855	\$13,900,903	\$18,068,740	\$18,704,448	\$31,069,595	\$32,605,351
Long-Term Bond						
Anticipation Notes	0	0	5,635,000	0	5,635,000	0
Special Assessment Debt	785,929	894,696	0	0	785,929	894,696
Revenue Bonds	0	0	530,500	543,700	530,500	543,700
OWDA Loans	0	0	3,699,119	3,404,578	3,699,119	3,404,578
Contracts Payable	11,813,391	12,826,924	0	0	11,813,391	12,826,924
Capital Leases	480,546	491,220	0	0	480,546	491,220
Total Long-Term Debt	\$26,080,721	\$28,113,743	\$27,933,359	\$22,652,726	\$54,014,080	\$50,766,469

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

The County's total unvoted legal debt margin at December 31, 2007, is \$7,745,733.

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

Muskingum County, Ohio

Management's Discussion and Analysis For the Year Ended December 31, 2007 Unaudited

Economic Factors

The average unemployment rate for the County in 2007 was 7.8 percent, which is an increase from 7.2 percent from 2006. This rate exceeds the state's average rate for 2007 of 5.6 percent and the average 2007 national rate of 4.6 percent. The increase is reflective of the overall economy.

The County's \$1.512 billion tax base has increased 15.6 percent over the last five years. This growth is attributed to an increase in the County's real estate tax values, despite a decline in public utility personal property tax values due to State deregulation and the phase out of the general personal property tax. Real property values within the County have risen steadily over the past several years, and are now at an all time high. Despite Uncertain economic conditions, the County's permissive sales tax revenues have continued to increase during the past five years, leveling off in 2007. This increase can be attributed to numerous retail developments during the period. This steady sales tax revenue has contributed to the County's General Fund balance increasing during 2007.

The various economic factors were considered in the preparation of the County's 2007 budget, and will be considered in the preparation of future budgets. Appropriate measures will be taken to ensure spending is within available resources.

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

Requests for Information

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

Basic Financial Statements

Muskingum County, Ohio
Statement of Net Assets
December 31, 2007

	Primary Government			Component Units	
	Governmental Activities	Business - Type Activities	Total	Transportation Improvement District	Muskingum Starlight Industries, Inc.
Assets					
Equity in Pooled Cash and Cash Equivalents	\$39,194,000	\$10,185,062	\$49,379,062	\$15,366	\$0
Cash and Cash Equivalents with Fiscal Agents	1,541,311	0	1,541,311	0	0
Cash and Cash Equivalents	0	0	0	0	349,345
Investments	0	0	0	0	123,769
Prepaid Items	287,651	0	287,651	0	3,646
Materials and Supplies Inventory	527,915	3,027	530,942	0	76,856
Permissive Motor Vehicle License Tax Receivable	33,492	0	33,492	0	0
Permissive Sales Taxes Receivable	2,444,269	0	2,444,269	0	0
Accounts Receivable	289,790	2,261,680	2,551,470	0	38,417
Intergovernmental Receivable	6,116,069	23,925	6,139,994	14,054	0
Accrued Interest Receivable	18,882	0	18,882	0	0
Internal Balances	98,031	(98,031)	0	0	0
Property Taxes Receivable	18,393,144	0	18,393,144	0	0
Payments in Lieu of Taxes Receivable	393,620	0	393,620	0	0
Loans Receivable	702,518	0	702,518	0	0
Special Assessments Receivable	684,197	0	684,197	0	0
Deferred Charges	9,253	309,747	319,000	0	0
Contracts Receivable	0	0	0	11,813,391	0
Non-Depreciable Capital Assets	38,287,571	1,739,081	40,026,652	0	0
Depreciable Capital Assets, Net	63,377,285	55,502,299	118,879,584	0	15,663
<i>Total Assets</i>	<u>172,398,998</u>	<u>69,926,790</u>	<u>242,325,788</u>	<u>11,842,811</u>	<u>607,696</u>
Liabilities					
Matured Compensated Absences Payable	21,959	0	21,959	0	0
Accrued Wages and Benefits	780,656	18,881	799,537	0	4,589
Accounts Payable	1,389,365	116,327	1,505,692	200	4,892
Contracts Payable	0	281,450	281,450	12,019	0
Intergovernmental Payable	1,663,132	178,561	1,841,693	0	137
Accrued Interest Payable	64,924	191,230	256,154	0	0
Retainage Payable	0	65,637	65,637	0	0
Due to Others	191,997	0	191,997	0	0
Claims Payable	1,265,000	0	1,265,000	0	0
Deferred Revenue	16,162,709	0	16,162,709	0	0
Deferred Income	0	0	0	0	16,511
Notes Payable	2,039,068	200,000	2,239,068	0	0
Intergovernmental Loans Payable	0	0	0	11,715	0
Long-Term Liabilities:					
Due Within One Year	4,218,350	866,594	5,084,944	1,050,888	0
Due In More Than One Year	26,358,244	27,137,880	53,496,124	10,762,503	0
<i>Total Liabilities</i>	<u>54,155,404</u>	<u>29,056,560</u>	<u>83,211,964</u>	<u>11,837,325</u>	<u>26,129</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	76,266,104	34,003,925	110,270,029	0	15,663
Restricted for:					
Capital Projects	2,220,054	0	2,220,054	0	0
Debt Service	547,914	0	547,914	0	0
Road and Bridge Projects	2,927,971	0	2,927,971	0	0
County Home Program	1,993,843	0	1,993,843	0	0
Starlight School Program	9,983,254	0	9,983,254	0	0
Children Services	4,675,644	0	4,675,644	0	0
Loan Guaranty	925,754	0	925,754	0	0
Other Purposes	7,485,658	0	7,485,658	0	0
Unrestricted	11,217,398	6,866,305	18,083,703	5,486	565,904
<i>Total Net Assets</i>	<u>\$118,243,594</u>	<u>\$40,870,230</u>	<u>\$159,113,824</u>	<u>\$5,486</u>	<u>\$581,567</u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Activities
For the Year Ended December 31, 2007

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government:				
Legislative and Executive	\$10,093,026	\$4,324,972	\$15,053	\$0
Judicial	6,474,827	929,661	243,911	0
Public Safety	10,841,659	1,883,628	1,017,639	15,202
Public Safety - Intergovernmental	39,178	0	0	0
Public Works	8,941,613	834,496	5,915,021	1,219,864
Public Works - Intergovernmental	971,299	0	0	0
Health	1,358,932	293,088	292,029	0
Health - Intergovernmental	1,346,941	0	357,786	0
Human Services	40,249,996	4,302,539	26,073,047	0
Interest and Fiscal Charges	790,269	0	0	0
<i>Total Governmental Activities</i>	<u>81,107,740</u>	<u>12,568,384</u>	<u>33,914,486</u>	<u>1,235,066</u>
Business-Type Activities:				
Sewer	3,318,613	2,297,231	0	1,265,105
Water	2,827,804	3,124,131	0	99,945
<i>Total Business-Type Activities</i>	<u>6,146,417</u>	<u>5,421,362</u>	<u>0</u>	<u>1,365,050</u>
<i>Total Primary Government</i>	<u>\$87,254,157</u>	<u>\$17,989,746</u>	<u>\$33,914,486</u>	<u>\$2,600,116</u>
Component Units:				
Transportation Improvement District	\$912,793	\$493,108	\$0	\$409,486
Muskingum Starlight Industries, Inc.	920,869	356,480	590	0
<i>Total Component Units</i>	<u>\$1,833,662</u>	<u>\$849,588</u>	<u>\$590</u>	<u>\$409,486</u>

General Revenues

Property Taxes Levied for:
 General Purposes
 Public Safety - Sheriff Levy
 Health - Tuberculosis
 Health - Mental Health
 Human Services - Senior Citizens
 Human Services - County Home
 Human Services - Starlight School
 Human Services - Children Services
Sales Taxes Levied for General Purposes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Payments in Lieu of Taxes
Gain on Sale of Capital Assets
Miscellaneous
In-Kind Contribution
Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

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

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and
Change in Net Assets

Primary Government			Component Units	
Governmental Activities	Business - Type Activities	Total	Transportation Improvement District	Muskingum Starlight Industries, Inc.
(\$5,753,001)	\$0	(\$5,753,001)	\$0	\$0
(5,301,255)	0	(5,301,255)	0	0
(7,925,190)	0	(7,925,190)	0	0
(39,178)	0	(39,178)	0	0
(972,232)	0	(972,232)	0	0
(971,299)	0	(971,299)	0	0
(773,815)	0	(773,815)	0	0
(989,155)	0	(989,155)	0	0
(9,874,410)	0	(9,874,410)	0	0
(790,269)	0	(790,269)	0	0
<u>(33,389,804)</u>	<u>0</u>	<u>(33,389,804)</u>	<u>0</u>	<u>0</u>
0	243,723	243,723	0	0
0	396,272	396,272	0	0
0	639,995	639,995	0	0
<u>(33,389,804)</u>	<u>639,995</u>	<u>(32,749,809)</u>	<u>0</u>	<u>0</u>
0	0	0	(10,199)	0
0	0	0	0	(563,799)
0	0	0	(10,199)	(563,799)
2,968,705	0	2,968,705	0	0
392,732	0	392,732	0	0
494,550	0	494,550	0	0
976,748	0	976,748	0	0
589,804	0	589,804	0	0
3,090,911	0	3,090,911	0	0
3,493,303	0	3,493,303	0	0
2,473,906	0	2,473,906	0	0
14,691,023	0	14,691,023	0	0
1,969,306	0	1,969,306	0	0
3,524,198	0	3,524,198	0	18,888
270,415	0	270,415	0	0
85,975	0	85,975	0	0
474,622	78,656	553,278	973	0
0	0	0	0	474,956
<u>35,496,198</u>	<u>78,656</u>	<u>35,574,854</u>	<u>973</u>	<u>493,844</u>
44,023	(44,023)	0	0	0
<u>35,540,221</u>	<u>34,633</u>	<u>35,574,854</u>	<u>973</u>	<u>493,844</u>
2,150,417	674,628	2,825,045	(9,226)	(69,955)
<u>116,093,177</u>	<u>40,195,602</u>	<u>156,288,779</u>	<u>14,712</u>	<u>651,522</u>
<u>\$118,243,594</u>	<u>\$40,870,230</u>	<u>\$159,113,824</u>	<u>\$5,486</u>	<u>\$581,567</u>

Muskingum County, Ohio
Balance Sheet
Governmental Funds
December 31, 2007

	General	Public Assistance	Motor Vehicle and Gasoline Tax	County Home Levy	Starlight School Levy
Assets					
Equity in Pooled Cash and Cash Equivalents	\$10,605,417	\$643,958	\$1,431,899	\$1,689,854	\$7,694,042
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0	1,541,311
Restricted Cash and Cash Equivalents	94,062	0	0	0	0
Receivables:					
Property Taxes	3,264,972	0	0	3,409,300	6,287,039
Payments in Lieu of Taxes	112,392	0	0	18,493	35,352
Permissive Sales Taxes	2,444,269	0	0	0	0
Permissive Motor Vehicle License Tax	0	0	33,492	0	0
Accounts	139,974	0	15	974	307
Accrued Interest	18,882	0	0	0	0
Intergovernmental	1,113,549	0	2,506,765	191,979	663,876
Interfund	198,949	138,590	0	0	0
Special Assessments	0	0	0	0	0
Loans	339,289	0	0	0	0
Materials and Supplies Inventory	100,699	8,509	335,126	3,176	17,257
Prepaid Items	240,344	5,388	5,545	0	21,881
<i>Total Assets</i>	<u>\$18,672,798</u>	<u>\$796,445</u>	<u>\$4,312,842</u>	<u>\$5,313,776</u>	<u>\$16,261,065</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$401,586	\$458,937	\$178,378	\$16,736	\$23,780
Accrued Interest Payable	0	0	0	0	0
Accrued Wages and Benefits	276,098	115,753	70,051	52,377	88,314
Matured Compensated Absences Payable	0	0	0	0	0
Interfund Payable	643,174	342,730	45,987	56,464	102,651
Intergovernmental Payable	228,815	687,571	27,874	32,753	64,441
Notes Payable	0	0	0	0	0
Due to Others	0	0	0	0	0
Deferred Revenue	5,650,679	138,590	2,120,168	3,602,253	6,804,945
<i>Total Liabilities</i>	<u>7,200,352</u>	<u>1,743,581</u>	<u>2,442,458</u>	<u>3,760,583</u>	<u>7,084,131</u>
Fund Balances					
Reserved (See Note 25)	378,747	614,269	77,045	0	93,516
Unreserved:					
Undesignated, Reported in:					
General Fund	11,093,699	0	0	0	0
Special Revenue Funds (Deficit)	0	(1,561,405)	1,793,339	1,553,193	9,083,418
Debt Service Funds	0	0	0	0	0
Capital Projects Funds	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>11,472,446</u>	<u>(947,136)</u>	<u>1,870,384</u>	<u>1,553,193</u>	<u>9,176,934</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$18,672,798</u>	<u>\$796,445</u>	<u>\$4,312,842</u>	<u>\$5,313,776</u>	<u>\$16,261,065</u>

See accompanying notes to the basic financial statements

Children Services Levy	Other Governmental Funds	Total Governmental Funds
\$4,582,568	\$8,840,397	\$35,488,135
0	0	1,541,311
0	2,229,859	2,323,921
2,727,440	2,704,393	18,393,144
14,794	212,589	393,620
0	0	2,444,269
0	0	33,492
1,894	146,626	289,790
0	0	18,882
336,382	1,303,518	6,116,069
235,686	280,760	853,985
0	684,197	684,197
0	363,229	702,518
17,371	45,777	527,915
1,222	13,271	287,651
<u>\$7,917,357</u>	<u>\$16,824,616</u>	<u>\$70,098,899</u>

\$142,877	\$167,071	\$1,389,365
0	9,393	9,393
73,654	104,409	780,656
21,959	0	21,959
69,870	366,579	1,627,455
72,328	115,848	1,229,630
0	2,039,068	2,039,068
0	191,997	191,997
<u>3,290,360</u>	<u>4,672,633</u>	<u>26,279,628</u>

<u>3,671,048</u>	<u>7,666,998</u>	<u>33,569,151</u>
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62,237	1,699,323	2,925,137
0	0	11,093,699
4,184,072	5,047,994	20,100,611
0	362,253	362,253
0	2,048,048	2,048,048

<u>4,246,309</u>	<u>9,157,618</u>	<u>36,529,748</u>
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<u>\$7,917,357</u>	<u>\$16,824,616</u>	<u>\$70,098,899</u>
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Muskingum County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
December 31, 2007

Total Governmental Fund Balances		\$36,529,748
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		101,664,856
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property Taxes	2,230,435	
Permissive Sales Taxes	1,323,293	
Special Assessments	684,197	
Intergovernmental	5,184,698	
Interest	18,882	
Charges for Services	638,388	
Fines and Forfeitures	27,775	
Rent	70	
Contributions and Donations	6,623	
Other	2,558	
Total	10,116,919	10,116,919
Internal service funds are used by management to charge the costs of insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		164,517
Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds.		9,253
Long-term liabilities and accrued interest are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(13,000,855)	
Compensated Absences	(3,204,104)	
Accrued Interest Payable	(55,531)	
Special Assessments Bonds	(785,929)	
Early Retirement Incentive	(901,343)	
Long-Term Contracts Payable	(11,813,391)	
Capital Leases	(480,546)	
Total	(30,241,699)	(30,241,699)
 Net Assets of Governmental Activities		 \$118,243,594

See accompanying notes to the basic financial statements

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Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2007

	General	Public Assistance	Motor Vehicle and Gasoline Tax	County Home Levy	Starlight School Levy
Revenues					
Property Taxes	\$2,932,022	\$0	\$0	\$3,050,628	\$3,156,003
Special Assessments	0	0	0	0	0
Permissive Sales Taxes	14,638,691	0	0	0	0
Permissive Motor Vehicle License Tax	0	0	459,393	0	0
Charges for Services	4,720,959	1,544,787	1,251	664,945	0
Licenses and Permits	6,586	0	3,870	0	0
Fines and Forfeitures	411,984	0	82,137	0	0
Intergovernmental	2,273,056	15,012,591	4,962,573	528,917	3,447,559
Interest	3,468,645	0	18,537	0	0
Payments in Lieu of Taxes	21,853	0	0	12,011	22,828
Rent	167,413	0	0	0	0
Contributions and Donations	2,415	0	767	792	18,987
Other	225,834	19,320	73,183	10,753	38,143
<i>Total Revenues</i>	<u>28,869,458</u>	<u>16,576,698</u>	<u>5,601,711</u>	<u>4,268,046</u>	<u>6,683,520</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	8,045,713	0	0	0	0
Judicial	6,250,632	0	0	0	0
Public Safety	8,661,957	0	0	0	0
Public Works	307,042	0	4,923,391	0	0
Health	481,241	0	0	0	0
Human Services	452,170	17,749,053	0	3,589,801	6,872,953
Capital Outlay	10,337	20,564	154,585	0	0
Intergovernmental	590,573	0	128,393	0	0
Debt Service:					
Principal Retirement	1,750	4,464	192,763	0	0
Interest and Fiscal Charges	738	703	26,325	0	0
<i>Total Expenditures</i>	<u>24,802,153</u>	<u>17,774,784</u>	<u>5,425,457</u>	<u>3,589,801</u>	<u>6,872,953</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	4,067,305	(1,198,086)	176,254	678,245	(189,433)
Other Financing Sources (Uses)					
Proceeds from the Sale of Capital Assets	99,039	0	0	0	0
Inception of Capital Lease	10,337	20,564	154,585	0	0
Transfers In	169,083	419,466	77,392	6,500	11,917
Transfers Out	(3,897,144)	(18,441)	(579,740)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,618,685)</u>	<u>421,589</u>	<u>(347,763)</u>	<u>6,500</u>	<u>11,917</u>
<i>Net Change in Fund Balances</i>	448,620	(776,497)	(171,509)	684,745	(177,516)
Fund Balances (Deficit) at Beginning of Year - Restated (See Note 3)	11,023,826	(170,639)	2,041,893	868,448	9,354,450
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$11,472,446</u>	<u>(\$947,136)</u>	<u>\$1,870,384</u>	<u>\$1,553,193</u>	<u>\$9,176,934</u>

See accompanying notes to the basic financial statements

Children Services Levy	Other Governmental Funds	Total Governmental Funds
\$2,441,679	\$2,420,286	\$14,000,618
0	36,625	36,625
0	0	14,638,691
0	0	459,393
1,293,466	1,835,095	10,060,503
0	414,654	425,110
0	153,998	648,119
3,714,548	6,658,118	36,597,362
0	48,938	3,536,120
9,608	204,115	270,415
0	411,990	579,403
144	11,890	34,995
20,963	71,229	459,425
<u>7,480,408</u>	<u>12,266,938</u>	<u>81,746,779</u>

0	947,458	8,993,171
0	106,604	6,357,236
0	1,838,384	10,500,341
0	3,232,832	8,463,265
0	835,864	1,317,105
6,606,165	5,043,735	40,313,877
0	621,884	807,370
0	1,638,452	2,357,418
0	1,010,977	1,209,954
0	764,853	792,619
<u>6,606,165</u>	<u>16,041,043</u>	<u>81,112,356</u>

<u>874,243</u>	<u>(3,774,105)</u>	<u>634,423</u>
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0	0	99,039
0	10,562	196,048
9,142	4,106,917	4,800,417
0	(210,170)	(4,705,495)
<u>9,142</u>	<u>3,907,309</u>	<u>390,009</u>

883,385	133,204	1,024,432
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<u>3,362,924</u>	<u>9,024,414</u>	<u>35,505,316</u>
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<u>\$4,246,309</u>	<u>\$9,157,618</u>	<u>\$36,529,748</u>
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Muskingum County, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2007

Net Change in Fund Balances - Governmental Funds \$1,024,432

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

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

Capital Asset Additions	2,939,616	
Transferred Assets	(3,400)	
Current Year Depreciation	(4,028,189)	
Total	(1,091,973)	(1,091,973)

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

Loss on disposal of capital assets	(1,414,950)	
Forgiven Lease	5,949	
Gain on disposal of capital assets	85,975	
Total	(1,323,026)	(1,323,026)

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

Property Taxes	480,041	
Special Assessments	(36,625)	
Permissive Sales Taxes	52,332	
Charges for Services	394,078	
Fines and Forfeitures	1,826	
Intergovernmental	449,074	
Interest	18,882	
Rent	(48)	
Contributions and Donations	6,623	
Other	2,558	
Total	1,368,741	1,368,741

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:

General Obligation Bonds	900,000	
Special Assessment Bonds Payable	109,181	
Capital Leases	200,773	
Total	1,209,954	1,209,954

Amortization of deferred amount on refunding. (414)

Amortization of bond premium. 48

Amortization of issuance costs. (478)

Inception of capital lease is reported as an other financing source in the governmental funds, but the inception increases long-term liabilities on the statement of net assets. (196,048)

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities. 3,194

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

Compensated Absences Payable	(244,413)	
Early Retirement Incentive	(274,811)	
Long-Term Contracts Payable	1,013,533	
Total	494,309	494,309

The internal service funds used by management to charge the costs of insurance to individual funds are not reported in the statement of activities. Governmental fund expenditures and the related internal service funds' revenues are eliminated. The net change of the internal service funds is allocated among governmental activities. 661,678

Change in Net Assets of Governmental Activities **\$2,150,417**

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$2,926,871	\$2,926,871	\$2,922,435	(\$4,436)
Permissive Sales Taxes	13,000,000	13,000,000	14,656,656	1,656,656
Charges for Services	3,973,840	4,414,684	4,711,246	296,562
Licenses and Permits	5,800	5,800	6,586	786
Fines and Forfeitures	393,700	397,900	407,843	9,943
Intergovernmental	1,907,740	1,988,586	2,255,297	266,711
Interest	1,003,000	1,011,200	3,586,729	2,575,529
Payments in Lieu of Taxes	185,000	185,000	101,952	(83,048)
Rent	90,000	90,000	167,443	77,443
Other	194,808	256,797	682,148	425,351
<i>Total Revenues</i>	<u>23,680,759</u>	<u>24,276,838</u>	<u>29,498,335</u>	<u>5,221,497</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	10,262,154	10,686,115	8,361,219	2,324,896
Judicial	6,503,958	6,584,470	6,296,428	288,042
Public Safety	8,704,391	8,881,958	8,686,692	195,266
Public Works	539,709	541,598	324,594	217,004
Health	520,706	522,115	503,310	18,805
Human Services	568,945	569,867	454,777	115,090
Intergovernmental	3,341,223	901,062	781,413	119,649
Debt Service:				
Principal Retirement	0	1,750	1,750	0
Interest and Fiscal Charges	0	738	738	0
<i>Total Expenditures</i>	<u>30,441,086</u>	<u>28,689,673</u>	<u>25,410,921</u>	<u>3,278,752</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,760,327)</u>	<u>(4,412,835)</u>	<u>4,087,414</u>	<u>8,500,249</u>
Other Financing Sources (Uses)				
Proceeds from the Sale of Capital Assets	0	95,000	99,039	4,039
Advances In	0	0	191,771	191,771
Advances Out	(600,000)	(600,000)	(192,261)	407,739
Transfers In	254,675	429,223	129,000	(300,223)
Transfers Out	(1,432,204)	(4,126,393)	(3,854,352)	272,041
<i>Total Other Financing Sources (Uses)</i>	<u>(1,777,529)</u>	<u>(4,202,170)</u>	<u>(3,626,803)</u>	<u>575,367</u>
<i>Net Change in Fund Balance</i>	(8,537,856)	(8,615,005)	460,611	9,075,616
Fund Balance at Beginning of Year	8,667,049	8,667,049	8,667,049	0
Prior Year Encumbrances Appropriated	495,241	495,241	495,241	0
<i>Fund Balance at End of Year</i>	<u>\$624,434</u>	<u>\$547,285</u>	<u>\$9,622,901</u>	<u>\$9,075,616</u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Assistance Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$807,382	\$1,544,787	\$1,544,787	\$0
Intergovernmental	12,995,618	17,757,872	15,449,694	(2,308,178)
Other	0	12,595	32,320	19,725
<i>Total Revenues</i>	<u>13,803,000</u>	<u>19,315,254</u>	<u>17,026,801</u>	<u>(2,288,453)</u>
Expenditures				
Current:				
Human Services	16,017,005	19,660,040	18,498,574	1,161,466
Debt Service:				
Principal Retirement	0	4,464	4,464	0
Interest and Fiscal Charges	0	703	703	0
<i>Total Expenditures</i>	<u>16,017,005</u>	<u>19,665,207</u>	<u>18,503,741</u>	<u>1,161,466</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,214,005)</u>	<u>(349,953)</u>	<u>(1,476,940)</u>	<u>(1,126,987)</u>
Other Financing Source (Uses)				
Advances Out	0	0	(19,760)	(19,760)
Transfers In	470,000	470,000	406,466	(63,534)
Transfers Out	0	(18,441)	(18,441)	0
<i>Total Other Financing Source (Uses)</i>	<u>470,000</u>	<u>451,559</u>	<u>368,265</u>	<u>(83,294)</u>
<i>Net Change in Fund Balance</i>	(1,744,005)	101,606	(1,108,675)	(1,210,281)
Fund Balance (Deficit) at Beginning of Year	(1,738,173)	(1,738,173)	(1,738,173)	0
Prior Year Encumbrances Appropriated	1,744,005	1,744,005	1,744,005	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>(\$1,738,173)</u>	<u>\$107,438</u>	<u>(\$1,102,843)</u>	<u>(\$1,210,281)</u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Permissive Motor Vehicle License Tax	\$275,000	\$275,000	\$460,491	\$185,491
Charges for Services	0	1,218	1,251	33
Licenses and Permits	0	3,870	3,870	0
Fines and Forfeitures	90,000	90,000	82,137	(7,863)
Intergovernmental	4,860,000	4,955,219	5,058,327	103,108
Interest	14,000	17,772	18,654	882
Contributions and Donations	0	767	767	0
Other	0	276,491	112,572	(163,919)
<i>Total Revenues</i>	<u>5,239,000</u>	<u>5,620,337</u>	<u>5,738,069</u>	<u>117,732</u>
Expenditures				
Current:				
Public Works	4,495,403	5,452,128	5,109,843	342,285
Intergovernmental	0	0	128,393	(128,393)
Debt Service:				
Principal Retirement	130,782	192,763	192,763	0
Interest and Fiscal Charges	20,337	26,365	26,325	40
<i>Total Expenditures</i>	<u>4,646,522</u>	<u>5,671,256</u>	<u>5,457,324</u>	<u>213,932</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>592,478</u>	<u>(50,919)</u>	<u>280,745</u>	<u>331,664</u>
Other Financing Source (Uses)				
Advances Out	0	0	(8,235)	(8,235)
Transfers In	151,120	691,103	71,975	(619,128)
Transfers Out	(757,039)	(1,199,164)	(579,740)	619,424
<i>Total Other Financing Source (Uses)</i>	<u>(605,919)</u>	<u>(508,061)</u>	<u>(516,000)</u>	<u>(7,939)</u>
<i>Net Change in Fund Balance</i>	(13,441)	(558,980)	(235,255)	323,725
Fund Balance at Beginning of Year	1,138,511	1,138,511	1,138,511	0
Prior Year Encumbrances Appropriated	288,441	288,441	288,441	0
<i>Fund Balance at End of Year</i>	<u>\$1,413,511</u>	<u>\$867,972</u>	<u>\$1,191,697</u>	<u>\$323,725</u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Home Levy Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$2,649,054	\$3,129,063	\$3,039,481	(\$89,582)
Charges for Services	653,362	655,475	664,945	9,470
Intergovernmental	236,466	357,304	528,917	171,613
Payments in Lieu of Taxes	14,700	14,700	19,149	4,449
Contributions and Donations	850	850	792	(58)
Other	1,025	33,820	17,253	(16,567)
<i>Total Revenues</i>	3,555,457	4,191,212	4,270,537	79,325
Expenditures				
Current:				
Human Services	3,563,874	3,792,151	3,559,068	233,083
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,417)	399,061	711,469	312,408
Other Financing Use				
Advances Out	0	0	(10,567)	(10,567)
<i>Net Change in Fund Balance</i>	(8,417)	399,061	700,902	301,841
Fund Balance at Beginning of Year	881,440	881,440	881,440	0
Prior Year Encumbrances Appropriated	8,417	8,417	8,417	0
<i>Fund Balance at End of Year</i>	\$881,440	\$1,288,918	\$1,590,759	\$301,841

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Starlight School Levy Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$3,321,424	\$3,133,709	\$3,133,709	\$0
Intergovernmental	2,695,141	3,683,566	3,358,936	(324,630)
Payments in Lieu of Taxes	0	0	29,672	29,672
Contributions and Donations	15,000	17,300	18,987	1,687
Other	0	65,745	50,060	(15,685)
<i>Total Revenues</i>	6,031,565	6,900,320	6,591,364	(308,956)
Expenditures				
Current:				
Human Services	7,623,442	8,347,001	6,975,754	1,371,247
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,591,877)	(1,446,681)	(384,390)	1,062,291
Other Financing Use				
Advances Out	0	0	(19,566)	(19,566)
<i>Net Change in Fund Balance</i>	(1,591,877)	(1,446,681)	(403,956)	1,042,725
Fund Balance at Beginning of Year	9,224,047	9,224,047	9,224,047	0
Prior Year Encumbrances Appropriated	80,576	80,576	80,576	0
<i>Fund Balance at End of Year</i>	\$7,712,746	\$7,857,942	\$8,900,667	\$1,042,725

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Children Services Levy Fund
For the Year Ended December 31, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$0	\$2,449,626	\$2,432,761	(\$16,865)
Charges for Services	1,429,482	1,429,482	1,403,048	(26,434)
Intergovernmental	2,843,364	3,043,364	3,705,694	662,330
Payments in Lieu of Taxes	0	0	15,319	15,319
Contributions and Donations	500	500	144	(356)
Other	5,000	5,000	50,914	45,914
<i>Total Revenues</i>	<u>4,278,346</u>	<u>6,927,972</u>	<u>7,607,880</u>	<u>679,908</u>
Expenditures				
Current:				
Human Services	<u>6,456,220</u>	<u>9,228,197</u>	<u>6,775,691</u>	<u>2,452,506</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,177,874)</u>	<u>(2,300,225)</u>	<u>832,189</u>	<u>3,132,414</u>
Other Financing Source (Use)				
Advances Out	0	0	(12,997)	(12,997)
Transfers In	0	475	475	0
<i>Total Other Financing Source (Use)</i>	<u>0</u>	<u>475</u>	<u>(12,522)</u>	<u>(12,997)</u>
<i>Net Change in Fund Balance</i>	(2,177,874)	(2,299,750)	819,667	3,119,417
Fund Balance at Beginning of Year	3,219,453	3,219,453	3,219,453	0
Prior Year Encumbrances Appropriated	<u>226,059</u>	<u>226,059</u>	<u>226,059</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,267,638</u></u>	<u><u>\$1,145,762</u></u>	<u><u>\$4,265,179</u></u>	<u><u>\$3,119,417</u></u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2007

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Funds
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
Assets				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$3,802,430	\$1,738,571	\$5,541,001	\$1,381,944
Restricted Cash and Cash Equivalents	4,482,696	161,365	4,644,061	0
Materials and Supplies Inventory	674	2,353	3,027	0
Receivables:				
Intergovernmental	0	23,925	23,925	0
Accounts	1,825,756	435,924	2,261,680	0
Interfund	518	0	518	871,501
<i>Total Current Assets</i>	<u>10,112,074</u>	<u>2,362,138</u>	<u>12,474,212</u>	<u>2,253,445</u>
Noncurrent Assets:				
Deferred Charges	185,872	123,875	309,747	0
Non-Depreciable Capital Assets	793,471	945,610	1,739,081	0
Depreciable Capital Assets, Net	33,743,895	21,758,404	55,502,299	0
<i>Total Noncurrent Assets</i>	<u>34,723,238</u>	<u>22,827,889</u>	<u>57,551,127</u>	<u>0</u>
<i>Total Assets</i>	<u>44,835,312</u>	<u>25,190,027</u>	<u>70,025,339</u>	<u>2,253,445</u>
Liabilities				
Current Liabilities:				
Accrued Wages and Benefits	6,611	12,270	18,881	0
Intergovernmental Payable	62,845	115,716	178,561	433,502
Accounts Payable	18,056	98,271	116,327	0
Contracts Payable	202,757	78,693	281,450	0
Accrued Interest Payable	167,657	23,573	191,230	0
Retainage Payable	4,272	61,365	65,637	0
Interfund Payable	79,509	19,040	98,549	0
Claims Payable	0	0	0	1,265,000
Notes Payable	100,000	100,000	200,000	0
Current Portion of Claims Payable - Workers' Compensation	0	0	0	70,037
Current Portion of Compensated Absences Payable	9,205	31,018	40,223	0
Current Portion of General Obligation Bonds Payable	426,500	265,000	691,500	0
Current Portion of Revenue Bonds Payable	13,400	0	13,400	0
Current Portion of OWDA Loans Payable	26,915	94,556	121,471	0
<i>Total Current Liabilities</i>	<u>1,117,727</u>	<u>899,502</u>	<u>2,017,229</u>	<u>1,768,539</u>
Long-Term Liabilities (Net of Current Portion):				
Compensated Absences Payable	11,825	19,067	30,892	0
Claims Payable - Workers' Compensation	0	0	0	320,389
Notes Payable	5,635,000	0	5,635,000	0
General Obligation Bonds Payable	11,213,207	6,164,033	17,377,240	0
Revenue Bonds Payable	517,100	0	517,100	0
OWDA Loans Payable	190,416	3,387,232	3,577,648	0
<i>Total Long-Term Liabilities</i>	<u>17,567,548</u>	<u>9,570,332</u>	<u>27,137,880</u>	<u>320,389</u>
<i>Total Liabilities</i>	<u>18,685,275</u>	<u>10,469,834</u>	<u>29,155,109</u>	<u>2,088,928</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	21,086,857	12,917,068	34,003,925	0
Unrestricted	5,063,180	1,803,125	6,866,305	164,517
<i>Total Net Assets</i>	<u>\$26,150,037</u>	<u>\$14,720,193</u>	<u>\$40,870,230</u>	<u>\$164,517</u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2007

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Funds
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
Operating Revenues				
Charges for Services	<u>\$2,297,231</u>	<u>\$3,124,131</u>	<u>\$5,421,362</u>	<u>\$9,326,994</u>
Operating Expenses				
Personal Services	474,433	572,671	1,047,104	0
Contractual Services	821,656	709,510	1,531,166	1,344,987
Materials and Supplies	45,587	265,666	311,253	0
Claims	0	0	0	7,274,635
Depreciation	857,870	867,923	1,725,793	0
Amortization	171,873	0	171,873	0
Other	0	4,819	4,819	0
<i>Total Operating Expenses</i>	<u>2,371,419</u>	<u>2,420,589</u>	<u>4,792,008</u>	<u>8,619,622</u>
<i>Operating Income (Loss)</i>	<u>(74,188)</u>	<u>703,542</u>	<u>629,354</u>	<u>707,372</u>
Non-Operating Revenues (Expenses)				
Other Non-Operating Revenues	5,938	72,718	78,656	12,639
Other Non-Operating Expenses	0	0	0	(10,834)
Interest and Fiscal Charges	(823,911)	(393,867)	(1,217,778)	0
Loss on Disposal of Capital Assets	(123,283)	(13,348)	(136,631)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(941,256)</u>	<u>(334,497)</u>	<u>(1,275,753)</u>	<u>1,805</u>
<i>Income (Loss) Before Contributions and Transfers</i>	<u>(1,015,444)</u>	<u>369,045</u>	<u>(646,399)</u>	<u>709,177</u>
Capital Contributions from other Funds	0	3,400	3,400	0
Capital Contributions from Customers	1,265,105	99,945	1,365,050	0
Transfers In	1,083	1,083	2,166	50,000
Transfers Out	(49,589)	0	(49,589)	(97,499)
<i>Change in Net Assets</i>	<u>201,155</u>	<u>473,473</u>	<u>674,628</u>	<u>661,678</u>
Net Assets (Deficit) Beginning of Year - Restated (See Note 3)	<u>25,948,882</u>	<u>14,246,720</u>	<u>40,195,602</u>	<u>(497,161)</u>
<i>Net Assets End of Year</i>	<u>\$26,150,037</u>	<u>\$14,720,193</u>	<u>\$40,870,230</u>	<u>\$164,517</u>

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2007

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Fund
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$2,217,026	\$3,093,656	\$5,310,682	\$0
Cash Received from Transactions with Other Funds	0	0	0	8,455,493
Cash Payments for Employee Services and Benefits	(479,203)	(566,530)	(1,045,733)	0
Cash Payments for Goods and Services	(872,282)	(953,551)	(1,825,833)	(911,485)
Cash Payments for Claims	0	0	0	(6,909,998)
Other Non-Operating Revenues	5,938	72,718	78,656	12,639
Other Non-Operating Expenses	0	0	0	(10,834)
Other Operating Expenses	0	(4,819)	(4,819)	0
<i>Net Cash Provided by Operating Activities</i>	<u>871,479</u>	<u>1,641,474</u>	<u>2,512,953</u>	<u>635,815</u>
Cash Flows from Noncapital Financing Activities				
Advances In	70,000	7,650	77,650	0
Advances Out	(1,524)	(2,248)	(3,772)	0
Transfers In	1,083	1,083	2,166	0
Transfers Out	(43,323)	0	(43,323)	(97,499)
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>26,236</u>	<u>6,485</u>	<u>32,721</u>	<u>(97,499)</u>
Cash Flows from Capital and Related Financing Activities				
Payments for Capital Acquisitions	(1,048,958)	(1,966,558)	(3,015,516)	0
Proceeds of Bond Anticipation Notes	5,735,000	100,000	5,835,000	0
OWDA Loans Received	0	443,794	443,794	0
Tap-In Fees	1,245,853	99,945	1,345,798	0
Capital Grants	0	524,775	524,775	0
Principal Paid on General Obligation Bonds	(411,500)	(260,000)	(671,500)	0
Principal Paid on Bond Anticipation Notes	(5,380,000)	0	(5,380,000)	0
Principal Paid on OWDA Loans	(24,946)	(124,307)	(149,253)	0
Principal Paid on Revenue Bonds	(13,200)	0	(13,200)	0
Interest and Fiscal Charges Paid on General Obligation Bonds	(524,592)	(288,203)	(812,795)	0
Interest and Fiscal Charges Paid on Bond Anticipation Notes	(241,195)	0	(241,195)	0
Interest and Fiscal Charges Paid on OWDA Loans	(16,960)	(65,803)	(82,763)	0
Interest and Fiscal Charges Paid on Revenue Bonds	(25,185)	0	(25,185)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(705,683)</u>	<u>(1,536,357)</u>	<u>(2,242,040)</u>	<u>0</u>
<i>Net Increase in Cash and Cash Equivalents</i>	192,032	111,602	303,634	538,316
Cash and Cash Equivalents Beginning of Year	<u>8,093,094</u>	<u>1,788,334</u>	<u>9,881,428</u>	<u>843,628</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$8,285,126</u>	<u>\$1,899,936</u>	<u>\$10,185,062</u>	<u>\$1,381,944</u>

(continued)

Muskingum County, Ohio
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2007

	<u>Business - Type Activities - Enterprise Funds</u>			Governmental Activities - Internal Service Fund
	<u>Sewer</u>	<u>Water</u>	<u>Total</u>	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating Income (Loss)	(\$74,188)	\$703,542	\$629,354	\$707,372
Adjustments:				
Other Non-Operating Revenues	5,938	72,718	78,656	12,639
Other Non-Operating Expenses	0	0	0	(10,834)
Depreciation	857,870	867,923	1,725,793	0
Amortization	171,873	0	171,873	0
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	(80,224)	(30,475)	(110,699)	0
(Increase) Decrease in Interfund Receivable	19	0	19	(871,501)
(Increase) Decrease in Materials and Supplies Inventory	1,100	(1,853)	(753)	0
Increase (Decrease) in Accounts Payable	(9,484)	70,026	60,542	0
Increase in Accrued Wages and Benefits	550	4,683	5,233	0
Increase (Decrease) in Contracts Payable	30,839	(59,654)	(28,815)	0
Increase (Decrease) in Retainage Payable	(8,157)	6,234	(1,923)	0
Decrease in Compensated Absences Payable	(7,827)	(605)	(8,432)	0
Increase in Interfund Payable	9,509	11,390	20,899	0
Increase in Claims Payable	0	0	0	364,637
Increase (Decrease) in Intergovernmental Payable	(26,339)	(2,455)	(28,794)	433,502
<i>Net Cash Provided by Operating Activities</i>	<u>\$871,479</u>	<u>\$1,641,474</u>	<u>\$2,512,953</u>	<u>\$635,815</u>

Noncash Transactions:

During 2007, capital contributions from customers increased \$19,252 in the Sewer Enterprise Fund due to an increase in receivables for unbilled tap-in fees. Capital contributions from other funds increased by \$3,400 in the Water Enterprise Fund due to capital assets that were transferred from governmental activities.

See accompanying notes to the basic financial statements

Muskingum County, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2007

Assets

Equity in Pooled Cash and Cash Equivalents	\$13,427,005
Cash and Cash Equivalents in Segregated Accounts	802,100
Receivables:	
Permissive Motor Vehicle License Tax	3,373
Intergovernmental	4,032,879
Accounts	1,836,893
Property Taxes	53,966,342
Lodging Taxes	19,433
Payments in Lieu of Taxes	994,256
	<u>994,256</u>

<i>Total Assets</i>	<u><u>\$75,082,281</u></u>
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Liabilities

Intergovernmental Payable	\$69,192,361
Deposits Held and Due to Others	16,577
Undistributed Monies	5,873,343
	<u>5,873,343</u>

<i>Total Liabilities</i>	<u><u>\$75,082,281</u></u>
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See accompanying notes to the basic financial statements

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 1 - REPORTING ENTITY

Established in 1804, Muskingum County, Ohio (the County) is governed by a board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County who manage various segments of the County's operations are the County Auditor, County Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, two County Court Judges, two Common Pleas Court Judges, and a Probate Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and chief administrators of public services for the County, including each of these departments.

Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the County are not misleading.

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Muskingum County, this includes the Children Services Board, the Board of Mental Retardation and Developmental Disabilities, the Tuberculosis Clinic Board, the Board of Mental Health and Recovery Services, and all departments and activities that are directly operated by the elected county officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the program's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the levying of taxes, or the issuance of debt.

The component unit column in the combined financial statements identifies the financial data of the County's component units, the Transportation Improvement District and Muskingum Starlight Industries, Inc. They are discretely reported to emphasize that they are legally separate from the County.

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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

Muskingum Starlight Industries, Inc. is a legally separate, non-governmental, not-for-profit corporation, served by a self-supporting board of trustees. The workshop, under a contractual agreement with the Muskingum County Board of Mental Retardation and Developmental Disabilities (MRDD), provides sheltered employment for mentally retarded or handicapped adults in Muskingum County. The Muskingum County Board of MRDD provides the workshop with staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, and other funds as necessary for the operation of the workshop. Based on the significant services and resources provided by the County to the workshop and the workshop's sole purpose of providing assistance to the retarded and handicapped adults of Muskingum County, the workshop is presented as a component unit of Muskingum County. The nature and significance of the relationship between the primary government and the organization is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Separately entered into financial statements can be obtained from Muskingum Starlight Industries, Inc., Zanesville, Ohio.

The following potential component units have been excluded from the County's financial statements because the County is not financially accountable for these organizations nor are these entities for which the County approves the budget, the issuing of debt, or the levying of taxes:

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

As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the county treasury. In the case of the separate agencies, boards, and commissions listed below, the County serves as fiscal agent, but is not financially accountable for their operations. Accordingly, the activity of the following entities is presented as agency funds in the County's financial statements:

Zanesville-Muskingum County Health Department is governed by a five member board of health which oversees the operation of the health district and is elected by a regional advisory council. The board adopts its own budget, hires and fires its own staff, and operates autonomously from the County.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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

Muskingum County Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the State. The five supervisors of the Soil and Water Conservation District are elected officials authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, hire and fire staff, and do not rely on the County to finance deficits.

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

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

The County is associated with the following organizations which are defined as related organizations. Additional financial information concerning the related organizations is presented in Note 22.

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

The County is associated with the County Risk Sharing Authority, Inc. (CORSA), a public entity pool. Additional information concerning this organization is presented in Note 23.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The Statement of Net Assets and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

B. Fund Accounting

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

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

General Fund - The General Fund, the County's primary operating fund, accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Public Assistance Fund - To account for various federal and state grants as well as transfers from the General Fund, used to provide public assistance to general relief recipients and to pay their providers of medical assistance, and for certain public social services.

Motor Vehicle and Gasoline Tax Fund - To account for revenues derived from motor vehicle licenses, gasoline taxes, and grants. Ohio state law restricts expenditures in this fund to county road and bridge repair and improvement programs.

County Home Levy Fund - To account for revenues for room and board as well as property taxes used to administer and operate the County Home.

Starlight School Levy Fund - To account for property tax revenues and federal and state grants. Expenditures are restricted by state law to those that benefit the mentally retarded and the developmentally disabled. County expenditures have been for social service contracts, medical providers and costs to maintain and operate buildings and buses provided for the mentally retarded and developmentally disabled.

Children Services Levy Fund - To account for revenues derived from property taxes and state and federal funds. State law restricts the expenditure of these revenues to programs designed to aid homeless children or children from troubled families.

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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

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

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

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

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

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

C. Measurement Focus

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

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

D. Basis of Accounting

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2007, but which were levied to finance year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

E. Budgetary Process

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

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

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

Differences between the structures used for budgeting and the fund structure used for generally accepted accounting principles reporting should be disclosed as perspective differences. For the County, this includes three debt service funds. The Note Retirement Fund is combined with the Brandywine Loop Extension Special Revenue Fund and East Pointe Capital Projects Fund which is the fund that reflects the short-term note liability. The Sewer Debt Service Fund and the Water Debt Service Fund are combined with the appropriate enterprise funds in the Proprietary Fund Financial Statements.

F. Cash and Cash Equivalents

Cash balances of the County's funds, except cash held by a trustee, fiscal agent, or held in segregated accounts, are pooled and invested in short-term investments in order to provide improved cash management. During 2007, investments were limited to non-participating certificates of deposit and federal, state, and local agency securities. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Non-participating investment contracts are reported at cost or amortized cost. Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments. The County has segregated bank accounts for monies held separate from the County's central bank account. These interest bearing depository accounts are presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the County Treasury.

Interest revenue is distributed to the funds according to the Muskingum County Prosecutor's interpretation of Ohio constitutional and statutory requirements. During 2007, interest was distributed to the General Fund, and certain special revenue, capital projects, and agency funds. Interest revenue credited to the General Fund during 2007 amounted to \$3,468,645, which includes \$2,936,505 assigned from other County funds.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

G. Restricted Assets

Certain resources set aside for the guarantee of a component unit loan repayment are classified as restricted cash on the governmental balance sheet because its use is limited by applicable debt agreements. The governmental balance sheet is also showing restricted cash and cash equivalents for unspent debt proceeds. Restricted cash and cash equivalents in the General Fund represent the amount of unclaimed monies not available for appropriation. Restricted cash and cash equivalents in the Sewer and Water Enterprise Funds represent the amount of unspent debt proceeds and retainage payable as of December 31, 2007.

H. Receivables and Payables

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined material and substantiated not only by supporting documentation, but also, by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility. Using this criteria, the County has elected to not record child support arrearages. These amounts, while potentially significant, are not considered measurable, and because collections are often significantly in arrears, the County is unable to determine a reasonable value.

I. Inventory of Supplies

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

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

K. Interfund Balances

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

L. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The County was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

The County maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest costs incurred during the construction of capital assets utilized by the enterprise funds are also capitalized.

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

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

The County's infrastructure consists of roads, bridges, water and sewer lines, and sewer capacity and includes infrastructure acquired prior to 1980.

M. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the County's termination policy. The County records a liability for sick leave for employees after seven years of service at varying rates depending on County policy.

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

N. Accrued Liabilities and Long-Term Obligations

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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

O. Bond Premiums, Discounts, and Issuance Costs

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

On the governmental fund financial statements, governmental fund types recognize issuance costs and bond premiums or discounts in the period in which the related debt is issued. The face amount of the debt issue is reported as other financing sources. Premiums received or discounts paid on debt issuances are shown as other financing sources or uses on the governmental fund financial statements. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

P. Capital Contributions

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

Q. Fund Balance Reserves

The County records reservations for portions of fund balance which are legally segregated for specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, long-term contracts payable, loan guaranty, loans receivable, and claimants. Reservation for claimants is established because by law, unclaimed monies are not available for appropriation until they have remained unclaimed for five years. Reservations for long-term contracts payable and loan guaranty are both for the guarantee of component unit loan repayments.

R. Internal Activity

Internal allocations of overhead expenses from one program to another or within the same program are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated. Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

S. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes primarily include the guarantee of a component unit loan and also the net assets from the Motor Vehicle and Gasoline Tax, Starlight School Levy, and Children Services Levy Special Revenue Funds. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Net Assets reports \$30,760,092 of restricted net assets, of which no amounts were restricted by enabling legislation.

T. Operating Revenues and Expenses

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

U. Extraordinary and Special Items

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

V. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCES/NET ASSETS

A. Change in Accounting Principles

For 2007, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues", and GASB Statement No. 50, "Pension Disclosures".

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Notes to the Basic Financial Statements December 31, 2007

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the OPERS and the STRS post-employment healthcare plans in the amount of \$84,611 and \$0, respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the financial statements.

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the financial statements.

B. Restatement of Fund Balances/Net Assets

The fund balance in the Special Assessment Debt Service Fund was restated by \$113,661 as of December 31, 2006. The restatement was to increase Due to Others by \$113,661 for the over collection of Special Assessment Revenue from prior years. The fund balance decreased from \$345,747 to \$232,086 for this restatement. The Governmental Activities net assets decreased from \$116,945,163 to \$116,093,177 as of December 31, 2006 due to the increase in Due to Others and a reduction in Special Assessments Receivable.

Net assets in the Sewer and Water Enterprise Funds were restated by \$178,979 and (\$251,103), respectively, due to the restatement of the book value of capital assets from prior years. The Sewer Enterprise Fund's net assets were restated from \$25,769,903 to \$25,948,882 and the Water Enterprise Fund's net assets were restated from \$14,497,823 to \$14,246,720. The total Business-Type restated net assets as of December 31, 2006 decreased from \$40,267,726 to \$40,195,602.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

- C. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance.
- D. Unrecorded cash, unreported interest, and prepaid items are reported on the balance sheet (GAAP basis), but not on the budgetary basis.
- E. Cash that is held by the agency funds on behalf of County funds on a budget basis are allocated and reported on the balance sheet (GAAP basis) in the appropriate County fund.

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

	Net Change in Fund Balances General and Major Special Revenue Funds					
	General	Public Assistance	Motor Vehicle and Gasoline Tax	County Home Levy	Starlight School Levy	Children Services Levy
GAAP Basis	\$448,620	(\$776,497)	(\$171,509)	\$684,745	(\$177,516)	\$883,385
Net Adjustment for Revenue Accruals	508,535	81,392	(18,344)	13,638	(72,575)	136,390
Beginning of the Year:						
Unrecorded Cash	41,306	348,147	0	0	2,713	0
Unreported Interest	386,922	0	2,087	0	0	0
Agency Fund						
Cash Allocation	75,635	0	0	87,948	175,896	70,358
Prepaid Items	199,022	133	0	0	177	0
End of the Year:						
Unrecorded Cash	(39,798)	0	0	0	0	0
Unreported Interest	(268,838)	0	(1,970)	0	0	0
Agency Fund						
Cash Allocation	(85,222)	0	0	(99,095)	(198,190)	(79,276)
Prepaid Items	(240,344)	(5,388)	(5,545)	0	(21,881)	(1,222)
Net Adjustment for						
Expenditure Accruals	115,274	1,023,099	211,910	30,733	55,399	69,809
Transfers In	(40,083)	(13,000)	(5,417)	(6,500)	(11,917)	(8,667)
Transfers Out	42,792	0	0	0	0	0
Advances In	191,771	0	0	0	0	0
Advances Out	(192,261)	(19,760)	(8,235)	(10,567)	(19,566)	(12,997)
Encumbrances	(682,720)	(1,746,801)	(238,232)	0	(136,496)	(238,113)
Budget Basis	<u>\$460,611</u>	<u>(\$1,108,675)</u>	<u>(\$235,255)</u>	<u>\$700,902</u>	<u>(\$403,956)</u>	<u>\$819,667</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements
December 31, 2007

NOTE 5 - ACCOUNTABILITY AND COMPLIANCE

A. Accountability

The following funds had deficit fund balances/net assets as of December 31, 2007:

<u>Fund Type/Fund</u>	<u>Net Assets</u>
<u>Special Revenue Funds:</u>	
Public Assistance	\$947,136
Youth Services	3,047
Block Grants	30,094
Brandywine Loop Extension	665,041
Issue II Capital Projects Fund	112,166
Self-Insurance Health Internal Service Fund	83,616

The deficits in the governmental funds are due to the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides operating transfers for these funds but only as cash is required, not as deficits occur. The deficit in the Self-Insurance Health Internal Service Fund is due to accrued liabilities and the failure to adequately fund this program. In order to alleviate the deficit, the County will review rates at which other County funds are charged for the operation of this program.

B. Legal Compliance

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

	<u>Excess</u>
Motor Vehicle and Gasoline Tax Special Revenue Fund	
Intergovernmental	
Contractual Services	\$128,393
Highway Capital Projects Fund	
Capital Outlay	
Capital Outlay	174,147
Water Enterprise Fund	
Interest and Fiscal Charges	7,356

At the time the original appropriation measure was passed, the Public Assistance Special Revenue Fund had appropriations that exceeded estimated resources plus available balances in the amount of \$1,738,173, which is contrary to Section 5705.39, Revised Code.

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 6 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies 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.

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

Deposits held by the County, which are not considered active, are classified as inactive. Inactive monies may be deposited or invested in the following securities provided a written investment policy has been filed with the Ohio Auditor of State:

1. United States Treasury Bills, Notes, Bonds, or any other obligation or security entered into by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligations or securities entered into by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivision are located wholly or partly within the County;
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 (1) or (2) above, and repurchase agreements secured by such obligations, provided that these investments are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange similar securities or cash, equal value for equal value;

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

9. Commercial paper notes, corporate notes, and bankers' acceptances; and,
10. Debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and entered into by foreign nations diplomatically recognized by the United States government.

Repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not entered into or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Bankers' acceptances must mature within 180 days. Commercial paper and corporate notes must mature within 270 days. All other investments must mature within five years from the date of settlement unless matched to a specific obligation or debt of the County. Investments must be purchased with the expectation that they will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand

At year-end, the County had \$970,870 in undeposited cash on hand which is included on the financial statements of the County as part of "Equity in Pooled Cash and Cash Equivalents" and "Cash and Cash Equivalents in Segregated Accounts".

Deposits

Custodial Credit Risk Custodial Credit Risk for deposits is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year-end, \$62,850,975 of the County's bank balance of \$63,435,167 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

The County has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the County or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

At December 31, 2007, the County's Starlight School Levy Special Revenue Fund had a cash balance of \$1,541,311 with MEORC, a jointly governed organization (See Note 21). The money is held by MEORC in a pooled account which is representative of numerous entities and therefore cannot be classified by risk under GASB Statement 40. Any risk associated with the cash and cash equivalents and investments for MEORC as a whole may be obtained from their audit report. To obtain financial information, write to the Mid East Ohio Regional Council, Cathy Henthorn, who serves as Associate Director of Business, 160 Columbus Road, Mt. Vernon, Ohio 43050.

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

Investments

As of December 31, 2007, the County had the following investments. All investments are in an internal investment pool.

	Fair Value	Maturity	Percent of Total Investments	Rating	Rating Agency
Federal Home Loan Mortgage Corporation Bonds	\$150,074	2/8/2008 to 2/28/2011	18.76%	AAA	S&P
Federal National Mortgage Association Bonds	49,578	3/16/2009	6.20%	AAA	S&P
Federal Home Loan Bank Bonds	555,360	5/23/08 to 10/19/2016	69.44%	AAA	S&P
State and Local Government Series Bonds	<u>44,800</u>	7/1/2008 to 7/1/2014	<u>5.60%</u>	N/A	S&P
Total	<u>\$799,812</u>		<u>100.00%</u>		

Interest Rate Risk The County's investment policy does not address interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the County, and that an investment must be purchased with the expectation that it will be held to maturity. The intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk The County has no investment policy that addresses credit risk.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no investment policy dealing with investment custodial credit risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk The County places no limit on the amount it may invest in any one issuer. The percentage of total investments is listed in the table above.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Property tax revenue received during 2007 for real and public utility property taxes represents collections of 2006 taxes. Property tax payments received during 2007 for tangible personal property (other than public utility property) is for 2007 taxes.

2007 real property taxes are levied after October 1, 2007, on the assessed value as of January 1, 2007, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2007 real property taxes are collected in and intended to finance 2008.

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Notes to the Basic Financial Statements December 31, 2007

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2007 public utility property taxes became a lien December 31, 2006, are levied after October 1, 2007, and are collected in 2008 with real property taxes.

2007 tangible personal property taxes are levied after October 1, 2006, on the value as of December 31, 2006. Collections are made in 2007. Tangible personal property assessments are being phased out - the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008, and zero for 2009.

The full tax rate for all County operations for the year ended December 31, 2007, was \$14.05 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property	\$1,385,855,630
Public Utility Personal Property	72,610,030
General Business	54,023,109
Total Assessed Value	<u><u>\$1,512,488,769</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2007 and for which there is an enforceable legal claim. In the General Fund and the County Home Levy, Starlight School Levy, Children Services Levy, Tuberculosis Clinic, Senior Citizens Levy, Mental Health Levy, and Sheriff Levy Special Revenue Funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2007 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

NOTE 8 - PERMISSIVE SALES AND USE TAXES

In 1971, the County Commissioners by resolution imposed a one-half percent tax, and an additional one-half percent tax in 1982 and 1993, respectively, on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to sales tax. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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 Office of Budget and Management then has five days in which to draw the warrant payable to the County. Proceeds of the tax are credited entirely to the General Fund.

NOTE 9 - RECEIVABLES

Receivables at December 31, 2007, consisted of taxes, payments in lieu of taxes, accounts (billings for user charged services, including unbilled utility services and tap-in fees that the County is allowing property owners to pay over time), special assessments, interfund, loans, and intergovernmental receivables arising from grants, entitlements and shared revenues. A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Homestead and Rollback	\$1,028,213
Local Government Subsidies	739,317
Breakfast/Lunch Reimbursement	10,426
Public Defender	88,780
Housing of Prisoners	2,400
Detention Reimbursements	47,308
Estate Taxes	14,197
MVL Distribution	1,338,191
Gasoline Excise Tax	1,168,574
Ohio Children's Trust Grant	13,832
911 Wireless Grant	17,893
Victims of Criminal Account Grant	32,061
JAG Grant	13,953
Emergency Performance Grant	13,945
Community Development Block Grants	823,408
Jail Reduction Grant	14,895
Community Corrections Grant	107,555
Reclaim Ohio Grant	84,469
Recycling and Litter Grant	6,667
Youth and Community Partnership Grant	1,819
Children Services Grants and Subsidies	182,799
Child Support Enforcement Grants and Subsidies	24,530
Starlight School Levy Grants and Subsidies	316,029
Miscellaneous Intergovernmental Receivables	24,808
Total Governmental Activities	<u>6,116,069</u>
<u>Business - Type Activities</u>	
Community Development Block Grants	23,925
Total Intergovernmental Receivables	<u><u>\$6,139,994</u></u>

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for non-payment. Management believes all other receivables are fully collectible within one year, except for property taxes, payments in lieu of taxes, special assessments, and loans. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Special assessments relating to the payment of debt are not expected to be collected within one year. Payments in lieu of taxes and a portion of loans receivables, although ultimately collectible, will not be collected within one year. The amount not scheduled for collection during the subsequent year is \$595,208. The County has \$23,105 in delinquent special assessments at December 31, 2007.

The County is reflecting a \$363,229 loan receivable in the Debt Service Fund with \$20,000 to be received during 2008. This is the result of a loan made to the County Fairboard during 2002. The remaining amount of loans receivable of \$339,289 in the General Fund represents two loans made to the Zanesville-Muskingum County Port Authority. The first loan was entered into during 2006 in the amount of \$289,289. \$200,000 of this loan was repaid in September 2007, with the remaining \$89,289 to be repaid by February 29, 2008. The second loan was entered into during 2007 and is to be repaid to the County by February 28, 2008.

The County entered into Tax Increment Financing Agreements with The Longaberger Company during 1999 and Lowe's Home Center, Inc. during 1994 for the construction of a distribution center and infrastructure improvements. To encourage these improvements, the companies were granted an exemption from paying any property taxes on the new construction; however, payments in lieu of taxes are made to the County in an amount equal to the real property taxes that otherwise would have been due. These payments are being used to finance the above improvements and will continue until the earlier of 30 years or until the revenue in lieu of taxes equals or exceeds the costs of the improvements. A receivable for the amount that will be received by the County in 2008 has been recorded in the Redevelopment Tax Equivalent and the Brandywine Loop Extension Special Revenue Funds. The receivables represent amounts measurable at December 31, 2007.

During 2007 and in previous years, several tax abatement agreements were entered into between the County and local businesses to encourage economic growth in the County. In addition to the abatements, the businesses also agreed to make tax increment financing payments in lieu of taxes. Each agreement states a specified percentage that the businesses will pay based on what the property taxes would normally have been. During 2007, the County re-negotiated these set payment amounts due to the reduction in personal property assessments. The receivables have been recorded in each of the levied funds. The County is not able to record a receivable for the entire amount of all payments because the payments are based upon projected collections.

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2007, was as follows:

	Balance December 31, 2006	Additions	Reductions	Transfers	Balance December 31, 2007
<u>Governmental Activities</u>					
Non-Depreciable Capital Assets:					
Land	\$6,192,040	\$15,080	(\$12,960)	\$0	\$6,194,160
Land Improvements	32,324,079	0	(263,158)	0	32,060,921
Construction in Progress	0	32,490	0	0	32,490
Total Non-Depreciable Capital Assets	<u>38,516,119</u>	<u>47,570</u>	<u>(276,118)</u>	<u>0</u>	<u>38,287,571</u>
Depreciable Capital Assets:					
Buildings	39,590,236	139,190	(72,500)	0	39,656,926
Machinery, Equipment, Furniture and Fixtures	6,107,015	693,763	(632,128)	0	6,168,650
Vehicles	5,338,903	386,722	(262,277)	(27,119)	5,436,229
Infrastructure	50,507,282	1,672,371	(1,943,850)	0	50,235,803
Total Depreciable Capital Assets	<u>101,543,436</u>	<u>2,892,046</u>	<u>(2,910,755)</u>	<u>(27,119)</u>	<u>101,497,608</u>
Accumulated Depreciation:					
Buildings	(7,633,471)	(791,806)	72,500	0	(8,352,777)
Machinery, Equipment, Furniture and Fixtures	(4,301,082)	(441,752)	441,268	0	(4,301,566)
Vehicles	(4,219,734)	(478,192)	237,423	23,719	(4,436,784)
Infrastructure	(19,819,464)	(2,316,439)	1,106,707	0	(21,029,196)
Total Accumulated Depreciation	<u>(35,973,751)</u>	<u>(4,028,189) *</u>	<u>1,857,898</u>	<u>23,719</u>	<u>(38,120,323)</u>
Total Depreciable Capital Assets, Net	<u>65,569,685</u>	<u>(1,136,143)</u>	<u>(1,052,857)</u>	<u>(3,400)</u>	<u>63,377,285</u>
Governmental Capital Assets, Net	<u>\$104,085,804</u>	<u>(\$1,088,573)</u>	<u>(\$1,328,975)</u>	<u>(\$3,400)</u>	<u>\$101,664,856</u>

*Depreciation expense was charged to governmental activities as follows:

General Government:	
Legislative and Executive	\$289,171
Judicial	143,454
Public Safety	384,454
Public Works	2,782,390
Health	56,942
Human Services	371,778
Total Depreciation Expense	<u>\$4,028,189</u>

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

	Balance December 31, 2006	Additions	Reductions	Transfers	Balance December 31, 2007
<u>Business - Type Activities</u>					
Non-Depreciable Capital Assets:					
Land	\$199,100	\$0	\$0	\$0	\$199,100
Construction in Progress	2,960,616	2,172,595	(3,593,230)	0	1,539,981
Total Non-Depreciable Capital Assets	<u>3,159,716</u>	<u>2,172,595</u>	<u>(3,593,230)</u>	<u>0</u>	<u>1,739,081</u>
Depreciable Capital Assets:					
Buildings	631,558	177,418	0	0	808,976
Machinery, Equipment, Furniture and Fixtures	79,470	254,604		0	334,074
Vehicles	647,203	49,342	0	27,119	723,664
Infrastructure	73,233,310	3,958,292	(303,518)	0	76,888,084
Total Depreciable Capital Assets	<u>74,591,541</u>	<u>4,439,656</u>	<u>(303,518)</u>	<u>27,119</u>	<u>78,754,798</u>
Accumulated Depreciation:					
Buildings	(337,007)	(18,175)	0	0	(355,182)
Machinery, Equipment, Furniture and Fixtures	(62,808)	(56,865)	0	0	(119,673)
Vehicles	(543,274)	(51,059)	0	(23,719)	(618,052)
Infrastructure	(20,554,912)	(1,771,567)	166,887	0	(22,159,592)
Total Accumulated Depreciation	<u>(21,498,001)</u>	<u>(1,897,666) *</u>	<u>166,887</u>	<u>(23,719)</u>	<u>(23,252,499)</u>
Total Depreciable Capital Assets, Net	<u>53,093,540</u>	<u>2,541,990</u>	<u>(136,631)</u>	<u>3,400</u>	<u>55,502,299</u>
Business - Type Activities Capital Assets, Net	<u>\$56,253,256</u>	<u>\$4,714,585</u>	<u>(\$3,729,861)</u>	<u>\$3,400</u>	<u>\$57,241,380</u>

*Of this amount, \$171,873 is presented as amortization expense on the Statement of Changes in Fund Net Assets relating to the County's purchased sewer capacity which is included in the above table as part of infrastructure.

NOTE 11 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; employee injuries; and natural disasters. The County contracts with County Risk Sharing Authority, Inc. (CORSA) to address property, liability, and crime insurance coverage. CORSA, a non-profit corporation sponsored by the County Commissioners Association of Ohio, was created to provide affordable liability, property, casualty, and crime insurance coverage for its members and was established May 12, 1987. In addition, the County contracts with Hartford Steam Boiler Inspection and Insurance Company for boiler and machinery coverage. Coverage is as follows:

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Property Coverage:

Property	\$112,953,573 replacement cost value
Equipment Breakdown	\$100,000,000 replacement cost value
Crime	\$1,000,000

Liability Coverage:

Automobile Liability	\$1,000,000 each occurrence
Uninsured/Underinsured Motorists	\$250,000 each occurrence
General Liability	\$1,000,000 each occurrence
Stop Gap Liability	\$1,000,000 each occurrence
Medical Professional Liability	\$6,000,000 each occurrence
Law Enforcement Liability	\$1,000,000 each occurrence
Errors and Omissions Liability	\$1,000,000 each occurrence
	\$1,000,000 annual aggregate
Excess Liability	\$5,000,000

<u>Boiler and Machinery Coverage</u>	\$100,000,000 limit
--------------------------------------	---------------------

The deductible on the above coverage for each occurrence is \$5,000.

Settlements have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

The County maintains a limited risk health insurance program for employees through McKinley Life Insurance Company. Premiums are paid to a third party administrator, Aultra Administrative Group. The claims are processed and monitored by a County insurance administrator in conjunction with the third party administrator. An internal service fund is presented in the financial statements and reflects premiums paid into the Self-Insurance Health Internal Service Fund by other funds which are available to pay claims and administrative costs, and establish claim reserves. An excess coverage insurance policy covers annual individual claims in excess of \$100,000 and aggregate annual claims in excess of \$9,122,206.

The County participates in the State Workers' Compensation retrospective rating and payment program. Under the retrospective rating program, the County accumulates workers' compensation premiums in a self-insurance internal service fund based upon rates determined by their third party administrator. A portion of the premiums are paid to the State of Ohio to cover administrative fees, while the remaining premiums are maintained in the fund and used to pay claims as they are billed by the State. Claims are billed to the County one year in arrears. Participation in the plan is approved on a yearly basis and is limited to counties that can meet the plan's selection criteria. The County contracts with the firm of Gates McDonald to provide administrative, costs controls, and actuarial services for the plan.

The claims liabilities of the Self-Insurance Health and Self-Insurance Workers' Compensation Internal Service Funds of \$1,265,000 and \$390,426, respectively, reported at December 31, 2007 are based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Amounts reported were provided by the County's third party administrators. Changes in the funds' claims liability in 2006 and 2007 were:

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

Fund	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
Self Insurance Health				
2006	\$1,228,000	\$7,064,793	\$7,021,793	\$1,271,000
2007	1,271,000	6,897,348	6,903,348	1,265,000
Self-Insurance				
Workers' Compensation				
2006	14,282	6,522	1,015	19,789
2007	19,789	377,287	6,650	390,426

NOTE 12 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The County participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2007, members in state and local classifications contributed 9.5% of covered payroll, public safety members contributed 9.75%, and law enforcement members contributed 10.1%.

The County's contribution rate for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety, for whom the County's contribution was 17.17 percent of covered payroll. For the period January 1 through June 30, a portion of the County's contribution equal to 5 percent of covered payroll was allocated to fund the post-employment health care plan; for the period July 1 through December 31, 2007 this amount was increased to 6 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the County of 14 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

The County's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2007, 2006, and 2005 were \$2,881,675, \$3,021,972, and \$3,056,549 respectively; 96 percent has been contributed for 2007 and 100 percent for 2006 and 2005. Contributions to the member-directed plan for 2007 were \$59,072 made by the County and \$40,519 made by the plan members.

B. State Teachers Retirement System (STRS)

Plan Description - Certified teachers, employed by the school for Mental Retardation and Developmental Disabilities, participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand alone financial report that may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service or an allowance based on member contributions and earned interest matched by STRS Ohio funds, times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits.

Funding Policy - For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The County was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The County's required contributions for pension obligations to the DB Plan for the years ended December 31, 2007, 2006, and 2005 were \$116,740, \$114,015, and \$123,694, respectively; 100 percent has been contributed for years 2007, 2006, and 2005. Contributions to the DC and Combined plans for 2007 were \$237 made by the County and \$226 made by the plan members.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 13 - POST-EMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System (OPERS)

Plan Description - OPERS maintains a cost sharing multiple employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined pension plans. Members of the member directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 4642 or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2007, local government employers contributed 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. The amount of the employer contributions which was allocated to fund post-employment health care was 5.00 percent of covered payroll from January 1 through June 30, 2007, and 6.00 percent from July 1 to December 31, 2007.

The retirement board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006, and 2005 were \$1,882,152, \$1,424,316 and \$1,236,272 respectively; 96 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

On September 9, 2004 the OPERS Retirement Board adopted a Health Care Preservation Plan which was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

B. State Teachers Retirement System (STRS)

Plan Description - Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple employer health care plan to eligible retirees who participated in the defined benefit or the combined pension plans and their eligible family members. Coverage includes hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. Benefit provisions and the obligation to contribute are established by the STRS Ohio based on authority granted by State statute.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio.

STRS Ohio issues a financial report that includes financial information for the health care plan. Interested parties can view the most recent report at www.strsoh.org or obtain a copy by calling (888) 227-7877.

Funding Policy - Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14 percent employer contribution rate, 1 percent of covered payroll was allocated to post-employment health care for the years ended June 30, 2007, 2006 and 2005. The 14 percent contribution is the maximum rate allowed under Ohio law.

All benefit recipients pay a portion of the health care cost in the form of a monthly premium. The County's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2007, 2006, and 2005 were \$8,980, \$8,770 and \$9,515 respectively; 100 percent has been contributed for years 2007, 2006, and 2005.

NOTE 14 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County. Accumulated, unused sick leave and compensatory time are paid upon retirement to an employee at varying rates depending on length of service and department policy.

B. Other Health Insurance Options

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

C. Early Retirement Incentive

In previous years, the County has offered multiple one-time retirement incentives. The amount of the incentives is based upon the employees' salaries and years of credit needed to be purchased to take advantage of this option. The OPERS requirements vary in that the County can pay for this cost in one-lump sum or over a period of years. The option chosen by the County depends upon the fund balances at the time these payments are due. This incentive stopped being offered on June 30, 2007.

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

NOTE 15 - CAPITAL LEASES-LESSEE DISCLOSURE

In prior years, the County has entered into capitalized leases for copiers, postage machines, excavators, chispreader, and a trailer. During 2007, the County entered into four capital leases. The General Fund's Building Department entered into a capital lease for a copier. Capital leases for postage machines were entered into by the Public Assistance and Children Support Enforcement Agency Special Revenue Funds. The engineer's office entered in a capital lease for a wheelloader. Each lease meets the criteria of a capital lease set forth in the Statement of Financial Accounting Standards No. 13 "Accounting for Leases", which defines a capital lease as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements for the governmental funds.

Equipment acquired by lease has been capitalized in government-wide statements governmental activities in the amount of \$899,790, which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide statements as part of governmental activities. Governmental activities capitalized leased assets are reflected net of accumulated depreciation in the amount of \$783,987 at December 31, 2007. Principal payments towards capital leases during 2007 totaled \$200,773 for governmental activities. The County traded-in assets of the governmental activities obtained through a capital leases within the current year. The principal amount of \$5,949 was forgiven for governmental activities by the leasing companies since the County reentered into new leases.

Future minimum lease payments through 2012 for governmental activities are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2008	\$172,733	\$22,443
2009	142,200	14,572
2010	148,913	7,857
2011	9,247	805
2012	7,453	129
Total	<u>\$480,546</u>	<u>\$45,806</u>

NOTE 16 - CONTRACTUAL COMMITMENTS

As of December 31, 2007, the County had contractual purchase commitments for the following projects:

<u>Project</u>	<u>Fund</u>	<u>Purchase Commitments</u>	<u>Amounts Paid as of 12/31/2007</u>	<u>Amounts Remaining on Contracts</u>
Tucker Road Waterline Extension	Water Enterprise	\$35,035	\$29,999	\$5,036
Water Supply Line	Water Enterprise	723,974	552,281	171,693
Bartlett Run Sewer	Sewer Enterprise	4,716,158	4,706,525	9,633
Southern Hills	Sewer Enterprise	106,812	95,801	11,011
Coopermill Road Sanitary Sewer	Sewer Enterprise	151,300	94,226	57,074
		<u>\$5,733,279</u>	<u>\$5,478,832</u>	<u>\$254,447</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 17 - LONG-TERM OBLIGATIONS

Changes in the County's long-term obligations during 2007 consist of the following:

	Outstanding 12/31/2006	Additions	Deletions	Outstanding 12/31/2007	Amounts Due Within One Year
Governmental Activities					
General Obligation Bonds:					
1999 Various Interest Rate Child Support Enforcement Building Bonds - \$4,000,000	\$2,990,000	\$0	\$170,000	\$2,820,000	\$175,000
1999 Various Interest Rate Juvenile Detention Facility Bonds - \$5,000,000	3,745,000	0	210,000	3,535,000	220,000
1998 Variable Interest Rate County Facilities Refunding Bonds - \$6,905,000	3,950,000	0	405,000	3,545,000	440,000
2002 Various Interest Rate Various Purpose Serial Bonds - \$1,670,000	1,270,000	0	110,000	1,160,000	110,000
2002 Various Interest Rate Various Purpose Term Bonds - \$1,085,000	1,085,000	0	0	1,085,000	0
2006 Various Interest Rate Various Purpose Serial Bonds - \$600,000	600,000	0	5,000	595,000	5,000
2006 Various Interest Rate Various Purpose Term Bonds - \$600,000	260,000	0	0	260,000	0
Bond Premium	903	0	48	855	0
Total General Obligation Bonds	13,900,903	0	900,048	13,000,855	950,000
Special Assessment Debt with Governmental Commitment:					
1989 7.89% Falls Special Assessment OWDA - \$957,246	119,659	0	47,862	71,797	47,862
1989 7.89% Maysville Special Assessment OWDA - \$445,478	133,645	0	17,819	115,826	17,819
1996 Variable Interest Nob Hill Special Assessment Bonds - \$610,000	395,000	0	30,000	365,000	30,000
2002 Various Interest Rate Ash Meadows Special Assessment Serial Bonds - \$130,000	100,000	0	10,000	90,000	10,000
2002 Various Interest Rate Ash Meadows Special Assessment Term Bonds - \$85,000	85,000	0	0	85,000	0
2003 Various Interest Rate Capital Facilities Refunding Serial Bonds - \$64,000	53,500	0	3,500	50,000	3,500
2003 Various Interest Rate Capital Facilities Refunding Term Bonds - \$17,000	17,000	0	0	17,000	0
Deferred Amount on Refunding	(9,108)	0	(414)	(8,694)	0
Total Special Assessment Debt	894,696	0	108,767	785,929	109,181
Compensated Absences	2,959,691	1,942,364	1,697,951	3,204,104	1,551,495
Workers' Compensation Claims Payable	0	390,426	0	390,426	70,037
Long-Term Contracts Payable - TID	12,826,924	0	1,013,533	11,813,391	1,050,888
Capital Lease	491,220	196,048	206,722	480,546	172,733
Early Retirement Incentive Payable	626,532	619,645	344,834	901,343	314,016
Total Governmental Activities	\$31,699,966	\$3,148,483	\$4,271,855	\$30,576,594	\$4,218,350

(continued)

Muskingum County, Ohio

Notes to the Basic Financial Statements
December 31, 2007

(continued)

	Outstanding 12/31/2006	Additions	Deletions	Outstanding 12/31/2007	Amounts Due Within One Year
Business - Type Activities					
General Obligation Bonds:					
1999 Various Interest Rate East Muskingum General Obligation					
Refunding Bonds - \$1,365,000	\$1,115,000	\$0	\$35,000	\$1,080,000	\$35,000
Unamortized Accounting Loss	(24,353)	0	(1,137)	(23,216)	0
2002 Various Interest Rate Sewer Improvement Serial Bonds - \$940,000					
	715,000	0	60,000	655,000	65,000
2002 Various Interest Rate Sewer Improvement Term Bonds - \$605,000					
	605,000	0	0	605,000	0
2003 Various Interest Rate Capital Facilities Refunding Serial Bonds - \$7,641,000					
	6,756,500	0	306,500	6,450,000	311,500
2003 Various Interest Rate Capital Facilities Refunding Term Bonds - \$2,078,000					
	2,078,000	0	0	2,078,000	0
Bond Discount	(13,464)	0	(612)	(12,852)	0
Deferred Amount on Refunding	(655,367)	0	(34,442)	(620,925)	0
2006 Various Interest Rate Sewer Improvement Serial Bonds - \$5,995,000					
	5,995,000	0	270,000	5,725,000	280,000
2006 Various Interest Rate Sewer Improvement Term Bonds - \$2,125,000					
	2,125,000	0	0	2,125,000	0
Bond Premium	8,132	0	399	7,733	0
Total General Obligation Bonds	18,704,448	0	635,708	18,068,740	691,500
Long Term Bond Anticipation Note:					
2007 Bartlett Run Sanitary Sewer - \$5,635,000	0	5,635,000	0	5,635,000	0
Revenue Bonds:					
1990 5.00% Avondale Sewer Revenue Bonds - \$179,000					
	143,700	0	3,200	140,500	3,400
2002 4.5% Adamsville Sewer Revenue Bonds - \$387,000					
	363,000	0	7,000	356,000	7,000
2002 4.5% Adamsville Sewer Revenue Bonds - \$46,000					
	37,000	0	3,000	34,000	3,000
Total Revenue Bonds	543,700	0	13,200	530,500	13,400
OWDA Loans:					
1989 7.89% Maysville Mortgage Revenue OWDA - \$474,813					
	242,277	0	24,946	217,331	26,915
2002 1.5% Gaysport Waterline Extension OWDA - \$1,231,757					
	1,080,289	0	35,066	1,045,223	35,593
2002 1.5% Adamsville Water Project OWDA - \$749,580					
	657,405	0	21,339	636,066	21,660
2003 1.5% Coal Run Water Extension OWDA - \$264,201					
	242,786	0	7,354	235,432	7,465
2003 1.5% Chandlersville Waterlines OWDA - \$1,026,608					
	929,159	0	28,792	900,367	29,225
2004 1.5% Chandlersville Waterlines OWDA - \$21,844					
	20,373	0	604	19,769	613
2006 Nashport Waterline OWDA - \$486,702					
	232,289	152,150	20,011	364,428	0
2007 Adamsville Waterline Extension OWDA - \$291,644					
	0	291,644	11,141	280,503	0
Total OWDA Loans	3,404,578	443,794	149,253	3,699,119	121,471
Compensated Absences	79,547	41,796	50,228	71,115	40,223
Total Business - Type Activities	\$22,732,273	\$6,120,590	\$848,389	\$28,004,474	\$866,594

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Governmental Activities

General Obligation Bonds

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

The 1998 County Facilities Refunding Bonds were used to refund \$1,745,000 of the outstanding 1990 County Office Building Improvement Bonds, and \$4,545,000 of outstanding 1992 County Jail Facilities Bonds. \$6,760,654 (after discount, underwriting fees, and other issuance costs) was deposited in an irrevocable trust to provide for all future debt service payments on the refunded 1990 County Office Building Bonds and the 1992 County Jail Facilities Bonds. These refunded bonds were fully called during 2002. The refunding bonds will be repaid from building rent and property taxes.

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

On July 18, 2006, the County issued \$600,000 in various interest rate Various Purpose Serial Bonds and \$260,000 in various interest rate Various Purpose Term Bonds. The proceeds of these bonds retired bond anticipation notes that were used make improvements to the Job and Family Services building. The bonds were sold at a premium of \$903 that will be amortized over the life of the bonds using the straight-line method. Issuance costs associated with the bond issue in the amount of \$9,731 are deferred and will be amortized over the life of the bonds using the straight-line method. These bonds are backed by the full faith and credit of the County and are paid from property taxes.

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

Year Ending December 31,	Principal	Interest	Total
2008	\$950,000	\$630,885	\$1,580,885
2009	975,000	589,810	1,564,810
2010	1,050,000	539,952	1,589,952
2011	885,000	492,362	1,377,362
2012	930,000	451,238	1,381,238
2013-2017	5,410,000	1,520,656	6,930,656
2018-2022	2,525,000	341,191	2,866,191
2023-2026	275,000	31,514	306,514
Total	<u>\$13,000,000</u>	<u>\$4,597,608</u>	<u>\$17,597,608</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Special Assessment Bonds

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

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

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

On December 1, 2003, the County issued \$10,000,000 of Various Purpose General Obligation Capital Facilities refunding bonds that consisted of \$7,905,000 in serial bonds and \$2,095,000 in term bonds with varying interest rates from 1.15% to 4.625%. Proceeds of \$64,000 in serial bonds and \$17,000 in term bonds of the proceeds were used to refund the outstanding 1990 Avondale Special Assessment Bonds.

All special assessment bonded debt will be repaid from the proceeds of special assessments levied against benefited property owners. In the event the property owners do not pay their assessments, the County would be responsible for the debt service payment. Special assessment bond debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2008	\$43,500	\$33,593	\$77,093
2009	48,500	31,276	79,776
2010	48,500	28,606	77,106
2011	48,500	25,907	74,407
2012	53,000	23,190	76,190
2013-2017	255,000	65,722	320,722
2018-2022	90,000	17,556	107,556
2023-2027	15,000	3,214	18,214
2028-2029	5,000	347	5,347
Total	<u>\$607,000</u>	<u>\$229,411</u>	<u>\$836,411</u>

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

Year Ending December 31,	Principal	Interest	Total
2008	\$65,681	\$14,803	\$80,484
2009	41,751	9,621	51,372
2010	17,819	6,327	24,146
2011	17,819	4,921	22,740
2012	17,819	3,515	21,334
2013-2014	26,734	2,811	29,545
Total	<u>\$187,623</u>	<u>\$41,998</u>	<u>\$229,621</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Mandatory Redemptions for Governmental General Obligation and Special Assessment Bonds

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

<u>Year</u>	<u>Amount</u>
2017	\$170,000
2018	180,000
	<u>\$350,000</u>

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

<u>Year</u>	<u>Amount</u>
2020	\$200,000
2021	210,000
	<u>\$410,000</u>

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

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

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

<u>Year</u>	<u>Amount</u>
2026	\$3,000
2027	3,000
2028	2,500
	<u>\$8,500</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements
December 31, 2007

The various purpose 2006 bond issue consisted of serial and term bonds. Governmental activities general obligation bonds in the amount of \$115,000 mature in the year 2022 and \$145,000 mature in the year 2026. The bonds maturing on December 1, 2022 are subject to mandatory sinking fund redemption in part by lot on December 1, 2021 (with the balance of \$60,000 to be paid at stated maturity on December 1, 2022) at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
2021	\$55,000

The term bonds maturing on December 1, 2026 are subject to mandatory sinking fund redemption in part by lot on December 1, 2025 (with the balance of \$75,000 to be paid at stated maturity on December 1, 2026) at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
2025	\$70,000

Optional Redemptions

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

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

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

The series 2006 bonds maturing on or after December 1, 2017 are subject to prior redemption on or after December 1, 2016 by and at the sole option of the County, either in whole or in part on any date and in integral multiples of \$5,000, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date.

Compensated Absences

The County will pay compensated absences from the General Fund and the Public Assistance, Motor Vehicle and Gasoline Tax, County Home Levy, Starlight School Levy, Children Services Levy, Dog and Kennel, Child Support Enforcement Agency, Real Estate Assessment, Delinquent Real Estate Tax and Assessment Collection, Tuberculosis Clinic, Block Grants, Community Correction, Home Detention (Electronic Monitor), Senior Citizens Levy, Felony Delinquent Care and Custody, Court Computer, and Certificate of Title Administration Special Revenue Funds.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Workers' Compensation Claims Payable

The County has a liability for workers' compensation as part of the State Workers' Compensation retrospective rating and payment program. The County will pay the claims payable from the General Fund, Public Assistance, Motor Vehicle and Gasoline Tax, County Home, Starlight School Levy, Children Services, Dog and Kennel, Child Support Enforcement Agency, Real Estate Assessment, Drug Abuse Resistance Education, Miscellaneous Federal Grants, Access Visitation, Delinquent Real Estate Tax and Assessment Collection, Tuberculosis Clinic, Youth Services, Block Grants, Community Corrections, Home Detention, Senior Citizens Levy, Felony Delinquent Care and Custody, Victim of Criminals, Certificate of Title, and Sheriff Levy Special Revenue Funds, Court Computer Capital Projects Fund, and Sewer and Water Enterprise Funds using payments made to the internal service fund.

Long-Term Contracts Payable

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

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

As collateral for the loan, the State Infrastructure Bank has received an assignment of all use payments from the County and an assignment of tax increment financing from the Longaberger Company. As of December 31, 2007, the District had drawn down the total authorized amount of \$11,464,129 from the loan and Muskingum County has established a guaranty fund to collateralize the loan.

In March 2003, the District obtained approval for an additional State Infrastructure Loan to finance design/revisions and completion of the Northpointe Drive Project. The proposed terms call for a loan amount of \$4,010,000, plus the refinancing of projected accumulated interest in the amount of \$121,202 to be repaid over 10 years. As of December 31, 2007, the District had drawn down the total authorized amount of \$4,131,202.

Based upon the cooperative agreement, the County's financial statements reflect a long-term contract payable in the amount of \$11,813,391 at December 31, 2007. The long-term contracts payable amount reported in the County's financial statements is also reflected on the Transportation Improvement District's financial statements as a loan payable to the State Infrastructure Bank. The County has pledged non-tax revenues for the purpose of making the required use payments.

Capital Leases

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Early Retirement Incentive Payable

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

Business-Type Activities

General Obligation Bonds

During 1999, the County issued \$1,365,000 in East Muskingum Sewer General Obligation Refunding Bonds. The proceeds were used to pay \$1,292,100 in outstanding 1990 East Muskingum Sewer Revenue bonds which resulted in a current refunding of the 1990 bonds outstanding. These refunding bonds will be repaid from Sewer Enterprise Fund revenues. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price. This difference, reported in the accompanying financial statements as an increase to bonds payable, is being amortized to interest expense through the year 2029 using the straight-line method. The amount amortized for 2007 is \$1,137. The County completed the current refunding to reduce its total debt service payments over the remaining 16 years of the refunded bonds. Issuance costs associated with the bond issue in the amount of \$26,053 are deferred and will be amortized over the life of the bonds using the straight-line method.

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

On December 1, 2003, the County issued \$10,000,000 of Various Purpose General Obligation Capital Facilities Refunding Bonds that consisted of \$7,905,000 in serial bonds and \$2,095,000 in term bonds with varying interest rates from 1.15% to 4.625%. \$930 of the proceeds was used to refund outstanding Avondale general obligation bonds. \$9,718,070 of the proceeds were used to refund outstanding East Muskingum Sewer Revenue Bonds, East Muskingum Series F Improvement Bonds, and Water Resource Revenue Bonds.

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

During 2006, the County issued \$5,995,000 in various interest rate Various Purpose Serial Bonds and \$2,125,000 in various interest rate Various Purpose Term Bonds. The proceeds of these bonds were used to purchase increased sewer capacity from the City of Zanesville. The bonds were sold at a premium of \$8,132 that will be amortized over the life of the bonds using the straight-line method. Issuance costs associated with the bond issue in the amount of \$129,304 are deferred and will be amortized over the life of the bonds using the straight-line method. These bonds are backed by the full faith and credit of the County and will be repaid from Sewer Enterprise Fund revenues.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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

Year Ending December 31,	Principal	Interest	Total
2008	\$691,500	\$791,698	\$1,483,198
2009	706,500	768,925	1,475,425
2010	731,500	743,303	1,474,803
2011	756,500	716,321	1,472,821
2012	782,000	687,056	1,469,056
2013-2017	4,440,000	2,929,782	7,369,782
2018-2022	5,460,000	1,911,346	7,371,346
2023-2027	4,880,000	642,913	5,522,913
2028-2030	270,000	25,553	295,553
Total	\$18,718,000	\$9,216,897	\$27,934,897

Mandatory Redemptions for Business-Type General Obligation Bonds

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

Year	Amount
2017	\$85,000
2018	90,000
	\$175,000

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

Year	Amount
2020	\$105,000
2021	110,000
	\$215,000

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

Year	Amount
2024	\$552,000

Muskingum County, Ohio

Notes to the Basic Financial Statements
December 31, 2007

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

<u>Year</u>	<u>Amount</u>
2026	\$597,000
2027	82,000
2028	82,500
2029	95,000
	<u>\$856,500</u>

The various purpose 2006 bond issue consisted of serial and term bonds. Business-type general obligation bonds in the amount of \$970,000 mature in the year 2022 and \$1,155,000 mature in the year 2026. The bonds maturing on December 1, 2022 are subject to mandatory sinking fund redemption in part by lot on December 1, 2021 (with the balance of \$495,000 to be paid at stated maturity on December 1, 2022) at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
2021	\$475,000

The term bonds maturing on December 1, 2026 are subject to mandatory sinking fund redemption in part by lot on December 1, 2025 (with the balance of \$590,000 to be paid at stated maturity on December 1, 2026) at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
2025	\$565,000

Optional Redemptions

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

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

The series 2006 bonds maturing on or after December 1, 2017 are subject to prior redemption on or after December 1, 2016 by and at the sole option of the County, either in whole or in part on any date in integral multiples of \$5,000, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date.

Long-Term Bond Anticipation Notes

The Sewer Enterprise Fund entered into a bond anticipation note on July 31, 2007, for \$5,635,000. This note will mature on January 17, 2008. The original note was entered into for the purpose of paying initial costs of sewer line construction. The entire amount of the original issue has been spent on this project.

Revenue Bonds

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay \$612,000 in sewer system revenue bonds issued in 1990 and 2002. Proceeds from these bonds provided financing for various sewer projects. The bonds are payable solely from sewer customer net revenues and are payable through 2042. Annual principal and interest payments on the bonds as compared to net future revenues are not estimable but are expected to be less than net revenues in each year. The total principal and interest paid for the current year and total customer net revenues were \$38,385 and \$961,493, respectively.

Revenue bond debt service requirements to maturity are as follows:

Year Ending December 31,	Principal	Interest	Total
2008	\$13,400	\$24,575	\$37,975
2009	13,600	23,955	37,555
2010	13,700	23,325	37,025
2011	13,900	22,690	36,590
2012	14,100	22,045	36,145
2013-2017	82,900	99,465	182,365
2018-2022	74,500	80,930	155,430
2023-2027	88,000	62,155	150,155
2028-2032	84,400	40,235	124,635
2033-2037	62,000	24,255	86,255
2038-2042	70,000	9,630	79,630
Total	\$530,500	\$433,260	\$963,760

Ohio Water Development Authority (OWDA) Loans - Sewer Enterprise Fund

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay \$474,813 in sewer system OWDA loans issued in 1989. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and are payable through 2014. Annual principal and interest payments on the loans as compared to net future revenues are not estimable but are expected to be less than net revenues in each year the loans are outstanding. Principal and interest paid for the current year and total customer net revenues were \$41,906 and \$961,493, respectively.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Ohio Water Development Authority (OWDA) Loans - Water Enterprise Fund

The County has pledged future water customer revenues, net of specified operating expenses, to repay \$4,072,336 in water system OWDA loans issued between 2002 and 2007. Proceeds from these loans provided financing for various water projects. The loans are payable solely from water customer net revenues and are payable through 2034. Annual principal and interest payments on the loans as compared to net future revenues are not estimable but are expected to be less than net revenues in each year the loans are outstanding. Principal and interest paid for the current year and total customer net revenues were \$190,110 and 1,644,183, respectively.

Amortization schedules for the Nashport Waterline and Adamsville Waterline Extension loans will not be available until the entire amount of the loans have been drawn down or the project is complete. Annual debt service requirements to maturity for the remaining OWDA loans are as follows:

Year Ending December 31,	Principal	Interest	Total
2008	\$121,471	\$59,347	\$180,818
2009	125,019	55,800	180,819
2010	128,755	52,063	180,818
2011	132,694	48,124	180,818
2012	136,849	43,968	180,817
2013-2017	584,809	165,068	749,877
2018-2022	565,766	118,012	683,778
2023-2027	609,660	74,118	683,778
2028-2032	615,830	26,819	642,649
2033-2034	33,335	301	33,636
Total	<u>\$3,054,188</u>	<u>\$643,620</u>	<u>\$3,697,808</u>

Compensated Absences

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

Conduit Debt

Pursuant to State Statute, various industrial revenue bonds have been entered into for private industry within the County. The proceeds of the industrial revenue bonds are used by the various private industries for new construction or improvements. The bonds are to be repaid by the recipients of the proceeds and do not represent an obligation of the County. As of December 31, 2007, \$88,990,000 of industrial revenue bonds have been entered into, and \$46,105,000 remained outstanding.

The County's overall legal debt margin at December 31, 2007 was \$28,933,064.

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

NOTE 18 - NOTES PAYABLE

The following summarizes the note transactions for the year ended December 31, 2007:

	Interest Rate	Outstanding 12/31/2006	Issued	Retired	Outstanding 12/31/2007
Special Revenue Fund:					
Brandywine Loop Extension	4.20%	\$1,000,000	\$0	\$1,000,000	\$0
Brandywine Loop Extension	4.15%	0	825,000	0	825,000
Total Special Revenue Fund		<u>1,000,000</u>	<u>825,000</u>	<u>1,000,000</u>	<u>825,000</u>
Capital Projects Funds:					
East Point Road Project	4.00%	0	1,100,000	0	1,100,000
Issue 2	2.00%	150,556	0	59,325	91,231
Issue 2	2.00%	67,835	0	44,998	22,837
Total Capital Projects Funds		<u>218,391</u>	<u>1,100,000</u>	<u>104,323</u>	<u>1,214,068</u>
Proprietary Funds:					
Sewer Enterprise Fund	4.50%	5,380,000	0	5,380,000	0
Sewer Enterprise Fund	4.00%	0	100,000	0	100,000
Water Enterprise Fund	4.00%	0	100,000	0	100,000
Total Proprietary Funds		<u>5,380,000</u>	<u>200,000</u>	<u>5,380,000</u>	<u>200,000</u>
Total All Funds		<u>\$6,598,391</u>	<u>\$2,125,000</u>	<u>\$6,484,323</u>	<u>\$2,239,068</u>

All of the notes, with the exception of the Issue 2 notes are bond anticipation notes. The Issue 2 notes are revenue anticipation notes. All of the notes are backed by the full faith and credit of the County. The County entered into \$1,000,000 in Brandywine Loop Extension bond anticipation notes during 2006 that was paid off during 2007. These notes were retired partly by the issuance of \$825,000 in bond anticipation notes during 2007. The proceeds of this note were granted to the City of Zanesville in order to be used for an extension to a road within the city limits. The Issue 2 revenue anticipation notes have a remaining maturity of two years and will be retired from the Motor Vehicle and Gasoline Tax Major Special Revenue Fund.

The bond anticipation notes have a maturity of one year or less. Annual debt service requirements to maturity for the Issue 2 revenue anticipation notes are as follows:

Year Ending December 31,	Principal	Interest	Total
2008	\$83,355	\$1,752	\$85,107
2009	30,713	307	31,020
Total	<u>\$114,068</u>	<u>\$2,059</u>	<u>\$116,127</u>

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 19 - OPERATING LEASES-LESSEE DISCLOSURE

The County has entered into a lease for land and a building in conjunction with the City of Zanesville. The County and City lease the Anchor Glass Facilities from the Zanesville-Muskingum County Port Authority and in turn rent the facilities month to month to the Anchor Glass Corporation. During 2007 the County incurred expenditures of \$65,374 for the operating lease. 2008 is the last year of the rental payments. The rental payments for the land and building for 2008 is \$121,469.

NOTE 20 - INTERNAL BALANCES

Interfund balances at December 31, 2007 consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable						Total
	Major Funds						
	General	Public Assistance	Children Services Levy	Sewer	Other Nonmajor Governmental	Health Self-Insurance	
Major Funds:							
General	\$0	\$0	\$0	\$0	\$280,760	\$362,414	\$643,174
Public Assistance	2,879	0	230,722	0	0	109,129	342,730
Motor Vehicle and Gasoline Tax	804	0	0	0	0	45,183	45,987
County Home Levy	0	0	0	0	0	56,464	56,464
Starlight School Levy	0	0	0	0	0	102,651	102,651
Children Services Levy	167	0	0	518	0	69,185	69,870
Sewer	70,251	0	0	0	0	9,258	79,509
Water	7,917	0	0	0	0	11,123	19,040
Other Nonmajor Governmental	116,931	138,590	4,964	0	0	106,094	366,579
Total All Funds	\$198,949	\$138,590	\$235,686	\$518	\$280,760	\$871,501	\$1,726,004

The above interfund receivables/payables are due to time lags between the dates interfund goods and services are provided, transactions recorded in the accounting system, and payments between funds were made. Also, amounts are due to the Workers' Compensation Self-Insurance Internal Service Fund from various other funds for the payment of premiums. All amounts are expected to be repaid within one year.

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

Interfund transfers during 2007 consisted of the following:

<u>Transfer from</u>	Transfer to										Totals
	Major Funds										
	General	Public Assistance	Motor Vehicle and Gasoline Tax	County Home Levy	Starlight School Levy	Children Services Levy	Sewer	Water	Other Nonmajor Governmental	Health Self-Insurance	
Major Funds:											
General Fund	\$0	\$406,466	\$71,975	\$0	\$0	\$475	\$0	\$0	\$3,368,228	\$50,000	\$3,897,144
Public Assistance	0	0	0	0	0		0	0	18,441	0	18,441
Motor Vehicle and Gasoline Tax	0	0	0	0	0	0	0	0	579,740	0	579,740
Sewer	0	0	0	0	0	0	0	0	49,589	0	49,589
Other Nonmajor Governmental	129,000	0	0	0	0	0	0	0	81,170	0	210,170
Health Self-Insurance	40,083	13,000	5,417	6,500	11,917	8,667	1,083	1,083	9,749	0	97,499
Total All Funds	\$169,083	\$419,466	\$77,392	\$6,500	\$11,917	\$9,142	\$1,083	\$1,083	\$4,106,917	\$50,000	\$4,852,583

Transfers were used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, to move monies back to the General Fund pursuant to court orders, and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During 2007, an outstanding advance in the Health Self-Insurance Internal Service Fund was forgiven in the amount of \$50,000 from various other funds of the County. The Special Assessment Debt Service Fund had an outstanding advance from the Sewer Enterprise Fund in the amount of \$6,266 that was forgiven during the year.

NOTE 21 - JOINTLY GOVERNED ORGANIZATIONS

A. South East Ohio Joint Solid Waste Management District

The County is a member of the South East Ohio Joint Solid Waste Management District (District), which is a jointly governed organization. The purpose of the District is to make disposal of waste in the six-county area more comprehensive in terms of recycling, incinerating, and land filling. The District was created in 1989 as required by the Ohio Revised Code.

The District is governed and operated through three groups. An eighteen member board of directors, comprised of three commissioners from each county, is responsible for the District's financial matters. Financial records were maintained by Muskingum County until May 1993 at which time Noble County assumed the responsibility. The District's sole revenue source is a waste disposal fee for in-district and out-of-district waste. Contributions made by the County during 2007 amounted to \$4,616.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

A forty-three member policy committee, comprised of seven members from each county and one at-large member appointed by the policy committee, is responsible for preparing the solid waste management plan of the District in conjunction with a Technical Advisory Council whose members are appointed by the policy committee. Continued existence of the District is not dependent on the County's continued participation. The County does not have an equity interest in or a financial responsibility for the District. The District has no outstanding debt.

B. Mental Health and Recovery Services Board

The Mental Health and Recovery Services Board is a jointly governed organization whose participants are Muskingum, Coshocton, Guernsey, Perry, Morgan, and Noble Counties. The Board has the responsibility for development, coordinated continuation and ongoing modernization, funding, monitoring, and evaluation of community-based mental health and substance abuse programming. The Board is managed by an eighteen member board of trustees; three appointed by the Muskingum County Commissioners, seven appointed by the commissioners of the other participating counties, four by the director of the State Department of Alcohol and Drug Addiction, and four appointed by the Director of the State Department of Mental Health. The Board exercises total control, including budgeting, appropriating, contracting, and designating management.

During 2007, Muskingum County contributed \$963,220 in tax levy revenue money through a 1.0 mill levy. The remaining revenues are provided by levies from other member counties, and state and federal grants awarded to the multi-county board. Since Muskingum County serves as the fiscal agent for the Board, the financial activity, other than the property tax levy revenue, is presented in an agency fund. Continued existence of the Board is not dependent on the County's continued participation and the County has no equity interest in or financial responsibility for the Board. The Board has no outstanding debt.

C. Mid East Ohio Regional Council of Governments (MEORC)

The Mid East Ohio Regional Council of Governments (MEORC) is a jointly governed organization which serves seventeen counties in Ohio. MEORC provides services to the mentally retarded and developmentally disabled residents in the participating counties. MEORC is made up of the superintendents of each county's Board of Mental Retardation and Developmental Disabilities. Revenues are generated by fees and state grants. During 2007, the County contributed \$324,151 to MEORC. Continued existence of MEORC is not dependent on the County's continued participation, and the County has no equity interest in or financial responsibility for MEORC. MEORC has no outstanding debt.

D. Southeast Area Transit Authority (SEAT)

The Southeast Area Transit Authority (SEAT) was created pursuant to State statutes in 1979. The County, the City of Zanesville, and the Village of South Zanesville appoint members to the SEAT's Board of Directors. The County appoints two members, the City of Zanesville appoints six members and the Village of South Zanesville appoints one member. During 2007, the County contributed \$40,000 to SEAT. The continued existence of the SEAT is not dependent on the County's continued participation and the County has no equity interest in or financial responsibility for the SEAT. The SEAT has no outstanding debt. The SEAT is a component unit of the City of Zanesville.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

E. PRO Muskingum Families & Children First Council

The PRO Muskingum Families & Children First Council is a jointly governed organization created under Ohio Revised Code Section 121.37. The Council is comprised of the following members: Director of the Zanesville-Muskingum County Health Department, Superintendent of the Zanesville City School District, Superintendent of the Muskingum County Educational Service Center, Superintendent of the Muskingum County Board of Mental Retardation and Developmental Disabilities, Director of the ADAMH Board, Director of the Muskingum County Department of Job and Family Services, Director of the Muskingum County Children Services Board, Superintendent of Muskingum Starlight Industries, Inc., a United Way representative, an Eastside Community Services representative, a Zanesville Civic League representative, a Behavioral Health representative, a county commissioner, representatives from the public sector, and a representative from a local hospital. During 2007, the County contributed \$30,225 to the Council. Continued existence of the Council is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

F. Area Agency on Aging

The Area Agency on Aging is a regional council of governments that assists nine counties including Muskingum County in providing services to senior citizens in the Council's service area. The Area Agency on Aging is governed by a board of directors comprised of one representative appointed by each participating county. The board has total control over budgeting, personnel, and all other financial matters. The Area Agency on Aging receives Title III monies to be used for programs within the member counties. During 2007, the County contracted with the Area Agency on Aging to provide senior citizens services. A local not-for-profit corporation (The Muskingum County Senior Citizens Center) provided the senior citizens services pursuant to the County's contract. The continued existence of the Council is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for the Council. The Area Agency on Aging has no outstanding debt.

G. Ohio Mid-Eastern Governments Association (OMEGA)

The Ohio Mid-Eastern Governments Association (OMEGA) is a ten-county regional council of governments comprised of Belmont, Carroll, Coshocton, Columbia, Guernsey, Harrison, Holmes, Jefferson, Muskingum, and Tuscarawas Counties. OMEGA was formed to assist the participating counties in the application for Appalachian Regional Commission and Economic Development grant monies. OMEGA is governed by a sixteen member executive board comprised of members appointed from each participating county and cities within each county. City membership is voluntary. The county commissioners from each county currently appoint one member to the board of directors. The board has total control over budgeting, personnel, and financial matters. Each member currently pays a nine cent per capita membership fee based upon the most recent U.S. census. During 2007, OMEGA received \$8,850 from Muskingum County. The continued existence of OMEGA is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for OMEGA. OMEGA has no outstanding debt.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

H. Licking-Muskingum Community Based Correctional Facility (CBCF)

The Licking-Muskingum Community Based Correctional Facility (CBCF) is a four-county facility created pursuant to Ohio Revised Code Section 2301.51. The CBCF serves Licking, Muskingum, Coshocton, and Knox Counties. The CBCF was formed in 1994 to offer treatment, education, work, and other rehabilitation services to convicted felons within the four counties. The CBCF is governed by a seven member board comprised of two common pleas court judges from Licking, Muskingum, and Coshocton Counties and one common pleas court judge from Knox County. The common pleas judges and the respective county commissioners appoint a thirteen member citizens advisory board to assist in the operation of the CBCF. The board has total control over budgeting, personnel, and financial matters. The CBCF receives funding in the form of state grant monies which are used to provide the various services of the CBCF. Licking County serves as fiscal agent for the CBCF. During 2007, the CBCF received no monies from Muskingum County. The continued existence of the CBCF is not dependent on the County's continued participation and the County does not have an equity interest in or a financial responsibility for the CBCF. The CBCF has no outstanding debt.

I. Zanesville-Muskingum County Port Authority

The Zanesville-Muskingum County Port Authority (Authority) is a jointly governed organization under the laws of the State of Ohio. The Authority is governed by a four member board of directors. The board is comprised of two members appointed by Muskingum County and two members appointed by the City of Zanesville. The Authority's primary function is to promote economic growth and development in the County. The Authority derives its revenues from rental income, interest income, and annual contributions from the County and the City. The County and the City currently lease the Anchor Glass Facilities from the Authority pursuant to a 1988 operating lease agreement. The County and the City sublease the facilities to the Anchor Glass Corporation. The payments are used for the payment of the Authority's outstanding bonds. The County's share of the Anchor Glass Corporation's rent income and the related operating lease payments are reflected in the General Fund. In addition to the required operating lease and long-term contract payable payments, the County contributed \$360,000 for loans, grants, and administrative fees to the Authority during 2007. Separately entered into financial statements can be obtained from the Zanesville-Muskingum County Port Authority, Zanesville, Ohio.

J. Perry Multi-County Juvenile Facility

The Perry Multi-County Juvenile Facility (Facility) is a jointly governed organization created to rehabilitate juvenile offenders in lieu of commitment to the Ohio Department of Youth Services. The Facility has an eight member governing board that consists of one juvenile court judge, or designee, from the counties of Coshocton, Delaware, Fairfield, Knox, Licking, Morgan, Muskingum, and Perry. The Facility also has an executive committee that handles the daily operations of the Facility and reports to the governing board. The executive committee is composed of the officers of the governing board. The Facility's revenues will consist of an annual grant applied for by the Director of the Facility and charges for services from the participating counties. During 2007, the County made no contributions to the Facility for the housing of juvenile offenders. Continued existence of the Facility is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

K. Muskingum County Center for Seniors

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

L. Foxfire High School

The Foxfire High School (School) is a legally separate community school created under Ohio Revised Code Chapter 3314 and incorporated under Chapter 1702. The School's mission, under a contractual agreement with Maysville Local School District Board of Education (Sponsor), is to help at-risk students meet Ohio's graduation requirements. The School focuses on ensuring that basic survival needs are met so that students can achieve success in school. The School serves high school age students and above who have dropped out or are at risk of dropping out of school. A particular emphasis is placed on assisting parenting and/or pregnant students obtain a high school diploma.

The Board of Directors is appointed as follows: 2 representatives from the Muskingum County Juvenile Court, one representative from the Zanesville-Muskingum County Health Department, and 2 community representatives. Continued existence of the School is not dependent upon the County's continued participation, no equity interest exists, and no debt is outstanding. Separately entered into financial statements can be obtained from the Foxfire High School, P.O. Box 1818, Zanesville, Ohio 43702.

NOTE 22 - RELATED ORGANIZATIONS

A. Muskingum County Convention Facilities Authority

The Muskingum County Convention Facilities Authority (Authority) was created pursuant to State statutes for the purpose of acquiring, constructing, equipping, and operating a convention facility in Muskingum County. The Authority operates under the direction of an eleven member appointed board of directors. The board consists of six members appointed by Muskingum County, three members appointed by the Mayor of the City of Zanesville and two members appointed by the remaining municipal corporations located within the County. The board exercises total control over the operation of the district including budgeting, appropriating, contracting, and designating management. The Authority receives funding in the form of excise tax on hotels and motels in the amount of three percent of each transaction occurring within the boundaries of Muskingum County. The County is prohibited from contributing to the operations of the Authority by State law. During 2007, the Authority received \$374,775 from excise taxes and rental income. The Authority has no outstanding debt. Complete financial information can be obtained from the Muskingum County Conventions Facilities Authority, Zanesville, Ohio.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

B. Zanesville Metropolitan Housing Authority

The Zanesville Metropolitan Housing Authority (Authority) was created in 1938, and currently operates pursuant to Ohio Revised Code Section 3735.27. The Authority is governed by a five member board. Muskingum County appoints three members and the City of Zanesville appoints two members. The board adopts their own appropriations, is their own contracting authority, hires and fires their own staff, authorizes all expenditures, and does not rely on the County or the City to finance deficits. The Authority receives funding from the federal government in the form of grants. All monies are received directly by the Authority in the Authority's name. The County is not financially accountable for the Authority and the Authority is not fiscally dependent on the County. The Authority has no outstanding debt. The Authority is a stand-alone government, and complete financial information can be obtained from the Zanesville Metropolitan Housing Authority, Zanesville, Ohio.

C. Muskingum County Park District

The Muskingum County Park District was created pursuant to the laws of the State of Ohio. The Park District is a legally separate entity which is governed by a three member board appointed by the probate court judge. The Park District Board may adopt budgets, hire and fire employees, and issue revenue debt without the approval of the County. The Park District received local government and local government revenue assistance monies during 2007. The County serves as fiscal agent for the Park District and the activity is reflected in the Park District Agency Fund.

NOTE 23 - PUBLIC ENTITY POOL

The County Risk Sharing Authority, Inc. (CORSA) is a public entity shared risk pool among forty-one counties in Ohio. CORSA was formed as an Ohio non-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance, and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has entered into certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of the certificates. The County does not have an equity interest in or a financial responsibility for CORSA. Any additional premium or contribution amounts and estimates of losses are not reasonably determinable. The County's payment for insurance to CORSA in 2007 was \$336,257.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 24 - RELATED PARTY TRANSACTIONS

Muskingum Starlight Industries, Inc., a discretely presented component unit of Muskingum County, received contributions from the County for facilities, certain equipment, transportation, and salaries for administration, implementation, and supervision of its programs. These contributions are reflected as in-kind contributions and expenses at cost or fair market value as applicable, in the basic financial statements. In 2007, these contributions were \$474,956.

The Transportation Improvement District (District) currently shares office space of Zanesville-Muskingum County Port Authority in the Welcome Center, located at 205 N. Fifth Street, Zanesville. As disclosed in Note 28, various loan activity occurred between the County and the District.

NOTE 25 - FUND EQUITY RESERVES

The following reservations of fund balances existed as of December 31, 2007:

Fund/Reserve Type	Amount
<u>Major Funds:</u>	
General Fund	
Reserved for Encumbrances	\$284,685
Reserved for Claimants	94,062
Total General Fund	<u>378,747</u>
Public Assistance	
Reserved for Encumbrances	614,269
Motor Vehicle and Gasoline Tax	
Reserved for Encumbrances	77,045
Starlight School Levy	
Reserved for Encumbrances	93,516
Children Services Levy	
Reserved for Encumbrances	62,237
Total Major Funds	<u>1,225,814</u>
<u>Nonmajor Funds:</u>	
Reserved for Encumbrances	240,623
Reserved for Loans Receivable	343,229
Reserved for Loan Guarantee	925,000
Reserved for Long-Term Contracts Payable	190,471
Total Non-major Funds	<u>1,699,323</u>
Grand Total All Funds	<u><u>\$2,925,137</u></u>

NOTE 26 - FOOD STAMPS

The County's Department of Job and Family Services (Welfare) distributes, through contracting issuance centers, federal food stamps to entitled recipients within Muskingum County. The receipt and issuance of the stamps have the characteristics of a federal grant. However, the Department of Job and Family Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements, as the only economic interest related to these stamps rests with the ultimate recipient.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

NOTE 27 - CONTINGENT LIABILITIES

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

Claims and lawsuits are pending against the County. Based upon information provided by the County's legal counsel, any potential liability and effect on the financial statements, if any, is not determinable at this time.

NOTE 28 - TRANSPORTATION IMPROVEMENT DISTRICT

A. Reporting Entity

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

The District is governed by a Board of Directors that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members, with five members appointed by a majority vote of the Board of Commissioners of Muskingum County.

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

The District is a discretely presented component unit in Muskingum County's December 31, 2007 Comprehensive Annual Financial Report, as defined by the provisions of GASB Statement Nos. 14 and 39. Also, the Zanesville-Muskingum County Port Authority serves as the Administrative Agent for the Muskingum County Transportation Improvement District. The District's management believes these financial statements represent all activities for which the District is financially accountable.

B. Summary of Significant Accounting Policies

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The Statement of Net Assets and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government.

The Statement of Net Assets presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limitations. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds would be aggregated and presented in a single column; however, the District did not have any nonmajor funds in 2007 since all funds were considered as major.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There is one category of funds: Governmental.

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

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

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

Road Work Development Capital Projects Fund The Road Work Development Capital Projects Fund is used to account for grant monies for the design, upgrade, and/or construction of public roadways serving commercial or industrial economic development projects.

Measurement Focus

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

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

Basis of Accounting

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

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

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: grants and entitlements.

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

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

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

Cash and Cash Equivalents

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet and statement of net assets.

Capital Assets

The District reports no capital assets. A road constructed by the District has been completed, but through contractual agreements, Muskingum County uses and maintains the road and thus reports this road as a capital asset on its books. Title to the asset will transfer to the County upon full payment of the related debt.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. Long-term loans are recognized as a liability on the government fund financial statements when due.

Net Assets

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

C. Equity in Pooled Cash and Investments

The County Auditor serves as fiscal officer of the District. The Ohio Revised Code prescribes allowable deposits and investments for both the District and the County. At December 31, 2007, the District had cash and investments with a carrying amount of \$15,366, which is included in and collateralized with Muskingum County's cash management pool.

D. Accountability

At December 31, 2007, the Road Work Development Fund had a deficit fund balance of \$8,629. This deficit resulted from the recognition of accrued liabilities in accordance with generally accepted accounting principles.

E. Receivables

Receivables at December 31, 2007 consisted of contracts and intergovernmental grants. All receivables are considered collectible in full due to the current fiscal year guarantee of federal funds and the executed contracts with the Muskingum County Commissioners.

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

Governmental Activities:	
Intergovernmental Receivable	\$14,054
Contract Receivable	<u>11,813,391</u>
Total	<u><u>\$11,827,445</u></u>

F. Long-Term Obligations

Changes in the long-term obligations of the District during 2007 were as follows:

	Outstanding 1/1/2007	Additions	(Reductions)	Outstanding 12/31/2007	Amounts Due in One Year
Governmental Activities:					
General Long-Term Obligation:					
State Infrastructure Bank - 4%	\$9,397,271	\$0	(\$528,119)	\$8,869,152	\$550,803
State Infrastructure Bank - 3%					
Additional Loan Proceeds	3,429,653	0	(485,414)	2,944,239	500,085
Total General Long-Term Obligation	<u>\$12,826,924</u>	<u>\$0</u>	<u>(\$1,013,533)</u>	<u>\$11,813,391</u>	<u>\$1,050,888</u>

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

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

	Loans			
	State Infrastructure Bank - 4%		State Infrastructure Bank - 3%	
	Principal	Interest	Principal	Interest
2008	\$550,802	\$371,148	\$550,086	\$84,604
2009	574,461	347,490	515,200	69,489
2010	599,135	322,816	530,772	53,917
2011	624,868	297,083	546,815	37,875
2012	651,707	270,244	563,342	21,347
2013-2017	3,703,249	906,506	288,024	4,320
2018-2020	2,164,930	139,949	0	0
	\$8,869,152	\$2,655,236	\$2,994,239	\$271,552

The District entered into a loan agreement on June 15, 1999 with the Ohio Department of Transportation to finance the Northpointe Drive Project over a period of 20 years. As collateral for the loan, the State Infrastructure Bank received an assignment of all use payments from Muskingum County and an assignment of Tax Increment Financing from the Longaberger Company. The District received the total authorized amount of \$11,464,129, which included the refinancing of accumulated interest of \$404,129.

In March 2003, the District obtained approval for an additional State Infrastructure Loan to finance design revisions and completion of the Northpointe Drive Project. The loan included \$4,010,000, plus the refinancing of projected accumulated interest in the amount of \$121,202 to be repaid over 10 years. In 2004, \$60,150 of accrued interest was added to the loan balance, and the remaining balance of \$61,052 of accrued interest was added during 2005. As collateral for the loan, the State Infrastructure Bank received an assignment of all use payments from Muskingum County and an assignment of Tax Increment Financing from the Longaberger Company. The District received the total authorized amount of \$4,131,202.

G. Contractual Commitments

As of December 31, 2007, contracts payable included \$2,019 for the 93/22 road project and \$10,000 owed to the Zanesville Muskingum County Port Authority for administration.

H. Current Project

The 93/22 road project was in process at December 31, 2007, as well as various other projects in the Road Work Development Fund.

I. Risk Management

The District has obtained commercial insurance for the following risks:

- General liability
- Vehicles

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

J. Intergovernmental Loan

During 2006, the Muskingum County Commissioners, Muskingum County Engineer's Office, and City of Zanesville advanced the District funding for road work development fund projects. The outstanding loans were reported as Intergovernmental Loans Payable to the City of Zanesville and Due to Primary Government to the County Commissioners and Engineer. The loans were repaid during 2007.

On January 11, 2007 the County Commissioners passed a resolution to advance the District \$20,000 in funding for the Road Work Development Fund, with monies to be repaid upon receipt of funding from the Ohio Department of Development. On December 14, 2007 the District repaid the loan to the County Commissioners.

On May 23, 2007 the Muskingum County Engineer's Office advanced the District \$5,000 in funding for the Road Work Development Fund, with monies to be repaid upon receipt of funding from the Ohio Department of Development. On November 8, 2007 the District repaid the loan to the County Commissioners.

On January 1, 2007, January 24, 2007, and April 30, 2007 the City of Zanesville advanced the District \$7,710, \$1,587, and \$10,430, respectively, in funding for the Road Work Development Fund, with monies to be repaid upon receipt of funding from the Ohio Department of Development. On June 27, 2007 the District repaid the loans to the City of Zanesville.

On December 13, 2007 the City of Zanesville advanced the District \$11,715 in funding for the Road Work Development Fund, with monies to be repaid upon receipt of funding from the Ohio Department of Development. The loan was not repaid during 2007 and is reported as Intergovernmental Loan Payable on the financial statements:

Entity	Balance at January 1, 2007	Additions	Reductions	Outstanding at December 31, 2007
Muskingum County:				
Commissioners	\$218,977	\$0	\$218,977	\$0
Commissioners	0	20,000	20,000	0
Engineer	33,987	5,000	38,987	0
City of Zanesville	8,163	31,442	27,890	11,715
Total Intergovernmental Loans Payable	\$261,127	\$56,442	\$305,854	\$11,715

K. Related Party Transaction

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

The District, a discretely presented component unit of Muskingum County, received loans from the Muskingum County Commissioners and Muskingum County Engineer's Office during 2007. The intergovernmental loan activity is disclosed in the section J of this note disclosure.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

L. Subsequent Event

The State Infrastructure Bank is in the process of preparing revised payment schedules for the two loans related to the NorthPointe Drive Projects, as disclosed in section J of this note disclosure. Transportation Improvement District management believes the overall net effect will have a favorable impact on the District.

NOTE 29 - MUSKINGUM STARLIGHT INDUSTRIES, INC.

A. Summary of Significant Accounting Policies

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

Organization and Purpose

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

Basis of Accounting

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

Basis of Presentation

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

Cash and Equivalents

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

Inventory

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

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Investments

Investments are stated in the financial statements at fair market value. Investment income or loss is included in the statement of activities as an increase or decrease in net assets. Unrealized gains and losses on investments are calculated from the net change in market values during the year. Realized gains and losses result at the time in which the financial instrument is sold.

Property and Equipment

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

Income Tax Status

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

Estimates

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

B. Donated Services, Equipment and Facilities

The Muskingum County Board of MR/DD made In-Kind Contributions to the Muskingum Starlight Industries, Inc. Workshop. The In-Kind Contribution as of December 31, 2007 was \$474,956.

C. Deposits and Investments

Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of bank failure, Muskingum Starlight Industries, Inc. will not be able to recover deposits. At year ended December 31, 2007, \$350,475 of the Organizations bank balance was covered by Federal Deposit Insurance Corporation.

Investments

In 2005, the Board of Directors made the decision to open an investment account on behalf of Muskingum Starlight Industries, Inc. The investment portfolio consists of all Vanguard Group funds and include a money market fund, bond funds, and equity funds. GASB 40 was implemented in 2005.

The composition of investments at December 31, 2007 is as follows:

Muskingum County, Ohio

**Notes to the Basic Financial Statements
December 31, 2007**

	<u>Type</u>	<u>Average Quality Rating</u>	<u>Average Maturity</u>	<u>Cost</u>	<u>Market</u>
Money Market					
VG Money Market FD 30	N/A	N/A	N/A	\$20,124	\$20,124
Mutual Funds/Type					
VG Inflation Protected Sec FD 119	Bond	AAA	10 years	11,995	11,958
VG Short Term Corporate FD 39	Bond	AA3	2.6 years	11,147	11,261
VG Short Term Federal Inv. FD 49	Bond	AAA	2.3 years	11,050	11,328
VG Total Bond Mkt Index Inv. FD 84	Bond	AA1/AA2	7.2 years	11,226	11,314
VG 500 Index FD 40	Stock	unrated	N/A	12,128	14,847
VG Small-Cap Index FD 48	Stock	unrated	N/A	8,850	11,015
VG Total Int'l Stock Index FD 113	Stock	unrated	N/A	11,530	17,561
VG Total Stock Market Index FD 85	Stock	unrated	N/A	11,568	14,361
Total Mutual Funds				<u>89,494</u>	<u>103,645</u>
Total Investments				<u>\$109,618</u>	<u>\$123,769</u>

Investment Risk Factors

There are many factors that can affect the value of investments. Equity securities will respond to factors such as economic conditions, individual company earning performance and market liquidity, while bond funds are sensitive to credit risks and changes in interest rates.

Credit Risk

Fixed Income securities are subject to credit risk, which is the chance that a bond issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to pay will cause prices to decline. The circumstances may arise due to a variety of factors such as financial weakness, bankruptcy, litigation and/or adverse political developments.

A bond's credit quality is an assessment of the issuer's ability to pay interest on the bond, and ultimately, to pay the principal. Credit quality for the above bonds is evaluated by Moody's Investors Service and Standard & Poor's. The lower the rating, the greater the chance, in the rating agency's opinion, that the bond issuer will default, or fail to meet its payment obligations. Generally, the lower a bond's credit rating, the higher its yield should be to compensate for the additional risk.

Certain fixed income securities, including U.S. government obligations are not considered to have credit.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned. Some of the investments for Muskingum Starlight Industries, Inc. are exposed to custodial credit risk. These investments may be uninsured and are held by the custodian.

Concentration of Credit Risk

Concentration of credit risk is the risk associated with a lack of diversification of having too much invested in a few individual issuers, thereby exposing the Organization to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments.

Muskingum County, Ohio

Notes to the Basic Financial Statements December 31, 2007

Muskingum Starlight Industries, Inc. investments policy is diversified as follows:

Short term investments (money market)	16.2%
Bonds	37.1%
Stocks	<u>46.7%</u>
	100.0%

Interest Rate Risk

Interest Rate Risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The average maturities for Muskingum Starlight Industries, Inc. are included in the above table.

D. Deferred Income

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

NOTE 30 - SUBSEQUENT EVENT

On January 17, 2008, the County refinanced the \$5,635,000 bond anticipation note that was issued for a sewer project. This note was refinanced with a bond anticipation note that will mature on January 15, 2009.

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**Combining Statements
and
Individual Fund Schedules**

GENERAL FUND

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

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$2,926,871	\$2,922,435	(\$4,436)
Permissive Sales Taxes	13,000,000	14,656,656	1,656,656
Charges for Services	4,414,684	4,711,246	296,562
Licenses and Permits	5,800	6,586	786
Fines and Forfeitures	397,900	407,843	9,943
Intergovernmental	1,988,586	2,255,297	266,711
Interest	1,011,200	3,586,729	2,575,529
Payments in Lieu of Taxes	185,000	101,952	(83,048)
Rent	90,000	167,443	77,443
Other	256,797	682,148	425,351
<i>Total Revenues</i>	<u>24,276,838</u>	<u>29,498,335</u>	<u>5,221,497</u>
Expenditures			
Current:			
General Government -			
Legislative and Executive			
Board of County Commissioners			
Salaries and Wages	621,566	616,862	4,704
Fringe Benefits	241,344	216,864	24,480
Contractual Services	1,500,759	1,181,331	319,428
Materials and Supplies	88,400	83,197	5,203
Capital Outlay	718,657	353,967	364,690
Other	400,471	196,850	203,621
<i>Total Board of County Commissioners</i>	<u>3,571,197</u>	<u>2,649,071</u>	<u>922,126</u>
County Auditor			
Salaries and Wages	336,617	336,617	0
Fringe Benefits	130,965	125,971	4,994
Contractual Services	60,319	58,366	1,953
Materials and Supplies	25,370	22,436	2,934
Capital Outlay	921	921	0
Other	75	75	0
<i>Total County Auditor</i>	<u>554,267</u>	<u>544,386</u>	<u>9,881</u>
Economic Development			
Contractual Services	791,250	32,000	759,250

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
General Government - Legislative and Executive (continued)			
Assessing Personal Property			
Salaries and Wages	\$53,440	\$53,440	\$0
Fringe Benefits	8,913	8,825	88
Materials and Supplies	1,686	1,166	520
<i>Total Assessing Personal Property</i>	<u>64,039</u>	<u>63,431</u>	<u>608</u>
Assessing Real Property			
Salaries and Wages	27,494	27,494	0
Fringe Benefits	60,894	59,771	1,123
<i>Total Assessing Real Property</i>	<u>88,388</u>	<u>87,265</u>	<u>1,123</u>
County Treasurer			
Salaries and Wages	120,765	105,666	15,099
Fringe Benefits	65,849	60,980	4,869
Contractual Services	30,000	27,820	2,180
Materials and Supplies	15,120	10,411	4,709
Capital Outlay	3,000	1,930	1,070
Other	2,100	2,071	29
<i>Total County Treasurer</i>	<u>236,834</u>	<u>208,878</u>	<u>27,956</u>
Prosecuting Attorney			
Salaries and Wages	777,348	743,233	34,115
Fringe Benefits	291,813	282,868	8,945
Contractual Services	38,402	37,145	1,257
Materials and Supplies	21,965	20,685	1,280
Capital Outlay	26,300	19,045	7,255
Other	109,333	99,091	10,242
<i>Total Prosecuting Attorney</i>	<u>1,265,161</u>	<u>1,202,067</u>	<u>63,094</u>
Budget Commission			
Salaries and Wages	46,753	36,415	10,338
Fringe Benefits	16,207	14,798	1,409
Materials and Supplies	20,000	9,972	10,028
Capital Outlay	71,458	64,696	6,762
<i>Total Budget Commission</i>	<u>154,418</u>	<u>125,881</u>	<u>28,537</u>
Bureau of Inspection			
Examinations - County Offices	97,000	88,784	8,216

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
General Government - Legislative and Executive (continued)			
Board of Revision			
Other	\$5,116	\$5,116	\$0
Board of Elections			
Salaries and Wages	294,711	288,585	6,126
Fringe Benefits	87,773	86,155	1,618
Contractual Services	108,146	98,933	9,213
Materials and Supplies	68,400	68,098	302
Capital Outlay	41,000	34,138	6,862
<i>Total Board of Elections</i>	<u>600,030</u>	<u>575,909</u>	<u>24,121</u>
Automatic Data Processing Board			
Salaries and Wages	48,588	48,588	0
Fringe Benefits	8,674	8,392	282
Contractual Services	24,330	22,054	2,276
Materials and Supplies	8,700	8,454	246
Capital Outlay	4,792	4,542	250
<i>Total Automatic Data Processing Board</i>	<u>95,084</u>	<u>92,030</u>	<u>3,054</u>
Information Services			
Salaries and Wages	169,354	169,354	0
Fringe Benefits	69,839	64,557	5,282
Contractual Services	16,049	15,859	190
Materials and Supplies	35,873	32,562	3,311
Capital Outlay	92,479	85,534	6,945
<i>Total Information Services</i>	<u>383,594</u>	<u>367,866</u>	<u>15,728</u>
Geographic Information Services			
Salaries and Wages	86,500	85,611	889
Fringe Benefits	84,737	82,327	2,410
Contractual Services	183,957	182,648	1,309
Materials and Supplies	8,906	8,801	105
Capital Outlay	34,624	34,624	0
<i>Total Geographic Information Services</i>	<u>398,724</u>	<u>394,011</u>	<u>4,713</u>
Maintenance and Operation			
Salaries and Wages	533,564	533,564	0
Fringe Benefits	290,795	280,089	10,706
Contractual Services	363,606	173,078	190,528
Materials and Supplies	85,075	78,490	6,585
Capital Outlay	6,425	0	6,425
Other	168,644	102,958	65,686
<i>Total Maintenance and Operation</i>	<u>1,448,109</u>	<u>1,168,179</u>	<u>279,930</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
General Government - Legislative and Executive (continued)			
Recorder			
Salaries and Wages	\$169,836	\$166,163	\$3,673
Fringe Benefits	74,662	71,344	3,318
Contractual Services	56,900	45,352	11,548
Materials and Supplies	19,112	18,637	475
Other	2,000	1,953	47
<i>Total Recorder</i>	<u>322,510</u>	<u>303,449</u>	<u>19,061</u>
Insurance on Property			
Other County Property	362,046	210,935	151,111
Fleet Garage			
Salaries and Wages	105,742	104,864	878
Fringe Benefits	18,288	17,826	462
Materials and Supplies	124,318	119,271	5,047
<i>Total Fleet Garage</i>	<u>248,348</u>	<u>241,961</u>	<u>6,387</u>
<i>Total General Government - Legislative and Executive</i>	<u>10,686,115</u>	<u>8,361,219</u>	<u>2,324,896</u>
General Government - Judicial			
Court of Appeals			
Other	12,116	12,116	0
Domestic Relations Court			
Salaries and Wages	461,675	455,998	5,677
Fringe Benefits	124,131	121,414	2,717
Contractual Services	4,567	4,377	190
Materials and Supplies	11,203	10,133	1,070
Capital Outlay	10,419	5,127	5,292
Other	1,000	1,000	0
<i>Total Domestic Relations Court</i>	<u>612,995</u>	<u>598,049</u>	<u>14,946</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
<i>General Government - Judicial (continued)</i>			
<i>Common Pleas Court</i>			
Salaries and Wages	\$230,030	\$219,682	\$10,348
Fringe Benefits	112,104	105,661	6,443
Contractual Services	103,058	50,497	52,561
Materials and Supplies	23,599	16,487	7,112
Capital Outlay	45,500	15,495	30,005
Other	6,721	3,977	2,744
<i>Total Common Pleas Court</i>	<u>521,012</u>	<u>411,799</u>	<u>109,213</u>
<i>Jury Commission</i>			
Salaries and Wages	6,000	5,400	600
Fringe Benefits	973	882	91
<i>Total Jury Commission</i>	<u>6,973</u>	<u>6,282</u>	<u>691</u>
<i>Adult Probation</i>			
Salaries and Wages	236,933	236,933	0
Fringe Benefits	44,260	42,463	1,797
Contractual Services	4,350	3,932	418
Materials and Supplies	2,000	1,185	815
Capital Outlay	470	0	470
<i>Total Adult Probation</i>	<u>288,013</u>	<u>284,513</u>	<u>3,500</u>
<i>Juvenile Court</i>			
Salaries and Wages	332,603	321,029	11,574
Fringe Benefits	545,293	525,188	20,105
Contractual Services	59,028	53,433	5,595
Materials and Supplies	15,754	15,754	0
Capital Outlay	7,200	7,200	0
Other	42,911	42,305	606
<i>Total Juvenile Court</i>	<u>1,002,789</u>	<u>964,909</u>	<u>37,880</u>
<i>Juvenile Probation</i>			
Salaries and Wages	450,139	435,939	14,200
Fringe Benefits	67,271	64,085	3,186
Materials and Supplies	1,546	1,500	46
Capital Outlay	3,372	620	2,752
Other	26,535	26,535	0
<i>Total Juvenile Probation</i>	<u>548,863</u>	<u>528,679</u>	<u>20,184</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
General Government - Judicial (continued)			
Detention Home			
Salaries and Wages	\$1,214,868	\$1,202,426	\$12,442
Fringe Benefits	206,269	184,435	21,834
Contractual Services	9,203	8,198	1,005
Materials and Supplies	115,097	115,097	0
Capital Outlay	2,768	2,426	342
Other	55,644	55,630	14
<i>Total Detention Home</i>	<u>1,603,849</u>	<u>1,568,212</u>	<u>35,637</u>
Probate Court			
Salaries and Wages	136,651	135,115	1,536
Fringe Benefits	70,538	68,312	2,226
Contractual Services	4,642	4,281	361
Materials and Supplies	8,930	8,680	250
Capital Outlay	6,849	6,849	0
Other	5,563	5,536	27
<i>Total Probate Court</i>	<u>233,173</u>	<u>228,773</u>	<u>4,400</u>
Clerk of Courts			
Salaries and Wages	256,765	250,061	6,704
Fringe Benefits	167,752	161,104	6,648
Contractual Services	28,085	26,182	1,903
Materials and Supplies	22,959	22,959	0
Capital Outlay	51,499	51,329	170
Other	1,294	1,294	0
<i>Total Clerk of Courts</i>	<u>528,354</u>	<u>512,929</u>	<u>15,425</u>
County Court			
Salaries and Wages	258,453	257,909	544
Fringe Benefits	122,841	119,572	3,269
Contractual Services	1,500	1,500	0
Materials and Supplies	13,630	13,489	141
Capital Outlay	4,796	4,263	533
Other	9,322	9,226	96
<i>Total County Court</i>	<u>410,542</u>	<u>405,959</u>	<u>4,583</u>
Municipal Court			
Salaries and Wages	72,850	69,526	3,324
Fringe Benefits	12,373	11,728	645
<i>Total Municipal Court</i>	<u>85,223</u>	<u>81,254</u>	<u>3,969</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
General Government - Judicial (continued)			
Law Library			
Salaries and Wages	\$26,020	\$26,020	\$0
Fringe Benefits	4,548	4,525	23
<i>Total Law Library</i>	<u>30,568</u>	<u>30,545</u>	<u>23</u>
Attorney Fees - Public Defender Attorney Fees	<u>700,000</u>	<u>662,409</u>	<u>37,591</u>
<i>Total General Government - Judicial</i>	<u>6,584,470</u>	<u>6,296,428</u>	<u>288,042</u>
Public Safety			
Coroner's Office			
Salaries and Wages	46,200	45,094	1,106
Fringe Benefits	15,955	15,447	508
Contractual Services	59,849	59,229	620
Materials and Supplies	824	324	500
Other	500	500	0
<i>Total Coroner's Office</i>	<u>123,328</u>	<u>120,594</u>	<u>2,734</u>
Sheriff			
Salaries and Wages	4,630,574	4,591,545	39,029
Fringe Benefits	1,842,396	1,794,589	47,807
Contractual Services	285,041	250,063	34,978
Materials and Supplies	345,526	327,643	17,883
Capital Outlay	165,482	165,482	0
Other	14,679	10,450	4,229
<i>Total Sheriff</i>	<u>7,283,698</u>	<u>7,139,772</u>	<u>143,926</u>
Jail			
Contractual Services	<u>806,425</u>	<u>773,897</u>	<u>32,528</u>
Disaster Services			
Salaries and Wages	15,237	15,237	0
Fringe Benefits	3,000	2,883	117
Materials and Supplies	3,335	3,184	151
Capital Outlay	13,715	13,715	0
Other	2,353	2,006	347
<i>Total Disaster Services</i>	<u>37,640</u>	<u>37,025</u>	<u>615</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Public Safety (continued)			
Building Regulation			
Salaries and Wages	\$325,500	\$325,386	\$114
Fringe Benefits	138,204	134,895	3,309
Contractual Services	123,436	114,545	8,891
Materials and Supplies	12,208	10,194	2,014
Other	31,519	30,384	1,135
<i>Total Building Regulation</i>	<u>630,867</u>	<u>615,404</u>	<u>15,463</u>
<i>Total Public Safety</i>	<u>8,881,958</u>	<u>8,686,692</u>	<u>195,266</u>
Public Works			
Engineer			
Salaries and Wages	135,000	131,354	3,646
Fringe Benefits	25,033	23,865	1,168
Contractual Services	1,000	1,000	0
Materials and Supplies	3,317	3,049	268
Capital Outlay	292,900	136,205	156,695
Other	3,847	3,529	318
<i>Total Engineer</i>	<u>461,097</u>	<u>299,002</u>	<u>162,095</u>
Technical Support			
Salaries and Wages	40,000	0	40,000
Fringe Benefits	5,540	0	5,540
Materials and Supplies	5,000	1,846	3,154
Other	5,000	45	4,955
<i>Total Technical Support</i>	<u>55,540</u>	<u>1,891</u>	<u>53,649</u>
Planning Commission			
Salaries and Wages	9,540	9,527	13
Fringe Benefits	1,514	1,492	22
Contractual Services	1,460	1,015	445
Materials and Supplies	2,036	1,615	421
<i>Total Planning Commission</i>	<u>14,550</u>	<u>13,649</u>	<u>901</u>
Litter Control			
Fringe Benefits	10,411	10,052	359
<i>Total Public Works</i>	<u>541,598</u>	<u>324,594</u>	<u>217,004</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Health			
Humane Society			
Salaries and Wages	\$23,506	\$23,493	\$13
Fringe Benefits	20,536	14,560	5,976
<i>Total Humane Society</i>	<u>44,042</u>	<u>38,053</u>	<u>5,989</u>
Agriculture			
Grant	257,500	257,500	0
Apiary Inspection	2,500	776	1,724
<i>Total Agriculture</i>	<u>260,000</u>	<u>258,276</u>	<u>1,724</u>
Other Health			
Crippled Children Aid	\$157,578	\$146,486	\$11,092
Other	60,495	60,495	0
<i>Total Other Health</i>	<u>218,073</u>	<u>206,981</u>	<u>11,092</u>
<i>Total Health</i>	<u>522,115</u>	<u>503,310</u>	<u>18,805</u>
Human Services			
Soldier's Relief			
Salaries and Wages	21,790	21,624	166
Fringe Benefits	13,632	6,575	7,057
Contractual Services	244,931	181,963	62,968
Materials and Supplies	11,000	3,978	7,022
Capital Outlay	7,000	6,516	484
Other	1,000	720	280
<i>Total Soldier's Relief</i>	<u>299,353</u>	<u>221,376</u>	<u>77,977</u>
Veteran's Services			
Salaries and Wages	165,001	156,611	8,390
Fringe Benefits	54,913	52,528	2,385
Contractual Services	41,600	21,204	20,396
Materials and Supplies	8,500	3,052	5,448
Other	500	6	494
<i>Total Veteran's Services</i>	<u>270,514</u>	<u>233,401</u>	<u>37,113</u>
<i>Total Human Services</i>	<u>569,867</u>	<u>454,777</u>	<u>115,090</u>

(continued)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (Continued)
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Intergovernmental			
Contractual Services	\$308,541	\$254,994	\$53,547
Grants	592,521	526,419	66,102
<i>Total Intergovernmental</i>	<u>901,062</u>	<u>781,413</u>	<u>119,649</u>
Debt Service:			
Principal Retirement	1,750	1,750	0
Interest and Fiscal Charges	738	738	0
<i>Total Debt Service</i>	<u>2,488</u>	<u>2,488</u>	<u>0</u>
<i>Total Expenditures</i>	<u>28,689,673</u>	<u>25,410,921</u>	<u>3,278,752</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,412,835)</u>	<u>4,087,414</u>	<u>8,500,249</u>
Other Financing Sources (Uses)			
Proceeds from the Sale of Capital Assets	95,000	99,039	4,039
Advances In	0	191,771	191,771
Advances Out	(600,000)	(192,261)	407,739
Transfers In	429,223	129,000	(300,223)
Transfers Out	(4,126,393)	(3,854,352)	272,041
<i>Total Other Financing Sources (Uses)</i>	<u>(4,202,170)</u>	<u>(3,626,803)</u>	<u>575,367</u>
<i>Net Change in Fund Balance</i>	<u>(8,615,005)</u>	<u>460,611</u>	<u>9,075,616</u>
Fund Balance at Beginning of Year	8,667,049	8,667,049	0
Prior Year Encumbrances Appropriated	495,241	495,241	0
<i>Fund Balance at End of Year</i>	<u><u>\$547,285</u></u>	<u><u>\$9,622,901</u></u>	<u><u>\$9,075,616</u></u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Debt Service Funds

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds).

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,081,940	\$536,096	\$2,222,361	\$8,840,397
Restricted Cash and Cash Equivalents	1,129,859	0	1,100,000	2,229,859
Receivables:				
Property Taxes	2,704,393	0	0	2,704,393
Payments in Lieu of Taxes	212,589	0	0	212,589
Accounts	146,626	0	0	146,626
Intergovernmental	1,303,518	0	0	1,303,518
Interfund	280,760	0	0	280,760
Special Assessments	0	684,197	0	684,197
Loans	0	363,229	0	363,229
Materials and Supplies Inventory	45,777	0	0	45,777
Prepaid Items	9,959	0	3,312	13,271
<i>Total Assets</i>	<u>\$11,915,421</u>	<u>\$1,583,522</u>	<u>\$3,325,673</u>	<u>\$16,824,616</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$164,006	\$0	\$3,065	\$167,071
Accrued Interest Payable	8,911	0	482	9,393
Accrued Wages and Benefits	104,234	0	175	104,409
Interfund Payable	365,072	1,296	211	366,579
Intergovernmental Payable	115,739	0	109	115,848
Notes Payable	825,000	0	1,214,068	2,039,068
Due to Others	0	191,997	0	191,997
Deferred Revenue	3,988,436	684,197	0	4,672,633
<i>Total Liabilities</i>	<u>5,571,398</u>	<u>877,490</u>	<u>1,218,110</u>	<u>7,666,998</u>
Fund Balances				
Reserved for Encumbrances	180,558	550	59,515	240,623
Reserved for Loans	0	343,229	0	343,229
Reserved for Loan Guaranty	925,000	0	0	925,000
Reserved for Long - Term Contracts Payable	190,471	0	0	190,471
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	5,047,994	0	0	5,047,994
Debt Service Funds	0	362,253	0	362,253
Capital Projects Funds	0	0	2,048,048	2,048,048
<i>Total Fund Balances</i>	<u>6,344,023</u>	<u>706,032</u>	<u>2,107,563</u>	<u>9,157,618</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$11,915,421</u>	<u>\$1,583,522</u>	<u>\$3,325,673</u>	<u>\$16,824,616</u>

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$2,420,286	\$0	\$0	\$2,420,286
Special Assessments	0	36,625	0	36,625
Charges for Services	1,773,467	0	61,628	1,835,095
Licenses and Permits	414,654	0	0	414,654
Fines and Forfeitures	58,823	0	95,175	153,998
Intergovernmental	5,232,525	16,380	1,409,213	6,658,118
Interest	12,267	36,671	0	48,938
Payments in Lieu of Taxes	204,115	0	0	204,115
Rent	0	411,990	0	411,990
Contributions and Donations	11,890	0	0	11,890
Other	71,229	0	0	71,229
<i>Total Revenues</i>	<u>10,199,256</u>	<u>501,666</u>	<u>1,566,016</u>	<u>12,266,938</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	947,458	0	0	947,458
Judicial	47,839	0	58,765	106,604
Public Safety	1,822,585	0	15,799	1,838,384
Public Works	1,983,788	0	1,249,044	3,232,832
Health	835,864	0	0	835,864
Human Services	4,957,336	0	86,399	5,043,735
Capital Outlay	10,562	0	611,322	621,884
Intergovernmental	1,638,452	0	0	1,638,452
Debt Service:				
Principal Retirement	1,796	1,009,181	0	1,010,977
Interest and Fiscal Charges	40,103	722,986	1,764	764,853
<i>Total Expenditures</i>	<u>12,285,783</u>	<u>1,732,167</u>	<u>2,023,093</u>	<u>16,041,043</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,086,527)</u>	<u>(1,230,501)</u>	<u>(457,077)</u>	<u>(3,774,105)</u>
Other Financing Sources (Use)				
Inception of Capital Lease	10,562	0	0	10,562
Transfers In	2,307,688	1,219,489	579,740	4,106,917
Transfers Out	(129,000)	0	(81,170)	(210,170)
<i>Total Other Financing Sources (Use)</i>	<u>2,189,250</u>	<u>1,219,489</u>	<u>498,570</u>	<u>3,907,309</u>
<i>Net Change in Fund Balances</i>	102,723	(11,012)	41,493	133,204
Fund Balances at Beginning of Year	<u>6,241,300</u>	<u>717,044</u>	<u>2,066,070</u>	<u>9,024,414</u>
<i>Fund Balances at End of Year</i>	<u>\$6,344,023</u>	<u>\$706,032</u>	<u>\$2,107,563</u>	<u>\$9,157,618</u>

SPECIAL REVENUE FUNDS

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

Major Special Revenue Funds

Public Assistance Fund - To account for various federal and state grants as well as transfers from the General Fund, used to provide public assistance to general relief recipients and to pay their providers of medical assistance, and for certain public social services.

Motor Vehicle and Gasoline Tax Fund - To account for revenues derived from the motor vehicle licenses, gasoline taxes, and grants. Ohio state law restricts expenditures in this fund to county road and bridge repair and improvement programs.

County Home Levy Fund - To account for revenues for room and board as well as property taxes used to administer and operate the County Home.

Starlight School Levy Fund - To account for property tax revenues and federal and state grants. Expenditures are restricted by state law to those that benefit the mentally retarded and the developmentally disabled. County expenditures have been for social service contracts, medical providers, and costs to maintain and operate buildings and buses provided for the mentally retarded and developmentally disabled.

Children Services Levy Fund - To account for revenues derived from property taxes and state and federal funds. State law restricts the expenditures of these revenues to programs designed to aid homeless children or children from troubled families.

Nonmajor Special Revenue Funds

Dog and Kennel Fund - To account for the dog warden's operations, financed by sales of dog tags, kennel permits and fine collections.

Child Support Enforcement Agency Fund - To account for state, federal and local revenue used to administer the County Child Support program.

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

Real Estate Assessment Fund - To account for state mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

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

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

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

(continued)

SPECIAL REVENUE FUNDS (Continued)

Access Visitation Grant Fund - To account for revenues derived from a contract between the Job and Family Services Department and the Muskingum County Domestic Court. Expenditures are for contractual services in which a person has to supervise parent visitations with their children.

Delinquent Real Estate Tax and Assessment Collection Fund - To account for the monies received from delinquent real estate tax and assessment collections. Half of the money is to be allocated to the Prosecutor and the other half to the Treasurer for use in the collection of delinquent property taxes and assessments.

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

Tuberculosis Clinic Fund - To account for a County-wide property tax levy used to diagnose and treat people with tuberculosis and respiratory diseases in the County.

Youth Services Fund - To account for grant monies received from the State Department of Youth Services used for the placement of children, a diversion program, juvenile delinquency prevention and other related activities.

Block Grants Fund - To account for revenue from the federal government used for a revolving loan program and for improvements to targeted areas within the County.

Computer Legal Research Fund - To account for Clerk of Courts computer fees used for computerization of the Law Library.

Community Correction Fund - To account for grant monies from the State of Ohio used to assist the County in correctional rehabilitation of persons on probation.

Home Detention (Electronic Monitor) Fund - To account for fees from the County Courts used for in-home housing of prisoners.

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

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

Marriage License Fund - To account for marriage license fees. Fees are paid to Transitions Inc. and used for the treatment of battered women.

Political Subdivision Housing Fund - To account for fines and forfeitures used for the Adult Probation Program as specified by entry from the Courts. Created pursuant to Ohio Revised Code Section 4511.99.

Indigent Drivers Alcohol Treatment Fund - To account for fines from the State and County Court. Created pursuant to Ohio Revised Code Section 4511.191.

Probate Conduct of Business Fund - To account for monies from a portion of marriage license fees to be used at the discretion of the Probate Judge pursuant to Ohio Revised Code Section 2101.19.

Enforcement and Education Fund - To account for monies received from convictions on alcohol related cases used for education of the community at large and for the purchase of law enforcement equipment.

(continued)

SPECIAL REVENUE FUNDS (Continued)

Law Enforcement Fund - To account for fines from the County courts used by the Sheriff and Prosecuting Attorney for investigations, prosecutions and training for law enforcement personnel.

Legal Aid Society Fund - To account for a 1% administrative fee from probate court to be used as allowed by law for salaries and fringe benefits.

Senior Citizens Levy Fund - To account for revenue derived from property taxes used to assist in the providing of programs and services to the senior citizens of the County.

Felony Delinquent Care and Custody Fund - To account for grant monies which are used for the Intensive Probation Program.

Drug Law Enforcement Fund - To account for income from fines on drug-related cases used for drug-related investigations.

Indigent Guardianship Fund - To account for probate court fees used for court appointed guardians for indigents.

Victim of Criminals Fund - To account for donations for state grant monies to be used to assist the victims of crime.

Sheriff Commissary Fund - To account for sales within the commissary to County jail inmates.

Children Services Christmas Fund - To account for donations from citizens used to purchase gifts for children under care.

Mental Health Levy Fund - To account for a County-wide property tax levy used for the County's share in the Muskingum Area Alcohol, Drug Addiction and Mental Health Board.

Certificate of Title Administration Fund - To account for the title fees used for the operation of the title office of the Clerk of Courts.

Sheriff Levy Fund - To account for a County-wide property tax levy to be used to provide additional law enforcement in the County.

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

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

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

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

(continued)

SPECIAL REVENUE FUNDS (Continued)

Wireless 911 Fund - To account for a surcharge on cell phones used for the implementation and operation of a wireless 911 system.

Brandywine Loop Extension Fund - To account for the proceeds of a note and tax increment financing to be used as a grant given to the City of Zanesville for an extension of a bypass route.

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Assistance Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$1,544,787	\$1,544,787	\$0
Intergovernmental	17,757,872	15,449,694	(2,308,178)
Other	12,595	32,320	19,725
<i>Total Revenues</i>	<u>19,315,254</u>	<u>17,026,801</u>	<u>(2,288,453)</u>
Expenditures			
Current:			
Human Services			
Public Assistance			
Salaries and Wages	4,043,200	4,041,959	1,241
Fringe Benefits	1,857,138	1,681,580	175,558
Contractual Services	9,489,766	8,705,769	783,997
Materials and Supplies	177,580	151,864	25,716
Capital Outlay	186,962	151,200	35,762
Other	3,905,394	3,766,202	139,192
<i>Total Human Services</i>	<u>19,660,040</u>	<u>18,498,574</u>	<u>1,161,466</u>
Debt Service:			
Principal Retirement	4,464	4,464	0
Interest and Fiscal Charges	703	703	0
<i>Total Debt Service</i>	<u>5,167</u>	<u>5,167</u>	<u>0</u>
<i>Total Expenditures</i>	<u>19,665,207</u>	<u>18,503,741</u>	<u>1,161,466</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(349,953)</u>	<u>(1,476,940)</u>	<u>(1,126,987)</u>
Other Financing Source (Uses)			
Advances Out	0	(19,760)	(19,760)
Transfers In	470,000	406,466	(63,534)
Transfers Out	(18,441)	(18,441)	0
<i>Total Other Financing Source (Uses)</i>	<u>451,559</u>	<u>368,265</u>	<u>(83,294)</u>
<i>Net Change in Fund Balance</i>	101,606	(1,108,675)	(1,210,281)
Fund Balance (Deficit) at Beginning of Year	(1,738,173)	(1,738,173)	0
Prior Year Encumbrances Appropriated	1,744,005	1,744,005	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$107,438</u>	<u>(\$1,102,843)</u>	<u>(\$1,210,281)</u>

Muskingum County, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Motor Vehicle and Gasoline Tax Fund
 For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Permissive Motor Vehicle License Tax	\$275,000	\$460,491	\$185,491
Charges for Services	1,218	1,251	33
Licenses and Permits	3,870	3,870	0
Fines and Forfeitures	90,000	82,137	(7,863)
Intergovernmental	4,955,219	5,058,327	103,108
Interest	17,772	18,654	882
Contributions and Donations	767	767	0
Other	276,491	112,572	(163,919)
<i>Total Revenues</i>	<u>5,620,337</u>	<u>5,738,069</u>	<u>117,732</u>
Expenditures			
Current:			
Public Works			
Engineer			
Salaries and Wages	430,218	429,554	664
Fringe Benefits	116,155	109,186	6,969
Contractual Services	38,498	35,523	2,975
Materials and Supplies	14,563	13,267	1,296
Capital Outlay	1,900	1,426	474
Other	1,601	1,485	116
<i>Total Engineer</i>	<u>602,935</u>	<u>590,441</u>	<u>12,494</u>
Roads			
Salaries and Wages	1,036,000	946,540	89,460
Fringe Benefits	851,601	825,403	26,198
Contractual Services	279,130	259,938	19,192
Materials and Supplies	1,679,660	1,520,239	159,421
Capital Outlay	264,264	263,221	1,043
Other	180,694	160,591	20,103
<i>Total Roads</i>	<u>4,291,349</u>	<u>3,975,932</u>	<u>315,417</u>
Bridges and Culverts			
Salaries and Wages	205,500	205,264	236
Fringe Benefits	34,698	33,059	1,639
Contractual Services	98,714	95,883	2,831
Materials and Supplies	217,887	208,251	9,636
Other	1,045	1,013	32
<i>Total Bridges and Culverts</i>	<u>557,844</u>	<u>543,470</u>	<u>14,374</u>
<i>Total Public Works</i>	<u>5,452,128</u>	<u>5,109,843</u>	<u>342,285</u>
Intergovernmental			
Contractual Services	0	128,393	(128,393)
Debt Service:			
Principal Retirement	192,763	192,763	0
Interest and Fiscal Charges	26,365	26,325	40
<i>Total Debt Service</i>	<u>219,128</u>	<u>219,088</u>	<u>40</u>
<i>Total Expenditures</i>	<u>5,671,256</u>	<u>5,457,324</u>	<u>213,932</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(50,919)</u>	<u>280,745</u>	<u>331,664</u>
Other Financing Source (Uses)			
Advances Out	0	(8,235)	(8,235)
Transfers In	691,103	71,975	(619,128)
Transfers Out	(1,199,164)	(579,740)	619,424
<i>Total Other Financing Source (Uses)</i>	<u>(508,061)</u>	<u>(516,000)</u>	<u>(7,939)</u>
<i>Net Change in Fund Balance</i>	<u>(558,980)</u>	<u>(235,255)</u>	<u>323,725</u>
Fund Balance at Beginning of Year	1,138,511	1,138,511	0
Prior Year Encumbrances Appropriated	288,441	288,441	0
<i>Fund Balance at End of Year</i>	<u>\$867,972</u>	<u>\$1,191,697</u>	<u>\$323,725</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
County Home Levy Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$3,129,063	\$3,039,481	(\$89,582)
Charges for Services	655,475	664,945	9,470
Intergovernmental	357,304	528,917	171,613
Payments in Lieu of Taxes	14,700	19,149	4,449
Contributions and Donations	850	792	(58)
Other	33,820	17,253	(16,567)
<i>Total Revenues</i>	<u>4,191,212</u>	<u>4,270,537</u>	<u>79,325</u>
Expenditures			
Current:			
Human Services			
County Home			
Salaries and Wages	2,105,801	2,089,837	15,964
Fringe Benefits	861,100	814,133	46,967
Contractual Services	473,452	337,399	136,053
Materials and Supplies	288,798	266,098	22,700
Capital Outlay	52,000	41,726	10,274
Other	11,000	9,875	1,125
<i>Total Expenditures</i>	<u>3,792,151</u>	<u>3,559,068</u>	<u>233,083</u>
<i>Excess of Revenues Over Expenditures</i>	<u>399,061</u>	<u>711,469</u>	<u>312,408</u>
Other Financing Use			
Advances Out	0	(10,567)	(10,567)
<i>Net Change in Fund Balance</i>	399,061	700,902	301,841
Fund Balance at Beginning of Year	881,440	881,440	0
Prior Year Encumbrances Appropriated	8,417	8,417	0
<i>Fund Balance at End of Year</i>	<u>\$1,288,918</u>	<u>\$1,590,759</u>	<u>\$301,841</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Starlight School Levy Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$3,133,709	\$3,133,709	\$0
Intergovernmental	3,683,566	3,358,936	(324,630)
Payments in Lieu of Taxes	0	29,672	29,672
Contributions and Donations	17,300	18,987	1,687
Other	65,745	50,060	(15,685)
<i>Total Revenues</i>	<u>6,900,320</u>	<u>6,591,364</u>	<u>(308,956)</u>
Expenditures			
Current:			
Human Services			
Starlight School			
Salaries and Wages	4,516,344	4,175,286	341,058
Fringe Benefits	1,601,284	1,483,796	117,488
Contractual Services	1,865,534	1,168,938	696,596
Materials and Supplies	79,727	63,868	15,859
Capital Outlay	154,000	28,676	125,324
Other	130,112	55,190	74,922
<i>Total Expenditures</i>	<u>8,347,001</u>	<u>6,975,754</u>	<u>1,371,247</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,446,681)</u>	<u>(384,390)</u>	<u>1,062,291</u>
Other Financing Use			
Advances Out	<u>0</u>	<u>(19,566)</u>	<u>(19,566)</u>
<i>Net Change in Fund Balance</i>	(1,446,681)	(403,956)	1,042,725
Fund Balance at Beginning of Year	9,224,047	9,224,047	0
Prior Year Encumbrances Appropriated	<u>80,576</u>	<u>80,576</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$7,857,942</u></u>	<u><u>\$8,900,667</u></u>	<u><u>\$1,042,725</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Children Services Levy Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$2,449,626	\$2,432,761	(\$16,865)
Charges for Services	1,429,482	1,403,048	(26,434)
Intergovernmental	3,043,364	3,705,694	662,330
Payments in Lieu of Taxes	0	15,319	15,319
Contributions and Donations	500	144	(356)
Other	5,000	50,914	45,914
<i>Total Revenues</i>	<u>6,927,972</u>	<u>7,607,880</u>	<u>679,908</u>
Expenditures			
Current:			
Human Services			
Children Services			
Salaries and Wages	2,666,734	2,599,290	67,444
Fringe Benefits	1,241,894	1,123,410	118,484
Contractual Services	4,305,020	2,088,188	2,216,832
Materials and Supplies	212,495	177,114	35,381
Capital Outlay	95,856	95,058	798
Other	706,198	692,631	13,567
<i>Total Expenditures</i>	<u>9,228,197</u>	<u>6,775,691</u>	<u>2,452,506</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,300,225)</u>	<u>832,189</u>	<u>3,132,414</u>
Other Financing Source (Use)			
Advances Out	0	(12,997)	(12,997)
Transfers In	475	475	0
<i>Total Other Financing Source (Use)</i>	<u>475</u>	<u>(12,522)</u>	<u>(12,997)</u>
<i>Net Change in Fund Balance</i>	<u>(2,299,750)</u>	<u>819,667</u>	<u>3,119,417</u>
Fund Balance at Beginning of Year	3,219,453	3,219,453	0
Prior Year Encumbrances Appropriated	226,059	226,059	0
<i>Fund Balance at End of Year</i>	<u>\$1,145,762</u>	<u>\$4,265,179</u>	<u>\$3,119,417</u>

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007

	Dog and Kennel	Child Support Enforcement Agency	Childrens' Services Trust	Real Estate Assessment	Redevelopment Tax Equivalent
Assets					
Equity in Pooled Cash and Cash Equivalents	\$167,156	\$166,221	\$170,433	\$1,042,757	\$0
Restricted Cash and Cash Equivalents	0	0	0	0	93,436
Receivables:					
Property Taxes	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	97,035
Accounts	25	538	0	0	0
Intergovernmental	0	24,530	0	0	0
Interfund	0	280,760	0	0	0
Materials and Supplies Inventory	768	2,432	0	0	0
Prepaid Items	0	271	0	4,167	0
<i>Total Assets</i>	<u>\$167,949</u>	<u>\$474,752</u>	<u>\$170,433</u>	<u>\$1,046,924</u>	<u>\$190,471</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$9,795	\$0	\$0	\$0
Accrued Interest Payable	0	0	0	0	0
Accrued Wages and Benefits	2,375	51,079	0	5,742	0
Interfund Payable	2,138	190,954	0	6,564	0
Intergovernmental Payable	1,103	66,184	0	3,461	0
Notes Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
<i>Total Liabilities</i>	<u>5,616</u>	<u>318,012</u>	<u>0</u>	<u>15,767</u>	<u>0</u>
Fund Balances					
Reserved for Encumbrances	689	25,964	0	2,425	0
Reserved for Loan Guaranty	0	0	0	0	0
Reserved for Long - Term Contracts Payable	0	0	0	0	190,471
Unreserved:					
Undesignated (Deficit)	161,644	130,776	170,433	1,028,732	0
<i>Total Fund Balances (Deficit)</i>	<u>162,333</u>	<u>156,740</u>	<u>170,433</u>	<u>1,031,157</u>	<u>190,471</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$167,949</u>	<u>\$474,752</u>	<u>\$170,433</u>	<u>\$1,046,924</u>	<u>\$190,471</u>

Drug Abuse Resistance Education (DARE)	Miscellaneous Federal Grants	Access Visitation Grant	Delinquent Real Estate Tax and Assessment Collection	Homeland Security	Tuberculosis Clinic	Youth Services
\$46,614	\$27,619	\$2,214	\$314,606	\$39,523	\$811,051	\$202
0	0	0	0	0	0	0
0	0	0	0	0	545,489	0
0	0	0	0	0	2,959	0
0	0	0	0	0	116,463	0
0	27,898	0	0	0	30,717	1,819
0	0	0	0	0	0	0
0	655	0	0	0	11,303	0
0	0	0	0	0	0	0
<u>\$46,614</u>	<u>\$56,172</u>	<u>\$2,214</u>	<u>\$314,606</u>	<u>\$39,523</u>	<u>\$1,517,982</u>	<u>\$2,021</u>
\$0	\$0	\$0	\$0	\$39,523	\$4,721	\$0
0	0	0	0	0	0	0
952	954	0	3,911	0	6,922	266
1,106	623	389	4,504	0	8,064	4,458
699	628	0	2,413	0	4,146	164
0	0	0	0	0	0	0
0	27,898	0	0	0	692,669	180
<u>2,757</u>	<u>30,103</u>	<u>389</u>	<u>10,828</u>	<u>39,523</u>	<u>716,522</u>	<u>5,068</u>
0	419	0	6,902	40,000	12,655	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>43,857</u>	<u>25,650</u>	<u>1,825</u>	<u>296,876</u>	<u>(40,000)</u>	<u>788,805</u>	<u>(3,047)</u>
<u>43,857</u>	<u>26,069</u>	<u>1,825</u>	<u>303,778</u>	<u>0</u>	<u>801,460</u>	<u>(3,047)</u>
<u>\$46,614</u>	<u>\$56,172</u>	<u>\$2,214</u>	<u>\$314,606</u>	<u>\$39,523</u>	<u>\$1,517,982</u>	<u>\$2,021</u>

(continued)

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007

	Block Grants	Computer Legal Research	Community Correction	Home Detention (Electronic Monitor)	Litter Prevention
Assets					
Equity in Pooled Cash and Cash Equivalents	\$17,742	\$91,806	\$7,413	\$222,989	\$47,336
Restricted Cash and Cash Equivalents	0	0	0	0	0
Receivables:					
Property Taxes	0	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0	0
Accounts	0	19,932	0	9,433	0
Intergovernmental	823,408	0	107,555	14,895	6,667
Interfund	0	0	0	0	0
Materials and Supplies Inventory	714	0	0	122	0
Prepaid Items	125	1,443	0	0	0
<i>Total Assets</i>	<u>\$841,989</u>	<u>\$113,181</u>	<u>\$114,968</u>	<u>\$247,439</u>	<u>\$54,003</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$6,500	\$2,251	\$0	\$4,915	\$35,710
Accrued Interest Payable	0	0	0	0	0
Accrued Wages and Benefits	680	0	3,489	1,964	0
Interfund Payable	66,001	0	40	2,308	6,670
Intergovernmental Payable	6,994	0	2,150	1,210	0
Notes Payable	0	0	0	0	0
Deferred Revenue	791,908	19,932	53,778	24,273	6,667
<i>Total Liabilities</i>	<u>872,083</u>	<u>22,183</u>	<u>59,457</u>	<u>34,670</u>	<u>49,047</u>
Fund Balances					
Reserved for Encumbrances	46,941	568	0	3,881	8,000
Reserved for Loan Guaranty	0	0	0	0	0
Reserved for Long - Term Contracts Payable	0	0	0	0	0
Unreserved:					
Undesignated (Deficit)	(77,035)	90,430	55,511	208,888	(3,044)
<i>Total Fund Balances (Deficit)</i>	<u>(30,094)</u>	<u>90,998</u>	<u>55,511</u>	<u>212,769</u>	<u>4,956</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$841,989</u>	<u>\$113,181</u>	<u>\$114,968</u>	<u>\$247,439</u>	<u>\$54,003</u>

Ohio Childrens Trust	Marriage License	Political Subdivision Housing	Indigent Drivers Alcohol Treatment	Probate Conduct of Business	Enforcement and Education	Law Enforcement
\$0	\$1,163	\$60,188	\$127,969	\$596	\$23,599	\$5,141
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
13,832	0	0	0	0	100	4,500
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$13,832</u>	<u>\$1,163</u>	<u>\$60,188</u>	<u>\$127,969</u>	<u>\$596</u>	<u>\$23,699</u>	<u>\$9,641</u>
\$0	\$1,163	\$0	\$22,500	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
13,832	0	0	0	0	100	4,500
<u>13,832</u>	<u>1,163</u>	<u>0</u>	<u>22,500</u>	<u>0</u>	<u>100</u>	<u>4,500</u>
0	0	0	9,362	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>60,188</u>	<u>96,107</u>	<u>596</u>	<u>23,599</u>	<u>5,141</u>
<u>0</u>	<u>0</u>	<u>60,188</u>	<u>105,469</u>	<u>596</u>	<u>23,599</u>	<u>5,141</u>
<u>\$13,832</u>	<u>\$1,163</u>	<u>\$60,188</u>	<u>\$127,969</u>	<u>\$596</u>	<u>\$23,699</u>	<u>\$9,641</u>

(continued)

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007

	Legal Aid Society	Senior Citizens Levy	Felony Delinquent Care and Custody	Indigent Guardianship	Victim of Criminals
Assets					
Equity in Pooled Cash and Cash Equivalents	\$225	\$402,556	\$221,257	\$2,339	\$410
Restricted Cash and Cash Equivalents	0	0	0	0	0
Receivables:					
Property Taxes	0	650,201	0	0	0
Payments in Lieu of Taxes	0	3,597	0	0	0
Accounts	0	0	0	0	0
Intergovernmental	0	36,271	84,469	0	32,061
Interfund	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$225</u>	<u>\$1,092,625</u>	<u>\$305,726</u>	<u>\$2,339</u>	<u>\$32,471</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$0	\$5,960	\$0	\$0
Accrued Interest Payable	0	0	0	0	0
Accrued Wages and Benefits	0	10,947	2,452	0	1,028
Interfund Payable	0	12,612	4,992	0	12
Intergovernmental Payable	0	6,735	12,530	0	159
Notes Payable	0	0	0	0	0
Deferred Revenue	0	686,472	41,408	0	21,374
<i>Total Liabilities</i>	<u>0</u>	<u>716,766</u>	<u>67,342</u>	<u>0</u>	<u>22,573</u>
Fund Balances					
Reserved for Encumbrances	0	0	7,571	848	0
Reserved for Loan Guaranty	0	0	0	0	0
Reserved for Long - Term Contracts Payable	0	0	0	0	0
Unreserved:					
Undesignated (Deficit)	225	375,859	230,813	1,491	9,898
<i>Total Fund Balances (Deficit)</i>	<u>225</u>	<u>375,859</u>	<u>238,384</u>	<u>2,339</u>	<u>9,898</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$225</u>	<u>\$1,092,625</u>	<u>\$305,726</u>	<u>\$2,339</u>	<u>\$32,471</u>

Sheriff Commissary	Children Services Christmas	Mental Health Levy	Certificate of Title Administration	Sheriff Levy	Court Special Projects	Transportation Improvement District (TID) Escrow
\$36,038	\$71,183	\$39,638	\$792,247	\$388,834	\$461,931	\$754
0	0	0	0	0	0	925,000
0	0	1,075,886	0	432,817	0	0
0	0	6,626	0	3,109	0	0
150	0	0	0	0	0	0
54	0	56,504	0	20,345	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
101	0	0	0	0	0	0
<u>\$36,343</u>	<u>\$71,183</u>	<u>\$1,178,654</u>	<u>\$792,247</u>	<u>\$845,105</u>	<u>\$461,931</u>	<u>\$925,754</u>
\$26,136	\$4,160	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	2,855	8,618	0	0
0	0	0	3,238	8,553	30	0
0	0	0	1,759	5,404	0	0
0	0	0	0	0	0	0
0	0	1,132,390	0	453,162	0	0
<u>26,136</u>	<u>4,160</u>	<u>1,132,390</u>	<u>7,852</u>	<u>475,737</u>	<u>30</u>	<u>0</u>
3,098	1,140	0	1,600	0	5,344	0
0	0	0	0	0	0	925,000
0	0	0	0	0	0	0
<u>7,109</u>	<u>65,883</u>	<u>46,264</u>	<u>782,795</u>	<u>369,368</u>	<u>456,557</u>	<u>754</u>
<u>10,207</u>	<u>67,023</u>	<u>46,264</u>	<u>784,395</u>	<u>369,368</u>	<u>461,901</u>	<u>925,754</u>
<u>\$36,343</u>	<u>\$71,183</u>	<u>\$1,178,654</u>	<u>\$792,247</u>	<u>\$845,105</u>	<u>\$461,931</u>	<u>\$925,754</u>

(continued)

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
December 31, 2007

	Juvenile Detention	Concealed Weapon	Wireless 911	Brandywine Loop Extension	Total Nonmajor Special Revenue Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$61,080	\$12,910	\$196,200	\$0	\$6,081,940
Restricted Cash and Cash Equivalents	0	0	0	111,423	1,129,859
Receivables:					
Property Taxes	0	0	0	0	2,704,393
Payments in Lieu of Taxes	0	0	0	99,263	212,589
Accounts	0	85	0	0	146,626
Intergovernmental	0	0	17,893	0	1,303,518
Interfund	0	0	0	0	280,760
Materials and Supplies Inventory	29,783	0	0	0	45,777
Prepaid Items	0	304	3,548	0	9,959
<i>Total Assets</i>	<u>\$90,863</u>	<u>\$13,299</u>	<u>\$217,641</u>	<u>\$210,686</u>	<u>\$11,915,421</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$0	\$0	\$672	\$0	\$164,006
Accrued Interest Payable	0	0	0	8,911	8,911
Accrued Wages and Benefits	0	0	0	0	104,234
Interfund Payable	0	0	0	41,816	365,072
Intergovernmental Payable	0	0	0	0	115,739
Notes Payable	0	0	0	825,000	825,000
Deferred Revenue	0	0	17,893	0	3,988,436
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>18,565</u>	<u>875,727</u>	<u>5,571,398</u>
Fund Balance					
Reserved for Encumbrances	0	240	2,911	0	180,558
Reserved for Loan Guaranty	0	0	0	0	925,000
Reserved for Long - Term Contracts Payable	0	0	0	0	190,471
Unreserved:					
Undesignated (Deficit)	90,863	13,059	196,165	(665,041)	5,047,994
<i>Total Fund Balances (Deficit)</i>	<u>90,863</u>	<u>13,299</u>	<u>199,076</u>	<u>(665,041)</u>	<u>6,344,023</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$90,863</u>	<u>\$13,299</u>	<u>\$217,641</u>	<u>\$210,686</u>	<u>\$11,915,421</u>

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2007

	Dog and Kennel	Child Support Enforcement Agency	Childrens' Services Trust	Real Estate Assessment
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	29,356	352,249	0	719,777
Licenses and Permits	128,484	0	0	0
Fines and Forfeitures	4,245	0	0	1,020
Intergovernmental	0	3,057,998	0	0
Interest	0	0	8,469	0
Payments in Lieu of Taxes	0	0	0	0
Contributions and Donations	0	0	85	0
Other	0	53,035	0	909
<i>Total Revenues</i>	<u>162,085</u>	<u>3,463,282</u>	<u>8,554</u>	<u>721,706</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	537,446
Judicial	0	0	0	0
Public Safety	0	0	0	0
Public Works	0	0	0	0
Public Works - External Portion	0	0	0	0
Health	136,217	0	0	0
Health - External Portion	0	0	0	0
Human Services	0	4,215,978	0	0
Capital Outlay	0	10,562	0	0
Debt Service:				
Principal Retirement	0	1,796	0	0
Interest and Fiscal Charges	0	125	0	0
<i>Total Expenditures</i>	<u>136,217</u>	<u>4,228,461</u>	<u>0</u>	<u>537,446</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>25,868</u>	<u>(765,179)</u>	<u>8,554</u>	<u>184,260</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	0	10,562	0	0
Transfers In	0	635,864	0	1,083
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>646,426</u>	<u>0</u>	<u>1,083</u>
<i>Net Change in Fund Balances</i>	25,868	(118,753)	8,554	185,343
Fund Balances (Deficit) at Beginning of Year	<u>136,465</u>	<u>275,493</u>	<u>161,879</u>	<u>845,814</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$162,333</u>	<u>\$156,740</u>	<u>\$170,433</u>	<u>\$1,031,157</u>

(continued)

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended December 31, 2007

	Redevelopment Tax Equivalent	Drug Abuse Resistance Education (DARE)	Miscellaneous Federal Grants	Access Visitation Grant
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	2,514
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	1,812	56,489	9,657
Interest	0	0	0	0
Payments in Lieu of Taxes	97,035	0	0	0
Contributions and Donations	0	2,840	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>97,035</u>	<u>4,652</u>	<u>56,489</u>	<u>12,171</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	12,424
Public Safety	0	66,581	100,066	0
Public Works	0	0	0	0
Public Works - External Portion	0	0	0	0
Health	0	0	0	0
Health - External Portion	0	0	0	0
Human Services	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>66,581</u>	<u>100,066</u>	<u>12,424</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>97,035</u>	<u>(61,929)</u>	<u>(43,577)</u>	<u>(253)</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	0	0	0	0
Transfers In	0	42,900	41,361	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>42,900</u>	<u>41,361</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	97,035	(19,029)	(2,216)	(253)
Fund Balances (Deficit) at Beginning of Year	<u>93,436</u>	<u>62,886</u>	<u>28,285</u>	<u>2,078</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$190,471</u></u>	<u><u>\$43,857</u></u>	<u><u>\$26,069</u></u>	<u><u>\$1,825</u></u>

Delinquent Real Estate Tax and Assessment Collection	Homeland Security	Tuberculosis Clinic	Youth Services	Block Grants	Computer Legal Research
\$0	\$0	\$488,105	\$0	\$0	\$0
178,538	0	7,482	0	0	27,338
0	0	0	0	0	0
0	0	0	0	0	0
0	70,548	285,076	10,085	408,970	0
0	0	0	0	0	0
0	0	1,923	0	0	0
0	0	0	0	0	0
0	0	6,727	0	0	0
<u>178,538</u>	<u>70,548</u>	<u>789,313</u>	<u>10,085</u>	<u>408,970</u>	<u>27,338</u>
235,366	0	0	0	0	0
0	0	0	0	0	12,118
0	70,548	0	18,536	0	0
0	0	0	0	432,437	0
0	0	0	0	0	0
0	0	676,153	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>235,366</u>	<u>70,548</u>	<u>676,153</u>	<u>18,536</u>	<u>432,437</u>	<u>12,118</u>
<u>(56,828)</u>	<u>0</u>	<u>113,160</u>	<u>(8,451)</u>	<u>(23,467)</u>	<u>15,220</u>
0	0	0	0	0	0
0	0	1,083	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>1,083</u>	<u>0</u>	<u>0</u>	<u>0</u>
(56,828)	0	114,243	(8,451)	(23,467)	15,220
<u>360,606</u>	<u>0</u>	<u>687,217</u>	<u>5,404</u>	<u>(6,627)</u>	<u>75,778</u>
<u>\$303,778</u>	<u>\$0</u>	<u>\$801,460</u>	<u>(\$3,047)</u>	<u>(\$30,094)</u>	<u>\$90,998</u>

(continued)

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended December 31, 2007

	Community Correction	Home Detention (Electronic Monitor)	Litter Prevention	Ohio Childrens Trust
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	70,095	0	0
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	218,335	22,790	40,666	30,225
Interest	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Contributions and Donations	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>218,335</u>	<u>92,885</u>	<u>40,666</u>	<u>30,225</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	0
Public Safety	220,209	133,106	0	0
Public Works	0	0	35,710	0
Public Works - External Portion	0	0	0	0
Health	0	0	0	0
Health - External Portion	0	0	0	0
Human Services	0	0	0	30,225
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>220,209</u>	<u>133,106</u>	<u>35,710</u>	<u>30,225</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,874)</u>	<u>(40,221)</u>	<u>4,956</u>	<u>0</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	0	0	0	0
Transfers In	1,518	72,649	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Use)</i>	<u>1,518</u>	<u>72,649</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(356)	32,428	4,956	0
Fund Balances (Deficit) at Beginning of Year	<u>55,867</u>	<u>180,341</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$55,511</u>	<u>\$212,769</u>	<u>\$4,956</u>	<u>\$0</u>

<u>Marriage License</u>	<u>Political Subdivision Housing</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Probate Conduct of Business</u>	<u>Enforcement and Education</u>	<u>Law Enforcement</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	629	0	0
23,494	0	0	0	0	0
0	23,965	20,900	0	2,439	4,324
0	0	113	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	375
0	0	0	0	0	5,697
<u>23,494</u>	<u>23,965</u>	<u>21,013</u>	<u>629</u>	<u>2,439</u>	<u>10,396</u>
0	0	0	0	0	0
0	0	0	680	0	0
0	44,179	0	0	7,123	137,038
0	0	0	0	0	0
0	0	0	0	0	0
23,494	0	0	0	0	0
0	0	0	0	0	0
0	0	55,638	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>23,494</u>	<u>44,179</u>	<u>55,638</u>	<u>680</u>	<u>7,123</u>	<u>137,038</u>
<u>0</u>	<u>(20,214)</u>	<u>(34,625)</u>	<u>(51)</u>	<u>(4,684)</u>	<u>(126,642)</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(20,214)	(34,625)	(51)	(4,684)	(126,642)
<u>0</u>	<u>80,402</u>	<u>140,094</u>	<u>647</u>	<u>28,283</u>	<u>131,783</u>
<u>\$0</u>	<u>\$60,188</u>	<u>\$105,469</u>	<u>\$596</u>	<u>\$23,599</u>	<u>\$5,141</u>

(continued)

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended December 31, 2007

	Legal Aid Society	Senior Citizens Levy	Felony Delinquent Care and Custody	Drug Law Enforcement
Revenues				
Property Taxes	\$0	\$582,027	\$0	\$0
Charges for Services	93	0	0	0
Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	1,930
Intergovernmental	0	104,870	277,039	0
Interest	0	0	0	0
Payments in Lieu of Taxes	0	2,306	0	0
Contributions and Donations	0	0	0	0
Other	0	1,320	0	2,907
<i>Total Revenues</i>	<u>93</u>	<u>690,523</u>	<u>277,039</u>	<u>4,837</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	0	0	0	0
Public Safety	0	0	180,056	50,501
Public Works	0	0	0	0
Public Works - External Portion	0	0	0	0
Health	0	0	0	0
Health - External Portion	0	0	0	0
Human Services	0	639,338	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>639,338</u>	<u>180,056</u>	<u>50,501</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>93</u>	<u>51,185</u>	<u>96,983</u>	<u>(45,664)</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	0	0	0	0
Transfers In	0	2,204	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>2,204</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	93	53,389	96,983	(45,664)
Fund Balances (Deficit) at Beginning of Year	<u>132</u>	<u>322,470</u>	<u>141,401</u>	<u>45,664</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$225</u>	<u>\$375,859</u>	<u>\$238,384</u>	<u>\$0</u>

<u>Indigent Guardianship</u>	<u>Victim of Criminals</u>	<u>Sheriff Commissary</u>	<u>Children Services Christmas</u>	<u>Mental Health Levy</u>	<u>Certificate of Title Administration</u>	<u>Sheriff Levy</u>
\$0	\$0	\$0	\$0	\$963,220	\$0	\$386,934
12,174	0	260,401	0	0	0	0
0	0	0	0	0	254,808	0
0	0	0	0	0	0	0
0	42,748	0	0	346,240	0	81,996
0	0	0	0	0	3,798	0
0	0	0	0	4,070	0	1,839
0	0	0	8,590	0	0	0
0	0	0	0	0	73	561
<u>12,174</u>	<u>42,748</u>	<u>260,401</u>	<u>8,590</u>	<u>1,313,530</u>	<u>258,679</u>	<u>471,330</u>
0	0	0	0	0	174,646	0
0	0	0	0	0	0	0
0	44,712	245,742	0	0	0	455,722
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	1,311,941	0	0
10,785	0	0	5,372	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>10,785</u>	<u>44,712</u>	<u>245,742</u>	<u>5,372</u>	<u>1,311,941</u>	<u>174,646</u>	<u>455,722</u>
<u>1,389</u>	<u>(1,964)</u>	<u>14,659</u>	<u>3,218</u>	<u>1,589</u>	<u>84,033</u>	<u>15,608</u>
0	0	0	0	0	0	0
0	1,302	0	0	0	0	1,083
0	0	0	0	0	(129,000)	0
<u>0</u>	<u>1,302</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(129,000)</u>	<u>1,083</u>
1,389	(662)	14,659	3,218	1,589	(44,967)	16,691
<u>950</u>	<u>10,560</u>	<u>(4,452)</u>	<u>63,805</u>	<u>44,675</u>	<u>829,362</u>	<u>352,677</u>
<u>\$2,339</u>	<u>\$9,898</u>	<u>\$10,207</u>	<u>\$67,023</u>	<u>\$46,264</u>	<u>\$784,395</u>	<u>\$369,368</u>

(continued)

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended December 31, 2007

	Court Special Projects	Transportation Improvement District (TID) Escrow	Juvenile Detention	Concealed Weapon
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	112,821	0	0	0
Licenses and Permits	0	0	0	7,868
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Contributions and Donations	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>112,821</u>	<u>0</u>	<u>0</u>	<u>7,868</u>
Expenditures				
Current:				
General Government:				
Legislative and Executive	0	0	0	0
Judicial	17,084	0	5,533	0
Public Safety	0	0	0	7,743
Public Works	0	1,506,641	0	0
Public Works - External Portion	0	0	0	0
Health	0	0	0	0
Health - External Portion	0	0	0	0
Human Services	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>17,084</u>	<u>1,506,641</u>	<u>5,533</u>	<u>7,743</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>95,737</u>	<u>(1,506,641)</u>	<u>(5,533)</u>	<u>125</u>
Other Financing Sources (Use)				
Inception of a Capital Lease	0	0	0	0
Transfers In	0	1,506,641	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>1,506,641</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	95,737	0	(5,533)	125
Fund Balances (Deficit) at				
Beginning of Year	<u>366,164</u>	<u>925,754</u>	<u>96,396</u>	<u>13,174</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$461,901</u>	<u>\$925,754</u>	<u>\$90,863</u>	<u>\$13,299</u>

Wireless 911	Brandywine Loop Extension	Total Nonmajor Special Revenue Funds
\$0	\$0	\$2,420,286
0	0	1,773,467
0	0	414,654
0	0	58,823
166,868	0	5,232,525
0	0	12,267
0	96,942	204,115
0	0	11,890
0	0	71,229
<u>166,868</u>	<u>96,942</u>	<u>10,199,256</u>
0	0	947,458
0	0	47,839
40,723	0	1,822,585
0	9,000	1,983,788
0	326,511	326,511
0	0	835,864
0	0	1,311,941
0	0	4,957,336
0	0	10,562
0	0	1,796
0	39,978	40,103
<u>40,723</u>	<u>375,489</u>	<u>12,285,783</u>
<u>126,145</u>	<u>(278,547)</u>	<u>(2,086,527)</u>
0	0	10,562
0	0	2,307,688
0	0	(129,000)
<u>0</u>	<u>0</u>	<u>2,189,250</u>
126,145	(278,547)	102,723
<u>72,931</u>	<u>(386,494)</u>	<u>6,241,300</u>
<u>\$199,076</u>	<u>(\$665,041)</u>	<u>\$6,344,023</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Dog and Kennel Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$26,870	\$29,331	\$2,461
Licenses and Permits	105,000	128,484	23,484
Fines and Forfeitures	3,800	4,245	445
<i>Total Revenues</i>	<u>135,670</u>	<u>162,060</u>	<u>26,390</u>
Expenditures			
Current:			
Health			
Animal Control			
Salaries and Wages	93,000	78,943	14,057
Fringe Benefits	45,691	29,302	16,389
Contractual Services	7,000	5,092	1,908
Materials and Supplies	8,356	6,446	1,910
Capital Outlay	5,000	0	5,000
Other	15,000	14,653	347
<i>Total Expenditures</i>	<u>174,047</u>	<u>134,436</u>	<u>39,611</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(38,377)</u>	<u>27,624</u>	<u>66,001</u>
Other Financing Source (Use)			
Advances Out	0	(421)	(421)
Transfers In	27,340	0	(27,340)
<i>Total Other Financing Source (Use)</i>	<u>27,340</u>	<u>(421)</u>	<u>(27,761)</u>
<i>Net Change in Fund Balance</i>	(11,037)	27,203	38,240
Fund Balance at Beginning of Year	<u>139,264</u>	<u>139,264</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$128,227</u>	<u>\$166,467</u>	<u>\$38,240</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Child Support Enforcement Agency Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$327,000	\$327,685	\$685
Intergovernmental	3,704,097	3,080,449	(623,648)
Other	65,000	58,452	(6,548)
<i>Total Revenues</i>	<u>4,096,097</u>	<u>3,466,586</u>	<u>(629,511)</u>
Expenditures			
Current:			
Human Services			
Child Support Enforcement			
Salaries and Wages	1,922,530	1,922,150	380
Fringe Benefits	902,090	809,107	92,983
Contractual Services	1,732,610	1,126,168	606,442
Materials and Supplies	67,971	64,129	3,842
Capital Outlay	70,471	52,828	17,643
Other	172,607	127,894	44,713
<i>Total Human Services</i>	<u>4,868,279</u>	<u>4,102,276</u>	<u>766,003</u>
Debt Service:			
Principal Retirement	1,796	1,796	0
Interest and Fiscal Charges	125	125	0
<i>Total Debt Service</i>	<u>1,921</u>	<u>1,921</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,870,200</u>	<u>4,104,197</u>	<u>766,003</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(774,103)</u>	<u>(637,611)</u>	<u>136,492</u>
Other Financing Source (Use)			
Advances Out	0	(9,370)	(9,370)
Transfers In	850,000	637,655	(212,345)
<i>Total Other Financing Source (Use)</i>	<u>850,000</u>	<u>628,285</u>	<u>(221,715)</u>
<i>Net Change in Fund Balance</i>	75,897	(9,326)	(85,223)
Fund Balance (Deficit) at Beginning of Year	(68,647)	(68,647)	0
Prior Year Encumbrances Appropriated	206,198	206,198	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$213,448</u>	<u>\$128,225</u>	<u>(\$85,223)</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Childrens' Services Trust Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Interest	\$0	\$8,574	\$8,574
Contributions and Donations	0	85	85
<i>Total Revenues</i>	0	8,659	8,659
Expenditures			
Current:			
Human Services			
Childrens' Services Trust Fund			
Materials and Supplies	152,807	0	152,807
<i>Net Change in Fund Balance</i>	(152,807)	8,659	161,466
Fund Balance at Beginning of Year	161,152	161,152	0
<i>Fund Balance at End of Year</i>	\$8,345	\$169,811	\$161,466

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Real Estate Assessment Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$610,950	\$719,777	\$108,827
Fines and Forfeitures	1,000	1,020	20
Other	10	1,992	1,982
<i>Total Revenues</i>	<u>611,960</u>	<u>722,789</u>	<u>110,829</u>
Expenditures			
Current:			
General Government - Legislative and Executive			
County Auditor			
Salaries and Wages	242,775	242,606	169
Fringe Benefits	95,207	92,286	2,921
Contractual Services	199,077	196,364	2,713
Materials and Supplies	3,497	3,497	0
Other	39,199	38,680	519
<i>Total Expenditures</i>	<u>579,755</u>	<u>573,433</u>	<u>6,322</u>
<i>Excess of Revenues Over Expenditures</i>	32,205	149,356	117,151
Other Financing Source			
Advances In	<u>0</u>	<u>(1,134)</u>	<u>(1,134)</u>
<i>Net Change in Fund Balance</i>	32,205	148,222	116,017
Fund Balance at Beginning of Year	861,318	861,318	0
Prior Year Encumbrances Appropriated	<u>30,753</u>	<u>30,753</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$924,276</u></u>	<u><u>\$1,040,293</u></u>	<u><u>\$116,017</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Redevelopment Tax Equivalent Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payments in Lieu of Taxes	\$200,000	\$93,436	(\$106,564)
Expenditures			
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	200,000	93,436	(106,564)
Other Financing Use			
Transfers Out	<u>(92,000)</u>	<u>0</u>	<u>92,000</u>
<i>Net Change in Fund Balance</i>	108,000	93,436	(14,564)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$108,000</u></u>	<u><u>\$93,436</u></u>	<u><u>(\$14,564)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Abuse Resistance Education (DARE) Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$1,812	\$1,812	\$0
Contributions and Donations	2,840	2,840	0
<i>Total Revenues</i>	<u>4,652</u>	<u>4,652</u>	<u>0</u>
Expenditures			
Current:			
Public Safety			
Drug Abuse Resistance Education (DARE)			
Salaries and Wages	41,900	40,861	1,039
Fringe Benefits	23,301	19,206	4,095
Materials and Supplies	9,000	6,163	2,837
<i>Total Expenditures</i>	<u>74,201</u>	<u>66,230</u>	<u>7,971</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(69,549)</u>	<u>(61,578)</u>	<u>7,971</u>
Other Financing Source (Use)			
Advances Out	0	(207)	(207)
Transfers In	42,900	42,900	0
<i>Total Other Financing Source (Use)</i>	<u>42,900</u>	<u>42,693</u>	<u>(207)</u>
<i>Net Change in Fund Balance</i>	(26,649)	(18,885)	7,764
Fund Balance at Beginning of Year	<u>65,499</u>	<u>65,499</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$38,850</u></u>	<u><u>\$46,614</u></u>	<u><u>\$7,764</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$85,908	\$56,489	(\$29,419)
Expenditures			
Current:			
Public Safety			
Miscellaneous Federal Grants			
Salaries and Wages	48,326	47,542	784
Fringe Benefits	24,940	22,909	2,031
Contractual Services	11,000	1,176	9,824
Materials and Supplies	3,000	1,492	1,508
Capital Outlay	26,893	26,711	182
Other	11,490	3,536	7,954
<i>Total Expenditures</i>	125,649	103,366	22,283
<i>Excess of Revenues Under Expenditures</i>	(39,741)	(46,877)	(7,136)
Other Financing Source (Use)			
Advances Out	0	(355)	(355)
Transfers In	41,361	41,361	0
<i>Total Other Financing Source (Use)</i>	41,361	41,006	(355)
<i>Net Change in Fund Balance</i>	1,620	(5,871)	(7,491)
Fund Balance at Beginning of Year	33,071	33,071	0
<i>Fund Balance at End of Year</i>	\$34,691	\$27,200	(\$7,491)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Access Visitation Grant Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$9,160	\$5,300	(\$3,860)
Intergovernmental	10,528	9,657	(871)
<i>Total Revenues</i>	19,688	14,957	(4,731)
Expenditures			
Current:			
General Government - Judicial			
Domestic Relations Court			
Contractual Services	21,074	14,529	6,545
<i>Net Change in Fund Balance</i>	(1,386)	428	1,814
Fund Balance (Deficit) at Beginning of Year	(2,128)	(2,128)	0
Prior Year Encumbrances Appropriated	3,514	3,514	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$1,814</u>	<u>\$1,814</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Delinquent Real Estate Tax and Assessment Collection Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$233,381	\$178,538	(\$54,843)
Expenditures			
Current:			
General Government - Legislative and Executive			
DRETAC			
Salaries and Wages	284,481	187,568	96,913
Fringe Benefits	60,203	33,200	27,003
Materials and Supplies	2,000	0	2,000
Capital Outlay	5,000	0	5,000
Other	185,385	21,593	163,792
<i>Total Expenditures</i>	537,069	242,361	294,708
<i>Excess of Revenues Over (Under) Expenditures</i>	(303,688)	(63,823)	239,865
Other Financing Use			
Advances Out	0	(707)	(707)
<i>Net Change in Fund Balance</i>	(303,688)	(64,530)	239,158
Fund Balance at Beginning of Year	365,576	365,576	0
Prior Year Encumbrances Appropriated	6,658	6,658	0
<i>Fund Balance at End of Year</i>	\$68,546	\$307,704	\$239,158

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Homeland Security Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$110,596	\$70,548	(\$40,048)
<i>Total Revenues</i>	<u>110,596</u>	<u>70,548</u>	<u>(40,048)</u>
Expenditures			
Current:			
Public Safety			
Homeland Security			
Materials and Supplies	40,000	40,000	0
Capital Outlay	70,596	70,548	48
<i>Total Expenditures</i>	<u>110,596</u>	<u>110,548</u>	<u>48</u>
<i>Net Change in Fund Balance</i>	0	(40,000)	(40,000)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$40,000)</u></u>	<u><u>(\$40,000)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Tuberculosis Clinic Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$495,926	\$486,322	(\$9,604)
Charges for Services	12,000	7,482	(4,518)
Intergovernmental	202,560	285,479	82,919
Payments in Lieu of Taxes	3,100	3,064	(36)
Other	54,510	7,810	(46,700)
<i>Total Revenues</i>	<u>768,096</u>	<u>790,157</u>	<u>22,061</u>
Expenditures			
Current:			
Health			
Tuberculosis Clinic			
Salaries and Wages	258,500	191,270	67,230
Fringe Benefits	100,851	89,419	11,432
Contractual Services	134,382	122,439	11,943
Materials and Supplies	292,833	245,651	47,182
Capital Outlay	12,000	8,399	3,601
Other	8,751	7,127	1,624
<i>Total Expenditures</i>	<u>807,317</u>	<u>664,305</u>	<u>143,012</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(39,221)	125,852	165,073
Other Financing Use			
Advances Out	<u>0</u>	<u>(1,341)</u>	<u>(1,341)</u>
<i>Net Change in Fund Balance</i>	(39,221)	124,511	163,732
Fund Balance at Beginning of Year	631,023	631,023	0
Prior Year Encumbrances Appropriated	<u>22,286</u>	<u>22,286</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$614,088</u></u>	<u><u>\$777,820</u></u>	<u><u>\$163,732</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Youth Services Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$21,706	\$11,111	(\$10,595)
Expenditures			
Current:			
Public Safety			
Youth Services			
Salaries and Wages	22,377	12,289	10,088
Fringe Benefits	2,626	1,880	746
<i>Total Expenditures</i>	<u>25,003</u>	<u>14,169</u>	<u>10,834</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,297)	(3,058)	239
Other Financing Use			
Advances Out	<u>0</u>	<u>(3,035)</u>	<u>(3,035)</u>
<i>Net Change in Fund Balance</i>	(3,297)	(6,093)	(2,796)
Fund Balance (Deficit) at Beginning of Year	(2,461)	(2,461)	0
Prior Year Encumbrances Appropriated	<u>8,756</u>	<u>8,756</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,998</u></u>	<u><u>\$202</u></u>	<u><u>(\$2,796)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Block Grants Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$562,240	\$396,670	(\$165,570)
<i>Total Revenues</i>	<u>562,240</u>	<u>396,670</u>	<u>(165,570)</u>
Expenditures			
Current:			
Public Works			
Block Grants			
Salaries and Wages	43,177	40,207	2,970
Fringe Benefits	25,907	17,100	8,807
Contractual Services	457,114	412,467	44,647
Materials and Supplies	15,235	12,867	2,368
<i>Total Expenditures</i>	<u>541,433</u>	<u>482,641</u>	<u>58,792</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>20,807</u>	<u>(85,971)</u>	<u>(106,778)</u>
Other Financing Source (Use)			
Advances In	0	64,829	64,829
Advances Out	0	(63,765)	(63,765)
<i>Total Other Financing Source (Use)</i>	<u>0</u>	<u>1,064</u>	<u>1,064</u>
<i>Net Change in Fund Balance</i>	20,807	(84,907)	(105,714)
Fund Balance at Beginning of Year	22,330	22,330	0
Prior Year Encumbrances Appropriated	20,430	20,430	0
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$63,567</u></u>	<u><u>(\$42,147)</u></u>	<u><u>(\$105,714)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Computer Legal Research Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$28,900	\$27,181	(\$1,719)
Expenditures			
Current:			
General Government - Judicial			
Computer Legal Research			
Contractual Services	25,000	14,129	10,871
Other	2,000	0	2,000
<i>Total Expenditures</i>	27,000	14,129	12,871
<i>Net Change in Fund Balance</i>	1,900	13,052	11,152
Fund Balance at Beginning of Year	74,231	74,231	0
<i>Fund Balance at End of Year</i>	\$76,131	\$87,283	\$11,152

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Correction Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$215,110	\$218,335	\$3,225
Expenditures			
Current:			
Public Safety			
Community Correction			
Salaries and Wages	153,010	151,594	1,416
Fringe Benefits	70,595	67,823	2,772
<i>Total Expenditures</i>	223,605	219,417	4,188
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,495)	(1,082)	7,413
Other Financing Source			
Transfers In	1,518	1,518	0
<i>Net Change in Fund Balance</i>	(6,977)	436	7,413
Fund Balance at Beginning of Year	6,977	6,977	0
<i>Fund Balance at End of Year</i>	\$0	\$7,413	\$7,413

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Home Detention (Electronic Monitor) Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$37,000	\$64,058	\$27,058
Intergovernmental	60,684	30,237	(30,447)
<i>Total Revenues</i>	<u>97,684</u>	<u>94,295</u>	<u>(3,389)</u>
Expenditures			
Current:			
Public Safety			
Electronic Monitor			
Salaries and Wages	104,465	85,672	18,793
Fringe Benefits	16,200	14,931	1,269
Contractual Services	10,567	7,155	3,412
Materials and Supplies	50,848	23,743	27,105
Capital Outlay	4,004	3,392	612
<i>Total Expenditures</i>	<u>186,084</u>	<u>134,893</u>	<u>51,191</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(88,400)</u>	<u>(40,598)</u>	<u>47,802</u>
Other Financing Source (Uses)			
Advances Out	0	(410)	(410)
Transfers In	74,110	72,649	(1,461)
Transfers Out	(731)	0	731
<i>Total Other Financing Source (Uses)</i>	<u>73,379</u>	<u>72,239</u>	<u>(1,140)</u>
<i>Net Change in Fund Balance</i>	(15,021)	31,641	46,662
Fund Balance at Beginning of Year	170,059	170,059	0
Prior Year Encumbrances Appropriated	1,497	1,497	0
<i>Fund Balance at End of Year</i>	<u><u>\$156,535</u></u>	<u><u>\$203,197</u></u>	<u><u>\$46,662</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Litter Prevention Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$50,000	\$40,666	(\$9,334)
Expenditures			
Current:			
Public Works			
Litter Control			
Capital Outlay	50,000	43,710	6,290
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(3,044)	(3,044)
Other Financing Source			
Advances In	0	6,670	6,670
<i>Net Change in Fund Balance</i>	0	3,626	3,626
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$3,626</u>	<u>\$3,626</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Childrens Trust Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$57,891	\$30,225	(\$27,666)
Expenditures			
Current:			
Human Services			
Ohio Childrens Trust			
Contractual Services	55,331	30,225	25,106
<i>Net Change in Fund Balance</i>	2,560	0	(2,560)
Fund Balance (Deficit) at Beginning of Year	(13,833)	(13,833)	0
Prior Year Encumbrances Appropriated	13,833	13,833	0
<i>Fund Balance at End of Year</i>	<u>\$2,560</u>	<u>\$0</u>	<u>(\$2,560)</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Marriage License Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$24,000	\$23,541	(\$459)
Expenditures			
Current:			
Health			
Marriage License			
Contractual Services	24,000	23,541	459
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Political Subdivision Housing Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$22,159	\$23,965	\$1,806
Expenditures			
Current:			
Public Safety			
Political Subdivision Housing			
Contractual Services	80,000	44,179	35,821
<i>Net Change in Fund Balance</i>	(57,841)	(20,214)	37,627
Fund Balance at Beginning of Year	80,402	80,402	0
<i>Fund Balance at End of Year</i>	<u>\$22,561</u>	<u>\$60,188</u>	<u>\$37,627</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Alcohol Treatment Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$20,000	\$20,900	\$900
Intergovernmental	250	113	(137)
<i>Total Revenues</i>	<u>20,250</u>	<u>21,013</u>	<u>763</u>
Expenditures			
Current:			
Human Services			
Indigent Drivers Alcohol Treatment			
Contractual Services	31,047	22,250	8,797
Capital Outlay	45,000	45,000	0
<i>Total Expenditures</i>	<u>76,047</u>	<u>67,250</u>	<u>8,797</u>
<i>Net Change in Fund Balance</i>	(55,797)	(46,237)	9,560
Fund Balance at Beginning of Year	133,297	133,297	0
Prior Year Encumbrances Appropriated	9,047	9,047	0
<i>Fund Balance at End of Year</i>	<u><u>\$86,547</u></u>	<u><u>\$96,107</u></u>	<u><u>\$9,560</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Probate Conduct of Business Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$700	\$637	(\$63)
Expenditures			
Current:			
General Government - Judicial			
Probate Conduct of Business			
Other	700	680	20
<i>Net Change in Fund Balance</i>	0	(43)	(43)
Fund Balance at Beginning of Year	608	608	0
<i>Fund Balance at End of Year</i>	<u>\$608</u>	<u>\$565</u>	<u>(\$43)</u>

Muskingum County, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Enforcement and Education Fund
 For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$2,298	\$2,464	\$166
Expenditures			
Current:			
Public Safety			
Enforcement and Education			
Materials and Supplies	18,500	0	18,500
Other	9,500	7,123	2,377
<i>Total Expenditures</i>	28,000	7,123	20,877
<i>Net Change in Fund Balance</i>	(25,702)	(4,659)	21,043
Fund Balance at Beginning of Year	28,258	28,258	0
<i>Fund Balance at End of Year</i>	\$2,556	\$23,599	\$21,043

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$15,000	\$4,324	(\$10,676)
Contributions and Donations	375	375	0
Other	5,697	5,697	0
<i>Total Revenues</i>	<u>21,072</u>	<u>10,396</u>	<u>(10,676)</u>
Expenditures			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	7,320	6,734	586
Materials and Supplies	5,537	538	4,999
Other	139,857	129,766	10,091
<i>Total Expenditures</i>	<u>152,714</u>	<u>137,038</u>	<u>15,676</u>
<i>Net Change in Fund Balance</i>	(131,642)	(126,642)	5,000
Fund Balance at Beginning of Year	<u>131,783</u>	<u>131,783</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$141</u></u>	<u><u>\$5,141</u></u>	<u><u>\$5,000</u></u>

Muskingum County, Ohio
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Legal Aid Society Fund
 For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$200	\$94	(\$106)
Expenditures			
Current:			
General Government - Judicial			
Legal Aid Society			
Salaries and Wages	200	0	200
<i>Net Change in Fund Balance</i>	0	94	94
Fund Balance at Beginning of Year	123	123	0
<i>Fund Balance at End of Year</i>	\$123	\$217	\$94

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Senior Citizens Levy Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$577,564	\$579,798	\$2,234
Intergovernmental	67,180	104,870	37,690
Payments in Lieu of Taxes	300	3,735	3,435
Other	0	2,403	2,403
<i>Total Revenues</i>	<u>645,044</u>	<u>690,806</u>	<u>45,762</u>
Expenditures			
Current:			
Human Services			
Senior Citizens Levy			
Salaries and Wages	479,307	469,472	9,835
Fringe Benefits	177,059	172,623	4,436
<i>Total Expenditures</i>	<u>656,366</u>	<u>642,095</u>	<u>14,271</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,322)</u>	<u>48,711</u>	<u>60,033</u>
Other Financing Source (Use)			
Advances Out	0	(2,451)	(2,451)
Transfers In	1,121	1,121	0
<i>Total Other Financing Source (Use)</i>	<u>1,121</u>	<u>(1,330)</u>	<u>(2,451)</u>
<i>Net Change in Fund Balance</i>	(10,201)	47,381	57,582
Fund Balance at Beginning of Year	<u>335,356</u>	<u>335,356</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$325,155</u></u>	<u><u>\$382,737</u></u>	<u><u>\$57,582</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Felony Delinquent Care and Custody Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$357,802	\$240,857	(\$116,945)
Expenditures			
Current:			
Public Safety			
Specialized Probation			
Salaries and Wages	148,384	90,272	58,112
Fringe Benefits	85,038	43,088	41,950
Contractual Services	136,203	55,395	80,808
Materials and Supplies	2,000	1,122	878
<i>Total Expenditures</i>	371,625	189,877	181,748
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,823)	50,980	64,803
Other Financing Source (Uses)			
Advances Out	0	(775)	(775)
Transfers In	73,988	0	(73,988)
Transfers Out	(73,988)	0	73,988
<i>Total Other Financing Source (Uses)</i>	0	(775)	(775)
<i>Net Change in Fund Balance</i>	(13,823)	50,205	64,028
Fund Balance at Beginning of Year	141,538	141,538	0
<i>Fund Balance at End of Year</i>	<u>\$127,715</u>	<u>\$191,743</u>	<u>\$64,028</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Law Enforcement Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$11,955	\$1,955	(\$10,000)
Other	2,907	2,907	0
<i>Total Revenues</i>	<u>14,862</u>	<u>4,862</u>	<u>(10,000)</u>
Expenditures			
Current:			
Public Safety			
Drug Law Enforcement			
Capital Outlay	28,153	28,153	0
Other	32,174	22,174	10,000
<i>Total Expenditures</i>	<u>60,327</u>	<u>50,327</u>	<u>10,000</u>
<i>Net Change in Fund Balance</i>	(45,465)	(45,465)	0
Fund Balance at Beginning of Year	<u>45,465</u>	<u>45,465</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Guardianship Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$15,284	\$12,074	(\$3,210)
Expenditures			
Current:			
Human Services			
Indigent Guardianship			
Contractual Services	15,414	11,633	3,781
<i>Net Change in Fund Balance</i>	(130)	441	571
Fund Balance (Deficit) at Beginning of Year	(284)	(284)	0
Prior Year Encumbrances Appropriated	414	414	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$571</u>	<u>\$571</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Victim of Criminals Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$42,748	\$42,748	\$0
Expenditures			
Current:			
Public Safety			
Victim of Criminals			
Salaries and Wages	44,871	44,461	410
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,123)	(1,713)	410
Other Financing Source			
Transfers In	1,302	1,302	0
<i>Net Change in Fund Balance</i>	(821)	(411)	410
Fund Balance at Beginning of Year	821	821	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$410</u>	<u>\$410</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sheriff Commissary Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$260,426	\$260,426	\$0
Expenditures			
Current:			
Public Safety			
Sheriff Commissary			
Contractual Services	9,132	5,852	3,280
Materials and Supplies	249,532	246,043	3,489
Capital Outlay	28,099	28,099	0
<i>Total Expenditures</i>	<u>286,763</u>	<u>279,994</u>	<u>6,769</u>
<i>Net Change in Fund Balance</i>	(26,337)	(19,568)	6,769
Fund Balance at Beginning of Year	2,107	2,107	0
Prior Year Encumbrances Appropriated	<u>24,230</u>	<u>24,230</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$6,769</u></u>	<u><u>\$6,769</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Children Services Christmas Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Contributions and Donations	\$0	\$8,590	\$8,590
Expenditures			
Current:			
Human Services			
Children Services			
Materials and Supplies	51,765	10,183	41,582
<i>Net Change in Fund Balance</i>	(51,765)	(1,593)	50,172
Fund Balance at Beginning of Year	62,711	62,711	0
Prior Year Encumbrances Appropriated	4,765	4,765	0
<i>Fund Balance at End of Year</i>	<u>\$15,711</u>	<u>\$65,883</u>	<u>\$50,172</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Mental Health Levy Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$958,761	\$958,761	\$0
Intergovernmental	346,240	346,240	0
Payments in Lieu of Taxes	6,940	6,940	0
<i>Total Revenues</i>	1,311,941	1,311,941	0
Expenditures			
Intergovernmental			
Contractual Services	1,311,941	1,311,941	0
<i>Net Change in Fund Balance</i>	0	0	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Certificate of Title Administration Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$300,000	\$281,312	(\$18,688)
Interest	0	4,154	4,154
Other	0	73	73
<i>Total Revenues</i>	<u>300,000</u>	<u>285,539</u>	<u>(14,461)</u>
Expenditures			
Current:			
General Government - Legislative and Executive			
Clerk of Courts Title			
Salaries and Wages	135,000	124,018	10,982
Fringe Benefits	26,942	22,787	4,155
Contractual Services	8,000	7,615	385
Materials and Supplies	21,228	17,878	3,350
Capital Outlay	10,554	600	9,954
Other	60,450	12,406	48,044
<i>Total Expenditures</i>	<u>262,174</u>	<u>185,304</u>	<u>76,870</u>
<i>Excess of Revenues Over Expenditures</i>	<u>37,826</u>	<u>100,235</u>	<u>62,409</u>
Other Financing Uses			
Advances Out	0	(648)	(648)
Transfers Out	(129,000)	(129,000)	0
<i>Total Other Financing Uses</i>	<u>(129,000)</u>	<u>(129,648)</u>	<u>(648)</u>
<i>Net Change in Fund Balance</i>	(91,174)	(29,413)	61,761
Fund Balance at Beginning of Year	796,185	796,185	0
Prior Year Encumbrances Appropriated	6,100	6,100	0
<i>Fund Balance at End of Year</i>	<u>\$711,111</u>	<u>\$772,872</u>	<u>\$61,761</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sheriff Levy Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property Taxes	\$384,705	\$384,705	\$0
Intergovernmental	81,996	81,996	0
Payments in Lieu of Taxes	0	3,279	3,279
Other	1,644	1,644	0
<i>Total Revenues</i>	<u>468,345</u>	<u>471,624</u>	<u>3,279</u>
Expenditures			
Current:			
Public Safety			
Sheriff Department			
Salaries and Wages	340,000	320,518	19,482
Fringe Benefits	<u>144,263</u>	<u>134,176</u>	<u>10,087</u>
<i>Total Expenditures</i>	<u>484,263</u>	<u>454,694</u>	<u>29,569</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(15,918)	16,930	32,848
Other Financing Use			
Advances Out	<u>0</u>	<u>(1,810)</u>	<u>(1,810)</u>
<i>Net Change in Fund Balance</i>	(15,918)	15,120	31,038
Fund Balance at Beginning of Year	<u>353,895</u>	<u>353,895</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$337,977</u></u>	<u><u>\$369,015</u></u>	<u><u>\$31,038</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Special Projects Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$96,000	\$111,127	\$15,127
Expenditures			
Current:			
General Government - Judicial			
Court Special Projects			
Salaries and Wages	10,000	1,131	8,869
Fringe Benefits	3,734	239	3,495
Contractual Services	22,600	5,536	17,064
Materials and Supplies	10,000	2,000	8,000
Capital Outlay	35,715	13,558	22,157
<i>Total Expenditures</i>	82,049	22,464	59,585
<i>Excess of Revenues Over Expenditures</i>	13,951	88,663	74,712
Other Financing Use			
Advances Out	0	(15)	(15)
<i>Net Change in Fund Balance</i>	13,951	88,648	74,697
Fund Balance at Beginning of Year	355,649	355,649	0
Prior Year Encumbrances Appropriated	3,315	3,315	0
<i>Fund Balance at End of Year</i>	<u>\$372,915</u>	<u>\$447,612</u>	<u>\$74,697</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Transportation Improvement District (TID) Escrow Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Current:			
Public Works			
TID Escrow			
Contractual Services	1,532,710	1,506,641	26,069
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,532,710)	(1,506,641)	26,069
Other Financing Source			
Transfers In	1,993,685	1,506,641	(487,044)
<i>Net Change in Fund Balance</i>	460,975	0	(460,975)
Fund Balance at Beginning of Year	925,754	925,754	0
<i>Fund Balance at End of Year</i>	<u>\$1,386,729</u>	<u>\$925,754</u>	<u>(\$460,975)</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Juvenile Detention Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Current:			
General Government - Judicial			
Juvenile Court			
Fringe Benefits	23,738	0	23,738
Contractual Services	4,113	0	4,113
Materials and Supplies	29,930	0	29,930
Capital Outlay	7,684	4,686	2,998
Other	301	0	301
<i>Total Expenditures</i>	65,766	4,686	61,080
<i>Net Change in Fund Balance</i>	(65,766)	(4,686)	61,080
Fund Balance at Beginning of Year	65,766	65,766	0
<i>Fund Balance at End of Year</i>	\$0	\$61,080	\$61,080

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Concealed Weapon Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Licenses and Permits	\$7,783	\$7,783	\$0
Expenditures			
Current:			
Public Safety			
Sheriff			
Contractual Services	5,000	2,619	2,381
Materials and Supplies	8,000	5,668	2,332
<i>Total Expenditures</i>	13,000	8,287	4,713
<i>Net Change in Fund Balance</i>	(5,217)	(504)	4,713
Fund Balance at Beginning of Year	13,174	13,174	0
<i>Fund Balance at End of Year</i>	\$7,957	\$12,670	\$4,713

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Wireless 911 Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$142,000	\$166,868	\$24,868
Expenditures			
Current:			
Public Safety			
911 Wireless Fund			
Contractual Services	90,814	57,198	33,616
Materials and Supplies	12,000	798	11,202
Capital Outlay	58,410	8,410	50,000
<i>Total Expenditures</i>	161,224	66,406	94,818
<i>Net Change in Fund Balance</i>	(19,224)	100,462	119,686
Fund Balance at Beginning of Year	72,931	72,931	0
Prior Year Encumbrances Appropriated	19,224	19,224	0
<i>Fund Balance at End of Year</i>	\$72,931	\$192,617	\$119,686

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Brandywine Loop Extension Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Payment in Lieu of Taxes	\$92,000	\$139,228	\$47,228
Expenditures			
Public Works			
Brandywine Loop Extension			
Contractual Services	9,000	9,000	0
Intergovernmental			
Contractual Services	326,511	326,511	0
<i>Total Expenditures</i>	<u>335,511</u>	<u>335,511</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(243,511)	(196,283)	47,228
Other Financing Use			
Transfers Out	(200,000)	(185,651)	14,349
<i>Net Change in Fund Balance</i>	(443,511)	(381,934)	61,577
Fund Balance at Beginning of Year	<u>493,357</u>	<u>493,357</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$49,846</u></u>	<u><u>\$111,423</u></u>	<u><u>\$61,577</u></u>

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs. The following are reported as nonmajor debt service funds:

Debt Service Fund - To account for rent monies from the Department of Job and Family Services, from the County Fairboard, and transfers from other governmental funds used for the retirement of County general obligation bonds.

Special Assessment Debt Service Fund - To account for special assessment revenue used for the repayment of OWDA and bonded special assessment debt.

Note Retirement Fund - To account for the repayment of note debt and related revenue activity. For GAAP reporting, this activity is reflected in the fund that received the note proceeds.

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

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

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2007

	Debt Service	Special Assessment Debt Service	Total Nonmajor Debt Service Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$151,912	\$384,184	\$536,096
Receivables:			
Special Assessments	0	684,197	684,197
Loans	363,229	0	363,229
<i>Total Assets</i>	<u>\$515,141</u>	<u>\$1,068,381</u>	<u>\$1,583,522</u>
Liabilities and Fund Balances			
Liabilities			
Interfund Payable	\$1,296	\$0	\$1,296
Due to Others	0	191,997	191,997
Deferred Revenue	0	684,197	684,197
<i>Total Liabilities</i>	1,296	876,194	877,490
Fund Balances			
Reserved for Encumbrances	550	0	550
Reserved for Loans	343,229	0	343,229
Unreserved:			
Undesignated	170,066	192,187	362,253
<i>Total Fund Balances</i>	513,845	192,187	706,032
<i>Total Liabilities and Fund Balances</i>	<u>\$515,141</u>	<u>\$1,068,381</u>	<u>\$1,583,522</u>

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2007

	Debt Service	Special Assessment Debt Service	Total Nonmajor Debt Service Funds
Revenues			
Special Assessments	\$0	\$36,625	\$36,625
Intergovernmental	16,380	0	16,380
Interest	0	36,671	36,671
Rent	411,990	0	411,990
<i>Total Revenues</i>	428,370	73,296	501,666
Expenditures			
Debt Service:			
Principal Retirement	900,000	109,181	1,009,181
Interest and Fiscal Charges	669,383	53,603	722,986
<i>Total Expenditures</i>	1,569,383	162,784	1,732,167
<i>Excess of Revenues Under Expenditures</i>	(1,141,013)	(89,488)	(1,230,501)
Other Financing Source			
Transfers In	1,169,900	49,589	1,219,489
<i>Net Change in Fund Balances</i>	28,887	(39,899)	(11,012)
Fund Balances at Beginning of Year	484,958	232,086	717,044
<i>Fund Balances at End of Year</i>	\$513,845	\$192,187	\$706,032

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$38,185	\$36,380	(\$1,805)
Rent	394,622	411,990	17,368
<i>Total Revenues</i>	<u>432,807</u>	<u>448,370</u>	<u>15,563</u>
Expenditures			
Debt Service:			
Principal Retirement	900,000	900,000	0
Interest and Fiscal Charges	669,933	669,933	0
<i>Total Expenditures</i>	<u>1,569,933</u>	<u>1,569,933</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,137,126)</u>	<u>(1,121,563)</u>	<u>15,563</u>
Other Financing Sources (Use)			
Advances In	0	1,296	1,296
Transfers In	1,136,695	1,169,900	33,205
Transfers Out	(9,589)	0	9,589
<i>Total Other Financing Sources (Use)</i>	<u>1,127,106</u>	<u>1,171,196</u>	<u>44,090</u>
<i>Net Change in Fund Balance</i>	(10,020)	49,633	59,653
Fund Balance at Beginning of Year	103,573	103,573	0
Prior Year Encumbrances Appropriated	<u>550</u>	<u>550</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$94,103</u></u>	<u><u>\$153,756</u></u>	<u><u>\$59,653</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Debt Service Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Special Assessments	\$103,629	\$114,961	\$11,332
Interest	36,671	36,671	0
<i>Total Revenues</i>	<u>140,300</u>	<u>151,632</u>	<u>11,332</u>
Expenditures			
Debt Service:			
Principal Retirement	109,181	109,181	0
Interest and Fiscal Charges	55,278	53,603	1,675
<i>Total Expenditures</i>	<u>164,459</u>	<u>162,784</u>	<u>1,675</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(24,159)	(11,152)	13,007
Other Financing Source			
Transfers In	57,401	43,323	(14,078)
<i>Net Change in Fund Balance</i>	33,242	32,171	(1,071)
Fund Balance at Beginning of Year	<u>352,013</u>	<u>352,013</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$385,255</u></u>	<u><u>\$384,184</u></u>	<u><u>(\$1,071)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Note Retirement Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Debt Service:			
Principal Retirement	\$1,000,000	\$1,000,000	\$0
Interest and Fiscal Charges	51,680	39,316	12,364
<i>Total Expenditures</i>	<u>1,051,680</u>	<u>1,039,316</u>	<u>12,364</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,051,680)</u>	<u>(1,039,316)</u>	<u>12,364</u>
Other Financing Sources (Use)			
Bond Anticipation Notes Issued	875,000	825,000	(50,000)
Premium on Bond Anticipation Notes Issued	12,364	0	(12,364)
Advances In	0	41,816	41,816
Advances Out	0	(10,590)	(10,590)
Transfers In	185,651	185,651	0
<i>Total Other Financing Sources (Use)</i>	<u>1,073,015</u>	<u>1,041,877</u>	<u>(31,138)</u>
<i>Net Change in Fund Balance</i>	21,335	2,561	(18,774)
Fund Balance at Beginning of Year	<u>6</u>	<u>6</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$21,341</u></u>	<u><u>\$2,567</u></u>	<u><u>(\$18,774)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Sewer Debt Service Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Debt Service:			
Principal Retirement	\$5,829,646	\$5,829,646	\$0
Interest and Fiscal Charges	826,877	807,932	18,945
<i>Total Expenditures</i>	<u>6,656,523</u>	<u>6,637,578</u>	<u>18,945</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,656,523)</u>	<u>(6,637,578)</u>	<u>18,945</u>
Other Financing Sources (Use)			
Bond Anticipation Notes Issued	5,380,000	5,380,000	0
Premium on Bond Anticipation Notes Issued	660,105	0	(660,105)
Transfers In	1,029,092	996,764	(32,328)
Transfers Out	(1,995)	(1,995)	0
<i>Total Other Financing Sources (Use)</i>	<u>7,067,202</u>	<u>6,374,769</u>	<u>(692,433)</u>
<i>Net Change in Fund Balance</i>	410,679	(262,809)	(673,488)
Fund Balance at Beginning of Year	<u>553,460</u>	<u>553,460</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$964,139</u></u>	<u><u>\$290,651</u></u>	<u><u>(\$673,488)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Water Debt Service Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Debt Service:			
Principal Retirement	\$384,307	\$384,307	\$0
Interest and Fiscal Charges	347,733	346,650	1,083
<i>Total Expenditures</i>	<u>732,040</u>	<u>730,957</u>	<u>1,083</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(732,040)</u>	<u>(730,957)</u>	<u>1,083</u>
Other Financing Sources			
Premium on Note Issued	728	0	(728)
Transfers In	746,367	731,190	(15,177)
<i>Total Other Financing Sources</i>	<u>747,095</u>	<u>731,190</u>	<u>(15,905)</u>
<i>Net Change in Fund Balance</i>	15,055	233	(14,822)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$15,055</u></u>	<u><u>\$233</u></u>	<u><u>(\$14,822)</u></u>

NONMAJOR CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for financial resources to be used for the acquisition of major capital facilities (other than those financed by proprietary funds). The following are reported as nonmajor capital projects funds:

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

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

Highway Fund - To account for federal money received for the repair and construction of roads and bridges within the County.

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

Starlight Permanent Improvements Fund - To account for revenues from an operating levy used for permanent improvements at the Starlight School.

Recorder Equipment Fund - To account for a portion of the recorder's fees to be used for the purchase of equipment.

Court Computer Fund - To account for a portion of court fees to be used for the purchase of computer equipment.

East Pointe Road Project Fund - To account for note proceeds used to relocate Bateman Road and extend Future Drive.

Muskingum County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2007

	<u>Issue II</u>	<u>Highway</u>	<u>Job and Family Services Renovation</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,902	\$81,501	\$2,394
Restricted Cash and Cash Equivalents	0	0	0
Prepaid Items	0	0	0
<i>Total Assets</i>	<u>\$1,902</u>	<u>\$81,501</u>	<u>\$2,394</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$0
Accrued Interest Payable	0	0	0
Accrued Wages and Benefits	0	0	0
Interfund Payable	0	0	0
Intergovernmental Payable	0	0	0
Notes Payable	114,068	0	0
<i>Total Liabilities</i>	<u>114,068</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for Encumbrances	0	0	0
Unreserved:			
Undesignated (Deficit)	(112,166)	81,501	2,394
<i>Total Fund Balances (Deficit)</i>	<u>(112,166)</u>	<u>81,501</u>	<u>2,394</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,902</u>	<u>\$81,501</u>	<u>\$2,394</u>

<u>Starlight Permanent Improvements</u>	<u>Recorder Equipment</u>	<u>Court Computer</u>	<u>East Pointe Road Project</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$1,404,785	\$343,947	\$385,265	\$2,567	\$2,222,361
0	0	0	1,100,000	1,100,000
0	0	3,312	0	3,312
<u>\$1,404,785</u>	<u>\$343,947</u>	<u>\$388,577</u>	<u>\$1,102,567</u>	<u>\$3,325,673</u>
\$0	\$0	\$3,065	\$0	\$3,065
0	0	0	482	482
0	0	175	0	175
0	0	211	0	211
0	0	109	0	109
0	0	0	1,100,000	1,214,068
<u>0</u>	<u>0</u>	<u>3,560</u>	<u>1,100,482</u>	<u>1,218,110</u>
20,000	32,100	7,415	0	59,515
<u>1,384,785</u>	<u>311,847</u>	<u>377,602</u>	<u>2,085</u>	<u>2,048,048</u>
<u>1,404,785</u>	<u>343,947</u>	<u>385,017</u>	<u>2,085</u>	<u>2,107,563</u>
<u>\$1,404,785</u>	<u>\$343,947</u>	<u>\$388,577</u>	<u>\$1,102,567</u>	<u>\$3,325,673</u>

Muskingum County, Ohio
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2007

	STAR Region 8	Issue II	Highway	Job and Family Services Renovation
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Fines and Forfeitures	0	0	0	0
Intergovernmental	15,202	309,815	1,084,196	0
<i>Total Revenues</i>	<u>15,202</u>	<u>309,815</u>	<u>1,084,196</u>	<u>0</u>
Expenditures				
Current:				
General Government:				
Judicial	0	0	0	0
Public Safety	15,799	0	0	0
Public Works	0	0	1,157,039	0
Human Services	0	0	0	0
Capital Outlay	0	474,255	137,067	0
Debt Service:				
Interest and Fiscal Charges	0	3,849	0	0
<i>Total Expenditures</i>	<u>15,799</u>	<u>478,104</u>	<u>1,294,106</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(597)</u>	<u>(168,289)</u>	<u>(209,910)</u>	<u>0</u>
Other Financing Sources (Use)				
Transfers In	0	269,087	310,653	0
Transfers Out	0	0	0	(81,170)
<i>Total Other Financing Sources (Use)</i>	<u>0</u>	<u>269,087</u>	<u>310,653</u>	<u>(81,170)</u>
<i>Net Change in Fund Balances</i>	(597)	100,798	100,743	(81,170)
Fund Balances (Deficit) at Beginning of Year	<u>597</u>	<u>(212,964)</u>	<u>(19,242)</u>	<u>83,564</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$112,166)</u></u>	<u><u>\$81,501</u></u>	<u><u>\$2,394</u></u>

Starlight Permanent Improvements	Recorder Equipment	Court Computer	East Pointe Road Project	Total Nonmajor Capital Projects Funds
\$0	\$61,628	\$0	\$0	\$61,628
0	0	95,175	0	95,175
0	0	0	0	1,409,213
0	61,628	95,175	0	1,566,016
0	0	58,765	0	58,765
0	0	0	0	15,799
0	92,005	0	0	1,249,044
86,399	0	0	0	86,399
0	0	0	0	611,322
0	0	0	(2,085)	1,764
86,399	92,005	58,765	(2,085)	2,023,093
(86,399)	(30,377)	36,410	2,085	(457,077)
0	0	0	0	579,740
0	0	0	0	(81,170)
0	0	0	0	498,570
(86,399)	(30,377)	36,410	2,085	41,493
1,491,184	374,324	348,607	0	2,066,070
\$1,404,785	\$343,947	\$385,017	\$2,085	\$2,107,563

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
STAR Region 8 Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$15,202	\$15,202	\$0
Expenditures			
Current:			
Public Safety			
Disaster Services			
Contractual Services	597	597	0
Capital Outlay	15,202	15,202	0
<i>Total Expenditures</i>	15,799	15,799	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(597)	(597)	0
Other Financing Use			
Advances Out	0	(19,808)	(19,808)
<i>Net Change in Fund Balance</i>	(597)	(20,405)	(19,808)
Fund Balance at Beginning of Year	20,405	20,405	0
<i>Fund Balance at End of Year</i>	\$19,808	\$0	(\$19,808)

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$309,815	\$309,815	\$0
Expenditures			
Capital Outlay			
Issue 2			
Capital Outlay	478,615	474,255	4,360
Debt Service:			
Principal Retirement	104,323	104,323	0
Interest and Fiscal Charges	3,849	3,849	0
<i>Total Debt Service</i>	108,172	108,172	0
<i>Total Expenditures</i>	586,787	582,427	4,360
<i>Excess of Revenues Over (Under) Expenditures</i>	(276,972)	(272,612)	4,360
Other Financing Source			
Transfers In	276,173	269,087	(7,086)
<i>Net Change in Fund Balance</i>	(799)	(3,525)	(2,726)
Fund Balance at Beginning of Year	5,427	5,427	0
<i>Fund Balance at End of Year</i>	<u>\$4,628</u>	<u>\$1,902</u>	<u>(\$2,726)</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Highway Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	\$922,410	\$1,084,196	\$161,786
Expenditures			
Current:			
Public Works			
Highway Fund			
Capital Outlay	1,158,983	1,157,039	1,944
Capital Outlay			
Highway Fund			
Capital Outlay	0	174,147	(174,147)
<i>Total Expenditures</i>	<u>1,158,983</u>	<u>1,331,186</u>	<u>(172,203)</u>
<i>Excess of Revenues Under Expenditures</i>	(236,573)	(246,990)	(10,417)
Other Financing Source			
Transfers In	<u>310,633</u>	<u>310,653</u>	<u>20</u>
<i>Net Change in Fund Balance</i>	74,060	63,663	(10,397)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>17,838</u>	<u>17,838</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$91,898</u></u>	<u><u>\$81,501</u></u>	<u><u>(\$10,397)</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Job and Family Services Renovation Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Current:			
Human Services			
Job and Family Services Renovation			
Capital Outlay	37,899	0	37,899
<i>Excess of Revenues Over (Under) Expenditures</i>	(37,899)	0	37,899
Other Financing Source (Use)			
Bond Anticipation Notes Issued	37,899	0	(37,899)
Transfers Out	(81,170)	(81,170)	0
<i>Total Other Financing Source (Use)</i>	(43,271)	(81,170)	(37,899)
Fund Balance at Beginning of Year	43,271	43,271	0
Prior Year Encumbrances Appropriated	37,899	37,899	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Starlight Permanent Improvements Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Current:			
Human Services			
Starlight Permanent Improvements			
Contractual Services	337,000	103,247	233,753
<i>Net Change in Fund Balance</i>	(337,000)	(103,247)	233,753
Fund Balance at Beginning of Year	1,481,032	1,481,032	0
Prior Year Encumbrances Appropriated	7,000	7,000	0
<i>Fund Balance at End of Year</i>	<u>\$1,151,032</u>	<u>\$1,384,785</u>	<u>\$233,753</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recorder Equipment Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$65,000	\$61,712	(\$3,288)
Expenditures			
Current:			
Public Works			
Recorder Equipment			
Capital Outlay	150,510	124,105	26,405
<i>Net Change in Fund Balance</i>	(85,510)	(62,393)	23,117
Fund Balance at Beginning of Year	373,390	373,390	0
Prior Year Encumbrances Appropriated	510	510	0
<i>Fund Balance at End of Year</i>	<u>\$288,390</u>	<u>\$311,507</u>	<u>\$23,117</u>

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Computer Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Fines and Forfeitures	\$90,460	\$94,074	\$3,614
Expenditures			
Current:			
General Government - Judicial			
Court Computer Fund			
Fringe Benefits	2,028	1,471	557
Contractual Services	56,940	37,200	19,740
Materials and Supplies	14,098	8,590	5,508
Capital Outlay	38,343	22,723	15,620
<i>Total Expenditures</i>	111,409	69,984	41,425
<i>Excess of Revenues Over (Under) Expenditures</i>	(20,949)	24,090	45,039
Other Financing Use			
Advances Out	0	(32)	(32)
<i>Net Change in Fund Balance</i>	(20,949)	24,058	45,007
Fund Balance at Beginning of Year	335,789	335,789	0
Prior Year Encumbrances Appropriated	7,691	7,691	0
<i>Fund Balance at End of Year</i>	\$322,531	\$367,538	\$45,007

Muskingum County, Ohio
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
East Pointe Road Project Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	0
Other Financing Source			
Bond Anticipation Notes Issued	1,100,000	1,100,000	0
<i>Net Change in Fund Balance</i>	1,100,000	1,100,000	0
Fund Balance at Beginning of Year	0	0	0
<i>Fund Balance at End of Year</i>	\$1,100,000	\$1,100,000	\$0

ENTERPRISE FUNDS

The enterprise funds are maintained to account for the operations of county government that provide goods or services to the general public in a manner similar to private business enterprises.

The following are included in enterprise funds:

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

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

Muskingum County, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$2,345,627	\$2,217,026	(\$128,601)
Tap-In Fees	1,157,180	1,245,853	88,673
Grants	5,000,000	0	(5,000,000)
Proceeds from OWDA Loans	140,000	0	(140,000)
Bond Anticipation Notes Issued	1,106,300	355,000	(751,300)
Interest	13,555	824	(12,731)
Other Non-Operating Revenues	3,938	7,021	3,083
<i>Total Revenues</i>	<u>9,766,600</u>	<u>3,825,724</u>	<u>(5,940,876)</u>
Expenses			
Personal Services	495,847	479,203	16,644
Contractual Services	12,545,631	6,330,354	6,215,277
Materials and Supplies	50,972	45,037	5,935
Capital Outlay	445,600	81,890	363,710
Debt Service:			
Interest and Fiscal Charges	14,379	824	13,555
<i>Total Expenses</i>	<u>13,552,429</u>	<u>6,937,308</u>	<u>6,615,121</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(3,785,829)	(3,111,584)	674,245
Advances In	0	70,000	70,000
Advances Out	0	(1,524)	(1,524)
Transfers Out	(1,038,092)	(1,038,092)	0
<i>Net Change in Fund Equity</i>	(4,823,921)	(4,081,200)	742,721
Fund Equity at Beginning of Year	6,954,020	6,954,020	0
Prior Year Encumbrances Appropriated	585,614	585,614	0
<i>Fund Equity at End of Year</i>	<u><u>\$2,715,713</u></u>	<u><u>\$3,458,434</u></u>	<u><u>\$742,721</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$3,148,027	\$3,093,656	(\$54,371)
Tap-In Fees	101,012	99,945	(1,067)
Grants	781,100	524,775	(256,325)
Proceeds from OWDA Loans	366,039	443,794	77,755
Bond Anticipation Notes Issued	925,439	100,000	(825,439)
Other Non-Operating Revenues	16,000	73,801	57,801
<i>Total Revenues</i>	<u>5,337,617</u>	<u>4,335,971</u>	<u>(1,001,646)</u>
Expenses			
Personal Services	843,345	566,530	276,815
Contractual Services	3,159,457	2,188,267	971,190
Materials and Supplies	574,889	255,056	319,833
Capital Outlay	953,737	898,028	55,709
Other Non-Operating Expenses	5,077	4,819	258
Debt Service:			
Principal Retirement	10,753	0	10,753
Interest and Fiscal Charges	0	7,356	(7,356)
<i>Total Expenses</i>	<u>5,547,258</u>	<u>3,920,056</u>	<u>1,627,202</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(209,641)	415,915	625,556
Advances In	0	7,650	7,650
Advances Out	0	(2,248)	(2,248)
Transfers Out	(731,190)	(731,190)	0
<i>Net Change in Fund Equity</i>	(940,831)	(309,873)	630,958
Fund Equity at Beginning of Year	825,127	825,127	0
Prior Year Encumbrances Appropriated	963,207	963,207	0
<i>Fund Equity at End of Year</i>	<u>\$847,503</u>	<u>\$1,478,461</u>	<u>\$630,958</u>

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing on a cost-reimbursement basis of services provided by the self-insurance funds to other County departments and agencies. Charges to the user departments and agencies are intended to recover total costs.

Self-Insurance Health Fund - To account for employee health care benefits and claims related to this self-insurance program.

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

Muskingum County, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2007

	<u>Self-Insurance Health</u>	<u>Self-Insurance Workers' Compensation</u>	<u>Totals</u>
Assets			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$1,181,384	\$200,560	\$1,381,944
Interfund Receivable	<u>0</u>	<u>871,501</u>	<u>871,501</u>
<i>Total Assets</i>	<u>1,181,384</u>	<u>1,072,061</u>	<u>2,253,445</u>
Liabilities			
Current Liabilities:			
Intergovernmental Payable	0	433,502	433,502
Claims Payable	<u>1,265,000</u>	<u>70,037</u>	<u>1,335,037</u>
<i>Total Current Liabilities</i>	<u>1,265,000</u>	<u>503,539</u>	<u>1,768,539</u>
Long-Term Liabilities (Net of Current Portion):			
Claims Payable	<u>0</u>	<u>320,389</u>	<u>320,389</u>
<i>Total Liabilities</i>	<u>1,265,000</u>	<u>823,928</u>	<u>2,088,928</u>
Net Assets			
Unrestricted (Deficit)	<u>(83,616)</u>	<u>248,133</u>	<u>164,517</u>
<i>Total Net Assets (Deficit)</i>	<u><u>(\$83,616)</u></u>	<u><u>\$248,133</u></u>	<u><u>\$164,517</u></u>

Muskingum County, Ohio
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2007

	Self-Insurance Health	Self-Insurance Workers' Compensation	Totals
Operating Revenues			
Charges for Services	\$8,348,282	\$978,712	\$9,326,994
Operating Expenses			
Contractual Services	911,485	433,502	1,344,987
Claims	6,897,348	377,287	7,274,635
<i>Total Operating Expenses</i>	<u>7,808,833</u>	<u>810,789</u>	<u>8,619,622</u>
<i>Operating Income</i>	<u>539,449</u>	<u>167,923</u>	<u>707,372</u>
Non-Operating Revenues (Expenses)			
Other Non-Operating Revenues	12,639	0	12,639
Other Non-Operating Expenses	<u>0</u>	<u>(10,834)</u>	<u>(10,834)</u>
<i>Total Non-Operating Revenues (Expenses)</i>	<u>12,639</u>	<u>(10,834)</u>	<u>1,805</u>
<i>Income Before Operating Transfers</i>	552,088	157,089	709,177
Transfers In	50,000	0	50,000
Transfers Out	<u>0</u>	<u>(97,499)</u>	<u>(97,499)</u>
<i>Change in Net Assets</i>	602,088	59,590	661,678
Net Assets (Deficit) Beginning of Year	<u>(685,704)</u>	<u>188,543</u>	<u>(497,161)</u>
<i>Net Assets (Deficit) End of Year</i>	<u><u>(\$83,616)</u></u>	<u><u>\$248,133</u></u>	<u><u>\$164,517</u></u>

Muskingum County, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2007

	Self-Insurance Health	Self-Insurance Workers' Compensation	Totals
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Transactions with Other Funds	\$8,348,282	\$107,211	\$8,455,493
Cash Payments for Goods and Services	(911,485)	0	(911,485)
Cash Payments for Claims	(6,903,348)	(6,650)	(6,909,998)
Other Non-Operating Revenues	12,639	0	12,639
Other Non-Operating Expenses	0	(10,834)	(10,834)
<i>Net Cash Provided by Operating Activities</i>	<u>546,088</u>	<u>89,727</u>	<u>635,815</u>
Cash Flows from Noncapital Financing Activities			
Transfers Out	0	(97,499)	(97,499)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	546,088	(7,772)	538,316
Cash and Cash Equivalents Beginning of Year	<u>635,296</u>	<u>208,332</u>	<u>843,628</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$1,181,384</u></u>	<u><u>\$200,560</u></u>	<u><u>\$1,381,944</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$539,449	\$167,923	\$707,372
Adjustments:			
Other Non-Operating Revenues	12,639	0	12,639
Other Non-Operating Expenses	0	(10,834)	(10,834)
Changes in Assets:			
Increase in Interfund Receivables	0	(871,501)	(871,501)
Changes in Liabilities:			
Increase (Decrease) in Claims Payable	(6,000)	370,637	364,637
Increase in Intergovernmental Payable	0	433,502	433,502
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u><u>\$546,088</u></u>	<u><u>\$89,727</u></u>	<u><u>\$635,815</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self-Insurance Health Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$8,314,683	\$8,423,541	\$108,858
Other Non-Operating Revenues	0	12,639	(12,639)
<i>Total Revenues</i>	<u>8,314,683</u>	<u>8,436,180</u>	<u>121,497</u>
Expenses			
Contractual Services	915,000	915,000	0
Claims	7,639,816	7,639,816	0
<i>Total Expenses</i>	<u>8,554,816</u>	<u>8,554,816</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(240,133)	(118,636)	121,497
Fund Equity at Beginning of Year	410,480	410,480	0
Prior Year Encumbrances Appropriated	<u>224,816</u>	<u>224,816</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$395,163</u></u>	<u><u>\$516,660</u></u>	<u><u>\$121,497</u></u>

Muskingum County, Ohio
Schedule of Revenues, Expenses, and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self-Insurance Workers' Compensation Fund
For the Year Ended December 31, 2007

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services	\$107,211	\$107,211	\$0
Expenses			
Claims	6,650	6,650	0
Other Non-Operating Expenses	201,683	108,333	93,350
<i>Total Expenses</i>	208,333	114,983	93,350
<i>Net Change in Fund Equity</i>	(101,122)	(7,772)	93,350
Fund Equity at Beginning of Year	208,332	208,332	0
<i>Fund Equity at End of Year</i>	\$107,210	\$200,560	\$93,350

AGENCY FUNDS

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

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

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

Payroll Fund - To account for payroll, payroll taxes, and other related payroll deductions accumulated for payment to other governmental units and private organizations.

Health Fund - To account for the funds and subfunds of the Board of Health for which the County Auditor is ex-officio fiscal agent.

ADAMH Board (Muskingum Area Board of Alcohol, Drug Addiction, and Mental Health Services) Fund - To account for all revenues and related expenditures for the Six County Alcohol, Drug Addiction, and Mental Health Board for which Muskingum County is the fiscal agent.

Child Support Enforcement Fund - To account for the collection of alimony and child support payments and the distribution of such monies to the court-designated recipients.

Court Fund - To account for Clerk of Courts auto title fees, Probate, Juvenile, and County Court receipts.

Other Agency Funds

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

Family and Children First Fund
Federally Owned Entitlement
Land Fund
Powelson Wildfire Fund
USDA Forest Service Fund
Ohio Elections Commission Fund
Muskingum County Park
Commission Fund
Recorder Housing Trust Fund
Law Enforcement Trust Fund

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Taxes Agency				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,904,204	\$70,768,176	\$70,954,612	\$2,717,768
Receivables:				
Accounts	1,647,761	1,750,141	1,647,761	1,750,141
Property Taxes	53,616,156	52,108,562	53,616,156	52,108,562
Lodging Taxes	15,541	19,433	15,541	19,433
Payments in Lieu of Taxes	1,231,302	983,749	1,231,302	983,749
<i>Total Assets</i>	<u>\$59,414,964</u>	<u>\$125,630,061</u>	<u>\$127,465,372</u>	<u>\$57,579,653</u>
Liabilities				
Intergovernmental Payable	\$59,414,964	\$125,630,061	\$127,465,372	\$57,579,653
<i>Total Liabilities</i>	<u>\$59,414,964</u>	<u>\$125,630,061</u>	<u>\$127,465,372</u>	<u>\$57,579,653</u>
Undivided State Monies				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$12,529,386	\$12,529,386	\$0
Receivables:				
Permissive Motor Vehicle License Tax	3,740	3,373	3,740	3,373
Intergovernmental	4,282,064	3,886,448	4,282,064	3,886,448
<i>Total Assets</i>	<u>\$4,285,804</u>	<u>\$16,419,207</u>	<u>\$16,815,190</u>	<u>\$3,889,821</u>
Liabilities				
Intergovernmental Payable	\$4,285,804	\$16,419,207	\$16,815,190	\$3,889,821
<i>Total Liabilities</i>	<u>\$4,285,804</u>	<u>\$16,419,207</u>	<u>\$16,815,190</u>	<u>\$3,889,821</u>
Payroll				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$353,583	\$17,271,168	\$17,344,195	\$280,556
<i>Total Assets</i>	<u>\$353,583</u>	<u>\$17,271,168</u>	<u>\$17,344,195</u>	<u>\$280,556</u>
Liabilities				
Undistributed Monies	\$353,583	\$17,271,168	\$17,344,195	\$280,556
<i>Total Liabilities</i>	<u>\$353,583</u>	<u>\$17,271,168</u>	<u>\$17,344,195</u>	<u>\$280,556</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Health				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,143,947	\$5,260,140	\$4,909,045	\$3,495,042
Receivables:				
Intergovernmental	78,864	100,795	78,864	100,795
Property Taxes	1,897,733	1,838,347	1,897,733	1,838,347
Payments in Lieu of Taxes	14,802	10,507	14,802	10,507
	<u>\$5,135,346</u>	<u>\$7,209,789</u>	<u>\$6,900,444</u>	<u>\$5,444,691</u>
<i>Total Assets</i>	<u>\$5,135,346</u>	<u>\$7,209,789</u>	<u>\$6,900,444</u>	<u>\$5,444,691</u>
Liabilities				
Intergovernmental Payable	\$5,135,346	\$7,209,789	\$6,900,444	\$5,444,691
	<u>\$5,135,346</u>	<u>\$7,209,789</u>	<u>\$6,900,444</u>	<u>\$5,444,691</u>
<i>Total Liabilities</i>	<u>\$5,135,346</u>	<u>\$7,209,789</u>	<u>\$6,900,444</u>	<u>\$5,444,691</u>
ADAMH Board				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$4,843,234	\$19,269,023	\$19,395,905	\$4,716,352
	<u>\$4,843,234</u>	<u>\$19,269,023</u>	<u>\$19,395,905</u>	<u>\$4,716,352</u>
<i>Total Assets</i>	<u>\$4,843,234</u>	<u>\$19,269,023</u>	<u>\$19,395,905</u>	<u>\$4,716,352</u>
Liabilities				
Undistributed Monies	\$4,843,234	\$19,269,023	\$19,395,905	\$4,716,352
	<u>\$4,843,234</u>	<u>\$19,269,023</u>	<u>\$19,395,905</u>	<u>\$4,716,352</u>
<i>Total Liabilities</i>	<u>\$4,843,234</u>	<u>\$19,269,023</u>	<u>\$19,395,905</u>	<u>\$4,716,352</u>
Child Support Enforcement				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$15,817	\$1,458,886	\$1,450,692	\$24,011
	<u>\$15,817</u>	<u>\$1,458,886</u>	<u>\$1,450,692</u>	<u>\$24,011</u>
<i>Total Assets</i>	<u>\$15,817</u>	<u>\$1,458,886</u>	<u>\$1,450,692</u>	<u>\$24,011</u>
Liabilities				
Undistributed Monies	\$15,817	\$1,458,886	\$1,450,692	\$24,011
	<u>\$15,817</u>	<u>\$1,458,886</u>	<u>\$1,450,692</u>	<u>\$24,011</u>
<i>Total Liabilities</i>	<u>\$15,817</u>	<u>\$1,458,886</u>	<u>\$1,450,692</u>	<u>\$24,011</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Court				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$385,597	\$11,065,413	\$11,032,113	\$418,897
Accounts Receivable	152,157	86,752	152,157	86,752
<i>Total Assets</i>	<u>\$537,754</u>	<u>\$11,152,165</u>	<u>\$11,184,270</u>	<u>\$505,649</u>
Liabilities				
Intergovernmental Payable	\$72,157	\$2,877	\$72,157	\$2,877
Undistributed Monies	465,597	11,149,288	11,112,113	502,772
<i>Total Liabilities</i>	<u>\$537,754</u>	<u>\$11,152,165</u>	<u>\$11,184,270</u>	<u>\$505,649</u>
State of Ohio				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$549,891	\$549,891	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$549,891</u>	<u>\$549,891</u>	<u>\$0</u>
Liabilities				
Intergovernmental Payable	\$0	\$549,891	\$549,891	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$549,891</u>	<u>\$549,891</u>	<u>\$0</u>
Local Emergency Planning				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$16,821	\$49,219	\$33,051	\$32,989
<i>Total Assets</i>	<u>\$16,821</u>	<u>\$49,219</u>	<u>\$33,051</u>	<u>\$32,989</u>
Liabilities				
Intergovernmental Payable	\$16,821	\$49,219	\$33,051	\$32,989
<i>Total Liabilities</i>	<u>\$16,821</u>	<u>\$49,219</u>	<u>\$33,051</u>	<u>\$32,989</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Fines				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$42,404	\$463,329	\$474,347	\$31,386
<i>Total Assets</i>	<u>\$42,404</u>	<u>\$463,329</u>	<u>\$474,347</u>	<u>\$31,386</u>
Liabilities				
Intergovernmental Payable	\$42,404	\$463,329	\$474,347	\$31,386
<i>Total Liabilities</i>	<u>\$42,404</u>	<u>\$463,329</u>	<u>\$474,347</u>	<u>\$31,386</u>
Escrow				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,572	\$759	\$759	\$6,572
<i>Total Assets</i>	<u>\$6,572</u>	<u>\$759</u>	<u>\$759</u>	<u>\$6,572</u>
Liabilities				
Undistributed Monies	\$6,572	\$759	\$759	\$6,572
<i>Total Liabilities</i>	<u>\$6,572</u>	<u>\$759</u>	<u>\$759</u>	<u>\$6,572</u>
Law Library				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$182,855	\$182,855	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$182,855</u>	<u>\$182,855</u>	<u>\$0</u>
Liabilities				
Intergovernmental Payable	\$0	\$182,855	\$182,855	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$182,855</u>	<u>\$182,855</u>	<u>\$0</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Hotel Lodging Tax				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$24,216	\$262,898	\$239,603	\$47,511
Lodging Taxes Receivable	15,541	19,433	15,541	19,433
<i>Total Assets</i>	<u>\$39,757</u>	<u>\$282,331</u>	<u>\$255,144</u>	<u>\$66,944</u>
Liabilities				
Intergovernmental Payable	\$39,757	\$282,331	\$255,144	\$66,944
<i>Total Liabilities</i>	<u>\$39,757</u>	<u>\$282,331</u>	<u>\$255,144</u>	<u>\$66,944</u>
Soil and Water				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$58,428	\$518,755	\$436,814	\$140,369
<i>Total Assets</i>	<u>\$58,428</u>	<u>\$518,755</u>	<u>\$436,814</u>	<u>\$140,369</u>
Liabilities				
Intergovernmental Payable	\$58,428	\$518,755	\$436,814	\$140,369
<i>Total Liabilities</i>	<u>\$58,428</u>	<u>\$518,755</u>	<u>\$436,814</u>	<u>\$140,369</u>
Sheriff				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$148,060	\$3,147,136	\$3,166,465	\$128,731
<i>Total Assets</i>	<u>\$148,060</u>	<u>\$3,147,136</u>	<u>\$3,166,465</u>	<u>\$128,731</u>
Liabilities				
Undistributed Monies	\$148,060	\$3,147,136	\$3,166,465	\$128,731
<i>Total Liabilities</i>	<u>\$148,060</u>	<u>\$3,147,136</u>	<u>\$3,166,465</u>	<u>\$128,731</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
County Home Residents				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$2,865	\$15,291	\$14,425	\$3,731
<i>Total Assets</i>	<u>\$2,865</u>	<u>\$15,291</u>	<u>\$14,425</u>	<u>\$3,731</u>
Liabilities				
Undistributed Monies	\$2,865	\$15,291	\$14,425	\$3,731
<i>Total Liabilities</i>	<u>\$2,865</u>	<u>\$15,291</u>	<u>\$14,425</u>	<u>\$3,731</u>
Children Services				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$4,527	\$62,286	\$50,236	\$16,577
<i>Total Assets</i>	<u>\$4,527</u>	<u>\$62,286</u>	<u>\$50,236</u>	<u>\$16,577</u>
Liabilities				
Deposits Held and Due to Others	\$4,527	\$62,286	\$50,236	\$16,577
<i>Total Liabilities</i>	<u>\$4,527</u>	<u>\$62,286</u>	<u>\$50,236</u>	<u>\$16,577</u>
Port Authority				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$166,273	\$3,519,869	\$2,534,070	\$1,152,072
<i>Total Assets</i>	<u>\$166,273</u>	<u>\$3,519,869</u>	<u>\$2,534,070</u>	<u>\$1,152,072</u>
Liabilities				
Intergovernmental Payable	\$166,273	\$3,519,869	\$2,534,070	\$1,152,072
<i>Total Liabilities</i>	<u>\$166,273</u>	<u>\$3,519,869</u>	<u>\$2,534,070</u>	<u>\$1,152,072</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Family and Children First				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$484,485	\$1,334,230	\$1,398,565	\$420,150
<i>Total Assets</i>	<u>\$484,485</u>	<u>\$1,334,230</u>	<u>\$1,398,565</u>	<u>\$420,150</u>
Liabilities				
Intergovernmental Payable	\$484,485	\$1,334,230	\$1,398,565	\$420,150
<i>Total Liabilities</i>	<u>\$484,485</u>	<u>\$1,334,230</u>	<u>\$1,398,565</u>	<u>\$420,150</u>
Federally Owned Entitlement Land				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$7,199	\$9,445	\$16,644	\$0
<i>Total Assets</i>	<u>\$7,199</u>	<u>\$9,445</u>	<u>\$16,644</u>	<u>\$0</u>
Liabilities				
Intergovernmental Payable	\$7,199	\$9,445	\$16,644	\$0
<i>Total Liabilities</i>	<u>\$7,199</u>	<u>\$9,445</u>	<u>\$16,644</u>	<u>\$0</u>
Powelson Wildlife				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$19,142	\$19,142	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$19,142</u>	<u>\$19,142</u>	<u>\$0</u>
Liabilities				
Undistributed Monies	\$0	\$19,142	\$19,142	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$19,142</u>	<u>\$19,142</u>	<u>\$0</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
USDA Forest Service				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$62,645	\$62,645	\$0
<i>Total Assets</i>	<u>\$0</u>	<u>\$62,645</u>	<u>\$62,645</u>	<u>\$0</u>
Liabilities				
Undistributed Monies	\$0	\$62,645	\$62,645	\$0
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$62,645</u>	<u>\$62,645</u>	<u>\$0</u>
Ohio Elections Commission				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$131	\$3,989	\$3,655	\$465
<i>Total Assets</i>	<u>\$131</u>	<u>\$3,989</u>	<u>\$3,655</u>	<u>\$465</u>
Liabilities				
Undistributed Monies	\$131	\$3,989	\$3,655	\$465
<i>Total Liabilities</i>	<u>\$131</u>	<u>\$3,989</u>	<u>\$3,655</u>	<u>\$465</u>
Muskingum County Park Commission				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$116,888	\$531,766	\$348,949	\$299,705
Intergovernmental Receivable	48,562	45,636	48,562	45,636
<i>Total Assets</i>	<u>\$165,450</u>	<u>\$577,402</u>	<u>\$397,511</u>	<u>\$345,341</u>
Liabilities				
Intergovernmental Payable	\$165,450	\$577,402	\$397,511	\$345,341
<i>Total Liabilities</i>	<u>\$165,450</u>	<u>\$577,402</u>	<u>\$397,511</u>	<u>\$345,341</u>

(continued)

Muskingum County, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended December 31, 2007

	Balance 1/1/07	Additions	Reductions	Balance 12/31/07
Recorder Housing Trust Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$119,999	\$384,051	\$417,982	\$86,068
<i>Total Assets</i>	<u>\$119,999</u>	<u>\$384,051</u>	<u>\$417,982</u>	<u>\$86,068</u>
Liabilities				
Intergovernmental Payable	\$119,999	\$384,051	\$417,982	\$86,068
<i>Total Liabilities</i>	<u>\$119,999</u>	<u>\$384,051</u>	<u>\$417,982</u>	<u>\$86,068</u>
Law Enforcement Trust				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$0	\$224,958	\$14,805	\$210,153
<i>Total Assets</i>	<u>\$0</u>	<u>\$224,958</u>	<u>\$14,805</u>	<u>\$210,153</u>
Liabilities				
Undistributed Monies	\$0	\$224,958	\$14,805	\$210,153
<i>Total Liabilities</i>	<u>\$0</u>	<u>\$224,958</u>	<u>\$14,805</u>	<u>\$210,153</u>
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$12,288,384	\$132,990,736	\$131,852,115	\$13,427,005
Cash and Cash Equivalents in Segregated Accounts	556,866	15,973,970	15,728,736	802,100
Receivables:				
Permissive Motor Vehicle License Tax	3,740	3,373	3,740	3,373
Intergovernmental	4,409,490	4,032,879	4,409,490	4,032,879
Accounts	1,799,918	1,836,893	1,799,918	1,836,893
Property Taxes	55,529,430	53,966,342	55,529,430	53,966,342
Lodging Taxes	15,541	19,433	15,541	19,433
Payments in Lieu of Taxes	1,246,104	994,256	1,246,104	994,256
<i>Total Assets</i>	<u>\$75,849,473</u>	<u>\$209,817,882</u>	<u>\$210,585,074</u>	<u>\$75,082,281</u>
Liabilities				
Intergovernmental Payable	\$70,009,087	\$157,133,311	\$157,950,037	\$69,192,361
Deposits Held and Due to Others	4,527	62,286	50,236	16,577
Undistributed Monies	5,835,859	52,622,285	52,584,801	5,873,343
<i>Total Liabilities</i>	<u>\$75,849,473</u>	<u>\$209,817,882</u>	<u>\$210,585,074</u>	<u>\$75,082,281</u>

STATISTICAL SECTION



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Statistical Section

This part of Muskingum County, Ohio's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	S-3 - S-11
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue sources, sales taxes and property taxes.	S-13 - S-33
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	S-34 - S-41
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S-42 - S-45
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the county provides and the activities it performs.	S-46 - S-54

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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Muskingum County, Ohio
Net Assets by Component
Last Five Years
(Accrual Basis of Accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$76,266,104	\$76,740,170	\$76,094,042	\$77,365,818	\$75,944,372
Restricted:					
Capital Projects	2,220,054	2,375,999	2,215,117	3,013,426	3,198,163
Debt Service	547,914	483,542	1,260,757	1,410,127	1,335,625
Road and Bridge Projects	2,927,971	3,207,748	3,419,214	3,729,087	4,532,201
County Home Program	1,993,843	1,241,994	357,905	174,778	214,206
Starlight School Program	9,983,254	9,642,176	9,861,887	9,845,805	9,649,329
Children Services	4,675,644	3,541,258	4,438,030	5,432,770	5,263,481
Loan Guaranty	925,754	925,754	925,000	0	0
Other Purposes	7,485,658	6,658,855	7,274,732	8,541,357	8,068,075
Unrestricted	<u>11,217,398</u>	<u>11,275,681</u>	<u>10,248,711</u>	<u>6,626,641</u>	<u>8,981,008</u>
<i>Total Governmental Activities Net Assets</i>	<u>118,243,594</u>	<u>116,093,177</u>	<u>116,095,395</u>	<u>116,139,809</u>	<u>117,186,460</u>
Business-Type-Activities					
Invested in Capital Assets, Net of Related Debt	34,003,925	32,714,447	31,666,592	30,313,503	29,677,101
Unrestricted	<u>6,866,305</u>	<u>7,481,155</u>	<u>5,986,766</u>	<u>7,017,178</u>	<u>7,459,904</u>
<i>Total Business-Type Activities Net Assets</i>	<u>40,870,230</u>	<u>40,195,602</u>	<u>37,653,358</u>	<u>37,330,681</u>	<u>37,137,005</u>
Primary Government					
Invested in Capital Assets, Net of Related Debt	110,270,029	109,454,617	107,760,634	107,679,321	105,621,473
Restricted	30,760,092	28,077,326	29,752,642	32,147,350	32,261,080
Unrestricted	<u>18,083,703</u>	<u>18,756,836</u>	<u>16,235,477</u>	<u>13,643,819</u>	<u>16,440,912</u>
<i>Total Primary Government Net Assets</i>	<u>\$159,113,824</u>	<u>\$156,288,779</u>	<u>\$153,748,753</u>	<u>\$153,470,490</u>	<u>\$154,323,465</u>

Muskingum County, Ohio
Changes in Net Assets
Last Five Years
(Accrual Basis of Accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<u>Program Revenues</u>					
Governmental Activities:					
Charges for Services:					
General Government:					
Legislative and Executive	\$4,324,972	\$3,913,533	\$4,544,842	\$4,719,544	\$4,323,623
Judicial	929,661	860,604	884,093	778,726	506,124
Public Safety	1,883,628	2,137,503	1,320,769	1,308,618	1,659,948
Public Works	834,496	843,687	811,425	845,162	661,003
Health	293,088	409,305	269,313	164,598	161,714
Human Services	4,302,539	3,693,398	3,146,455	2,561,819	2,460,894
Subtotal Charges for Services	<u>12,568,384</u>	<u>11,858,030</u>	<u>10,976,897</u>	<u>10,378,467</u>	<u>9,773,306</u>
Operating Grants, Contributions, and Interest:					
General Government:					
Legislative and Executive	15,053	51,753	848,043	117,299	14,399
Judicial	243,911	497,576	420,748	519,248	504,463
Public Safety	1,017,639	1,025,285	2,509,690	1,365,587	855,412
Public Works	5,915,021	5,504,376	5,314,517	4,633,047	6,065,600
Health	292,029	244,359	117,158	209,345	137,860
Health - External Portion	357,786	229,599	0	0	0
Human Services	26,073,047	25,274,545	22,371,395	22,115,538	22,772,249
Intergovernmental	0	0	223,566	201,328 (1)	141,140 (1)
Subtotal Operating Grants, Contributions and Interest	<u>33,914,486</u>	<u>32,827,493</u>	<u>31,805,117</u>	<u>29,161,392</u>	<u>30,491,123</u>
Capital Grants and Contributions:					
Public Safety	15,202	0	75,292	187,132	15,268
Public Works	1,219,864	2,103,796	2,286,723	352,680	19,424
Human Services	0	64	11	0	0
Intergovernmental	0	0	0	534,115 (1)	1,254,274 (1)
Subtotal Capital Grants and Contributions	<u>1,235,066</u>	<u>2,103,860</u>	<u>2,362,026</u>	<u>1,073,927</u>	<u>1,288,966</u>
<i>Total Governmental Activities</i>					
<i>Program Revenues</i>	<u>47,717,936</u>	<u>46,789,383</u>	<u>45,144,040</u>	<u>40,613,786</u>	<u>41,553,395</u>
Business-Type Activities:					
Charges for Services:					
Sewer	2,297,231	2,150,722	1,985,145	1,932,031	1,735,163
Water	3,124,131	2,883,911	2,803,829	2,471,695	2,579,148
Subtotal Charges for Services	<u>5,421,362</u>	<u>5,034,633</u>	<u>4,788,974</u>	<u>4,403,726</u>	<u>4,314,311</u>
Capital Grants and Contributions:					
Sewer	1,265,105	2,226,065	1,302,999	938,575	908,274
Water	99,945	1,319,604	213,606	230,040	1,150,375
Subtotal Capital Grants and Contributions	<u>1,365,050</u>	<u>3,545,669</u>	<u>1,516,605</u>	<u>1,168,615</u>	<u>2,058,649</u>
<i>Total Business-Type Activities</i>					
<i>Program Revenues</i>	<u>6,786,412</u>	<u>8,580,302</u>	<u>6,305,579</u>	<u>5,572,341</u>	<u>6,372,960</u>
<i>Total Primary Government</i>					
<i>Program Revenues</i>	<u>54,504,348</u>	<u>55,369,685</u>	<u>51,449,619</u>	<u>46,186,127</u>	<u>47,926,355</u>

(1) For years 2003 through 2005 the external portion is reflected as intergovernmental expense.

(continued)

Muskingum County, Ohio
Changes in Net Assets (Continued)
Last Five Years
(Accrual Basis of Accounting)

	2007	2006	2005	2004	2003
<u>Expenses</u>					
Governmental Activities:					
General Government:					
Legislative and Executive	\$10,093,026	\$9,926,117	\$9,466,507	\$10,640,486	\$10,702,124
Judicial	6,474,827	6,253,392	5,651,972	5,344,175	5,381,347
Public Safety	10,841,659	10,823,005	10,817,063	9,416,728	8,771,477
Public Safety - External Portion	39,178	0	0	0	0
Public Works	8,941,613	11,314,742	10,353,129	7,656,460	6,564,687
Public Works - External Portion	971,299	0	0	0	0
Health	1,358,932	2,270,163	1,272,279	1,232,031	1,320,856
Health - External Portion	1,346,941	229,599	0	0	0
Human Services	40,249,996	36,982,530	36,853,288	35,310,650	34,610,003
Economic Development and Assistance	0	0	0	49,388	210,829
Intergovernmental	0	0	1,502,161 (1)	1,814,782 (1)	3,181,411 (1)
Interest and Fiscal Charges	790,269	803,774	825,361	844,015	993,640
<i>Total Governmental Activities Expenses</i>	<u>81,107,740</u>	<u>78,603,322</u>	<u>76,741,760</u>	<u>72,308,715</u>	<u>71,736,374</u>
Business-Type Activities:					
Sewer	3,318,613	3,254,399	4,090,519	2,968,027	2,685,186
Water	2,827,804	2,775,820	2,984,872	2,666,568	2,334,739
<i>Total Business-Type Activities Expenses</i>	<u>6,146,417</u>	<u>6,030,219</u>	<u>7,075,391</u>	<u>5,634,595</u>	<u>5,019,925</u>
<i>Total Primary Government Program Expenses</i>	<u>87,254,157</u>	<u>84,633,541</u>	<u>83,817,151</u>	<u>77,943,310</u>	<u>76,756,299</u>
Net (Expense) Revenue					
Governmental Activities	(33,389,804)	(31,813,939)	(31,597,720)	(31,694,929)	(30,182,979)
Business-Type Activities	639,995	2,550,083	(769,812)	(62,254)	1,353,035
<i>Total Primary Government Net Expense</i>	<u>(\$32,749,809)</u>	<u>(\$29,263,856)</u>	<u>(\$32,367,532)</u>	<u>(\$31,757,183)</u>	<u>(\$28,829,944)</u>

(continued)

Muskingum County, Ohio
Changes in Net Assets (Continued)
Last Five Years
(Accrual Basis of Accounting)

	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Property Taxes Levied for General Purposes	\$2,968,705	\$2,686,036	\$2,629,977	\$2,628,212	\$2,417,067
Property Taxes Levied for Public Safety	392,732	396,773	395,525	401,368	381,621
Property Taxes Levied for Health	1,471,298	1,475,270	1,375,532	1,373,067	1,310,675
Property Taxes Levied for Human Services	9,647,924	7,238,605	7,411,572	7,741,265	7,320,364
Sales Taxes, Imposed for General Purposes	14,691,023	14,774,019	14,152,780	13,935,524	13,816,525
Grants and Entitlements not Restricted to Specific Programs	1,969,306	1,921,577	1,801,309	1,808,232	1,830,285
Investment Earnings	3,524,198	3,117,217	1,942,630	1,170,550	1,064,382
Payments in Lieu of Taxes	270,415	491,029	794,915	423,048	388,076
Gain on Sale of Capital Assets	85,975	632	0	0	0
Miscellaneous	474,622	518,725	1,038,882	825,519	767,335
<i>Total Governmental Activities</i>	<u>35,496,198</u>	<u>32,619,883</u>	<u>31,543,122</u>	<u>30,306,785</u>	<u>29,296,330</u>
Business-Type Activities:					
Investment Earnings	0	43,495	47,928	2,531	42,109
Miscellaneous	78,656	64,614	18,723	24,230	44,901
<i>Total Business-Type Activities</i>	<u>78,656</u>	<u>108,109</u>	<u>66,651</u>	<u>26,761</u>	<u>87,010</u>
<i>Total Primary Government General Revenues</i>	<u>35,574,854</u>	<u>32,727,992</u>	<u>31,609,773</u>	<u>30,333,546</u>	<u>29,383,340</u>
Increase (Decrease) Before Transfers					
Governmental Activities	2,106,394	805,944	(54,598)	(1,388,144)	(886,649)
Business-Type Activities	718,651	2,658,192	(703,161)	(35,493)	1,440,045
<i>Total Primary Government Increase (Decrease) Before Transfers</i>	<u>2,825,045</u>	<u>3,464,136</u>	<u>(757,759)</u>	<u>(1,423,637)</u>	<u>553,396</u>
Transfers In (Out)					
Governmental Activities	44,023	43,824	10,184	(229,169)	(537,210)
Business-Type Activities	(44,023)	(43,824)	(10,184)	229,169	537,210
Increase (Decrease) After Transfers					
Governmental Activities	2,150,417	849,768	(44,414)	(1,617,313)	(1,423,859)
Business-Type Activities	674,628	2,614,368	(713,345)	193,676	1,977,255
Restatements	0	(924,110)	1,036,022	570,662	0
<i>Total Primary Government Increase (Decrease) After Transfers</i>	<u>\$2,825,045</u>	<u>\$2,540,026</u>	<u>\$278,263</u>	<u>(\$852,975)</u>	<u>\$553,396</u>

Muskingum County, Ohio
Program Revenues by Program/Activity
Last Five Years
(Accrual Basis of Accounting)

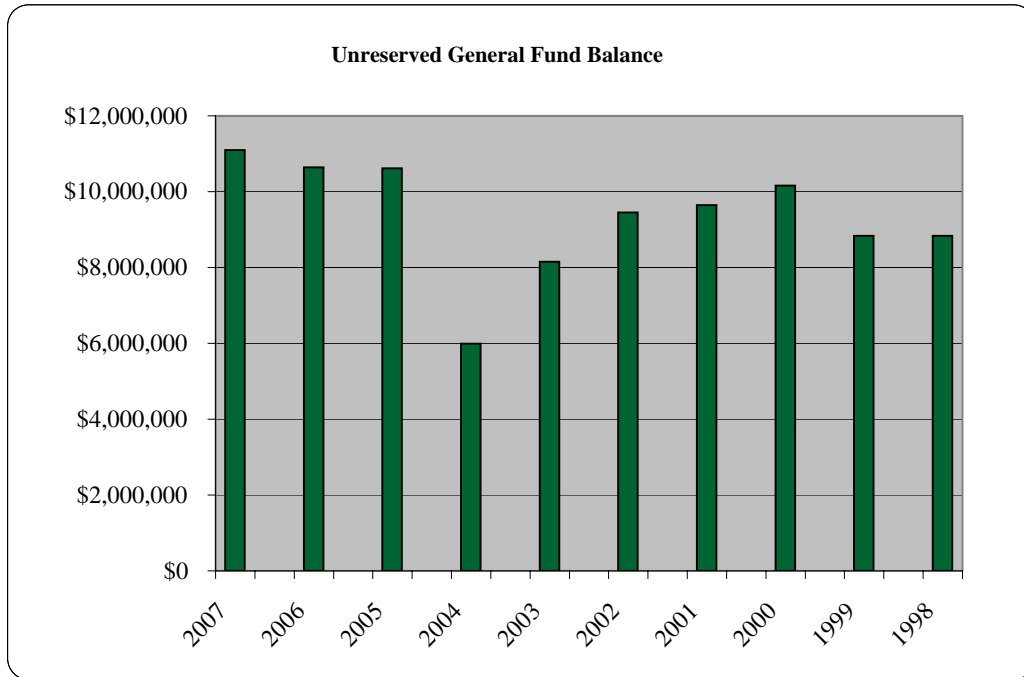
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Program Revenues					
Governmental Activities:					
General Government:					
Legislative and Executive	\$4,340,025	\$3,965,286	\$5,392,885	\$4,836,843	\$4,338,022
Judicial	1,173,572	1,358,180	1,304,841	1,297,974	1,010,587
Public Safety	2,916,469	3,162,788	3,905,751	2,861,337	2,530,628
Public Works	7,969,381	8,451,859	8,412,665	5,830,889	6,746,027
Health	585,117	653,664	386,471	373,943	299,574
Health - External Portion	357,786	229,599	0	0	0
Human Services	30,375,586	28,968,007	25,517,861	24,677,357	25,233,143
Intergovernmental	<u>0</u>	<u>0</u>	<u>223,566</u>	<u>735,443</u>	<u>1,395,414</u>
Total Governmental Activities	<u>47,717,936</u>	<u>46,789,383</u>	<u>45,144,040</u>	<u>40,613,786</u>	<u>41,553,395</u>
Business-Type Activities:					
Sewer	3,562,336	4,376,787	3,288,144	2,870,606	2,643,437
Water	<u>3,224,076</u>	<u>4,203,515</u>	<u>3,017,435</u>	<u>2,701,735</u>	<u>3,729,523</u>
Total Business-Type Activities	<u>6,786,412</u>	<u>8,580,302</u>	<u>6,305,579</u>	<u>5,572,341</u>	<u>6,372,960</u>
<i>Total Primary Government</i>	<u><u>\$54,504,348</u></u>	<u><u>\$55,369,685</u></u>	<u><u>\$51,449,619</u></u>	<u><u>\$46,186,127</u></u>	<u><u>\$47,926,355</u></u>

Muskingum County, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2007	2006	2005	2004	2003
<u>General Fund</u>					
Reserved	\$378,747	\$383,552	\$344,616	\$285,459	\$516,056
Unreserved	11,093,699	10,640,274	10,612,813	5,995,230	8,154,432
<i>Total General Fund</i>	<u>11,472,446</u>	<u>11,023,826</u>	<u>10,957,429</u>	<u>6,280,689</u>	<u>8,670,488</u>
All Other Governmental Funds					
Reserved	2,546,390	3,451,166	3,834,128	3,251,914	3,766,191
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	20,100,611	18,665,137	18,689,737	20,002,563	19,093,502
Debt Service Funds	362,253	353,265	417,895	570,417	501,079
Capital Projects Funds	2,048,048	2,011,922	787,770	2,114,397	2,556,707
<i>Total All Other Governmental Funds</i>	<u>25,057,302</u>	<u>24,481,490</u>	<u>23,729,530</u>	<u>25,939,291</u>	<u>25,917,479</u>
Total Governmental Funds	<u><u>\$36,529,748</u></u>	<u><u>\$35,505,316</u></u>	<u><u>\$34,686,959</u></u>	<u><u>\$32,219,980</u></u>	<u><u>\$34,587,967</u></u>

(1) Restated fund balances.

Source: County financial records.



<u>2002 (1)</u>	<u>2001 (1)</u>	<u>2000 (1)</u>	<u>1999 (1)</u>	<u>1998 (1)</u>
\$1,107,916	\$2,792,275	\$1,588,075	\$1,216,949	\$1,277,949
<u>9,450,530</u>	<u>9,645,465</u>	<u>10,159,948</u>	<u>8,835,304</u>	<u>8,834,318</u>
<u>10,558,446</u>	<u>12,437,740</u>	<u>11,748,023</u>	<u>10,052,253</u>	<u>10,112,267</u>
4,049,104	3,916,128	2,609,397	8,860,159	1,969,090
19,153,345	13,701,741	14,544,969	12,609,294	11,357,283
1,698,156	1,909,591	1,775,947	1,743,220	1,259,845
<u>3,524,949</u>	<u>4,214,166</u>	<u>2,027,324</u>	<u>2,359,051</u>	<u>3,966,771</u>
<u>28,425,554</u>	<u>23,741,626</u>	<u>20,957,637</u>	<u>25,571,724</u>	<u>18,552,989</u>
<u>\$38,984,000</u>	<u>\$36,179,366</u>	<u>\$32,705,660</u>	<u>\$35,623,977</u>	<u>\$28,665,256</u>

Muskingum County, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Years
 (Modified Accrual Basis of Accounting)

	2007	2006	2005	2004	2003
Revenues					
Property Taxes	\$14,000,618	\$11,541,314	\$11,850,514	\$12,078,589	\$11,427,537
Special Assessments	36,625	79,349	84,283	81,692	81,362
Permissive Sales Taxes	14,638,691	14,718,402	14,101,148	14,013,240	13,733,258
Permissive Motor Vehicle License Tax	459,393	458,632	459,755	468,123	0 (2)
Charges for Services	10,060,503	9,515,055	8,351,631	8,157,937	7,679,245
Licenses and Permits	425,110	473,557	461,996	524,651	484,334
Fines and Forfeitures	648,119	702,511	720,587	640,631	701,211
Intergovernmental	36,597,362	36,472,179	36,991,223	32,498,473	32,234,244
Interest	3,536,120	3,180,886	1,970,680	1,184,866	1,118,975
Payments in Lieu of Taxes	270,415	491,029	794,915	423,048	388,076
Rent	579,403	567,038	572,037	585,811	567,197
Contributions and Donations	34,995	115,213	66,695	45,609	36,471
Other	459,425	518,835	1,044,022	781,235	328,777
<i>Total Revenues</i>	<u>81,746,779</u>	<u>78,834,000</u>	<u>77,469,486</u>	<u>71,483,905</u>	<u>68,780,687</u>
Expenditures					
Current:					
General Government:					
Legislative and Executive	8,993,171	9,038,287	10,352,334	10,718,679	10,828,545
Judicial	6,357,236	6,070,880	5,002,932	5,271,766	5,307,299
Public Safety	10,500,341	10,277,448	9,294,114	9,731,514	8,169,253
Public Safety - External Portion	39,178	41,493	0	0	0
Public Works	8,463,265	8,456,678	8,851,644	7,026,708	6,997,696
Public Works - External Portion	971,299	1,515,421	0	0	0
Health	1,317,105	1,196,040	1,223,480	1,172,102	1,264,062
Health - External Portion	1,346,941	1,270,339	0	0	0
Human Services	40,313,877	37,108,362	36,550,271	34,916,010	33,996,146
Economic Development and Assistance	0	0	0	273,474	599,198
Other	0	0	0	0	0
Refund of Property Taxes (3)	0	0	0	0	0
Capital Outlay	807,370	2,360,829	901,552	1,150,477	876,696
Intergovernmental	0	0	1,502,161 (4)	1,814,782 (4)	3,181,411 (4)
Debt Service:					
Principal Retirement	1,209,954	1,109,498	986,730	1,159,173	1,033,840
Payment to Refunded Bond Escrow Agent	0	0	0	0	1,176,000
Interest and Fiscal Charges	792,619	802,685	828,180	846,140	1,003,441
Bond Issuance Costs	0	9,731	0	0	0
<i>Total Expenditures</i>	<u>81,112,356</u>	<u>79,257,691</u>	<u>75,493,398</u>	<u>74,080,825</u>	<u>74,433,587</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>634,423</u>	<u>(423,691)</u>	<u>1,976,088</u>	<u>(2,596,920)</u>	<u>(5,652,900)</u>
Other Financing Sources (Uses)					
Proceeds from the Sale of Capital Assets	99,039	15,959	18,560	16,140	5,685
Inception of Capital Lease	196,048	435,023	91,500	177,820	25,017
Refunding Bonds Issued	0	0	0	0	281,000
General Obligation Bonds Issued	0	860,000	0	0	0
Premium on Bond Anticipation Notes Issued	0	903	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	(273,251)
Transfers In	4,800,417	5,675,061	4,910,144	6,893,710	4,970,298
Transfers Out	(4,705,495)	(5,631,237)	(4,529,313)	(6,858,737)	(3,751,882)
<i>Total Other Financing Sources (Uses)</i>	<u>390,009</u>	<u>1,355,709</u>	<u>490,891</u>	<u>228,933</u>	<u>1,256,867</u>
Restatements	0	113,661	0	0	0
<i>Net Change in Fund Balances</i>	<u>\$1,024,432</u>	<u>\$1,045,679</u>	<u>\$2,466,979</u>	<u>(\$2,367,987)</u>	<u>(\$4,396,033)</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	2.6%	2.6%	2.5%	3.0%	3.2%

(1) Restated fund balances.

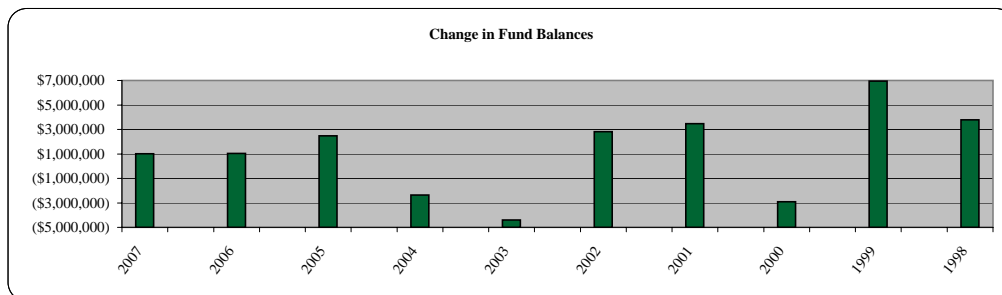
(2) In previous years, this amount was presented as part of intergovernmental revenue.

(3) Represents refunds of overpayments of property taxes.

(4) For years 2005 and before, external portion is reflected as intergovernmental expense

2002 (1)	2001 (1)	2000 (1)	1999 (1)	1998 (1)
\$11,172,659	\$11,844,518	\$11,942,982	\$10,994,058	\$10,423,478
152,200	155,040	158,555	166,026	169,511
13,592,599	13,246,444	13,460,706	12,443,482	11,643,851
0	0	0	0	0
6,985,268	6,917,108	4,916,347	4,916,318	4,620,348
472,190	461,370	453,634	460,647	663,625
766,609	583,213	528,464	680,074	569,867
34,955,974	37,477,218	31,870,095	26,026,984	23,503,715
1,502,496	2,541,227	3,051,224	2,490,337	2,066,583
360,421	393,154	93,652	94,349	88,232
598,970	914,550	258,603	258,385	352,274
0	0	0	0	78,353
564,803	681,329	362,838	307,589	142,301
<u>71,124,189</u>	<u>75,215,171</u>	<u>67,097,100</u>	<u>58,838,249</u>	<u>54,322,138</u>
10,222,311	9,354,515	8,486,836	7,333,296	6,198,091
4,710,982	4,298,202	3,371,481	2,778,603	2,637,207
7,448,024	7,122,080	6,577,647	6,256,357	5,693,644
0	0	0	0	0
6,448,298	6,108,478	6,714,462	4,710,733	4,716,899
0	0	0	0	0
1,086,797	1,049,478	980,906	983,309	662,005
0	0	0	0	0
33,476,900	36,837,751	29,997,228	26,628,906	22,552,590
0	0	0	0	0
4,000	4,000	4,000	4,000	2,600
0	0	18,664	32,030	37,432
3,820,691	2,309,450	10,458,582	7,362,288	2,469,693
1,662,730 (4)	1,570,241 (4)	1,674,831 (4)	1,620,793 (4)	3,242,232
1,081,299	1,519,355	1,447,764	1,081,560	984,337
0	0	0	0	854,348
1,060,719	1,131,128	1,234,326	1,153,468	0
0	0	0	0	128,265
<u>71,022,751</u>	<u>71,304,678</u>	<u>70,966,727</u>	<u>59,945,343</u>	<u>50,179,343</u>
<u>101,438</u>	<u>3,910,493</u>	<u>(3,869,627)</u>	<u>(1,107,094)</u>	<u>4,142,795</u>
177,228	48,063	36,857	38,405	36,674
69,912	0	62,500	0	8,638
0	0	0	0	6,894,828
2,970,000	0	0	9,000,000	0
0	0	0	0	0
0	0	0	0	(6,760,654)
3,749,218	3,796,275	5,312,190	6,389,267	5,039,878
(5,523,039)	(4,526,988)	(4,480,978)	(7,481,789)	(5,295,677)
<u>1,443,319</u>	<u>(682,650)</u>	<u>930,569</u>	<u>7,945,883</u>	<u>(76,313)</u>
<u>1,259,877</u>	<u>245,863</u>	<u>20,741</u>	<u>119,932</u>	<u>(271,699)</u>
<u>\$2,804,634</u>	<u>\$3,473,706</u>	<u>(\$2,918,317)</u>	<u>\$6,958,721</u>	<u>\$3,794,783</u>

3.3% 4.0% 4.6% 4.4% 2.4%



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Muskingum County, Ohio
 Taxable Sales by Industry (Category)
 Last Two Years

	2007	2006
Effective Rate as of December 31	1.50%	1.50%
Effective Date of Current Tax Rate	April 1, 1993	April 1, 1993
 <u>Collections by Industry:</u>		
Agriculture, Forestry, and Fishing	\$3,806	\$6,717
Utilities (excluding telecommunications)	47,203	51,011
Construction	32,307	17,898
Manufacturing	207,896	128,645
Wholesale Trade	262,912	303,893
Retail Trade:		
Motor Vehicle and Parts Dealers (2)	2,325,350	2,437,854
Furniture and Home Furnishings Store	331,419	312,216
Electronic and Appliance Stores	260,946	248,536
Building Material and Garden Equipment and Supplies	1,484,483	1,497,703
Food and Beverage Stores	560,990	551,480
Health and Personal Care Stores	293,651	319,659
Gasoline Stations	380,855	380,988
Clothing and Clothing Accessories Stores	682,470	675,069
Sporting Goods, Hobby, Book, and Music Stores	213,312	233,510
General Merchandise Stores	2,506,098	2,488,689
Miscellaneous Store Retailers	1,874,353	1,967,491
Nonstore Retailers	195,597	215,808
Transportation and Warehousing	6,600	6,244
Information (including telecommunications)	731,620	682,960
Finance and Insurance	20,413	20,718
Real Estate, and Rental and Leasing of Property	289,401	312,494
Professional, Scientific and Technical Services	100,556	108,452
Administrative and Support Services, and Waste Management and Remediation Services	275,503	298,326
Education, Health Care and Social Assistance	6,404	50,737
Arts, Entertainment, and Recreation	12,184	10,269
Accommodation and Food Services	1,099,958	1,116,064
Other Services	305,281	257,441
Unclassified (3)	179,455	73,147
 Total Collections (4)	 \$14,691,023	 \$14,774,019

- (1) Information prior to 2006 not available.
- (2) Sales tax on sales of motor vehicle and watercraft, which is paid via the county clerk of courts, is included in this figure. Thus, tax collected from dealer sales as well as "casual" (consumer-to-consumer) sales are included.
- (3) Industry data is not provided when there are either no businesses within the particular industry or the number of businesses within the industry fall below the reporting threshold. The collections are instead folded into the "Unclassified" category.
- (4) Collections are on a cash basis.

Source: Ohio Department of Taxation

Muskingum County, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/ Public Utility/ Mineral		Assessed Value	Estimated Actual Value
2007	\$1,090,909,570	\$294,946,060	\$3,959,587,514	\$72,610,030	\$207,457,229
2006	931,356,480	265,371,820	3,419,223,714	79,420,980	226,917,086
2005	907,209,640	256,811,540	3,325,774,800	80,144,210	228,983,457
2004	881,187,820	247,803,350	3,248,546,200	78,147,450	223,278,429
2003	882,412,390	226,548,280	2,997,030,486	77,451,290	221,289,400
2002	866,605,230	220,946,250	2,935,861,371	78,281,320	223,660,914
2001	791,604,750	216,683,810	2,880,824,457	71,615,740	204,616,400
2000	606,434,560	184,225,660	2,259,029,200	99,203,390	283,438,257
1999	593,971,220	176,407,860	2,201,083,086	95,951,950	274,148,429
1998	581,059,110	176,940,330	2,165,712,686	100,536,540	287,247,257

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

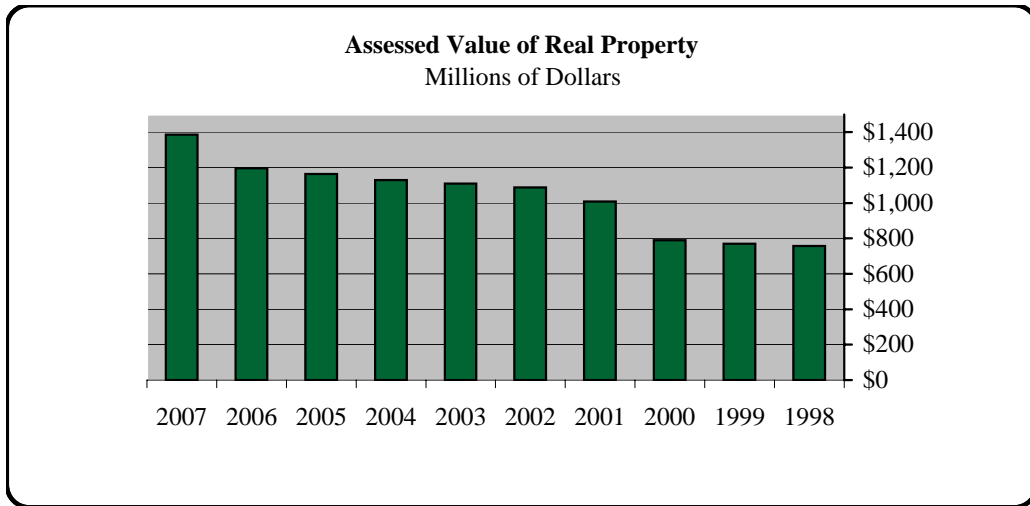
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. The general business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/ industrial property has been eliminated.

Values are shown net of exempt property.

Source: Muskingum County Auditor

Tangible Personal Property		General Business			Total		Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio			
\$54,023,109	\$432,184,872	\$1,512,488,769	\$4,599,229,615	33%	\$10.11		
81,172,633	432,920,709	1,357,321,913	4,079,061,509	33	\$9.16		
108,271,331	433,085,324	1,352,436,721	3,987,843,581	34	\$9.64		
139,516,375	558,065,500	1,346,654,995	4,029,890,129	34	\$9.73		
140,783,708	563,134,832	1,327,195,668	3,781,454,718	34	\$10.06		
149,138,885	596,555,540	1,314,971,685	3,756,077,825	33	\$10.06		
149,599,655	598,398,620	1,229,503,955	3,683,839,477	33	\$10.50		
139,035,055	556,140,220	1,028,898,665	3,098,607,677	33	\$11.90		
127,515,839	510,063,356	993,846,869	2,985,294,871	33	\$11.88		
129,957,914	519,831,656	988,493,894	2,972,791,599	33	\$11.64		



Muskingum County, Ohio
Property Tax Rates, Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Years (1)

	2007	2006	2005	2004	2003
<u>Unvoted Millage</u>					
Operating	\$2.150000	\$2.150000	\$2.150000	\$2.150000	\$2.150000
<u>Voted Millage - by levy</u>					
1976 MRDD					
Residential/Agricultural Real	0.159972	0.185382	0.185350	0.185354	0.196240
Commercial/Industrial/Public Utility/Mineral Real	0.329057	0.349062	0.347282	0.345625	0.365586
General Business/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
1980 MRDD					
Residential/Agricultural Real	0.652350	0.755970	0.755842	0.755858	0.800250
Commercial/Industrial/Public Utility/Mineral Real	1.052878	1.116886	1.111190	1.105888	1.169758
General Business/Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000
1989 Library Bond					
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial/Public Utility/Mineral Real	0.000000	0.000000	0.000000	0.000000	0.000000
General Business/Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000
1994 MRDD					
Residential/Agricultural Real	0.913860	1.059020	1.058842	1.058866	1.121054
Commercial/Industrial/Public Utility/Mineral Real	1.389842	1.474336	1.466818	1.459820	1.544132
General Business/Public Utility Personal	2.000000	2.000000	2.000000	2.000000	2.000000
1994 Sheriff Operations					
Residential/Agricultural Real	0.228465	0.264755	0.264711	0.264717	0.280264
Commercial/Industrial/Public Utility/Mineral Real	0.347461	0.368584	0.366705	0.364955	0.386033
General Business/Public Utility Personal	0.500000	0.500000	0.500000	0.500000	0.500000
2006 Children Services					
Residential/Agricultural Real	1.725858	0.000000	1.255632	1.255660	1.329406
Commercial/Industrial/Public Utility/Mineral Real	1.885378	0.000000	1.555526	1.548104	1.637514
General Business/Public Utility Personal	2.000000	0.000000	2.000000	2.000000	2.000000
1998 Mental Health					
Residential/Agricultural Real	0.634806	0.735641	0.735517	0.735533	0.778732
Commercial/Industrial/Public Utility/Mineral Real	0.780811	0.828280	0.824056	0.820125	0.867491
General Business/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
2002 Senior Services					
Residential/Agricultural Real	0.407589	0.472332	0.472253	0.472263	0.500000
Commercial/Industrial/Public Utility/Mineral Real	0.450040	0.477400	0.474965	0.472699	0.500000
General Business/Public Utility Personal	0.500000	0.500000	0.500000	0.500000	0.500000
2005 T.B. Clinic					
Residential/Agricultural Real	0.345172	0.400000	0.294588	0.294594	0.311896
Commercial/Industrial/Public Utility/Mineral Real	0.377076	0.400000	0.329622	0.328050	0.346996
General Business/Public Utility Personal	0.400000	0.400000	0.400000	0.400000	0.400000
2005 County Home					
Residential/Agricultural Real	2.157323	2.500000	1.472940	1.472972	1.559482
Commercial/Industrial/Public Utility/Mineral Real	2.356723	2.500000	1.648112	1.640250	1.734982
General Business/Public Utility Personal	2.500000	2.500000	2.000000	2.000000	2.000000
<u>Total Voted Millage - By Type of Property</u>					
Residential/Agricultural Real	7.225395	6.373100	6.495675	6.495817	6.877324
Commercial/Industrial/Public Utility/Mineral Real	8.969266	7.514548	8.124276	8.085516	8.552492
General Business/Public Utility Personal	11.900000	9.900000	11.400000	11.400000	11.400000
<u>Total Millage By Type of Property</u>					
Residential/Agricultural Real	9.375395	8.523100	8.645675	8.645817	9.027324
Commercial/Industrial/Public Utility/Mineral Real	11.119266	9.664548	10.274276	10.235516	10.702492
General Business/Public Utility Personal	14.050000	12.050000	13.550000	13.550000	13.550000

(1) Property tax rates shown are based on the year of collection.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
\$2.150000	\$2.150000	\$2.150000	\$2.150000	\$2.150000
0.196187	0.195957	0.251671	0.251860	0.251997
0.365567	0.364954	0.421427	0.421364	0.419475
1.000000	1.000000	1.000000	1.000000	1.000000
0.800034	0.799098	1.026298	1.027070	1.027628
1.169698	1.167738	1.348436	1.348236	1.342192
2.000000	2.000000	2.000000	2.000000	2.000000
0.100000	0.500000	0.700000	0.700000	0.700000
0.100000	0.500000	0.700000	0.700000	0.700000
0.100000	0.500000	0.700000	0.700000	0.700000
1.120752	1.119442	1.437724	1.438804	1.439586
1.544054	1.541468	1.779998	1.779734	1.771754
2.000000	2.000000	2.000000	2.000000	2.000000
0.280188	0.279861	0.359431	0.359701	0.359897
0.386014	0.385367	0.445000	0.444934	0.442939
0.500000	0.500000	0.500000	0.500000	0.500000
1.329048	1.327494	1.704930	1.706212	1.707140
1.637432	1.634690	1.887644	1.887364	1.878902
2.000000	2.000000	2.000000	2.000000	2.000000
0.778522	0.777612	0.998705	0.999456	0.620820
0.867447	0.865994	1.000000	1.000000	0.800509
1.000000	1.000000	1.000000	1.000000	1.000000
0.332262	0.331874	0.426233	0.426553	0.426785
0.409391	0.408706	0.471950	0.471880	0.469764
0.500000	0.500000	0.500000	0.500000	0.500000
0.311812	0.311448	0.340986	0.341242	0.341428
0.346979	0.346398	0.377529	0.377473	0.375780
0.400000	0.400000	0.400000	0.400000	0.400000
1.559062	1.557240	1.437724	1.438804	1.439586
1.734894	1.731988	1.779998	1.779734	1.771754
2.000000	2.000000	2.000000	2.000000	2.000000
6.807867	7.200026	8.683702	8.689702	8.314867
8.561476	8.947303	10.211982	10.210719	9.973069
11.500000	11.900000	12.100000	12.100000	12.100000
8.957867	9.350026	10.833702	10.839702	10.464867
10.711476	11.097303	12.361982	12.360719	12.123069
13.650000	14.050000	14.250000	14.250000	14.250000

(continued)

Muskingum County, Ohio
Property Tax Rates, Direct and Overlapping Governments (Continued)
(per \$1,000 of assessed value)
Last Ten Years (1)

	2007	2006	2005	2004	2003
<u>Overlapping Rates by Taxing District</u>					
<u>Special Districts</u>					
Muskingum County General Health District					
Residential/Agricultural Real	1.132581	1.312485	1.312264	1.577010	0.669630
Commercial/Industrial/Public Utility/Mineral Real	1.290485	1.368919	1.356958	1.720416	0.819779
General Business/Public Utility Personal	1.500000	1.500000	1.500000	2.000000	1.000000
<u>School Districts</u>					
East Muskingum Local Schools					
Residential/Agricultural Real	26.248595	27.256885	27.158378	27.958434	28.200637
Commercial/Industrial/Public Utility/Mineral Real	27.093335	28.259392	28.182104	28.919637	29.228597
General Business/Public Utility Personal	38.460000	39.110000	39.010000	39.810000	39.810000
Franklin Local Schools					
Residential/Agricultural Real	24.180875	24.474252	24.693624	25.087114	24.025504
Commercial/Industrial/Public Utility/Mineral Real	24.600570	24.941178	25.401250	25.463281	24.742780
General Business/Public Utility Personal	37.550000	37.650000	37.850000	38.250000	37.100000
Maysville Local Schools					
Residential/Agricultural Real	22.497883	22.879407	22.973248	23.171321	23.414934
Commercial/Industrial/Public Utility/Mineral Real	22.551582	23.516904	23.007215	23.175253	23.400013
General Business/Public Utility Personal	40.050000	40.350000	40.450000	40.650000	40.850000
Tri-Valley Local Schools					
Residential/Agricultural Real	24.607715	24.976979	24.975427	24.972244	25.024815
Commercial/Industrial/Public Utility/Mineral Real	26.332665	25.362713	25.362713	24.980812	25.003058
General Business/Public Utility Personal	40.250000	40.550000	40.550000	40.550000	40.550000
West Muskingum Local Schools					
Residential/Agricultural Real	25.700022	26.000012	26.100018	26.100027	28.690022
Commercial/Industrial/Public Utility/Mineral Real	25.700031	26.048178	26.154617	26.100012	28.693449
General Business/Public Utility Personal	43.600000	43.900000	44.000000	44.000000	46.590000
Zanesville City Schools					
Residential/Agricultural Real	28.750027	28.952389	29.350022	29.250007	29.461812
Commercial/Industrial/Public Utility/Mineral Real	29.059889	30.238922	30.602888	30.553458	31.997496
General Business/Public Utility Personal	48.700000	48.900000	49.300000	49.200000	49.380000
<u>Out of County School Districts</u>					
Licking Valley Local Schools					
Residential/Agricultural Real	25.370013	25.400016	26.030019	26.100018	26.280006
Commercial/Industrial/Public Utility/Mineral Real	25.370017	25.400013	26.030006	26.100014	26.280013
General Business/Public Utility Personal	36.270000	36.300000	36.930000	37.000000	37.180000
Morgan Local Schools					
Residential/Agricultural Real	24.821702	23.420691	23.421302	23.821984	23.358996
Commercial/Industrial/Public Utility/Mineral Real	28.617474	27.227286	27.230845	27.630845	27.272304
General Business/Public Utility Personal	37.520000	35.970000	35.970000	36.370000	35.860000
Riverview Local Schools					
Residential/Agricultural Real	21.049664	21.164131	21.184100	21.168821	21.312863
Commercial/Industrial/Public Utility/Mineral Real	23.127591	23.508785	23.284704	23.022455	25.034588
General Business/Public Utility Personal	31.300000	31.300000	31.300000	31.300000	31.300000
Rolling Hills Local Schools					
Residential/Agricultural Real	25.456579	29.031969	29.034045	29.382748	31.397980
Commercial/Industrial/Public Utility/Mineral Real	25.468017	29.025634	29.024964	29.372358	31.383896
General Business/Public Utility Personal	25.580000	29.100000	29.100000	29.450000	31.400000

(1) Property tax rates shown are based on the year of collection.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
0.669449	0.668667	0.858784	0.859429	0.670307
0.819738	0.818364	0.945000	0.944934	0.843194
1.000000	1.000000	1.000000	1.000000	1.000000
28.401910	28.402059	25.898834	26.093606	26.017625
29.429303	29.280522	26.489122	26.682381	26.638429
40.010000	40.010000	36.810000	37.010000	37.010000
24.041268	24.032831	25.372978	25.587905	25.585728
24.344510	24.446896	27.137610	27.438238	27.446765
37.100000	37.100000	38.200000	38.400000	38.400000
23.514505	23.500008	23.910370	23.904666	20.000013
23.500013	23.500013	26.143133	26.143133	22.243133
40.950000	40.950000	41.350000	41.350000	37.450000
24.912613	20.000012	20.000004	20.000005	20.000020
24.900009	20.000008	20.638947	20.741214	20.765844
40.450000	35.550000	35.550000	35.550000	35.550000
22.608637	22.700008	23.200008	23.503712	23.600027
22.606692	22.700003	23.523970	23.834065	23.600018
40.500000	40.600000	41.100000	41.400000	41.500000
23.979455	23.750012	27.946612	27.341575	28.034611
26.517496	26.276899	29.708635	29.062752	29.751960
43.900000	43.700000	44.450000	43.850000	44.550000
27.480006	27.580014	28.000005	28.800071	20.000018
27.480016	27.701346	28.000017	28.800018	20.000018
38.380000	38.480000	38.900000	39.700000	30.900000
23.279507	23.260011	24.565431	21.336566	21.346633
27.205300	27.186245	27.110388	23.861280	23.876954
35.780000	35.760000	35.760000	32.500000	32.500000
21.330812	21.314495	21.767045	21.852029	21.838644
25.384562	25.108608	25.108608	25.108490	24.366255
31.300000	31.300000	31.300000	31.300000	31.300000
31.550000	32.160000	33.340000	33.340000	34.090000
31.549475	32.160000	33.340000	33.340000	34.090000
31.550000	32.160000	33.340000	33.340000	34.090000

(continued)

Muskingum County, Ohio
Property Tax Rates, Direct and Overlapping Governments (Continued)
(per \$1,000 of assessed value)
Last Ten Years (1)

	2007	2006	2005	2004	2003
<u>Overlapping Rates by Taxing District</u>					
<u>Joint Vocational School Districts</u>					
Mid-East Ohio Career and Technology Centers (2)					
Residential/Agricultural Real	2.000004	1.999999	2.000002	2.000002	1.999608
Commercial/Industrial/Public Utility/Mineral Real	1.999999	1.999633	2.007883	1.993825	2.086969
General Business/Public Utility Personal	3.200000	3.200000	3.200000	3.200000	3.200000
Coshocton County Career Center					
Residential/Agricultural Real	2.033165	2.249843	2.253910	2.255703	2.490798
Commercial/Industrial/Public Utility/Mineral Real	2.186273	2.255945	2.251873	2.205218	2.498968
General Business/Public Utility Personal	2.500000	2.500000	2.500000	2.500000	2.500000
Career and Technology Education Centers of Licking County					
Residential/Agricultural Real	3.000000	3.000000	3.000000	2.800000	3.000000
Commercial/Industrial/Public Utility/Mineral Real	3.000000	3.000000	3.000000	2.800000	3.000000
General Business/Public Utility Personal	3.000000	3.000000	3.000000	2.800000	3.000000
<u>Corporations</u>					
Adamsville					
Residential/Agricultural Real	2.650000	2.650000	2.650000	2.650000	2.650000
Commercial/Industrial/Public Utility/Mineral Real	2.650000	2.650000	2.650000	2.650000	2.650000
General Business/Public Utility Personal	2.650000	2.650000	2.650000	2.650000	2.650000
Dresden - Cass Township					
Residential/Agricultural Real	3.600000	3.900000	4.100000	3.900000	3.900000
Commercial/Industrial/Public Utility/Mineral Real	3.600000	3.900000	4.100000	3.900000	3.900000
General Business/Public Utility Personal	3.600000	3.900000	4.100000	3.900000	3.900000
Dresden - Jefferson Township					
Residential/Agricultural Real	4.550000	4.850000	5.050000	4.850000	4.850000
Commercial/Industrial/Public Utility/Mineral Real	4.550000	4.850000	5.050000	4.850000	4.850000
General Business/Public Utility Personal	4.550000	4.850000	5.050000	4.850000	4.850000
Frazeytsburg					
Residential/Agricultural Real	6.625655	6.601050	5.247502	5.243822	5.324081
Commercial/Industrial/Public Utility/Mineral Real	6.502020	6.882154	5.946570	5.946570	6.136700
General Business/Public Utility Personal	7.150000	7.150000	7.150000	7.150000	7.150000
Fultonham					
Residential/Agricultural Real	2.200000	2.200000	2.200000	2.200000	2.200000
Commercial/Industrial/Public Utility/Mineral Real	2.200000	2.200000	2.200000	2.200000	2.200000
General Business/Public Utility Personal	2.200000	2.200000	2.200000	2.200000	2.200000
Gratiot					
Residential/Agricultural Real	1.200000	1.200000	1.200000	1.200000	1.200000
Commercial/Industrial/Public Utility/Mineral Real	1.200000	1.200000	1.200000	1.200000	1.200000
General Business/Public Utility Personal	1.200000	1.200000	1.200000	1.200000	1.200000
New Concord - Union Township					
Residential/Agricultural Real	5.929696	6.300000	5.639110	5.639110	5.807338
Commercial/Industrial/Public Utility/Mineral Real	5.647248	6.300000	6.174474	6.174474	6.300000
General Business/Public Utility Personal	6.300000	6.300000	6.300000	6.300000	6.300000
Norwich					
Residential/Agricultural Real	6.850710	7.535780	7.480780	7.480780	5.937375
Commercial/Industrial/Public Utility/Mineral Real	6.823365	7.429205	7.429205	7.429205	6.886065
General Business/Public Utility Personal	7.800000	7.800000	7.800000	7.800000	7.800000
New Concord-Highland Township (3)					
Residential/Agricultural Real	5.129696	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial/Public Utility/Mineral Real	4.847248	0.000000	0.000000	0.000000	0.000000
General Business/Public Utility Personal	5.500000	0.000000	0.000000	0.000000	0.000000

- (1) Property tax rates shown are based on the year of collection.
(2) Formerly Mid-East Joint Vocational School District
(3) New district created by Annexation

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
2.000882	2.000002	1.999782	2.003969	2.000002
2.094114	2.086347	2.335867	2.340140	2.321761
3.200000	3.200000	3.200000	3.200000	3.200000
2.498803	2.000000	2.000000	2.000000	2.000000
2.500000	2.000000	2.000000	2.000000	2.000000
2.500000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000
2.650000	2.650000	2.650000	2.650000	2.650000
2.650000	2.650000	2.650000	2.650000	2.650000
2.650000	2.650000	2.650000	2.650000	2.650000
3.900000	4.000000	3.700000	3.700000	3.700000
3.900000	4.000000	3.700000	3.700000	3.700000
3.900000	4.000000	3.700000	3.700000	3.700000
4.850000	4.950000	4.650000	4.650000	4.650000
4.850000	4.950000	4.650000	4.650000	4.650000
4.850000	4.950000	4.650000	4.650000	4.650000
5.324081	5.321782	3.320272	3.320272	3.320272
6.136700	6.136700	3.615530	3.615530	3.615530
7.150000	7.150000	5.150000	5.150000	5.150000
2.200000	2.200000	2.200000	2.200000	2.200000
2.200000	2.200000	2.200000	2.200000	2.200000
2.200000	2.200000	2.200000	2.200000	2.200000
1.200000	1.200000	1.200000	1.200000	1.200000
1.200000	1.200000	1.200000	1.200000	1.200000
1.200000	1.200000	1.200000	1.200000	1.200000
5.807338	5.806314	5.752112	5.749408	5.747414
6.300000	6.300000	5.976163	5.976163	5.976163
6.300000	6.300000	6.300000	6.300000	6.300000
5.937375	5.937375	7.800000	6.594945	6.594945
6.886065	6.886065	7.800000	6.747930	6.747930
7.800000	7.800000	7.800000	7.800000	7.800000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000

(continued)

Muskingum County, Ohio
Property Tax Rates, Direct and Overlapping Governments (Continued)
(per \$1,000 of assessed value)
Last Ten Years (1)

	2007	2006	2005	2004	2003
<u>Overlapping Rates by Taxing District</u>					
<u>Corporations</u>					
Philo					
Residential/Agricultural Real	5.955057	6.605225	6.605225	4.103807	6.038554
Commercial/Industrial/Public Utility/Mineral Real	6.801570	7.227603	7.227603	4.727603	7.998406
General Business/Public Utility Personal	10.050000	10.050000	10.050000	7.550000	11.650000
Roseville					
Residential/Agricultural Real	6.944940	7.226932	7.758613	7.717947	7.923810
Commercial/Industrial/Public Utility/Mineral Real	9.097927	9.399673	10.259915	10.260479	10.588666
General Business/Public Utility Personal	10.800000	10.800000	10.800000	10.800000	10.800000
South Zanesville					
Residential/Agricultural Real	2.750000	2.750000	2.750000	2.750000	2.750000
Commercial/Industrial/Public Utility/Mineral Real	2.750000	2.750000	2.750000	2.750000	2.750000
General Business/Public Utility Personal	2.750000	2.750000	2.750000	2.750000	2.750000
Zanesville - Zanesville City Schools and and Tri-Valley Local Schools					
Residential/Agricultural Real	3.400000	3.400000	3.400000	3.400000	3.400000
Commercial/Industrial/Public Utility/Mineral Real	3.400000	3.400000	3.400000	3.400000	3.400000
General Business/Public Utility Personal	3.400000	3.400000	3.400000	3.400000	3.400000
Zanesville - West Muskingum Local Schools					
Residential/Agricultural Real	2.850000	2.850000	2.850000	2.850000	2.850000
Commercial/Industrial/Public Utility/Mineral Real	2.850000	2.850000	2.850000	2.850000	2.850000
General Business/Public Utility Personal	2.850000	2.850000	2.850000	2.850000	2.850000
Zanesville - Falls Township (2)					
Residential/Agricultural Real	0.400000	0.400000	0.400000	0.400000	0.400000
Commercial/Industrial/Public Utility/Mineral Real	0.400000	0.400000	0.400000	0.400000	0.400000
General Business/Public Utility Personal	0.400000	0.400000	0.400000	0.400000	0.400000
Zanesville - Muskingum Township (2)					
Residential/Agricultural Real	1.700000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial/Public Utility/Mineral Real	1.700000	0.000000	0.000000	0.000000	0.000000
General Business/Public Utility Personal	1.700000	0.000000	0.000000	0.000000	0.000000
<u>Townships</u>					
Adams					
Residential/Agricultural Real	4.084193	4.298281	4.298281	4.298281	3.999401
Commercial/Industrial/Public Utility/Mineral Real	4.346628	4.350000	4.350000	4.349032	4.345936
General Business/Public Utility Personal	4.350000	4.350000	4.350000	4.350000	4.350000
Blue Rock					
Residential/Agricultural Real	4.370560	3.676537	3.676462	4.343037	4.408252
Commercial/Industrial/Public Utility/Mineral Real	4.613021	3.689317	3.689317	4.366092	4.395346
General Business/Public Utility Personal	4.700000	3.700000	3.700000	4.700000	4.700000
Brush Creek					
Residential/Agricultural Real	2.900000	2.900000	2.900000	2.900000	2.900000
Commercial/Industrial/Public Utility/Mineral Real	2.900000	2.900000	2.900000	2.900000	2.900000
General Business/Public Utility Personal	2.900000	2.900000	2.900000	2.900000	2.900000
Cass					
Residential/Agricultural Real	3.258608	3.214928	3.214928	3.214928	3.250000
Commercial/Industrial/Public Utility/Mineral Real	3.250000	3.235447	3.235447	3.235447	3.250000
General Business/Public Utility Personal	3.250000	3.250000	3.250000	3.250000	3.250000
Clay					
Residential/Agricultural Real	3.089828	3.211291	3.211291	3.211291	3.250000
Commercial/Industrial/Public Utility/Mineral Real	3.171561	3.244059	3.244059	3.244059	3.250000
General Business/Public Utility Personal	3.250000	3.250000	3.250000	3.250000	3.250000

(1) Property tax rates shown are based on the year of collection.
(2) New District Created by annexation.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
6.038554	6.033174	7.139203	7.139203	7.139203
7.998406	7.998406	8.515921	8.515921	8.515921
11.650000	11.650000	11.650000	11.650000	11.650000
8.269079	8.224395	9.177354	0.000000	9.917376
9.740365	9.963534	10.306715	0.000000	10.539306
10.800000	10.800000	10.800000	0.000000	10.800000
2.750000	2.750000	2.750000	2.750000	2.750000
2.750000	2.750000	2.750000	2.750000	2.750000
2.750000	2.750000	2.750000	2.750000	2.750000
3.400000	3.400000	3.400000	3.400000	3.400000
3.400000	3.400000	3.400000	3.400000	3.400000
3.400000	3.400000	3.400000	3.400000	3.400000
2.850000	2.850000	2.850000	2.850000	2.850000
2.850000	2.850000	2.850000	2.850000	2.850000
2.850000	2.850000	2.850000	2.850000	2.850000
0.400000	0.400000	0.400000	0.000000	0.000000
0.400000	0.400000	0.400000	0.000000	0.000000
0.400000	0.400000	0.400000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
3.999401	3.998719	4.336410	4.346594	4.178639
4.345936	4.345936	4.350000	4.350000	4.298704
4.350000	4.350000	4.350000	4.350000	4.350000
4.277610	4.276723	4.681527	3.681527	3.681527
4.273484	4.273484	4.700000	3.700000	3.700000
4.700000	4.700000	4.700000	3.700000	3.700000
2.900000	2.900000	2.900000	2.900000	2.900000
2.900000	2.900000	2.900000	2.900000	2.900000
2.900000	2.900000	2.900000	2.900000	2.900000
2.750000	2.750000	3.132108	3.133445	3.134252
2.750000	2.750000	3.249415	3.250000	3.250000
2.750000	2.750000	3.250000	3.250000	3.250000
2.500000	3.004138	3.175786	3.175786	3.174870
2.500000	3.131535	3.317071	3.317071	3.317071
2.500000	3.500000	3.500000	3.500000	3.500000

(continued)

Muskingum County, Ohio
Property Tax Rates, Direct and Overlapping Governments (Continued)
(per \$1,000 of assessed value)
Last Ten Years (1)

	2007	2006	2005	2004	2003
<u>Overlapping Rates by Taxing District</u>					
<u>Townships</u>					
Falls					
Residential/Agricultural Real	3.445556	3.572764	3.572658	3.572346	3.446994
Commercial/Industrial/Public Utility/Mineral Real	3.459367	3.596499	3.599318	3.599318	3.411654
General Business/Public Utility Personal	3.650000	3.650000	3.650000	3.650000	3.650000
Harrison					
Residential/Agricultural Real	8.864935	10.101755	10.101755	10.095799	10.452011
Commercial/Industrial/Public Utility/Mineral Real	11.546074	11.731210	11.422050	11.369498	11.495038
General Business/Public Utility Personal	11.800000	11.800000	11.800000	11.800000	11.800000
Highland					
Residential/Agricultural Real	4.184886	4.345479	4.345479	4.345479	4.400000
Commercial/Industrial/Public Utility/Mineral Real	4.378531	4.397820	4.397820	4.397820	4.400000
General Business/Public Utility Personal	4.400000	4.400000	4.400000	4.400000	4.400000
Hopewell					
Residential/Agricultural Real	3.500759	3.623537	3.623391	3.623391	3.665779
Commercial/Industrial/Public Utility/Mineral Real	3.895596	3.965696	3.965696	3.906720	3.962439
General Business/Public Utility Personal	4.850000	4.850000	4.850000	4.850000	4.850000
Jackson					
Residential/Agricultural Real	5.602422	6.112627	5.111429	5.754449	5.927056
Commercial/Industrial/Public Utility/Mineral Real	5.877010	6.303894	5.303894	6.070143	6.251213
General Business/Public Utility Personal	6.850000	6.850000	5.850000	6.850000	6.850000
Jefferson					
Residential/Agricultural Real	4.807084	4.900000	2.400000	2.400000	2.400000
Commercial/Industrial/Public Utility/Mineral Real	4.244547	4.900000	2.400000	2.400000	2.400000
General Business/Public Utility Personal	4.900000	4.900000	2.400000	2.400000	2.400000
Licking					
Residential/Agricultural Real	5.420004	5.803462	5.803049	5.057183	5.178768
Commercial/Industrial/Public Utility/Mineral Real	5.696458	6.084303	6.084303	5.519400	5.603882
General Business/Public Utility Personal	6.250000	6.250000	6.250000	5.750000	5.750000
Madison					
Residential/Agricultural Real	3.790519	3.984481	3.984481	3.979906	2.081283
Commercial/Industrial/Public Utility/Mineral Real	3.999929	4.000000	4.000000	4.000000	2.398738
General Business/Public Utility Personal	4.000000	4.000000	4.000000	4.000000	2.400000
Meigs					
Residential/Agricultural Real	3.649233	3.874116	3.874116	3.874116	3.941319
Commercial/Industrial/Public Utility/Mineral Real	4.250000	4.227154	4.227154	4.227154	4.228482
General Business/Public Utility Personal	4.250000	4.250000	4.250000	4.250000	4.250000
Monroe					
Residential/Agricultural Real	3.959292	4.159009	4.155500	4.155500	3.900818
Commercial/Industrial/Public Utility/Mineral Real	4.192467	4.199302	4.199302	4.199302	4.200000
General Business/Public Utility Personal	4.200000	4.200000	4.200000	4.200000	4.200000
Muskingum					
Residential/Agricultural Real	4.445494	4.582566	3.932528	3.932475	4.000000
Commercial/Industrial/Public Utility/Mineral Real	4.409335	4.585518	3.935518	3.935518	4.000000
General Business/Public Utility Personal	4.650000	4.650000	4.000000	4.000000	4.000000

(1) Property tax rates shown are based on the year of collection.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
3.446949	3.445788	3.650000	3.650000	3.078205
3.411654	3.411654	3.650000	3.650000	3.213169
3.650000	3.650000	3.650000	3.650000	3.350000
7.819756	8.818707	9.513851	8.682033	9.266126
9.852906	11.258178	10.783104	10.766208	11.757760
10.300000	11.800000	10.800000	10.800000	11.800000
4.088063	4.088063	4.313906	4.313906	4.313906
4.239710	4.153834	4.400000	4.399978	4.399978
4.400000	4.400000	4.400000	4.400000	4.400000
3.665718	3.664922	3.965440	3.965440	3.965067
3.962439	3.962439	4.343956	4.343956	4.343956
4.850000	4.850000	4.850000	4.850000	4.850000
5.395276	5.394138	6.160105	6.031294	6.132730
6.009983	6.009983	6.850000	6.808258	6.808258
6.850000	6.850000	6.850000	6.850000	6.850000
2.400000	2.400000	3.270138	3.268326	3.268326
2.400000	2.400000	3.400000	3.400000	3.400000
2.400000	2.400000	3.400000	3.400000	3.400000
4.176704	4.987393	5.370897	5.371228	5.382719
4.603882	5.957764	6.196990	6.196990	6.250000
4.750000	6.250000	6.250000	6.250000	6.250000
2.081283	2.075789	2.400000	2.400000	2.093856
2.398738	2.398738	2.400000	2.400000	2.399097
2.400000	2.400000	2.400000	2.400000	2.400000
3.941319	3.941319	4.250000	3.250000	4.250000
4.228482	4.228482	4.250000	3.250000	4.250000
4.250000	4.250000	4.250000	3.250000	4.250000
3.899510	3.899505	4.200000	4.200000	4.016500
4.200000	4.200000	4.200000	4.200000	4.187570
4.200000	4.200000	4.200000	4.200000	4.200000
3.150837	3.150415	3.246149	3.246588	3.247120
3.333961	3.333961	3.443825	3.449867	3.452826
3.500000	3.500000	3.500000	3.500000	3.500000

(continued)

Muskingum County, Ohio
Property Tax Rates, Direct and Overlapping Governments (Continued)
(per \$1,000 of assessed value)
Last Ten Years (1)

	2007	2006	2005	2004	2003
<u>Overlapping Rates by Taxing District</u>					
<u>Townships</u>					
Newton					
Residential/Agricultural Real	5.287463	5.819129	5.816654	5.815730	6.023018
Commercial/Industrial/Public Utility/Mineral Real	6.367673	6.827609	6.827609	6.802415	6.937376
General Business/Public Utility Personal	8.450000	8.450000	8.450000	8.450000	8.450000
Perry					
Residential/Agricultural Real	4.811021	5.004389	5.004389	5.003993	5.129309
Commercial/Industrial/Public Utility/Mineral Real	5.245736	5.500589	5.500589	5.482436	5.593835
General Business/Public Utility Personal	6.200000	6.200000	6.200000	6.200000	6.200000
Rich Hill					
Residential/Agricultural Real	3.915556	4.150764	4.150764	4.150764	4.200000
Commercial/Industrial/Public Utility/Mineral Real	4.050234	4.185035	4.185035	4.185035	4.200000
General Business/Public Utility Personal	4.200000	4.200000	4.200000	4.200000	4.200000
Salem					
Residential/Agricultural Real	3.372569	3.504632	3.504632	3.503200	3.251417
Commercial/Industrial/Public Utility/Mineral Real	3.515683	3.540962	3.540962	3.540962	3.489122
General Business/Public Utility Personal	3.550000	3.550000	3.550000	3.550000	3.550000
Salt Creek					
Residential/Agricultural Real	3.547160	3.663841	3.663841	3.663399	3.696278
Commercial/Industrial/Public Utility/Mineral Real	3.702008	3.764433	3.764433	3.764433	3.782008
General Business/Public Utility Personal	4.000000	4.000000	4.000000	4.000000	4.000000
Springfield					
Residential/Agricultural Real	4.900396	5.309954	4.499918	4.499918	4.612170
Commercial/Industrial/Public Utility/Mineral Real	5.224410	5.310603	4.872861	4.872861	5.005428
General Business/Public Utility Personal	5.350000	5.350000	5.350000	5.350000	5.350000
Union					
Residential/Agricultural Real	4.478373	4.600000	3.600000	4.308633	4.349230
Commercial/Industrial/Public Utility/Mineral Real	4.516369	4.600000	3.600000	4.574102	4.600000
General Business/Public Utility Personal	4.600000	4.600000	3.600000	4.600000	4.600000
Washington					
Residential/Agricultural Real	3.471417	3.671149	3.671149	3.192256	3.269162
Commercial/Industrial/Public Utility/Mineral Real	3.657154	3.845626	3.845626	3.532992	3.614282
General Business/Public Utility Personal	4.150000	4.150000	4.150000	4.150000	4.150000
Wayne					
Residential/Agricultural Real	3.831262	4.008647	4.008540	4.008511	4.144633
Commercial/Industrial/Public Utility/Mineral Real	4.188905	4.332848	4.332848	4.272608	4.347989
General Business/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000

(1) Property tax rates shown are based on the year of collection.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
6.022910	6.019583	4.307816	4.307708	4.307708
6.937376	6.937376	4.710020	4.710020	4.710020
8.450000	8.450000	5.450000	5.450000	5.450000
5.129369	5.127758	5.819303	5.816966	5.816651
5.593835	5.579552	6.200000	6.200000	6.200000
6.200000	6.200000	6.200000	6.200000	6.200000
3.200000	3.200000	3.200000	3.200000	3.200000
3.200000	3.200000	3.200000	3.200000	3.200000
3.200000	3.200000	3.200000	3.200000	3.200000
3.251417	3.249660	3.541592	3.550000	3.194221
3.489122	3.489122	3.550000	3.550000	3.493143
3.550000	3.550000	3.550000	3.550000	3.550000
3.692776	3.692601	4.000000	4.000000	3.000000
3.782008	3.782008	4.000000	4.000000	3.000000
4.000000	4.000000	4.000000	4.000000	3.000000
4.612136	4.352636	4.930639	4.928822	4.927248
5.005428	4.884828	5.182298	5.182298	5.182298
5.350000	5.350000	5.350000	5.350000	5.350000
4.349230	4.348974	4.600000	4.349006	4.348756
4.600000	4.592724	4.600000	4.550000	4.550000
4.600000	4.600000	4.600000	4.600000	4.600000
3.269084	3.268012	3.590900	3.589970	3.589840
3.614282	3.614282	3.930834	3.930834	3.930368
4.150000	4.150000	4.150000	4.150000	4.150000
4.144271	4.144127	4.556116	4.555987	4.098750
4.347989	4.347989	4.718396	4.718396	4.489538
5.000000	5.000000	5.000000	5.000000	5.000000

Muskingum County, Ohio

Principal Taxpayers

Real Estate Tax

2007 and 1998 (1)

Name of Taxpayer	2007	
	Assessed Value	Percent of Real Property Assessed Value
Longaberger Company	\$8,999,790	0.65%
Colony Square Partners	6,188,880	0.54
Wal-Mart Real Estate	5,751,770	0.41
A-Z Warehouse Zanesville	4,440,800	0.36
DGC Properties, LLC	3,280,350	0.29
J. Robert Beam Trustee	3,271,400	0.27
Zanesville Country Fair	3,088,450	0.27
Ray Thomas Lumbertown, Inc.	2,956,400	0.26
Century National Bank	2,864,420	0.24
North Coast Energy	2,728,120	0.23
Totals	<u>\$43,570,380</u>	<u>3.14%</u>
Total Assessed Valuation	<u>\$1,385,855,630</u>	

Name of Taxpayer	1998	
	Assessed Value	Percent of Real Property Assessed Value
Longaberger Company	\$10,485,850	1.38%
Colony Square Partners	5,752,220	0.76
Good Sam Medical Center	3,697,120	0.31
Zandex, Inc.	1,638,520	0.22
New Concord Ohio Inc.	1,570,260	0.21
Wares Delaware Corp.	1,473,500	0.19
Associated Estates	1,419,110	0.19
Buckeye Supply Company	1,378,680	0.19
Auto Zone, Inc.	1,300,750	0.18
Armco Inc.	1,298,500	0.17
Totals	<u>\$30,014,510</u>	<u>3.96%</u>
Total Assessed Valuation	<u>\$757,999,440</u>	

(1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.

Source: Muskingum County Auditor

Muskingum County, Ohio
Principal Taxpayers
Tangible Personal Property Tax
2007 and 1998 (1)

Name of Taxpayer	2007	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Longaberger Company	\$7,066,510	13.08%
AK Tube LLC	5,898,900	9.47
Ohio Bell Telephone Co. (2)	3,324,140	4.82
Lear Operations Corp.	2,395,540	4.67
Autozone Texas LP Company	2,345,040	4.39
Owens Illinois, Inc.	2,153,610	3.41
Wal Mart Stores East LP	2,020,420	3.32
Shelly & Sands, Inc.	1,961,840	3.31
Sidwell Materials, Inc	1,682,370	3.15
Dolgencorp	1,561,010	2.79
Total	\$30,409,380	56.29%
Total Assessed Valuation	\$54,023,109	

Name of Taxpayer	1998	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Longaberger Company	\$15,401,560	11.85%
Armco Incorporated	7,861,720	6.55
Owens Illinois Incorporated	6,612,710	5.19
United Technology	5,731,990	5.13
Burnham Corporation	3,917,010	2.96
Ohio Machinery Company	2,615,470	2.08
Akro Corporation	2,446,730	1.69
Wendy's International Incorporated	1,859,650	1.61
Lowe's Home Center Inc.	1,747,480	1.49
Wal Mart Stores East LP	1,455,790	1.35
Total	\$49,650,110	38.20%
Total Assessed Valuation	\$129,957,914	

- (1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.
- (2) Beginning with tax year 2007, telephone company property was reclassified as general business property rather than public utility property.

Source: Muskingum County Auditor

Muskingum County, Ohio

Principal Taxpayers

Public Utilities Tax

2007 and 1998 (1)

Name of Taxpayer	2007	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Company	\$48,995,120	67.48%
Guernsey Muskingum Electric	\$5,429,500	7.93
Texas Eastern Trans LP	4,640,600	6.56
NGO Transmission, Inc.	4,330,700	5.93
Columbus Gas Trans Corp.	3,311,710	5.50
Total	66,707,630	91.87%
Total Assessed Valuation	\$72,610,030	

Name of Taxpayer	1998	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Company	\$42,465,620	42.24%
Ohio Bell Telephone Company	17,227,660	18.35
National Gas and Oil	12,421,620	11.85
Columbia Gas of Ohio Incorporated	8,541,510	8.94
Texas Eastern Trans Corporation	5,056,750	5.02
Total	\$85,713,160	85.26%
Total Assessed Valuation	\$100,536,540	

(1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.

Source: Muskingum County Auditor

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Muskingum County, Ohio
Property Tax Levies and Collections
Real and Public Utility, and Tangible Personal Property
Last Ten Years

	2007	2006	2005	2004	2003
<u>Real and Public Utility Property</u>					
Tax Levy(3)	\$14,623,157	\$11,468,177	\$11,540,889	\$11,273,615	\$10,909,528
Current Tax Collections (2)	13,711,560	10,873,281	11,002,829	10,780,162	10,359,548
Percent of Current Collections to Levy	93.77%	94.81%	95.34%	95.62%	94.96%
Delinquent Tax Collections (4)	640,271	524,201	531,770	587,441	519,850
Total Tax Collections(3)	14,351,831	11,397,482	11,534,599	11,367,603	10,879,398
Ratio of Total Collections to Levy	98.14%	99.38%	99.95%	100.83%	99.72%
Outstanding Delinquent Taxes (1)	1,767,530	1,361,364	1,094,193	1,038,013	1,059,341
Ratio of Outstanding Delinquent Taxes to Tax Levy	12.09%	11.87%	9.48%	9.21%	9.71%
<u>Tangible Personal Property</u>					
Tax Levy(3)	\$1,026,475	\$1,301,077	\$1,751,946	\$1,890,447	\$1,907,619
Total Tax Collections(3)	1,118,018	1,406,023	1,979,162	2,009,672	1,972,202
Ratio of Total Collections to Levy	108.92%	108.07%	112.97%	106.31%	103.39%
Outstanding Delinquent Taxes	462,905	389,030	400,831	494,919	400,049
Ratio of Outstanding Delinquent Taxes to Tax Levy	45.10%	29.90%	22.88%	26.18%	20.97%

(1) The amounts include all prior year delinquencies and the current year delinquencies.

(2) In 2002, the reduction in collections is due to gas and electric deregulation which resulted in a reduction in assessed valuation.

(3) Figures for Tax Levy and Total Tax Collections include state reimbursement amounts.

(4) Delinquent Tax Collections include amounts collected from penalties, interest, and other delinquent collections. The County does not identify delinquent tax collections by tax year.

Note: The County does not maintain delinquency information by tax year.

Source: Muskingum County Auditor

2002	2001	2000	1999	1998
\$10,569,678	\$11,199,940	\$10,214,642	\$10,051,646	\$9,637,376
10,077,979	10,601,946	9,805,867	9,352,141	9,200,655
95.35%	94.66%	96.00%	93.04%	95.47%
486,301	380,130	422,040	379,951	391,216
10,564,280	10,982,076	10,227,907	9,732,092	9,591,871
99.95%	98.05%	100.13%	96.82%	99.53%
1,038,348	942,934	751,782	809,302	758,641
9.82%	8.42%	7.36%	8.05%	7.87%
\$2,020,832	\$2,042,035	\$1,953,443	\$1,817,104	\$1,851,900
2,068,614	2,178,715	2,133,866	1,700,808	1,815,154
102.36%	106.69%	109.24%	93.60%	98.02%
427,072	472,279	515,412	547,748	488,750
21.13%	23.13%	26.38%	30.14%	26.39%

Muskingum County, Ohio
Ratio of Outstanding Debt to Total
Personal Income and Debt Per Capita
Last Ten Years

Governmental Activities

Year	General Obligation Bonds	Special Assessment OWDA	Special Assessment Bonds	Long-Term Contracts Payable	Energy Conservation Loan	Bond Anticipation Notes	Issue Two Notes	Tax Refund Payable	Capital Leases
2007	\$13,000,855	\$187,623	\$598,306	\$11,813,391	\$0	\$1,925,000	\$114,068	\$0	\$480,546
2006	13,900,903	253,304	641,392	12,826,924	0	1,000,000	218,391	0	491,220
2005	13,900,000	318,985	679,478	13,801,373	243,561	850,000	329,202	0	201,514
2004	14,725,000	384,666	717,564	14,444,899	316,294	953,000	437,829	0	167,563
2003	15,710,000	450,347	750,650	14,783,391	385,169	195,000	227,074	0	64,735
2002	17,775,000	516,028	791,035	11,566,933	450,392	290,000	275,625	0	69,912
2001	15,990,000	581,709	599,000	9,276,552	512,156	3,020,000	99,479	0	22,653
2000	17,380,000	647,390	621,965	4,936,745	570,645	3,090,000	96,498	0	63,362
1999	18,680,000	713,071	644,930	0	626,032	3,155,000	142,320	18,664	51,726
1998	10,615,000	778,752	667,895	0	0	1,780,000	197,441	50,694	109,640

Note: Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements.

(1) See S42 & S43 for personal income and population data

Business-Type Activities

General Obligation Bonds	Bond Anticipation Notes	Revenue Bonds	OWDA Loan	Total Debt	Percentage of Personal Income (1)	Per Capita (1)
\$18,068,740	\$5,835,000	\$530,500	\$3,699,119	\$56,253,148	3.79%	\$665
18,704,448	5,380,000	543,700	3,404,578	57,364,860	3.87	678
10,931,625	5,380,000	555,800	3,287,184	50,478,722	3.40	597
11,271,934	2,080,000	566,700	3,318,908	49,384,357	3.33	584
11,612,243	0	577,500	2,659,091	47,415,200	3.20	561
2,752,064	0	10,306,500	1,962,055	46,755,544	3.15	553
1,261,000	2,855,000	1,802,200	1,033,720	37,053,469	2.50	438
1,286,035	2,255,000	1,829,500	357,990	33,135,130	2.66	392
1,311,070	1,980,000	1,855,500	372,651	29,550,964	2.37	360
1,105	2,440,000	3,172,500	386,239	20,199,266	1.62	246

Muskingum County, Ohio
Ratio of General Obligation Bonded Debt to Estimated Actual Property Value
and General Obligation Bonded Debt Per Capita
Last Ten Years

Year	Population (1)	Estimated Actual Property Value	General Obligation Bonded Debt	Ratio of General Obligation Bonded Debt to Estimated Actual	Bonded General Obligation Debt Per Capita
2007	84,585	\$4,599,229,615	\$13,000,855	0.28%	\$153.70
2006	84,585	4,079,061,509	13,900,903	0.34%	164.34
2005	84,585	3,987,843,581	13,900,000	0.34	164.33
2004	84,585	4,029,890,129	14,725,000	0.36	174.09
2003	84,585	3,781,454,718	15,710,000	0.39	185.73
2002	84,585	3,756,077,825	17,775,000	0.47	210.14
2001	84,585	3,683,839,477	15,990,000	0.43	189.04
2000	84,585	3,098,607,677	17,380,000	0.47	205.47
1999	84,169	2,985,294,871	18,680,000	0.61	221.93
1998	84,169	2,972,791,599	10,615,000	0.35	126.12

(1) U.S. Census Bureau Fact Finder - 1990 and 2000 Federal Census

Source: Muskingum County Auditor

Muskingum County, Ohio
Pledged Revenue Coverage
Revenue Debt - Sewer
Last Ten Years

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net Available Revenue:						
Gross Revenues (1)	\$2,303,169	\$2,213,844	\$2,040,557	\$1,942,637	\$1,737,106	\$2,262,928
Less: Operating Expenses (2)	<u>1,341,676</u>	<u>1,508,365</u>	<u>2,846,895</u>	<u>1,868,520</u>	<u>1,626,027</u>	<u>1,829,783</u>
Net Available Revenue	<u><u>961,493</u></u>	<u><u>705,479</u></u>	<u><u>(806,338)</u></u>	<u><u>74,117</u></u>	<u><u>111,079</u></u>	<u><u>433,145</u></u>
Debt Service OWDAs Loans:						
Principal	24,946	23,123	21,432	19,864	18,412	708,057
Interest	16,960	18,578	20,078	24,198	25,651	48,559
OWDA Coverage	22.94	16.92	(19.43)	1.68	2.52	0.57
Debt Service - Revenue Bonds						
Bonds Principal	13,200	12,100	10,900	10,800	38,100	28,700
Bonds Interest	25,185	25,745	26,250	27,025	107,903	64,767
Revenue Bond Coverage	25.05	18.64	(21.70)	1.96	0.76	4.63
Total Debt Service:						
Bonds Principal	38,146	35,223	32,332	30,664	56,512	736,757
Bonds Interest	42,145	44,323	46,328	51,223	133,554	113,326
Total Coverage	11.98	8.87	(10.25)	0.91	0.58	0.51

(1) Includes investment income and other non-operating revenues.

(continued)

(2) Direct operating expenses do not include depreciation and amortization expense.

Source: Muskingum County Auditor

Muskingum County, Ohio
Pledged Revenue Coverage (Continued)
Revenue Debt - Sewer
Last Ten Years

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Net Available Revenue:				
Gross Revenues (1)	\$1,956,682	\$1,899,048	\$1,597,962	\$1,805,763
Less: Operating Expenses (2)	<u>1,375,419</u>	<u>1,633,241</u>	<u>1,078,597</u>	<u>1,686,964</u>
Net Available Revenue	<u><u>581,263</u></u>	<u><u>265,807</u></u>	<u><u>519,365</u></u>	<u><u>118,799</u></u>
Debt Service OWDA Loans:				
Principal	82,877	14,661	13,588	12,594
Interest	48,675	29,402	30,474	31,468
OWDA Coverage	4.42	6.03	11.79	2.70
Debt Service - Revenue Bonds				
Bonds Principal	27,300	26,000	24,900	36,800
Bonds Interest	92,215	93,525	94,780	175,918
Revenue Bond Coverage	4.86	2.22	4.34	0.56
Total Debt Service:				
Bonds Principal	110,177	40,661	38,488	49,394
Bonds Interest	140,890	122,927	125,254	207,386
Total Coverage	2.32	1.62	3.17	0.46

(1) Includes investment income and other non-operating revenues.

(2) Direct operating expenses do not include depreciation and amortization expense.

Muskingum County, Ohio
Pledged Revenue Coverage
Revenue Debt - Water
Last Six Years (3)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Net Available Revenue:						
Gross Revenues (1)	\$3,196,849	\$2,928,898	\$2,815,068	\$2,487,850	\$2,664,215	\$13,583
Less: Operating Expenses (2)	<u>1,552,666</u>	<u>1,554,841</u>	<u>1,781,620</u>	<u>1,527,307</u>	<u>1,456,771</u>	<u>1,210</u>
Net Available Revenue	<u><u>1,644,183</u></u>	<u><u>1,374,057</u></u>	<u><u>1,033,448</u></u>	<u><u>960,543</u></u>	<u><u>1,207,444</u></u>	<u><u>12,373</u></u>
Debt Service OWDA Loans:						
Principal	124,307	91,772	89,688	88,529	68,988	26,133
Interest	65,803	45,643	45,942	47,926	37,213	14,505
OWDA Coverage	8.65	10.00	7.62	7.04	11.37	0.30

(1) Includes investment income and other non-operating revenues.

(2) Direct operating expenses do not include depreciation and amortization expense.

(3) 2002 was the first year that the Water Enterprise Fund had pledged revenue debt.

Source: Muskingum County Auditor

Muskingum County, Ohio
Legal Debt Margin
Last Ten Years

	2007	2006	2005	2004
Total Assessed Property Value	<u>\$1,512,488,769</u>	<u>\$1,357,321,913</u>	<u>\$1,352,436,721</u>	<u>\$1,346,654,995</u>
Debt Limit (1)	<u>36,312,219</u>	<u>32,433,048</u>	<u>32,310,918</u>	<u>32,166,375</u>
Total Debt Outstanding:				
General Obligation Bonds Payable	\$31,718,000	\$33,289,500	\$25,561,000	\$26,762,500
Notes Payable	7,874,068	6,598,391	6,802,763	3,787,123
Revenue Bonds Payable	530,500	543,700	555,800	566,700
OWDA Loans Payable from Enterprise Fund Revenues	3,699,119	3,404,578	3,287,184	3,318,908
Special Assessment Debt Payable	<u>794,623</u>	<u>903,804</u>	<u>1,007,985</u>	<u>1,112,166</u>
Total Gross Indebtedness	<u>44,616,310</u>	<u>44,739,973</u>	<u>37,214,732</u>	<u>35,547,397</u>
Exemptions:				
General Obligation Bonds Payable - Exempt	24,650,000	25,676,000	18,283,500	18,986,750
Notes Payable - Exempt	7,049,068	5,598,391	6,802,763	3,787,123
Revenue Bonds Payable	530,500	543,700	555,800	566,700
OWDA Loans Payable from Enterprise Fund Revenues	3,699,119	3,404,578	3,287,184	3,318,908
Bonds Payable from Special Assessments	794,623	903,804	1,007,985	1,112,166
Amount Available in the Debt Service Fund for General Obligations	<u>513,845</u>	<u>484,958</u>	<u>461,203</u>	<u>660,303</u>
Total Exemptions	<u>37,237,155</u>	<u>36,611,431</u>	<u>30,398,435</u>	<u>28,431,950</u>
Total Net Debt Applicable to Debt Limit	<u>7,379,155</u>	<u>8,128,542</u>	<u>6,816,297</u>	<u>7,115,447</u>
Legal Debt Margin	<u>\$28,933,064</u>	<u>\$24,304,506</u>	<u>\$25,494,621</u>	<u>\$25,050,928</u>
Legal Debt Margin Within Debt Limit	79.68%	74.94%	78.90%	77.88%

(1) Ohio Bond Law sets a limit calculated as follows:

 Three percent of the first \$100,000,000 of the tax valuation

 One and one-half percent of the next \$200,000,000 of the tax valuation

 Two and one-half percent of the amount of the tax valuation in excess of \$300,000,000

Sources: Muskingum County Auditor

2003	2002	2001	2000	1999	1998
<u>\$1,327,195,668</u>	<u>\$1,314,971,685</u>	<u>\$1,229,503,955</u>	<u>\$1,028,898,665</u>	<u>\$993,846,869</u>	<u>\$988,493,894</u>
<u>31,679,892</u>	<u>31,374,292</u>	<u>29,237,599</u>	<u>24,222,467</u>	<u>23,346,172</u>	<u>23,212,347</u>
\$28,124,000	\$20,527,064	\$17,220,962	\$18,666,035	\$19,958,758	\$10,616,105
807,243	1,016,017	6,486,635	6,012,143	5,903,352	4,429,441
577,500	2,206,500	1,802,200	1,829,500	1,855,500	3,172,500
2,659,091	1,962,055	1,033,720	357,990	372,651	386,239
<u>1,211,347</u>	<u>1,307,063</u>	<u>1,180,709</u>	<u>1,269,355</u>	<u>1,358,001</u>	<u>1,446,647</u>
<u>33,379,181</u>	<u>27,018,699</u>	<u>27,724,226</u>	<u>28,135,023</u>	<u>29,448,262</u>	<u>20,050,932</u>
19,675,750	7,565,000	16,660,712	14,835,460	19,958,758	10,616,105
807,243	1,016,017	6,486,635	6,012,143	5,903,352	4,429,441
577,500	2,206,500	1,802,200	1,829,500	1,855,500	3,172,500
2,659,091	1,962,055	1,033,720	357,990	372,651	386,239
<u>1,211,347</u>	<u>1,307,063</u>	<u>1,180,709</u>	<u>1,269,355</u>	<u>1,358,001</u>	<u>1,446,647</u>
<u>633,330</u>	<u>1,859,951</u>	<u>1,680,783</u>	<u>1,559,264</u>	<u>1,540,999</u>	<u>1,074,420</u>
<u>25,564,261</u>	<u>15,916,586</u>	<u>28,844,759</u>	<u>25,863,712</u>	<u>30,989,261</u>	<u>21,125,352</u>
<u>7,814,920</u>	<u>11,102,113</u>	<u>(1,120,533)</u>	<u>2,271,311</u>	<u>(1,540,999)</u>	<u>(1,074,420)</u>
<u>\$23,864,972</u>	<u>\$20,272,179</u>	<u>\$30,358,132</u>	<u>\$21,951,156</u>	<u>\$24,887,171</u>	<u>\$24,286,767</u>
75.33%	64.61%	103.83%	90.62%	106.60%	104.63%

(continued)

Muskingum County, Ohio
Legal Debt Margin (Continued)
 Last Ten Years

	2007	2006	2005	2004
Unvoted Debt Limitation (1)	<u>\$15,124,888</u>	<u>\$13,573,219</u>	<u>\$13,524,367</u>	<u>\$13,466,550</u>
Total Debt Outstanding:				
General Obligation Bonds Payable	\$31,718,000	\$33,289,500	\$25,561,000	\$26,762,500
Notes Payable	7,874,068	6,598,391	6,802,763	3,787,123
Revenue Bonds Payable	530,500	543,700	555,800	566,700
OWDA Loans Payable from Enterprise Fund Revenues	3,699,119	3,404,578	3,287,184	3,318,908
Special Assessment Debt Payable	<u>794,623</u>	<u>903,804</u>	<u>1,007,985</u>	<u>1,112,166</u>
Total Gross Indebtedness	<u>44,616,310</u>	<u>44,739,973</u>	<u>37,214,732</u>	<u>35,547,397</u>
Exemptions:				
General Obligation Bonds Payable - Exempt	24,650,000	25,676,000	18,283,500	18,986,750
Notes Payable - Exempt	7,049,068	5,598,391	6,802,763	3,787,123
Revenue Bonds Payable	530,500	543,700	555,800	566,700
OWDA Loans Payable from Enterprise Fund Revenues	3,699,119	3,404,578	3,287,184	3,318,908
Bonds Payable from Special Assessments	794,623	903,804	1,007,985	1,112,166
Amount Available in the Debt Service Fund for General Obligations	<u>513,845</u>	<u>484,958</u>	<u>461,203</u>	<u>660,303</u>
Total Exemptions	<u>37,237,155</u>	<u>36,611,431</u>	<u>30,398,435</u>	<u>28,431,950</u>
Net Debt Within Unvoted Debt Limitation	<u>7,379,155</u>	<u>8,128,542</u>	<u>6,816,297</u>	<u>7,115,447</u>
Unvoted Legal Debt Margin	<u>\$7,745,733</u>	<u>\$5,444,677</u>	<u>\$6,708,070</u>	<u>\$6,351,103</u>
Unvoted Legal Debt Margin as a Percentage of Unvoted Debt Limitation	51.21%	40.11%	49.60%	47.16%

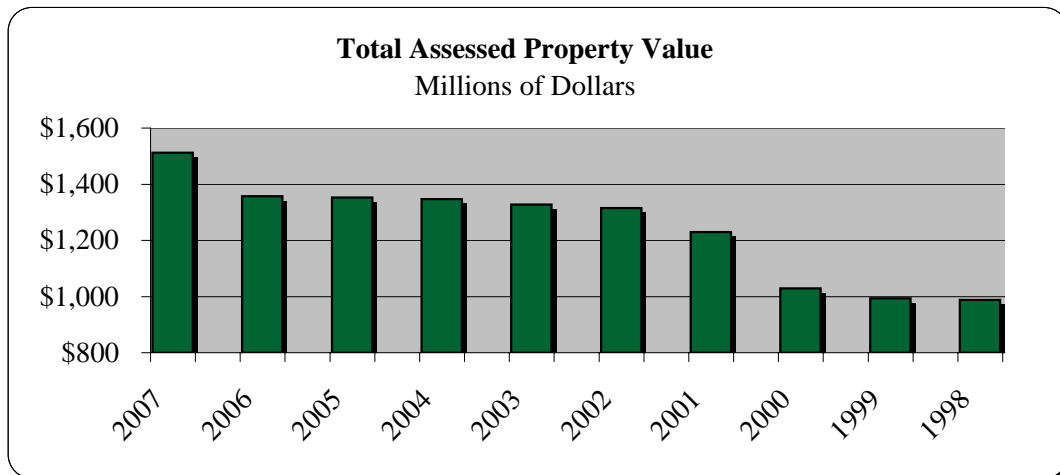
(1) Ohio Bond Law sets a limit of one percent of the tax valuation.

2003	2002	2001	2000	1999	1998
<u>\$13,271,957</u>	<u>\$13,149,717</u>	<u>\$12,295,040</u>	<u>\$10,288,987</u>	<u>\$9,938,469</u>	<u>\$9,884,939</u>
\$28,124,000	\$20,527,064	\$17,020,962	\$17,826,035	\$18,533,758	\$8,656,105
807,243	1,016,017	6,486,635	6,012,143	5,903,352	4,429,441
577,500	2,206,500	1,802,200	1,829,500	1,855,500	3,172,500
2,659,091	1,962,055	1,033,720	357,990	372,651	386,239
1,211,347	1,307,063	1,180,709	1,269,355	1,358,001	1,446,647
<u>33,379,181</u>	<u>27,018,699</u>	<u>27,524,226</u>	<u>27,295,023</u>	<u>28,023,262</u>	<u>18,090,932</u>
19,675,750	7,565,000	16,460,712	13,995,460	14,358,758	6,416,645
807,243	1,016,017	6,486,635	6,012,143	5,903,352	2,649,441
577,500	2,206,500	1,802,200	1,829,500	1,855,500	3,172,500
2,659,091	1,962,055	1,033,720	357,990	372,651	398,833
1,211,347	1,307,063	1,180,709	1,269,355	1,358,001	1,449,647
633,330	1,859,951	1,680,783	1,559,264	1,540,999	1,074,420
<u>25,564,261</u>	<u>15,916,586</u>	<u>28,644,759</u>	<u>25,023,712</u>	<u>25,389,261</u>	<u>15,161,486</u>
<u>7,814,920</u>	<u>11,102,113</u>	<u>(1,120,533)</u>	<u>2,271,311</u>	<u>2,634,001</u>	<u>2,929,446</u>
<u>\$5,457,037</u>	<u>\$2,047,604</u>	<u>\$13,415,573</u>	<u>\$8,017,676</u>	<u>\$7,304,468</u>	<u>\$6,955,493</u>
41.12%	15.57%	109.11%	77.92%	73.50%	70.36%

Muskingum County, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (3)	Personal Income Per Capita (6)	Median Household Income (1)	Median Age (1)
2007	84,585	\$1,483,028,805	\$17,533	\$35,185	36.5
2006	84,585	1,483,028,805	17,533	35,185	36.5
2005	84,585	1,483,028,805	17,533	35,185	36.5
2004	84,585	1,483,028,805	17,533	35,185	36.5
2003	84,585	1,483,028,805	17,533	35,185	36.5
2002	84,585	1,483,028,805	17,533	35,185	36.5
2001	84,585	1,483,028,805	17,533	35,185	36.5
2000	84,585	1,483,028,805	17,533	35,185	36.5
1999	82,068	1,246,612,920	15,190	23,967	n/a
1998	82,068	1,246,612,920	15,190	23,967	n/a

- (1) Source: U.S. Census Bureau Fact Finder - 1990 and 2000 Federal Census
- (2) Source: State Board of Education, Muskingum County Board of Education and individual school districts.
- (3) Source: Zanesville-Muskingum County Chamber of Commerce
- (4) Source: Ohio Bureau of Employment Services
- (5) Source: Muskingum County Auditor
- (6) Computation of per capita personal income multiplied by population
- n/a - The median age in the 1990 Census was unavailable.



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Muskingum County Unemployment Rate (4)	Total Assessed Property Value (5)
12.6%	16,104	7.8%	\$1,512,488,769
12.6	16,354	7.2	1,357,321,913
12.6	15,914	8.3	1,352,436,721
12.6	15,682	8.2	1,346,654,995
12.6	15,635	7.4	1,327,195,668
12.6	15,601	6.4	1,314,971,685
12.6	15,529	5.9	1,229,503,955
12.6	16,194	5.9	1,028,898,665
10.1	17,230	6.7	993,846,869
10.1	16,697	6.4	988,493,894

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Muskingum County, Ohio
Principal Employers
2007 and 1998

2007

Employer	Nature of Business	Employees	Percentage of Total County Employment
Genesis Health Care	Hospital - Health Services	3,342	9.01%
Longaberger Incorporated	Hand-woven baskets and wood products	3,200	8.27
Zandex Inc.	Health Services	1,017	3.03
The County	Government	982	2.71
Dollar General Corp.	General Merchandise Warehouse and Distribution Center	846	2.34
Auto Zone	Auto Parts Warehouse and Distribution Center	600	1.65
Lear Corp.	Electrical Parts for Engines/ Wire Assemblies	402	1.65
Owens - Illinois	Glass Containers and Jars	358	1.09
New Bakery of Ohio	Bun Manufacturer and Delivery	350	1.02
Muskingum College	Post Secondary Education	345	1.00
Total		<u>11,442</u>	<u>31.74%</u>
Total Employment within the County		<u>36,048</u>	

1998

Employer	Nature of Business	Employees	Percentage of Total County Employment
Longaberger Incorporated	Hand-woven baskets and wood products	6,560	16.40%
Genesis Health Care	Hospital - Health Services	2,529	8.96
United Technologies Automotive	Electrical parts for engines/ wire assemblies	1,301	4.30
Zandex Inc.	Health Services	1,100	2.78
The County	Government	836	2.53
Five Bs Inc.	Fleecewear Manufacturing & Contract Embroidery	723	2.01
Zanesville City School District	Education	595	1.47
Auto Zone	Automobile Retail Distributor Center	432	1.27
Owens-Brockway Glass Container	Glass Containers and Jars	420	1.04
City of Zanesville	Government	350	0.82
Total		<u>14,846</u>	<u>37.12%</u>
Total Employment within the County		<u>40,000</u>	

Source: Zanesville - Muskingum County Chamber of Commerce and Individual Employers
Source: Bureau of Labor Statistics

Muskingum County, Ohio
 Full-Time Equivalent County Government Employees by Program/Activity
 Last Ten Years

Program/Activity	2007	2006	2005	2004
General Government - Legislative and Executive				
Commissioners	17.00	16.00	14.00	18.00
Auditor	13.00	14.00	13.00	16.00
Treasurer	3.00	1.00	1.00	5.00
Treasurer - Dretac	2.00	4.00	4.00	1.00
Prosecuting Attorney	19.00	19.00	20.00	18.00
Prosecutor - Dretac	1.00	1.00	1.00	1.00
Records	2.00	2.00	2.00	2.00
Board of Elections	17.00	15.00	14.00	13.00
Recorder	6.00	6.00	6.00	6.00
Data Processing	1.00	1.00	1.00	1.00
Maintenance	23.00	24.00	24.00	26.00
Fleet Garage	3.00	4.00	4.00	3.00
Information Services	4.00	4.00	3.00	3.00
Title	5.00	5.00	5.00	5.00
G.I.S.	3.00	3.00	2.00	2.00
Real Estate	6.00	5.00	5.00	3.00
Lorena	0.00	0.00	1.00	1.00
General Government - Judicial				
Common Pleas Court	10.00	10.00	9.00	10.00
Jury Commission - Common Pleas	1.00	1.00	1.00	1.00
County Court	8.00	8.00	9.00	8.00
Probate Court	6.00	6.00	6.00	6.00
Juvenile Court	70.00	68.00	68.00	72.00
Municipal Court	4.00	4.00	4.00	4.00
Clerk of Courts	12.00	11.00	10.00	10.00
Domestic Relations Court	10.00	11.00	12.00	13.00
Special Projects - County Court	0.00	0.00	0.00	1.00
Public Safety				
Sheriff	110.00	115.00	107.00	113.00
Disaster Services	3.00	1.00	2.00	3.00
Coroner	3.00	3.00	3.00	3.00
Community Corrections	5.00	5.00	5.00	5.00
House Arrest - County Court	3.00	3.00	2.00	2.00
Youth Services - Juvenile Court	4.00	3.00	3.00	3.00
Youth and Community Partners - Juvenile Court	0.00	2.00	2.00	2.00
D.A.R.E. - Sheriff	1.00	1.00	1.00	1.00
COPS School Grant - Sheriff	0.00	0.00	4.00	4.00
Sheriff Levy Fund	7.00	8.00	8.00	9.00
Sheriff Co. Agency	5.00	5.00	3.00	3.00
Victim Witness - Prosecutor	1.00	1.00	1.00	1.00
Public Works				
Engineer	57.00	53.00	54.00	52.00
Tech Support	0.00	0.00	0.00	2.00
Building Department	9.00	9.00	9.00	7.00
Recycling	3.00	3.00	4.00	5.00
CDBG Formula Grant	0.00	0.00	0.00	0.00
CHIP I Grant	1.00	1.00	1.00	2.00

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

Source: Muskingum County Auditor

2003	2002	2001	2000	1999	1998
15.00	17.00	17.00	17.00	20.00	17.00
16.00	17.00	15.00	14.00	14.00	15.00
4.00	4.00	5.00	5.00	5.00	5.00
2.00	1.00	1.00	1.00	1.00	1.00
18.00	17.00	16.00	16.00	16.00	15.00
1.00	1.00	1.00	0.00	0.00	0.00
2.00	1.00	1.00	0.00	0.00	0.00
12.00	11.00	12.00	12.00	12.00	13.00
6.00	6.00	6.00	5.00	6.00	6.00
1.00	2.00	1.00	1.00	1.00	1.00
25.00	28.00	31.00	27.00	22.00	21.00
3.00	0.00	0.00	0.00	0.00	0.00
3.00	3.00	3.00	0.00	0.00	0.00
5.00	5.00	5.00	5.00	5.00	5.00
1.00	0.00	0.00	0.00	0.00	0.00
3.00	4.00	4.00	2.00	1.00	2.00
1.00	1.00	1.00	0.00	0.00	0.00
12.00	20.00	18.00	15.00	15.00	21.00
1.00	2.00	1.00	1.00	2.00	2.00
7.00	8.00	8.00	8.00	8.00	8.00
6.00	6.00	6.00	6.00	6.00	6.00
78.00	76.00	76.00	66.00	31.00	33.00
3.00	3.00	3.00	3.00	3.00	3.00
10.00	9.00	8.00	9.00	9.00	9.00
12.00	4.00	4.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
117.00	109.00	106.00	107.00	105.00	104.00
3.00	3.00	3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00	3.00	3.00
5.00	5.00	5.00	6.00	7.00	6.00
2.00	1.00	2.00	1.00	1.00	1.00
3.00	3.00	3.00	4.00	4.00	4.00
0.00	0.00	0.00	0.00	0.00	0.00
2.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
7.00	6.00	8.00	7.00	5.00	3.00
3.00	3.00	5.00	3.00	1.00	2.00
1.00	1.00	1.00	0.00	0.00	0.00
47.00	45.00	41.00	45.00	42.00	46.00
2.00	2.00	2.00	2.00	0.00	0.00
5.00	5.00	5.00	3.00	4.00	4.00
5.00	5.00	4.00	2.00	2.00	2.00
0.00	0.00	0.00	2.00	2.00	0.00
1.00	0.00	0.00	0.00	0.00	0.00

(continued)

Muskingum County, Ohio
 Full-Time Equivalent County Government Employees by Program/Activity (Continued)
 Last Ten Years

Program/Activity	2007	2006	2005	2004
Health				
Humane	1.00	1.00	1.00	1.00
Dog and Kennel	4.00	4.00	4.00	5.00
T.B. Clinic	9.00	6.00	7.00	7.00
Human Services				
MRDD	118.00	120.00	125.00	127.00
Public Assistance	111.00	111.00	113.00	113.00
Children Services	79.00	77.00	91.00	94.00
Child Support Enforcement Agency	49.00	53.00	54.00	54.00
Veteran Services	9.00	9.00	9.00	9.00
County Home	86.00	89.00	90.00	88.00
Center for Seniors	27.00	30.00	28.00	33.00
Special Ed - Starlight	7.00	7.00	3.00	3.00
Early Childhood - Starlight	2.00	2.00	2.00	2.00
Enterprise Funds				
Sewer	9.00	10.00	10.00	11.00
Water	13.00	9.00	11.00	12.00
Totals:	<u>982.00</u>	<u>984.00</u>	<u>996.00</u>	<u>1,025.00</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

Source: Muskingum County Auditor

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
1.00	1.00	1.00	1.00	1.00	1.00
4.00	3.00	3.00	4.00	4.00	5.00
8.00	8.00	7.00	7.00	7.00	9.00
119.00	119.00	119.00	113.00	112.00	105.00
115.00	119.00	121.00	124.00	116.00	112.00
92.00	94.00	86.00	76.00	75.00	66.00
57.00	58.00	58.00	55.00	52.00	51.00
8.00	8.00	5.00	9.00	9.00	9.00
74.00	69.00	83.00	55.00	60.00	62.00
34.00	38.00	50.00	53.00	45.00	41.00
3.00	3.00	3.00	3.00	3.00	3.00
2.00	2.00	2.00	2.00	2.00	2.00
9.00	11.00	12.00	9.00	8.00	6.00
<u>11.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u><u>992.00</u></u>	<u><u>973.00</u></u>	<u><u>984.00</u></u>	<u><u>915.00</u></u>	<u><u>853.00</u></u>	<u><u>836.00</u></u>

Muskingum County, Ohio
 Operating Indicators by Program/Activity
 Last Six Years (2)

	2007	2006	2005	2004	2003	2002
General Government - Legislative and Executive						
Commissioners						
Number of Resolutions Passed	1,857	1,876	1,910	2,452	2,829	2,300
Number of Meetings	95	97	99	95	98	100
Auditor						
Number of Budgetary Checks Issued	34,925	36,102	39,406	38,298	37,996	38,067
Number of Personal Property Returns	1,028	2,003	2,069	2,102	3,986	3,963
Number of Exempt Conveyances	1,572	1,579	1,481	1,506	1,681	1,456
Number of Non-Exempt Conveyances	2,089	2,058	2,082	2,215	2,186	2,074
Number of Real Estate Transfers	3,661	3,637	3,563	3,721	3,867	3,530
Number of Parcels Billed	65,846	65,501	64,447	67,409	66,157	64,966
Prosecutor						
Number of Criminal Cases	331	344	378	358	410	331
Board of Elections						
Registered Voters	50,525	51,914	50,274	51,552	46,185	48,175
Registered Voters Last General Election	50,525	51,914	50,274	51,552	46,185	48,175
Percentage of Registered Voters that Voted	40.29%	56.80%	42.80%	76.75%	48.37%	48.86%
Recorder						
Number of Deeds Recorded	4,084	4,514	4,359	4,702	4,605	4,314
Number of Mortgages Recorded	5,014	5,685	6,218	6,781	8,680	n/a
Number of Military Discharges Recorded	9	24	36	28	39	n/a
Number of Documents Recorded	16,229	17,880	18,523	19,313	24,110	21,210
Building Department						
Number of Building Permits	768	1,045	942	808	786	n/a
General Government - Judicial						
Probate Court						
Number of Marriage Licenses Issued	629	597	628	668	679	690
Number of Civil Cases Filed	8	23	12	18	4	16
Number of Estates Filed	417	415	437	447	456	462
Number of Guardianships Filed	72	74	67	87	72	97
Juvenile Court						
Number of Delinquent Cases	978	826	880	870	773	799
Number of Unruly Cases	189	236	274	311	229	246
Number of Traffic Cases	504	527	570	548	705	851
Number of Abuse, Dependency, or Neglect Cases	204	148	164	140	138	145
Number of Paternity Cases (1)	0	0	0	0	0	37
Number of Custody Cases (1)	21	1	4	37	32	190
Number of Adult Cases Only	6	3	6	5	5	6
Number of Other (Court Contempt, etc.) Cases	323	40	198	287	253	253

(continued)

Source: Muskingum County Departments

(1) In 2002, domestic relations court was created and the majority of paternity, support, and custody matters were no longer brought before the juvenile court.

(2) Information prior to 2002 not available.

n/a - Information unavailable

Muskingum County, Ohio
 Operating Indicators by Program/Activity (Continued)
 Last Six Years (2)

	2007	2006	2005	2004	2003	2002
General Government - Judicial						
Municipal Court						
Number of Civil Cases Filed	1,548	1,213	1,202	1,278	1,339	1,188
Number of Criminal Cases Filed	1,855	1,880	1,875	2,123	1,998	2,271
Number of Small Claims Cases Filed	318	453	235	230	265	324
Domestic Relations Court						
Number of Divorces/ Dissolution Cases Filed	395	429	495	451	450	471
Clerk of Courts						
Number of Civil Cases Filed	984	843	722	778	718	681
Number of Criminal Cases Filed	332	405	402	410	454	383
Number of Domestic Relation Cases Filed	1,072	900	911	851	811	663
Number of Appeal Cases Filed	81	91	60	58	57	58
Public Safety						
Sheriff						
Average Daily Jail Census	186	216	219	203	199	197
Number of Prisoners Booked	2,801	3,138	3,047	3,000	2,908	2,501
Number of Prisoners Released	2,824	3,416	3,412	3,102	2,870	2,481
Number of Citations Issued	1,871	1,947	1,809	1,727	1,651	1,217
Number of Court Security Hours	8,320	2,101	2,090	2,178	2,104	2,098
Coroner						
Number of Autopsies Performed	41	41	40	53	40	32
Probation						
Number of House Arrest Individuals	25	38	45	38	57	34
Public Works						
Engineer						
Miles of Roads Resurfaced	19	14	18	23	32	34
Number of Bridges Replaced/ Improved	3	11	14	19	20	15
Number of Culverts Built/ Replaced/ Improved	102	63	66	107	68	57
Community Development						
Rehabilitation Assistance	105,839	101,271	33,032	151,218	162,686	n/a
Home Repair Assistance	54,350	30,614	45,386	100,000	0	n/a
Acquisition and Rehab Assistance	30,607	55,780	73,604	24,296	108,347	n/a
Homeless Prevention Assistance	8,000	n/a	n/a	n/a	n/a	n/a
Human Services						
MRDD						
Number of Students Enrolled in Early Intervention	153	82	86	98	86	81
Number of Students Enrolled in Preschool	88	38	50	42	44	40
Number of Students Enrolled in School Age	43	49	44	50	46	50
Number Served by Workshop	210	173	165	174	161	159
Public Assistance						
Average Client Count - Food Stamps	13,908	20,310	19,518	18,175	16,740	15,545
Medicaid Caseload	10,821	n/a	22,952	21,487	19,751	18,884
Average Client Count - Day Care	507	494	446	470	573	622
Child Support Enforcement Agency						
Open Child Support Cases	9,548	8,682	8,426	8,409	8,417	8,234
Percentage of Child Support Collected	70.16%	71.92%	70.77%	71.44%	70.73%	69.44%

(continued)

Source: Muskingum County Departments

Muskingum County, Ohio
 Operating Indicators by Program/Activity (Continued)
 Last Six Years (2)

	2007	2006	2005	2004	2003	2002
Human Services						
Veterans Services						
Number of Clients Served	0	1,131	1,321	1,272	1,541	n/a
Amount of Benefits Paid	\$0	\$188,946	\$195,483	\$160,983	\$202,781	n/a
Number of Clients Transported	0	527	534	467	447	n/a
County Home						
Number of Residents	66	62	66	68	74	n/a
Number of Registered Nurses	3	5	5	5	5	n/a
Number of Aides	32	34	34	38	35	n/a
Avondale Youth Center						
Number of Kids Housed	70	61	69	70	79	66
Health						
Dog and Kennel						
Number of Dog Tags Issued	10,494	10,630	9,907	10,739	9,114	8,621
Number of Kennel Tags Issued	1,190	1,167	1,057	902	1,040	1,093
Enterprise Funds						
Sewer						
Average Daily Sewage Treated (million gallons per day)	1.381	1.889	2.256	1.832	1.664	1.439
Customer Accounts	4,341	6,096	5,990	5,889	5,753	5,691
Water						
Average Daily Water Treated (million gallons per day)	1.151	1.103	1.112	0.998	1.009	1.105
Customer Accounts	3,694	7,345	7,162	7,082	6,483	5,879

Source: Muskingum County Departments

Muskingum County, Ohio
 Capital Asset Statistics by Program/Activity
 Last Six Years (2)

	2007	2006	2005	2004	2003	2002
<u>General Government - Legislative and Executive</u>						
Commissioners						
Courthouse - (square feet)	8,479	8,479	8,479	8,479	8,479	8,479
Commissioners Administrative Offices - (square feet)	50,500	0	0	0	50,500	50,500
Commissioners Administrative Offices - (square feet)	8,177	0	0	0	0	0
Auditor						
Courthouse - (square feet)	11,374	11,374	11,374	11,374	11,374	11,374
Recorder						
Courthouse - (square feet)	3,314	3,314	3,314	3,314	3,314	3,314
Title Office						
Courthouse - (square feet)	0	0	0	0	0	1,527
Treasurer						
Courthouse - (square feet)	3,066	3,066	3,066	3,066	3,066	3,066
Maintenance						
Courthouse - (square feet)	10,156	10,156	10,156	10,156	10,156	10,156
Fleet Garage - (square feet)	2,600	2,600	2,600	2,600	2,600	2,600
Prosecutor						
Law Administration Building - (square feet)	13,450	13,450	13,450	13,450	13,450	13,450
Building Department						
Records and Courts Facility - (square feet)	6,112	6,112	6,112	6,112	6,112	0
Information Services						
Records and Courts Facility - (square feet)	1,753	1,753	1,753	1,753	1,753	0
Records Commission						
Records and Courts Facility - (square feet)	8,634	8,634	8,634	8,634	8,634	0
Title Office						
Records and Courts Facility - (square feet)	4,585	4,585	4,585	4,585	4,585	0
Board of Elections						
County Agencies Building - (square feet)	3,880	3,880	3,880	3,880	3,880	3,880
<u>General Government - Judicial</u>						
Clerk of Courts						
Courthouse - (square feet)	5,903	5,903	5,903	5,903	5,903	5,903
Common Pleas Court						
Courthouse - (square feet)	11,158	11,158	11,158	11,158	11,158	11,158
Probate Court						
Courthouse - (square feet)	3,904	3,904	3,904	3,904	3,904	3,904
County Court						
Law Administration Building (square feet)	6,735	6,735	6,735	6,735	6,735	6,735
Domestic Relations Court						
Records and Courts Facility - (square feet)	14,927	14,927	14,927	14,927	14,927	0
Municipal Court						
Records and Courts Facility - (square feet)	5,430	5,430	0	0	0	0
Juvenile Court						
Juvenile Detention Center - (square feet)	16,164	16,164	16,164	16,164	16,164	16,164

Source: Muskingum County Departments

(continued)

Muskingum County, Ohio
Capital Asset Statistics by Program/Activity (Continued)
Last Six Years (2)

	2007	2006	2005	2004	2003	2002
<u>Public Safety</u>						
Sheriff						
Courthouse - (square feet)	371	371	371	371	371	371
Jail - (square feet)	44,601	44,601	44,601	44,601	44,601	44,601
Records and Courts Facility - (square feet)	804	804	804	804	804	804
County Agencies Building - (square feet)	1,704	1,704	1,704	1,704	1,704	1,704
Child Support Enforcement Agency - (square feet)	588	588	588	588	588	588
Juvenile Detention Center - (square feet)	34,529	34,529	34,529	34,529	34,529	34,529
Work Release Facility - (square feet)	10,800	10,800	10,800	10,800	0	0
Garages - (square feet)	5,978	5,978	5,978	5,978	5,978	5,978
Old Roseville Prison - (square feet)	0	45,850	45,850	45,850	45,850	45,850
Sub Station - (square feet)	0	0	625	625	625	625
Disaster Services						
Administrative Office - (square feet)	2,440	2,440	2,440	2,440	2,440	2,440
<u>Public Works</u>						
Engineer						
Courthouse - (square feet)	1,127	1,127	1,127	1,127	1,127	1,127
Highway Department - (square feet)	4,180	4,180	4,180	4,180	4,180	4,180
Frazeyburg Outpost - (square feet)	1,250	1,250	1,250	1,250	1,250	1,250
Administrative Office - (square feet)	2,800	2,800	2,800	2,800	2,800	2,800
Highway Garages - (square feet)	19,294	19,294	19,294	19,294	19,294	19,294
Bridge Department Garage - (square feet)	3,840	3,840	3,840	3,840	3,840	3,840
County Road Miles	530	529	518	518	518	518
Township Road Miles	701	715	687	687	687	687
State Route Miles	266	266	240	240	240	240
<u>Human Services</u>						
MRDD						
Starlight Industries - (square feet)	12,000	12,000	12,000	12,000	12,000	12,000
Starlight Industries Workshop - (square feet)	15,960	15,960	15,960	15,960	15,960	15,960
Starlight School - (square feet)	31,450	31,450	31,450	31,450	31,450	31,450
Starlight Administration Offices - (square feet)	9,444	9,444	9,444	9,444	9,444	9,444
Starlight Bus Garage - (square feet)	5,400	5,400	5,400	5,400	5,400	5,400
Children Services						
County Agencies Building - (square feet)	18,301	18,301	18,301	18,301	18,301	18,301
Children Services Administrative Offices - (square feet)	0	28,600	28,600	28,600	0	0
Child Support Enforcement Agency						
CSEA Administrative Offices - (square feet)	31,204	31,204	31,204	31,204	31,204	31,204
Youth Services						
Juvenile Detention Center - (square feet)	3,675	3,675	3,675	3,675	3,675	3,675
Public Assistance						
Job and Family Services Administrative Offices - (square feet)	10,640	32,758	32,758	32,758	10,858	10,858
Welfare Administrative Offices - (square feet)	1,194	1,194	1,194	1,194	1,194	1,194
<u>Health</u>						
Dog and Kennel						
Dog Pound - (square feet)	2,670	2,670	2,670	2,670	2,670	2,670
<u>Enterprise Funds</u>						
Sewer Department						
Sanitary Engineer Office - (square feet)	6,624	6,624	6,624	6,624	6,624	6,624
Sewer Lines Laid - (in feet)	22,417	35,264	4,411	920	3,925	6,096
Water Department						
Water Department Office - (square feet)	2,240	2,240	2,240	2,240	2,240	2,240
Water Lines Laid - (in feet)	58,361	51,660	50,121	150,884	117,729	0

Source: Muskingum County Departments

Muskingum County Offices
Zanesville, Ohio 43701 – (740) 455-7109



Mary Taylor, CPA
Auditor of State

FINANCIAL CONDITION

MUSKINGUM 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
JULY 29, 2008**