

Popular Annual Financial Report Ended December 31, 2018 Mahoning County, Ohio



Ralph T. Meacham, CPA
Mahoning County Auditor

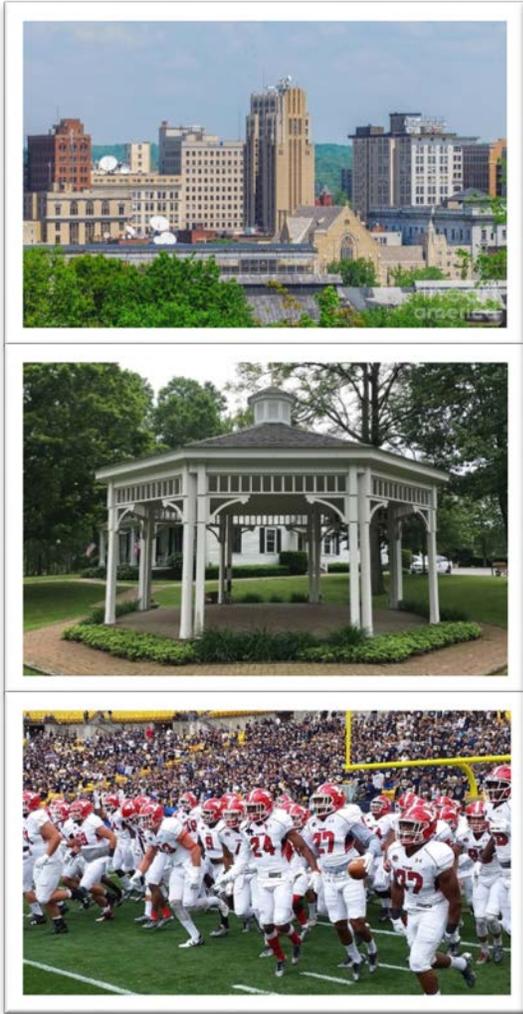


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To the Citizens of Mahoning County



June 28, 2019,

As Mahoning County Auditor, I am pleased to present the Mahoning County Popular Annual Financial Report (PAFR) for the year ended December 31, 2018. This report provides a brief analysis of where the County revenues come from and where those dollars are spent. We also show an overview of trends in the local economy of Mahoning County. This report was created to be more reader friendly.



The information for this report was drawn from the 2018 Mahoning County Comprehensive Annual Financial Report (CAFR). The CAFR is comprised of detailed financial statements, notes, schedules and statistical information. The CAFR was prepared in accordance with General Accepted Accounting Principles (GAAP) and audited by the Ohio Auditor of State, receiving an unmodified opinion. An unmodified opinion is given when an auditor can state that the financial statements are accurately and fairly presented. The PAFR, however, is unaudited and presented on a GAAP basis. The PAFR is a summarized report that presents selected financial and statistical information for the primary government activities and business type activities. It does not include component units, as well as full disclosure of all material financial and non-financial events in the notes to the financial statements.

Mahoning County has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for 2015, 2016, and 2017, and has also been the recipient of the award for its PAFR for the same years as part of the PAFR Awards Program.

Readers desiring the more detailed financial statements and the full disclosure GAAP basis accounting information reported in the Comprehensive Annual Financial Report can obtain copies at the Mahoning County Auditor's office, or may view it online at www.mahoningcountyoh.gov/auditor.

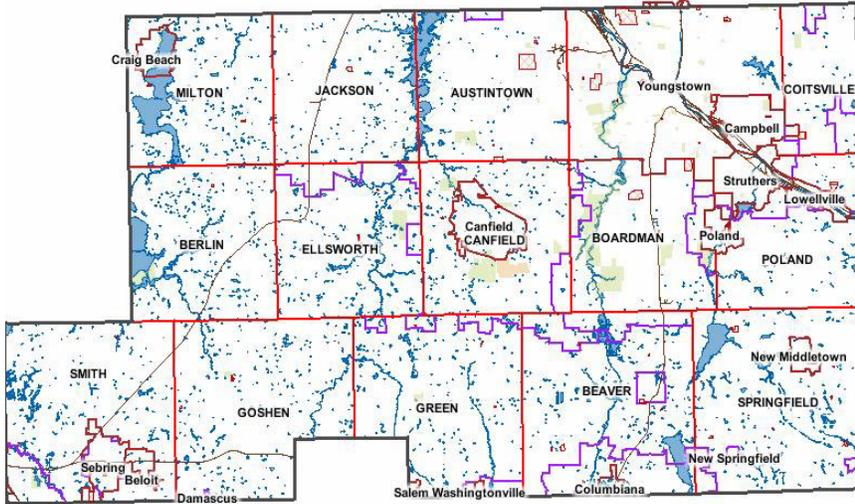
The PAFR is presented as a means of enhancing public confidence in County government and your elected officials through easier, friendlier information. As you review our PAFR for 2018, I invite you to share any comments, questions or recommendations you may have.

Very truly yours,

A handwritten signature in blue ink that reads "Ralph T. Meacham".

Ralph T. Meacham, CPA

Mahoning County

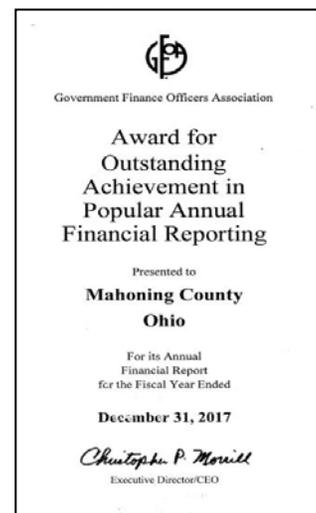


Mahoning County (The County), created in 1846, is located in northeast Ohio, on the southern border of Trumbull County, the eastern borders of Summit and Stark Counties, the northern border of Columbiana County and the western border of the State of Pennsylvania. The County is approximately 78 miles southeast of Cleveland and 62 miles northwest of Pittsburgh. The County encompasses 14 townships and 14 cities and villages, the largest of which is the City of Youngstown, the County

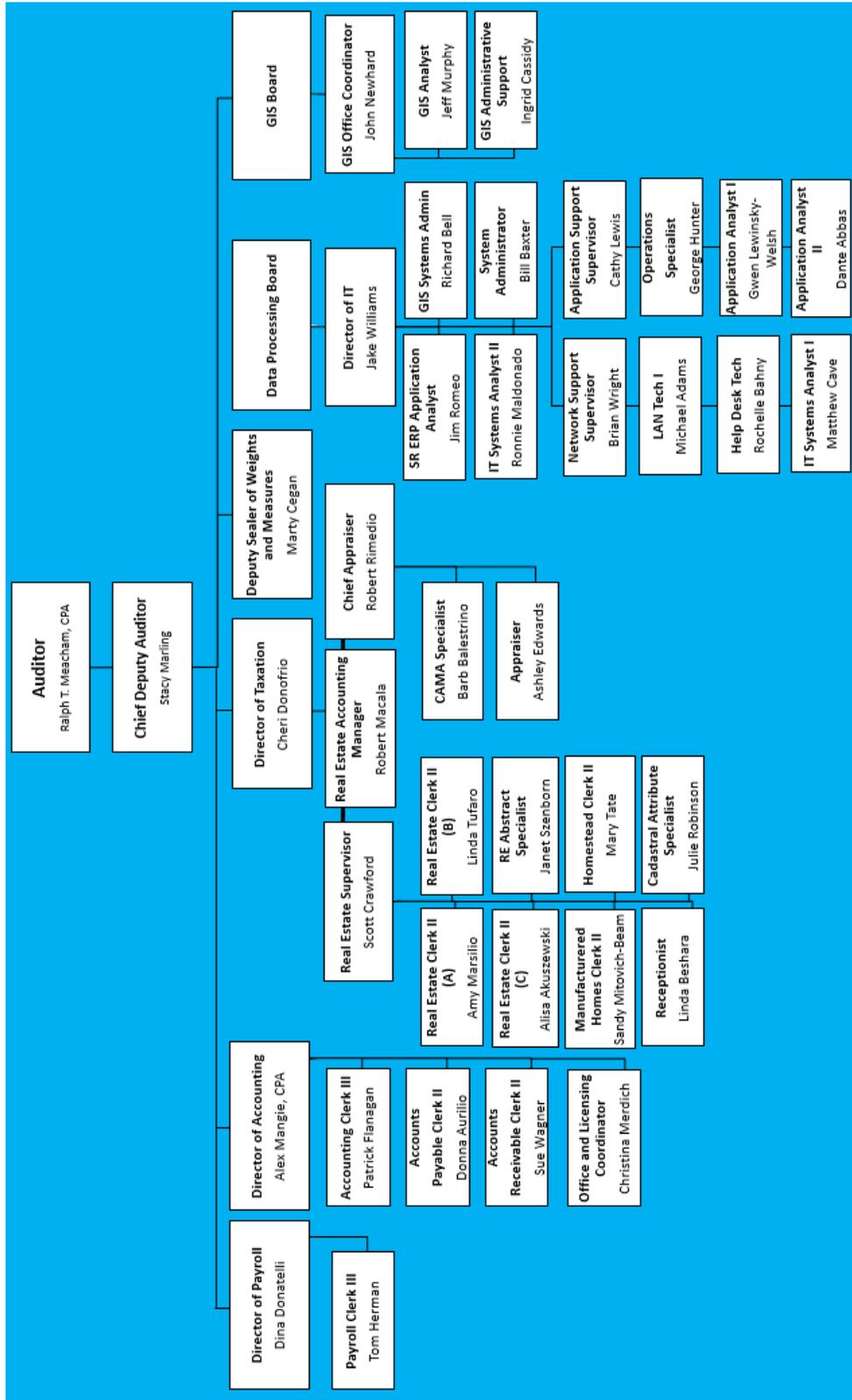
seat. The County is in the Youngstown-Warren Ohio Metropolitan Statistical Area (MSA) comprised of Columbiana, Mahoning and Trumbull Counties, the 54th largest of 264 MSA's in the United States.

The County operates as a political subdivision of the State of Ohio exercising only those powers conferred by the Ohio Legislature. The County voters elect a total of eleven legislative and administrative County Officials. The three member Board of Commissioners is the legislative and executive body of the County. The County Auditor is the chief fiscal officer and tax assessor while the County Treasurer serves as the custodian of all County funds and as tax collector. In addition, there are six other elected administrative officials provided for by Ohio law, which include: the Clerk of Courts, Recorder, Coroner, Engineer, Prosecuting Attorney and Sheriff. The judicial branch of the County includes five Common Pleas Court Judges, four County (area) Judges, one Domestic Relations Judge, one Juvenile Court Judge and one Probate Judge. Although these elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the County, including each of these departments.

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Mahoning County for its PAFR for the year ended December 31, 2017. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement a government entity must publish a Popular Annual Financial Report whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting Requirements. And we are submitting it to the GFOA for review.



County Auditor Organizational Chart



Auditor's Office

Fiscal Services (Finance and Payroll)

The Mahoning County Auditor is the chief fiscal officer for the county. It is the Auditor's responsibility to perform the following functions:

- Account for revenues received each year by the county
- Issue warrants (checks) in payment of all county obligations, including the distribution of tax dollars to townships, villages, cities, school districts and library systems as well as other County agencies.
- Serve as the paymaster for all 1,446 full time county employees.
- Administer and distribute motor vehicle license fees, gasoline taxes, estate taxes, fines and local government funds, in addition to real estate, personal property and manufactured home taxes.
- As required by law, prepare and produce the county's annual financial report. Mahoning County prepares a Comprehensive Annual Financial Report (CAFR) and a Popular Annual Financial Report (PAFR). The county has been awarded the Certificate of Achievement for Excellence in Financial Reporting and the award for Outstanding Achievement in Popular Annual Financial Reporting.

Real Estate Taxes and Rates

Under Ohio law, the County Auditor cannot raise or lower property taxes. Tax-rates are determined by the budgetary requests of each governmental unit, as authorized by vote of the people and are computed in strict accordance with procedures required by the Division of Tax Equalization, Ohio Department of Taxation. Annually, the Auditor prepares the general tax list. Your tax bill is based on the tax rate multiplied by your valuation on this tax list. This is your proportional share of the cost of operating your local government including cities, villages, townships, schools and the County.



Ohio law limits the amount of taxation without vote of the people to what is known as the "10 mill limitation" (\$10.00 per \$1,000 of assessed valuation). County residents must vote any additional real estate taxes for any purpose. Your "tax rate" is an accumulation of all these levies and bond issues.

Real Estate Appraisal and Assessment

Mahoning County has more than 165,000 separate parcels of real estate property. It is the duty of the Auditor to see that every parcel of land and buildings thereon are fairly and uniformly appraised and assessed for tax purposes. Ohio law mandates a general reappraisal every six years with an update at the three year midpoint. The office maintains a detailed record of the appraisal on each parcel in the County. These records are open for public inspection. For taxation purposes, owners are assessed at 35 percent of fair market value.

Real Estate Conveyance and CAUV

This department is in charge of transferring all real estate that changes ownership in the County and collecting fees on this activity. They maintain all ownership records, acreage changes, real estate splits and provide information for maintaining tax plat maps. The Auditor is also in charge of administering the Current Agricultural Use Value (CAUV) program that allows farmland to be taxed based on soil values instead of market values. Agricultural districts and forest certification are other responsibilities of this department.

Auditor's Office

Owner Occupancy, Homestead Exemption and Non-Business Credits

Owner occupancy and Homestead exemption credits must be applied for with the County Auditor. These credits are available to home owners meeting certain qualifications which include age, income, and disability, depending on the credit. The homestead exemption is also available to disabled veterans and surviving spouses. The Rollback credit which reduces taxes on agricultural and residential property is now known as the Non-Business credit. This will no longer be a full 10% reduction since rollbacks will not apply to new levies that are enacted after the August 2013 election.

Licensing

The Auditor's Office is the focal point in the County for issuance of licenses for dogs, vendors and cigarette sales. Mahoning County annually issues approximately 30,000 dog licenses. Vendor licenses authorize businesses to sell tangible property to the public and collect sales tax, a part of which is returned for use at the local level.



Data Processing (IT)

The Data Processing (I.T.) Department provides and maintains a reliable network infrastructure and has the knowledgeable staff necessary to support the information systems critical to the County's day-to-day operations. Additionally, the Data Processing Department provides proactive, cost effective solutions for County workflow processes and network environment. All county technology requests/purchases must be approved by the I.T Director, and if over \$1,000, must also be approved by the Data Board. Some specific functions of data processing are:



- Support and maintain OS software for 48 servers and 1,025 workstations, including application set.
- Support and maintain SQL database systems for Courts, Real Estate, GIS, Financials and HR/Payroll.
- Provide internet services, including e-mail, secure internet browsing, and Intranet services.
- Train employees by offering year round classes on critical county software applications.
- Support and maintain WAN and LAN, integrating Data and Voice technologies, as well as supporting all telephone services.

Sales Tax

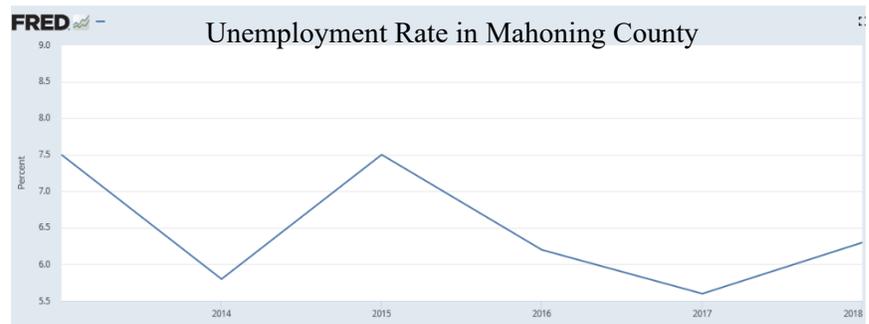
The County has levied a 1 percent sales tax which is collected by the State of Ohio and remitted to the County on a monthly basis. The Board of County Commissioners enacted this tax with two separate .5 percent taxes under the authority of the Ohio Revised Code.

In November of 2014, the voters passed by 51 percent of the vote, the renewal of the May 2010 .5 percent sales tax levy, along with a .25 percent sales tax commencing on April 1st, 2015. Both sales tax levies are for the purpose of providing criminal and administrative justice services of the Sheriff, Coroner, Prosecutor, and 9-1-1 for a five year period of time. In 2007, the Commissioners passed a resolution placing a continuous .5 percent sales tax on the May ballot. The voters passed this continuous sales tax with a 67 percent vote.

The sales tax generates approximately \$42 million, with \$16.7 million going to the General Fund and \$25.1 million going to the Criminal and Administrative Justice Fund.

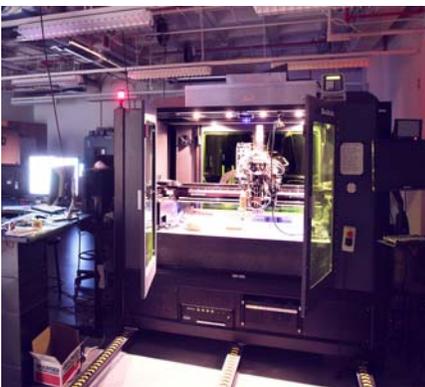
Industry, Commerce and Economic Development

Employment in the County and Metropolitan Statistical Area (MSA) is primarily in the areas of trade, manufacturing, and health services. The Ohio Department of Jobs and Family Services Labor Market Information Division report for the time period reflects that most job growth will be in healthcare, hospitality, and mining/construction.



Mahoning County has faced unique challenges in recovering from the economic dislocation caused by the downsizing of the steel industry in the 1980s. While the county had at one time relied on a single industry for the bulk of its economic output, Mahoning County has since developed a more diversified economic strategy that has attracted a variety of business sectors which have contributed to a more sustainable and healthy economic environment. Local government officials as well as the Youngstown-Warren Regional Chamber of Commerce actively seek out new business investment in the area, and they work hard to let potential investors know all of what this area has to offer for them. Projected growth is expected to continue for the aluminum, specialty metals, healthcare, and food processing industries.

The economy of the Youngstown-Warren and nearby Western Pennsylvania region has been reviving in recent years. In 2018, nearly \$173 million was invested in the Mahoning Valley spanning 92 separate projects, 75 of which had assistance from local economic development agencies. These projects resulted in the addition of 1,157 new jobs to the local economy. To promote the attraction and expansion of commercial and industrial projects, the county has taken advantage of State of Ohio programs such as the Enterprise Zone Programs which permits ad valorem property tax abatements for new real property and Community Reinvestment Area (CRA) abatements as well. The county presently has four Enterprise Zones covering all or part of the City of Youngstown, Campbell-Struthers-Lowellville-Poland, Austintown-Jackson Townships, and the Village of Sebring. The CRA's cover all or part of Jackson Township, the Village of Sebring, and the City of Campbell.



Mahoning County is strategically located between Cleveland and Pittsburgh and has easy access to suppliers and customers via Interstate 76/80 and the Ohio Turnpike. Included in the Cleveland-to-Pittsburgh Tech Belt Initiative, Mahoning County has benefited from the \$70 million public/private investment in the National Additive Manufacturing Innovation Institute (NAMII) which is located in downtown Youngstown. America Makes has been on the ground floor of advancing additive manufacturing and 3D printing technology from its home in Youngstown and is considered to be the nation's leading and collaborative partner for research and innovation in this field. The work done by America Makes and the Youngstown Business Incubator to improve this technology will continue to have an impact nationwide for years to come.

The Youngstown-Warren Regional Chamber received a first-place award from the Mid-America Economic Development Council (MAEDC) for the JobsNow Workforce Initiative which was recognized as a unique and innovative workforce program to close the gap between skilled workers and in-demand positions. Additionally, the initiative helps to alleviate the burden of failed drug tests and provides support for out of area applicants to move to the Mahoning Valley.

Industry, Commerce and Economic Development

Mahoning Valley Aluminum Industry:

- According to the U.S. Bureau of Labor Statistics, the Youngstown-Warren region ranks 3rd of all MSAs in the nation in alumina and aluminum production by number of establishments and total average employment, with 17 establishments employing 1,376 workers. In total the industry is responsible for \$755.5 million of economic output. When supplier and induced impacts are taken into account, the aluminum industry generates nearly \$1.02 billion in economic activity in the district.
- Youngstown Tool and Die Company will be investing more than \$13 million on a new 60,000 square foot manufacturing facility. The company manufactures tool and dies for the aluminum extrusion industry, and its parent company wants to expand the business from a regional to a national customer base. It is expected that the new expansion will create 57 new jobs.
- Trailstar International has announced plans to expand its operations in Smith Township that will include a new 85,000 square foot building that will house manufacturing space for its aluminum trailer production and also include office space and a showroom. The project cost is estimated at \$9.3 million.



Mahoning Valley Food Processing Industry:



- Joseph Company International has completed the first building in its \$20 million beverage and technology complex on Youngstown's East Side. The company will create the world's only self-chilling beverage can. The project is estimated to create over 200 new jobs. The company has signed on with a major beverage company and the plant is expected to be producing Chill Cans by September 2019.



- Pur Foods is investing \$11 million in a new 76,000 square-foot fulfillment center near its existing kitchen facilities in North Jackson. The company specializes in refrigerated and home delivered nutritious meals and provides tailored nutrition solutions to patients with chronic conditions and seniors.

Industry, Commerce and Economic Development

The following are additional projects in the region announced in 2018:

- In 2018, nearly \$155 million dollars of new investment in 75 projects was realized in the Valley specifically through economic development agencies like the Regional Chamber, resulting in 1,016 new jobs and 2,914 retained jobs. The combined resources of these entities provided support and assistance with infrastructure development, tax incentives, loans, project coordination, grants oversight, technical advisement, property development, and other services.
- Austintown and Boardman Townships have been working with national grocery chain Meijer to develop two stores in Mahoning County. Austintown's store is expected to open in 2020, while the Boardman store is expected to open sometime in 2021. Boardman recently approved the zoning changes for the location at the corner of Lockwood Boulevard and U.S. Route 224 and the company finalized its plans to build in Boardman Township when it purchased the 39 acres of land to begin development.
- Canfield Township has undergone new development along U.S. Route 224. A new plaza has been constructed at the corner of 224 and Raccoon Road which houses a new Do-Cut Sales and Service location. Additional retail space in this plaza is still under construction and will house five store fronts. Nearby, a 26,000 square foot banquet facility is being added to the Marriott hotel which will be completed in 2019. Also nearby is another plaza that houses a variety of retail establishments including Ghousain's Gourmet Mediterranean Foods, while across the street a new Starbucks and Chipotle were built.
- Youngstown State is welcoming Mercy Health and Chipotle to campus to occupy 8,000 square feet of the retail space adjacent to the Enclave student housing complex. Mercy Health will operate an urgent care clinic which will greatly benefit the students on campus by having a fully functional health clinic available at all hours. Chipotle is a national chain restaurant that will be a welcome addition to the variety of food options available for students and faculty as well as the neighboring downtown business community.



Industry, Commerce and Economic Development

- Youngstown State University is currently in the middle of \$37 million dollars' worth of projects on campus. Projects that have recently been completed or near completion for 2018 include the \$1.5 million Natatorium project in Beeghly Center, renovations to Ward Beecher Science Hall for \$1.25 million, upgrades to the Biology labs for \$1.25 million, and the \$3 million dollar multimedia center project at Stambaugh Stadium. Many smaller dollar projects have been underway, and YSU is looking at a full slate of projects for the 2019 academic year.



- The U.S. Department of Economic Development awarded a \$2 million grant to Youngstown State University to help create the Mahoning Valley Innovation and Commercialization Center in downtown Youngstown. Additionally, the state has proposed \$4 million in capital funding for the center in 2019-2020, as well the \$3 million in state capital allocations and \$1 million from the Appalachian Regional Commission. Housed at the former Mahoning County Jail, the center will be used for STEM projects, business, healthcare, and other areas.



- The City of Youngstown is nearing the completion of its amphitheater project, and it is expected to start its concert lineup in June of 2019. The cost of the project is estimated to be around \$6 million, with the Youngstown Foundation contributing \$3 million to the project. The amphitheater will seat 3,200 people and include a restroom facility, terraced seating, ticket box, and expanded canopy. Future phases of the project will include a possible future water park facility, dog park, riverfront park, community garden, and bocce courts.
- Boardman Township has been adding additional retail space along the Route 224 Corridor. A new 9,000 square-foot plaza has gone up that now houses CoreLife Eatery and Firehouse Subs with room for additional retailers. Currently the township is exploring options for potential developers for its vacant K-Mart and Toys 'R Us properties.

Local Government Developments

Youngstown 5th Avenue Corridor Project

- The City of Youngstown is moving forward with a \$22 million dollar infrastructure project that will upgrade the 5th Avenue corridor as well as parts of Commerce, Phelps, and Front Streets. The project, funded by a \$10.85 million federal grant and \$11 million in matching local funds, will provide substantial improvements to the corridor including the addition of shuttle services, new transit waiting stations, and bicycle facilities. It is expected the project will be completed within three years.



Canfield City/Township Joint Economic Development District

- The City of Canfield and Canfield Township have been working diligently to finalize the completion of a Joint Economic Development District (JEDD) that will benefit both communities with new residential and commercial developments while also adding to the tax base that will help local government. The new development will be at the corner of U.S Route 224 and Palmyra Road. The site is 111 acres that will blend new retail and residential living space.



Campbell Community Literary Workforce and Cultural Center

- The \$12.3 million Community Literary Workforce and Cultural Center broke ground in 2018 and will house a science, technology, engineering, and mathematics (STEM) academy that is expected to be completed in 2019. The facility is under construction on the campus of Campbell Middle School and is a collaboration between Campbell City Schools, Eastern Gateway, Public Library of Youngstown and Mahoning County, the Regional Chamber, and the Mental Health Board.



Mahoning County ...A great place to live, work and play!

Living in Mahoning County



*Central Square,
Downtown Youngstown*

Mahoning County offers a lifestyle that is affordable, exciting, and sophisticated. The combination of affordable living costs, good schools, a diversified workforce, a rejuvenated downtown, and expanding university system makes the area optimal for families and job seekers. Mahoning County enjoys a health system comprised of Mercy Health, the Surgical Hospital at Southwoods, and Steward Health Care as well as Akron Children's Hospital which has greatly increased the level of pediatric care in the area.

Arts and Culture



*Opera Western Reserve,
Barber of Seville*

Mahoning County is home to one of the most vibrant Arts and Culture districts in the nation. Whether you are enjoying a performance at the DeYor Performing Arts Center or taking in some of the country's finest art at the Butler Museum of American Art, you will never be lacking for something fun to see or do in Mahoning County. Youngstown has its own symphony orchestra which performs regularly at Powers Auditorium as well as its own opera company, Opera Western Reserve. Nearby is the Covelli Center which annually hosts major performers like Hall & Oates and Keith Urban. Other venues like the Youngstown Playhouse, Easy Street Productions, Stambaugh Auditorium, and the Hopewell Theatre regularly host world class music and productions.

Dining & Nightlife

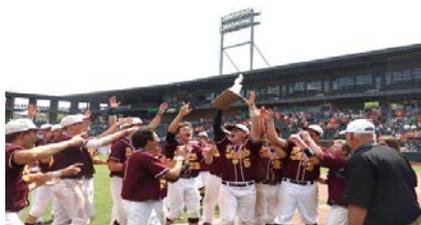


*Handel's Ice Cream,
Boardman*

Whether it is fine dining, casual pub fare, pizza, or ice cream, Mahoning County has a choice for you. Mahoning County has some of the best Italian fare around, complimented by an impressive variety of pizza options from locally owned shops. Mahoning County is also home to Handel's Ice Cream, making world class ice cream since 1945. In the evenings, there is no shortage on things to do—bars, craft breweries, and live music are available throughout the county. If you are feeling lucky, the Hollywood Gaming Racetrack and Casino in Austintown is open at all hours of the day.

Mahoning County ...A great place to live, work and play!

Sports



*South Range Baseball,
2018 Division III Championship*

The Mahoning Valley has a rich history of sports tradition. From football to hockey to baseball, the Valley is home to a vibrant sports culture. Rivalries forged over the course of decades have contributed to the excitement of high school football in the area, as many teams are in the championship hunt annually. Youngstown State University similarly has a history of producing FCS Championship caliber teams. For baseball fans, South Range Local Schools won their first Division III title in school history in 2018. The Mahoning Valley is also home to Youngstown Phantom hockey, played right downtown at the Covelli Center.

Parks



Lily Pond, Mill Creek Park

Mahoning County is home to the 2nd largest metropolitan park in the country. Mill Creek Metro Parks is over 4,400 acres of diverse lands that offers an 11 mile bike trail, two 18-hole Donald Ross designed golf courses, a 400 acre working farm, wildlife areas, tennis courts, baseball fields, sled riding, concerts and even a horse park. Fellows Riverside Gardens is a 12 acre garden with an education and visitor's center. Another jewel of Mill Creek Park is Lanterman's Mill, built in 1845 and powered by Lanterman's Falls. Nearly every township and city in the county has a park and holds family activities, concerts and festivals. Even dogs have two parks of their own in Mahoning County.

Golf



*Flying B Golf Course,
Goshen Township*

Travelers from all over the country come to play the most beautiful courses and greenest fairways between Cleveland and Pittsburgh. Many local hotels and the Mahoning County Visitor's Bureau offer golf packages for one or all of our courses. Choose from Mill Creek, Reserve Run, Kennsington, Olde Dutch Mill, Flying B, Stambaugh, Pine Lake, Knoll Run, Bedford Trails, or Lakeside. The Mahoning Valley also boasts several country clubs including Tippecanoe Country Club and the Lake Club.

Mahoning County ...A great place to live, work and play!

History



Palace Theater, Youngstown

The Mahoning Valley has played a role throughout history in commerce, politics, and security. The Youngstown Historical Center of Industry and Labor showcases the history of steelmaking in the Mahoning Valley and its importance to the war efforts of the 20th Century and the organized labor movement. The Tyler History Center, Arms Family Museum, War Vets Museum, and TP Auto Car Collection Museum also offer valuable historical insight into the Valley's rich past and diverse history.

Charity



Angels for Animals, Canfield

The Mahoning Valley is home to several charitable and faith based organizations. Clubs such as Rotary International, Lions, Wolves, Masons, Kiwanis, Eagles and Moose are active all throughout Mahoning County and in their communities. Charitable groups such as the United Way, Catholic Charities, the Youngstown Area Jewish Federation, Rescue Mission, Second Harvest Food Bank, St. Vincent DePaul and the Salvation Army help people in their times of need. Angels for Animals, Friends of Fido, Legacy Dog Rescue and New Lease on Life are just a few of the groups dedicated to helping the four legged residents of the Valley.

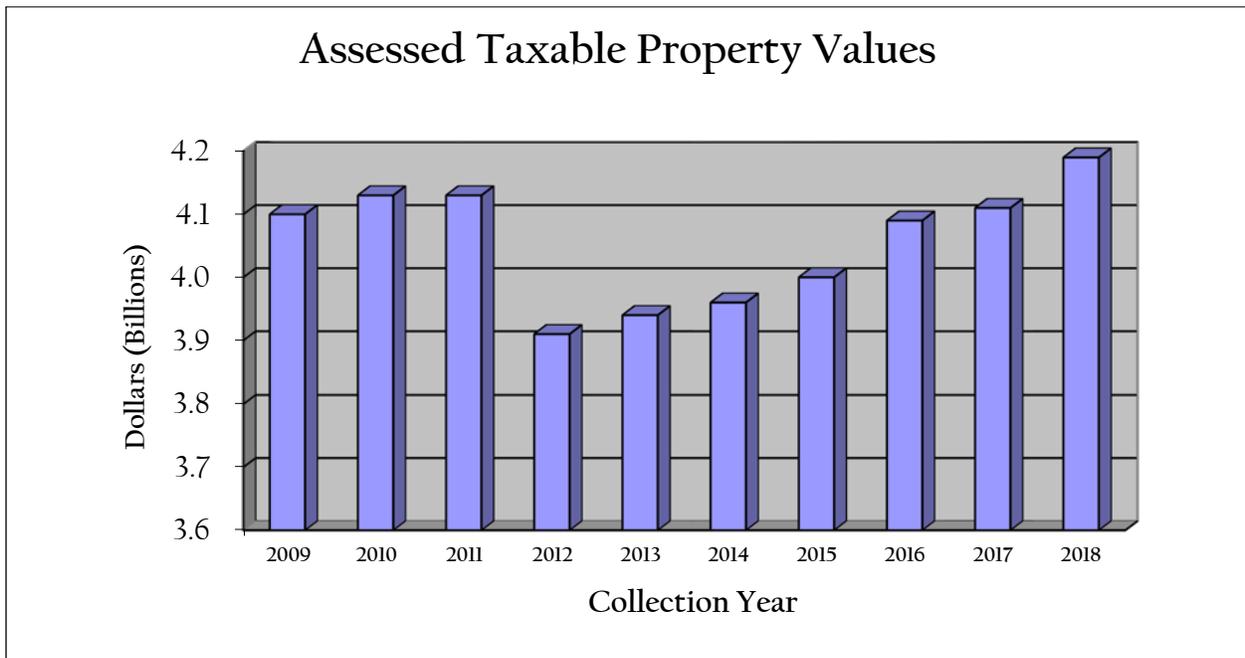
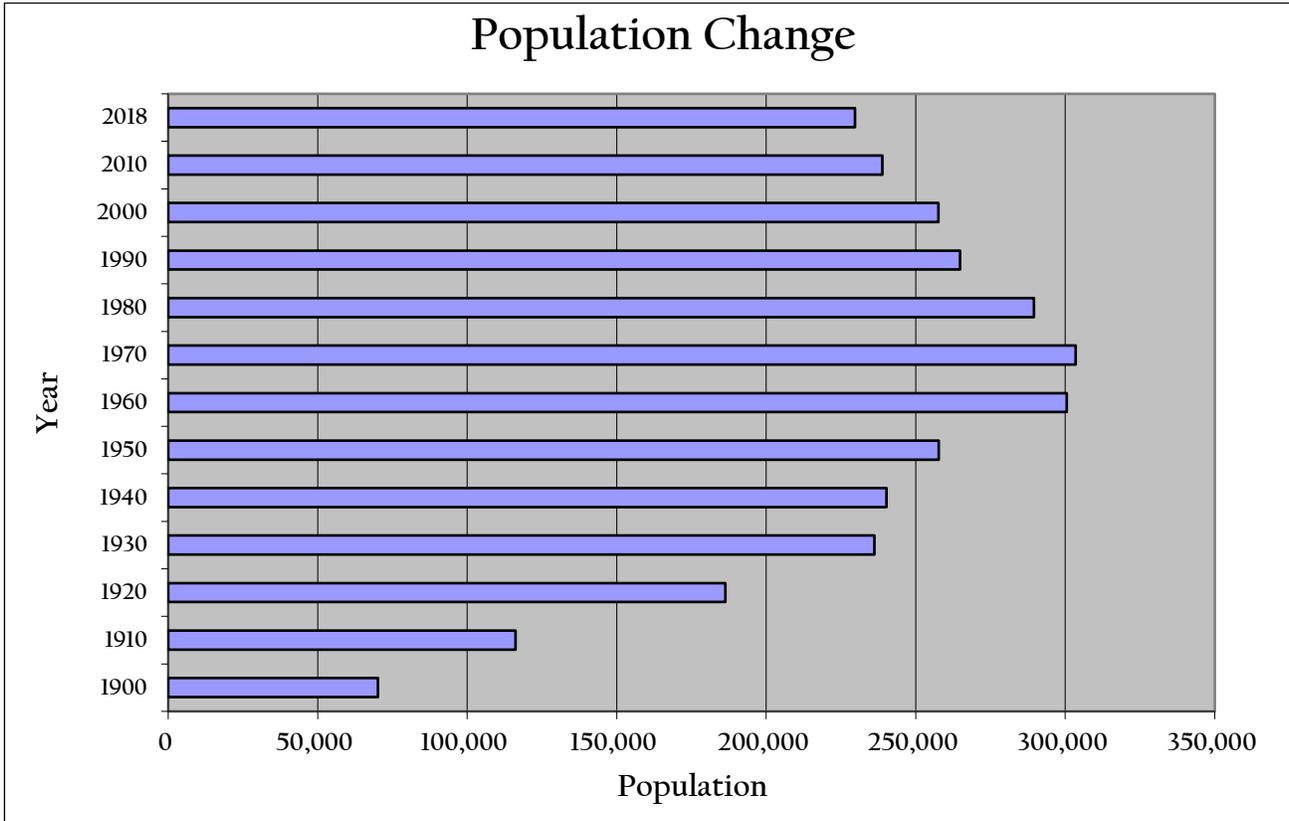
Family Fun & Much More!



Greater Youngstown Italian Festival

Mahoning County has a wide variety of activities to enjoy. In addition to hosting the more traditional activities like movies, bowling, and skating, the county's two major lakes Berlin Lake and Lake Milton offer recreational opportunities for fishing, boating, and wake boarding. Mahoning County also is home to Canfield Fairgrounds which hosts the largest county fair in Ohio annually. In the summer, church and city festivals are a weekly occurrence, including the Greater Youngstown Italian Festival which celebrates the heritage of one of the county's largest ethnic groups. Shopping malls, boutiques, wineries, fruit farms, and outlet malls are also all within a short drive time. Please visit www.youngstownlive.com for upcoming events, directions and your free visitor's guide.

Economic Indicators



Financial Statement Activity

The Activity Statement reports the financial activities of the Mahoning County government as a whole. These activities are identified as either **Governmental** or **Business-Type**. Governmental Activities constitute the majority of the County's operations and are financed primarily by operating grants, taxes, charges for services, capital grants and other intergovernmental revenues. Business-type activities, on the other hand, rely on user fees and other charges to wholly, or to a large extent, fund their operations.

Uses and Expenses are the monies spent to provide services to citizens:

Governmental Activities:

General Government	Includes expenses incurred to operate the administrative offices of the Commissioners, Auditor, Treasurer, Prosecutor, Recorder, Department of Development, Information Services, Board of Elections, Maintenance Department and Records Center. This amount also includes the operating costs of the Mahoning County Courts Judicial System: Common Pleas, Clerk of Courts, County Court, Court of Appeals, Domestic Relations, Drug Court, Juvenile Court and Municipal Court.
Public Safety	Includes the costs of the Sheriff's Department, Drug Law Enforcement, Coroner, Indigent Drivers Alcohol Treatment Program, Hazardous Materials Response, 911 Service and Emergency Management System.
Public Works	Expenses associated with maintaining roads, bridges and culverts and other community block grant programs.
Health	Combined expenses for services to maintain public health including the County Board of Developmental Disabilities, the Dog Warden, Solid Waste Management and the County Board of Mental Health.
Human Services	Expenses to provide various forms of services and assistance to individuals, children and families, including services provided or funded by the Senior Services Levy, Veterans Services Board, Children Services Board, Child Support Enforcement Agency and the Department of Job and Family Services.
Interest and Fiscal Charges	The cost of debt financing for capital projects of the County.

Business-type Activities:

Business/Utility Service	Operating expenses for the Department of Sanitary Engineers which supplies water and sewer to residents.
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Financial Statement Activity

Sources of Revenues are the monies received by the County from a variety of sources used to fund all services provided.

Charges for Services	Monies received from departments and agencies for fees paid by the public.
Operating Grants and Contributions	Monies to be used for restricted program operations and improvements.
Capital Grants and Contributions	Monies to be used for capital acquisitions.
Taxes	Revenue from sales tax, real estate tax, personal property tax and other smaller taxes.
Intergovernmental Revenues	Revenue from grants and pass-through monies administered by the State of Ohio and Federal government.
Interest	Monies earned through the County Treasurer's investments of cash on hand not needed for current period services.

RESOURCES RECEIVED	Governmental Activities			Business-Type Activities		
	2018	2017	2016	2018	2017	2016
<i>Program Revenues:</i>						
Charges for Services	\$24,130,532	\$23,145,967	\$23,689,318	\$28,381,744	\$27,030,184	\$25,686,884
Operating Grants and Contributions	62,552,851	68,592,436	65,366,347	0	0	0
Capital Grants and Contributions	2,053,371	4,275,718	2,639,816	422,706	843,234	1,006,059
<i>General Revenues:</i>						
Property Taxes	37,704,627	38,077,846	35,371,487	0	0	0
Sales Taxes	42,132,585	43,095,827	44,233,763	0	0	0
Hotel/Lodging Taxes	1,716,294	1,463,522	0	0	0	0
Grants and Entitlements	6,529,551	7,444,594	5,612,066	0	0	0
Conveyance Taxes	2,448,831	2,329,412	1,902,728	0	0	0
Interest	1,664,451	863,839	457,598	206,384	69,813	74,087
Gain on the Sale of Capital Assets	0	82,550	30,377	0	717	0
Payment in Lieu of Taxes	702,957	629,585	609,135	0	0	0
Miscellaneous	3,282,115	2,926,900	3,394,278	2,184,949	97,994	200,684
TOTAL RESOURCES RECEIVED	184,918,165	192,928,196	183,306,913	31,195,783	28,041,942	26,967,714
SERVICES RENDERED						
General Government	52,844,474	52,011,362	48,301,167	0	0	0
Public Safety	37,253,625	38,448,697	34,381,681	0	0	0
Public Works	14,824,344	13,985,860	15,480,125	0	0	0
Health	39,762,049	39,310,148	38,370,842	0	0	0
Human Services	45,823,401	45,416,756	41,123,931	0	0	0
Interest and Fiscal Charges	1,502,582	1,462,654	1,423,096	0	0	0
Water	0	0	0	1,718,843	1,484,665	1,496,075
Sewer	0	0	0	28,182,735	27,230,508	25,717,354
TOTAL SERVICES RENDERED	192,010,475	190,635,477	179,080,842	29,901,578	28,715,173	27,213,429
Excess of Resources Over (Under) Services Rendered	(\$7,092,310)	\$2,292,719	\$4,226,071	\$1,294,205	(\$673,231)	(\$245,715)

Financial Statement Activity

The Financial Statements provide a record of revenues and expenses summarized on a GAAP basis. A detailed version of this Statement of Activities is published in the 2018 CAFR.

EXPLANATION OF SIGNIFICANT DIFFERENCES

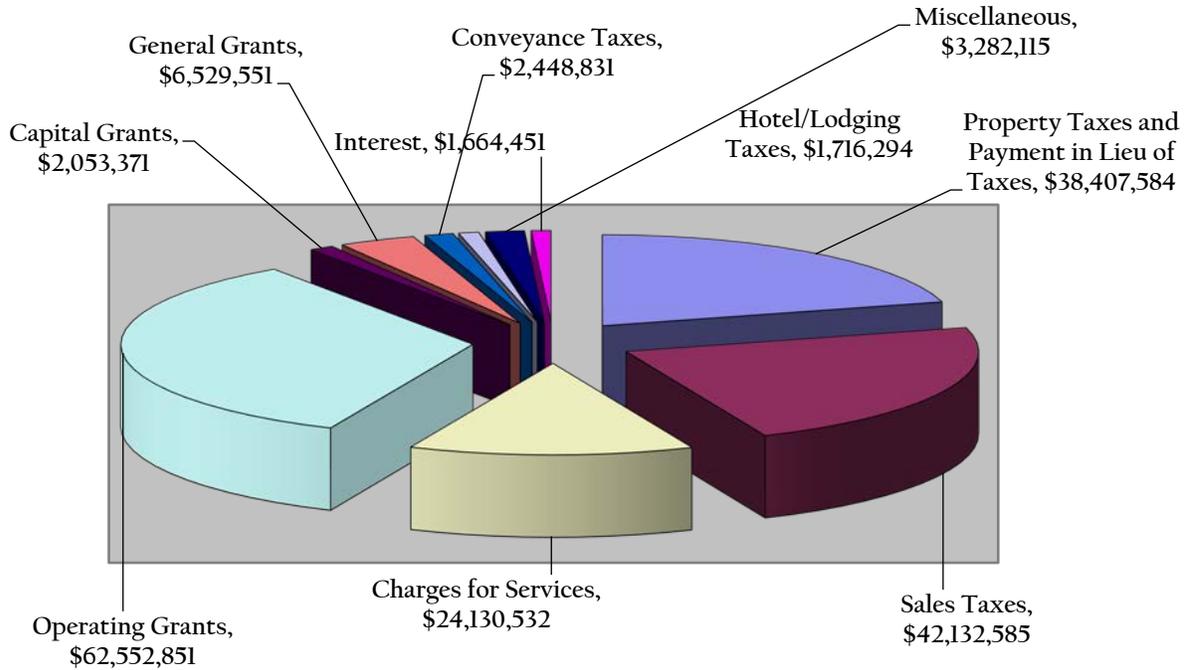
Charges for services revenue increased due to higher service charges collected in the Sheriff's department, in delinquent tax and assessment collection and developmental disabilities. Operating grants program revenues as well as grants and entitlements decreased due to the completion of the Medicaid sales tax transitional aid monies. Capital grants and contributions program revenues decreased due to a drop in grants from the Ohio Department of Transportation and the Ohio Public Works Commission. Sales tax revenues decreased due to the elimination of the Medicaid managed care organization tax in 2018. Interest income increased due to a higher amount of cash and cash equivalents on which to earn a return on investment. Expenses increased due to an increase in the net OPEB liability and increases in internal service claims for health insurance that were charged to the various program expenses.



Revenues and Expenses

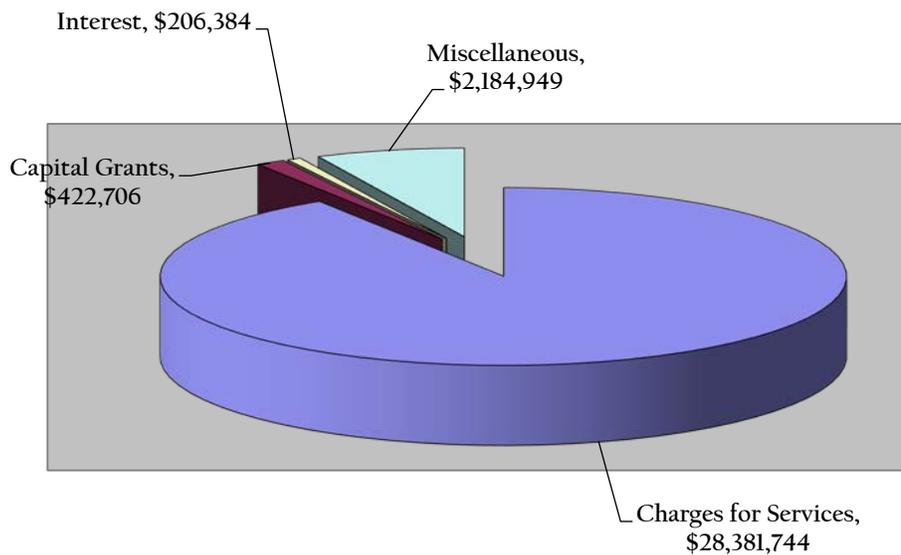
Where the money comes from:

Governmental Activities



Total Governmental Revenues \$184,918,165

Business-type Activities

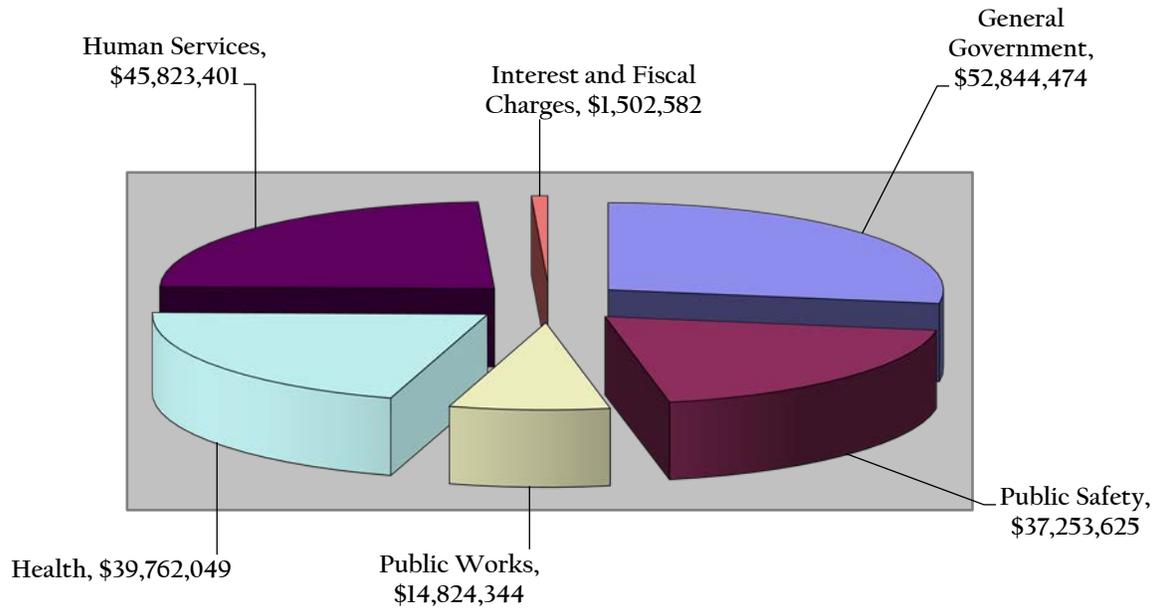


Total Business-type Revenues \$31,195,783

Revenues and Expenses

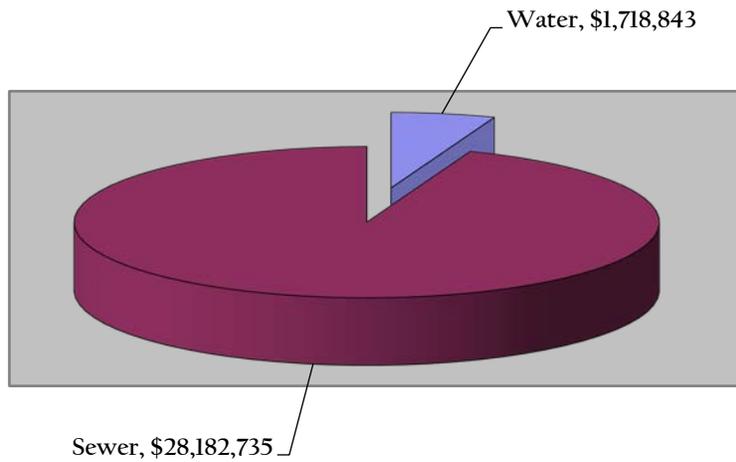
Where the money goes:

Governmental Activities



Total Governmental Expenses \$192,010,475

Business-type Activities



Total Business-type Expenses \$29,901,578

Financial Position Statement

December 31, 2018 and 2017 – Mahoning County

Summary

The Financial Position Statement, known in accounting terms as the “Balance Sheet”, is designed to provide a picture of the County’s financial position as of the end of the year. Explanations of specific accounts are as follows by where they appear in the financial position statement.

Assets and Deferred Outflows

Cash is the amount of physical cash held by the County in checking accounts and on hand for purposes of paying expenses.

Receivables represent the amounts that are owed to the County at December 31, 2018.

Property & Equipment represents the furniture, equipment, vehicles, land, buildings, infrastructure and water and sewer plants and mains which provide an economic benefit of greater than one year.

Deferred Outflows of Resources represent the difference between the carrying value of refunded debt and its reacquisition price as well as a portion of the calculation of the net pension and net OPEB liabilities.

Liabilities and Deferred Inflows

Amounts owed to Employees and Vendors are those items which the County owes to individuals and companies who supply a service or good, and are expected to be paid within twelve months.

Deferred Inflows of Resources represent an acquisition of resources that apply to a future period and will not be recognized as revenue until that time as well as a portion of the calculation of the net pension and net OPEB liabilities. Making this up are property taxes, payments in lieu of taxes, grants, permissive sale tax, special assessments, pension and OPEB.

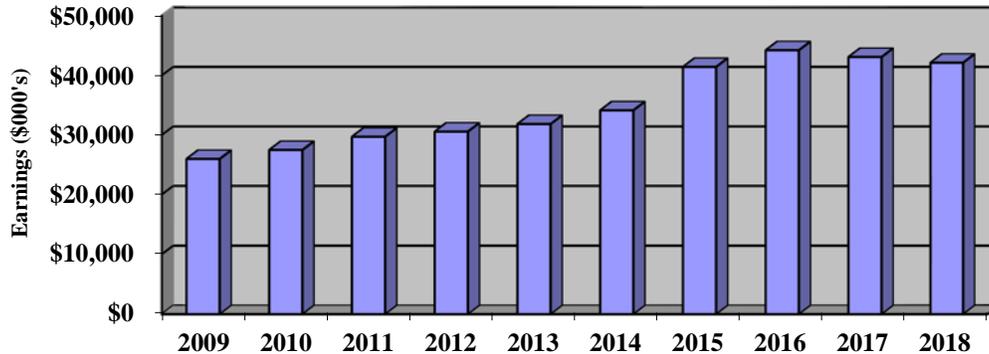
Other Liabilities consist of accrued interest and claims payable along with compensated absences and the net pension and net OPEB liabilities. The net pension liability, which is a part of GASBs 68 and 71, was implemented in 2015 for reporting as of 2014 and establishes standards for measuring and recognizing pension liabilities. The net OPEB liability was implemented under GASB 75 in 2018 for reporting as of 2017 and establishes standards for measuring and recognizing other postemployment benefit liabilities.

	2018	2017	2016
Assets:			
Cash	\$154,616,344	\$145,328,683	\$122,745,113
Receivables	82,375,486	87,122,916	77,074,551
Property & Equipment	239,221,614	239,056,936	235,328,988
Net Pension/OPEB Assets	581,968	0	0
Total Assets	476,795,412	471,508,535	435,148,652
Deferred Outflows	25,691,578	49,434,920	37,889,446
Liabilities:			
Owed to Employees & Vendors	10,193,882	9,760,848	10,144,044
Short Term Debt	17,767,882	20,456,845	15,959,390
Long Term Debt	72,866,982	72,823,665	63,918,125
Other Liabilities	156,043,784	191,730,174	111,778,873
Total Liabilities	256,872,530	294,771,532	201,800,432
Deferred Inflows	66,274,228	41,033,586	36,866,368
Net Position	\$179,340,232	\$185,138,337	\$234,371,298

As can be seen from the above table, the County had a decrease in net financial position in both 2017 and 2018. This is attributed mainly to the net effect of changes in the net pension and net OPEB liabilities and the related deferred outflows and inflows associated with these liabilities.

Revenue Collections & Investments

Sale Tax Collections History

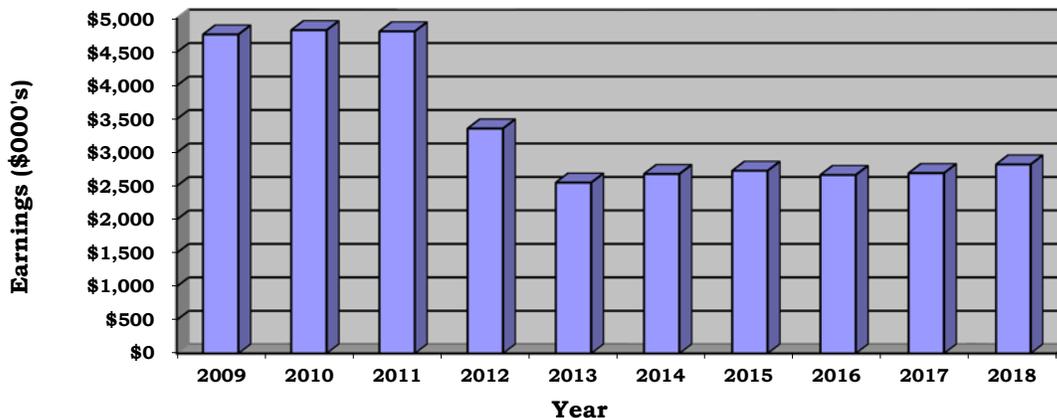


Investment Detail

Investment	Fair Value	Average Maturity	Percent of Total Investment
Federal National Mortgage Association Bonds	\$27,283,058	Less than five years	24.79%
Federal Home Loan Mortgage Corporation Bonds	23,893,118	Less than five years	21.72%
Federal Farm Credit Bonds	14,633,477	Less than five years	13.30%
Federal Home Loan Bank Bonds	17,052,765	Less than five years	15.50%
Commercial Paper	15,307,230	Less than one year	13.91%
Money Market Mutual Fund	100,362	Less than one year	0.09%
STAR Ohio	4,101,148	44.9 days	3.73%
United States Treasury Notes	7,661,538	Less than five years	6.96%
Total Portfolio	\$110,032,696		100.00%

Local Government Collections History

The chart below presents Local Government Fund (LGF) distributions from the State which are received into the County's General fund.



Summary of Debt Instruments

The County employs the use of several different types of short and long-term financing. They are as follows:

General Obligation Bonds	Revenue Bonds	Bond Anticipation Notes	Special Assessment Bonds	Other Loans
General Obligation Bonds are long-term debt instruments which are repaid from the County's general revenue sources.	Revenue Bonds are long-term debt instruments issued to pay for the projects of Water and Sewer improvements, and are fully repaid from the revenues of the department.	Bond Anticipation Notes are instruments due in one year or less and are issued to raise money for projects of the County. These Notes are usually turned into bonds after a short period of time.	Special Assessment Bonds are issued to pay for improvements benefiting property owners, and the owners pay the County over a period of ten years for the debt	Other loans are comprised of Ohio Public Works Commission (OPWC), Ohio Water Development Authority (OWDA) funding, which provide low-interest loans for infrastructure.

	Balance 12/31/2017	Additions	Deletions	Balance 12/31/2018
General Obligation Bonds	\$36,142,089	\$2,020,000	(\$2,992,344)	\$35,169,745
Revenue Bonds	29,837,473	2,382,068	(1,225,270)	30,994,271
Bond Anticipation Notes	20,456,845	7,319,406	(10,008,369)	17,767,882
Special Assessments	50,000	0	(5,000)	45,000
Other Loans	6,794,103	512,674	(648,811)	6,657,966
Total Debt	\$93,280,510	\$12,234,148	(\$14,879,794)	\$90,634,864

This report is issued by:
The Mahoning County Auditor's Office
for the Fiscal Year ending December 31, 2018

Ralph T. Meacham, CPA



Mahoning County Auditor's Office 2019

Questions, comments or suggestions regarding this report can be directed to the County Auditor's office at 330-740-2010. This report and a variety of other information, as well as e-mail capabilities, can be found on the Auditor's Website at:

<http://www.mahoningcountyoh.gov>