OHIO AUDITOR OF STATE
KEITH FABER

CLINTON COUNTY
DECEMBER 31, 2020

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Clinton County
46 S. South St.
Wilmington, Ohio 45177

To the County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Clinton 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 accounting principles generally accepted in the United States of America; this includes 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 financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, County Board of Developmental Disabilities, Motor Vehicle and Gas Tax, JFS Children Services, and Senior Services funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the financial statements, during 2020, the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

As discussed in Note 18 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 this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the County's basic 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 information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 1, 2022, 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
March 1, 2022

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The discussion and analysis of Clinton County (the County) financial performance provides an overall review of the County's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the County's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2020 are as follows:

- In total, net position increased $4,104,032, which represents a 6 percent increase from 2019. Net position of governmental activities increased $4,250,089. Net position of business-type activities decreased $146,057.

- Total capital assets decreased $896,577 during 2020. Capital assets of governmental activities decreased $685,308 and capital assets of business-type activities decreased $211,269.

- Outstanding debt decreased from $5,560,040 to $4,767,533 during 2020.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the County as of a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the County's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2020 and how they affected the operations of the County as a whole.

Reporting the County as a Whole

Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the County's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Clinton County, the general fund, county board of developmental disabilities fund, the motor vehicle and gas tax fund, the senior services fund and the JFS children services fund are by far the most significant funds. Business-type activities consist of the Martinsville – Midland sewer fund.

A question typically asked about the County's finances is "How did we do financially during 2020?" The Statement of Net Position and the Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources* and *liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the County's *net position* and *changes in net position*. This change in net position is important because it tells the reader that, for the County as a whole, the *financial position* of the County has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, and other factors.

In the Statement of Net Position and the Statement of Activities, the County is divided into two distinct kinds of activities:

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

- Business-Type Activities - The County charges a fee to customers to help cover all or most of the cost of certain services it provides. The County's sewer operations are reported here.

Reporting the County's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The County uses many funds to account for financial transactions. However, these fund financial statements focus on the County's most significant funds. The County's major governmental funds are the general fund, county board of developmental disabilities fund, the motor vehicle and gas tax fund, the senior services fund and the JFS children services fund.

Governmental Funds Most of the County's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance future services. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

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

The County as a Whole

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

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	2020	Restated 2019	Change	2020	2019	Change
Assets						
Current & Other Assets	$ 73,327,129	$ 68,404,403	4,922,726	$ 816,191	$ 864,563	$ (48,372)
Internal Balance	2,481,336	2,581,336	(100,000)	(2,481,336)	(2,581,336)	100,000
Net Pension/OPEB Asset	12,903	12,223	680	-	-	-
Capital Assets	42,014,014	42,699,322	(685,308)	6,168,511	6,379,780	(211,269)
Total Assets	117,835,382	113,697,284	4,138,098	4,503,366	4,663,007	(159,641)
Deferred Outflows of Resources						
Pension & OPEB	5,111,388	9,036,845	(3,925,457)	5,090	8,864	(3,774)
Total Deferred Outflows of Resources	5,111,388	9,036,845	(3,925,457)	5,090	8,864	(3,774)
Liabilities						
Current & Other Liabilities	1,861,810	2,436,945	(575,135)	7,727	15,593	(7,866)
Long-Term Liabilities:						
Due Within One Year	1,369,675	1,313,354	56,321	-	-	-
Due In More Than One Year:						
Net Pension Liability	19,324,262	26,985,954	(7,661,692)	19,166	26,850	(7,684)
Net OPEB Liability	12,940,363	12,380,015	560,348	12,953	12,392	561
Other Amounts	5,130,881	5,855,213	(724,332)	-	-	-
Total Liabilities	40,626,991	48,971,481	(8,344,490)	39,846	54,835	(14,989)
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	7,343,212	8,666,553	(1,323,341)	-	-	-
Pension & OPEB	6,269,192	638,809	5,630,383	6,527	8,896	(2,369)
Total Deferred Inflows of Resources	13,612,404	9,305,362	4,307,042	6,527	8,896	(2,369)
Net Investment in Capital Assets	38,092,746	38,378,692	(285,946)	6,168,511	6,379,780	(211,269)
Restricted	23,756,201	22,109,772	1,646,429	-	-	-
Unrestricted	6,858,428	3,968,822	2,889,606	(1,706,428)	(1,771,640)	65,212
Total Net Position	$ 68,707,375	$ 64,457,286	$ 4,250,089	$ 4,462,083	$ 4,608,140	$ (146,057)

Collectively, the net pension liability (NPL), pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27* and the net OPEB liability (NOL), pursuant to GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* are the largest liabilities reported by the County at December 31, 2020. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's ***net pension liability*** or ***net OBEP liability***. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the County's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2 Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer.* State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the County's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

At year end, capital assets represented 39 percent of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment, software, vehicles and infrastructure. Capital assets, net of related debt were $44,261,257 at December 31, 2020, with $38,092,746 in governmental activities and $6,168,511 in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the County's net position, $23,756,201 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position of $5,152,000 may be used to meet the government's ongoing obligations to citizens and creditors.

The decrease in current and other liabilities is mainly due to a decrease in contracts payable. The decrease in contracts payable as of December 31, 2020 was due to the timing of payments and work performed on construction projects compared to the prior year.

There was a significant change in net pension/OPEB liability/asset for the County. These fluctuations are due to changes in the actuarial liabilities/assets and related accruals that are passed through to the County's financial statements All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and NPL/NOL/NOA and are described in more detail in their respective notes.

In accordance with GASB 68 and GASB 75, the County's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2020 and 2019.

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2020	2019	Change	2020	2019	Change
Revenues						
Program Revenues						
Charges for Services	$ 5,941,412	$ 5,900,987	$ 40,425	$ 219,938	$ 263,912	$ (43,974)
Operating Grants	16,060,101	13,108,883	2,951,218	-	-	-
Capital Grants	1,023,845	1,808,520	(784,675)	-	-	-
Total Program Revenues	23,025,358	20,818,390	2,206,968	219,938	263,912	(43,974)
General Revenues						
Property Taxes	9,073,344	8,923,489	149,855	-	-	-
Grants and Entitlements not Restricted to Specific Programs	1,641,567	1,616,537	25,030	-	-	-
Sales and Other Taxes	11,189,644	8,552,738	2,636,906	-	-	-
Miscellaneous	1,728,995	1,838,969	(109,974)	7,755	4,102	3,653
Total General Revenues	23,634,344	20,931,733	2,702,611	7,755	4,102	3,653
Total Revenues	46,659,702	41,750,123	4,909,579	227,693	268,014	(40,321)
Program Expenses						
General Government						
Legislative and Executive	8,705,625	8,391,224	314,401	-	-	-
Judicial Systems	4,133,488	4,640,119	(506,631)	-	-	-
Public Safety	7,791,646	8,476,091	(684,445)	-	-	-
Public Works	6,384,409	7,654,912	(1,270,503)	-	-	-
Health	4,249,412	4,434,703	(185,291)	-	-	-
Human Services	10,807,124	10,033,261	773,863	-	-	-
Community and Economic Development	375,416	1,209,428	(834,012)	-	-	-
Interest and Fiscal Charges	(37,507)	333,094	(370,601)	-	-	-
Enterprise Operations:						
Sewer	-	-	-	373,750	350,946	22,804
Total Program Expenses	42,409,613	45,172,832	(2,763,219)	373,750	350,946	22,804
Increase (Decrease) in Net Position	4,250,089	(3,422,709)	7,672,798	(146,057)	(82,932)	(63,125)
Special Item	-	(10,000,000)	10,000,000	-	-	-
Change in Net Position	4,250,089	(13,422,709)	17,672,798	(146,057)	(82,932)	(63,125)
Net Position Beginning of Year	-	77,858,464	(77,858,464)	4,608,140	4,691,072	(82,932)
Restated Net Position - See Note 2U	64,457,286	-	64,457,286	-	-	-
Net Position End of Year	$ 68,707,375	$ 64,435,755	$ 4,271,620	$ 4,462,083	$ 4,608,140	$ (146,057)

2019 was not adjusted from the restatement. Any differences have been determined to be insignificant for analysis purposes.

Governmental Activities

Capital grants decreased from 2019 to 2020 due to a decrease of Ohio Department of Transportation grants in 2020. Operating grants increased in 2020 due to coronavirus relief funding related to the COVID -19 pandemic.

Sales taxes increased in 2020 due to equipment being sold by one of the County's highest paying vendors.

Interest and fiscal charges were higher in 2019 compared to 2020 due to a debt refunding in 2019.

Overall most expense categories were impacted by the accruals related to net pension and OPEB accruals, as previously discussed.

Business-Type Activities

Business-type activities consist of sewer operations. In 2020, charges for services accounted for 97 percent of the business-type revenues.

The County's Funds

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County Commissioners.

The general fund's net change in fund balance for 2020 was an increase of $7,792,764. This increase is mainly due to a reduction of expenditures due to expenses being paid with coronavirus relief fund funding.

The fund balance of the County board of developmental disabilities fund increased by $818,101 due to the timing of revenues versus the expenditures.

The motor vehicle and gas tax fund's net change in fund balance for 2020 was an increase of $594,745 due to the timing of revenues versus road project expenditures each year coupled with an increase in the State's gasoline tax rate.

The JFS children service fund's net change in fund balance was an increase of $692,818. This increase is due to additional grant revenues in 2020.

The senior services fund's net change in fund balance was a decrease of $430,090. This decrease is due to expenditures out pacing revenues.

Proprietary Funds

The County's proprietary fund provides the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Unrestricted net position of the sewer fund was a deficit of $1,706,428. The total decrease in net position for the sewer fund was $146,057.

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 Board of Commissioners adopts a permanent annual operating budget for the County on or about January 1. The most significant budgeted fund is the general fund.

Original Budget Compared to Final Budget The most significant variances between final budget revenues and original budget revenues is the underestimation of sale tax and other revenues. The most significant increase in final budget appropriations compared to original budget appropriations is an under estimation of legislative and executive.

Final Budget Compared to Actual Results There were no significant variances to discuss between final budget amounts and actual revenue amounts. A review of actual expenditures compared to the appropriations in the final budget revealed a significant variance in public safety as the County utilized funds from the Coronavirus Relief fund for expenditures.

There were no significant variances to discuss within other financing sources and uses.

Capital Assets and Debt Administration

Capital Assets

Table 3 shows 2020 balances compared with 2019.

Table 3
Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	$ 2,250,712	$ 2,246,379	$ 396,710	$ 396,710	$ 2,647,422	$ 2,643,089
Infrastructure	19,234,969	19,718,496	5,752,255	5,961,428	24,987,224	25,679,924
Land Improvements	1,375,201	1,321,292	-	-	1,375,201	1,321,292
Buildings and Improvements	15,872,758	16,249,906	-	-	15,872,758	16,249,906
Equipment	2,346,495	2,399,494	19,546	21,642	2,366,041	2,421,136
Software	119,061	109,714	-	-	119,061	109,714
Vehicles	680,069	654,041	-	-	680,069	654,041
Construction in Progress	134,749	-	-	-	134,749	-
Total	$ 42,014,014	$ 42,699,322	$ 6,168,511	$ 6,379,780	$ 48,182,525	$ 49,079,102

See Note 9 for additional information about the capital assets of the County.

Debt

See Notes 11 for additional details. Table 4 summarizes outstanding debt.

Table 4
Outstanding Debt, at December 31

	Governmental Activities	
	2020	2019
General Obligation Bonds	$ 3,212,533	$ 3,810,040
Direct Placement	1,555,000	1,750,000
Total	$ 4,767,533	$ 5,560,040

Contacting the County's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Honorable Terence Habermehl, Clinton County Auditor, at 46 S. South Street, Wilmington, Ohio 45177-2296.

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Clinton County, Ohio
Statement of Net Position
December 31, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Port Authority	Land Reutilization Corporation
Assets					
Equity in Pooled Cash and Investments	$ 53,300,345	$ 500,249	$ 53,800,594	$ 6,781,809	$ 169,118
Cash and Cash Equivalents with Fiscal Agents	2,501,543	-	2,501,543	-	-
Notes Receivable	484,999	-	484,999	-	-
Accounts Receivable	441,809	314,911	756,720	813,526	-
Intergovernmental Receivable	4,852,148	-	4,852,148	42,219	13,290
Property and Other Local Taxes Receivable	7,848,912	-	7,848,912	-	-
Sales Taxes Receivable	2,971,139	-	2,971,139	-	-
Special Assessments Receivable	110,882	-	110,882	-	-
Loans Receivable	-	-	-	27,319	-
Internal Balances	2,481,336	(2,481,336)	-	-	-
Prepaid Items	215,535	1,031	216,566	79,815	1,090
Materials and Supplies Inventory	599,817	-	599,817	-	-
Assets Held for Resale	-	-	-	-	487,799
Net OPEB Asset	12,903	-	12,903	-	-
Non-Depreciable Capital Assets	2,385,461	396,710	2,782,171	15,586,699	-
Depreciable Capital Assets, Net	39,628,553	5,771,801	45,400,354	970,706,307	-
Total Assets	117,835,382	4,503,366	122,338,748	994,037,694	671,297
Deferred Outflows of Resources					
Pension	3,056,007	3,039	3,059,046	36,322	-
OPEB	2,055,381	2,051	2,057,432	31,947	-
Total Deferred Outflows of Resources	5,111,388	5,090	5,116,478	68,269	-
Liabilities					
Accounts Payable	920,367	7,138	927,505	462,992	21,940
Accrued Wages	496,362	589	496,951	-	-
Contracts Payable	12,289	-	12,289	-	-
Payroll Withholdings Payable	316,700	-	316,700	-	-
Intergovernmental Payable	73,213	-	73,213	-	-
Accrued Interest Payable	-	-	-	23,055	-
Matured Compensated Absences Payable	42,879	-	42,879	-	-
Property Taxes Payable	-	-	-	997,369	-
Deposits Held and Due to Other	-	-	-	98,953	-
Unearned Revenue	-	-	-	595,988	-
Long-Term Liabilities:					
Due Within One Year	1,369,675	-	1,369,675	583,722	-
Due In More Than One Year:					
Net Pension Liability	19,324,262	19,166	19,343,428	219,201	-
Net OPEB Liability	12,940,363	12,953	12,953,316	201,664	-
Other Amounts Due in More Than One Year	5,130,881	-	5,130,881	10,436,613	-
Total Liabilities	40,626,991	39,846	40,666,837	13,619,557	21,940
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	7,343,212	-	7,343,212	-	-
Pension	4,265,816	4,255	4,270,071	75,217	-
OPEB	2,003,376	2,272	2,005,648	45,169	-
Total Deferred Inflows of Resources	13,612,404	6,527	13,618,931	120,386	-
Net Position					
Net Investment in Capital Assets	38,092,746	6,168,511	44,261,257	975,254,562	-
Restricted for:					
Capital Projects	142,593	-	142,593	-	-
Public Service Programs	652,544	-	652,544	-	-
Transportation Projects	7,176,608	-	7,176,608	-	-
Health Programs	9,536,571	-	9,536,571	-	-
General Government	1,507,971	-	1,507,971	-	-
Economic Development	653,094	-	653,094	-	-
Security Programs	4,053,205	-	4,053,205	-	-
Other Purposes	33,615	-	33,615	97,527	-
Unrestricted	6,858,428	(1,706,428)	5,152,000	5,013,931	649,357
Total Net Position	$ 68,707,375	$ 4,462,083	$ 73,169,458	$ 980,366,020	$ 649,357

Clinton County, Ohio
Statement of Activities
For the Year Ended December 31, 2020

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
					Primary Government			Component Units	
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Port Authority	Land Reutilization Corporation
Governmental Activities									
General Government									
Legislative and Executive	$ 8,705,625	$ 2,547,560	$ 846,342	$ -	$ (5,311,723)	$ -	$ (5,311,723)	$ -	$ -
Judicial Systems	4,133,488	261,751	570,698	-	(3,301,039)	-	(3,301,039)	-	-
Public Safety	7,791,646	1,435,146	1,852,953	-	(4,503,547)	-	(4,503,547)	-	-
Public Works	6,384,409	695,456	6,156,361	1,023,845	1,491,253	-	1,491,253	-	-
Health	4,249,412	583,644	647,129	-	(3,018,639)	-	(3,018,639)	-	-
Human Services	10,807,124	417,855	5,924,119	-	(4,465,150)	-	(4,465,150)	-	-
Community and Economic Development	375,416	-	62,499	-	(312,917)	-	(312,917)	-	-
Interest and Fiscal Charges	(37,507)	-	-	-	37,507	-	37,507	-	-
Total Governmental Activities	42,409,613	5,941,412	16,060,101	1,023,845	(19,384,255)	-	(19,384,255)	-	-
Business-Type Activities									
Sewer	373,750	219,938	-	-	-	(153,812)	(153,812)	-	-
Total Primary Government	$ 42,783,363	$ 6,161,350	$ 16,060,101	$ 1,023,845	(19,384,255)	(153,812)	(19,538,067)	0	0
Component Units									
Port Authority	35,813,986	13,147,327	551,184	-	-	-	-	(22,115,475)	-
Land Reutilization Corporation	116,452	-	88,290	-	-	-	-	-	(28,162)
Total Component Units	$ 35,930,438	$ 13,147,327	$ 639,474	$ -	0	0	0	(22,115,475)	(28,162)
General Revenues									
Property Taxes Levied for:									
General Fund					2,767,087	-	2,767,087	-	-
Health - County Board of DD					2,964,131	-	2,964,131	-	-
Human Services - Childrens Services					2,185,989	-	2,185,989	-	-
Human Services - Senior Services					1,156,137	-	1,156,137	-	-
Grants and Entitlements not Restricted to Specific Programs					1,641,567	-	1,641,567	-	31,033
Sales and Other Taxes					11,189,644	-	11,189,644	-	-
Payments in Lieu of Taxes					794	-	794	-	-
Investment Earnings					657,359	-	657,359	8,245	-
Miscellaneous					1,071,636	7,755	1,079,391	3,614	578
Total General Revenues					23,634,344	7,755	23,642,099	11,859	31,611
Total General Revenues and Special Item					23,634,344	7,755	23,642,099	11,859	31,611
Change in Net Position					4,250,089	(146,057)	4,104,032	(22,103,616)	3,449
Net Position Beginning of Year, (Restated, See Note 2U)					64,457,286	4,608,140	69,065,426	1,002,469,636	645,908
Net Position End of Year					$ 68,707,375	$ 4,462,083	$ 73,169,458	$ 980,366,020	$ 649,357

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Balance Sheet
Governmental Funds
December 31, 2020

	General	County Board of DD	Motor Vehicle & Gas Tax	JFS Children Service	Senior Services	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	$ 24,199,762	$ 6,718,724	$ 3,568,946	$ 2,115,270	$ 786,968	$ 15,910,675	$ 53,300,345
Cash and Cash Equivalents with Fiscal Agents	-	2,501,543	-	-	-	-	2,501,543
Accounts Receivable	109,197	235,377	6,334	18,717	-	72,184	441,809
Intergovernmental Receivable	784,502	129,956	2,278,722	429,424	63,467	1,166,077	4,852,148
Property and Other Local Taxes Receivable	2,457,705	1,792,061	5,318	2,389,364	1,204,464	-	7,848,912
Sales Taxes Receivable	2,971,139	-	-	-	-	-	2,971,139
Special Assessments Receivable	-	-	-	-	-	110,882	110,882
Notes Receivable	484,999	-	-	-	-	-	484,999
Interfund Receivable	75,496	-	-	-	-	-	75,496
Prepaid Items	115,840	35,271	2,262	3,520	-	58,642	215,535
Materials and Supplies Inventory	-	-	599,817	-	-	-	599,817
Advances to Other Funds	2,481,336	-	-	-	-	-	2,481,336
Total Assets	$ 33,679,976	$ 11,412,932	$ 6,461,399	$ 4,956,295	$ 2,054,899	$ 17,318,460	$ 75,883,961
Liabilities							
Accounts Payable	$ 212,032	$ 49,210	$ 45,575	$ 185,273	$ 288,865	$ 139,412	$ 920,367
Accrued Wages	256,816	73,874	54,954	1,150	-	109,568	496,362
Contracts Payable	-	-	12,289	-	-	-	12,289
Payroll Withholdings Payable	316,700	-	-	-	-	-	316,700
Intergovernmental Payable	42,026	7,244	8,455	-	-	15,488	73,213
Interfund Payable	-	-	-	-	-	75,496	75,496
Matured Compensated Absences Payable	3,746	-	37,005	-	-	2,128	42,879
Total Liabilities	831,320	130,328	158,278	186,423	288,865	342,092	1,937,306
Deferred Inflows of Resources							
Property Taxes Levied for the Next Year	2,259,450	1,694,587	-	2,259,450	1,129,725	-	7,343,212
Unavailable Revenue	1,979,425	348,710	1,493,771	462,361	138,206	787,204	5,209,677
Total Deferred Inflows of Resources	4,238,875	2,043,297	1,493,771	2,721,811	1,267,931	787,204	12,552,889
Fund Balances							
Nonspendable	3,299,640	35,271	602,079	3,520	-	58,642	3,999,152
Restricted	-	9,204,036	4,207,271	2,044,541	498,103	4,590,233	20,544,184
Committed	591,363	-	-	-	-	6,196,276	6,787,639
Assigned	3,126,306	-	-	-	-	5,347,192	8,473,498
Unassigned	21,592,472	-	-	-	-	(3,179)	21,589,293
Total Fund Balance	28,609,781	9,239,307	4,809,350	2,048,061	498,103	16,189,164	61,393,766
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 33,679,976	$ 11,412,932	$ 6,461,399	$ 4,956,295	$ 2,054,899	$ 17,318,460	$ 75,883,961

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2020

Total Governmental Fund Balances		$ 61,393,766
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		42,014,014
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	$ 500,382	
Sales Taxes	1,227,333	
Intergovernmental	3,177,868	
Charges for Services	193,212	
Special Assessments	110,882	5,209,677
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset	12,903	
Deferred Outflows - Pension	3,056,007	
Deferred Outflows - OPEB	2,055,381	
Net Pension Liability	(19,324,262)	
Net OPEB Liability	(12,940,363)	
Deferred Inflows - Pension	(4,265,816)	
Deferred Inflows - OPEB	(2,003,376)	(33,409,526)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(3,050,000)	
Refunding Bond	(1,555,000)	
Unamortized Bond Premium	(162,533)	
Compensated Absences	(1,733,023)	(6,500,556)
Net Position of Governmental Activities		$ 68,707,375

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2020

	General	County Board of DD	Motor Vehicle & Gas Tax	JFS Children Service	Senior Services	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Property and Other Local Taxes	$ 2,741,982	$ 3,050,750	$ -	$ 2,178,785	$ 1,151,851	$ -	$ 9,123,368
Sales Taxes	10,995,511	-	-	-	-	-	10,995,511
Other Local Taxes	-	-	74,679	-	-	-	74,679
Payments in Lieu of Taxes	-	-	794	-	-	-	794
Special Assessments	-	-	-	-	-	114,541	114,541
Charges for Services	1,568,382	201,894	287,057	58,698	-	1,574,153	3,690,184
Licenses and Permits	1,332,300	215,787	-	-	-	61,999	1,610,086
Fines and Forfeitures	85,516	-	60,870	-	-	89,632	236,018
Intergovernmental	1,537,328	727,445	4,924,182	2,552,736	129,578	9,281,387	19,152,656
Investment Income	657,359	-	55,654	-	-	10,070	723,083
Rent	369,969	31,200	-	-	-	-	401,169
Contributions and Donations	30,887	-	-	-	-	26,994	57,881
Miscellaneous	640,486	208,246	11,393	-	-	101,769	961,894
Total Revenues	19,959,720	4,435,322	5,414,629	4,790,219	1,281,429	11,260,545	47,141,864
Expenditures							
Current:							
General Government							
Legislative and Executive	5,814,797	-	-	-	-	1,775,650	7,590,447
Judicial Systems	3,012,901	-	-	-	-	745,452	3,758,353
Public Safety	4,554,318	-	-	-	-	1,947,436	6,501,754
Public Works	-	-	3,961,299	-	-	380,153	4,341,452
Health	8,686	3,581,860	-	-	-	188,797	3,779,343
Human Services	308,993	-	-	4,102,071	1,711,519	4,097,681	10,220,264
Community and Economic Development	-	-	-	-	-	375,416	375,416
Capital Outlay	264,816	-	858,585	-	-	1,593,724	2,717,125
Debt Service:							
Principal Retirement	-	-	-	-	-	755,000	755,000
Interest and Fiscal Charges	-	-	-	-	-	154,675	154,675
Total Expenditures	13,964,511	3,581,860	4,819,884	4,102,071	1,711,519	12,013,984	40,193,829
Excess of Revenues Over (Under) Expenditures	5,995,209	853,462	594,745	688,148	(430,090)	(753,439)	6,948,035
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	96,015	4,639	-	-	-	-	100,654
Proceeds From the Sale of Hospital	1,700,000	-	-	-	-	-	1,700,000
Other Financing Sources	-	-	-	-	-	1,704,000	1,704,000
Other Financing Uses	-	-	-	-	-	(1,704,000)	(1,704,000)
Transfers In	1,540	-	-	4,670	-	70,587	76,797
Transfers Out	-	(40,000)	-	-	-	(36,797)	(76,797)
Total Other Financing Sources (Uses)	1,797,555	(35,361)	-	4,670	-	33,790	1,800,654
Net Change in Fund Balances	7,792,764	818,101	594,745	692,818	(430,090)	(719,649)	8,748,689
Fund Balances Beginning of Year, (Restated, See Note 2U)	20,817,017	8,421,206	4,214,605	1,355,243	928,193	16,908,813	52,645,077
Fund Balances End of Year	$ 28,609,781	$ 9,239,307	$ 4,809,350	$ 2,048,061	$ 498,103	$ 16,189,164	$ 61,393,766

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020

Net Change in Fund Balances - Total Governmental Funds			$	8,748,689
Amounts reported for governmental activities in the statement of activities are different because:				
Governmental funds report capital outlays as expenditures. However, in the statement of activites, the cost of those assets is allocated over their estimated useful lives as depreciation expense.				
Capital Asset Additions	$	2,480,794		
Current Year Depreciation		(2,894,752)		(413,958)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.				(271,350)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.				
Property Taxes		(50,024)		
Sales Taxes		119,454		
Intergovernmental		(665,797)		
Charges for Services		113,697		
Sale of Hospital		(1,700,000)		
Special Assessments		508		(2,182,162)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.				
General Obligation Bonds		560,000		
Refunding Bond		195,000		755,000
Amortization of bond premium on bonds are not reported in the fund but are allocated as an expense over the life of the debt in the statement of activites.				37,507
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.				
Accrued Interest Payable				154,675
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.				
Pension				2,014,781
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.				
Pension		(3,072,743)		
OPEB		(1,395,854)		(4,468,597)
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.				
Compensated Absences				(124,496)
Change in Net Position of Governmental Activities			$	4,250,089

See accompanying notes to the basic financial statements.

Clinton County, Ohio
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			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$ 2,652,227	$ 2,740,268	$ 2,740,268	$ -
Sales Taxes	9,672,112	10,977,511	10,977,511	-
Charges for Services	892,722	895,305	895,305	-
Licenses and Permits	1,036,555	1,269,922	1,268,451	(1,471)
Fines and Forfeitures	72,500	83,822	83,822	-
Intergovernmental	1,426,135	1,542,389	1,542,389	-
Interest	801,800	730,579	730,579	-
Rent	379,266	369,969	369,969	-
Contributions and Donations	-	30,887	30,887	-
Other	16,000	611,759	613,231	1,472
Total Revenues	16,949,317	19,252,411	19,252,412	1
Expenditures				
Current:				
General Government				
Legislative and Executive	5,874,846	6,467,439	5,753,498	713,941
Judicial Systems	3,145,509	3,356,861	3,016,155	340,706
Public Safety	5,844,875	5,998,901	4,260,984	1,737,917
Human Services	362,433	363,957	316,959	46,998
Capital Outlay	136,164	176,840	171,847	4,993
Total Expenditures	15,363,827	16,363,998	13,519,443	2,844,555
Excess of Receipts Over (Under) Expenditures	1,585,490	2,888,413	5,732,969	2,844,556
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	5,000	96,015	96,015	-
Proceeds From the Sale of Hospital	1,734,935	1,845,195	1,845,195	-
Advances In	100,000	100,000	100,000	-
Transfers In	-	-	1,540	1,540
Transfers Out	(185,000)	(209,423)	(209,423)	-
Total Other Financing Sources (Uses)	1,654,935	1,831,787	1,833,327	1,540
Net Change in Fund Balance	3,240,425	4,720,200	7,566,296	2,846,096
Fund Balance Beginning of Year	7,504,324	7,504,324	7,504,324	-
Prior Year Encumbrances Appropriated	295,782	295,782	295,782	-
Fund Balance End of Year	$ 11,040,531	$ 12,520,306	$ 15,366,402	$ 2,846,096

See accompanying notes to the basic financial statements.

Clinton County, Ohio

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
County Board of Developmental Disabilities Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$ 3,013,393	$ 3,095,370	$ 3,095,370	$ -
Charges for Services	150,491	197,632	197,632	-
Licenses and Permits	208,000	218,299	218,299	-
Intergovernmental	639,138	719,428	719,428	-
Rent	46,800	31,200	31,200	-
Miscellaneous	156,025	218,494	218,494	-
Total Revenues	4,213,847	4,480,423	4,480,423	-
Expenditures				
Current:				
Health	5,073,967	5,104,698	3,707,999	1,396,699
Total Expenditures	5,073,967	5,104,698	3,707,999	1,396,699
Excess of Receipts Over (Under) Expenditures	(860,120)	(624,275)	772,424	1,396,699
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	-	4,639	4,639	-
Transfers In	1,000	1,000	1,000	-
Transfers Out	(41,000)	(41,000)	(41,000)	-
Total Other Financing Sources (Uses)	(40,000)	(35,361)	(35,361)	-
Net Change in Fund Balance	(900,120)	(659,636)	737,063	1,396,699
Fund Balance Beginning of Year	5,678,425	5,678,425	5,678,425	-
Prior Year Encumbrances Appropriated	106,031	106,031	106,031	-
Fund Balance End of Year	$ 4,884,336	$ 5,124,820	$ 6,521,519	$ 1,396,699

See accompanying notes to the basic financial statements.

Clinton County, Ohio

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Motor Vehicle and Gas Tax Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Payments in Lieu of Taxes	$ 663	$ 794	$ 794	$ -
Other Local Taxes	74,417	74,868	74,868	-
Charges for Services	264,858	290,531	290,531	-
Fines and Forfeitures	165,045	70,083	70,083	-
Intergovernmental	5,274,989	5,021,276	4,977,696	(43,580)
Interest	32,697	55,654	55,654	-
Miscellaneous	15,000	11,393	11,393	-
Total Revenues	5,827,669	5,524,599	5,481,019	(43,580)
Expenditures				
Current:				
Public Works	4,539,811	5,848,155	4,041,688	1,806,467
Capital Outlay	2,661,500	1,397,323	927,828	469,495
Total Expenditures	7,201,311	7,245,478	4,969,516	2,275,962
Net Change in Fund Balance	(1,373,642)	(1,720,879)	511,503	2,232,382
Fund Balance Beginning of Year	2,811,168	2,811,168	2,811,168	-
Prior Year Encumbrances Appropriated	122,190	122,190	122,190	-
Fund Balance End of Year	$ 1,559,716	$ 1,212,479	$ 3,444,861	$ 2,232,382

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
JFS Children Services Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$ 2,123,705	$ 2,177,071	$ 2,177,071	$ -
Charges for Services	39,000	40,562	40,562	-
Intergovernmental	1,944,400	2,505,413	2,472,914	(32,499)
Total Revenues	4,107,105	4,723,046	4,690,547	(32,499)
Expenditures				
Current:				
Human Services	4,241,249	4,496,741	3,948,680	548,061
Total Expenditures	4,241,249	4,496,741	3,948,680	548,061
Excess of Receipts Over (Under) Expenditures	(134,144)	226,305	741,867	515,562
Other Financing Sources (Uses)				
Transfers In	-	4,670	4,670	-
Total Other Financing Sources (Uses)	-	4,670	4,670	-
Net Change in Fund Balance	(134,144)	230,975	746,537	515,562
Fund Balance Beginning of Year	1,234,064	1,234,064	1,234,064	-
Prior Year Encumbrances Appropriated	71,826	71,826	71,826	-
Fund Balance End of Year	$ 1,171,746	$ 1,536,865	$ 2,052,427	$ 515,562

See accompanying notes to the basic financial statements.

Clinton County, Ohio

Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Senior Services Fund
For the Year Ended December 31, 2020

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Property Taxes	$ 1,126,000	$ 1,151,053	$ 1,151,053	$ -
Intergovernmental	130,000	129,578	129,578	-
Total Revenues	1,256,000	1,280,631	1,280,631	-
Expenditures				
Current:				
Human Services	1,526,334	2,013,708	2,013,000	708
Total Expenditures	1,526,334	2,013,708	2,013,000	708
Net Change in Fund Balance	(270,334)	(733,077)	(732,369)	708
Fund Balance Beginning of Year	897,570	897,570	897,570	-
Prior Year Encumbrances Appropriated	300,121	300,121	300,121	-
Fund Balance End of Year	$ 927,357	$ 464,614	$ 465,322	$ 708

See accompanying notes to the basic financial statements.

Clinton County, Ohio

Statement of Fund Net Position

Proprietary Funds

December 31, 2020

		Enterprise Funds
		Martinsville-Midland Sewer
Assets		
Current Assets:		
Equity in Pooled Cash and Investments	$	500,249
Accounts Receivable		314,911
Prepaid Items		1,031
Total Current Assets		816,191
Non-Current Assets:		
Non-Depreciable Capital Assets		396,710
Depreciable Capital Assets, Net		5,771,801
Total Non-Current Assets		6,168,511
Total Assets		6,984,702
Deferred Outflows of Resources		
Pension		3,039
OPEB		2,051
Total Deferred Outflows of Resources		5,090
Liabilities		
Current Liabilities:		
Accounts Payable		7,138
Accrued Wages and Benefits		589
Advances from Other Funds		100,000
Total Current Liabilities		107,727
Long-Term Liabilities:		
Advances from Other Funds - Net of Current Portion		2,381,336
Net Pension Liability		19,166
Net OPEB Liability		12,953
Total Long-Term Liabilities		2,413,455
Total Liabilities		2,521,182
Deferred Inflows of Resources		
Pension		4,255
OPEB		2,272
Total Deferred Inflows of Resources		6,527
Net Position		
Net Investment in Capital Assets		6,168,511
Unrestricted		(1,706,428)
Total Net Position	$	4,462,083

See accompanying notes to the basic financial statements.

Clinton County, Ohio

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended December 31, 2020

	Enterprise
	Martinsville-Midland Sewer
Operating Revenues	
Charges for Services	$ 219,938
Other	7,755
Total Operating Revenues	227,693
Operating Expenses	
Personal Services	29,493
Contractual Services	131,436
Materials and Supplies	1,552
Depreciation	211,269
Total Operating Expenses	373,750
Change in Net Position	(146,057)
Net Position Beginning of Year	4,608,140
Net Position End of Year	$ 4,462,083

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Enterprise Funds Martinsville-Sewer
Cash Flows from Operating Activities	
Cash Received from Customers	$ 239,054
Cash Received from Other Operating Receipts	7,755
Cash Payments to Suppliers for Goods and Services	(1,552)
Cash Payments to Employees for Services and Benefits	(35,067)
Cash Payments for Contractual Services	(140,477)
Net Cash Provided by (Used for) Operating Activities	69,713
Cash Flows from Noncapital Financing Activities	
Advances Out	(100,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	(100,000)
Net Increase (Decrease) in Cash and Investments	(30,287)
Cash and Investments Beginning of Year	530,536
Cash and Investments End of Year	$ 500,249

Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	$ (146,057)
Adjustments:	
Depreciation	211,269
(Increase) Decrease in Assets and Deferred Outflows:	
Accounts Receivable	19,116
Prepaid Items	(1,031)
Deferred Outflows - Pension/OPEB	3,774
Increase (Decrease) in Liabilities and Deferred Inflows:	
Accounts Payable	(8,010)
Accrued Wages	144
Deferred Inflows - Pension/OPEB	(2,369)
Net Pension Liability	(7,684)
Net OPEB Liability	561
Net Cash Provided by (Used For) Operating Activities	$ 69,713

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2020

		Custodial
Assets		
Equity in Pooled Cash and Investments	$	4,893,314
Cash in Segregated Accounts		683,727
Intergovernmental Receivable		1,923,308
Property and Other Local Taxes Receivable		36,795,915
Special Assessments Receivable		771,749
Total Assets		45,068,013
Liabilities		
Intergovernmental Payable		3,253,502
Total Liabilities		3,253,502
Deferred Inflows of Resources		
Property Taxes Levied for the Next Year		34,423,710
Total Deferred Inflows of Resources		34,423,710
Net Position		
Restricted Net Position for Individuals, Organizations & Other Governments		7,390,801
Total Net Position	$	7,390,801

See accompanying notes to the basic financial statements.

Clinton County, Ohio

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

For the Year Ended December 31, 2020

		Custodial
Additions		
Intergovernmental		2,433,721
Amounts Received as Fiscal Agent		5,763,691
Licenses, Permits & Fees for Other Governments		8,408,979
Fines & Forfeitures for Other Governments		341,584
Property Tax Collections for Other Governments		33,807,777
Special Assessment Collections for Other Governments		31,067
Sheriff Sale Collections for Other Governments		984,706
Amounts Received for Others		110,118
Total Additions		51,881,643
Deductions		
Distributions as Fiscal Agent		5,111,525
Distributions of State Funds to Other Goverments		2,435,722
Licenses, Permits & Fees Distributions to Other Governments		8,408,387
Fines & Forfeitures Distributions to Other Governments		345,121
Property Tax Distributions to Other Governments		34,038,339
Sheriff Sale Distributions to Other Governments		1,009,476
Distributions to Other Governments		1,800
Distributions to Individuals		98,936
Total Deductions		51,449,306
Change in Net Position		432,337
Net Position Beginning of Year, (Restated, See Note 2U)		6,958,464
Net Position End of Year	$	7,390,801

See accompanying notes to the basic financial statements.

NOTE 1 - DESCRIPTION OF THE COUNTY

Clinton County, Ohio (the "County") was created in 1812. The County is governed by a Board of three commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for the County. Other officials elected by the voters of the County that manage various segments of the County's operations are: the county auditor, county treasurer, recorder, clerk of courts, coroner, engineer, prosecuting attorney, sheriff, two common pleas court judges, a probate court judge and a county municipal court judge.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The most significant of the County's accounting policies are described below.

A. Reporting Entity

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 organizations' 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 organizations' resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations 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. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the financial statements incomplete or misleading.

Based on the foregoing criteria, the financial activities of the following entities have been reflected in the accompanying basic financial statements as:

Blended Component Units

Certain funds are legally separate from the County; however, their activity is so intertwined with that of the County that they are reported as part of the County. The following fund has been included or blended into the County's basic financial statements:

> ***Local Emergency Planning Commission (LEPC)* -** The LEPC is a legally separate entity from the County. The County Commissioners do not appoint a voting majority of the LEPC's Board. The LEPC is fiscally independent from the County; however, it would be misleading to exclude the LEPC's operations from that of the County since the LEPC provides services entirely for the benefit of the County. The operations of the LEPC are accounted for as a separate special revenue fund.

Discretely Presented Component Units

Clinton County Port Authority - The Clinton County Port Authority (the "Port Authority") was created by the Clinton County Board of Commissioners in September 2004 to enhance economic development in Clinton County. The Port Authority is created in accordance with Section 4582.22 of the Ohio Revised Code. The purpose of the Port Authority is to undertake projects that create or preserve jobs and employment opportunities; that improve and sustain the economic welfare of Clinton County and its residents, and that enhance, aid and promote transportation, housing, recreation, education, governmental operations and culture within the territory served. The Port Authority is considered a component unit of the County as the County can impose its will on the Port Authority through the appointment of the members of the Board of Directors.

Clinton County Land Reutilization Corporation (Corporation) - The Corporation is a county land reutilization corporation that was formed when the Clinton County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout the County. The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and also return properties to productive use. The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code. The Board of Directors is made up of three elected officials of the County and a representative of City of Wilmington and the Village of Midland. Separately issued financial statements can be obtained from the Corporation by contacting Clinton County Treasurer, Chairman, Clinton County Land Reutilization Corporation, 69 N South Street, Wilmington, Ohio 45177.

Related Organizations

County officials are also responsible for appointing the members of the Boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments of the following organizations:

Clinton County Regional Planning Commission - The Board of County Commissioners appoints 11 of the 20 board members.

Clinton County Regional Airport Authority - The Board of County Commissioners appoints all nine of the Board members.

Potential Component Units Reported as Custodial Funds

In the case of the separate agencies, boards, and commissions listed below, the County serves as fiscal agent and custodian, but is not accountable as defined in GASB Statement No. 14; therefore, the operations of the following potential component units have been excluded from the County's basic financial statements, but the funds held on behalf of these potential component units in the County Treasury are included in the custodial funds.

Clinton County Soil and Water Conservation District
Clinton County Board of Health

Information in the notes to the basic financial statements is applicable to the primary government. When information is provided relative to component units, it is specifically identified.

Jointly Governed Organization

The County is a member of the Southern Ohio Council of Governments (the SOCOG), which is a jointly governed organization under Ohio Revised Code Section 167.01. The governing body consists of a fifteen member Board with each participating County represented by its Director of its Board of Developmental Disabilities (DD). Member counties include: Adams, Athens, Brown, Clinton, Fayette, Gallia, Highland, Jackson, Lawrence, Meigs, Pickaway, Pike, Ross, Scioto and Vinton Counties. The SOCOG acts as fiscal agent for the Clinton County Board of DD's supportive living program monies. During 2020, the SOCOG did not receive any supportive living monies from Clinton County and as of December 31, 2020, the County had a $2,501,543 balance on hand with the SOCOG. Financial statements can be obtained from the SOCOG at 126 E. Second St., Suite C, Chillicothe, Ohio, 45601.

Joint Venture Without Equity Interest

Warren/Clinton Counties Community Alcoholism, Drug Addiction and Mental Health Services Board (ADAMHS Board) **-** The County is a member of the Warren/Clinton Counties Community Alcoholism, Drug Addiction and Mental Health Services Board (ADAMHS Board), which is a joint venture between Warren and Clinton Counties. The purpose of the Board is to provide aid, support and education for alcohol and drug dependent citizens, as well as those who are mentally handicapped.

The Warren/Clinton Counties ADAMHS Board is governed by a Board appointed by the Ohio Director of Alcohol and Drug Addiction Services, the Ohio Director of Mental Health Services, and Clinton and Warren Counties. The main sources of revenue for this Board are grants from the two previously named state departments and a property tax levy in each of the counties. Outside agencies are contracted by the Board to provide services for the Board. Financial records are maintained by the Warren County Auditor and Treasurer. Pursuant to Section 340.016 of the Ohio Revised Code, any withdrawing county would be required to submit a comprehensive plan that provides for the equitable adjustment and division of debts and obligations of the Joint County District to the State Director of Mental Health.

Risk Pool

County Risk Sharing Authority, Inc. (CORSA) **-** CORSA is jointly governed by 63 counties in Ohio. CORSA was formed as an Ohio nonprofit 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 losses and pay all contributions necessary for the specified insurance coverages provided by CORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the 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. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees. This program is more fully described in Note 12.

B. Basis of Presentation

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 and those that are considered business-type activities.

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

Fund Financial Statements **-** During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental 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 funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the County's proprietary funds are charges for services. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Fiduciary funds are reported using the economic resources measurement focus and accrual basis of accounting.

C. Fund Accounting

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

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

The following are the County's major governmental funds:

> ***General* -** The General fund is used to account for and report all financial resources not accounted for and reported in another fund. The General fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> ***County Board of Developmental Disabilities (DD)* -** This fund accounts for the operation of a school and the costs of administering a workshop for the developmentally disabled. Revenue sources include a countywide property tax levy and federal and State grants.
>
> ***Motor Vehicle and Gas Tax* -** This fund accounts for monies received by the County for State gasoline tax and vehicle registration fees used for County road and bridge maintenance, construction and improvements.
>
> ***JFS Children Services*** – This fund accounts for a County-wide property tax levy, Federal and State grants, support collections, Veteran's Administration and Social Security. Major expenditures are for foster homes, emergency shelters, medical care, school supplies, counseling and parental training.
>
> ***Senior Services*** – This fund accounts for a County-wide property tax levy and Federal, State and local monies used for senior citizen programs.

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* -** Proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. The following is the County's proprietary fund type:

> ***Enterprise Fund* -** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County has the following major enterprise fund:
>
> ***Martinsville-Midland Sewer* -** This fund accounts for the operations of the Martinsville-Midland Sewer.

***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 for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. The County's custodial funds account for assets held by the County for political subdivisions for which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

***Component Units* -** Component units are either legally separate organizations for which the elected officials of the County are not financially accountable, or legally separate organizations for which the nature and significance of the relationships with the County are such that exclusion would cause the County's financial statement to be misleading or incomplete. The County considers the Clinton County Port Authority and Clinton County Land Reutilization Corporation a separate discretely presented component unit of the County.

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows, liabilities and deferred inflows associated with the operation of the County are included on the statement of net position.

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

Like the government-wide statements, all proprietary and fiduciary fund types are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary fund activities. Private purpose trust funds are reported using the economic resources measurement focus. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

E. Basis of Accounting

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

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

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On a full accrual basis, revenue from sales taxes is recognized in the year in which the sales are made. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from all other nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: sales tax (See Note 7), interest, federal and State grants and subsidies, State-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the County, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the County, unavailable revenue may include delinquent property taxes, sales taxes, special assessments, intergovernmental grants, proceeds from sale of the hospital and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14).

Expense/Expenditures **-** On the full accrual basis of accounting, expenses are recognized at the time they are incurred.

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

F. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than custodial funds, are required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the County Commissioners.

Budgetary information for certain funds is not reported because it is not included in the entity for which the "appropriated budget" is adopted and separate budgetary financial records are not maintained.

Tax Budget **-** A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. All funds, except custodial funds, are legally required to be budgeted. The purpose of the Tax Budget is to reflect the need for existing (or increased) tax rates.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the County Auditor determines that revenue to be collected will be greater than or less than the prior estimates and the Budget Commission finds the revised estimates to be reasonable. The amounts set forth in the budgetary statements represent estimates from the final amended certificate issued during 2020.

Appropriations **-** A temporary appropriation resolution to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual Appropriation Resolution must be passed by April 1 of each year for the period January 1 to December 31. The Appropriation Resolution may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The County legally adopted several supplemental appropriations during the year. The original budget and all budgetary amendments and supplemental appropriations necessary during 2020 are included in the final budget amounts in the budget-to-actual comparisons.

Lapsing of Appropriations **-** At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not reappropriated.

G. Cash and Investments

To improve cash management, cash received by the County is pooled. Monies for all funds, except for the enterprise fund, are maintained in this pool. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the basic financial statements.

During 2020, investments were limited to certificates of deposit, federal agency securities and municipal bonds.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.
Under existing Ohio statutes all investment earnings are assigned to the General fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General fund during 2020 amounted to $657,359 which includes $500,795 assigned from other County funds.

The County has segregated depository accounts for monies held separately from the County's central bank account. These interest-bearing depository accounts are presented on the financial statements as "cash in segregated accounts" since they are not required to be deposited into the County Treasury.

For presentation on the basic financial statements, investments of the cash management pool and investments are considered to be cash equivalents.

An analysis of the Treasurer's investment account at year end is provided in Note 4.

H. Inventories of Materials and Supplies

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption.

I. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The County maintains a capitalization threshold of $5,000. The County's infrastructure consists of roads, bridges, culverts, and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10 - 15 years	n/a
Buildings and Improvements	10 - 50 years	n/a
Equipment	5 - 20 years	4 - 20 years
Software	3 years	n/a
Infrastructure	40 - 50 years	7 - 40 years
Vehicles	3 - 8 years	n/a

The County's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of the debt proceeds over the same period.

J. Compensated Absences

Compensated absences of the County consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the County and the employee.

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at December 31, 2020, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. Sick leave benefits are accrued using the "vesting" method.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at December 31, 2020, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments.

County employees earn vacation at varying rates ranging from two to five weeks per year. Sick leave is accumulated at the rate of three weeks per year. Vacation and sick leave is accumulated on an hours worked basis. Accumulated vacation cannot exceed three times the annual accumulation rate for an employee. The County does not accrue a liability for non-vested sick leave or vacation benefits.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the accounts "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

L. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements; and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net positon 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.

N. Unamortized Bond Premium and Discount/Accounting Gain or Loss

Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds. Bond discounts are presented as a reduction to the face amount of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow.

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from refunding are recognized in the current period.

O. Interfund Transactions

During the normal course of operations, the County has numerous transactions between funds. Transfers represent movement of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in governmental funds and as transfers in proprietary funds. Interfund transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the County are treated similarly when involving other funds of the County.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivable/interfund payable" for the current portion of interfund loans or "advances to/from other funds" for the non-current portion of interfund loans. These amounts are eliminated on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

P. 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 classification includes amounts that cannot be spent because they are not in spendable form or legally 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 loans receivable in the General fund.

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

***Committed* -** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Commissioners (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the Board of 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 nor committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended uses established by policies of the Board of Commissioners. The Board of Commissioners have by resolution authorized the Auditor to assign fund balance. The Board of Commissioners may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

The County applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

Q. Budget Stabilization Arrangement

Pursuant to Ohio Revised Code Section 5705.13, on August 20, 2012, the County established a reserve balance account, in the General fund, in the amount of $2,103,795, to be used in emergencies for operational expenditures. The balance of the reserve balance account at December 31, 2020 is $2,000,000. This amount is reported as a component of unassigned fund balance in the General fund and unrestricted net position in the governmental activities.

R. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

S. Estimates

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

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County and that are either unusual in nature or infrequent in occurrence. Neither type of transactions occurred during 2020.

U. Restatement of Net Position/Fund Balance

The implementation of GASB 84 had the following effect on net position/fund balances as reported December 31, 2019:

	Governmental Activities
Net Position December 31, 2019	$ 64,435,755
GASB Statement No. 84	21,531
Restated Net Position, December 31, 2019	$ 64,457,286

The implementation of GASB 84 had the following effect on fund balance as reported December 31, 2019:

	Other Governmental Funds
Fund Balance, December 31, 2019	$ 17,815,475
GASB Statement No. 84	21,531
Change in major fund (senior services)	(928,193)
Restated Fund Balance, December 31, 2019	$ 16,908,813

The implementation of GASB 84 had the following effect on fiduciary net position as reported December 31, 2019:

	Fiduciary Funds		
	Agency	Custodial	Private Purpose Trust
Net Position December 31, 2019	$ -	$ -	$ 21,531
GASB Statement No. 84	-	6,958,464	(21,531)
Adjustments :			
Assets	(42,795,066)	-	-
Liabilities	42,795,066	-	-
Restated Net Position, December 31, 2019	$ -	$ 6,958,464	$ -

NOTE 3 – DEFICIT FUND BALANCES

The following funds had deficit balances as of December 31, 2020:

Fund	Deficit
Juvenile CT Ohio AG's VOCA Grant	$ 1,044
Special Assessment Bond Retirement	2,135
	$ 3,179

The deficit fund balances resulted from adjustments for accrued liabilities. The General fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the County into three categories.

Active deposits are public deposits necessary to meet the current demands on the treasury. Such monies must be maintained either as cash in the County Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that County has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the County's and Port Authority's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by 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 and Federal Home Loan Mortgage Corporation. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;

5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;

6. No-load money market mutual funds consisting exclusively of obligations described in 1 or 2 above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

7. The State Treasurer's Asset Reserve of Ohio Investment Pool (STAR Ohio);

8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in 1 or 2 above or cash or both securities and cash, equal value for equal value;

9. High grade commercial paper for a period not to exceed 270 days and in an amount not to exceed 40 percent of the County's total average portfolio; and,

10. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed 40 percent of the County's total average portfolio.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits

Cash on Hand - At December 31, 2020 the County had $90,440 in undeposited cash on hand, which is included as part of "Equity in Pooled Cash and Investments."

Deposits - At year-end, $24,868,023 of the County's bank balance of $25,507,834 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions' trust department in the County's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the FDIC.

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of a bank failure, the County will not be able to recover deposits or collateral securities that are in possession of an outside party.

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

Cash and Cash Equivalents in Segregated Accounts - At year end, the County had $683,727 in cash and cash equivalents deposited separate from the County's internal investment pool.

Cash with Fiscal Agent - At year end, the County had $2,501,543 in monies held by SOCOG as a fiscal agent. This amount has been excluded from the total amount of deposits below as it is not part of the County's internal investment pool.

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B. Investments

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

Ratings by S&P Global	Investment	Measurement Amount	Investment Maturity in Months 0 - 12	13 -36	Over 36	% Total
	Cost:					
N/A	Jefferson Township General Obligation Bonds	$ 112,500	$ 15,000	$ 45,000	$ 52,500	0.33%
	Washington TWP Bond	30,286	9,896	20,390	-	0.09%
	Fair Value:					
AAA	Federal Farm Credit Bank	10,000,660	-	-	10,000,660	28.46%
AA+	Federal Home Loan Bank	12,996,490	-	-	12,996,490	36.97%
AA+	Federal National Mortgage Association Notes	12,001,580	-	-	12,001,580	34.15%
		$ 35,141,516	$ 24,896	$ 65,390	$ 35,051,230	100.00%

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the County's recurring fair value measurements as of December 31, 2020. The County's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk: 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 investment portfolio maturities to five years or less.

Credit Risk: The County's investment policy does not specifically address credit risk beyond requiring the County to only invest in securities authorized by State statute.

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

C. Component Unit

At December 31, 2020, the carrying amount of the Port Authority and the Corporation's demand deposits were $6,781,809 and $169,118, respectively.

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NOTE 5 - INTERFUND TRANSACTIONS

A. *Interfund Transfers*

Interfund transfers for the year ended December 31, 2020 consisted of the following, as reported on the fund financial statements:

	Transfer From		
Transfer To	County Board of DD	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 1,540	$ 1,540
JFS Children Service	-	4,670	4,670
Nonmajor governmental funds	40,000	30,587	70,587
Grand Total	$ 40,000	$ 36,797	$ 76,797

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During 2020, the emergency communication system fund transferred $1,540 to the general fund to close out cash in the fund. The courthouse bond fund transferred $30,587 to the bypass jail bond retirement fund per court order for insufficient cash balance to cover debt obligations. The JFS public assistance fund transferred $4,670 to the JFS children services fund was initiated by the State. The County board of developmental disabilities fund transferred $40,000 to the County board of developmental disabilities capital projects fund.

B. *Long-Term Loans*

Long-term loans to and from other funds from the General fund to the Martinsville-Midland Sewer fund amount to $2,481,336 at December 31, 2020. The purpose of the loan was to provide funds to retire the balance of the OPWC loan and USDA bonds issued to finance the construction of Midland sewer. The Martinsville-Midland Sewer fund is scheduled to repay the General fund no less than $100,000 per year until the General fund has been fully reimbursed for the cost of retiring the debt or upon further resolution by the County Commissioners. The loan is interest-free. The Martinsville-Midland Sewer fund repaid the General fund $100,000 as scheduled during 2020.

C. Interfund Balances

Interfund balances consisted of the following at December 31, 2020, as reported on the fund financial statements:

	Interfund Receivable	Interfund Payable
General	$ 75,496	$ -
Nonmajor Governmental Funds	-	75,496
Total	$ 75,496	$ 75,496

The balances resulted from the time lag between the dates that payments between the funds are made.

NOTE 6 - 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 the 2019 taxes.

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

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statue permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2020 public utility property taxes which became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes.

The full tax rate for all County operations for the year ended December 31, 2020, was $10.25 per $1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2020 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	
Agricultural/Residential	$ 831,252,370
Commerical/Industrial/Mineral	165,123,000
Tangible Personal Property	
Public Utility	77,860,000
Total Assessed Value	$ 1,074,235,370

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the County. The County Auditor periodically remits to the County its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2020, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2020 operations is offset to deferred inflows of resources – property taxes levied for the next year. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

NOTE 7 - PERMISSIVE SALES AND USE TAX

In 1977, the County Commissioners by resolution imposed a 0.5 percent tax on all retail sales, except sales of motor vehicles, made in the County, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. In 1988 and 2019, the County Commissioners added an additional 0.5 percent tax to the existing tax. Vendor collections of the tax are paid to the State Treasurer by the 23rd day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within 45 days after the end of the month following collection. The Office of Budget and Management then has five days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General fund. Amounts that have been collected by the State and are to be received within the available period are accrued as revenue on the fund financial statements to the extent that they are intended to finance 2020 operations. On the government-wide financial statements, the entire receivable amount is recorded as revenue. Sales and use tax revenue for 2020 amounted to $10,995,511 in the governmental funds.

NOTE 8 – RECEIVABLES

Receivables at December 31, 2020, consisted of taxes, accounts (billings for user charged services), notes, special assessments, interfund and intergovernmental receivables arising from grants, entitlements and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2020, as well as those intended to finance 2021 operations.

Receivables have been disaggregated on the face of the balance sheet. The only receivables not expected to be collected within the subsequent year are the special assessments which are collected over the life of the assessment and the $484,999 in notes receivable.

In prior years the County issued $276,424 of debt on behalf of the Clinton County Agricultural Society. The Society pays the County as general obligation bond principal and interest payments come due.

The County issued non-interest bearing debt to the Murphy Theater in 2018 in the amount of $281,009. The debt will be repaid by making bi-annual payments beginning January 1, 2019 in the amount of $7,500. These payments will continue until 2029, at which time a balloon payment will be made in the amount of $15,000 to pay the balance.

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NOTE 9 - CAPITAL ASSETS

A. Primary Government

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 2,246,379	$ 4,333	$ -	$ 2,250,712
Construction in Progress	-	134,749	-	134,749
Total Capital Assets Not Being Depreciated, Net	2,246,379	139,082	-	2,385,461
Capital Assets, Being Depreciated:				
Land Improvements	1,629,273	110,290	-	1,739,563
Buildings and Improvements	28,137,665	380,698	(49,723)	28,468,640
Equipment	6,573,654	842,666	(461,442)	6,954,878
Software	373,031	96,000	-	469,031
Vehicles	3,416,394	409,906	(251,227)	3,575,073
Infrastructure	43,373,069	502,152	-	43,875,221
Total Capital Assets, Being Depreciated	83,503,086	2,341,712	(762,392)	85,082,406
Less Accumulated Depreciation:				
Land Improvements	(307,981)	(56,381)	-	(364,362)
Buildings and Improvements	(11,887,759)	(736,780)	28,657	(12,595,882)
Equipment	(4,174,160)	(644,344)	210,121	(4,608,383)
Software	(263,317)	(86,653)	-	(349,970)
Vehicles	(2,762,353)	(384,915)	252,264	(2,895,004)
Infrastructure	(23,654,573)	(985,679)	-	(24,640,252)
Total Accumulated Depreciation	(43,050,143)	(2,894,752)	491,042	(45,453,853)
Total Capital Assets Being Depreciated, Net	40,452,943	(553,040)	(271,350)	39,628,553
Total Governmental Activities Capital Assets, Net	$ 42,699,322	$ (413,958)	$ (271,350)	$ 42,014,014

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	
Legislative and executive	$ 624,643
Judicial	42,154
Public Safety	716,164
Public Works	1,317,876
Health	157,264
Human Services	36,651
Total Depreciation Expense	$ 2,894,752

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 396,710	$ -	$ -	$ 396,710
Capital Assets, Being Depreciated:				
Equipment	26,917	-	-	26,917
Infrastructure	8,366,916	-	-	8,366,916
Total Capital Assets, Being Depreciated	8,393,833	-	-	8,393,833
Less Accumulated Depreciation:				
Equipment	(5,275)	(2,096)	-	(7,371)
Infrastructure	(2,405,488)	(209,173)	-	(2,614,661)
Total Accumulated Depreciation	(2,410,763)	(211,269)	-	(2,622,032)
Total Capital Assets Being Depreciated, Net	5,983,070	(211,269)	-	5,771,801
Total Business-Type Capital Assets, Net	$ 6,379,780	$ (211,269)	$ -	$ 6,168,511

B. Component Unit Capital Assets

A summary of the changes in the Port Authority's capital assets during 2020 follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Capital Assets Not Being Depreciated:				
Land	$ 15,586,699	$ -	$ -	$ 15,586,699
Construction in Progress	234,433	-	(234,433)	-
Total Capital Assets Not Being Depreciated, Net	15,821,132	-	(234,433)	15,586,699
Capital Assets, Being Depreciated:				
Land Improvements	1,170,138,919	-	-	1,170,138,919
Buildings and Improvements	49,950,297	-	-	49,950,297
Other Improvements	164,390	-	-	164,390
Vehicles and Equipment	7,313,556	631,256	-	7,944,812
Total Capital Assets, Being Depreciated	1,227,567,162	631,256	-	1,228,198,418
Less Accumulated Depreciation:				
Land Improvements	(222,326,394)	(23,402,778)	-	(245,729,172)
Buildings and Improvements	(8,219,328)	(983,919)	-	(9,203,247)
Other Improvements	(104,113)	(10,959)	-	(115,072)
Vehicles and Equipment	(2,087,446)	(357,174)	-	(2,444,620)
Total Accumulated Depreciation	(232,737,281)	(24,754,830)	-	(257,492,111)
Total Capital Assets Being Depreciated, Net	994,829,881	(24,123,574)	-	970,706,307
Total Business Type Activities Capital Assets, Net	$ 1,010,651,013	$ (24,123,574)	$ (234,433)	$ 986,293,006

NOTE 10 - COMPENSATED ABSENCES

Vacation and sick leave accumulated by governmental fund type employees is recorded on the statement of net position. Vacation and sick leave earned by proprietary fund type employees is expensed when earned.

Upon termination of County service, employees are entitled to a percentage of their accumulated sick leave based on their years of service not to exceed 30 days and all accumulated vacation.

NOTE 11 - LONG-TERM OBLIGATIONS

A. Governmental Activities Long-Term Obligations

During 2020, the following changes occurred in the County's governmental long-term obligations:

	Balance 12/31/2019	Additions	Reductions	Balance 12/31/2020	One Year
Governmental Activities:					
General Obligation Bonds					
Various Purpose Bonds	3,610,000	-	560,000	3,050,000	575,000
Unamortized Premium	200,040	-	37,507	162,533	-
Total General Obligation Bonds	3,810,040	-	597,507	3,212,533	575,000
Direct Placement					
Fairground/Public Service Agency Building Refunding Bond	1,750,000	-	195,000	1,555,000	205,000
Other Long-Term Obligations					
Compensated Absences	1,608,527	1,443,773	1,319,277	1,733,023	589,675
Net Pension Liability - OPERS and STRS	26,985,954	-	7,661,692	19,324,262	-
Net OPEB Liability - OPERS and STRS	12,380,015	560,348	-	12,940,363	-
Total Other Long-Term Obligations	40,974,496	2,004,121	8,980,969	33,997,648	589,675
Total Governmental Activities	$ 46,534,536	$ 2,004,121	$ 9,773,476	$ 38,765,181	$ 1,369,675
Business-Type Activities:					
Net Pension Liability - OPERS	26,850	-	7,684	19,166	-
Net OPEB Liability - OPERS	12,392	561	-	12,953	-
Total Business-Type Activities	$ 39,242	$ 561	$ 7,684	$ 32,119	$ -

General Obligation Bonds: General obligation bonds are direct obligations of the County for which its full faith and credit are pledged for repayment. Principal and interest payments on the general obligation bonds are made from the debt service funds.

2019 Various Purpose Refunding Bonds: On March 6, 2019, the County issued $1,960,000 various purpose refunding bonds with an interest rate of 2.65 percent. The bonds were issued to refund the $1,900,000 outstanding 2008 various purpose general obligation bonds. The bonds were issued for a nine year period final maturity at December 1, 2027. At the date of refunding, $1,964,648 (including issuance costs) was received to pay off old debt. As a result, $1,900,000 of the 2008 Series Bonds are considered to be defeased. The liability of the bonds were removed from the financial statements at the time of the refunding. The defeased bonds were called on June 1, 2019.

2016 Various Purpose Bonds: On March 26, 2016, the County issued general obligation bonds in the amount of $5,790,000. Proceeds from the bonds will used to renovate the County courthouse. The bonds were issued with a varying interest rate of 2.00-3.00 percent. The bonds were issued for a ten year period with final maturities at December 1, 2025.

The bonds were issued with a premium of $337,566, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method.

Vested sick leave and vacation benefits will be paid from the fund from which the employee is paid. There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and sewer funds. For additional information related to the net pension liability and net OPEB liability see Notes 13 and 14.

The following is a summary of the County's future principal and interest debt service requirements for the general long-term obligations outstanding:

	Governmental Activities					
	General Obligation Bonds		Direct Placement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	$ 575,000	$ 91,500	$ 205,000	$ 41,208	$ 780,000	$ 132,708
2022	590,000	74,250	215,000	35,775	805,000	110,025
2023	610,000	56,550	215,000	30,078	825,000	86,628
2024	630,000	38,250	220,000	24,380	850,000	62,630
2025	645,000	19,350	230,000	18,550	875,000	37,900
2026-2027	-	-	470,000	18,815	470,000	18,815
Totals	$ 3,050,000	$ 279,900	$ 1,555,000	$ 168,805	$ 4,605,000	$ 448,705

B. Component Unit Long-Term Obligations

During 2020, the following changes occurred in the Port Authority's long-term obligations:

	Balance 12/31/2019	Additions	Reductions	Balance 12/31/2020	Due in One Year
Direct Placement:					
Mortage Loan - Ag Land	$ 1,056,877	$ -	$ 34,827	$ 1,022,050	$ 36,676
Unamortized discount on loans	(19,249)	-	(1,140)	(18,109)	-
OEBF Loan	7,222,501	-	330,000	6,892,501	335,833
166 Loan	3,282,374	-	183,925	3,098,449	185,769
Total Loans Payable	11,542,503	-	547,612	10,994,891	558,278
Direct Borrowing:					
Lease-Purchase Agreement	49,671	-	24,227	25,444	25,444
Net Pension/OPEB Liability:					
Pension	322,083	-	102,882	219,201	-
OPEB	198,694	2,970	-	201,664	-
Total Net Pension/OPEB Liability	520,777	2,970	102,882	420,865	-
Total Long-Term Obligations	$ 12,112,951	$ 2,970	$ 674,721	$ 11,441,200	$ 583,722

On October 28, 2010, the Port Authority obtained a loan for the purpose of purchasing land. The loan was refinanced on October 28, 2013 in the amount of $1,234,133. Payments on the loan are due quarterly, with interest at 4.75 percent. The loan matures November 1, 2038.

During 2013, the Port Authority began drawing down on a $9,055,000 loan obtained from the Ohio Enterprise Bond Fund program (the OEBF loan) for the purpose of constructing a new hangar building. The loan agreement functioned similar to a line-of-credit agreement, and any undisbursed proceeds were held in escrow by a trustee. At December 31, 2014, the Port Authority received the remaining proceeds of the $9,055,000 loan. The loan requires monthly payments beginning in 2014, including interest at annual rates ranging from 2.0 - 5.0 percent. The final payment is due November 15, 2036. The Port Authority receives rental payments under a lease agreement with Air Transport International LLC (ATI LLC) and Airborne Maintenance and Engineering Services, Inc. (AMES) in an amount sufficient to cover the monthly debt service payments on the loan. The loan and lease payments are guaranteed by Air Transport Services Group, Inc.

In conjunction with the OEBF loan and LDI loan, in 2013 the Port Authority was awarded a $4,000,000 Ohio Revised Code Chapter 166 loan. The Port Authority received the full amount of the loan proceeds during 2014. Semi-annual payments, including interest at an annual rate of 1 percent, began in May of 2016. The loan is secured with funds derived from a tax increment financing agreement created by the City of Wilmington, Ohio.

On April 26, 2019 The Port Authority entered into a lease-purchase agreement with De Lage Landen Public Finance LLC for a Case IH Farmall tractor. Final payment on the lease-purchase agreement is due April 15, 2021.

In the event of default, as defined by the lease agreement, the amounts payable by the Port Authority may become due. If payments are not made, the lessor may retake possession of the leased property and may sell or sublease the leased property. The lessor may exercise any other rights, remedy or privilege that may be available under the State laws to enforce the terms of the lease or recover damages for the breach of the contract. The Port Authority will be held liable for amounts payable.

The following tables show the future principal and interest payments due on the mortgage loan, OEBF loan, 166 loan and the lease-purchase agreement.

	Mortgage Loan		OEBF Loan		166 Loan		Lease-Purchase Agreement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	$ 36,676	$ 48,562	$ 335,833	$ 269,400	$ 185,769	$ 38,152	$ 25,444	$ 1,277	$ 583,722	$ 357,391
2022	38,475	46,763	345,834	259,997	187,632	35,823	-	-	571,941	342,583
2023	40,362	44,876	355,833	249,446	189,513	33,472	-	-	585,708	327,794
2024	42,219	43,019	365,833	237,997	191,413	31,097	-	-	599,465	312,113
2025	44,411	40,827	375,834	226,229	193,331	28,699	-	-	613,576	295,755
2026-2030	256,830	169,360	2,060,834	933,200	996,120	106,664	-	-	3,313,784	1,209,224
2031-2035	326,317	99,873	2,525,000	447,671	1,047,063	42,988	-	-	3,898,380	590,532
2036-2038	236,760	18,953	527,500	15,364	107,608	672	-	-	871,868	34,989
Totals	$ 1,022,050	$ 512,233	$ 6,892,501	$ 2,639,304	$ 3,098,449	$ 317,567	$ 25,444	$ 1,277	$ 11,038,444	$ 3,470,381

NOTE 12 - RISK MANAGEMENT

A. General Insurance

The County is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters.

The County is a member of County Risk Sharing Authority, Inc. (CORSA), which is a shared risk pool of 63 counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the 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. No county may have more than one representative on the board at any one 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.

The County pays the State Workers' Compensation System a premium based on a rate per $100 of employee compensation. The rate is calculated based on accident history and administrative costs. Settled claims have not exceeded this coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from last year.

B. Health Care, Vision, Dental and Life Insurance

The County has elected to provide medical, dental, vision and group life insurance benefit offerings to employees. The County, through CEBCO, a risk-sharing consortium which is part of CCAO, is insured for medical with Anthem Blue Cross as the carrier. The county contracts for a specific premium rate for the year for enrollees (a fully-insured rate). The consortium is self-insured. Dental is a fully-insured product through Superior Dental and vision is a fully-insured product through VSP. Group life is fully insured through AUL (American United Life).

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and OPEB 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/OPEB liability (asset) represents 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 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 is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes 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 liabilities within 30 years. If the 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 (asset). 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 proportionate share of each plan's unfunded benefits is presented as a long-term ***net pension/OPEB liability (asset)*** on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contributions outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

The remainder of this note includes the pension disclosures. See Note 14 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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. While members (e.g. County employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members 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 plan as per the reduced benefits adopted by SB 343 (see OPERS ACAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A	**Group B**	**Group C**
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	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 and Service Requirements:**	**Age and Service Requirements:**
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula:	**Formula:**	**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	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements:	**Age and Service Requirements:**	**Age and Service Requirements:**
Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements:	**Age and Service Requirements:**	**Age and Service Requirements:**
Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Formula:	**Formula:**	**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	2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	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 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. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

	State and Local	Public Safety	Law Enforcement
2020 Statutory Maximum Contribution Rates			
Employer	14.00 %	18.10 %	18.10 %
Employee	10.00 %	*	**
2020 Actual Contribution Rates			
Employer:			
Pension	14.00 %	18.10 %	18.10 %
Post-Employment Health Care Benefits	0.00 %	0.00 %	0.00 %
Total Employer	14.00 %	18.10 %	18.10 %
Employee	10.00 %	12.00 %	13.00 %

* This rate is determined by OPERS' Board and has no maximum rate established by ORC.

** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was $2,015,363 for 2020. Of this amount, $182,215 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The County participates in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective August 1, 2017 – July 1, 2019, any member could retire with reduced benefits who had (1) five years of service credit and age 60; (2) 27 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Effective August 1, 2019 – July 1, 2021, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 28 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Eligibility changes will continue to be phased through August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit plan unfunded liability. A member is eligible to receive a monthly retirement benefit at age 50 and termination of employment. The member may elect to receive a lump-sum withdrawal.

The Combined plan offers features of both the DB Plan and the DC Plan. In the Combined plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory employer rate is 14 percent and the statutory member rate is 14 percent of covered payroll effective July 1, 2016. The County was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The 2020 contribution rates were equal to the statutory maximum rates.

The County's contractually required contribution to STRS was $7,712 for 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. STRS net pension liability was measured as of June 30, 2020, and total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.096965%	0.000734%	
Prior Measurement Period	0.098034%	0.000738%	
Change in Proportion	-0.001069%	-0.000004%	
Proportionate Share of the Net Pension Liability	$ 19,165,790	$ 177,638	$ 19,343,428
Pension Expense	$ 3,058,101	$ 12,637	$ 3,070,738

Component Unit - Port Authority	OPERS
Proportion of the Net Pension Liability:	
Current Measurement Period	0.001109%
Prior Measurement Period	0.001176%
Change in Proportion	-0.000067%
Proportionate Share of the Net Pension Liability	$ 219,201
Pension Expense	$ 8,310

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	STRS	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual Earnings on Pension Plan Investments	$ -	$ 8,640	$ 8,640
Differences between Expected and Actual Experience	-	397	397
Changes of Assumptions	1,023,678	9,535	1,033,213
County Contributions Subsequent to the Measurement Date	2,015,363	1,433	2,016,796
Total Deferred Outflows of Resources	$ 3,039,041	$ 20,005	$ 3,059,046
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$ 242,324	$ 1,138	$ 243,462
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,823,145	-	3,823,145
Changes in Proportionate Share	200,538	2,926	203,464
Total Deferred Inflows of Resources	$ 4,266,007	$ 4,064	$ 4,270,071

Component Unit - Port Authority		OPERS
Deferred Outflows of Resources		
Changes of Assumptions	$	11,708
Port Authority Contributions Subsequent to the Measurement Date		24,614
Total Deferred Outflows of Resources	$	36,322
Deferred Inflows of Resources		
Differences between Expected and Actual Experience	$	2,772
Net Difference between Projected and Actual Earnings on Pension Plan Investments		43,729
Changes in Proportionate Share		28,716
Total Deferred Inflows of Resources	$	75,217

$2,016,796 and 24,614 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:		OPERS		STRS		Total
2021	$	(597,585)	$	3,390	$	(594,195)
2022		(1,285,021)		2,631		(1,282,390)
2023		158,317		4,723		163,040
2024		(1,518,040)		3,764		(1,514,276)
	$	(3,242,329)	$	14,508	$	(3,227,821)

Component Unit - Port Authority Year Ending December 31:		OPERS
2021	$	(30,681)
2022		(17,275)
2023		1,809
2024		(17,362)
	$	(63,509)

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 key actuarial assumptions and methods applied to all prior 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.

Actuarial Information	Traditional Pension Plan
Wage Inflation	3.25 percent
Future Salary Increases, including wage inflation	3.25 percent to 10.75 percent (including wage inflation)
Investment Rate of Return	
Current Measurement Date	7.20 percent
Prior Measurement Date	7.20 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2020, then 2.15 percent Simple

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

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

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

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

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

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

Discount Rate The discount rate used to measure the total pension liability was 7.20 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.20 percent) or one-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net Pension Liability	$ 31,610,590	$ 19,165,790	$ 7,978,280

Component Unit - Port Authority

	1% Decrease	Current Discount Rate	1% Increase
Port Authority's Proportionate Share of the Net Pension Liability	$ 361,534	$ 219,201	$ 91,249

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation, are presented below:

Inflation	2.50 percent
Acturial Cost Method	Entry Age Normal (Level Percent of Payroll)
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments	0.00 percent

Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Tables, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

The actuarial assumptions used in the June 30, 2020 valuation, were based on the results of the latest available actuarial experience study, which is for the period July 1, 2011, through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	100.00 %	

*Ten year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate. The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes that employer and member contributions will be made at statutory contribution rates of 14 percent each. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table represents the County's proportionate share of the net pension liability as of June 30, 2020, calculated using the current period discount rate assumption of 7.45 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net Pension Liability	$ 252,926	$ 177,638	$ 113,838

NOTE 14 - DEFINED BENEFIT OPEB PLANS

See Note 13 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

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 separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

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

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

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2020, STRS did not allocate any employer contributions to post-employment health care.

Net OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

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 net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Period	0.093779%	0.000734%	
Prior Measurement Period	0.095051%	0.000738%	
Change in Proportion	-0.001272%	-0.000004%	
Proportionate Share of the Net OPEB Liability (Asset)	$ 12,953,316	$ (12,903)	$ 12,940,413
OPEB Expense	$ 1,394,785	$ (629)	$ 1,394,156

Component Unit - Port Authority		OPERS
Proportion of the Net OPEB Liability:		
Current Measurement Period		0.001460%
Prior Measurement Period		0.001524%
Change in Proportion		-0.000064%
Proportionate Share of the Net OPEB Liability	$	201,664
OPEB Expense	$	8,352

At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS		STRS		Total	
Deferred Outflows of Resources						
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	$	-	$	450	$	450
Differences between Expected and Actual Experience		347		825		1,172
Changes of Assumptions		2,050,371		212		2,050,583
Changes in Proportionate Share		5,227		-		5,227
Total Deferred Outflows of Resources	$	2,055,945	$	1,487	$	2,057,432
Deferred Inflows of Resources						
Differences between Expected and Actual Experience	$	1,184,640	$	2,567	$	1,187,207
Net Difference between Projected and Actual Earnings on OPEB Plan Investments		659,578		-		659,578
Changes of Assumptions		-		12,252		12,252
Changes in Proportionate Share		146,185		426		146,611
Total Deferred Inflows of Resources	$	1,990,403	$	15,245	$	2,005,648

Component Unit - Port Authority		OPERS
Deferred Outflows of Resources		
Differences between Expected and Actual Experience	$	6
Changes of Assumptions		31,923
Changes in Proportionate Share		18
Total Deferred Outflows of Resources	$	31,947
Deferred Inflows of Resources		
Differences between Expected and Actual Experience	$	18,444
Net Difference between Projected and Actual Earnings on OPEB Plan Investments		10,268
Changes in Proportionate Share		16,457
Total Deferred Inflows of Resources	$	45,169

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	STRS	Total
2021	$ 231,993	$ (3,418)	$ 228,575
2022	114,869	(3,114)	111,755
2023	525	(3,007)	(2,482)
2024	(281,845)	(2,934)	(284,779)
2025	-	(633)	(633)
Thereafter	-	(652)	(652)
	$ 65,542	$ (13,758)	$ 51,784

Component Unit - Port Authority	
Year Ending December 31:	OPERS
2021	$ (8,947)
2022	105
2023	8
2024	(4,388)
	$ (13,222)

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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
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	10.50 percent, initial, 3.50 percent ultimate in 2030
Prior Measurement Date	10.00 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.

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net OPEB Liability	$ 16,951,492	$ 12,953,316	$ 9,752,078

Component Unit - Port Authority

	1% Decrease	Current Discount Rate	1% Increase
Port Authority's Proportionate Share of the Net OPEB Liability	$ 263,910	$ 201,664	$ 151,825

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

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

	1% Decrease	Current Trend Rate	1% Increase
County's Proportionate Share of the Net OPEB Liability	$ 12,571,075	$ 12,953,316	$ 13,330,685

Component Unit - Port Authority			
	1% Decrease	Current Trend Rate	1% Increase
Port Authority's Proportionate Share of the Net OPEB Liability	$ 195,713	$ 201,664	$ 207,539

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.

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation are presented below:

Inflation	2.50 percent	
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65	
Payroll Increases	3.00 percent	
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	
Discount Rate of Return	7.45 percent	
Health Care Cost Trend Rates		
Medical	Initial	Ultimate
Pre-Medicare	5.00 percent	4.00 percent
Medicare	-6.69 percent	4.00 percent
Prescription Drug		
Pre-Medicare	6.50 percent	4.00 percent
Medicare	11.87 percent	4.00 percent

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

The actuarial assumptions used in the June 30, 2020 valuation were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long Term Expected Real Rate of Return**
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	100.00 %	

*Ten year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2020.

Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2020, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption. Also shown is the net OPEB asset as of June 30, 2020, calculated using health care cost trend rates that are one percentage point lower and one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net OPEB Asset	$ (11,226)	$ (12,903)	$ (14,325)

	1% Decrease	Current Trend Rate	1% Increase
County's Proportionate Share of the Net OPEB Asset	$ (14,237)	$ (12,903)	$ (11,277)

NOTE 15 - CONTINGENT LIABILITIES

A. Grants

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

B. Litigation

Several claims and lawsuits are pending against the County. No liability has been accrued on the balance sheet. In the opinion of the County Prosecutor, the likelihood of a liability for the County cannot reasonably be estimated at this time.

NOTE 16 - OTHER COMMITMENTS

The County utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the County's commitments for encumbrances in the governmental funds were as follows:

Fund	Amount
General	$ 235,535
County Board of DD	102,308
Motor Vehicle and Gas Tax	69,526
Senior Services	1,360
Other Governmental Funds	231,597
	$ 640,326

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the General fund and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

(d) Some funds are included in the General fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

Net Change in Fund Balance

	General	County Board of DD	Motor Vehicle and Gas Tax	JFS Children Services	Senior Services
GAAP Basis	$ 7,792,764	$ 818,101	$ 594,745	$ 692,818	$ (430,090)
Net Adjustment for Revenue Accruals	264,446	46,101	66,390	(99,672)	(798)
Net Adjustment for Expenditure Accruals	72,480	22,934	(25,547)	153,391	(11,256)
Funds Budgeted Elsewhere *	(202,839)	-	-	-	-
Adjustment for Encumbrances	(360,555)	(150,073)	(124,085)	-	(290,225)
Budget Basis	$ 7,566,296	$ 737,063	$ 511,503	$ 746,537	$ (732,369)

*Certain funds that are legally budgeted in separate special revenue funds are considered part of the General fund on a GAAP basis. These include the Unclaimed Money, General Fund Reserve Fund Balance, Geographic Information Systems, Indigent Application Fee, Certificate of Title Administration, Sick and Vacation Payout, County Recorder Equipment, Health Insurance Depository, Sheriff Policing Rotary and Former County Hospital funds.

NOTE 18 – COVID-19

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

During 2020, the County received $2,501,623 in CARES Act funding. Of the amounts received, $445,332 was sub-granted to other governments and organizations. These amounts are reflected as legislative and executive expenditures in the Coronavirus Relief Special Revenue Fund (a nonmajor governmental fund) on the accompanying financial statements.

NOTE 19 - FUND BALANCE

Fund balance is 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 resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

	General Fund	County Board of DD Fund	Motor Vehicle & Gas Tax Fund	JFS Children Services Fund	Senior Services Fund	Other Governmental Funds	Total
Nonspendable for:							
Long-Term Interfund Loans	$ 2,481,336	$ -	$ -	$ -	$ -	$ -	$ 2,481,336
Notes Receivable	484,999	-	-	-	-	-	484,999
Inventory	-	-	599,817	-	-	-	599,817
Prepaid Items	115,840	35,271	2,262	3,520	-	58,642	215,535
Unclaimed Monies	217,465	-	-	-	-	-	217,465
Total Nonspendable	3,299,640	35,271	602,079	3,520	-	58,642	3,999,152
Restricted for:							
General Government	-	-	-	-	-	1,519,330	1,519,330
Public Safety	-	-	-	-	-	634,092	634,092
Human Services Programs	-	-	-	2,044,541	498,103	921,981	3,464,625
Public Works	-	-	4,207,271	-	-	992,760	5,200,031
Health Programs	-	9,204,036	-	-	-	164,752	9,368,788
Economic Development	-	-	-	-	-	181,110	181,110
Capital Outlay	-	-	-	-	-	142,593	142,593
Other Purposes	-	-	-	-	-	33,615	33,615
Total Restricted	-	9,204,036	4,207,271	2,044,541	498,103	4,590,233	20,544,184
Committed for:							
Health Programs	6,251	-	-	-	-	-	6,251
Geographic Info Systems	356,340	-	-	-	-	-	356,340
Sheriff's Policing Rotary	228,772	-	-	-	-	-	228,772
Capital Improvements	-	-	-	-	-	502,264	502,264
Debt	-	-	-	-	-	5,694,012	5,694,012
Total Committed	591,363	-	-	-	-	6,196,276	6,787,639
Assigned:							
Encumbrances							
General Government	150,558	-	-	-	-	-	150,558
Public Safety	84,439	-	-	-	-	-	84,439
Human Service Programs	2,775	-	-	-	-	-	2,775
Health Programs	2,888,534	-	-	-	-	-	2,888,534
Other Purposes	-	-	-	-	-	5,347,192	5,347,192
Total Assigned	3,126,306	-	-	-	-	5,347,192	8,473,498
Unassigned	21,592,472	-	-	-	-	(3,179)	21,589,293
Total Fund Balance	$ 28,609,781	$ 9,239,307	$ 4,809,350	$ 2,048,061	$ 498,103	$ 16,189,164	$ 61,393,766

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Clinton County, Ohio
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability
Last Seven Years (1)

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
County's Proportion of the Net Pension Liability	0.096965%	0.098034%	0.099140%	0.097464%
County's Proportionate Share of the Net Pension Liability	$ 19,165,790	$ 26,849,591	$ 15,553,144	$ 22,132,519
County's Covered Payroll	$ 13,156,022	$ 12,790,060	$ 13,607,464	$ 13,574,100
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	145.68%	209.93%	114.30%	163.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%	77.25%
State Teachers Retirement System (STRS)				
County's Proportion of the Net Pension Liability	0.000738%	0.000738%	0.000747%	0.000755%
County's Proportionate Share of the Net Pension Liability	$ 177,638	$ 163,213	$ 164,306	$ 179,310
County's Covered Payroll	$ 87,507	$ 85,793	$ 84,107	$ 81,857
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	203.00%	190.24%	195.35%	219.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.50%	77.40%	77.30%	75.30%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

	2016	2015	2014
	0.097235%	0.097555%	0.097555%
	$ 16,842,335	$ 11,766,221	$ 11,500,462
	$ 10,913,808	$ 11,487,765	$ 11,806,980
	154.32%	102.42%	97.40%
	81.08%	86.45%	86.36%
	0.000794%	0.000747%	0.000747%
	$ 265,702	$ 206,564	$ 180,188
	$ 79,507	$ 77,179	$ 69,507
	334.19%	267.64%	259.24%
	66.80%	72.10%	74.70%

See accompanying notes to the required supplementary information.

Clinton County, Ohio
Required Supplementary Information
Schedule of the County's Contributions - Pension
Last Ten Years

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
Contractually Required Contribution	$ 2,015,363	$ 1,909,306	$ 1,853,301	$ 1,830,303
Contributions in Relation to the Contractually Required Contribution	(2,015,363)	(1,909,306)	(1,853,301)	(1,830,303)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 13,868,592	$ 13,156,022	$ 12,790,060	$ 13,607,464
Contributions as a Percentage of Covered Payroll	14.53%	14.51%	14.49%	13.45%
State Teachers Retirement System (STRS)				
Contractually Required Contribution	$ 7,712	$ 12,251	$ 12,011	$ 11,775
Contributions in Relation to the Contractually Required Contribution	(7,712)	(12,251)	(12,011)	(11,775)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 55,086	$ 87,507	$ 85,793	$ 84,107
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

(n/a) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

2016		2015		2014		2013		2012		2011
$	1,628,892	$	1,351,318	$	1,422,878	$	1,698,048		n/a		n/a
	(1,628,892)		(1,351,318)		(1,422,878)		(1,698,048)		n/a		n/a
$	-	$	-	$	-	$	-		n/a		n/a
$	13,574,100	$	10,913,808	$	11,487,765	$	11,806,980		n/a		n/a
	12.00%		12.38%		12.39%		14.38%		n/a		n/a
$	11,460	$	11,131	$	10,419	$	9,036	$	8,771	$	20,703
	(11,460)		(11,131)		(10,419)		(9,036)		(8,771)		(20,703)
$	-	$	-	$	-	$	-	$	-	$	-
$	81,857	$	79,507	$	77,179	$	69,507	$	67,471	$	159,250
	14.00%		14.00%		13.50%		13.00%		13.00%		13.00%

See accompanying notes to the required supplementary information.

Clinton County, Ohio

Required Supplementary Information

Schedule of the County's Proportionate Share of the Net OPEB Liability (Asset)

Last Four Years (1)

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
County's Proportion of the Net OPEB Liability	0.093779%	0.095051%	0.096394%	0.094740%
County's Proportionate Share of the Net OPEB Liability	$ 12,953,316	$ 12,392,407	$ 10,467,678	$ 9,569,062
County's Covered Payroll	$ 13,156,022	$ 12,790,060	$ 13,607,464	$ 13,574,100
County's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	98.46%	96.89%	76.93%	70.50%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%
State Teachers Retirement System (STRS)				
County's Proportion of the Net OPEB Liability (Asset)	0.000734%	0.000738%	0.000747%	0.000755%
County's Proportionate Share of the Net OPEB Liability (Asset)	$ (12,903)	$ (12,223)	$ (12,004)	$ 29,450
County's Covered Payroll	$ 87,507	$ 85,793	$ 84,107	$ 81,857
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-14.75%	-14.25%	-14.27%	35.98%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	182.10%	174.70%	176.00%	47.10%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

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Clinton County, Ohio
Required Supplementary Information
Schedule of the County's Contributions - OPEB
Last Ten Years

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
Contractually Required Contribution	$ -	$ -	$ -	$ 136,075
Contributions in Relation to the Contractually Required Contribution	-	-	-	(136,075)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll (1)	$ 13,868,592	$ 13,156,022	$ 12,790,060	$ 13,607,464
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	1.00%
State Teachers Retirement System (STRS)				
Contractually Required Contribution	$ -	$ -	$ -	$ -
Contributions in Relation to the Contractually Required Contribution	-	-	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
County's Covered Payroll	$ 55,086	$ 87,507	$ 85,793	$ 84,107
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(n/a) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.
(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

See accompanying notes to the required supplementary information.

2016	2015	2014	2013	2012	2011
$ 262,905	n/a	n/a	n/a	n/a	n/a
(262,905)	n/a	n/a	n/a	n/a	n/a
$ -	n/a	n/a	n/a	n/a	n/a
$ 13,574,100	n/a	n/a	n/a	n/a	n/a
1.94%	n/a	n/a	n/a	n/a	n/a
$ -	$ -	$ 400	$ 749	$ 727	$ 1,715
-	-	(400)	(749)	(727)	(1,715)
$ -	$ -	$ -	$ -	$ -	$ -
$ 81,857	$ 79,507	$ 77,179	$ 69,507	$ 67,471	$ 159,250
0.00%	0.00%	0.50%	1.00%	1.00%	1.00%

See accompanying notes to the required supplementary information.

Clinton County Port Authority
Clinton County, Ohio
Required Supplementary Information
Schedule of the Port Authority's Proportionate Share of the Net Pension Liability
Last Seven Years (1)

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
Port Authority's Proportion of the Net Pension Liability	0.001109%	0.0011760%	0.0015444%	0.0015359%
Port Authority's Proportionate Share of the Net Pension Liability	$ 219,201	$ 322,083	$ 242,284	$ 348,781
Port Authority's Covered Payroll	$ 156,036	$ 158,821	$ 204,093	$ 198,550
Port Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.48%	202.80%	118.71%	175.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%	77.25%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

2016		2015		2014	
	0.0016190%		0.0012650%		0.0012650%
$	280,431	$	152,573	$	149,127
$	201,458	$	155,108	$	161,092
	139.20%		98.37%		92.57%
	81.08%		86.45%		86.36%

See accompanying notes to the required supplementary information.

Clinton County Port Authority
Clinton County, Ohio
Required Supplementary Information
Schedule of the Port Authority's Contributions - Pension
Eight Years (1)

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
Contractually Required Contribution	$ 24,614	$ 21,845	$ 22,235	$ 26,532
Contributions in Relation to the Contractually Required Contribution	(24,614)	(21,845)	(22,235)	(26,532)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
Port Authority's Covered Payroll	$ 175,814	$ 156,036	$ 158,821	$ 204,093
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%

(1) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

2016	2015	2014	2013
$ 23,826	$ 24,175	$ 18,613	$ 20,942
(23,826)	(24,175)	(18,613)	(20,942)
$ -	$ -	$ -	$ -
$ 198,550	$ 201,458	$ 155,108	$ 161,092
12.00%	12.00%	12.00%	13.00%

See accompanying notes to the required supplementary information.

Clinton County Port Authority
Clinton County, Ohio
Required Supplementary Information
Schedule of the Port Authority 's Proportionate Share of the Net OPEB Liability
Last Four Years (1)

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
Port Authority 's Proportion of the Net OPEB Liability	0.001460%	0.0015240%	0.0018382%	0.0018320%
Port Authority 's Proportionate Share of the Net OPEB Liability	$ 201,664	$ 198,694	$ 199,612	$ 185,038
Port Authority 's Covered Payroll	$ 156,036	$ 158,821	$ 204,093	$ 198,550
Port Authority 's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	129.24%	125.11%	97.80%	93.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

Clinton County Port Authority
Clinton County, Ohio
Required Supplementary Information
Schedule of the Port Authority 's Contributions - OPEB
Last Five Years (1)

	2020	2019	2018	2017	2016
Ohio Public Employees' Retirement System (OPERS)					
Contractually Required Contribution	$ -	$ -	$ -	$ 2,041	$ 3,971
Contributions in Relation to the Contractually Required Contribution	-	-	-	(2,041)	(3,971)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ 0	$ 0
Port Authority 's Covered Payroll (1)	$ 175,814	$ 156,036	$ 158,821	$ 204,093	$ 198,550
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	1.00%	2.00%

(1) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.
(2) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

See accompanying notes to the required supplementary information.

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NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

For fiscal year 2019, the single discount rate changed from 7.50 percent to 7.20 percent.

Amounts reported in calendar year 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00 percent to 7.50 percent
- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

Changes in Benefit Terms – OPERS

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

Changes in Assumptions – STRS

The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to 3.00 percent, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25 percent due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms - STRS

Effective July 1, 2017, the cost-of-living adjustment (COLA) was reduced to zero.

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions - OPERS

For calendar year 2020, the following changes were made to the actuarial assumptions:

- Discount rate from 3.96 percent to 3.16 percent
- Municipal bond rate from 3.71 percent to 2.75 percent
- Health Care Cost Trend Rate from 10.00 percent to 10.50 percent

For calendar year 2019, the following changes were made to the actuarial assumptions:

- Discount rate from 3.85 percent to 3.96 percent
- Investment rate of return from 6.50 percent to 6.00 percent
- Municipal bond rate from 3.31 percent to 3.71 percent
- Health Care Cost Trend Rate from 7.50 percent to 10.00 percent

For calendar year 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

Changes in Benefit Terms – OPERS

No significant changes in benefit terms.

Changes in Assumptions – STRS

For 2018, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45 percent. Valuation year per capita health care costs were updated. Health care cost trend rates ranged from 6.00 percent to 11 percent initially and a 4.50 percent ultimate rate for 2017 and changed for 2018 to a range of -5.20 percent to 9.60 percent, initially and a 4.00 ultimate rate.

For 2017, the blended discount rate was increased from 3.26 percent to 4.13 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Changes in Benefit Terms – STRS

For 2020, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For 2019, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021

For 2018, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

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CLINTON COUNTY, OHIO

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

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through the Ohio Department of Job and Family Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) Cluster:				
Food Assistance E&T	G-2021-11-5911	10.561	$ 32,045	$ 0
Food Assistance E&T 50%	G-2021-11-5911	10.561	(248)	0
Food Assistance	G-2021-11-5911	10.561	300,738	0
Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP) Cluster			332,535	0
Total U.S. Department of Agriculture			**332,535**	**0**
U.S. DEPARTMENT OF EDUCATION				
Passed Through the Ohio Department of Developmental Disabilities				
Special Education Grants for Infants and Children	H181A170024	84.181	89,672	89,672
Total U.S. Department of Education			**89,672**	**89,672**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through the Ohio Department of Job and Family Services				
Temporary Assistance for Needy Families (TANF):				
TANF - Independent Living	G-2021-11-5911	93.558	17,600	0
TANF - CCMEP Regular	G-2021-11-5911	93.558	18,543	0
TANF - CCMEP Administration	G-2021-11-5911	93.558	3,548	0
TANF - Administration	G-2021-11-5911	93.558	99,297	0
TANF - Regular (Program)	G-2021-11-5911	93.558	484,910	0
TANF - Summer Youth	G-2021-11-5911	93.558	65,500	0
TANF - Kinship Caregiver	G-1819-11-5724 / G-2021-11-5911	93.558	4,671	0
TANF - Fraud Awareness	G-2021-11-5911	93.558	1,993	0
Total Temporary Assistance for Needy Families (TANF)			696,062	0
Child Care and Development Block Grant Cluster:				
Child Care Administration	G-2021-11-5911	93.575	10,260	0
Child Care Non-Administration	G-2021-11-5911	93.575	30,651	0
Total Child Care and Development Block Grant Cluster			40,911	0
Social Services Block Grant				
Title XX - Base Subsidy	G-2021-11-5911	93.667	96,085	0
Title XX - Transfer Subsidy	G-2021-11-5911	93.667	292,191	0
Total Social Services Block Grant			388,276	0
Children's Health Insurance Program				
State Children Health Inc Program	G-2021-11-5911	93.767	8,129	0
Medicaid Cluster:				
Medical Assistance Program				
Medicaid 50%	G-2021-11-5911	93.778	47,209	0
Medicaid 75%	G-2021-11-5911	93.778	289,267	0
Medicaid Combined	G-2021-11-5911	93.778	58,158	0
Medicaid NET	G-2021-11-5911	93.778	106,954	0
Medicaid Child Welfare Related	G-2021-11-5911	93.778	3,165	0
Total Medical Assistance Program			504,753	0
Child Support Enforcement				
Federal Child Support	G-2021-11-5911	93.563	373,565	0
Child Support Training	G-2021-11-5911	93.563	134	0
Child Support Awareness	G-2021-11-5911	93.563	500	0
County Incentives	G-2021-11-5911	93.563	107,248	0
Total Child Support Enforcement			481,447	0
Promoting Safe and Stable Families				
ESSA Preservation	G-2021-11-5911	93.556	7,670	0
ESSA Reunification	G-2021-11-5911	93.556	12,119	0
Caseworker Visits	G-2021-11-5911	93.556	2,767	0
Total Promoting Safe and Stable Families			22,556	0
Stephanie Tubbs Jones Child Welfare Services Program				
Family Centered Services and Support	G-2021-11-5911	93.645	1,430	0
IV-B	G-2021-11-5911	93.645	48,867	0
Total Stephanie Tubbs Jones Child Welfare Services Program			50,297	0

(Continued)

CLINTON COUNTY, OHIO

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

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through the Ohio Department of Job and Family Services (Continued)				
Foster Care (Title IV-E)				
Title IV-E Admin & Training	G-2021-11-5911	93.658	$ 216,430	$ 0
Title IV-E Admin & Training 75%	G-2021-11-5911	93.658	19,123	0
Title IV-E Contracts Foster Care	G-2021-11-5911	93.658	24,534	0
Title IV-E Foster Care Maintenance	G-2021-11-5911	93.658	643,137	0
Total Foster Care (Title IV-E)			903,224	0
Adoption Assistance (Title IV-E)				
Title IV-E Admin & Training	G-2021-11-5911	93.659	490,155	0
Title IV-E Admin & Training 75%	G-2021-11-5911	93.659	42,336	0
Non-Recurring Adoption	G-2021-11-5911	93.659	3,717	0
Title IV-E Contracts AA	G-2021-11-5911	93.659	53,171	0
Total Adoption Assistance (Title IV-E)			589,379	0
Chafee Foster Care Independence Program				
Federal Chafee	G-2021-11-5911	93.674	7,306	0
Passed Through Ohio Department of Developmental Disabilities:				
Title XX - Social Services Block Grant	Title XX	93.667	26,884	0
Memo Total CFDA 93.667			415,160	0
Medicaid Cluster:				
Medical Assistance Program (MAC)	Title XIX	93.778	218,082	0
Memo Total Medicaid Cluster			722,835	0
Passed through the Ohio Department of Mental Health				
Family Centered Services and Support	FY20	93.556	11,572	0
Memo Total CFDA 93.556			34,128	0
Total U.S. Department of Health and Human Services			**3,948,878**	**0**
U.S. DEPARTMENT OF TRANSPORTATION				
Passed Through the Ohio Department of Transportation				
Highway Planning and Construction Cluster:				
CLI VAR Guardrail FY20	PID #103690	20.205	297,395	0
CLI-CR 12-0.00 Antioch Road	PID #103910	20.205	440,387	0
CEAO-LPA Safety Study - Sign Software	PID #108474	20.205	2,250	0
CLI SR 73-14.64	PID #109364	20.205	400,000	0
CLI-CR 6-4.86 Westboro Rd Bridge	PID #109966	20.205	48,070	0
CEAO-LPA Safety Study - No Passing Zone	PID #110515	20.205	19,530	0
CEAO-LPA Sign Upgrade Project	PID #111033	20.205	21,800	0
Total Highway Planning and Construction Cluster			1,229,432	0
Passed Through the Federal Aviation Administration				
Airport Improvement Program				
Runway Lighting Rehabilitation	3-39-0091-013-2019	20.106	48,301	0
Runway Lighting Rehabilitation Phase Two	3-39-0091-014-2019	20.106	383,985	0
CARES Act Grant	3-39-0091-015-2019	20.106	27,749	0
Total Airport Improvement Program			460,035	0
Total U.S. Department of Transportation			**1,689,467**	**0**
U.S. DEPARTMENT OF TREASURY				
Passed Through the Ohio Office of Budget and Management				
COVID-19 Coronavirus Relief Fund	HB481-CRF-Local	21.019	2,509,535	0
Passed Through the Ohio Supreme Court				
COVID-19 Remote Technology Grant	20-RTG-0100	21.019	26,849	0
Total U.S. Department of Treasury			**2,536,384**	**0**

(Continued)

CLINTON COUNTY, OHIO

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

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through the Ohio Development Services Agency				
Community Development Block Grants:				
Small Cities CDBG Program	B-C-18-1AN-1	14.228	$ 116,860	$ 0
Small Cities CDBG Program	B-F-19-1AN-1	14.228	29,476	0
Critical Infrastucture Grant	B-X-18-1AN-1	14.228	250,247	0
Critical Infrastucture Grant	B-X-19-1AN-1	14.228	204,303	0
Memo Total CFDA 14.228			600,886	0
Home Investment Partnerships Program	B-C-18-1AN-2	14.239	143,621	0
Total U.S. Department of Housing and Urban Development			**744,507**	**0**
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed Through the Ohio Department of Public Safety				
Emergency Management Performance Grant	DPSFE256	97.042	53,288	0
Hazard Mitigation Grant	DR-4424.02-P-OH	97.039	14,525	0
Total U.S. Department of Homeland Security			**67,813**	**0**
U.S. DEPARTMENT OF JUSTICE				
Passed Through the Ohio Attorney General's Office - Crime Victim Section				
Crime Victim Assistance	2020-VOCA-132923344 / 2021-VOCA-133899831	16.575	55,231	55,231
Crime Victim Assistance	2020-VOCA-132923417 / 2021-VOCA-133899464	16.575	16,602	0
Total Crime Victim Assistance			71,833	55,231
Total U.S. Department of Justice			**71,833**	**55,231**
U.S. DEPARTMENT OF LABOR				
Passed Through the Ohio Department of Jobs and Family Services via Ohio Area 7 Workforce Investment Board				
Workforce Investment Act Cluster:				
WIOA - Adult Program	G-2021-7314-1	17.258	88,637	87,324
OMJ Resource Sharing	G-2021-7314-1	17.258	523	0
WIOA - Adult Total			89,160	87,324
CCMEP - WIOA - Youth Program	G-2021-7314-1	17.259	112,890	112,250
WIOA - Dislocated Worker Program	G-2021-7314-1	17.278	124,193	122,353
OMF Resource Sharing	G-2021-7314-1	17.278	987	0
Bus Resource Network	G-2021-7314-1	17.278	1,594	1,594
Rapid Response	G-2021-7314-1	17.278	23,935	23,935
WIOA - Dislocated Worker Total			150,709	147,882
Total Workforce Investment Act Cluster			352,759	347,456
Employment Service Cluster:				
OMJ Center Resource Sharing	G-2021-7314-1	17.207	20,537	0
Trade Adjustment Assistance	G-2021-7314-1	17.245	3,687	0
NDWG - Opioids #2 Program	G-2021-7314-1	17.277	115,793	115,793
Total U.S. Department of Labor			**492,776**	**463,249**
U.S. ELECTION ASSISTANCE COMMISSION				
Passed Through the Ohio Secretary of State				
HAVA Election Security Grant	360744247	90.404	50,000	0
HAVA Security and Voter Accessibility Block Grant	360744247	90.404	5,945	0
HAVA 2020 Supplemental COVID-19 Election Security Grants	360744247	90.404	32,073	0
Total U.S. Election Assistance Commission			**88,018**	**0**
Total Federal Expenditures			**$ 10,061,883**	**$ 608,153**

The accompanying notes are an integral part of this schedule.

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

NOTE 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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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 Developmental Disabilities, the Ohio Attorney General's Office, and the Ohio Department of Job and Family 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 local program income account as of December 31, 2020 is $55,960.

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

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.

NOTE G - TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2020, the County made allowable transfers of $292,191 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent approximately $696,060 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during fiscal year 2020 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	$ 988,251
Transfer to Social Services Block Grant	(292,191)
Total Temporary Assistance for Needy Families	**$ 696,060**

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

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

Clinton County
46 S. South St.
Wilmington, Ohio 45177

To the 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 financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Clinton County, (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 March 1, 2022, wherein we noted the County adopted new accounting guidance in Governmental Accounting Standards Board Statement 84, *Fiduciary Activities.* We also noted the financial impact of COVID-19 and the continuing emergency measures 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 opinion 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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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 statements. 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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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
March 1, 2022

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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(800) 282-0370

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

Clinton County
46 S. South St.
Wilmington, Ohio 45177

To the County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Clinton County'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 each of Clinton County's major federal programs 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 programs.

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 programs.

Auditor's Responsibility

Our responsibility is to opine on the County's compliance for each of the County's major federal programs 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 each of the County's major programs. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, Clinton County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs 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 each 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. Therefore, we cannot assure we have identified 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, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying schedule of findings as item 2020-001.

The County's response to the internal control over compliance finding we identified is described in the accompanying schedule of findings and corrective action plan. We did not subject the County's response to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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
March 1, 2022

CLINTON 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)?**	No
(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)?**	No
(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?**	Yes
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	Yes
(d)(1)(vii)	**Major Programs (list):**	Community Development Block Grant Highway Planning & Construction Cluster Coronavirus Relief Funds
(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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

1. <u>Coronavirus Relief Fund Expenditure Approval</u>

Finding Number:	**2020-001**
CFDA Number and Title:	**CFDA # 21.019 Coronavirus Relief Fund**
Federal Award Identification Number / Year:	**HB481-CRF-Local / 2020**
Federal Agency:	**US Department of Treasury**
Compliance Requirement:	**A. Activities Allowed or Unallowed**
	B. Allowable Costs/Cost Principles
	H. Period of Performance of Federal Funds
Pass-Through Entity:	**Ohio Office of Budget and Management**
Repeat Finding from Prior Audit?	**No**

Significant Deficiency

When designing the public office's system of internal control and the specific control activities, management should implement control procedures to ensure compliance with applicable laws and regulations including those related to the allowable use of Federal funds.

The County did not have procedures in place to properly approve Coronavirus Relief Fund (CRF) expenditures. Eight of the 41 CRF expenditures tested were not properly approved by the Commissioners to ensure they met all requirements for the allowable use of the funds.

Failure to properly approve federal expenditures could result in funds being spent on unallowable purchases. Proper certification is a key control in the federal disbursement process to assure that funds are spent properly.

We recommend the Commissioners review and approve all CRF expenditures to determine they are for an allowable use prior to the funds being expended.

Officials' Response:

See Corrective Action Plan

CLINTON COUNTY COMMISSIONERS
Clinton County Courthouse
46 S. South Street, Suite 213
Wilmington, Ohio 45177

Phone: (937) 382-2103
Fax: (937) 383-2884

CORRECTIVE ACTION PLAN

2 CFR § 200.511(c)

December 31, 2020

Finding Number:	2020-001
Planned Corrective Action:	The Commissioners will ensure that the Coronavirus Relief Fund (CRF) expenditures will be reviewed for allowable expenses, presented in public session and approved by resolution.
Anticipated Completion Date:	
Responsible Contact Person:	Board of Commissioners

OHIO AUDITOR OF STATE
KEITH FABER

CLINTON 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 3/24/2022

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