

ADAMS COUNTY
SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2020



Millhuff-Stang, CPA, Inc.
8841 Ohio River Road / Wheelersburg, Ohio 45694 / Phone: 740.876.8548
45 West Second Street, Suite D / Chillicothe, Ohio 45601 / Phone: 740.851.4978
Fax: 888.876.8549
natalie@millhuffstangcpa.com / roush@millhuffstangcpa.com
www.millhuffstangcpa.com

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Commissioners
Adams County
110 West Main Street
West Union, Ohio 45693

We have reviewed the *Independent Auditor's Report* of Adams County, prepared by Millhuff-Stang, CPA, Inc., for the audit period January 1, 2020 through December 31, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Adams County is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

November 05, 2021

This page intentionally left blank.

Adams County
Table of Contents
For the Year Ended December 31, 2020

<u>Title</u>	<u>Page</u>
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	4
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position – Cash Basis.....	12
Statement of Activities – Cash Basis.....	13
Fund Financial Statements	
Statement of Cash Basis Assets and Fund Balances – Governmental Funds.....	14
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances – Governmental Funds.....	16
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis (Budgetary Basis) – General Fund.....	18
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis (Budgetary Basis) – Children Services Levy Fund.....	19
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis (Budgetary Basis) – ACBDD Fund.....	20
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis (Budgetary Basis) – Motor Vehicle Gas Tax Fund.....	21
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis (Budgetary Basis) – Job and Family Services Fund.....	22
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis (Budgetary Basis) – Real Estate Assessment Fund.....	23
Statement of Cash Basis Assets and Net Position – Proprietary Funds.....	24
Statement of Cash Receipts, Cash Disbursements and Changes in Cash Basis Net Position – Proprietary Funds.....	25
Statement of Fiduciary Net Cash Position – Fiduciary Funds – Cash Basis.....	26
Statement of Cash Receipts, Cash Disbursements and Changes in Net Cash Position – Fiduciary Funds.....	27
Notes to the Basic Financial Statements.....	28

Schedule of Federal Awards Expenditures.....	57
Notes to the Schedule of Federal Awards Expenditures	59
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	61
Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	63
Schedule of Findings and Questioned Costs	65
Corrective Action Plan	67
Schedule of Prior Audit Findings.....	68

Independent Auditor's Report

Board of Commissioners
Adams County
110 West Main Street
West Union, Ohio 45693

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Adams County, Ohio (the County), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Adams County, Ohio as of December 31, 2020, and the respective changes in cash financial position and the respective budgetary comparisons for the General, Children Services Levy, ACBDD, Motor Vehicle Gas Tax, Job and Family Services, and Real Estate Assessment Funds, thereof for the year then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

Ohio Administrative Code Section 117-2-03(B) requires the County to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis applied to these statements. The financial statements are prepared on the cash basis of accounting, which is a basis other than generally accepted accounting principles. We did not modify our opinion regarding this matter.

Emphasis of Matter

As discussed in note 18 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the County. We did not modify our opinion regarding this matter.

Other Matters

Supplemental Information

Our audit was conducted to opine on the financial statements taken as a whole

The Schedule of Federal Awards Expenditures presents additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the financial statements.

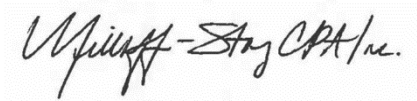
This Schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this Schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

We applied no procedures to management's discussion and analysis as listed in the table of contents. Accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2021 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Millhuff-Stang, CPA, Inc.
Wheelersburg, Ohio

October 21, 2021

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

The discussion and analysis of Adams County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2020, within the limitations of the County's cash basis of accounting. Please read this in conjunction with the County's basic financial statements that begin on page 12.

Financial Highlights

Key financial highlights for 2020 are as follows:

Overall:

Total net position increased \$2,391,859 with governmental activities increasing by \$2,392,038 and business-type activities decreasing by \$179.

Total cash receipts were \$34,288,189 in 2020.

Total cash disbursements were \$31,896,330 in 2020.

Governmental Activities:

Total program cash receipts were \$21,777,018 in 2020, while program cash disbursements were \$31,895,471.

Program cash disbursements were primarily composed of Public Works, Human Services, Health, Public Safety, General Government-Judicial, and General Government-Legislative and Executive related cash disbursements which were \$2,736,811, \$10,554,070, \$3,184,066, \$4,311,674, \$1,662,485, and \$3,372,002, respectively, in 2020.

Business-Type Activities:

Program cash receipts were \$680 for business-type activities, while corresponding cash disbursements were \$859.

Using this Basic Financial Report

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the County's cash basis of accounting.

The *Statement of Net Position-cash basis* and *Statement of Activities-cash basis* provide information about the activities of the whole County, presenting an aggregate view of the County's cash basis finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed and what remains for future spending on the cash basis. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column. In the case of the County, the General Fund, the Children Services Levy Fund, the ACBDD Fund, the Motor Vehicle Gas Tax Fund, the Job and Family Services Fund, and the Real Estate Assessment Fund are the most significant funds and have been presented as major funds.

Reporting the County as a Whole

The County's Reporting Entity Presentation

This annual report includes all activities for which the County is fiscally responsible. These activities, defined as the County's reporting entity, are operated within separate legal entities that make up the primary government and the other separate legal entities. The primary government consists of Adams County. The component unit presentation includes the Adams County Land Reutilization Corporation and the Adams County Regional Airport Authority on pages 12 and 13 presented on a cash basis.

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Statement of Net Position-cash basis and the Statement of Activities-cash basis

While this document contains the large number of funds used by the County to provide programs and activities, the view of the County as a whole looks at all cash basis financial transactions and asks the question, "How did we do financially during 2020?" The Statement of Net Position-cash basis and the Statement of Activities-cash basis report information about the County as a whole and about its activities in a way that helps answer this question. These statements include *only net position* using the *cash basis of accounting*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This basis of accounting takes into account only the current year's receipts and disbursements if the cash is actually received or paid. These two statements report the County's *net position* and changes in that position. This change in net position is important because it tells the reader whether, for the County as a whole, the *cash basis financial position* of the County has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, mandated federal and state programs and other factors.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

In the Statement of Net Position-cash basis and the Statement of Activities-cash basis, the County is divided into three distinct kinds of activities:

Governmental Activities – Most of the County's programs and services are reported here including general government, public safety, public works, health, human services, community and economic development, other, capital outlay, and debt service.

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the cash disbursements of the goods or services provided. The County's wastewater treatment program and the airport fuel sales program are reported as business-type activities.

Component Unit Activities – As more fully described in Note 1 – Reporting Entity, there are several entities that are considered component units. Although Adams County Land Reutilization Corporation is a separate legal entity, the County includes their activities since the County is financially accountable for this entity. The Adams County Airport Authority (the Authority), Adams County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Adams County Commissioners appointed five Board members to direct the Authority in January of 2019. The County includes the Authority in the accompanying financial statements for the first time in fiscal year 2020. The Adams County Traveler and Visitors Bureau (the Bureau) is a non-profit organization established to promote travel and tourism within Adams County. The County does not appoint the board members for the Bureau; however, the County provided the primary financial support for the Bureau through the hotel-motel lodging tax levied by the County and passed through to the Bureau in 2020. The County elected to exclude the Bureau from the accompanying financial statements due to the minimal financial activity during fiscal year 2020.

Reporting the County's Most Significant Funds

Fund Financial Statements

The analysis of the County's major funds begins on page 9. Fund financial statements provide detailed information about the County's major funds. The County uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the County's most significant funds. The County's most significant funds that have been presented as major governmental funds are the General Fund, the Children Services Levy Fund, the ACBDD Fund, the Motor Vehicle Gas Tax Fund, the Job and Family Services Fund, and the Real Estate Assessment Fund.

Governmental Funds Most of the County's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The governmental fund statements provide a detailed view of the County's general government

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer cash basis financial resources that can be readily spent to finance various County programs. Since the County is reporting on the cash basis of accounting, there are no differences in the net position and cash basis fund balances or changes in net position and changes in cash basis fund balances. Therefore, no reconciliation is necessary between such financial statements. However, differences will be apparent when comparing gross receipts and disbursements on the fund financial statements to the Statement of Activities-cash basis due to transfers and advances netted on the Statement of Activities-cash basis. See Note 2 to the basic financial statements entitled *Government-Wide Financial Statements*.

Proprietary Funds The County's proprietary funds use the same basis of accounting (cash basis) as business-type activities; therefore, these statements will essentially match the information provided in statements for the County as a whole.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The basis of accounting used for fiduciary funds is the cash basis of accounting. The County's only fiduciary funds are custodial funds.

The County as a Whole

Recall that the Statement of Net Position-cash basis provides the perspective of the County as a whole. Table 1 provides a summary of the County's net position for 2020 as compared to 2019:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Assets						
Equity in Pooled Cash and Cash Equivalents	\$17,557,528	15,253,851	\$5,807	\$5,986	\$17,563,335	\$15,259,837
Cash and Cash Equivalents with Fiscal Agents	63,660	63,660	0	0	63,660	63,660
Cash and Cash Equivalents in Segregated Accounts	106,183	17,822	0	0	106,183	17,822
Total Assets	17,727,371	15,335,333	5,807	5,986	17,733,178	15,341,319
Net Position						
Restricted	12,283,798	11,307,215	0	0	12,283,798	11,307,215
Unrestricted	5,443,573	4,028,118	5,807	5,986	5,449,380	4,034,104
Total Net Position	\$17,727,371	\$15,335,333	\$5,807	\$5,986	\$17,733,178	\$15,341,319

Total net position increased by \$2,391,859 due to cash receipts exceeding cash disbursements.

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Table 2 shows the changes in net position for 2020 as compared to 2019.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Cash Receipts						
<i>Program Cash Receipts</i>						
Charges For Services	\$5,175,453	\$5,241,209	\$680	\$1,354	\$5,176,133	\$5,242,563
Operating Grants and Contributions	14,870,886	14,307,135	0	0	14,870,886	14,307,135
Capital Grants and Contributions	1,730,679	2,363,185	0	0	1,730,679	2,363,185
Total Program Cash Receipts	21,777,018	21,911,529	680	1,354	21,777,698	21,912,883
<i>General Cash Receipts</i>						
Property Taxes	4,889,591	5,001,080	0	0	4,889,591	5,001,080
Sales Taxes	3,920,640	2,581,690	0	0	3,920,640	2,581,690
Other Local Taxes	50,133	49,008	0	0	50,133	49,008
Grants and Entitlements Not						
Restricted to Specific Programs	1,212,299	1,146,646	0	0	1,212,299	1,146,646
Miscellaneous	1,423,674	323,535	0	0	1,423,674	323,535
Interest	163,248	391,454	0	0	163,248	391,454
Proceeds from Sale of Capital Assets	601	8,167	0	0	601	8,167
Repayment of Loan from Component Unit	118,921	0	0	0	118,921	0
Proceeds from Loans	731,384	0	0	0	731,384	0
Total General Cash Receipts	12,510,491	9,501,580	0	0	12,510,491	9,501,580
Total Cash Receipts	34,287,509	31,413,109	680	1,354	34,288,189	31,414,463
Cash Disbursements						
<i>Program Cash Disbursements</i>						
<i>General Government</i>						
Legislative and Executive	3,372,002	3,040,875	0	0	3,372,002	3,040,875
Judicial	1,662,485	1,747,224	0	0	1,662,485	1,747,224
Public Safety	4,311,674	4,327,407	0	0	4,311,674	4,327,407
Public Works	2,736,811	4,822,535	0	0	2,736,811	4,822,535
Health	3,184,066	2,697,919	0	0	3,184,066	2,697,919
Human Services	10,554,070	10,003,604	0	0	10,554,070	10,003,604
Community and Economic Development	378,726	0	0	0	378,726	0
Other	327,437	355,212	0	0	327,437	355,212
Capital Outlay	4,676,635	3,278,952	0	0	4,676,635	3,278,952
Loan to Component Unit	118,921	0	0	0	118,921	0
<i>Debt Service:</i>						
Principal Retirement	533,955	344,290	0	0	533,955	344,290
Interest and Fiscal Charges	38,689	44,468	0	0	38,689	44,468
Sewer	0	0	859	1,413	859	1,413
Total Cash Disbursements	31,895,471	30,662,486	859	1,413	31,896,330	30,663,899
Change in Net Position	2,392,038	750,623	(179)	(59)	2,391,859	750,564
Net Position at Beginning of Year	15,335,333	14,584,710	5,986	6,045	15,341,319	14,590,755
Net Position at End of Year	\$17,727,371	\$15,335,333	\$5,807	\$5,986	\$17,733,178	\$15,341,319

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Governmental Activities

Net position increased \$2,392,038 in governmental activities in 2020. Program cash receipts were composed of charges for services, operating grants and contributions and capital grants and contributions which were \$5,175,453, \$14,870,886, and \$1,730,679 respectively.

Cash receipts for governmental activities increased \$2,874,400 primarily due to the receipt of Cares Act intergovernmental monies in 2020 which had not been received in the prior year and increases in sales tax receipts over the prior year. Operating grants also increased due to increases in the children services program, which was partially offset by decreases in developmentally disabled programs. Miscellaneous revenues increased primarily due to Workers Compensation refunds in fiscal year 2020.

Program cash disbursements increased \$1,232,985. Health disbursements increased primarily due to the use of Cares Act monies which were first received in fiscal year 2020. Public works disbursements decreased; however capital outlay associated with public works programs increased in fiscal year 2020. Capital Outlay disbursements increased due to more public works projects as well as additional OPWC and FEMA monies spent during the current year.

Property taxes, sales taxes and operating grants and contributions made up 14.3, 11.4, and 43.4 percent, respectively for governmental activities for the County in 2020.

The Statement of Activities-cash basis shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental and business-type activities, the total cost of services and the net cost of services (on the cash basis) for the County. That is, it identifies the cost of these services supported by tax receipts and unrestricted State entitlements. The dependence upon tax receipts and intergovernmental monies for governmental activities is apparent. For all governmental activities general cash receipts support is 39.2 percent as shown in Table 2. The taxpayers and the State of Ohio, as a whole, provide the vast majority of resources for Adams County.

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Table 3
 Total Cost of Program Services
 Governmental Activities and Business-Type Activities

	2020		2019	
	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>
Governmental Activities				
General Government				
Legislative and Executive	\$3,372,002	\$2,165,162	\$3,040,875	\$1,960,505
Judicial	1,662,485	1,260,281	1,747,224	1,313,934
Public Safety	4,311,674	2,067,693	4,327,407	2,182,172
Public Works	2,736,811	510,958	4,822,535	726,436
Health	3,184,066	899,570	2,697,919	251,692
Human Services	10,554,070	1,796,432	10,003,604	1,367,823
Community and Economic Development				
Development	378,726	149,037	0	0
Other	327,437	258,402	355,212	281,978
Capital Outlay	4,676,635	319,353	3,278,952	277,659
Loan to Component Unit	118,921	118,921	0	0
Debt Service				
Principal Retirement	533,955	533,955	344,290	344,290
Interest and Fiscal Charges	38,689	38,689	44,468	44,468
Total Cash Disbursements - Governmental Activities	<u><u>\$31,895,471</u></u>	<u><u>\$10,118,453</u></u>	<u><u>\$30,662,486</u></u>	<u><u>\$8,750,957</u></u>
Business-Type Activities				
Sewer	859	179	1,413	59
Total Cash Disbursements - Business-Type Activities	<u><u>\$859</u></u>	<u><u>\$179</u></u>	<u><u>\$1,413</u></u>	<u><u>\$59</u></u>

Business-Type Activities

Business-type activities include wastewater treatment services and the County airport fuel sales program. Program cash receipts did not support the business-type activities with program cash disbursements exceeding program cash receipts. Overall net position decreased \$179 from 2019 to 2020.

The County's Funds

Information about the County's major funds starts on page 14. These funds are accounted for using the cash basis of accounting. All governmental funds had total cash receipts and other financing sources of \$35,122,424 and cash disbursements and other financing uses of \$32,730,386. The net change in fund balance for the year was most significant in the General fund. The fund balance in the General Fund increased \$1,433,459 due to an increase in tax collections as well as in increase in miscellaneous cash receipts due to Bureau of Workers Compensation refunds. The fund balance of the ABDD Fund increased \$78,735 due to receipts exceeding disbursements. The fund balance of the Motor Vehicle Gas Tax Fund increased \$880,662 primarily as a result of additional intergovernmental receipts. The fund balance in the Job and Family Services Fund decreased \$92,418. The fund balance of the Real Estate Assessment Fund increased \$74,868 as a result of receipts exceeding disbursements. The fund balance of the Children Services Levy fund decreased \$61,113.

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

General Fund Budgeting 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. The most significant budgeted fund is the General Fund. For the General Fund, final budget basis receipts and other financing sources were \$9,326,965, above original budget estimates of \$8,120,000. Of this \$1,206,965 difference, taxes, intergovernmental, interest and other receipts increased. Actual cash basis receipts and other financing sources were \$86,748 higher than final budgeted receipts. Final budgeted appropriations and other financing uses were \$8,044,785, which were above original appropriations and other financing uses of \$7,670,330. Of the \$374,455 difference, final budgeted appropriations in General Government-Legislative and Executive and Judicial increased. Total actual disbursements and other financing uses on the budget basis (cash outlays plus encumbrances) were \$7,972,780, which was \$72,005 below cash receipts and other financing sources. The actual fund balance for the General Fund exceeded the final budgeted fund balance by \$158,753.

Capital Assets and Debt Administration

Capital Assets

The County does not record capital assets in the accompanying basic financial statements, but records payments for capital assets as disbursements. The County had capital outlay disbursements of \$4,676,635 during 2020.

Debt

Under the cash basis of accounting, the County does not report bonds, long-term notes or short-term notes in the accompanying cash basis financial statements. However, in order to provide information to the readers of this report, we are providing the following detailed information about bonds, long-term notes and short-term notes. At December 31, 2020, the County had \$2,765,461, in bonds, leases, and related long-term debt for governmental activities. For additional information on debt, please see Note 9.

Table 4 summarizes bonds, loans and notes outstanding for Governmental Activities for the past two years:

Table 4
 Outstanding Debt at December 31
 Governmental Activities

	2020	2019
General Obligation Bonds	\$750,000	\$800,000
Special Assessment Bonds	196,986	204,930
Land Acquisition Bonds	103,560	112,190
OPWC Loans	1,026,023	1,342,917
OWDA Loan	0	1,509,584
Vehicle Loan	632,892	0
West Fork Road Improvement Bonds	56,000	70,000
Totals	\$2,765,461	\$4,039,621

Adams County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Current Financial Related Activities

As the preceding information shows, the County heavily depends on its property taxpayers and sales taxpayers as well as intergovernmental monies. Since the property tax receipts do not grow at the same level as inflation and sales taxes are dependent upon the economy, the County will be faced with significant challenges over the next several years to contain costs and ultimately determine what options are available to the County to increase financial resources.

All of the County's financial abilities will be needed to meet the challenges of the future.

Additional Information

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the County. The impact on the County's future operating costs, revenues, and any additional recovery from emergency funding, either federal or state, cannot be estimated.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the County's cash basis finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact David Gifford, County Auditor of Adams County, 110 West Main Street, Room 104, West Union, Ohio 45693-1395, or email at david.gifford@auditor.adamscountyoh.gov.

Adams County, Ohio
Statement of Net Position - Cash Basis
As of December 31, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Adams County Regional Airport Authority	Adams County Land Reutilization Corporation
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	\$17,557,528	\$5,807	\$17,563,335	\$17,468	\$0
Cash and Cash Equivalents with Fiscal Agents	63,660	0	63,660	0	0
Cash and Cash Equivalents in Segregated Accounts	106,183	0	106,183	0	0
Cash and Cash Equivalents	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>164,438</u>
<i>Total Assets</i>	<u>17,727,371</u>	<u>5,807</u>	<u>17,733,178</u>	<u>17,468</u>	<u>164,438</u>
NET POSITION:					
Restricted for Debt Service	6,577	0	6,577	0	0
Restricted for Capital Outlay	179,961	0	179,961	0	0
Restricted for ACBDD	2,156,705	0	2,156,705	0	0
Restricted for Motor Vehicle Gas Tax	2,689,394	0	2,689,394	0	0
Restricted for Job and Family Services	789,805	0	789,805	0	0
Restricted for Ambulance & EMS	37,233	0	37,233	0	0
Restricted for Real Estate Assessment	1,724,973	0	1,724,973	0	0
Restricted for Child Support Enforcement	1,397,979	0	1,397,979	0	0
Restricted for Probation Services	189,562	0	189,562	0	0
Restricted for Children Services Levy	661,579	0	661,579	0	0
Restricted for Other Purposes	2,450,030	0	2,450,030	0	0
Unrestricted	<u>5,443,573</u>	<u>5,807</u>	<u>5,449,380</u>	<u>17,468</u>	<u>164,438</u>
<i>Total Net Position</i>	<u>\$17,727,371</u>	<u>\$5,807</u>	<u>\$17,733,178</u>	<u>\$17,468</u>	<u>\$164,438</u>

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

Adams County, Ohio
Statement of Cash Basis Assets and Fund Balances
 Governmental Funds
 As of December 31, 2020

	<u>General</u>	<u>Children Services Levy</u>	<u>ACBDD</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$5,443,573	\$661,579	\$2,093,045
Cash and Cash Equivalents with Fiscal Agents	0	0	63,660
Cash and Cash Equivalents in Segregated Accounts	0	0	0
<i>Total Assets</i>	<u>\$5,443,573</u>	<u>\$661,579</u>	<u>\$2,156,705</u>
FUND BALANCES:			
Nonspendable	\$23,724	\$0	\$0
Restricted	0	661,579	2,156,705
Assigned	257,555	0	0
Unassigned	5,162,294	0	0
<i>Total Fund Balances</i>	<u>\$5,443,573</u>	<u>\$661,579</u>	<u>\$2,156,705</u>

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

Motor Vehicle Gas Tax	Job and Family Services	Real Estate Assessment	All Other Governmental Funds	Total Governmental Funds
\$2,689,394	\$789,805	\$1,724,973	\$4,155,159	\$17,557,528
0	0	0	0	63,660
0	0	0	106,183	106,183
<u>\$2,689,394</u>	<u>\$789,805</u>	<u>\$1,724,973</u>	<u>\$4,261,342</u>	<u>\$17,727,371</u>
\$0	\$0	\$0	\$0	\$23,724
2,689,394	789,805	1,724,973	4,261,342	12,283,798
0	0	0	0	257,555
0	0	0	0	5,162,294
<u>\$2,689,394</u>	<u>\$789,805</u>	<u>\$1,724,973</u>	<u>\$4,261,342</u>	<u>\$17,727,371</u>

Adams County, Ohio
Statement of Cash Receipts, Cash Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2020

	General	Children Services Levy	ACBDD
CASH RECEIPTS:			
Taxes	\$5,568,917	\$940,555	\$610,179
Special Assessments	0	0	0
Charges for Services	1,367,770	507,544	0
Licenses and Permits	1,968	0	0
Fines and Forfeitures	136,649	0	0
Intergovernmental	1,012,113	2,263,593	477,945
Interest	146,156	0	0
Other	847,832	54,793	23,723
<i>Total Cash Receipts</i>	<u>9,081,405</u>	<u>3,766,485</u>	<u>1,111,847</u>
CASH DISBURSEMENTS:			
Current:			
General Government			
Legislative and Executive	2,588,811	0	0
Judicial	1,579,947	0	0
Public Safety	2,079,406	0	0
Public Works	147,986	0	0
Health	46,307	0	1,033,112
Human Services	259,157	4,030,510	0
Community and Economic Development	143,463	0	0
Other	327,437	0	0
Capital Outlay	61,118	22,088	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Cash Disbursements</i>	<u>7,233,632</u>	<u>4,052,598</u>	<u>1,033,112</u>
<i>Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements</i>	<u>1,847,773</u>	<u>(286,113)</u>	<u>78,735</u>
OTHER FINANCING SOURCES (USES):			
Proceeds from Sale of Capital Assets	601	0	0
Proceeds from Loans	0	0	0
Proceeds from OWDA Loans	0	0	0
Advances Repaid from Component Unit	118,921	0	0
Advances to Component Unit	(118,921)	0	0
Transfers In	0	0	0
Advances In	210,000	225,000	0
Transfers Out	(284,915)	0	0
Advances Out	(340,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(414,314)</u>	<u>225,000</u>	<u>0</u>
<i>Net Change in Fund Cash Balances</i>	1,433,459	(61,113)	78,735
<i>Fund Cash Balances at Beginning of Year</i>	4,010,114	722,692	2,077,970
<i>Fund Cash Balances at End of Year</i>	<u>\$5,443,573</u>	<u>\$661,579</u>	<u>\$2,156,705</u>

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

Motor Vehicle Gas Tax	Job and Family Services	Real Estate Assessment	All Other Governmental Funds	Total Governmental Funds
\$0	\$0	\$0	\$1,740,713	\$8,860,364
0	0	0	13,486	13,486
6,282	143,397	446,752	1,707,725	4,179,470
0	0	0	6,793	8,761
10,321	0	0	826,766	973,736
4,922,048	4,357,609	0	4,780,556	17,813,864
15,925	0	0	1,167	163,248
287,063	119,176	3,808	87,279	1,423,674
<u>5,241,639</u>	<u>4,620,182</u>	<u>450,560</u>	<u>9,164,485</u>	<u>33,436,603</u>
0	0	372,267	410,924	3,372,002
0	0	0	82,538	1,662,485
0	0	0	2,232,268	4,311,674
2,506,661	0	0	82,164	2,736,811
0	0	0	2,104,647	3,184,066
0	4,774,305	0	1,490,098	10,554,070
0	0	0	235,263	378,726
0	0	0	0	327,437
2,423,454	691	3,425	2,165,859	4,676,635
56,024	0	0	477,931	533,955
7,730	0	0	30,959	38,689
<u>4,993,869</u>	<u>4,774,996</u>	<u>375,692</u>	<u>9,312,651</u>	<u>31,776,550</u>
<u>247,770</u>	<u>(154,814)</u>	<u>74,868</u>	<u>(148,166)</u>	<u>1,660,053</u>
0	0	0	0	601
632,892	0	0	0	632,892
0	0	0	98,492	98,492
0	0	0	0	118,921
0	0	0	0	(118,921)
0	62,396	0	222,519	284,915
0	0	0	115,000	550,000
0	0	0	0	(284,915)
0	0	0	(210,000)	(550,000)
<u>632,892</u>	<u>62,396</u>	<u>0</u>	<u>226,011</u>	<u>731,985</u>
880,662	(92,418)	74,868	77,845	2,392,038
1,808,732	882,223	1,650,105	4,183,497	15,335,333
<u>\$2,689,394</u>	<u>\$789,805</u>	<u>\$1,724,973</u>	<u>\$4,261,342</u>	<u>\$17,727,371</u>

Adams County, Ohio
*Statement of Receipts, Disbursements,
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended December 31, 2020*

	General Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
RECEIPTS:				
Taxes	\$4,998,343	\$5,405,207	\$ 5,568,917	\$163,710
Charges for Services	1,038,822	1,091,798	1,157,407	65,609
Licenses and Permits	1,766	1,950	1,968	18
Fines and Forfeitures	122,648	190,550	136,649	(53,901)
Intergovernmental	908,415	1,048,747	1,012,113	(36,634)
Interest	131,181	250,000	146,156	(103,844)
Other	718,261	855,863	798,891	(56,972)
<i>Total Receipts</i>	<u>7,919,436</u>	<u>8,844,115</u>	<u>8,822,101</u>	<u>(22,014)</u>
DISBURSEMENTS:				
Current:				
General Government:				
Legislative and Executive	2,458,301	2,669,625	2,548,821	120,804
Judicial	1,693,618	1,790,053	1,604,053	186,000
Public Safety	2,228,383	2,222,066	2,167,057	55,009
Public Works	165,221	164,291	147,986	16,305
Health	86,798	59,963	57,315	2,648
Human Services	294,169	294,385	291,906	2,479
Community and Economic Development	130,881	159,811	146,393	13,418
Other	411,150	393,634	314,317	79,317
Capital Outlay	61,150	120,251	69,205	51,046
<i>Total Disbursements</i>	<u>7,529,671</u>	<u>7,874,079</u>	<u>7,347,053</u>	<u>527,026</u>
<i>Excess of Receipts Over Disbursements</i>	<u>389,765</u>	<u>970,036</u>	<u>1,475,048</u>	<u>505,012</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from Sale of Capital Assets	539	5,000	601	(4,399)
Transfers In	200,025	477,850	222,858	(254,992)
Transfers Out	(140,659)	(170,706)	(166,806)	3,900
Advances In	0	0	368,153	368,153
Advances Out	0	0	(458,921)	(458,921)
<i>Total Other Financing Sources (Uses)</i>	<u>59,905</u>	<u>312,144</u>	<u>(34,115)</u>	<u>(346,259)</u>
<i>Net Change in Fund Balances</i>	449,670	1,282,180	1,440,933	158,753
<i>Fund Balance at Beginning of Year</i>	1,502,270	1,502,270	1,502,270	0
<i>Prior Year Encumbrances Appropriated</i>	<u>145,847</u>	<u>145,847</u>	<u>145,847</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$2,097,787</u>	<u>\$2,930,297</u>	<u>\$3,089,050</u>	<u>\$158,753</u>

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

Adams County, Ohio
*Statement of Receipts, Disbursements,
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended December 31, 2020*

	Children Services Levy Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
RECEIPTS:				
Taxes	\$857,622	\$932,500	\$940,555	\$8,055
Charges for Services	462,791	535,000	507,544	(27,456)
Intergovernmental	2,064,000	2,236,875	2,263,594	26,719
Other	49,962	30,000	54,264	24,264
<i>Total Receipts</i>	<u>3,434,375</u>	<u>3,734,375</u>	<u>3,765,957</u>	<u>31,582</u>
DISBURSEMENTS:				
Current:				
Human Services	3,754,652	4,195,060	4,195,060	0
Capital Outlay	27,500	22,289	22,289	0
<i>Total Disbursements</i>	<u>3,782,152</u>	<u>4,217,349</u>	<u>4,217,349</u>	<u>0</u>
<i>Deficiency of Receipts under Disbursements</i>	<u>(347,777)</u>	<u>(482,974)</u>	<u>(451,392)</u>	<u>31,582</u>
OTHER FINANCING SOURCES (USES):				
Advances In	0	48,000	225,000	177,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>48,000</u>	<u>225,000</u>	<u>177,000</u>
Net Change in Fund Balances	(347,777)	(434,974)	(226,392)	208,582
<i>Fund Balance at Beginning of Year</i>	571,190	571,190	571,190	0
<i>Prior Year Encumbrances Appropriated</i>	<u>151,502</u>	<u>151,502</u>	<u>151,502</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$374,915</u></u>	<u><u>\$287,718</u></u>	<u><u>\$496,300</u></u>	<u><u>\$208,582</u></u>

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

Adams County, Ohio
*Statement of Receipts, Disbursements,
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended December 31, 2020*

	ACBDD Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
RECEIPTS:				
Taxes	\$500,824	\$586,746	\$610,179	\$23,433
Intergovernmental	499,315	422,864	477,945	55,081
Other	19,471	10,000	23,723	13,723
<i>Total Receipts</i>	<u>1,019,610</u>	<u>1,019,610</u>	<u>1,111,847</u>	<u>92,237</u>
DISBURSEMENTS:				
Current:				
Health	1,663,697	1,642,253	1,253,259	388,994
Capital Outlay	20,000	20,000	0	20,000
<i>Total Disbursements</i>	<u>1,683,697</u>	<u>1,662,253</u>	<u>1,253,259</u>	<u>408,994</u>
<i>Net Change in Fund Balances</i>	<u>(664,087)</u>	<u>(642,643)</u>	<u>(141,412)</u>	<u>501,231</u>
<i>Fund Balance at Beginning of Year</i>	2,044,475	2,044,475	2,044,475	0
<i>Prior Year Encumbrances Appropriated</i>	33,497	33,497	33,497	0
<i>Fund Balance at End of Year</i>	<u><u>\$1,413,885</u></u>	<u><u>\$1,435,329</u></u>	<u><u>\$1,936,560</u></u>	<u><u>\$501,231</u></u>

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

Adams County, Ohio
*Statement of Receipts, Disbursements,
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended December 31, 2020*

	Motor Vehicle Gas Tax Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
RECEIPTS:				
Fines and Forfeitures	\$11,091	\$15,000	\$10,321	(\$4,679)
Charges for Services	6,751	5,000	6,282	1,282
Intergovernmental	5,289,446	4,955,000	4,922,048	(32,952)
Interest	17,114	10,000	15,925	5,925
Other	308,490	75,796	287,063	211,267
<i>Total Receipts</i>	<u>5,632,892</u>	<u>5,060,796</u>	<u>5,241,639</u>	<u>180,843</u>
DISBURSEMENTS:				
Current:				
Public Works	4,985,813	3,101,091	2,592,264	508,827
Capital Outlay	717,373	3,131,365	2,787,155	344,210
Debt Service:				
Principal Retirement	269,786	90,509	56,024	34,485
Interest and Fiscal Charges	0	7,730	7,730	0
<i>Total Disbursements</i>	<u>5,972,972</u>	<u>6,330,695</u>	<u>5,443,173</u>	<u>887,522</u>
<i>Deficiency of Receipts under Disbursements</i>	<u>(340,080)</u>	<u>(1,269,899)</u>	<u>(201,534)</u>	<u>1,068,365</u>
OTHER FINANCING SOURCES:				
Proceeds from Loan	0	632,892	632,892	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>632,892</u>	<u>632,892</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(340,080)	(637,007)	431,358	1,068,365
<i>Fund Balance at Beginning of Year</i>	835,760	835,760	835,760	0
<i>Prior Year Encumbrances Appropriated</i>	972,972	972,972	972,972	0
<i>Fund Balance at End of Year</i>	<u>\$1,468,652</u>	<u>\$1,171,725</u>	<u>\$2,240,090</u>	<u>\$1,068,365</u>

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

Adams County, Ohio
*Statement of Receipts, Disbursements,
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended December 31, 2020*

	Job and Family Services Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
RECEIPTS:				
Charges for Services	\$179,110	\$158,854	\$143,397	(\$15,457)
Intergovernmental	5,442,879	4,417,829	4,357,609	(60,220)
Other	148,857	285,551	119,176	(166,375)
<i>Total Receipts</i>	<u>5,770,846</u>	<u>4,862,234</u>	<u>4,620,182</u>	<u>(242,052)</u>
DISBURSEMENTS:				
Current:				
Human Services	5,501,385	5,711,262	4,781,424	929,838
Capital Outlay	50,000	50,000	691	49,309
<i>Total Disbursements</i>	<u>5,551,385</u>	<u>5,761,262</u>	<u>4,782,115</u>	<u>979,147</u>
<i>Excess (Deficiency) of Receipts Over (Under) Disbursements</i>	<u>219,461</u>	<u>(899,028)</u>	<u>(161,933)</u>	<u>737,095</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	0	62,396	62,396	0
Transfers Out	(111,000)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(111,000)</u>	<u>62,396</u>	<u>62,396</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	108,461	(836,632)	(99,537)	737,095
<i>Fund Balance at Beginning of Year</i>	846,938	846,938	846,938	0
<i>Prior Year Encumbrances Appropriated</i>	<u>35,289</u>	<u>35,289</u>	<u>35,289</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$990,688</u>	<u>\$45,595</u>	<u>\$782,690</u>	<u>\$737,095</u>

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

Adams County, Ohio
*Statement of Receipts, Disbursements,
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended December 31, 2020*

	Real Estate Assessment Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
RECEIPTS:				
Charges for Services	\$ 458,095	\$ 448,500	\$ 446,752	\$ (1,748)
Other	3,905	2,000	3,808	1,808
<i>Total Receipts</i>	<u>462,000</u>	<u>450,500</u>	<u>450,560</u>	<u>60</u>
DISBURSEMENTS:				
Current:				
Legislative and Executive	487,760	743,600	645,120	98,480
Capital Outlay	40,000	40,000	3,425	36,575
<i>Total Disbursements</i>	<u>527,760</u>	<u>783,600</u>	<u>648,545</u>	<u>135,055</u>
<i>Net Change in Fund Balances</i>	<u>(65,760)</u>	<u>(333,100)</u>	<u>(197,985)</u>	<u>135,115</u>
<i>Fund Balance at Beginning of Year</i>	1,608,233	1,608,233	1,608,233	0
<i>Prior Year Encumbrances Appropriated</i>	<u>41,872</u>	<u>41,872</u>	<u>41,872</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,584,345</u></u>	<u><u>\$1,317,005</u></u>	<u><u>\$1,452,120</u></u>	<u><u>\$135,115</u></u>

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

Adams County, Ohio
Statement of Cash Basis Assets and Net Position
Proprietary Funds
As of December 31, 2020

	<u>Other Enterprise Funds</u>
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$5,807</u></u>
NET POSITION:	
Unrestricted	<u><u>\$5,807</u></u>

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

Adams County, Ohio
*Statement of Cash Receipts, Cash Disbursements and
 Changes in Cash Basis Net Position
 Proprietary Funds
 For the Fiscal Year Ended December 31, 2020*

	Other Enterprise Funds
OPERATING CASH RECEIPTS:	
Charges for Services	\$680
<i>Total Operating Cash Receipts</i>	<i>680</i>
OPERATING CASH DISBURSEMENTS:	
Contractual Services	859
<i>Total Operating Cash Disbursements</i>	<i>859</i>
<i>Change in Net Position</i>	<i>(179)</i>
<i>Net Cash Position at Beginning of Year</i>	<i>5,986</i>
<i>Net Cash Position at End of Year</i>	<i>\$5,807</i>

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

Adams County, Ohio
Statement of Fiduciary Net Cash Position
Fiduciary Funds - Cash Basis
As of December 31, 2020

	Custodial
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$3,325,065
Cash and Cash Equivalents in Segregated Accounts	508,381
<i>Total Assets</i>	3,833,446
NET POSITION:	
Restricted for Individuals, Organizations and Other Governments	3,833,446
<i>Total Net Position</i>	\$3,833,446

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

Adams County
*Statement of Cash Receipts, Cash Disbursements and
 Changes in Net Cash Position
 Fiduciary Funds
 For the Fiscal Year Ended December 31, 2020*

	Custodial
ADDITIONS:	
Intergovernmental	\$ 6,292,584
Amounts Received as Fiscal Agent	3,878,155
Licenses, Permits and Fees for Other Governments	2,460,866
Fines and Forfeitures for Other Governments	871,716
Amounts Held for Employees	1,356
Property Tax Collections for Other Governments	16,871,367
<i>Total Additions</i>	30,376,044
DEDUCTIONS:	
Distributions to the State of Ohio	3,294,999
Distributions of State Funds to Other Governments	3,457,505
Property Tax Distributions to Other Governments	16,798,966
Distributions on Behalf of Employees	108,286
Distributions to Other Governments	2,530,373
Distributions as Fiscal Agent	3,243,676
<i>Total Deductions</i>	29,433,805
<i>Changes in Net Cash Position</i>	942,239
<i>Net Cash Position at Beginning of Year</i>	2,891,207
<i>Net Cash Position at End of Year</i>	\$ 3,833,446

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

NOTE 1 - DESCRIPTION OF THE COUNTY AND REPORTING ENTITY

Adams County, Ohio (the County), is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The County operates under the direction of a three-member elected Board of County Commissioners. The County Auditor and County Treasurer are responsible for fiscal control of the resources of the County which are maintained in the funds described below. Services provided by the County include: general government, public safety, public works, health, and human services.

Reporting Entity

The County utilizes the standards of Governmental Accounting Standards Board codification 2100, "Defining the Reporting Entity" for determining the 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 the County, this includes the Board of Developmental Disabilities 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 organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the County in that the County approves the organization's budget, the issuance of its debt, or levying of its taxes.

The Adams County Airport Authority (the Authority), Adams County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Adams County Commissioners appointed five Board members to direct the Authority in January of 2019. The Board members are responsible for the safe and efficient operation and maintenance of the Authority. The County provided the primary financial support for the Authority in 2020 and has included the Authority as a discretely presented component unit of the County. Separately issued financial statements can be obtained from the Authority, 215 N Cross Street, Suite 102, West Union, Ohio 45693. The component unit is reported separately to emphasize that it is legally separate from the County. Information about the Authority is presented with the County's disclosures.

The Adams County Traveler and Visitors Bureau (the Bureau) is a non-profit organization established to promote travel and tourism within Adams County. The County does not appoint the board members for the Bureau; however, the County provided the primary financial support for the Bureau through the hotel-motel lodging tax levied by the County and passed through to the Bureau in 2020. Normally the Bureau would be considered a discretely presented component unit of the County; however, the County elected to exclude the Bureau from the accompanying financial statements due to the minimal financial activity during fiscal year 2020. Separately issued financial statements can be obtained from the Bureau, 509 E Main Street, West Union, OH 45693

The Adams County Land Reutilization Corporation was incorporated in February 2017 as a legally separate, not-for-profit corporation served by a seven-member self-appointed board. The Land Bank acquires abandoned, un-utilized or blighted properties, through tax foreclosure of delinquent lands, property donations and limited property purchases with the goal of redeveloping those properties to revitalize the County. The Land Bank operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from the Land Bank, West Union, Ohio. The component unit column on the financial statements identifies the financial data of the Land Bank. The component unit is reported separately to emphasize that it is legally separate from the County. Information about the Land Bank is presented with the County's disclosures.

NOTE 1 - DESCRIPTION OF THE COUNTY AND REPORTING ENTITY (Continued)

As the custodian of public funds, the County Treasurer invests all public monies on deposit in the County Treasury. In the case of 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 districts and agencies is presented as custodial funds within the County's financial statements: Soil and Water Conservation District, Adams County Health District, and Family and Children First Council.

Entities for which the County provides services but are not included in this report are the Adams County Educational Service Center, Agricultural Society, and the Historical Society.

The County is a member of the Southern Ohio Council of Governments, a jointly governed organization which is described in Note 10 to the basic financial statements.

Management believes the financial statements included in this report represent all of the funds for which the County is financially accountable.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. The funds of the County are presented in three categories: 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 purpose for which they may or must be used. Cash disbursements are assigned to the fund from which they are paid. Under the cash basis of reporting, there is no difference between governmental fund assets and fund balance. The following are the County's major governmental funds:

General Fund

This fund is the general operating fund of the County and is used to account for all financial resources not accounted for or reported in another fund. The General Fund is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.

Children Services Levy Fund

The Children Services Levy fund accounts for property taxes and federal funds restricted for programs designed to help abused, neglected, dependent, and troubled children and their families.

ACBDD Special Revenue Fund

This fund is used to provide assistance and training to developmentally disabled individuals. The primary sources of revenues are various federal and state grants and a property tax levy.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Motor Vehicle Gas Tax Special Revenue Fund

This fund is used for maintenance and repair of roads and bridges. The primary sources of revenues are monies received from state gasoline tax and motor vehicle registration fees designated.

Job and Family Services Special Revenue Fund

This fund is used to provide public assistance to general relief recipients, pay their providers of medical assistance, and for certain public social services. The primary sources of revenue are various federal and state grants as well as transfers from the General Fund.

Real Estate Assessment Fund

This fund accounts for state mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the County.

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

Proprietary Funds

The proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. Enterprise funds are the County's only proprietary fund type.

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. For the County, enterprise funds are the Sewer Fund, which is used to account for the activities related to wastewater treatment in the County, and the Airport Fuel Fund, which is used to account for fuel purchases and sales for the airport.

Fiduciary Funds

Fiduciary fund reporting focuses on cash basis assets and changes in net cash position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the County under a trust agreement, or equivalent arrangement that has certain characteristics, for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. The County has no trust funds. The County's only fiduciary funds are custodial funds that account for assets held by the County for political subdivisions for which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Financial Statements

The statement of net position 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 statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the cash balance of the governmental and business-type activities of the County at year end. The statement of activities compares disbursements and program receipts for each program or function of the County's governmental activities and business-type activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the County is responsible. Program receipts 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 receipts of interest earned on grants that are required to be used to support a particular program.

Receipts which are not classified as program receipts are presented as general receipts of the County, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program or business activity is self-financing on a cash basis or draws from the general receipts 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. Fiduciary funds are reported by type.

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance classification includes amounts that cannot be spent because they are not in the spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the County Commissioners remove or change the specified use by taking the same type of action (resolution) employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assigned Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by policies of the County Commissioners.

Unassigned Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Basis of Accounting

The County's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the County's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the County are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

For comparability purposes, the Adams County Land Reutilization Corporation financial information has been presented on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP).

All funds, except custodial 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 cash disbursements plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, department, and object level for all funds.

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

Budgetary Process

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

The County is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the disbursement of funds are recorded in order to reserve the portion of the applicable appropriation. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be re-appropriated.

Cash and Cash Equivalents

Cash and cash equivalents consist of the total of fund cash balances of all funds as of December 31, 2020. To improve cash management, cash received by the County is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. County funds are maintained in several checking accounts as well as invested in certificates of deposit with terms of twelve to twenty-four months.

Individual fund balance integrity is maintained through the County's records. Balances of all funds are maintained in these accounts or are temporarily used to purchase certificates of deposit or investments. All interest receipts are reported in the General Fund except those specifically related to those funds deemed appropriate according to state statutes, grant requirements or debt related restrictions. Interest receipts credited to the General Fund, Motor Vehicle Gas Tax Fund and All Other Governmental Funds during 2020 were \$146,156, \$15,925 and \$1,167 respectively.

Adams County has several County departments that maintain segregated bank accounts for funds held in a custodial capacity. Elected or appointed departmental officials are responsible for the financial records. The County Auditor does not have any operating control over these monies. The balances of these accounts are reported in the accompanying financial statements as "Cash and cash equivalents in segregated accounts".

The County is a member of the Southern Ohio Council of Governments and has a cash balance held by them on the County's behalf. This balance is reported in the accompanying financial statements as "Cash and cash equivalents with fiscal agents".

Capital Assets and Depreciation

Capital assets (fixed assets) acquired or constructed for the County are recorded as disbursements at the time of acquisition. However, under the cash basis of accounting, capital assets and the related depreciation are not reported separately on the financial statements.

Compensated Absences

Vacation and sick leave benefits are not accrued under the cash basis of accounting as previously described. All leave will either be absorbed by time off from work or, within certain limitations, paid to the employees.

Long-Term Debt Obligations and Short-Term Debt Obligations

In general, bonds, long-term loans, capital leases, and short-term debt obligations are recorded as cash disbursements in the basic financial statements when paid.

Net Position – Cash Basis

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Of the County's \$12,283,798 of restricted net position, none is restricted by enabling legislation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general receipts.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies 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 nonoperating receipts/cash disbursements in proprietary funds. Repayments from funds responsible for particular cash disbursements to the funds that initially paid for them are not presented in the financial statements.

Pensions and Other Post Employment Benefits (OPEB)

For purposes of measuring the net pension liability and the net OPEB liability, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

NOTE 3 – DEPOSITS AND INVESTMENTS

A. Primary Government

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demands upon the County treasury. Active 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.

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued 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 security issued 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 and Government National Mortgage 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 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 the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of this state or the political subdivisions of this state, provided the bonds or other obligations of political subdivisions mature within ten years from the date of settlement;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts, in eligible institutions pursuant to ORC sections 135.32;

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government (continued)

6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in (1) or (2) above; commercial paper as described in ORC section 135.143 (6); and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;
7. The State Treasurer’s investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value, within certain limitations;
9. Up to forty percent of the County’s average portfolio, if training requirements have been met in either of the following:
 - a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other State, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation, which mature within 270 days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate five percent of interim monies available for investment at the time of purchase.
 - b. Bankers acceptances of banks that are insured by the federal deposit insurance corporation and that mature not later than 180 days after purchase.
10. Up to fifteen percent of the County’s average portfolio in notes issued by U.S. corporations or by depository institutions doing business under authority granted by the U.S. or any state provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature not later than three years after purchase;
11. A current unpaid or delinquent tax line of credit, provided certain conditions are met related to a County land reutilization corporation organized under ORC Chapter 1724; and,
12. Up to two percent of the County’s average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government, subject to certain limitations. All interest and principal shall be denominated and payable in United States funds.

Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued 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.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

A. Primary Government (continued)

At year end, the County had \$3,000 in undeposited cash on hand which is included as part of “Equity in Pooled Cash and Cash Equivalents”.

Deposits

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, \$23,056,325 of the County’s bank balance of \$24,411,910 was exposed to custodial credit risk because those deposits were uninsured and collateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the Federal Deposit Insurance Corporation.

The County has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the County and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

B. Component Unit – Adams County Land Reutilization Corporation (Land Bank)

At December 31, 2020, the carrying amount of Adams County Land Reutilization Corporation deposits was \$164,438. The total bank balance consists of a checking and a savings account and was covered by federal deposit insurance.

C. Component Unit – Adams County Regional Airport Authority (Authority)

At December 31, 2020, the carrying amount of the Authority deposits was \$17,468. The County is currently the fiscal agent for the Authority.

NOTE 4 - BUDGETARY BASIS FUND BALANCES

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balances – Budget and Actual – Budgetary Basis presented for the General Fund, Real Estate Assessment Fund, ACBDD Fund, Motor Vehicle Gasoline Tax Fund, Job and Family Services Fund, and Children Services Levy Fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference(s) between the budgetary basis and the cash basis are outstanding year end encumbrances which are treated as cash disbursements (budgetary basis) rather than as a restriction, commitment or assignment of fund balance (cash basis). As part of the Governmental Accounting Standards Board Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions,” certain funds that were previously reported as an Custodial or Special Revenue Fund are considered part of the General Fund on a cash basis.

These include the Unclaimed Monies Fund, County Medicaid Sales Tax Transition Fund, Certificate of Title Fund, and Public Defender Fund. These funds were excluded from the budgetary presentation for the General Fund.

NOTE 5 – TAXES

PERMISSIVE SALES AND USE TAX

The County Commissioners, by resolution, imposed a 1 percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles, not subject to the sales tax. In addition, the voters have authorized an additional 0.5 percent tax. The allocation of the sales tax is 1 percent to the County’s General Fund and 0.5 percent was for Adams County Hospital. Effective April 1, 2020, the 0.5 percent that was going to Adams County Hospital went to the County’s General Fund. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County to the Ohio Office of Budget and Management. The Tax Commissioner’s certification must be made within forty-five days after the end of each month.

PROPERTY TAX

Property taxes include amounts levied against all real and public utility property located in the County. Property tax receipts received during 2020 for real and public utility property taxes represent collection of 2019 taxes.

2020 real property taxes are levied after October 1, 2020 on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are intended to finance 2021.

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.

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. 2020 public utility property taxes which became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes.

The full tax rate for all County operations for the year ended December 31, 2020 was \$12.90 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2020 property tax receipts were based are as follows:

Real Property	\$458,280,450
Public Utility Personal Property	<u>69,680,360</u>
Total	<u><u>\$527,960,810</u></u>

The Adams County Treasurer collects property taxes on behalf of all taxing districts within the County, including the County. The Adams County Auditor periodically remits to the taxing districts their portions of the taxes collected.

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 6 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2020, the County contracted with County Risk Sharing Authority, Inc. (CORSA) for insurance coverage. The CORSA program has a \$2,500 deductible. Coverage provided by CORSA is as follows:

	Limits of Coverage
General Liability	\$1,000,000
Employee Benefit Liability	1,000,000
Law Enforcement Professional Liability	1,000,000
Public Officials Errors and Omissions Liability	1,000,000
Automobile Liability	1,000,000
Uninsured Motorist Liability	250,000
Ohio Stop Gap (Additional Workers' Compensation Coverage)	1,000,000
Building and Contents	Replacement Cost
Flood and Earthquake	100,000,000
Crime Insurance:	
Faithful Performance	1,000,000
Money and Securities	1,000,000
Depositor's Forgery	1,000,000
Money Orders/Counterfeit Currency	1,000,000

NOTE 7 – DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability and the net OPEB liability represent the County’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the County’s obligation for this liability to annually required payments. The County cannot control benefit terms or the manner in which pensions are financed; however, the County does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Net Pension Liability/Net OPEB Liability (continued)

The net pension/OPEB liabilities are disclosed as a commitment and not reported on the face of the financial statements as a liability because of the use of the cash basis framework.

The remainder of this note includes the pension disclosures. See Note 8 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees participate 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, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	Public Safety	Public Safety
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local	Public Safety	Law Enforcement
2020 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
 2020 Actual Contribution Rates			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	12.0 %	13.0 %

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- *** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
- **** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution to OPERS was \$1,359,659 for fiscal year 2020.

Net Pension Liability

The net pension liability (asset) for OPERS was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of the respective measurement date. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Net Pension Liability

	OPERS
Proportion of the Net Pension Liability Current Measurement Date	0.074259%
Proportion of the Net Pension Liability Prior Measurement Date	0.073873%
Change in Proportionate Share	0.000386%
Proportionate Share of the Net Pension Liability	\$14,677,795

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	1.4 percent, simple through 2020, then 2.15 percent, simple	1.4 percent, simple through 2020, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 then 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPERS (continued)

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.83 %
Domestic Equities	19.00	5.75
Real Estate	10.00	5.20
Private Equity	12.00	10.70
International Equities	21.00	7.66
Other investments	13.00	4.98
Total	100.00 %	5.61 %

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the County’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
County's proportionate share of the net pension liability			
OPERS Traditional Plan	\$24,208,434	\$14,677,795	\$6,110,031

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPERS (continued)

Changes between Measurement Date and Report Date Subsequent to December 31, 2019 the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

NOTE 8 - POSTEMPLOYMENT BENEFITS

See Note 7 for a description of the net OPEB liability.

Plan Description - Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS Comprehensive Annual Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, 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 the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2020 was 4.0 percent.

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

Plan Description - Ohio Public Employees Retirement System (continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$0 for 2020.

Net OPEB Liability

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	OPERS
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.070154%
Prior Measurement Date	0.069396%
Change in Proportionate Share	0.0007580%
Proportionate Share of the Net OPEB Liability	\$9,690,090

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.75 percent
Prior Measurement date	3.71 percent
Health Care Cost Trend Rate:	
Current measurement date	10.5 percent, initial 3.50 percent, ultimate in 2030
Prior Measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – OPERS (continued)

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five-year period ended December 31, 2015.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS’ primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the Health Care’s portfolio’s target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – OPERS (continued)

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the County’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the County’s proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the County’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
County's proportionate share of the net OPEB liability	\$12,681,037	\$9,690,090	\$7,295,314

Sensitivity of the County’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB liability	\$9,404,144	\$9,690,090	\$9,972,391

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 8 - POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – OPERS (continued)

Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

Subsequent to December 31, 2019, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

NOTE 9 - DEBT OBLIGATIONS

Long-Term Debt Obligations:

Under the cash basis of accounting, debt obligations are not reported as a liability in the accompanying basic financial statements. However, information regarding the County's general long-term obligations during 2020 is as follows:

	Beginning Balance <u>12/31/19</u>	Additions	Payments <u> </u>	Ending Balance <u>12/31/20</u>	Due in One Year <u> </u>
General Obligation Bonds, 1.65% - 3.5%	\$800,000	\$0	\$50,000	\$750,000	\$55,000
Direct Borrowings					
Special Assessment Bonds, 3.25%	204,930	0	7,944	196,986	8,206
Truck Loan, National Bank, 3.75%	0	632,892	0	632,892	149,600
West Fork Rd. Improvement Bonds, 3.50%	70,000	0	14,000	56,000	14,000
Land Acquisition Bonds 3.0%	112,190	0	8,630	103,560	8,630
OPWC Loan #CO02H, 0%	28,600	0	2,600	26,000	5,200
OPWC Loan #CO02P, 0%	312,000	0	6,500	305,500	13,000
OPWC Loan #CO030, 0%	132,210	0	2,938	129,272	5,876
OPWC Loan #CO05M, 0%	254,668	0	6,367	248,301	12,733
OPWC Loan #CO07S, 0%	135,832	0	3,396	132,436	6,792
OPWC Loan #CO09I, 0%	70,694	0	5,892	64,802	11,784
OPWC Loan #CO14Q, 0%	125,413	0	5,701	119,712	11,401
OPWC Loan #CO15L, 0%	283,500	0	283,500 *	0	0
OWDA Loan #8528, 0.00%	0	98,492	98,492	0	0
OWDA Loan #4981, 1.00%	1,089,349	0	1,089,349 *	0	0
OWDA Loan #5956, 0%	420,235	0	420,235 *	0	0
	<u>\$4,039,621</u>	<u>\$731,384</u>	<u>\$2,005,544</u>	<u>\$2,765,461</u>	<u>\$302,222</u>

* - The County transferred liability for all of these loans to the Village of West Union and made a final settlement payment of \$321,495.48 to the Village of West Union to accomplish this task. This payment is reflected as debt service principal in the accompanying financial statements. Total reductions in debt as noted above will not agree to the debt service principal payments in the financial statements due to this settlement.

NOTE 9 - DEBT OBLIGATIONS (Continued)

General Obligation Debt

During 2012, the County issued General Obligation Bonds in the amount of \$1,135,000. The General Obligation Bonds payments are being made annually and will mature in 2032. The bonds are being repaid from debt service funds.

Direct Borrowings

Special Assessment Debt

Outstanding special assessment bonds in the amount of \$320,163 were issued for the purpose of financing part of the cost of constructing a sanitary sewer line extension in the Peebles area. It is anticipated that the debt will be paid by the benefited property owners and not from the general funds of the County. However, County general funds are pledged for repayment. The bonds are payable over a period of thirty-nine years at 3.25% per annum, maturing June 1, 2039. The bonds are secured by the special assessment collections but are backed by the full faith and credit of the County in the event that property owners fail to make payments. The bonds are being repaid from Debt Service Funds.

Bonds

During 2014, the County Commissioners issued \$140,000 in West Fork Road Improvement bonds for the purpose of improving West Fork Road in the County. The bonds bear interest at 3.50% and mature in 2024. The bonds are being repaid from the Motor Vehicle Gas Tax Fund.

During 2018, the County Commissioners issued \$129,500 of Land Acquisition Bonds to purchase property. These bonds have a 3.0% interest rate and will mature in 2032. These bonds are being repaid from the Motor Vehicle Gas Tax Fund.

All general obligation bonds are supported by the full faith and credit of Adams County and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest payments.

Ohio Public Works Commission (OPWC) Debt

During 2005, the County entered into two grant/loan agreements with OPWC. The first agreement, pertaining to the Pence Road and Church Road Bridge Replacements, included a grant in the amount of \$364,000 and a loan (Loan #CO02H) in the amount of \$104,000 at 0% interest, with semi-annual payments of \$2,600, maturing July 1, 2025. The second agreement, pertaining to the Buck Run Road Bridge Replacement, included a grant in the amount of \$100,000 and a loan (Loan #CO09I) in the amount of \$235,669 for 2005 represented in the amortization schedule at 0% interest, with semi-annual payments of \$5,892, maturing January 1, 2026. The OPWC loans are being repaid from the Motor Vehicle Gas Tax fund.

During 2009, the County entered into a grant/loan agreement with OPWC. The agreement, pertaining to Sproull Bridge Replacement, includes a grant of \$458,200 and a loan (Loan #CO05M) in the amount of \$382,000 at 0% interest. This loan is being paid in semi-annual installments of \$6,367, and matures on January 1, 2039. This loan is being repaid from the Motor Vehicle Gas Tax fund.

During 2008, the County entered into a grant/loan agreement with OPWC. The agreement, pertaining to the Schools' Access and Sewage Project – Phase I, includes a grant of \$404,800 (CO14L), and a loan (CO15L) in the amount of \$405,000. This loan (CO15L) has a 0.00% interest rate. This loan was transferred to the Village of West Union during fiscal year 2020 and the County has no further obligation for this loan.

During 2011, the County entered into a grant/loan agreement (Loan CO030) with OPWC Issue I Round 25 County, Townships and Village Road Improvements for the purpose of obtaining funds in the amount of \$176,280 for 30 years at 0% with semi-annual payments of \$2,938. The loan is being repaid from the Motor Vehicle Gas Tax Fund.

During 2012, the County entered into a grant/loan agreement (Grant CO01P) and (Loan CO02P) with OPWC. This agreement pertains to Beasley Fork Road Bridge Replacement, which included a grant in the amount of \$350,000 and a loan in the amount of \$390,000 at 0% interest, with semi-annual payments of \$6,500. The loan is being repaid from the Motor Vehicle Gas Tax Fund.

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 9 - DEBT OBLIGATIONS (Continued)

During 2013, the County entered into a grant/loan agreement (Loan CO14Q) with OPWC, County, Townships, and Village Road Improvements, for the purpose of obtaining funds in the amount of \$193,820 for 17 years at 0% with semi-annual payments of \$5,701. The loan is being repaid from the Motor Vehicle Gas Tax Fund.

During 2016, the County entered into a grant/loan agreement (Loan CO07S) with OPWC County, Townships and Village Road and Bridges Improvements for the purpose of obtaining funds in the amount of \$163,000 for 30 years at 0% with semi-annual payments of \$3,396. The loan is being repaid from the Motor Vehicle Gas Tax Fund.

In the event of a default, (1) OPWC may apply late fees of 8 percent per year, (2) loans more than sixty days late will be turned over to the Attorney General's office for collection and, as provided by law, OPWC may require that such payment be taken from the County's share of the County undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

Ohio Water Development Authority (OWDA) Debt

During 2008, the County entered into a loan agreement (Loan #4981) with OWDA for the purpose of obtaining funds in the amount of \$1,429,833 for phase one of the wastewater plant improvement project. This loan carries an interest rate of 1% and matures on January 1, 2042. This loan was transferred to the Village of West Union during fiscal year 2020 and the County has no further obligation for this loan.

During 2011, the County entered into a grant/loan agreement with OWDA (#5956) and the American Reinvestment and Recovery Act (ARRA) for the purpose of obtaining \$2,282,938 for the Waste Water Treatment System. The project has been completed and the loan financed was \$672,377. The loan carries a zero percent interest rate and matures in 2032. This loan was transferred to the Village of West Union during fiscal year 2020 and the County has no further obligation for this loan.

During 2020, the County entered into a grant/loan agreement with OWDA (#8528) for the purpose of obtaining \$98,492 for septic system improvements within the County. This loan was a principal forgiveness loan and the entire amount of \$98,492 was expended and then repaid through grant monies.

County Engineer Truck Loan

During 2020, the County entered into a loan agreement with National Bank for the purchase of four trucks for the County Engineer's office. The loan was in the amount of \$632,892 for a five-year period. The loan will be repaid through the Motor Vehicle Gas Tax Fund.

At December 31, 2020, the County's overall legal debt margin was \$10,789,460 with an unvoted debt margin of \$5,279,608.

Amortization of the long-term debt obligations is as follows:

West Fork Road Improvement Bonds				Land Acquisition Bonds			
Due In	Principal	Interest	Total	Due In	Principal	Interest	Total
2021	\$14,000	\$1,960	\$15,960	2021	\$8,630	\$3,106	\$11,736
2022	14,000	1,470	15,470	2022	8,630	2,848	11,478
2023	14,000	980	14,980	2023	8,630	2,590	11,220
2024	14,000	491	14,491	2024	8,630	2,330	10,960
Total	<u>\$56,000</u>	<u>\$4,901</u>	<u>\$60,901</u>	2025	8,630	2,072	10,702
				2026-2030	43,150	6,472	49,622
				2031-2032	17,260	776	18,036
				Total	<u>\$103,560</u>	<u>\$20,194</u>	<u>\$123,754</u>

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 9 - DEBT OBLIGATIONS (Continued)

Special Assessment Bonds				OPWC Loans			
Due In	Principal	Interest	Total	Due In	Principal	Interest	Total
2021	\$8,206	\$6,336	\$14,542	2021	\$66,786	\$0	\$66,786
2022	8,474	6,067	14,541	2022	66,786	0	66,786
2023	8,752	5,789	14,541	2023	66,786	0	66,786
2024	9,039	5,503	14,542	2024	66,786	0	66,786
2025	9,335	5,207	14,542	2025	66,786	0	66,786
2026-2030	51,465	21,241	72,706	2026-2030	254,892	0	254,892
2031-2035	60,469	12,236	72,705	2031-2035	197,707	0	197,707
2036-2039	41,246	2,377	43,623	2036-2040	182,242	0	182,242
				2041-2043	57,252	0	57,252
Total	\$196,986	\$64,756	\$261,742	Total	\$1,026,023	\$0	\$1,026,023

General Obligation Bonds				County Engineer Truck Loan			
Due In	Principal	Interest	Total	Due In	Principal	Interest	Total
2021	\$55,000	\$23,237	\$78,237	2021	\$149,600	\$23,733	\$173,333
2022	55,000	22,000	77,000	2022	155,210	18,123	173,333
2023	55,000	20,488	75,488	2023	161,030	12,303	173,333
2024	55,000	18,975	73,975	2024	167,052	6,281	173,333
2025	60,000	17,462	77,462	2025	0	0	0
2026-2030	325,000	58,588	383,588	2026-2030	0	0	0
2031-2035	145,000	7,700	152,700	2031-2035	0	0	0
	\$750,000	\$168,450	\$918,450		\$632,892	\$60,440	\$693,332

NOTE 10 - JOINTLY GOVERNED ORGANIZATIONS

The County is a member of the Southern Ohio Council of Governments (the “Council”), which is a jointly governed organization created under Ohio Revised Code Section 167.01. The governing body consists of a fifteen member board with each participating County represented by its Director of its Board of Developmental Disabilities. Member counties include: Adams, Athens, Brown, Clinton, Fayette, Gallia, Highland, Jackson, Lawrence, Meigs, Pickaway, Pike, Ross, Scioto, and Vinton Counties. The Council acts as fiscal agent for the Adams County Board of Developmental Disabilities’ supportive living program monies. The County had a \$63,660 balance on hand with the Council which includes investments at cost. Financial statements can be obtained by writing to the Southern Ohio Council of Governments, VA Medical Center, Building 8, 17273 State Route 104, Chillicothe, Ohio, 45601.

NOTE 11 - PUBLIC ENTITY SHARED RISK POOLS

County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization among thirty-nine counties in Ohio. CORSA was formed as an Ohio not-for-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 coverage provided by CORSA.

Each member county has one vote, on all matters requiring a vote, to be cast by a designated representative. The affairs of CORSA 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 of Trustees.

No county may have more than one representative on the Board of Trustees 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.

THIS SPACE INTENTIONALLY LEFT BLANK

NOTE 11 - PUBLIC ENTITY SHARED RISK POOLS (Continued)

County Commissioners Association of Ohio Workers' Compensation Group Rating Plan

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant, and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at the meeting held in the month of December each year. No participant can have more than one member of the group executive committee in any year and each elected member shall be a County Commissioner.

NOTE 12 – HEALTH CARE BENEFITS

The County provides life insurance and accidental death and dismemberment insurance to most employees with American United Life. The County has elected to provide employee medical/surgical benefits and dental benefits through Anthem. The employees share the cost of the monthly premium with the Board of Commissioners. The premium varies with employee depending on the terms of the union contract or personnel policy. Vision insurance is provided to employees by the County through Vision Plus of America.

NOTE 13 - CONTINGENT LIABILITIES

A. Primary Government

Grants

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.

Litigation

The County is party to legal proceedings. The County is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the County.

B. Component Unit – Adams County Land Reutilization Corporation

As of December 31, 2020, there was no pending litigation against the Adams County Land Reutilization Corporation.

C. Component Unit – Adams County Regional Airport Authority

As of December 31, 2020, there was no pending litigation against the Authority.

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 14 – INTERFUND TRANSACTIONS

Transfers

	Transfers In	Transfers Out
<i>Major Funds:</i>		
General	\$0	\$284,195
Job and Family Services	62,396	0
Total Major funds	62,396	284,195
 Total Non-major Funds	 222,519	 0
 Total All Funds	 \$284,915	 \$284,195

Transfers are used to move revenues from the fund that collects them in accordance with statute or budget to the fund that is required to expend them in accordance with statute or budget and to provide resources for current operations. All transfers were done in accordance with the Ohio Revised Code.

Advances

	Advances In	Advances Out
<i>Major Fund:</i>		
General	\$210,000	\$340,000
Children Services Levy	225,000	0
Total Major Funds	435,000	340,000
<i>Non-major Special Revenue Funds:</i>		
911 System	100,000	100,000
Dog & Kennel	15,000	0
Safe Communities	0	10,000
Total Non-major Special Revenue Funds	115,000	110,000
<i>Non-major Capital Projects Fund:</i>		
Splash Pad	0	100,000
Total All Funds	\$550,000	\$550,000

During the year, the County’s General Fund made advances to other funds in anticipation of intergovernmental grant revenue. Advances to the General Fund are for repayments of advances. Additionally, there are unpaid advances from prior years due from non-major special revenue funds to the General Fund in the amount of \$10,000.

NOTE 15 – COMPLIANCE

Ohio Administrative Code, Section 117-2-03 (B), requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. However, the County prepared its financial statements on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, deferred inflows and outflows of resources, net position/fund balances, and disclosures that, while material, cannot be determined at this time. The County can be fined and various other administrative remedies may be taken against the County.

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 16 – FUND BALANCES

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on the fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Children Services Levy	ACBDD	Motor Vehicle Gas Tax	Job and Family Services	Real Estate Assessment	All Other Governmental Funds	Total Governmental Funds
Nonspendable								
Unclaimed Monies	\$23,724	\$0	\$0	\$0	\$0	\$0	\$0	\$23,724
Restricted for								
Ambulance & EMS	0	0	0	0	0	0	37,233	37,233
Other Purposes	0	0	0	0	0	0	2,450,030	2,450,030
Motor Vehicle Gas Tax	0	0	0	2,689,394	0	0	0	2,689,394
ACBDD	0	0	2,156,705	0	0	0	0	2,156,705
Real Estate Assessment	0	0	0	0	0	1,724,973	0	1,724,973
Job and Family Services	0	0	0	0	789,805	0	0	789,805
Children Services Levy	0	661,579	0	0	0	0	0	661,579
Child Support Enforcement	0	0	0	0	0	0	1,397,979	1,397,979
Probation Services	0	0	0	0	0	0	189,562	189,562
Capital Improvements	0	0	0	0	0	0	179,961	179,961
Debt Service	0	0	0	0	0	0	6,577	6,577
Total Restricted	0	661,579	2,156,705	2,689,394	789,805	1,724,973	4,261,342	12,283,798
Assigned to								
Other Purposes	257,555	0	0	0	0	0	0	257,555
Total Assigned	257,555	0	0	0	0	0	0	257,555
Unassigned	5,162,294	0	0	0	0	0	0	5,162,294
Total Fund Balances	\$5,443,573	\$661,579	\$2,156,705	\$2,689,394	\$789,805	\$1,724,973	\$4,261,342	\$17,727,371

Adams County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

NOTE 17 – SIGNIFICANT COMMITMENTS

Contractual Commitments

The County has entered into contracts for the following projects as of December 31, 2020:

Project	Contract Amount	Amount Expended	Balance at 12/31/2020
Gas Station Cleanup	\$ 1,626,639	\$ 645,758	\$ 980,881
OPWC Projects	550,000	-	550,000
ODOT Projects	994,915	-	994,915
FEMA Projects	1,194,176	613,016	581,160

Encumbrances

At December 31, 2020, the County had a significant encumbrance commitments in the following governmental funds:

Fund	Amount
<i>Major Funds:</i>	
General Fund	\$ 257,555
Motor Vehicle Gas Tax Fund	449,304
Children Services Levy Fund	192,282
ACBDD Fund	220,147
Real Estate Assessment Fund	272,852
<i>Nonmajor Funds:</i>	
Gas Station Cleanup	980,881
FEMA Projects	581,160
OPWC Projects	550,000
ODOT Projects	994,915
Total Encumbrances	\$ 4,499,096

NOTE 18 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. The impact on the County’s future operating costs, revenues, and any additional recovery from emergency funding, either federal or state, cannot be estimated.

The investments of the pension and other employee benefit plan in which the County participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined.

During 2020, the County received CARES Act funding. Of the amounts received, \$422,390 was sub-granted to other governments and organization. These amounts are reflected as health expenditures in the CARES Act Grant non-major Special Revenue Fund on the accompanying financial statements.

**ADAMS COUNTY, OHIO
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Passed Through to Subrecipients	Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Dept. Job & Family Services</i>				
State Admin. Matching Grants For Supplemental Nutrition Assistance Program	G-2021-11-5890	10.561		\$ 155,478
Total Supplemental Nutrition Assistance Program Cluster				<u>155,478</u>
Total U.S. Department of Agriculture				<u>155,478</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Social Services Block Grant	N/A	93.667		16,940
<i>Passed Through Ohio Department of Job & Family Services:</i>				
Social Services Block Grant	G-2021-11-5890	93.667		370,156
Total Social Services Block Grant				<u>387,096</u>
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Medicaid Administration Claiming	N/A	93.778		92,342
<i>Passed Through Ohio Department of Job & Family Services:</i>				
Medical Assistance Program	G-2021-11-5890	93.778		866,562
Total Medicaid Cluster				<u>958,904</u>
<i>Passed Through Ohio Department of Health:</i>				
Promoting Safe & Stable Families	N/A	93.556		17,103
<i>Passed Through Ohio Department of Job & Family Services:</i>				
Promoting Safe & Stable Families	G-2021-11-5891	93.556		12,847
Total Promoting Safe & Stable Families				<u>29,950</u>
Temporary Assistance for Needy Families	G-2021-11-5890	93.558	\$ 552,313	1,900,238
Total TANF Cluster			552,313	<u>1,900,238</u>
Child Care & Development Block Grant	G-2021-11-5890	93.575		32,613
Total CCDF Cluster				<u>32,613</u>
Child Support Enforcement	G-2021-11-5890	93.563		595,245
Stephanie Tubbs Jones Child Welfare Services Program	G-2021-11-5891	93.645		59,905
Foster Care - Maintenance	G-2021-11-5891	93.658		1,174,885
Adoption Assistance - Administration	G-2021-11-5891	93.659		155,056
<i>Passed Through Ohio Department of Health:</i>				
Family Centered Services and Supports	N/A	93.645		2,114
<i>Passed Through Ohio Department of Job & Family Services:</i>				
Chafee Foster Care Independence Program	G-2021-11-5891	93.674		4,571
Children's Health Insurance Program	G-2021-11-5890	93.767		5,266
Total U.S. Department of Health and Human Services			<u>552,313</u>	<u>5,305,843</u>

(continued)

ADAMS COUNTY, OHIO
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Passed Through to Subrecipients	Disbursements
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed Through Ohio Department of Public Safety - Ohio Emergency Management Agency:</i>				
Emergency Management Performance Grant	EMC-2019-EP-00005	97.042		24,879
Disaster Grants - Public Assistance	FEMA-4360-DR-001-05866-00	93.036		918,130
Disaster Grants - Public Assistance	FEMA-4424-DR-001-05866-00	97.036		40,741
Total Disaster Grants - Public Assistance				<u>958,871</u>
Total U.S. Department of Homeland Security				<u>983,750</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed Through Ohio Development Services Agency:</i>				
Community Development Block Grant	B-F-19-1AA-1	14.228		99,326
Community Development Block Grant	B-X-19-1AA-1	14.228		605
Community Development Block Grant	B-D-19-1AA-1	14.228	60,500	60,500
Total Community Development Block Grant			<u>60,500</u>	<u>160,431</u>
Total U.S. Department of Housing and Urban Development			<u>60,500</u>	<u>160,431</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Special Education - Grants for Infants and Families	H181A180024/H181A190024	84.181		93,419
Total U.S. Department of Education				<u>93,419</u>
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>				
<i>Passed Through Ohio Secretary of State:</i>				
Help America Vote Act Election Security Grant - Primary Polling	N/A	90.404		129
Help America Vote Act Election Security Grant - CARES ACT	N/A	90.404		22,507
Help America Vote Act Election Security Grant - Security and Accessibility	N/A	90.404		11,535
Total U.S. Department of Election Assistance Commission				<u>34,171</u>
<u>U.S. DEPARTMENT OF TREASURY</u>				
<i>Passed Through the Ohio Office of Budget and Management</i>				
Coronavirus Relief Fund	HB481-CRF-Local	21.019	422,390	884,033
Total U.S. Department of Treasury			<u>422,390</u>	<u>884,033</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed Through Federal Aviation Administration:</i>				
<i>Direct from the Federal Government</i>				
Federal Aviation Administration-Airport Improvement Program	3-39-0112-011-2020	20.106		118,922
<i>Passed Through Ohio Department of Public Safety - Office of Criminal Justice Services:</i>				
State and Community Highway Safety	SC-2020-00005	20.600		3,493
Selective Traffic Enforcement Program	STEP-2020-00068	20.600		3,942
Total Highway Safety Cluster				<u>7,435</u>
National Priority Safety Programs				
Impaired Driver Enforcement Program	IDEP-2020-00068	20.608		4,833
<i>Passed Through Ohio Department of Transportation:</i>				
Highway Planning and Construction - ADA CR 100/400 - 0.00/1.90	PID# 97312	20.205		20,221
Highway Planning and Construction - ADA CR VAR Guardrail FY 20	PID# 99190	20.205		15,605
Total Highway Planning and Construction Cluster				<u>35,826</u>
Total U.S. Department of Transportation				<u>167,016</u>
GRAND TOTAL			<u>\$ 1,035,203</u>	<u>\$ 7,784,141</u>

N/A - Pass-through entity number was not provided.

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

Adams County, Ohio
Notes to the Schedule of Federal Awards Expenditures
2 CFR 20.510(b)(6)
For the Year Ended December 31, 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Federal Awards Expenditures (the Schedule) includes the federal award activity of Adams County (the County's) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – SUBRECIPIENTS

The County passes certain federal awards received from Ohio Department of Jobs and Family Services to other governments or not-for-profit agencies (subrecipients). As Note 2 describes, the County reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE 4 – 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 applicable matching requirements. The expenditure of non-federal matching funds is not included in the schedule.

NOTE 5 – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS WITHOUT CONTINUING COMPLIANCE REQUIREMENTS

The County has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the County, passed through the Ohio Development Services Agency. During 2020, administrative costs were incurred, while no loans were made. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans. These loans are collateralized by mortgages on the property.

Adams County, Ohio
Notes to the Schedule of Federal Awards Expenditures
2 CFR 20.510(b)(6)
For the Year Ended December 31, 2020

NOTE 6 – TRANSFER BETWEEN FEDERAL PROGRAMS

During 2020, the County made allowable transfers of \$250,000 from the Temporary Assistance for Needy Families (93.558) program to the Social Services Block Grant (93.667) program. The amount reported for the Temporary Assistance for Needy Families program on the Supplementary Schedule excludes the amount transferred to the Social Services Block Grant program. The amount transferred to the Social Services Block Grant program is included in the federal program expenditures for these programs. The following table shows the gross amount drawn for the Temporary Assistance for Needy Families program during 2020 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	\$2,150,238
Social Services Block Grant	<u>(250,000)</u>
Total Temporary Assistance for Needy Families	<u>\$1,900,238</u>

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board of Commissioners
Adams County
110 West Main Street
West Union, Ohio 45693

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Adams County, Ohio (the County) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 21, 2021, wherein we noted that the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the County.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2020-002, that we consider to be a material weakness.

Compliance and Other Matters

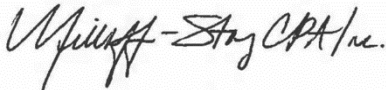
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2020-001.

County's Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and question costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Millhuff-Stang, CPA, Inc.
Wheelersburg, Ohio

October 21, 2021

**Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance
Required by the Uniform Guidance**

Independent Auditor's Report

Board of Commissioners
Adams County
110 West Main Street
West Union, Ohio 45693

Report on Compliance for Each Major Federal Program

We have audited Adams County's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

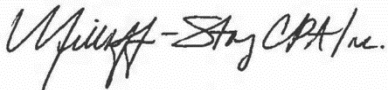
Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Millhuff-Stang, CPA, Inc.
Wheelersburg, Ohio

October 21, 2021

Adams County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Section I – Summary of Auditor’s Results

<i>Financial Statements</i>		
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:		Unmodified (Cash Basis)
Internal control over financial reporting:		
Material weakness(es) identified?		Yes
Significant deficiency(ies) identified that are not considered to be material weaknesses?		No
Noncompliance material to financial statements noted?		Yes
<i>Federal Awards</i>		
Internal control over major program(s):		
Material weakness(es) identified?		No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		No
Type of auditor’s report issued on compliance for major federal programs:		Unmodified
Any auditing findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		No
Identification of major program(s):		TANF Cluster (CFDA #93.558), Coronavirus Relief Fund (CFDA #21.019), Disaster Grants – Public Assistance (CFDA #97.036)
Dollar threshold used to distinguish between type A and type B programs:		Type A: >\$750,000 Type B: all others
Auditee qualified as low-risk auditee?		No

Section II – Financial Statement Findings

Finding 2020-001

Noncompliance – Annual Financial Reports

Ohio Revised Code Section 117.38 provides that each public office shall file a financial report for each fiscal year. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Administrative Code 117-2-03 further clarifies the requirements of Ohio Revised Code Section 117.38.

Ohio Administrative Code 117-2-03 (B) requires the County to prepare its annual financial report in accordance with generally accepted accounting principles (GAAP). This report is required to be filed with the Auditor of State’s office within 150 days of fiscal year-end. The County prepares its financial statements in accordance with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements and notes omit assets, liabilities, deferred inflows and outflows of resources, net position and fund equities, and disclosures that, while presumably material, cannot be reasonably determined at this time. The County can be fined and various other remedies may be taken against the County. As such, we recommend the County take the necessary steps to ensure that the financial report is prepared in accordance with generally accepted accounting principles.

Adams County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2020

Finding 2020-001 (Continued)

Noncompliance – Annual Financial Reports (Continued)

Client Response:

See corrective action plan

Finding 2020-002

Material Weakness – Financial Reporting

A monitoring system by the County should be in place to prevent or detect misstatements for the fair presentation of the County's financial statements, and which would also include assurance that changes in accounting pronouncements are properly implemented, as applicable.

During the course of testing, we found various misstatements and misclassifications. Certain errors were deemed material and corrected within the financial report. Other errors were deemed immaterial and correction was waived. Material errors included the COVID-19 custodial fund improperly classified as a governmental fund and refunds of current property tax collections classified as expenses instead of as reductions of revenue. Immaterial errors included understated GASB 84 eliminations of governmental fund activity and balances within custodial funds, including amounts in segregated cash accounts for County allocations; the inclusion of payroll clearing fund balances as custodial even though they do not meet the definition for custodial activity; the misclassification of custodial license, permits and fees and fines and forfeitures; charges between funds that were improperly classified as transfers; the improper inclusion of custodial portions of sheriff sale activity as governmental fund activity; and the misclassification of property taxes between purposes on the government-wide statement of activities. In addition to these financial statement errors, we identified that an amortization schedule was also omitted from the long-term debt note disclosure and that, although ultimately deemed immaterial, the County did not properly assess certain outside organizations as potential component units.

The County should implement additional monitoring procedures to ensure that financial transactions are properly classified, that required note disclosures are properly included, and that assessment of potential component units occur during the financial statement preparation process.

Client Response:

See corrective action plan.

Section III – Federal Award Findings and Questioned Costs

None

Adams County Auditor

David Gifford

Adams County Courthouse, Room 104
110 West Main Street, West Union OH 45693

Phone: (937) 544-2364

Fax: (937) 544-1016

e-mail: david.gifford@auditor.adamscountyoh.gov

Website: adamscountyauditor.org

Corrective Action Plan

For the Year Ended December 31, 2020

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2020-001	Adams County officials have reviewed the cost of converting to GAAP reporting and have concluded that such conversion would not be financially feasible. Therefore, the County will continue on the OCBOA basis of financial reporting.	N/A	David Gifford, County Auditor
2020-002	The County takes all recommendations very seriously and will meet with our consultant to ensure that these matters are properly addressed for future financial statement reporting. We will commit additional time during the report preparation and review process to ensure that all financial reporting matters are properly addressed prior to the issuance of our financial statements.	Not provided	David Gifford, County Auditor

Adams County Auditor

David Gifford

Adams County Courthouse, Room 104
110 West Main Street, West Union OH 45693

Phone: (937) 544-2364

Fax: (937) 544-1016

e-mail: david.gifford@auditor.adamscountyoh.gov

Website: adamscountyauditor.org

*Schedule of Prior Audit Findings
For the Year Ended December 31, 2020*

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
Finding 2019-001	Noncompliance with ORC Section 117.38/OAC Section 117-2-03(B) – Annual Financial Reports	No	Reissued as Finding 2020-001
Finding 2019-002	Material Weakness – Financial Reporting	No	Reissued as finding 2020-002

OHIO AUDITOR OF STATE KEITH FABER



ADAMS COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 11/18/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov