



OHIO AUDITOR OF STATE
KEITH FABER



**PUTNAM COUNTY
DECEMBER 31, 2020**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Prepared by Management:	
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position – Cash Basis	11
Statement of Activities – Cash Basis	12
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis Governmental Funds.....	14
Statement of Receipts, Disbursements and Changes in Fund Balances – Cash Basis Governmental Funds.....	15
Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis General Fund	16
Auto License and Gas Tax Fund	17
Brookhill Center School Fund	18
Statement of Fund Net Position – Cash Basis Proprietary Funds.....	19
Statement of Receipts, Disbursements and Changes in Fund Net Position – Cash Basis Proprietary Funds.....	20
Statement of Fiduciary Net Position – Cash Basis Fiduciary Funds.....	21
Statement of Changes in Fiduciary Net Position – Cash Basis Fiduciary Funds.....	22
Notes to the Basic Financial Statements.....	23
Schedule of Expenditures of Federal Awards	53
Notes to the Schedule of Expenditures of Federal Awards.....	55
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	57

**PUTNAM COUNTY
DECEMBER 31, 2020**

**TABLE OF CONTENTS
(Continued)**

TITLE	PAGE
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	59
Schedule of Findings	61
Prepared by Management:	
Summary Schedule of Prior Audit Findings	64
Corrective Action Plan	65

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Putnam County
245 East Main Street
Ottawa, Ohio 45875-1968

To the Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Putnam 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.

Opinion

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 remaining fund information of the County, as of December 31, 2020, and the respective changes in cash financial position and the respective budgetary comparison for the General, Auto License and Gas Tax, and Brookhill Center School Funds thereof for the year then ended in accordance with the accounting basis described in Note 2.

Accounting Basis

Ohio Administrative Code § 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 Matters

As discussed in Note 3 to the financial statements, during 2020, the County adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. In addition, as discussed in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. We did not modify our opinion regarding these matters.

Other Matters

Supplementary Information

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

The Schedule of Expenditures of Federal Awards 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.

The 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 September 9, 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.



Keith Faber
Auditor of State
Columbus, Ohio

September 9, 2021

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PUTNAM COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 UNAUDITED

The discussion and analysis of Putnam County's (the County) 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. Readers should also review the basic financial statements and notes to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2020 are as follows:

Overall:

- Total net position increased \$6,977,049 with governmental activities increasing by \$6,993,019 and business-type activities decreasing by \$15,970.
- Total cash receipts were \$36,724,880 in 2020.
- Total program cash disbursements were \$29,747,831 in 2020.

Governmental Activities:

- Total program cash receipts were \$19,108,656 in 2020, while program cash disbursements were \$27,315,281.
- Program cash disbursements were primarily composed of general government, public safety, public works, health, and human services related cash disbursements which were \$24,207,490 in 2020.

Business-Type Activities:

- Program cash receipts were \$1,809,327 for business-type activities, while corresponding cash disbursements were \$2,432,550. An increase in capital outlay disbursements, including the purchase of a new ambulance, is the primary reason for the decrease in net position in the business-type activities.

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.

Report Components

The statement of net position and statement of activities provide information about the cash activities of the County as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the County as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The County has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the County's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

PUTNAM COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 UNAUDITED (Continued)

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the County as a Whole

The statement of net position and the statement of activities reflect how the County did financially during 2020, within the limitations of cash basis accounting. The statement of net position presents the cash balances and investments of the governmental and business-type activities of the County at year end. The statement of activities compares cash disbursements with program receipts for each governmental program and business-type activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function or business-type activity draws from the County's general receipts.

These statements report the County's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the County's financial health. Over time, increases or decreases in the County's cash position is one indicator of whether the County's financial health is improving or deteriorating. When evaluating the County's financial condition, you should also consider other nonfinancial factors as well such as the County's property tax base, the condition of the County's capital assets and infrastructure, the extent of the County's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and sales taxes.

In the statement of net position and the statement of activities, we divide the County into two types of activities:

- **Governmental Activities** – Most of the County's basic services are reported here, including general government, public safety, public works, health, and human services. State and federal grants and sales and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.
- **Business-Type Activities** – The County has one major business-type activity, the Putnam County Emergency Medical Services Fund. Business-type activities are financed by a fee charged to the customers receiving the service.

Reporting the County's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the County's major funds – not the County as a whole. The County establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the County are split into three categories: governmental, proprietary, and fiduciary.

Governmental Funds – Most of the County's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the County's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the County's programs. The County's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The County's major governmental funds are the General Fund, Auto License and Gas Tax Fund, Brookhill Center School Fund, and the Capital Improvements Fund. The programs reported in governmental funds are closely related to those reported in the governmental activities section of the entity-wide statements.

PUTNAM COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
UNAUDITED
(Continued)

Proprietary Funds – When the County charges customers for the services it provides, these services are generally reported in proprietary funds. When the services are provided to the general public, the activity is reported as an enterprise fund. The County has one major enterprise fund, the Putnam County Emergency Medical Services Fund.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the County's programs.

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 at December 31, 2020 compared to December 31, 2019. The net cash position at December 31, 2019 has been restated as described in Note 3.

Table 1
Net Cash Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	2020	Restated 2019	2020	Restated 2019
<i>Assets</i>				
Equity in Pooled				
Cash and Cash Equivalents	\$ 32,112,994	\$ 25,119,975	\$ 2,513,397	\$ 2,529,367
<i>Net Cash Position</i>				
Restricted for:				
Debt service	\$ 1,289	\$ 1,289	\$ -	\$ -
Capital projects	4,562,531	4,528,092	-	-
Other purposes	17,947,777	16,426,926	-	-
Unrestricted	9,601,397	4,163,668	2,513,397	2,529,367
Total Net Position	<u>\$ 32,112,994</u>	<u>\$ 25,119,975</u>	<u>\$ 2,513,397</u>	<u>\$ 2,529,367</u>

Total assets increased by \$6,977,049.

PUTNAM COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
UNAUDITED
(Continued)

Table 2 shows the changes in net position-cash basis for 2020 compared to changes in net position-cash basis for 2019. The net position at December 31, 2019 has been restated as described in Note 3.

Table 2
Changes in Net Cash Position

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	2020	Restated 2019	2020	Restated 2019
<i>Cash receipts</i>				
<i>Program cash receipts</i>				
Charges for services and sales	\$ 4,766,855	\$ 3,860,210	\$ 1,809,327	\$ 1,799,640
Operating grants and contributions	13,576,943	10,567,220	-	-
Capital grants and contributions	764,858	2,261,206	-	-
Total program cash receipts	19,108,656	16,688,636	1,809,327	1,799,640
<i>General cash receipts, transfers, and advances</i>				
Property taxes	6,549,250	6,360,290	518,521	511,493
Payment in lieu of taxes	12,117	13,843	-	-
Sales taxes	5,284,835	4,994,927	-	-
Grants and entitlements	921,240	991,611	9,567	9,790
Interest	394,824	645,752	-	-
Rent	-	256,375	-	-
Transfers and advances	(12,129)	131,134	48,129	(16,006)
Miscellaneous	2,049,507	1,532,356	31,036	31,325
Total general cash receipts, transfers, and advances	15,199,644	14,926,288	607,253	536,602
Total cash receipts, transfers, and advances	34,308,300	31,614,924	2,416,580	2,336,242
<i>Cash disbursements</i>				
<i>Program cash disbursements</i>				
<i>General government</i>				
Legislative and executive	3,837,356	3,820,213	-	-
Judicial	1,692,523	1,555,140	-	-
Public safety	5,262,855	5,296,182	-	-
Public works	5,972,029	4,728,076	-	-
Health	4,008,087	4,017,432	-	-
Human services	3,434,640	2,993,583	-	-
Economic development and assistance	321,529	669,117	-	-
Miscellaneous	1,435,566	1,602,974	-	-
Capital outlay	1,334,318	4,429,396	-	-
<i>Debt service:</i>				
Principal retirement	11,833	136,658	-	-
Interest and fiscal charges	4,545	4,720	-	-
Water and sewer	-	-	330,975	220,291
Sanitary landfill	-	-	200,945	203,227
Emergency medical services	-	-	1,823,213	1,507,017
Putnam Acres	-	-	77,417	85,639
Total Cash Disbursements	27,315,281	29,253,491	2,432,550	2,016,174
Increase (Decrease) In Net Cash Position	6,993,019	2,361,433	(15,970)	320,068
Net Cash Position at Beginning of Year (Restated)	25,119,975	22,758,542	2,529,367	2,209,299
Net Cash Position at End of Year	\$ 32,112,994	\$ 25,119,975	\$ 2,513,397	\$ 2,529,367

PUTNAM COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
UNAUDITED
(Continued)

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall monies generated by a voted levy do not increase solely as a result of inflation. Thus, County's dependence upon property taxes is hampered by a lack of tax growth and must return to the voters to maintain a constant level of service. Property taxes and sales taxes made up 19.09 percent and 15.40 percent, respectively, of cash receipts for governmental activities for Putnam County in 2020. Operating grants and contributions made up 39.57 percent of cash receipts for governmental activities for the County.

If you look at the statement of activities, you will see that the first column lists the major services provided by the County. The next column identifies the costs of providing these services. The major program disbursements for governmental activities are for general government, public safety, public works, health, and human services, which account for 20, 19, 22, 15, and 13 percent of all governmental disbursements, respectively. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the County that must be used to provide a specific service. The net receipt (disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

Table 3
Total Cost of Program Services
Governmental Activities

	2020		2019	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Governmental Activities				
General government				
Legislative and executive	\$ 3,837,356	\$ 1,318,263	\$ 3,820,213	\$ 2,281,304
Judicial	1,692,523	863,556	1,555,140	495,302
Public safety	5,262,855	2,406,357	5,296,182	4,515,873
Public works	5,972,029	(418,813)	4,728,076	(200,901)
Health	4,008,087	2,045,802	4,017,432	1,969,132
Human services	3,434,640	419,938	2,993,583	169,785
Economic development	321,529	(74,991)	669,117	(24,912)
Miscellaneous	1,435,566	1,379,134	1,602,974	1,325,797
Capital outlay	1,334,318	251,001	4,429,396	1,892,097
Debt Service				
Principal retirement	11,833	11,833	136,658	136,658
Interest and fiscal charges	4,545	4,545	4,720	4,720
Total Cash Disbursements	<u>\$ 27,315,281</u>	<u>\$ 8,206,625</u>	<u>\$ 29,253,491</u>	<u>\$ 12,564,855</u>

Business-Type Activities

Business-type activities include emergency medical services. Overall net position decreased \$15,970 from 2019 to 2020. Program cash receipts support most business-type activities. However, during 2020, program disbursements exceeded program receipts by \$623,223.

PUTNAM COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 UNAUDITED (Continued)

The County's Funds

These funds are accounted for using the cash basis of accounting. All governmental funds had total cash receipts and other financing sources of \$37,131,957 and cash disbursements and other financing uses of \$30,138,938. The net change in fund balance increased the most for the year in the General Fund, where the cash balance went from \$4,163,674 in 2019 to \$6,919,927 for 2020, as a result of revenues exceeding expenditures. For the General Fund, cash receipts and other financing sources exceeded cash disbursements and other financing uses in the amount of \$2,756,253. These factors resulted in governmental fund cash balances increasing \$6,993,019.

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 \$10,765,805. Total actual disbursements and other financing uses on the budget basis (cash disbursements plus encumbrances) were \$9,829,303, \$2,408,809 less than actual cash receipts and other financing sources, and \$3,287,214 less than the final budget estimates.

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 \$1,334,318 during 2020.

Debt

At December 31, 2020, the County's outstanding debt included \$294,103 in loans payable from governmental activities. For further information regarding the County's debt, refer to Note 13 to the financial statements.

Current Financial Related Activities

As the preceding information shows, the County heavily depends on its property taxpayers as well as intergovernmental monies. Since the property tax receipts do not grow at the same level as inflation, and intergovernmental monies are decreasing, 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.

Contacting the County's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and 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 Robert L. Benroth, County Auditor, by email at bob.benroth@putnamcountyohio.gov or by mail at Putnam County Courthouse, 245 East Main Street, Ottawa, Ohio 45875-1968.

PUTNAM COUNTY

STATEMENT OF NET POSITION - CASH BASIS
DECEMBER 31, 2020

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 32,112,994	\$ 2,513,397	\$ 34,626,391
Net position:			
Restricted for:			
Debt service	\$ 1,289	\$ -	\$ 1,289
Capital projects	4,562,531	-	4,562,531
Other purposes	17,947,777	-	17,947,777
Unrestricted	<u>9,601,397</u>	<u>2,513,397</u>	<u>12,114,794</u>
Total net position	<u>\$ 32,112,994</u>	<u>\$ 2,513,397</u>	<u>\$ 34,626,391</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Cash Disbursements	Program Cash Receipts		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government:				
Legislative and executive	\$ 3,837,356	\$ 2,046,215	\$ 472,878	\$ -
Judicial	1,692,523	643,999	184,968	-
Public safety	5,262,855	264,792	2,591,706	-
Public works	5,972,029	677,753	5,233,128	479,961
Health	4,008,087	120,968	1,841,317	-
Human services	3,434,640	189,525	2,825,177	-
Economic development and assistance	321,529	25,183	371,337	-
Miscellaneous	1,435,566	-	56,432	-
Capital outlay	1,334,318	798,420	-	284,897
Debt service:				
Principal retirement	11,833	-	-	-
Interest and fiscal charges	4,545	-	-	-
Total governmental activities	27,315,281	4,766,855	13,576,943	764,858
Business-Type activities:				
Water and sewer	330,975	242,716	-	-
Sanitary landfill	200,945	202,905	-	-
Emergency medical services	1,823,213	1,363,706	-	-
Putnam Acres	77,417	-	-	-
Total business-type activities	2,432,550	1,809,327	-	-
Totals	\$ 29,747,831	\$ 6,576,182	\$ 13,576,943	\$ 764,858

General receipts:

Property taxes levied for:

General purposes

Brookhill Center School

Mental health

911 systems

Emergency medical services

Payment in lieu of taxes

Sales taxes

Grants and entitlements not restricted

to specific programs

Investment earnings

Transfers and advances

Miscellaneous

Total general receipts, transfers, and advances

Change in net position

Net position at beginning of year (restated)

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Disbursements) Receipts
and Changes in Net Position**

Governmental Activities	Business-Type Activities	Total
\$ (1,318,263)	\$ -	\$ (1,318,263)
(863,556)	-	(863,556)
(2,406,357)	-	(2,406,357)
418,813	-	418,813
(2,045,802)	-	(2,045,802)
(419,938)	-	(419,938)
74,991	-	74,991
(1,379,134)	-	(1,379,134)
(251,001)	-	(251,001)
(11,833)	-	(11,833)
(4,545)	-	(4,545)
<u>(8,206,625)</u>	<u>-</u>	<u>(8,206,625)</u>
-	(88,259)	(88,259)
-	1,960	1,960
-	(459,507)	(459,507)
-	(77,417)	(77,417)
<u>-</u>	<u>(623,223)</u>	<u>(623,223)</u>
<u>(8,206,625)</u>	<u>(623,223)</u>	<u>(8,829,848)</u>
2,193,331	-	2,193,331
2,712,339	-	2,712,339
530,872	-	530,872
1,112,708	-	1,112,708
-	518,521	518,521
12,117	-	12,117
5,284,835	-	5,284,835
921,240	9,567	930,807
394,824	-	394,824
(12,129)	48,129	36,000
<u>2,049,507</u>	<u>31,036</u>	<u>2,080,543</u>
<u>15,199,644</u>	<u>607,253</u>	<u>15,806,897</u>
6,993,019	(15,970)	6,977,049
<u>25,119,975</u>	<u>2,529,367</u>	<u>27,649,342</u>
<u>\$ 32,112,994</u>	<u>\$ 2,513,397</u>	<u>\$ 34,626,391</u>

PUTNAM COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 DECEMBER 31, 2020

	<u>General</u>	<u>Auto License and Gas Tax</u>	<u>Brookhill Center School</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:						
Equity in pooled cash and cash equivalents	\$ 6,919,927	\$ 2,965,742	\$ 6,055,973	\$ 3,673,478	\$ 12,497,874	\$ 32,112,994
Fund balances:						
Nonspendable	\$ 14,591	\$ -	\$ -	\$ -	\$ -	\$ 14,591
Restricted	-	2,965,742	6,055,973	2,070,577	11,419,305	22,511,597
Committed	-	-	-	-	1,078,569	1,078,569
Assigned	156,506	-	-	1,602,901	-	1,759,407
Unassigned	6,748,830	-	-	-	-	6,748,830
Total fund balances	<u>\$ 6,919,927</u>	<u>\$ 2,965,742</u>	<u>\$ 6,055,973</u>	<u>\$ 3,673,478</u>	<u>\$ 12,497,874</u>	<u>\$ 32,112,994</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>General</u>	<u>Auto License and Gas Tax</u>	<u>Brookhill Center School</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Receipts:						
Property taxes	\$ 2,193,331	\$ -	\$ 2,712,339	\$ -	\$ 1,643,580	\$ 6,549,250
Sales taxes	5,073,440	-	-	211,395	-	5,284,835
Permissive license tax	-	479,961	-	-	-	479,961
Charges for services	1,452,438	184,979	4,452	-	935,688	2,577,557
Licenses and permits	234,806	-	-	-	112,115	346,921
Fines and forfeitures	232,543	37,670	-	-	76,089	346,302
Intergovernmental	1,046,140	5,566,546	757,164	284,897	7,554,853	15,209,600
Payment in lieu of taxes	12,117	-	-	-	-	12,117
Special assessments	-	-	-	-	513,712	513,712
Investment income	377,931	13,578	-	-	17,711	409,220
Rental income	252,071	-	-	289,376	-	541,447
Other	1,381,408	53,821	107,658	-	449,415	1,992,302
Total receipts	<u>12,256,225</u>	<u>6,336,555</u>	<u>3,581,613</u>	<u>785,668</u>	<u>11,303,163</u>	<u>34,263,224</u>
Disbursements:						
Current:						
General government:						
Legislative and executive	2,951,167	-	-	-	886,189	3,837,356
Judicial	1,381,445	-	-	-	311,078	1,692,523
Public safety	1,862,814	-	-	-	3,400,041	5,262,855
Public works	88,005	5,791,727	-	-	92,297	5,972,029
Health	80,639	-	2,402,258	-	1,525,190	4,008,087
Human services	403,381	-	-	-	3,031,259	3,434,640
Economic development and assistance	-	-	-	-	321,529	321,529
Miscellaneous	817,642	-	-	-	425,333	1,242,975
Capital outlay	-	-	-	792,146	542,172	1,334,318
Debt service:						
Principal retirement	-	-	-	-	11,833	11,833
Interest and fiscal charges	-	-	-	-	4,545	4,545
Total disbursements	<u>7,585,093</u>	<u>5,791,727</u>	<u>2,402,258</u>	<u>792,146</u>	<u>10,551,466</u>	<u>27,122,690</u>
Excess of receipts over (under) disbursements	<u>4,671,132</u>	<u>544,828</u>	<u>1,179,355</u>	<u>(6,478)</u>	<u>751,697</u>	<u>7,140,534</u>
Other financing sources (uses):						
Transfers in	-	-	-	1,600,000	405,395	2,005,395
Transfers out	(1,600,000)	-	-	-	(389,017)	(1,989,017)
Advances in	404,871	-	-	-	401,262	806,133
Advances out	(528,159)	-	-	-	(306,481)	(834,640)
Other financing sources	-	34,065	-	2,901	20,239	57,205
Other financing uses	(191,591)	-	-	-	(1,000)	(192,591)
Total other financing sources (uses)	<u>(1,914,879)</u>	<u>34,065</u>	<u>-</u>	<u>1,602,901</u>	<u>130,398</u>	<u>(147,515)</u>
Net change in fund balances	<u>2,756,253</u>	<u>578,893</u>	<u>1,179,355</u>	<u>1,596,423</u>	<u>882,095</u>	<u>6,993,019</u>
Fund balances at beginning of year (restated)	<u>4,163,674</u>	<u>2,386,849</u>	<u>4,876,618</u>	<u>2,077,055</u>	<u>11,615,779</u>	<u>25,119,975</u>
Fund balances at end of year	<u>\$ 6,919,927</u>	<u>\$ 2,965,742</u>	<u>\$ 6,055,973</u>	<u>\$ 3,673,478</u>	<u>\$ 12,497,874</u>	<u>\$ 32,112,994</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts:				
Property taxes	\$ 2,209,495	\$ 2,209,495	\$ 2,193,331	\$ (16,164)
Sales taxes	4,000,000	4,000,000	5,073,440	1,073,440
Charges for services	1,433,250	1,433,250	1,405,315	(27,935)
Licenses and permits	1,050	1,050	1,375	325
Fines and forfeitures	300,000	300,000	232,543	(67,457)
Intergovernmental	975,910	975,910	1,046,140	70,230
Payment in lieu of taxes	16,000	16,000	12,117	(3,883)
Investment income	500,000	500,000	376,696	(123,304)
Rental income	300,000	300,000	252,071	(47,929)
Other	630,100	630,100	1,237,633	607,533
Total receipts	10,365,805	10,365,805	11,830,661	1,464,856
Disbursements:				
Current:				
General government:				
Legislative and executive	3,454,869	3,485,056	2,960,843	524,213
Judicial	1,381,286	1,379,641	1,238,108	141,533
Public safety	4,084,492	4,190,633	1,900,295	2,290,338
Public works	91,100	91,100	88,505	2,595
Health	100,110	100,317	80,639	19,678
Human services	460,812	484,084	415,217	68,867
Miscellaneous	919,955	1,065,936	825,946	239,990
Total disbursements	10,492,624	10,796,767	7,509,553	3,287,214
Excess of receipts over (under) disbursements	(126,819)	(430,962)	4,321,108	4,752,070
Other financing sources (uses):				
Transfers in	75,000	75,000	2,580	(72,420)
Transfers out	-	(1,600,000)	(1,600,000)	-
Advances in	250,000	250,000	404,871	154,871
Advances out	(100,000)	(528,159)	(528,159)	-
Other financing sources	75,000	75,000	-	(75,000)
Other financing uses	(191,591)	(191,591)	(191,591)	-
Total other financing sources (uses)	108,409	(1,919,750)	(1,912,299)	7,451
Net change in fund balance	(18,410)	(2,350,712)	2,408,809	4,759,521
Fund balance at beginning of year (restated)	3,009,655	3,009,655	3,009,655	-
Prior year encumbrances appropriated	217,626	217,626	217,626	-
Fund balance at end of year	\$ 3,208,871	\$ 876,569	\$ 5,636,090	\$ 4,759,521

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 AUTO LICENSE AND GAS TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts:				
Permissive license tax	\$ 480,000	\$ 480,000	\$ 479,961	\$ (39)
Charges for services	150,000	150,000	184,979	34,979
Fines and forfeitures	30,000	30,000	37,670	7,670
Intergovernmental	5,350,000	5,350,000	5,566,546	216,546
Investment income	15,500	15,500	13,578	(1,922)
Other	500	500	53,821	53,321
Total receipts	<u>6,026,000</u>	<u>6,026,000</u>	<u>6,336,555</u>	<u>310,555</u>
Disbursements:				
Public works	<u>6,193,032</u>	<u>7,191,376</u>	<u>5,969,916</u>	<u>1,221,460</u>
Excess of receipts over (under) disbursements	<u>(167,032)</u>	<u>(1,165,376)</u>	<u>366,639</u>	<u>1,532,015</u>
Other financing sources:				
Other financing sources	<u>-</u>	<u>-</u>	<u>34,065</u>	<u>34,065</u>
Net change in fund balance	<u>(167,032)</u>	<u>(1,165,376)</u>	<u>400,704</u>	<u>1,566,080</u>
Fund balance at beginning of year	<u>2,219,817</u>	<u>2,219,817</u>	<u>2,219,817</u>	<u>-</u>
Prior year encumbrances appropriated	<u>167,032</u>	<u>167,032</u>	<u>167,032</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,219,817</u>	<u>\$ 1,221,473</u>	<u>\$ 2,787,553</u>	<u>\$ 1,566,080</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
 BROOKHILL CENTER SCHOOL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts:				
Property taxes	\$ 2,664,584	\$ 2,664,584	\$ 2,712,339	\$ 47,755
Charges for services	5,000	5,000	4,452	(548)
Intergovernmental	732,878	732,878	757,164	24,286
Other	110,000	110,000	107,658	(2,342)
	<u>3,512,462</u>	<u>3,512,462</u>	<u>3,581,613</u>	<u>69,151</u>
Total receipts				
Disbursements:				
Health	3,774,527	3,847,128	2,572,268	1,274,860
Net change in fund balance	(262,065)	(334,666)	1,009,345	1,344,011
Fund balance at beginning of year (restated)	4,737,091	4,737,091	4,737,091	-
Prior year encumbrances appropriated	139,527	139,527	139,527	-
Fund balance at end of year	<u>\$ 4,614,553</u>	<u>\$ 4,541,952</u>	<u>\$ 5,885,963</u>	<u>\$ 1,344,011</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF FUND NET POSITION - CASH BASIS
 PROPRIETARY FUNDS
 DECEMBER 31, 2020

	Business-Type Activities - Enterprise Funds		
	Putnam County	Nonmajor	Total
	EMS	Enterprise Funds	
Assets:			
Equity in pooled cash and cash equivalents	\$ 1,929,708	\$ 583,689	\$ 2,513,397
Net position:			
Unrestricted	\$ 1,929,708	\$ 583,689	\$ 2,513,397

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND NET POSITION - CASH BASIS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Business-Type Activities - Enterprise Funds		
	Putnam County	Nonmajor	Total
	EMS	Enterprise Funds	
Operating receipts:			
Charges for services	\$ 1,363,706	\$ 321,491	\$ 1,685,197
Other operating receipts	-	31,036	31,036
Total operating receipts	1,363,706	352,527	1,716,233
Operating disbursements:			
Personal services	1,163,182	207,291	1,370,473
Contract services	178,612	49,637	228,249
Materials and supplies	181,497	33,944	215,441
Other	-	53,485	53,485
Capital outlay	299,922	262,264	562,186
Total operating disbursements	1,823,213	606,621	2,429,834
Operating loss	(459,507)	(254,094)	(713,601)
Nonoperating receipts (disbursements):			
Special assessments	-	124,130	124,130
Property taxes	518,521	-	518,521
Intergovernmental	9,567	-	9,567
Other nonoperating expenses	-	(2,716)	(2,716)
Total nonoperating receipts (disbursements)	528,088	121,414	649,502
Income (loss) before transfers and advances	68,581	(132,680)	(64,099)
Transfer out	-	(16,378)	(16,378)
Advance in	-	77,807	77,807
Advances out	-	(13,300)	(13,300)
Change in net position	68,581	(84,551)	(15,970)
Net position at beginning of year (restated)	1,861,127	668,240	2,529,367
Net position at end of year	\$ 1,929,708	\$ 583,689	\$ 2,513,397

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS
FIDUCIARY FUNDS
DECEMBER 31, 2020

	<u>Custodial</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 7,847,311
Cash in segregated accounts	<u>392,785</u>
Total assets	<u>\$ 8,240,096</u>
Net position:	
Restricted for individuals, organizations and other governments	<u>\$ 8,240,096</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CASH BASIS
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Custodial
Additions:	
Intergovernmental	\$ 5,965,964
Amounts received as fiscal agent	9,078,871
Licenses, permits and fees for other governments	6,209,709
Fines and forfeitures for other governments	915,574
Property tax collection for other governments	27,823,260
Special assessments collections for other governments	72,789
Permissive license tax collected for other governments	614,716
Estate taxes collected for other governments	2,505
Payment in lieu of taxes collected for other governments	51,584
EMS collections for other governments	150
	50,735,122
Deductions:	
Distributions to the State of Ohio	184,190
Distributions of state funds to other governments	5,965,964
Distributions as fiscal agent	7,747,935
Licenses, permits and fees distributions to other governments	6,051,242
Fines and forfeitures distributions to other governments	823,394
Property tax distributions to other governments	27,898,202
Special assessment distributions to other governments	72,789
Permissive license tax distributions to other governments	643,240
Estate tax distributions to other governments	2,125
EMS distributions to other governments	584
Other custodial fund disbursements	19,925
	49,409,590
Excess of additions over deductions	1,325,532
Other financing sources (uses):	
Advances in	49,090
Advances out	(85,090)
	(36,000)
Total other financing sources (uses)	(36,000)
Net change in net position	1,289,532
Net position beginning of year (restated)	6,950,564
Net position end of year	\$ 8,240,096

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – REPORTING ENTITY

Putnam County, Ohio (the County) is a body politic and corporate established in 1820 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The County is governed by a board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County’s operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, a Probate/Juvenile Court Judge, and a Municipal Court Judge.

Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize cash disbursements as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

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

A. Basis of Presentation

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Putnam County, this includes the Putnam County Board of Developmental Disabilities (DD), Putnam County Alcohol, Drug Addiction and Mental Health Services (ADAMHS), Putnam County Job and Family Services, and departments and activities that are directly operated by the elected County officials.

B. Component Units

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the 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. The County is also financially accountable for any organizations that are fiscally dependent on the County in that the County approves their budget, the issuance of their debt, or the levying of their taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the County, are accessible to the County and are significant in amount to the County. There are no component units.

Potential Component Units Reported as Custodial Funds

As custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the separate organizations listed below, the County serves as fiscal agent, but the organizations are not considered part of Putnam County. Accordingly, the activity of the following organizations is reported as custodial funds within the financial statements:

- Putnam County Soil and Water Conservation District
- Putnam County Health Department
- Putnam County Airport Authority

C. Jointly Governed Organizations and Public Risk Pools

The County participates in several jointly governed organizations and public entity risk pools, and is associated with a related organization. These organizations are presented in Notes 19 and 20 to the basic financial statements. These organizations are:

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Multi-Area Narcotics (MAN)
Blanchard River Stream Enhancement Project
Blanchard River Watershed Partnership
Ottawa River Stream Enhancement Project
Juvenile Residential Center of Northwest Ohio
County Risk Sharing Authority, Inc. (CORSA)
County Commissioners Association of Ohio Service Corporation (CCASOSC)
County Employee Benefit Consortium of Ohio, Inc. (CEBCO)

The County's management believes these financial statements present all activities for which the County is financially accountable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 2C, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020 (Continued)

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.

B. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. 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 of the County are financed. The following are the County's major governmental funds:

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

Auto License & Gas – This fund accounts for State levied, shared monies derived from gasoline taxes and the sale of motor vehicle licenses. Disbursements are restricted by State law to county road and bridge repair/improvement programs.

Brookhill Center School – This fund accounts for the operation of a school for the developmentally disabled, financed by a county-wide property tax levy and federal and state grants.

Capital Improvements – This fund accounts for capital improvement projects funded by sales tax, grants and transfers from the General Fund.

Other governmental funds of the County are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds

The County classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as enterprise funds.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following is the County's major enterprise fund:

Putnam County Emergency Medical Services – This fund accounts for the daily operations of Putnam County Emergency Medical Services. Receipts are generated from ambulance fees and charges for medical services.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020 (Continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net 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 not available to support the County's own programs. The County has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The County's custodial funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent, which include the Putnam County Airport Authority, Putnam County Health Department, and the Putnam County Soil and Water Conservation District, and for taxes, state-levied shared revenues, and licenses, permits and fees collected and distributed to other political subdivisions.

C. 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.

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.

D. Budgetary Process

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, function, 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 certificated of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

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.

E. Cash and Investments

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through County records. Interest in the pool is presented as "Equity in pooled cash and cash equivalents".

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020 (Continued)

Cash and cash equivalents and investments that are held separately within departments of the County and not included in the County treasury are recorded as “Cash in segregated accounts”.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

During 2020, the County invested in nonnegotiable certificates of deposit, United States Treasury Notes and Bonds, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities and STAR Ohio. Investments are reported at cost, except STAR Ohio.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, “Certain External Investment Pools and Pool Participants.” The County measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2020 were \$377,931 which includes \$330,379 assigned from other County funds.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Monies required to be set aside for postclosure costs at the landfill are also reported as restricted.

G. Inventory and Prepaid Items

The County reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

H. Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

I. Interfund Receivables/Payables

The County reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020 (Continued)

The County had interfund loans payables/receivables at December 31, 2020.

J. Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the County's cash basis of accounting.

K. Employer Contributions to Cost-Sharing Pension Plans

The County recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 11 and 12, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

L. Pensions/Other Postemployment Benefits (OPEB)

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

M. Long-Term Obligations

The County's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure are reported at inception. Lease payments are reported when paid.

N. Net Position

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. Net position restricted for other purposes primarily include activities involving the upkeep of the County's roads and bridges, various mental health services, child support and welfare services, services for the handicapped and developmentally disabled, capital projects, and activities of the County's courts. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

O. Fund Balance

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 category includes amounts that cannot be spent because they are not in spendable form, or are 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. It also includes the long-term amount of interfund loans.

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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the County Commissioners removes or changes the specified use by taking the same type of action (resolution) it 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.

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 the County Commissioners or a County official delegated that authority by ordinance, or by State Statute.

Unassigned Unassigned fund balance is the residual classification for the General Fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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.

P. 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.

NOTE 3 – ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles/Restatement of Fund Balances/Restatement of Net Position

For 2020, the County has implemented GASB Statement No. 84, "*Fiduciary Activities*", GASB Statement No. 88, "*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*", GASB Statement No. 90, "*Majority Equity Interests - an amendment to GASB Statements No. 14 and No. 61*", and GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*."

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business-type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the County will no longer be reporting agency funds. The County reviewed its agency funds and certain funds will be reported in the new fiduciary classification of custodial funds, while other funds have been reclassified as governmental funds. The implementation of GASB Statement No. 84 resulted in the restatement of the County's financial statements.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

GASB Statement No. 88 improves the information that is disclosed in notes to the basic financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the County.

GASB Statement No. 90 improves the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the County.

GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended December 31, 2020. Due to the implementation of GASB Statement No. 95 the effective dates of certain provisions contained in these pronouncements are postponed. The following pronouncement is postponed by one year and the County has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 89, “Accounting for Interest Cost Incurred before the End of a Construction Period.”

The following pronouncements are postponed by eighteen months and the County has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, “Leases”
- Implementation Guide No. 2019-3, “Leases”

A fund cash balance restatement is required in order to implement GASB Statement No 84. The January 1, 2020 fund cash balances have been restated as follows:

	General	Auto License and Gas Tax	Brookhill Center School	Capital Improvements
Fund cash balance				
at December 31, 2019	\$ 3,815,019	\$ 2,386,849	\$ 4,806,829	\$ 2,077,055
Reclassification of fiduciary funds	348,655	-	69,789	-
Restated fund cash balance				
at January 1, 2020	\$ 4,163,674	\$ 2,386,849	\$ 4,876,618	\$ 2,077,055

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

	Other Governmental Funds	Total Governmental Funds
Fund cash balance		
at December 31, 2019	\$ 11,579,172	\$ 24,664,924
Reclassification of fiduciary funds	36,607	455,051
Restated fund cash balance		
at January 1, 2020	\$ 11,615,779	\$ 25,119,975

A net cash position restatement is required in order to implement GASB Statement No 84. The governmental activities and business-type activities at January 1, 2020 have been restated as follows:

	Governmental Activities	Business-Type Activities
Net cash position		
at December 31, 2019	\$ 24,664,924	\$ 2,518,303
Reclassification of fiduciary funds	455,051	11,064
Restated net cash position		
at January 1, 2020	\$ 25,119,975	\$ 2,529,367

	Putnam County EMS	Nonmajor Enterprise Funds	Total Enterprise Funds
Net cash position			
at December 31, 2019	\$ 1,850,063	\$ 668,240	\$ 2,518,303
Reclassification of fiduciary funds	11,064	-	11,064
Restated net cash position			
at January 1, 2020	\$ 1,861,127	\$ 668,240	\$ 2,529,367

Due to the implementation of GASB Statement No. 84, the new classification of custodial funds is reporting a beginning net cash position of \$6,950,564. Also related to the implementation of GASB Statement No. 84, the County will no longer be reporting agency funds. At December 31, 2019, agency funds reported assets and net cash position of \$7,058,538. Also related to the implementation of GASB Statement No. 84, the County will no longer be reporting private-purpose trust funds. At December 31, 2019, private-purpose trust fund reported assets and net cash position of \$301.

Also related to the implementation of GASB Statement No. 84, the beginning budgetary balance of the General Fund and Brookhill Center School Fund will require a restatement. The restatement of the General Fund's and the Brookhill Center School Fund's budgetary-basis fund balance at December 31, 2019 were \$3,009,655 and \$4,737,091, respectively.

B. 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 basic 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 basic financial statements omit assets, deferred outflows of resources, liabilities, deferred inflows 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

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 Balance – Budget and Actual – Budget Basis presented for the General Fund and each major special revenue fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances are treated as expenditures (budgetary basis) rather than as a reservation of fund balance (cash basis). The encumbrances outstanding at year end (budgetary basis) amounted to \$118,879 in the General Fund, \$178,189 in the Auto License and Gas Tax Fund, and \$170,010 in the Brookhill Center School Fund.

In addition, as part of Governmental Accounting Standards Board Statement No. 54, “*Fund Balance Reporting*”, certain funds that are legally budgeted in separate special revenue funds (unclaimed monies, clerk of court title administration, recorder equipment fee, workers’ compensation, Medicaid local sales tax, payroll, and general tax prepayment interest funds) are considered part of the General Fund on the cash basis.

The following table summarizes the adjustments necessary to reconcile the cash basis statement to the budgetary basis statement for the General Fund, Auto License and Gas Tax Fund, and Brookhill Center School Fund.

	Net Change in Fund Cash Balance		
	General Fund	Auto License and Gas Tax Fund	Brookhill Center School Fund
Cash basis	\$ 2,756,253	\$ 578,893	\$ 1,179,355
Net adjustment for revenues	(535)	-	-
Funds budgeted elsewhere	(228,030)	-	-
Adjustment for encumbrances	(118,879)	(178,189)	(170,010)
Budget basis	\$ 2,408,809	\$ 400,704	\$ 1,009,345

NOTE 5 – FUND BALANCES

Fund balance can be classified as nonspendable, 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 governmental funds.

The constraints placed on fund balance for the major governmental funds and all other funds are presented as follows:

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

Fund balance	General	Auto License and Gas Tax Fund	Brookhill Center School Fund	Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Unclaimed monies	\$ 14,591	\$ -	\$ -	\$ -	\$ -	\$ 14,591
Total nonspendable	<u>14,591</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,591</u>
Restricted:						
Legislative and executive programs	-	-	-	-	2,210,841	2,210,841
Judicial programs	-	-	-	-	552,774	552,774
Public safety programs	-	-	-	-	2,384,732	2,384,732
Public works projects	-	2,965,742	-	-	1,546	2,967,288
Health programs	-	-	6,055,973	-	2,475,885	8,531,858
Human services programs	-	-	-	-	1,208,063	1,208,063
Economic development programs	-	-	-	-	92,221	92,221
Debt service	-	-	-	-	1,289	1,289
Capital projects	-	-	-	2,070,577	2,491,954	4,562,531
Total restricted	<u>-</u>	<u>2,965,742</u>	<u>6,055,973</u>	<u>2,070,577</u>	<u>11,419,305</u>	<u>22,511,597</u>
Committed:						
Human services programs	-	-	-	-	1,029,482	1,029,482
Economic development and assistance programs	-	-	-	-	47,733	47,733
Capital projects	-	-	-	-	1,354	1,354
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,078,569</u>	<u>1,078,569</u>
Assigned:						
Encumbrances - legislative and executive programs	60,035	-	-	-	-	60,035
Encumbrances - judicial programs	29,342	-	-	-	-	29,342
Encumbrances - public safety programs	37,481	-	-	-	-	37,481
Encumbrances - public works programs	500	-	-	-	-	500
Encumbrances - human services programs	11,836	-	-	-	-	11,836
Encumbrances - other programs	8,312	-	-	-	-	8,312
Subsequent years' appropriations	9,000	-	-	-	-	9,000
Capital projects	-	-	-	1,602,901	-	1,602,901
Total assigned	<u>156,506</u>	<u>-</u>	<u>-</u>	<u>1,602,901</u>	<u>-</u>	<u>1,759,407</u>
Unassigned	<u>6,748,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,748,830</u>
Total fund balances	<u>\$ 6,919,927</u>	<u>\$ 2,965,742</u>	<u>\$ 6,055,973</u>	<u>\$ 3,673,478</u>	<u>\$ 12,497,874</u>	<u>\$ 32,112,994</u>

NOTE 6 – DEPOSITS AND INVESTMENTS

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 securities 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;

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

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 the State of Ohio or its political subdivisions of this state, proved 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;
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 and 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 eligible for purchases by the Federal Reserve System and which mature within 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. 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. 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

At year end, the County had \$74,993 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, \$19,798,061 of the County’s bank balance of \$31,161,755 was exposed to custodial credit risk because those deposits were uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the County’s name.

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

- Eligible securities pledged to 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.

Investments

As of December 31, 2020, the County had the following investments:

<u>Investment type</u>	Carrying Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
STAR Ohio	\$ 9,501,067	\$ 9,501,067	\$ -	\$ -	\$ -	\$ -
United States Treasury Notes and Bonds	704,448	-	403,612	300,836	-	-
Federal Farm Credit Bank	599,398	99,523	-	-	250,000	249,875
Federal Home Loan Bank	202,401	-	-	202,401	-	-
Federal Home Loan Mortgage Corporation	249,900	-	-	-	-	249,900
Total investments	\$ 11,257,214	\$ 9,600,590	\$ 403,612	\$ 503,237	\$ 250,000	\$ 499,775

The weighted average of maturity of investments is 0.28 years.

Interest rate risk: Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the County’s investment policy limits portfolio maturities to five years or less.

Credit Risk: The Federal Farm Credit Banks Notes, Federal Home Loan Bank Notes and Federal Home Loan Mortgage Corporation Notes carry a rating of AA+ by Standards & Poor’s. The County has no investment policy dealing with investment credit risk beyond the requirements in state statutes. STAR Ohio must maintain the highest rating provided by at least one nationally recognized standard rating service.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Mortgage Corporation Notes, Federal Farm Credit Bank Notes, and Federal Home Loan Bank Notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the County’s name.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

The County has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, "Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee."

Concentration of Credit Risk: The County places no limit on the amount it may invest in any one issuer. The following table includes the percentage of each investment type held by the County at December 31, 2020:

<u>Investment type</u>	<u>Carrying Value</u>	<u>% of Total</u>
STAR Ohio	\$ 9,501,067	84.40
United States Treasury Notes and Bonds	704,448	6.26
Federal Farm Credit Bank	599,398	5.32
Federal Home Loan Bank	202,401	1.80
Federal Home Loan Mortgage Corporation	<u>249,900</u>	<u>2.22</u>
Total	<u>\$ 11,257,214</u>	<u>100.00</u>

Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2020:

<u>Cash and investments per Footnote</u>	
Cash on hand	\$ 74,993
Carrying amount of deposits	31,534,280
Investments	<u>11,257,214</u>
Total	<u>\$ 42,866,487</u>

<u>Cash and investments per Statement of Net Position – Cash Basis</u>	
Governmental activities	\$ 32,112,994
Business-Type activities	2,513,397
Custodial funds	<u>8,240,096</u>
Total	<u>\$ 42,866,487</u>

NOTE 7 – PERMISSIVE SALES AND USE TAX

The County Commissioners, by resolutions, imposed a 1.25 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 tax. The allocation of the sales tax is the first 0.5 percent and final 0.25 percent collected goes entirely to the General Fund. For the second 0.5 percent collected, 90 percent goes to the General Fund with the remaining 10 percent going to the Capital Projects Capital Improvements 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 to the Office of Budget Management the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. The Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

NOTE 8 – PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Property tax revenue received during 2020 for real and public utility property taxes represents collections of 2019 taxes. Real property taxes assessed in 2020 are levied after October 1, 2020, on the assessed value as of January 1, 2020, the lien date, and are collected in and intended to finance 2021 operations. Assessed values are established by State law at 35 percent of appraised market value.

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. Assessed 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 County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through custodial funds. The amount of the County’s tax collections is accounted for within the applicable funds.

The full tax rate for all County operations for the year ended December 31, 2020, was \$10.65 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2020 property tax receipts were based are as follows:

<u>Real property</u>	
Residential	\$ 290,281,060
Agricultural	524,657,730
Commercial/industrial/mineral	70,131,990
<u>Public utility</u>	
Real	987,750
Personal	<u>67,102,140</u>
Total assessed value	<u>\$ 953,160,670</u>

NOTE 9 – INTERFUND RECEIVABLES/PAYABLES

The County reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Interfund balances at December 31, 2020, consisted of receivable due to the General Fund in the amount of \$76,307 payable from Enterprise Funds and \$497,259 payable from Other Governmental Funds.

The balance due to the General Fund includes loans made to provide working capital for operations or projects.

NOTE 10 – 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 in the amounts as follows:

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

General Liability	\$ 1,000,000
Law Enforcement Professional Liability	1,000,000
Automobile Liability	1,000,000
Errors and Omissions Liability	1,000,000
Ohio Stop Gap Employers' Liability	1,000,000
Employee Benefits Liability	1,000,000
Attorney Disciplinary Proceedings	25,000
Declaratory, Injunctive or Equitable Relief	25,000
Excess Liability	7,000,000
Security Event Liability	1,000,000
Privacy Response Expenses	1,000,000
Electronic Equipment Data Network Interruption	250,000
Cyber Extortion	50,000
Property – Direct Physical Damage	Per schedule
Property – Collapse	Per schedule
Equipment Breakdown	100,000,000
Schedule 1 and 2	35,000
Gross Earnings/Extra Expense	2,500,000
Contingent Business Interruption	100,000
Crime	1,000,000

With the exceptions of medical coverage, dental coverage for Board of Developmental Disabilities (DD) employees, and worker's compensation, all insurance is held with CORSA. There has been no significant reduction in insurance coverage from 2005, and settled claims have not exceeded this coverage in the past three years. The County pays all elected officials' bonds by statute.

For 2020, the County participated in the County Commissioners Association of Ohio Service Corporation, a worker's compensation group rating plan (Plan). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the county's individual rate.

In order to allocate the savings derived by the formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any county leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The County provides employee medical and dental coverage through County Employee Benefit Consortium of Ohio, Inc. (CEBCO). Settled claims have not exceeded this coverage in the past three years.

The DD participates as a member of the Putnam County School Insurance Group, a public entity risk pool, administered by Sky Trust. DD converted its fully-insured medical insurance program to partial self-insurance through participation in this public entity risk pool. Medical Mutual of Ohio provides claim review and processing. DD maintains stop-loss coverage for its medical insurance program. Aggregate stop loss is maintained for expected claims.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

NOTE 11 – DEFINED BENEFIT PENSION PLAN

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

Net Pension Liability/Asset and 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/asset and the net OPEB liability/asset 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/asset 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/OPEB 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/asset 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 health care to eligible benefit recipients.

The net pension/net OPEB liability are not reported on the face of the financial statements, but rather are disclosed in the notes because of the use of the cash basis framework.

The remainder of this note includes the pension disclosures. See Note 12 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 pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

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):

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
Traditional Plan 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	Traditional Plan 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	Traditional Plan 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
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
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
Law Enforcement	Law Enforcement	Law Enforcement
Traditional Plan 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	Traditional Plan 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	Traditional Plan 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 3.00 percent.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

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

- * This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- ** Member contributions within the combined plan are not used to fund the defined benefit retirement allowance
- *** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4.00%.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The County's contractually required contribution for the Traditional Pension Plan, the Combined Plan, and Member-Directed Plan was \$1,597,545 for 2020.

Net Pension Liabilities/Assets

The net pension liability and net pension asset for the OPERS were measured as of December 31, 2019, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability or asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

Following is information related to the proportionate share:

	OPERS - Traditional	OPERS - Combined	OPERS - Member- Directed	Total
Proportion of the net pension liability/asset prior measurement date	0.09386800%	0.00000000%	0.00000000%	
Proportion of the net pension liability/asset current measurement date	<u>0.07528500%</u>	<u>0.07061500%</u>	<u>0.07039100%</u>	
Change in proportionate share	<u>-0.01858300%</u>	<u>0.07061500%</u>	<u>0.07039100%</u>	
Proportionate share of the net pension liability	\$ 14,880,591	\$ -	\$ -	\$ 14,880,591
Proportionate share of the net pension asset	-	(147,249)	(2,661)	(149,910)

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.

Wage inflation	3.25 percent
Future salary increases, including inflation COLA or ad hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees: 3.00 percent, simple Post 1/7/2013 retirees: 1.40 percent, simple through 2020, then 2.15 percent simple
Investment rate of return	
Current and prior measurement date	7.2 percent
Actuarial cost method	Individual entry age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3.00 percent simple through 2018 then 2.15 percent simple to 1.40 percent simple through 2020 the 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

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 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 17.20 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/asset was 7.20 percent, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2019 was 7.20 percent. 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/Asset to Changes in the Discount Rate – The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 7.20 percent, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (6.20 percent) or one-percentage-point higher (8.20 percent) than the current rate:

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	\$ 24,542,910	\$ 14,880,591	\$ 6,194,450
Combined Plan	(88,975)	(147,249)	(189,248)
Member-Directed Plan	(1,408)	(2,661)	(3,520)

NOTE 12 – DEFINED BENEFIT OPEB PLAN

Net OPEB Liability

See Note 11 for a description of the net OPEB liability.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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. 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' CAFR 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 14.00 percent of earnable salary and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care was 0.00 percent for the Traditional and Combined plans. 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 4.00 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$16,128 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 asset was based on the County's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share:

	OPERS
Proportion of the net OPEB liability prior measurement date	0.09381800%
Proportion of the net OPEB liability current measurement date	<u>0.07492100%</u>
Change in proportionate share	<u>-0.01889700%</u>
Proportionate share of the net OPEB liability	\$ 10,348,536

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:

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

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	
Current measurement date	6.00 percent
Prior Measurement date	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	10.00 percent initial, 3.50 percent ultimate in 2030
Prior Measurement date	7.50 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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.

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.

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 19.70 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

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	<u>100.00 %</u>	<u>4.55 %</u>

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 proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the 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	Current Discount Rate	1% Increase
County's proportionate share of the net OPEB liability	\$ 13,542,720	\$ 10,348,536	\$ 7,791,035

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 1.00 percent lower or 1.00 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.

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

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 actuary's 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.

	<u>1% Decrease</u>	<u>Current Health Care Trend Rate Assumption</u>	<u>1% Increase</u>
County's proportionate share of the net OPEB liability	\$ 10,043,160	\$ 10,348,536	\$ 10,650,020

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.

NOTE 13 – DEBT

The County's long-term debt activity for the year ended December 31, 2020, was as follows:

	<u>Interest Rate</u>	<u>Balance 12/31/19</u>	<u>Reductions</u>	<u>Balance 12/31/20</u>	<u>Amount Due in One Year</u>
<u>Governmental Activities</u>					
OWDA Loan #5802	1.50%	<u>\$ 305,936</u>	<u>\$ (11,833)</u>	<u>\$ 294,103</u>	<u>\$ 5,983</u>

In 2011, the County obtained an Ohio Water Development Association (OWDA) loan, in the amount of \$404,811, with a 1.5 percent interest rate, for manhole relining. The loan will be repaid in semiannual installments over 31 years from transfers from the General Fund.

This loan is considered a direct borrowing. Direct borrowings have terms negotiated directly between the County and the lender and are not offered for public sale. In the event of default, the OWDA may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the County to pay any fines, penalties, interest, or late charges associated with the default.

The following is a summary of the County's future annual debt service requirements:

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

Year Ended December 31,	OWDA Loan		
	Principal	Interest	Total
2021	\$ 5,983	\$ 2,206	\$ 8,189
2022	12,101	4,277	16,378
2023	12,284	4,094	16,378
2024	12,469	3,909	16,378
2025	12,657	3,721	16,378
2026 - 2030	66,202	15,688	81,890
2031 - 2035	71,335	10,555	81,890
2036 - 2040	76,869	5,021	81,890
2041 - 2042	24,203	370	24,573
Total	<u>\$ 294,103</u>	<u>\$ 49,841</u>	<u>\$ 343,944</u>

The Ohio Revised Code provides that net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 1 percent of the total assessed valuation of the County. The Revised Code further provides that total voted and unvoted net debt of the County less the same exempt debt shall never exceed a sum equal to 3 percent of the first \$100,000,000 of assessed valuation, plus 1.5 percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus 2.5 percent of such valuation in excess of \$300,000,000. The effects of the debt limitations at December 31, 2020, were an overall debt margin of \$22,329,017 and an unvoted debt margin of \$9,531,607.

Conduit Debt

In 2015, the County issued \$8,024,700 in Ohio Economic Development Bonds for the purpose of making a loan to assist the Bluffton University in financing a portion of the cost of acquiring, constructing, improving, installing, and equipping the facilities. The County is not obligated in any way to pay the debt charges on the bonds from any of its finds, and therefore, the debt has been excluded entirely from the County’s debt presentation. As of December 31, 2020, \$7,047,504, of these bonds was outstanding.

In 2016, the County issued \$3,031,400 in Ohio Economic Development Bonds for the purpose of making a loan to assist the Bluffton University in financing a portion of the cost of acquiring, constructing, improving, installing, and equipping the facilities. The County is not obligated in any way to pay the debt charges on the bonds from any of its finds, and therefore, the debt has been excluded entirely from the County’s debt presentation. As of December 31, 2020, \$1,569,622, of these bonds was outstanding.

In 2016, the County issued \$3,500,000 in Ohio Economic Development Bonds for the purpose of making a loan to assist the Leipsic Community Center in financing a portion of the cost of acquiring, constructing, improving, installing, and equipping the facilities. The County is not obligated in any way to pay the debt charges on the bonds from any of its finds, and therefore, the debt has been excluded entirely from the County’s debt presentation. As of December 31, 2020, \$1,400,848, of these bonds was outstanding.

NOTE 14 – LEASES

The County leases vehicles under noncancelable leases. The County disbursed \$6,708 to pay lease costs for the year ended December 31, 2020. Future lease payments are as follows:

Year	Amount
2021	\$ 4,152
2022	1,038
Total	<u>\$ 5,190</u>

PUTNAM COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

NOTE 15 – POSTCLOSURE COSTS

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The County’s landfill was closed in 2001.

The County is required by state and federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or containment of environmental hazards at the landfill. The County has passed the financial accountability test in which the County has proven to be able to self-fund these future costs.

NOTE 16 – INTERFUND TRANSFERS

During 2020 the following transfers were made:

<u>Transfers In</u>	<u>Transfers Out</u>			<u>Total</u>
	<u>General</u>	<u>Other Governmental</u>	<u>Other Enterprise</u>	
Capital Improvements Fund	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000
Other Governmental Funds	-	389,017	16,378	405,395
Total	\$ 1,600,000	\$ 389,017	\$ 16,378	\$ 2,005,395

Transfers are used to move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 17 – INTERFUND ADVANCES

During 2020 the following advances were made:

<u>Advances In</u>	<u>Advances Out</u>				<u>Total</u>
	<u>General</u>	<u>Other Governmental</u>	<u>Other Enterprise</u>	<u>Custodial</u>	
General Fund	\$ -	\$ 306,481	\$ 13,300	\$ 85,090	\$ 404,871
Other Governmental Fund	401,262	-	-	-	401,262
Other Enterprise Funds	77,807	-	-	-	77,807
Custodial Funds	49,090	-	-	-	49,090
Total	\$ 528,159	\$ 306,481	\$ 13,300	\$ 85,090	\$ 933,030

NOTE 18 – CONTINGENT LIABILITIES

The County is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the County’s financial condition.

Amounts grantor agencies pay to the County are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

NOTE 19 – JOINTLY GOVERNED ORGANIZATIONS

Multi-Area Narcotics (MAN)

Putnam County is a member of the Multi-Area Narcotics task force which is a jointly governed organization between Defiance, Williams, Fulton, Henry, Paulding, and Putnam Counties, the Village of Archbold, and the Cities of Defiance, Napoleon, and Bryan. The purpose of MAN is to act as a joint regional task force in the fight against narcotics. MAN is governed by a board consisting of the sheriffs and police chiefs of the respective counties and municipalities. The main source of revenue is from federal grants and local matching funds from the entities. In 2020, Putnam County made a \$25,000 contribution to the MAN's operations. Information can be obtained from the Defiance County Sheriff's Office, 113 Beide Street, Defiance, Ohio 43512.

Blanchard River Stream Enhancement Project

The Joint Board of County Commissioners for the Blanchard River Stream Enhancement Project is a jointly governed organization among six counties. The Joint Board consists of eighteen members, the three county commissioners of each of the six counties. The Joint Board was formed to approve construction on the Blanchard River. Revenues are generated by assessments and a state grant. The County did not contribute to the project during 2020. The Hancock County Auditor serves as fiscal agent for this project.

Blanchard River Watershed Partnership

The Blanchard River Watershed Partnership is a jointly governed organization among six counties. The Board, working committees and a watershed coordinator serve together as a facilitator and coordinator of improving water quality issues like sediment and phosphorus reduction, failed septic systems and storm water. The County contributed \$2,000 to the project during 2020. The Hancock County Auditor serves as fiscal agent for this project.

Ottawa River Stream Enhancement Project

The Joint Board of County Commissioners for the Ottawa River Stream Enhancement Project is a jointly governed organization among five counties. The Joint Board consists of fifteen members, the three county commissioners of each of the five counties. The Joint Board was formed to approve construction on the Ottawa River, Hog Creek, and Little Hog Creek. Revenues are generated by assessments and a state grant. The County did not contribute to the project during 2020. The Allen County Auditor serves as fiscal agent for this project.

Juvenile Residential Center of Northwest Ohio

The Juvenile Residential Center of Northwest Ohio is a jointly governed organization between Ohio, (Defiance, Fulton, Hancock, Henry, Paulding, Putnam, Ottawa, Van Wert, Williams and Wood Counties). The Center provides for juvenile rehabilitation and correction for juvenile offenders who would otherwise be eligible for commitment to the Ohio Department of Youth Services. The Center is controlled by a governing board consisting of the juvenile court judge from each of the participating counties. Each County's ability to influence the operations of the Center is limited to their representation on the governing board. Wood County serves as the fiscal agent.

NOTE 20 – PUBLIC ENTITY RISK POOLS

County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA) is a jointly governed organization among approximately seventy 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 coverages provided by CORSA.

PUTNAM COUNTY

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)**

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.

County Commissioners Association of Ohio Service Corporation

The County participates 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 an insurance 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 participants. The group executive committee consists of nine members. Two members are the president and treasurer of CCAOSC; the remaining seven members are representatives of the participants. These seven members are elected for the ensuing year by the participants at a meeting held in December of each year. No participant can have more than one member on the group executive committee in any year, and each elected member shall be a county commissioner.

County Employee Benefit Consortium of Ohio, Inc. (CEBCO)

The County is participating in an insurance group purchasing pool for employee benefit plan costs which was established under the authority granted by Section 9.833 of the Ohio Revised Code. The County Employee Benefit Consortium of Ohio, Inc. (CEBCO) was established to assist political subdivisions of the State of Ohio in controlling employee benefit plan costs.

CEBCO is responsible for obtaining and providing to members within 90 days after the last day of the fiscal year, a written report by a member of the American Academy of Actuaries concerning the benefit program.

This report shall certify whether the amounts reserved by CEBCO to cover potential cost of health care benefits for eligible officials, employees, and dependents are sufficient and are computed in accordance with accepted loss reserving standards. Each member political subdivision has a voting representative on the CEBCO Board.

NOTE 21 – 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 County's investment portfolio and the investments of the pension and other employee benefits plan in which the County participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the County's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

During 2020, the County received \$2,512,847, as on-behalf of grants from other governments. These amounts are recorded in the County Coronavirus Relief Expense and Supreme Court COVID Special Revenue Funds.

NOTE 22 – OTHER RECEIPTS

General Fund other receipts consisted primarily of Ohio Bureau of Workers Compensation refunds, and miscellaneous reimbursements as a result of activities and programs throughout the year.

PUTNAM COUNTY

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

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Job and Family Services</i>				
<u>Job and Family Services</u>				
Supplemental Nutrition Assistance Program Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2021-11-5984		\$ 75,326
Total U.S. Department of Agriculture				75,326
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Passed Through Ohio Development Services Agency</i>				
<u>County Commissioners</u>				
Home Investment Partnerships Program	14.239	B-C-17-1CL-2		83,998
Home Investment Partnerships Program	14.239	B-C-19-1CL-2		48,078
Total Home Investment Partnerships Program				132,076
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
Community Development Block Grants	14.228	B-F-19-1CL-1		132,935
Community Development Block Grants (CHIP)	14.228	B-C-17-1CL-1		70,988
Community Development Block Grants (CHIP)	14.228	B-C-19-1CL-1		106,738
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				310,661
Total U.S. Department of Housing and Urban Development				442,737
U.S. DEPARTMENT OF TREASURY				
<i>Passed Through Ohio Office of Budget and Management</i>				
<u>County Commissioners</u>				
Coronavirus Relief Fund	21.019	HB481-CRF-Local		2,430,393
<i>Passed Through Supreme Court of Ohio</i>				
<u>County Courts</u>				
Coronavirus Relief Fund	21.019	20-RTG-0100		39,915
Total U.S. Department of Treasury				2,470,308
U.S. DEPARTMENT OF LABOR				
<i>Passed Through Montgomery County Workforce Investment Act Area 7</i>				
<u>Job and Family Services</u>				
Workforce Innovation and Opportunity Act Cluster:				
WIOA Adult Program	17.258	2018-7169-1/2020/21-7169-1		37,508
WIOA Dislocated Worker Formula Grants	17.278	2018-7169-1/2020/21-7169-1		46,628
WIOA Youth Activities	17.259	2018-7169-1/2020/21-7169-1		2,770
Total Workforce Innovation and Opportunity Act Cluster				86,906
Employment Service Cluster:				
Employment Service/Wagner-Peyser Funded Activities	17.207	2018-7169-1/2020/21-7169-1		6,191
Trade Adjustment Assistance	17.245	2018-7169-1/2020/21-7169-1		1,099
Total U.S. Department of Labor				94,196
U.S. DEPARTMENT OF TRANSPORTATION				
<i>Passed Through Ohio Department of Transportation</i>				
<u>County Engineer</u>				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	PID #101974		100,000
Highway Planning and Construction	20.205	PID #109180		21,682
Total Highway Planning and Construction Cluster				121,682
Total U.S. Department of Transportation				121,682
U.S. DEPARTMENT OF ELECTION ASSISTANCE COMMISSION				
<i>Passed Through Ohio Secretary of State</i>				
<u>Board of Elections</u>				
2018 HAVA Election Security Grants	90.404	N/A		37,048
COVID-19 2018 HAVA Election Security Grants	90.404	N/A		28,760
Total U.S. Department of Election Assistance Commission				65,808

(continued)

PUTNAM COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(Continued)

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Ohio Department of Developmental Disabilities</i>				
<u>Developmental Disabilities Board</u>				
Social Services Block Grant	93.667	200IOHSOSR		17,628
Medicaid Cluster:				
Medical Assistance Program	93.778	2005OH5ADM/2105OH5ADM		143,656
Total Development Disabilities Board				161,284
<i>Passed Through Ohio Department of Job and Family Services</i>				
<u>Job and Family Services Department</u>				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2021-11-5984		35,904
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G-2021-11-5984		27,212
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2021-11-5984		1,988
Children's Health Insurance Program	93.767	G-2021-11-5984		9,774
Child Support Enforcement	93.563	G-2021-11-5984		220,934
Foster Care Title IV-E	93.658	G-2021-11-5984		160,500
Adoption Assistance	93.659	G-2021-11-5984		25,393
Social Services Block Grant	93.667	G-2021-11-5984		304,449
Medicaid Cluster:				
Medical Assistance Program	93.778	G-2021-11-5984		261,021
Temporary Assistance for Needy Families	93.558	G-2021-11-5984		354,674
Child Care and Development Funds Cluster:				
Child Care and Development Block Grant	93.575	G-2021-11-5984		16,083
Total Job and Family Services Department				1,417,932
<i>Passed Through Ohio Department of Mental Health and Addiction Services</i>				
<u>Alcohol, Drug Addiction and Mental Health Services Board</u>				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	FY20 / FY21	\$ 110,669	110,669
Opioid STR	93.788	FY20 / FY21		28,245
Block Grants for Community Mental Health Services	93.958	FY20 / FY21	19,091	19,091
Social Services Block Grant	93.667	FY20 / FY21	16,929	16,929
Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	FY20 / FY21		33,750
Total Alcohol, Drug Addiction and Mental Health Services Board			146,689	208,684
Total Social Services Block Grant - CFDA #93.667			16,929	339,006
Total Medicaid Cluster - CFDA #93.778				404,677
Total U.S. Department of Health and Human Services			146,689	1,787,900
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Passed Through Ohio Department of Emergency Management</i>				
<u>Emergency Management Agency</u>				
Emergency Management Performance Grants	97.042	EMC-2019-EP-00005-S01		17,078
Emergency Management Performance Grants	97.042	EMC-2020-EP-00004-S01		13,983
Total Emergency Management Performance Grants				31,061
Hazard Mitigation Grant	97.039	DR-4360.05P-OH		9,375
Total U.S. Department of Homeland Security				40,436
Total Expenditures of Federal Awards			\$ 146,689	\$ 5,098,393

The accompanying notes are an integral part of this schedule.

PUTNAM COUNTY

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Putnam County, Ohio (the County) 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 or changes in net position of the County.

NOTE B – 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 Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – SUBRECIPIENTS

The County passes certain federal awards received from the Ohio Department of Mental Health and Addiction Services to other governments or not-for-profit agencies (subrecipients). As Note B 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 E – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS with REVOLVING LOAN CASH BALANCE

The current cash balance on the County's CDBG local program income account as of December 31, 2020 is \$56,062.

The current cash balance on the County's HOME local program income account as of December 31, 2020 is \$33,014.

NOTE F – MATCHING REQUIREMENTS

Certain Federal programs require the County to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

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OHIO AUDITOR OF STATE KEITH FABER



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

Putnam County
245 East Main Street
Ottawa, Ohio 45875-1968

To the Board of County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash-basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Putnam 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 September 9, 2021, wherein we noted the County uses a special purpose framework other than generally accepted accounting principles. We also noted the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. In addition, we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the County.

Internal Control over Financial Reporting

As part of our financial statement audit, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the County's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the County's financial statements. A *significant deficiency* is a deficiency, or a 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2020-002 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statement. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2020-001.

County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and corrective action plan. We did not subject the County's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

September 9, 2021

OHIO AUDITOR OF STATE KEITH FABER



One Government Center, Suite 1420
Toledo, Ohio 43604-2246
(419) 245-2811 or (800) 443-9276
NorthwestRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Putnam County
245 East Main Street
Ottawa, Ohio 45875-1968

To the Board of County Commissioners:

Report on Compliance for the Major Federal Program

We have audited Putnam County, Ohio's (the County) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Putnam County's major federal program for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the County's major federal program.

Management's Responsibility

The County's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the County's compliance for the County's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the County's major program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on the Major Federal Program

In our opinion, Putnam County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2020.

Report on Internal Control over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the County's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined 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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily 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.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

September 9, 2021

PUTNAM COUNTY
SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Coronavirus Relief Fund – CFDA #21.019
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

FINDING NUMBER 2020-001

Noncompliance Citation

Ohio Rev. Code § 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 Admin. Code 117-2-03(B), which further clarifies the requirements of Ohio Rev. Code § 117.38, requires the County to file annual financial reports which are prepared using generally accepted accounting principles (GAAP).

The County prepared financial statements that, although formatted similar to financial statements prescribed by the Governmental Accounting Standards Board, report on the cash basis of accounting rather than GAAP. The accompanying financial statements and notes omit certain assets, liabilities, deferred inflows/outflows of resources, fund equities/net position, and disclosures that, while presumed material, cannot be determined at this time.

Pursuant to Ohio Rev. Code § 117.38 the County may be fined and subject to various other administrative remedies for its failure to file the required financial report. Failure to report on a GAAP basis compromises the County's ability to evaluate and monitor the overall financial condition of the County. To help provide the users with more meaningful financial statements, the County should prepare its annual financial statements according to generally accepted accounting principles.

Officials' Response:

See Corrective Action Plan

FINDING NUMBER 2020-002

Material Weakness – Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were identified in the accompanying financial statements:

- Other revenue in the amount of \$576,889 was incorrectly classified as other financing sources in the General Fund on the Statement of Receipts, Disbursements and Changes in Fund Balances – Cash Basis and the Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – General Fund.
- Intergovernmental revenue in the amount of \$440,916 was incorrectly classified as charges for services in the Auto License and Gas Tax Fund on the Statement of Receipts, Disbursements and Changes in Fund Balances – Cash Basis and the Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budget Basis – Auto License and Gas Tax Fund.

These errors were the result of inadequate policies and procedures in reviewing the financial statements. Failure to complete accurate financial statements could lead to the Board of Commissioners making misinformed decisions. The accompanying financial statements and notes to the financial statements have been adjusted to correct these errors. In addition to the adjustments noted above, we also identified additional misstatements ranging from \$3,435 to \$440,916, which we have brought to the County's attention.

To help ensure the County's financial statements and notes to the financial statements are complete and accurate, the County should adopt policies and procedures, including a final review of the financial statements and notes to the financial statements by the County Auditor and the audit committee, to help identify and correct errors and omissions.

Officials' Response:

See Corrective Action Plan

COMMISSIONERS:
 John C. Schlumbohm
 Michael A. Lammers
 Vincent T. Schroeder

**BOARD OF COMMISSIONERS
 OF PUTNAM COUNTY**
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CLERK:
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GRANTS/WAGE COORDINATOR:
 Ashley M. Siefker
RECYCLING COORDINATOR:
 Alaina L. Siefker

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 2 CFR 200.511(b)
 DECEMBER 31, 2020**

Finding Number	Finding Summary	Status	Additional Information
2019-001	This finding was first reported in 2001. Ohio Rev. Code § 117.38 and Ohio Admin. Code § 117-2-03(B) for reporting on a basis other than generally accepted accounting principles.	Not corrected and reissued as Finding 2020-001 in this report.	In 2002, the Putnam County Auditor advised the Putnam County Board of Commissioners the Auditor's Office would be following the cash basis of accounting when preparing its financial reports. The Putnam County Auditor determined the costs of preparing the county financial reports in accordance with generally accepted accounting principles outweighed the benefits derived from these reports. The Putnam County Auditor annually reviews the decision to prepare financial reports following the cash basis of accounting.
2019-002	This finding was first reported in 2006. Material weakness for lack of monitoring of financial transactions resulting in errors in the financial statements.	Not corrected and reissued as Finding 2020-002 in this report.	The County contracts with an accounting firm to prepare its financial statements. The individual departments responsible for these transactions have been made aware and will work to properly classify them in the future. The County Auditor will continue to monitor the County's financial statements and consult with the accounting firm on possible corrections.

**BOARD OF COMMISSIONERS
OF PUTNAM COUNTY**

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COMMISSIONERS:
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Vincent T. Schroeder

CLERK:
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GRANTS/WAGE COORDINATOR:
Ashley M. Siefker
RECYCLING COORDINATOR:
Alaina L. Siefker

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
DECEMBER 31, 2020**

Finding Number:	2020-001
Planned Corrective Action:	In 2002, the Putnam County Auditor advised the Putnam County Board of Commissioners the Auditor's Office would be following the cash basis of accounting when preparing its financial reports. The Putnam County Auditor determined the costs of preparing the county financial reports in accordance with generally accepted accounting principles outweighed the benefits derived from these reports. Specifically, in order to comply with generally accepted accounting principles, the Putnam County Auditor would be required to hire a consulting firm to assist with the conversion and would also be required to hire an appraisal firm to assist in determining the value of all assets including infrastructure. The Putnam County Auditor annually reviews the decision to prepare financial reports following the cash basis of accounting.
Anticipated Completion Date:	N/A
Responsible Contact Person:	Robert Benroth, County Auditor
Finding Number:	2020-002
Planned Corrective Action:	The County contracts with an accounting firm for preparation of its financial statements and notes to the financial statements. The County Auditor will continue to monitor the County's financial statements and consult with the accounting firm on possible corrections as necessary.
Anticipated Completion Date:	December 31, 2021
Responsible Contact Person:	Robert Benroth, County Auditor

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OHIO AUDITOR OF STATE KEITH FABER



PUTNAM 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 9/28/2021

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