



CLARK SCHAEFER HACKETT  
BUSINESS ADVISORS

# **PICKAWAY COUNTY, OHIO**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022



OHIO AUDITOR OF STATE  
KEITH FABER



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County Commissioners  
Pickaway County  
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We have reviewed the *Independent Auditor's Report* of Pickaway County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber  
Auditor of State  
Columbus, Ohio

August 17, 2023

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## INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners  
Pickaway County, Ohio:

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Pickaway County, Ohio (the "County") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Auto License and Gas Tax Fund, Job and Family Services Fund, Board of Developmental Disabilities Fund, and the American Rescue Plan Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's 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.

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
June 30, 2023

**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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The discussion and analysis of Pickaway County's financial performance provides an overall review of the County's financial activities for the fiscal year ended December 31, 2022. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the County's financial performance.

### **Financial Highlights**

Key financial highlights for 2022 are as follows:

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at December 31, 2022, by \$100,899,674.
- The net position of governmental activities increased \$11,243,172 which represents a 13.01 percent increase from 2021, while the net position of business-type activities increased \$293,484, which represents a 9.99 percent increase.
- For 2022, all revenues of the Governmental Activities totaled \$57,430,312. General revenues accounted for \$29,284,860 in revenue or 50.99 percent of all revenues. Program revenues in the form of charges for services and grants and contributions accounted for \$28,145,452 or 49.01 percent of all revenues.
- The County had \$46,187,140 in Governmental Activities expenses: only \$28,145,452 of these expenses was offset by program specific charges for services, grants and contributions. General revenues were \$29,284,860, of which \$20,661,995 was taxes with the remaining \$8,622,865 representing interest, grants, entitlements not restricted and miscellaneous revenues.
- As of December 31, 2022, the County's governmental funds reported combined ending fund balances of \$48,052,349 an increase of \$3,050,079 or 6.78 percent in comparison with the prior year.

### **Overview of the Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Pickaway County as a financial whole or as an entire operating entity. The statements then proceed to provide a detailed look at specific financial conditions.

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: The government-wide financial statements, fund financial statements, and notes to the basic financial statements.

#### *Government-Wide Financial Statements*

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to private-sector businesses. The Statement of Net Position and the Statement of Activities provide information about activities of the County as a whole, presenting both an aggregate view of the County's finances and a longer-term view of those assets.

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The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the County's tax base, current property tax laws in Ohio restricting revenue growth, and the condition of the County's capital assets (roads, bridges, sewer lines, etc.). These factors need to be considered when assessing the overall health of the County.

The Statement of Activities presents information showing how the County's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

In both of the government-wide financial statements, the County is divided into two distinct kinds of activities: governmental activities and business-type activities.

**Governmental Activities** - Most of the County's programs and services are reported here including human services, health, public safety, public works, economic development and assistance, conservation and recreation and general government (legislative and executive and judicial). These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

**Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The countywide water and sewer operation and the Sheriff web check activity are reported here.

**Component Units** - The County's financial statements include financial data for the Pickaway County Airport Authority. This component unit is described in the notes to the basic financial statements. The component unit is separate and may buy, sell, lease and mortgage property in its own name and can sue and be sued in its own name.

#### *Fund Financial Statements*

Fund financial reports provide detailed information about the County's major funds. The County uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the County's most significant funds. The County's major governmental funds are the General, Auto, License and Gas Tax, Job and Family Services, American Rescue Plan and Board of Developmental Disabilities.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objective. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into one of three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation.

**Proprietary Funds** - The County maintains three proprietary funds. It uses enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Countywide Sewer, Countywide Water and Instant Web Check Funds. The County's major enterprise fund is the Countywide Sewer.

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

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

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**Government-Wide Financial Analysis**

You may 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 2022 compared to 2021:

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b><u>Assets:</u></b>						
Current and Other Assets	\$75,601,694	\$67,115,755	\$768,222	\$611,835	\$76,369,916	\$67,727,590
Capital Assets, Net	77,556,685	76,753,991	4,360,040	4,445,107	81,916,725	81,199,098
<i>Total Assets</i>	<u>153,158,379</u>	<u>143,869,746</u>	<u>5,128,262</u>	<u>5,056,942</u>	<u>158,286,641</u>	<u>148,926,688</u>
<b>Deferred Outflows of Resources</b>	<u>5,514,896</u>	<u>4,636,147</u>	<u>26,862</u>	<u>31,899</u>	<u>5,541,758</u>	<u>4,668,046</u>
<b><u>Liabilities:</u></b>						
Current and Other Liabilities	11,511,611	8,059,743	32,303	25,636	11,543,914	8,085,379
<i>Long-Term Liabilities:</i>						
Due within One Year	1,632,523	1,648,145	195,049	194,624	1,827,572	1,842,769
<i>Due in More Than One Year:</i>						
Net Pension Liability	10,567,540	17,404,489	60,580	107,969	10,628,120	17,512,458
Other Amounts	13,630,838	14,001,605	1,533,064	1,728,112	15,163,902	15,729,717
<i>Total Liabilities</i>	<u>37,342,512</u>	<u>41,113,982</u>	<u>1,820,996</u>	<u>2,056,341</u>	<u>39,163,508</u>	<u>43,170,323</u>
<b>Deferred Inflows of Resources</b>	<u>23,661,915</u>	<u>20,966,235</u>	<u>103,302</u>	<u>95,158</u>	<u>23,765,217</u>	<u>21,061,393</u>
<b><u>Net Position:</u></b>						
Net Investment in Capital Assets	64,010,476	62,730,030	2,631,927	2,522,371	66,642,403	65,252,401
<i>Restricted For:</i>						
Auto License and Gas Tax	5,379,383	5,018,913	0	0	5,379,383	5,018,913
Human Services	591,591	631,518	0	0	591,591	631,518
Developmental Disabilities	12,694,670	13,796,233	0	0	12,694,670	13,796,233
Debt Service	71,691	56,045	0	0	71,691	56,045
Capital Projects	346,285	265,380	0	0	346,285	265,380
Other Purposes	13,134,996	12,128,285	0	0	13,134,996	12,128,285
Unrestricted (Deficit)	1,439,756	(8,200,728)	598,899	414,971	2,038,655	(7,785,757)
<i>Total Net Position</i>	<u>\$97,668,848</u>	<u>\$86,425,676</u>	<u>\$3,230,826</u>	<u>\$2,937,342</u>	<u>\$100,899,674</u>	<u>\$89,363,018</u>

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The net pension liability (NPL) and net other postemployment benefits (OPEB) liability are the largest liabilities reported by the County at December 31, 2022 and are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). 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(asset) and the net OPEB liability(asset) to the reported net position and subtracting the net pension asset and 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 OPEB 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 (asset) and the net OPEB liability(asset) 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.

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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(asset) and net OPEB liability (asset), respectively, not accounted for as deferred inflows/outflows.

The increase in current assets for governmental activities is primarily the result of increases in cash and cash equivalents, intergovernmental receivable, and sales taxes receivable.

The increase in governmental capital assets is due primarily to infrastructure and other capital asset additions exceeding current year depreciation.

The increase in current liabilities for governmental activities is due mostly to an increase in unearned revenue due to the American Rescue Plan grant in 2022, while long-term liabilities decreased due to decreases in the net pension liabilities under the GASB 68 method of accounting for pension.

The County's net position is reflected in three categories: Net investment in capital assets, restricted and unrestricted.

For governmental activities, the County's largest portion of net position relates to net investment in capital assets. This accounts for 65.54 percent of net position. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to pay these liabilities.

The County's smallest portion of net position is unrestricted which has a balance of \$1,439,756.

The remaining balance of \$32,218,616 or 32.99 percent is restricted net position. The restricted net position is subject to external restrictions on how they may be used.

Business-type current assets increased due primarily to an increase in cash and cash equivalents. Capital assets decreased due to the annual depreciation. Current liabilities for business-type activities increased primarily as a result of increases in accrued wages and benefits and intergovernmental payable.

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*Unaudited*

Table 2 shows the changes in net position for 2022 compared to 2021.

	Table 2 Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<i>Program Revenues:</i>						
Charges for Services	\$10,273,103	\$11,092,419	\$660,530	\$677,467	\$10,933,633	\$11,769,886
Operating Grants and Contributions	17,721,258	19,058,979	0	0	17,721,258	19,058,979
Capital Grants and Contributions	151,091	125,000	0	0	151,091	125,000
<i>Total Program Revenues</i>	<u>28,145,452</u>	<u>30,276,398</u>	<u>660,530</u>	<u>677,467</u>	<u>28,805,982</u>	<u>30,953,865</u>
<i>General Revenues:</i>						
Property Taxes	7,687,095	7,870,524	0	0	7,687,095	7,870,524
Sales Tax	12,974,900	12,124,547	0	0	12,974,900	12,124,547
Grants and Entitlements	4,869,304	2,978,949	0	0	4,869,304	2,978,949
Unrestricted Contributions and Donations	2,000,000	0	0	0	2,000,000	0
Interest	(1,610,300)	(364,174)	0	0	(1,610,300)	(364,174)
Miscellaneous	3,363,861	1,589,798	4,918	2,951	3,368,779	1,592,749
<i>Total General Revenues</i>	<u>29,284,860</u>	<u>24,199,644</u>	<u>4,918</u>	<u>2,951</u>	<u>29,289,778</u>	<u>24,202,595</u>
<i>Total Revenues</i>	<u>57,430,312</u>	<u>54,476,042</u>	<u>665,448</u>	<u>680,418</u>	<u>58,095,760</u>	<u>55,156,460</u>
<i>Program Expenses:</i>						
<i>General Government:</i>						
Legislative and Executive	10,193,998	6,914,005	0	0	10,193,998	6,914,005
Judicial	3,081,026	1,987,688	0	0	3,081,026	1,987,688
Public Safety	8,945,626	5,020,616	0	0	8,945,626	5,020,616
Public Works	8,129,111	9,898,081	0	0	8,129,111	9,898,081
Health	5,322,231	4,298,741	0	0	5,322,231	4,298,741
Human Services	8,032,430	6,281,655	0	0	8,032,430	6,281,655
Conservation and Recreation	451,242	445,302	0	0	451,242	445,302
Economic Development and Assistance	1,507,897	312,209	0	0	1,507,897	312,209
Interest and Fiscal Charges	523,579	570,119	0	0	523,579	570,119
Issuance Costs	0	13,896	0	0	0	13,896
Countywide Sewer	0	0	294,102	226,966	294,102	226,966
Countywide Water	0	0	41,052	38,750	41,052	38,750
Instant Web Checks	0	0	36,810	35,195	36,810	35,195
<i>Total Program Expenses</i>	<u>46,187,140</u>	<u>35,742,312</u>	<u>371,964</u>	<u>300,911</u>	<u>46,559,104</u>	<u>36,043,223</u>
<i>Change in Net Position</i>	11,243,172	18,733,730	293,484	379,507	11,536,656	19,113,237
Net Position - January 1	<u>86,425,676</u>	<u>67,691,946</u>	<u>2,937,342</u>	<u>2,557,835</u>	<u>89,363,018</u>	<u>70,249,781</u>
Net Position - December 31	<u>\$97,668,848</u>	<u>\$86,425,676</u>	<u>\$3,230,826</u>	<u>\$2,937,342</u>	<u>\$100,899,674</u>	<u>\$89,363,018</u>



**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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**Governmental Activities**

The most significant program expenses for the County are Legislative and Executive, Public Safety, Public Works, Human Services, and Health. These programs account for 87.95 percent of the total governmental activities. Legislative and Executive expenses, which is 22.07 percent of the total, represents costs associated with the general administration of county government including the County Commissioners, Auditor, Treasurer, Prosecutor and Recorder. Public Safety, which represents 19.37 percent of the total, represents costs mainly associated with the operation of the Sheriff's Department and County Jail. Public Works, which accounts for 17.60 percent of the total, represents costs associated with the operation of the County Engineer in maintaining the County's roads and bridges. Human Services, which accounts for 17.39 percent of the total, represents costs associated with providing services for Workforce Investment Act, child support and enforcement assistance programs, and welfare programs for families and individuals. These expenses reflect programs administered by Job and Family Services, Child Support Enforcement Agency and Children Services. Health, which accounts for 11.52 percent of the total, primarily represents costs associated with the services provided by the Board of Developmental Disabilities and for COVID related expenses.

Funding for the most significant programs indicated above is from charges for services, operating grants, and in some instances property and sales taxes. The Job and Family Services, Child Support Enforcement Agency, Children Services and Clerk of Courts are basically funded with federal and state monies. The operation of the Sheriff's Department and County Jail is funded through General Fund general revenues and per diem charges to house prisoners from other jurisdictions. The Board of Developmental Disabilities is partially funded by a voted property tax levy. The most significant funding sources for the County Engineer are motor vehicle license fees and gasoline taxes.

As noted previously, the net position for the governmental activities increased \$11,243,172 or 13.01 percent. This change is different from last year when net position increased \$18,733,730 or 27.67 percent. Total revenues increased \$2,954,270 or 5.42 percent from last year and expenses increased \$10,444,828 or 29.22 percent from last year.

Factors in the change in revenues are a significant increase in Sales Tax which increased \$850,353 or 7.01 percent and grants and entitlements which increased \$1,890,355 or 63.46 percent, which is due to increased ARPA funding.

Expenses increased 29.22 percent during 2022. This increase is due to Legislative and Executive expenditures increase of \$3,279,993 or 47.44 percent and increases related to the calculations of net pension and OPEB liabilities/assets.

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

**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
General Government				
Legislative and Executive	\$10,193,998	\$6,914,005	\$4,245,175	\$493,164
Judicial	3,081,026	1,987,688	1,436,849	282,667
Public Safety	8,945,626	5,020,616	6,535,827	2,759,497
Public Works	8,129,111	9,898,081	105,333	192,241
Health	5,322,231	4,298,741	4,652,891	1,834,737
Human Services	8,032,430	6,281,655	(197,386)	(1,174,096)
Conservation and Recreation	451,242	445,302	451,242	445,302
Community and Economic Development	1,507,897	312,209	288,178	48,387
Interest and Fiscal Charges	523,579	570,119	523,579	570,119
Issuance Costs	0	13,896	0	13,896
Total Expenses	<u>\$46,187,140</u>	<u>\$35,742,312</u>	<u>\$18,041,688</u>	<u>\$5,465,914</u>

Of the \$46,187,140 in total governmental activities expenses, \$28,145,452 or 60.94 percent was covered by direct charges to users of the services and intergovernmental grants. The majority of program revenues are grants, with the remaining portion consisting of fees and charges for services. These charges are for fees charged for real estate transfers, for the collection of property taxes throughout the County, for title fees and for court fees. Public Safety charges for services include items such as fees for boarding prisoners, patrolling subdivisions, and for special details. Health includes charges for services provided to clients of the Board of Developmental Disabilities.

Additional revenues were provided to the governmental activities by the state and federal governments for operations and capital improvements.

**Business-Type Activities**

This year, net position increased by \$293,484 or 9.99 percent. For 2022, there was an increase in expenses, which was related to the calculation of net pension and OPEB liabilities/assets. There was a slight decrease in charges for services revenue during 2022.

**Financial Analysis of the County's Funds**

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

**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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As of the end of the current year, the County's governmental funds reported combined ending fund balances of \$48,052,349. Of this total, \$15,399,729 represents unassigned fund balance, which is available for appropriation at the government's discretion within certain legal constraints and purposes restrictions. The majority of the governmental fund balances are restricted in the governmental fund statements, mandated by the source of the resources such as the state or federal government or the local tax levy.

The General Fund is the primary operating fund of the County. At the end of 2022, the unassigned fund balance of the General Fund was \$15,708,456. Unassigned fund balance represents 72.45 percent of expenditures. This is one measurement of the General Fund's liquidity. The fund balance of the General Fund increased by \$908,656.

The Auto, License and Gas Tax Fund balance increased by \$391,318 which is due to an increase in revenues and a decrease in expenditures. The Job and Family Services Fund balance decreased by \$66,943, which is the result of an increase in expenditures. The Board of Developmental Disabilities Fund balance decreased by \$1,090,492 as the result of a decrease in revenues and an increase in expenditures.

**Proprietary Fund** - The County's major proprietary fund is the Countywide Sewer Fund, which accounts for the providing of sewer services to several subdivisions. Net position of this proprietary fund at year end was \$2,389,020, of which \$579,125 was unrestricted, which is an increase of \$282,131 or 13.39 percent.

#### **Budgetary Highlights - General Fund**

By state statute, the Board of County Commissioners adopts the annual operating budget for the County. Essentially the budget is the County's appropriations, which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the Ohio Revised Code.

The County had several revisions to the original appropriations approved by the County Commissioners. Overall these changes resulted in an increase from the original appropriations of 20.03 percent or \$4,474,001, from \$22,333,845 to \$26,807,846, in the General Fund. The most significant increases occurred in the Legislative and Executive, Public Safety expenditure functions and Transfers Out. The County spent 92.13 percent of the amount appropriated in the General Fund during 2022.

The final budgeted revenues were \$24,464,573 representing no change from the original budgeted estimate of \$24,464,573. Actual revenues were \$2,356,152 more than the final budgeted amount.

#### **Capital Assets and Debt Administration**

##### *Capital Assets*

The County's net investment in capital assets for its governmental and business-type activities as of December 31, 2022 amounts to \$66,642,403. This net investment in capital assets includes land and improvements, buildings and improvements, improvements other than buildings, machinery and equipment, furniture and fixtures, vehicles, and infrastructure and less related debt. For more information regarding the County's capital assets, see Note 8 of the Notes to the Basic Financial Statements.

**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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*Debt*

General obligation notes outstanding at December 31, 2022 were \$1,628,611 with \$223,887 being retired during the year. These notes relate to proceeds used to purchase equipment for the County Engineer, improvements to JFS building and Orient Water Tower.

General obligation bonds at December 31, 2022 were \$11,119,807 with \$225,000 being retired during the year. These bonds relate to proceeds used to renovate all County buildings with improvements meant for energy savings, and new construction done at the County fairgrounds.

Loans outstanding at December 31, 2022 were \$1,800,485 from the Ohio Public Works Commission, Ohio Water Development Authority, and local financial institutions with \$199,637 being retired during 2022. These loans relate to proceeds used to complete renovations of the Cromley Road Bridge Replacement Project and for drainage ditch construction.

The County continues to monitor its outstanding debt. Information relative to the County's debt is identified in Notes 9 and 11 of the notes to the basic financial statements.

**Economic Factors**

The economic outlook for the County continues to improve. The County's General Fund income increased in 2022 compared to 2021 revenues. Sales tax revenues are projected to continue to grow due to steady growth and the addition of new businesses locating in the County. Local government and casino revenues decreased in 2022 compared to 2021. Appropriations for 2023 are expected to slightly increase over the actual expenditures for 2022. The ending balance for 2023 is expected to be higher than it was at the end of 2022. These various economic factors were considered in the preparation of the County's 2023 budget and will be considered in the preparation of future budgets. With the slight increase in health insurance premiums and the small increase in salary and benefits, excluding union and bargaining employees and elected officials, the County took a conservative budget approach for the General Fund in 2023 by allowing only slight increases for department appropriations and other operating expenses.

**Infrastructure**

Progress continues to be made in local efforts to improve the transportation, utility, and community enhancement infrastructure needed to promote sustained economic growth in Pickaway County.

**Transportation Improvement District** – Pickaway County Transportation Improvement District (TID). The TID has secured funding for improvements on Airbase Road and has begun engaging in strategic discussions with local government stakeholders and Ohio Department of Transportation. Additionally, The Pickaway TID gained \$8,000,000 in funding from ODOT through the TRAC process to start the nearly \$60,000,000 U.S. 23 and State Route 762 interchange project.

**Rickenbacker Infrastructure Study** – The Northern Pickaway County and Madison Township JEDDs have engaged with an engineering firm to conduct engineering and utility infrastructure studies to determine baseline estimates for utility service and road infrastructure improvements in the JEDD Territories. Completion of the study is expected by Q3 of 2022 and will assist in development efforts for the area.

**Pickaway County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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**Business Retention & Expansion**

P3 is committed to providing support for existing industry in Pickaway County. 2022 saw a continuation of the trend from previous years with new investment and job creation by the major employers in the County.

**Forjak Industrial** - Forjak Industrial opened an industrial blasting and coatings operation in Circleville in 2019, a ~\$3 million investment that revitalized a vacant industrial building and brought ~100 new jobs to Circleville. In 2020 they announced plans to expand their Circleville operations and relocate the entirety of their operations to be headquartered at their Circleville site. Completion of their expansion was in 2020. In 2022, FORJAK was awarded \$800,000 of Brownfield monies that assisted with the requisite demolition and remediation work for the purchase of a site located next to their Circleville location for an additional expansion project. The incubator/development focus of this project will provide additional economic growth that will create new opportunities for our residents.

**JobsOhio Inclusion Grants** – In partnership with JobsOhio and One Columbus, P3 has secured \$175,000 in JobsOhio Inclusion Grants for area businesses eligible. Five local employers: EG Industries, Forjak Industrial, Inc., Utility Truck Equipment (who opted not to utilize this funding), American Wood Fibers, and TriMold, LLC. were awarded \$25,000-\$50,000 each for local improvements or expansions.

**New Business Attraction**

Collaborative planning and strategic investments in infrastructure and incentives have positioned Pickaway County to leverage the growth and expansion of the Columbus Region. P3 and its local government stakeholders are successfully competing and attracting new business investment in Pickaway County.

**CT Realty/Rickenbacker Development** – CT Realty, a private developer based in California, has purchased 380 acres of land in Madison Township, Pickaway County. CT engaged with P3 and various local government stakeholders for nearly two years as they have planned this new logistics campus that will accommodate up to 5.5 million square feet of new industrial development. The first two phases of their construction are complete with additional phases beginning in Q2 of 2021. The project includes ~\$10 million of new public infrastructure including roadwork, water and sewer lines that will serve the CT Realty campus, but also make additional ground ready for development.

**Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report, request for additional financial information or about obtaining the separately issued financial statements of the County's component unit should be addressed to Brad Washburn, Pickaway County Auditor, 110 Island Road, Suite F, Circleville, Ohio 43113.

**Pickaway County, Ohio**  
*Statement of Net Position*  
December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Pickaway County Airport Authority
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$52,710,315	\$716,709	\$53,427,024	\$198,126
Cash and Cash Equivalents in Segregated Accounts	482,864	0	482,864	0
Materials and Supplies Inventory	393,978	0	393,978	29,861
Accrued Interest Receivable	47,753	0	47,753	0
Accounts Receivable	23,415	75,021	98,436	4,850
Loans Receivable	428,790	0	428,790	0
Internal Balance	45,314	(45,314)	0	0
Intergovernmental Receivable	6,000,924	0	6,000,924	3,970
Sales Taxes Receivable	3,606,192	0	3,606,192	0
Property Taxes Receivable	7,744,733	0	7,744,733	0
Prepaid Items	432,670	434	433,104	0
Net OPEB Asset	3,684,746	21,372	3,706,118	0
Nondepreciable Capital Assets	1,315,843	13,964	1,329,807	1,606,593
Depreciable Capital Assets, Net	76,240,842	4,346,076	80,586,918	1,610,156
<i>Total Assets</i>	<u>153,158,379</u>	<u>5,128,262</u>	<u>158,286,641</u>	<u>3,453,556</u>
<b>Deferred Outflows of Resources:</b>				
Pension	5,346,939	26,862	5,373,801	0
OPEB	167,957	0	167,957	0
<i>Total Deferred Outflows of Resources</i>	<u>5,514,896</u>	<u>26,862</u>	<u>5,541,758</u>	<u>0</u>
<b>Liabilities:</b>				
Accounts Payable	642,873	2,171	645,044	5,581
Accrued Wages and Benefits	878,233	6,450	884,683	0
Contracts Payable	498,531	0	498,531	0
Intergovernmental Payable	123,761	12,812	136,573	0
Matured Compensated Absences	15,955	0	15,955	0
Accrued Interest Payable	31,277	10,870	42,147	0
Unearned Revenue	9,320,981	0	9,320,981	0
<i>Long-Term Liabilities:</i>				
Due Within One Year	1,632,523	195,049	1,827,572	0
<i>Due In More Than One Year:</i>				
Net Pension Liability	10,567,540	60,580	10,628,120	0
Other Amounts Due in More than One Year	13,630,838	1,533,064	15,163,902	0
<i>Total Liabilities</i>	<u>37,342,512</u>	<u>1,820,996</u>	<u>39,163,508</u>	<u>5,581</u>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	7,254,639	0	7,254,639	0
Pension	12,603,773	79,261	12,683,034	0
OPEB	3,803,503	24,041	3,827,544	0
<i>Total Deferred Inflows of Resources</i>	<u>23,661,915</u>	<u>103,302</u>	<u>23,765,217</u>	<u>0</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	64,010,476	2,631,927	66,642,403	3,216,749
<i>Restricted for:</i>				
Auto License and Gas Tax	5,379,383	0	5,379,383	0
Human Services	591,591	0	591,591	0
Developmental Disabilities	12,694,670	0	12,694,670	0
Debt Service	71,691	0	71,691	0
Capital Projects	346,285	0	346,285	58,602
Other Purposes	13,134,996	0	13,134,996	0
Unrestricted	1,439,756	598,899	2,038,655	172,624
<i>Total Net Position</i>	<u>\$97,668,848</u>	<u>\$3,230,826</u>	<u>\$100,899,674</u>	<u>\$3,447,975</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2022

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
<i>General Government:</i>				
Legislative and Executive	\$10,193,998	\$5,753,639	\$44,093	\$151,091
Judicial	3,081,026	884,959	759,218	0
Public Safety	8,945,626	1,574,344	835,455	0
Public Works	8,129,111	1,730,216	6,293,562	0
Health	5,322,231	107,874	561,466	0
Human Services	8,032,430	222,071	8,007,745	0
Conservation and Recreation	451,242	0	0	0
Community and Economic Development	1,507,897	0	1,219,719	0
<i>Debt Service:</i>				
Interest and Fiscal Charges	523,579	0	0	0
<i>Total Governmental Activities</i>	<u>46,187,140</u>	<u>10,273,103</u>	<u>17,721,258</u>	<u>151,091</u>
<b>Business-Type Activities:</b>				
Countywide Sewer	294,102	571,315	0	0
Countywide Water	41,052	52,936	0	0
Instant Web Checks	36,810	36,279	0	0
<i>Total Business-Type Activities</i>	<u>371,964</u>	<u>660,530</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$46,559,104</u>	<u>\$10,933,633</u>	<u>\$17,721,258</u>	<u>\$151,091</u>
<b>Component Units:</b>				
Pickaway County Airport Authority	\$233,279	\$187,670	\$0	\$888,539
<i>Total Component Units</i>	<u>\$233,279</u>	<u>\$187,670</u>	<u>\$0</u>	<u>\$888,539</u>

**General Revenues:**

*Property Taxes Levied for:*

- General Purposes
- Developmental Disabilities

*Sales Tax for:*

- General Purposes
- Capital Projects

Grants and Entitlements not Restricted to Specific Programs

Unrestricted Contributions and Donations

Investment Earnings

Miscellaneous

*Total General Revenues*

Changes in Net Position

*Net Position at Beginning of Year*

*Net Position at End of Year*

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Pickaway County Airport Authority
(\$4,245,175)	\$0	(\$4,245,175)	\$0
(1,436,849)	0	(1,436,849)	0
(6,535,827)	0	(6,535,827)	0
(105,333)	0	(105,333)	0
(4,652,891)	0	(4,652,891)	0
197,386	0	197,386	0
(451,242)	0	(451,242)	0
(288,178)	0	(288,178)	0
(523,579)	0	(523,579)	0
(18,041,688)	0	(18,041,688)	0
0	277,213	277,213	0
0	11,884	11,884	0
0	(531)	(531)	0
0	288,566	288,566	0
(18,041,688)	288,566	(17,753,122)	0
0	0	0	842,930
0	0	0	842,930
4,535,169	0	4,535,169	0
3,151,926	0	3,151,926	0
12,423,284	0	12,423,284	0
551,616	0	551,616	0
4,869,304	0	4,869,304	0
2,000,000	0	2,000,000	0
(1,610,300)	0	(1,610,300)	174
3,363,861	4,918	3,368,779	0
29,284,860	4,918	29,289,778	174
11,243,172	293,484	11,536,656	843,104
86,425,676	2,937,342	89,363,018	2,604,871
<u>\$97,668,848</u>	<u>\$3,230,826</u>	<u>\$100,899,674</u>	<u>\$3,447,975</u>



**Pickaway County, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2022*

	General	Auto, License and Gas Tax	Job and Family Services	Board of Developmental Disabilities	American Rescue Plan
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$13,785,385	\$3,472,158	\$286,253	\$17,460,114	\$9,181,961
Cash and Cash Equivalents In Segregated Accounts	190,771	0	0	0	0
Materials and Supplies Inventory	110,801	283,177	0	0	0
Accounts Receivable	13,443	8,622	0	0	0
Loans Receivable	0	0	0	0	0
Accrued Interest Receivable	47,753	0	0	0	0
Interfund Receivable	198,928	0	0	0	0
Intergovernmental Receivable	882,485	1,935,087	669,053	626,082	0
Prepaid Items	360,613	10,513	23,266	25,218	0
Sales Taxes Receivable	3,509,160	0	0	0	0
Property Taxes Receivable	4,568,016	0	0	3,176,717	0
<i>Total Assets</i>	<u>\$23,667,355</u>	<u>\$5,709,557</u>	<u>\$978,572</u>	<u>\$21,288,131</u>	<u>\$9,181,961</u>
<b>Liabilities:</b>					
Accounts Payable	\$256,639	\$4,943	\$86,085	\$61,229	\$0
Accrued Wages and Benefits	504,350	80,711	103,509	103,962	755
Contracts Payable	6,710	0	0	0	0
Matured Compensated Absences	15,955	0	0	0	0
Intergovernmental Payable	94,477	0	0	18,711	0
Interfund Payable	0	0	0	0	0
Unearned Revenue	0	0	0	0	9,181,206
<i>Total Liabilities</i>	<u>878,131</u>	<u>85,654</u>	<u>189,594</u>	<u>183,902</u>	<u>9,181,961</u>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	4,568,016	0	0	3,176,717	0
Sales Tax	1,180,394	0	0	0	0
Unavailable Grants Revenue	410,275	1,755,444	0	146,142	0
<i>Total Deferred Inflows of Resources</i>	<u>6,158,685</u>	<u>1,755,444</u>	<u>0</u>	<u>3,322,859</u>	<u>0</u>
<b>Fund Balances:</b>					
Nonspendable	922,083	293,690	23,266	25,218	0
Restricted	0	3,574,769	765,712	17,756,152	0
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned (Deficit)	15,708,456	0	0	0	0
<i>Total Fund Balances</i>	<u>16,630,539</u>	<u>3,868,459</u>	<u>788,978</u>	<u>17,781,370</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$23,667,355</u>	<u>\$5,709,557</u>	<u>\$978,572</u>	<u>\$21,288,131</u>	<u>\$9,181,961</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2022*

Other Governmental Funds	Total Governmental Funds	<b>Total Governmental Funds Balances</b>	<b>\$48,052,349</b>
\$8,524,444	\$52,710,315	<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
292,093	482,864	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	77,556,685
0	393,978		
1,350	23,415		
428,790	428,790		
0	47,753		
0	198,928	Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds:	
1,888,217	6,000,924	Property Taxes	490,094
13,060	432,670	Sales Tax	1,180,394
97,032	3,606,192	Intergovernmental Revenue	3,459,138
0	7,744,733		
\$11,244,986	\$72,070,562	Total	5,129,626
		In the Statement of Activities, interest is accrued on outstanding debt, whereas in the governmental funds an interest expenditure is reported when due.	(31,277)
\$233,977	\$642,873		
84,946	878,233		
491,821	498,531	Long-term liabilities, including notes payable, are not due and payable in the current period and therefore are not reported in the funds:	
0	15,955	General Obligation Notes and Loans	(1,611,351)
10,573	123,761	General Obligation Bonds	(11,119,807)
153,614	153,614	OPWC Loans Payable	(89,632)
139,775	9,320,981	Premium on Bonds	(628,738)
1,114,706	11,633,948	Installment Loans Payable	(89,083)
		Compensated Absences	(1,724,750)
0	7,744,733		
0	1,180,394	Total	(15,263,361)
1,147,277	3,459,138		
1,147,277	12,384,265	The net pension/OPEB Liability is not due and payable in the current period; therefore, the liability/asset and related deferred inflows/outflows are not reported in the governmental funds:	
441,850	1,706,107	Deferred Outflows - Pension	5,346,939
7,246,291	29,342,924	Deferred Outflows - OPEB	167,957
1,570,082	1,570,082	Deferred Inflows - Pension	(12,603,773)
33,507	33,507	Deferred Inflows - OPEB	(3,803,503)
(308,727)	15,399,729	Net OPEB Asset	3,684,746
8,983,003	48,052,349	Net Pension Liability	(10,567,540)
		Total	(17,775,174)
\$11,244,986	\$72,070,562	<i>Net Position of Governmental Activities</i>	<b>\$97,668,848</b>

**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2022*

	General	Auto, License and Gas Tax	Job and Family Services	Board of Developmental Disabilities	American Rescue Plan
<b>Revenues:</b>					
Property Taxes	\$4,493,646	\$0	\$0	\$3,124,999	\$0
Sales Tax	12,295,182	0	0	0	0
Special Assessments	0	0	0	0	0
Charges for Services	5,404,518	122,884	0	0	0
Licenses and Permits	56,300	0	0	0	0
Fines and Forfeitures	95,435	230	0	0	0
Intergovernmental	2,259,910	5,436,001	4,435,635	1,446,325	1,384,596
Interest	633,522	11,192	0	0	0
Contributions and Donations	2,000,000	0	0	0	0
Increase (Decrease) in Fair Value of Investments	(2,259,282)	0	0	0	0
Rent	69,083	0	0	0	0
Other	1,094,813	1,398,987	48,398	55,709	0
<i>Total Revenues</i>	<u>26,143,127</u>	<u>6,969,294</u>	<u>4,484,033</u>	<u>4,627,033</u>	<u>1,384,596</u>
<b>Expenditures:</b>					
<i>Current:</i>					
<i>General Government:</i>					
Legislative and Executive	7,839,640	0	0	0	1,384,596
Judicial	2,649,782	0	0	0	0
Public Safety	9,508,339	0	0	0	0
Public Works	231,520	6,426,373	0	0	0
Health	112,490	0	0	5,717,525	0
Human Services	855,760	0	4,597,298	0	0
Conservation and Recreation	449,208	0	0	0	0
Community and Economic Development	0	0	0	0	0
Capital Outlay	0	0	0	0	0
<i>Debt Service:</i>					
Principal Retirement	31,689	13,925	2,262	0	0
Interest and Fiscal Charges	4,205	210	398	0	0
<i>Total Expenditures</i>	<u>21,682,633</u>	<u>6,440,508</u>	<u>4,599,958</u>	<u>5,717,525</u>	<u>1,384,596</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,460,494</u>	<u>528,786</u>	<u>(115,925)</u>	<u>(1,090,492)</u>	<u>0</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from installment loan	0	0	48,982	0	0
Transfers In	0	0	0	0	0
Transfers Out	(3,551,838)	(137,468)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,551,838)</u>	<u>(137,468)</u>	<u>48,982</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	908,656	391,318	(66,943)	(1,090,492)	0
<i>Fund Balances at Beginning of Year</i>	<u>15,721,883</u>	<u>3,477,141</u>	<u>855,921</u>	<u>18,871,862</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u>\$16,630,539</u>	<u>\$3,868,459</u>	<u>\$788,978</u>	<u>\$17,781,370</u>	<u>\$0</u>

See accompanying notes to the basic financial statements.

**Pickaway 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, 2022*

All Other Governmental Funds	Total Governmental Funds		
		<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$3,050,079
		<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
\$0	\$7,618,645	Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:	
551,616	12,846,798	Capital Asset Additions	4,334,112
146,438	146,438	Depreciation	<u>(3,355,141)</u>
3,293,792	8,821,194		
0	56,300	Total	978,971
1,088,383	1,184,048	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.	(176,277)
7,707,745	22,670,212	Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
4,268	648,982	Property Taxes	40,152
0	2,000,000	Sales Tax	128,102
0	(2,259,282)	Intergovernmental Revenue	<u>95,779</u>
0	69,083	Total	264,033
765,954	3,363,861	Repayment of principal of long-term liabilities (e.g. bonds, notes, loans) is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	491,793
13,558,196	57,166,279	In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, and interest expenditure is reported when due.	12,488
		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. These activities consist of:	
1,517,298	10,741,534	Compensated Absences	(98,961)
1,026,075	3,675,857	Premium on Debt Issued	<u>47,217</u>
1,895,214	11,403,553	Total	(51,744)
2,045,097	8,702,990	Other financing sources in the governmental funds that increase long-term liabilities in the Statement of Net Position are not reported as revenues in the Statement of Activities:	
280,199	6,110,214	Proceeds from installment loan	(53,660)
3,599,115	9,052,173	Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.	2,869,265
0	449,208	Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the Statement of Activities.	3,858,224
1,507,897	1,507,897	<i>Changes in Net Position of Governmental Activities</i>	<u>\$11,243,172</u>
1,451,357	1,451,357		
443,917	491,793		
578,471	583,284		
14,344,640	54,169,860		
(786,444)	2,996,419		
4,678	53,660		
3,689,306	3,689,306		
0	(3,689,306)		
3,693,984	53,660		
2,907,540	3,050,079		
6,075,463	45,002,270		
\$8,983,003	\$48,052,349		

**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget and Actual (Budget Basis)*  
*General Fund*  
*For the Year Ended December 31, 2022*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property Taxes	\$4,720,000	\$4,720,000	\$4,493,646	(\$226,354)
Sales Tax	12,000,000	12,000,000	11,892,421	(107,579)
Charges for Services	4,630,140	4,630,140	4,507,385	(122,755)
Licenses and Permits	43,170	43,170	56,300	13,130
Fines and Forfeitures	93,410	93,410	92,087	(1,323)
Intergovernmental	1,938,623	1,938,623	2,177,171	238,548
Interest	351,200	351,200	566,015	214,815
Contributions and Donations	0	0	2,000,000	2,000,000
Rent	65,000	65,000	66,383	1,383
Other	623,030	623,030	969,317	346,287
<i>Total Revenues</i>	<u>24,464,573</u>	<u>24,464,573</u>	<u>26,820,725</u>	<u>2,356,152</u>
<b>Expenditures:</b>				
<i>Current:</i>				
<i>General Government:</i>				
Legislative and Executive	8,691,111	8,933,763	8,017,304	916,459
Judicial	2,669,610	2,744,144	2,351,807	392,337
Public Safety	9,100,056	9,354,125	9,107,463	246,662
Public Works	268,365	275,858	220,232	55,626
Health	171,317	176,100	112,490	63,610
Human Services	995,999	1,023,807	887,621	136,186
Conservation and Recreation	437,387	449,599	449,208	391
<i>Total Expenditures</i>	<u>22,333,845</u>	<u>22,957,396</u>	<u>21,146,125</u>	<u>1,811,271</u>
<i>Excess of Revenues Over Expenditures</i>	<u>2,130,728</u>	<u>1,507,177</u>	<u>5,674,600</u>	<u>4,167,423</u>
<b>Other Financing Sources/(Uses):</b>				
Advances In	0	0	425	425
Advances Out	0	0	(425)	(425)
Transfers Out	0	(3,850,450)	(3,551,838)	298,612
<i>Total Other Financing Sources/(Uses)</i>	<u>0</u>	<u>(3,850,450)</u>	<u>(3,551,838)</u>	<u>298,612</u>
<i>Net Change in Fund Balance</i>	2,130,728	(2,343,273)	2,122,762	4,466,035
<i>Fund Balance at Beginning of Year</i>	<u>11,884,574</u>	<u>11,884,574</u>	<u>11,884,574</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$14,015,302</u>	<u>\$9,541,301</u>	<u>\$14,007,336</u>	<u>\$4,466,035</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual (Budget Basis)  
Auto, License and Gas Tax Fund  
For the Year Ended December 31, 2022*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for Services	\$159,278	\$192,000	\$118,615	(\$73,385)
Fines and Forfeitures	207	250	242	(8)
Intergovernmental	5,277,198	6,361,353	6,192,679	(168,674)
Interest	16,591	20,000	15,161	(4,839)
Other	962,179	1,159,850	1,397,771	237,921
<i>Total Revenues</i>	6,415,453	7,733,453	7,724,468	(8,985)
<b>Expenditures:</b>				
<i>Current:</i>				
Public Works	6,199,923	7,079,324	6,472,156	607,168
<i>Debt Service:</i>				
Principal Retirements	11,213	12,804	12,804	0
<i>Total Expenditures</i>	6,211,136	7,092,128	6,484,960	607,168
<i>Excess of Revenues Over Expenditures</i>	204,317	641,325	1,239,508	598,183
<b>Other Financing Uses:</b>				
Transfers Out	(120,392)	(137,468)	(137,468)	0
<i>Total Other Financing Uses</i>	(120,392)	(137,468)	(137,468)	0
<i>Net Change in Fund Balance</i>	83,925	503,857	1,102,040	598,183
<i>Fund Balance at Beginning of Year</i>	2,195,289	2,195,289	2,195,289	0
<i>Prior Year Encumbrances Appropriated</i>	174,830	174,830	174,830	0
<i>Fund Balance at End of Year</i>	\$2,454,044	\$2,873,976	\$3,472,159	\$598,183

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual (Budget Basis)*  
*Job and Family Services Fund*  
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$5,092,908	\$5,092,908	\$4,376,278	(\$716,630)
Other	109,042	109,042	46,748	(62,294)
<i>Total Revenues</i>	<u>5,201,950</u>	<u>5,201,950</u>	<u>4,423,026</u>	<u>(778,924)</u>
<b>Expenditures:</b>				
<i>Current:</i>				
Human Services	5,201,950	5,347,950	4,495,401	852,549
<i>Total Expenditures</i>	<u>5,201,950</u>	<u>5,347,950</u>	<u>4,495,401</u>	<u>852,549</u>
<i>Net Change in Fund Balance</i>	0	(146,000)	(72,375)	73,625
<i>Fund Balance at Beginning of Year</i>	<u>358,628</u>	<u>358,628</u>	<u>358,628</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$358,628</u>	<u>\$212,628</u>	<u>\$286,253</u>	<u>\$73,625</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual (Budget Basis)*  
*Board of Developmental Disabilities Fund*  
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$3,315,200	\$3,315,200	\$3,124,999	(\$190,201)
Intergovernmental	907,390	907,390	1,180,715	273,325
Other	300,000	300,000	49,884	(250,116)
<i>Total Revenues</i>	<u>4,522,590</u>	<u>4,522,590</u>	<u>4,355,598</u>	<u>(166,992)</u>
<b>Expenditures:</b>				
<i>Current:</i>				
Health	4,077,250	4,277,250	3,795,120	482,130
<i>Total Expenditures</i>	<u>4,077,250</u>	<u>4,277,250</u>	<u>3,795,120</u>	<u>482,130</u>
<i>Excess of Revenues Over Expenditures</i>	445,340	245,340	560,478	315,138
<b>Other Financing Uses:</b>				
Transfers Out	(2,500,000)	(2,500,000)	(2,500,000)	0
<i>Net Change in Fund Balance</i>	(2,054,660)	(2,254,660)	(1,939,522)	315,138
<i>Fund Balance Beginning of Year</i>	4,634,260	4,634,260	4,634,260	0
<i>Fund Balance End of Year</i>	<u>\$2,579,600</u>	<u>\$2,379,600</u>	<u>\$2,694,738</u>	<u>\$315,138</u>

See accompanying notes to the basic financial statements.



**Pickaway County, Ohio**  
*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual (Budget Basis)*  
*American Rescue Plan Fund*  
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$0	\$5,677,294	\$5,727,294	\$50,000
<i>Total Revenues</i>	<u>0</u>	<u>5,677,294</u>	<u>5,727,294</u>	<u>50,000</u>
<b>Expenditures:</b>				
<i>Current:</i>				
<i>General Government:</i>				
Legislative and Executive	0	4,354,151	1,384,500	2,969,651
<i>Total Expenditures</i>	<u>0</u>	<u>4,354,151</u>	<u>1,384,500</u>	<u>2,969,651</u>
<i>Net Change in Fund Balance</i>	0	1,323,143	4,342,794	3,019,651
<i>Fund Balance at Beginning of Year</i>	<u>4,839,167</u>	<u>4,839,167</u>	<u>4,839,167</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$4,839,167</u></u>	<u><u>\$6,162,310</u></u>	<u><u>\$9,181,961</u></u>	<u><u>\$3,019,651</u></u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2022*

	Business-Type Activities		
	Countywide Sewer	Other Enterprise	Total
		Funds	
<b>Assets:</b>			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$667,678	\$49,031	\$716,709
Accounts Receivable	75,021	0	75,021
Prepaid Items	385	49	434
<i>Total Current Assets</i>	<u>743,084</u>	<u>49,080</u>	<u>792,164</u>
<i>Noncurrent Assets:</i>			
Nondepreciable Capital Assets	13,964	0	13,964
Depreciable Capital Assets, Net	3,474,900	871,176	4,346,076
Net OPEB Asset	21,372	0	21,372
<i>Total Noncurrent Assets</i>	<u>3,510,236</u>	<u>871,176</u>	<u>4,381,412</u>
<i>Total Assets</i>	<u>4,253,320</u>	<u>920,256</u>	<u>5,173,576</u>
<i>Deferred Outflows of Resources:</i>			
Pension	26,862	0	26,862
<i>Total Deferred Outflows of Resources</i>	<u>26,862</u>	<u>0</u>	<u>26,862</u>
<b>Liabilities:</b>			
<i>Current Liabilities:</i>			
Accounts Payable	2,037	134	2,171
Accrued Wages and Benefits	5,928	522	6,450
Intergovernmental Payable	9,006	3,806	12,812
Accrued Interest Payable	10,866	4	10,870
Interfund Payable	20,474	24,840	45,314
Notes Payable	0	7,790	7,790
OPWC Loans Payable	28,256	10,628	38,884
OWDA Loans Payable	148,375	0	148,375
<i>Total Current Liabilities</i>	<u>224,942</u>	<u>47,724</u>	<u>272,666</u>
<i>Long-Term Liabilities:</i>			
Notes Payable	0	9,470	9,470
OPWC Loans Payable	180,982	21,256	202,238
OWDA Loans Payable	1,321,356	0	1,321,356
Net Pension Liability	60,580	0	60,580
<i>Total Long-Term Liabilities</i>	<u>1,562,918</u>	<u>30,726</u>	<u>1,593,644</u>
<i>Total Liabilities</i>	<u>1,787,860</u>	<u>78,450</u>	<u>1,866,310</u>
<i>Deferred Inflows of Resources:</i>			
Pension	79,261	0	79,261
OPEB	24,041	0	24,041
<i>Total Deferred Inflows of Resources</i>	<u>103,302</u>	<u>0</u>	<u>103,302</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	1,809,895	822,032	2,631,927
Unrestricted	579,125	19,774	598,899
<i>Total Net Position</i>	<u>\$2,389,020</u>	<u>\$841,806</u>	<u>\$3,230,826</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2022*

	Business - Type Activities		
	Countywide Sewer	Other Enterprise Funds	Total
<b>Operating Revenues:</b>			
Charges for Services	\$571,315	\$89,215	\$660,530
Other	4,918	0	4,918
<i>Total Operating Revenues</i>	<u>576,233</u>	<u>89,215</u>	<u>665,448</u>
<b>Operating Expenses:</b>			
Personal Services	117,776	21,417	139,193
Fringe Benefits	(26,482)	1,862	(24,620)
Contractual Services	111,436	30,427	141,863
Materials and Supplies	16,367	2,619	18,986
Depreciation	64,424	20,643	85,067
<i>Total Operating Expenses</i>	<u>283,521</u>	<u>76,968</u>	<u>360,489</u>
<i>Operating Income</i>	<u>292,712</u>	<u>12,247</u>	<u>304,959</u>
<b>Non Operating Expenses:</b>			
Interest and Fiscal Charges	(10,581)	(894)	(11,475)
<i>Total Non Operating Expenses</i>	<u>(10,581)</u>	<u>(894)</u>	<u>(11,475)</u>
<i>Change in Net Position</i>	282,131	11,353	293,484
<i>Net Position at Beginning of Year</i>	<u>2,106,889</u>	<u>830,453</u>	<u>2,937,342</u>
<i>Net Position at End of Year</i>	<u>\$2,389,020</u>	<u>\$841,806</u>	<u>\$3,230,826</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2022

	Business - Type Activities		
	Countywide Sewer	Other Enterprise Funds	Total
<b>Increase in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities:</b>			
Cash Received from Customers	\$593,803	\$89,215	\$683,018
Cash Payments to Employees for Services and Benefits	(133,067)	(23,208)	(156,275)
Cash Payments for Goods and Services	(16,367)	(2,619)	(18,986)
Cash Payments for Contract Services	(106,842)	(29,165)	(136,007)
Other Operating Receipts	4,918	0	4,918
<i>Net Cash from Operating Activities</i>	<u>342,445</u>	<u>34,223</u>	<u>376,668</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Principal Paid on Notes and Loans	(176,205)	(18,418)	(194,623)
Interest Paid on Notes and Loans	(10,792)	(895)	(11,687)
<i>Net Cash for Capital and Related Financing Activities</i>	<u>(186,997)</u>	<u>(19,313)</u>	<u>(206,310)</u>
<i>Net Increase in Cash and Cash Equivalents</i>	155,448	14,910	170,358
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>512,230</u>	<u>34,121</u>	<u>546,351</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u><u>\$667,678</u></u>	<u><u>\$49,031</u></u>	<u><u>\$716,709</u></u>

See accompanying notes to the basic financial statements:

(Continued)

**Pickaway County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2022

	Business - Type Activities		
	Countywide Sewer	Other Enterprise Funds	Total
<b>Reconciliation of Operating Income to Net Cash from Operating Activities</b>			
Operating Income	\$292,712	\$12,247	\$304,959
<i>Adjustments:</i>			
Depreciation	64,424	20,643	85,067
<i>(Increase) Decrease in Assets and deferred outflows of resources:</i>			
Accounts Receivable	22,488	0	22,488
Prepaid Items	(385)	(49)	(434)
Net OPEB Asset	(8,721)	0	(8,721)
Deferred Outflows of Resources	5,037	0	5,037
<i>Increase (Decrease) in Liabilities and deferred inflows of resources:</i>			
Accounts Payable	(512)	(57)	(569)
Accrued Wages and Benefits	1,541	120	1,661
Intergovernmental Payable	5,106	681	5,787
Interfund Payable	0	638	638
Net Pension Liability	(47,389)	0	(47,389)
Deferred Inflows of Resources	8,144	0	8,144
<i>Net Cash from Operating Activities</i>	<u>\$342,445</u>	<u>\$34,223</u>	<u>\$376,668</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*December 31, 2022*

	Private Purpose Trust	Custodial Funds
<b>Assets:</b>		
Equity in Pooled Cash and Cash Equivalents	\$1,194	\$9,545,486
Cash and Cash Equivalents in Segregated Accounts	0	721,014
Accounts Receivable	0	97,441
Prepaid Items	0	3,428
Intergovernmental Receivable	0	5,265,834
Property Taxes Receivable	0	77,359,886
<i>Total Assets</i>	<u>1,194</u>	<u>92,993,089</u>
<b>Liabilities:</b>		
Accounts Payable	0	93,551
Accrued Wages and Benefits	0	51,046
Intergovernmental Payable	0	55,183
Compensated Absences Payable	0	61,943
<i>Total Liabilities</i>	<u>0</u>	<u>261,723</u>
<b>Deferred Inflows of Resources:</b>		
Property Taxes not Levied to Finance Current Year Operations	0	72,561,865
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>72,561,865</u>
<b>Net Position:</b>		
Held in Trust for Other Individuals and Organizations	1,194	0
Restricted for Individuals, Organizations, and Other Governments	0	20,169,501
<i>Total Net Position</i>	<u>\$1,194</u>	<u>\$20,169,501</u>

See accompanying notes to the basic financial statements.

**Pickaway County, Ohio**  
*Statement of Changes in Fund Net Position*  
*Fiduciary Funds*  
*For the Year Ended December 31, 2022*

	Private Purpose Trust	Custodial Funds
<b>Additions:</b>		
Amounts Received as Fiscal Agent	\$0	\$5,138,678
Intergovernmental	0	8,388,880
Fines and Forfeitures for Other Governments	0	5,624,281
Property Tax Collections for Other Governments	0	75,041,245
Sheriff Sale Collections for Other Governments	0	180,725
Contributions from Individuals	0	225,473
<i>Total Additions</i>	<u>0</u>	<u>94,599,282</u>
<b>Deductions:</b>		
Distributions as Fiscal Agent	0	4,532,136
Distributions of State Funds to Other Governments	0	3,511,629
Fines and Forfeitures Disributions to Other Governments	0	5,464,013
Property Tax Distributions to Other Governments	0	74,379,030
Excise Tax Distributions to Other Governments	0	2,520,633
Sheriff Sale Distributions to Others	0	183,363
Distributions to Individuals	0	216,891
<i>Total Deductions</i>	<u>0</u>	<u>90,807,695</u>
<i>Change in Net Position</i>	0	3,791,587
<i>Net Position at Beginning of Year</i>	<u>1,194</u>	<u>16,377,914</u>
<i>Net Position at End of Year</i>	<u><u>\$1,194</u></u>	<u><u>\$20,169,501</u></u>

See accompanying notes to the basic financial statements.





**NOTE 1 - DESCRIPTION OF PICKAWAY COUNTY AND REPORTING ENTITY**

Pickaway County, Ohio (the County), was created in 1810. The County is governed by a board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the County Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, Probate Court Judge and a Common Pleas Court Judge. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body and the chief administrators of public services for the entire County.

**Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the County are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County. For Pickaway County, this includes the Pickaway County Board of Developmental Disabilities, Pickaway County Child Support Enforcement Agency, Pickaway County Job and Family Services, Pickaway County Veteran Services and departments and activities that are directly operated by the elected County officials.

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

**Discretely Presented Component Unit**

The component unit column in the basic financial statements identifies the financial data of the County's component unit, Pickaway County Airport Authority. The Authority is reported separately to emphasize that it is legally separate from the County.

Pickaway County Airport Authority - Pickaway County Airport Authority (the Authority) operates on a fiscal year ending December 31. The five-member Board for the Authority is appointed by the County Commissioners. The Commissioners also review the budget and have the ability to impose its will on the Authority. Pickaway County provides utilities and insurance for the Authority. During 2022, the County made no financial contributions either to or on behalf of the Authority. Financial information is included in the accompanying financial statements.

**Pickaway County Land Reutilization Corporation**

In November 2016, the County Commissioners approved the creation of the Pickaway County Land Reutilization Corporation. The County is still in the process of drafting the articles of incorporation for this entity. Therefore, the corporation had no activity in 2022.

**Pickaway County Transportation Improvement District**

In May 2020 the County Commissioners created the Pickaway County Transportation Improvement District (TID) as authorized in section 5540.02 (C)(2) of the Ohio Revised Code. The TID is authorized to finance, construct, reconstruct, improve, alter, maintain, and repair roads, highways, and other related infrastructure and facilities. The TID had no activity in 2022.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

The County is associated with certain organizations that are defined as jointly governed organizations or related organizations. These organizations are presented in Notes 21 and 22 to the basic financial statements. These organizations are:

- Paint Valley Mental Health Alcohol and Drug Addiction Board
- Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District
- County Risk Sharing Authority (CORSA)
- Southern Ohio Council of Governments
- Pickaway County Park District
- Pickaway County District Public Library

As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the districts listed below, the County serves as fiscal agent, but the districts are not fiscally dependent on the County. Accordingly, the activity of the following districts are presented as custodial funds within the County's financial statements.

- Soil and Water Conservation District
- Pickaway County Health District
- Pickaway County Park District
- Ross, Pickaway, Highland, Fayette Joint Solid Waste District

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Basis of Presentation**

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

**Government-Wide Financial Statements** - The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government and component units, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

The Statement of Net Position presents the financial condition of the governmental and business-type activities and the component unit of the County at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for business-type activities and component unit of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and 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 business segment or governmental function is self-financing or draws from the general revenues of the County.

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

**B. Fund Accounting**

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

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

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

**Auto, License and Gas Tax Fund** - This fund accounts for the County road and bridge maintenance, repair and improvement programs. Revenue sources include Federal and State grants, charges for services and license fees.

**Job and Family Services Fund** - This fund accounts for various Federal and State grants, as well as transfers from the General Fund that are used to provide public assistance to general relief recipients and to pay their providers of medical assistance and certain public social services.

**Board of Developmental Disabilities Fund** - This fund accounts for the operation of a school, workshop and resident homes for the developmentally disabled. Revenue sources include a County-wide property tax levy and Federal and State grants.

**American Rescue Plan** - To account for federal monies received as part of the American Rescue Plan relief funding. These funds are to be used for costs that are the result of the Coronavirus Pandemic.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

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

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The County has no internal service fund. The following is the County's only major enterprise fund:

**Countywide Sewer 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 Countywide Sewer Fund accounts for sewer services provided to individual users in several subdivisions of the County.

The Countywide Water Fund accounts for water services provided to individual users in subdivisions of the County. The Sheriff Web Check fund accounts for criminal background check services completed by the Sheriff's office for area businesses and governments.

**Fiduciary Funds** – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The County's fiduciary funds are a private-purpose trust fund and custodial funds. The County's private purpose trust fund is established to account for assets that are used for the prevention of delinquency in juveniles that are in the custody of Juvenile Court. The County's custodial funds are used to account for assets held by the County as fiscal agent for other districts, agencies, boards and commissions; for various taxes, assessments, fines and fees collected for the benefit of and distributed to other governments; and for the State-shared resources collected on behalf of other local governments.

**C. Measurement Focus**

**Government-Wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows and all 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 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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

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

The private-purpose trust fund and custodial funds are reported using the economic resources measurement focus.

**D. Basis of Accounting**

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

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

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 13). 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 non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, revenue sources considered to be both measurable and available at year-end include delinquent property taxes, sales taxes, charges for services and fees, fines and forfeitures, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), and grants.

**Deferred Outflows and Deferred Inflows of Resources** - In addition to assets, the Statement of Net 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 and include pension and OPEB expense. A deferral for pension/OPEB results from changes in Net Pension/OPEB Liability not recognized as a component of current year pension expense. This amount is deferred and amortized over various periods as instructed by the pension plan administrators. Deferred outflows of resources related to pensions are explained further in Notes 17 and 18.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred inflows of resources. The County reports a deferred inflow of resources which represents an acquisition of net position or fund balance that applies to a future period and will not be recognized as an inflow of resources (revenues) until that time. For the County these amounts consist of intergovernmental receivables, delinquent property taxes receivable which are not collected in the available period and pension. Property taxes for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance fiscal year 2023 operations, have been recorded as deferred inflows of resources. The difference between deferred inflows on the Statement of Net Position and the Balance Sheet is due to delinquent property taxes receivable and grants and entitlements not received during the available period. These were reported as revenues on the Statement of Activities and not recorded as deferred inflows on the Statement of Net Position. Additionally, deferred inflows related to pensions/OPEB are reported in the government-wide Statement of Net Position. Deferred inflows related to pensions/OPEB result from changes in Net Pension/OPEB Liability not recognized as a component of current year pension expense. Deferred inflows of resources related to pension are explained further in Notes 17 and 18.

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

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

**E. Budgetary Process**

All funds, except Jail Commissary (non-major special revenue), Law Enforcement - Prosecutor (non-major special revenue) and custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The level of control has been established by County Commissioners at the object level within each department. Advances between funds are not required to be budgeted.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original certificate of estimated resources was adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2022. The County does not include advances between funds in the certificate of estimated resources.

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

**F. Cash, Cash Equivalents, and Investments**

To improve cash management, cash and investments received by the County is pooled. Monies for all funds, including proprietary funds, 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 cash equivalents".

Cash and cash equivalents that are held separately with the departments of the County, and not included in the County Treasury, are recorded as "cash and cash equivalents in segregated accounts".

The County has a bank account for monies held by a trustee which is used to make debt payments. The account is presented on the Statement of Net Position as "cash and cash equivalents with fiscal agents."

During 2022, investments were limited to STAR Ohio, U.S. Government Agency Securities, U.S. Treasury obligations, certificates of deposits, commercial paper, and other interest bearing accounts with local commercial banks.

Investments are reported at fair value, except for nonnegotiable certificates of deposit which are reported at cost. Fair value is based on quoted market prices. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The County measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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 2021 amounted to \$633,522 which includes \$462,687 assigned from other County funds.

**G. Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when used.

**H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2022, 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.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

**I. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art or similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads, bridges, culverts and sanitary 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.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	40-150 years	N/A
Improvements Other Than Buildings	40-150 years	N/A
Machinery and Equipment	3-25 years	N/A
Furniture and Fixtures	10-30 years	N/A
Vehicles	3-15 years	N/A
Plant and Facilities	N/A	40-150 years
Infrastructure	10-60 years	70 years

**J. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balance. As of December 31, 2022, there were \$45,314 internal balances reported on the Statement of Net Position.

**K. Compensated Absences**

The County reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences" as interpreted by Interpretation No. 6 of the GASB, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements."



**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those employees for whom it is probable will become eligible to receive payment in the future. The County has determined that employees with the County for ten or more years are probable to receive payment in the future. The liability is based on accumulated sick leave and employees' wage rates at year end.

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

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "matured compensated absences payable", in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In enterprise funds, the entire amount of compensated absences is reported as a fund liability. The County reported \$15,955 matured compensated absences payable as of December 31, 2022.

**L. Pensions/Other Postemployment Benefits (OPEB)**

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

**M. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported on 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, compensated absences that will be paid from governmental funds are reported as a liability on the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term notes and loans are recognized as a liability in the governmental fund financial statements when due.

**N. Fund Balance**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Fund balances of the governmental funds are classified as follows:

**Nonspendable** – amounts that cannot be spent because they are either not in a spendable form or because they are legally or contractually required to be maintained intact.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

**Restricted** – amounts that can be spent only for specific purposes because either (a) constraints imposed by law through constitutional provisions, charter requirements or enabling legislation; or (b) constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

**Committed** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the County Commissioners remove the specified use by taking the same type of action as when imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – amounts constrained by the County’s “intent” to be used for specific purposes, but are neither restricted nor committed. The County Commissioners have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

**Unassigned** – this is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the County considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Commissioners have provided otherwise in their commitment or assignment actions.

**O. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and 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 is 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’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**P. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water and sewer services and charges for background checks. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

**Q. Interfund Transactions**

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(Continued)*

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

**R. Estimates**

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

**NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES**

For fiscal year ended June 30, 2022, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, certain provisions of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, and certain provisions in GASB Statement No. 99, *Omnibus 2022*.

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The implementation of GASB Statement No. 87 did not have an effect on the financial statements of the County.

GASB Statement No. 97 requirements that are related to a) the accounting and financial reporting for Section 457 plans and b) determining whether a primary government is financially accountable for a potential component unit were implemented for fiscal year 2022. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the County.

GASB Statement No. 99 enhances comparability in the application of accounting and financial reporting requirements and will improve consistency of authoritative literature. The implementation of certain provisions of GASB Statement No. 99 did not have an effect on the financial statements of the County.

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While the County is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budget basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) is presented for the General Fund and major special revenue funds on the budget basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and modified accrual GAAP basis are that:

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING** *(Continued)*

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a restriction, commitment or assignment of fund balance.
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. Funds added to the General Fund to comply with GASB 54.

The following table summarizes the adjustments necessary to reconcile the GAAP and budget basis statements for the General Fund and major special revenue funds:

<b>Net Change in Fund Balances (Deficits)/Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>					
	General	Auto, License and Gas Tax	Job and Family Services	Board of Developmental Disabilities	American Rescue Plan
GAAP Basis	\$908,656	\$391,318	(\$66,943)	(\$1,090,492)	\$0
<i>Adjustments:</i>					
Net Adjustment for Revenue Accruals	1,769,572	755,174	(109,989)	(271,435)	4,342,698
Net Adjustment for Expenditure Accruals	(239,173)	113,425	104,557	1,922,405	96
Net Adjustment for Other Sources (Uses)	0	0	0	(2,500,000)	0
Encumbrances	0	(157,877)	0	0	0
<i>Perspective Difference:</i>					
Activity of Funds Reclassified GAAP Reporting Purposes	(316,293)	0	0	0	0
<b>Budget Basis</b>	<u>\$2,122,762</u>	<u>\$1,102,040</u>	<u>(\$72,375)</u>	<u>(\$1,939,522)</u>	<u>\$4,342,794</u>

**NOTE 5 - CASH, DEPOSITS AND INVESTMENTS**

Monies held in the County Treasury are pooled for the purpose of investment management. The County is authorized to invest in those instruments identified in section 135.35 of the Ohio Revised Code. Specifically, these authorized instruments consist of:

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, or any book entry, zero-coupon security that is a direct obligation of the United States.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 5 - CASH, DEPOSITS AND INVESTMENTS - (Continued)**

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
3. Written repurchase agreements in the securities listed above provide that the fair 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 fair value daily, and that the term of the agreement must not exceed thirty days.
4. Bond 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 division (1) or (2) and repurchase agreements secured by such obligations, provided that investment in securities described in this division are made only through eligible institutions.
7. The State Treasurer's investment pool (STAROhio).
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value.
9. Up to 40 percent of the County's total average portfolio in either (a) high grade commercial paper when the aggregate value of the notes does not exceed 10 percent of the aggregate value of the outstanding commercial paper of the issuing corporation, and the notes mature no later than 270 days after purchase or (b) bankers acceptances of banks insured by the FDIC when the obligations are eligible for purchase by the Federal Reserve System and mature no later than 180 days after purchase.
10. Up to 15 percent of the County's total average portfolio in high grade notes issued by the U.S. corporations, and the notes mature no later than two years after purchase.
11. High grade debt interests issued by foreign nations diplomatically recognized by the U.S. government. All interest and principal shall be denominated and payable in U.S. Funds. In the aggregate, this investment shall not exceed 1 percent of the County's total average portfolio and shall mature no later than five years after purchase.

Investments in stripped principal or interest obligations, except for federally issued or federally guaranteed 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 will be held to maturity. Investments may only be made through specific 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.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 5 - CASH, DEPOSITS AND INVESTMENTS - (Continued)**

The amounts available for deposit and investment are as follows:

Cash and Cash Equivalents: (carrying amounts)	
-Pooled	\$62,973,704
-Segregated	1,203,878
-Component Unit	198,126
Reconciling items (net) to arrive at bank balances	<u>611,057</u>
Total available for deposits and investments	
(Bank balance of deposit/carrying amount of investments)	<u><u>\$64,986,765</u></u>

The following information is presented in accordance with GASB Statement No. 40, "Deposit and Investment Risk Disclosures." Additional disclosures for the component units are presented below in Note 5.

**Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the County.

As of December 31, 2021, the carrying amount of all County deposits was \$14,406,425. Based on the criteria described in GASB Statement No. 40, \$13,420,653 of the County's bank balance of \$15,017,482 was exposed to custodial risk as discussed above while \$1,596,829 was covered by FDIC. The \$13,420,653 exposed to custodial risk was uninsured, and collateral was provided by the Ohio Pooled Collateral System.

**Custodial Credit Risk**

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

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

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

All of the County's financial institutions are enrolled in the OPCS.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 5 - CASH, DEPOSITS AND INVESTMENTS - (Continued)**

**Investments**

As of December 31, 2022 the County had the following investments and maturities:

Investment Type	Fair Value	Investments In Maturities In Years		
		Less than One Year	1-3 Years	3-5 Years
U.S. Treasury Obligations	\$8,066,740	\$0	\$4,183,546	\$3,883,194
U.S. Government Agency Securities	25,220,485	0	22,476,660	2,743,825
Negotiable CD's	5,958,520	2,695,157	3,029,684	233,679
Commerical Paper	2,235,575	2,235,575	0	0
STAROhio	8,613,778	8,613,778	0	0
Total Investments	<u>\$50,095,098</u>	<u>\$13,544,510</u>	<u>\$29,689,890</u>	<u>\$6,860,698</u>

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the County limits investment portfolio matures to five years or less.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County limits its investments to those authorized by State statute. Standard and Poor's has assigned a rating of "AAAm" to STAROhio, either A-1 or A-1+ for the Commercial "AA+" to U.S. Government Agency Securities and U.S. Treasury Obligations. Negotiable CDs are not rated.

**Custodial Credit Risk** - For investments, custodial credit risk is the risk that, in event of the failure of the counter party, the County will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The County's policy provides that investments be held in the County's name. All of the County's investments are held in the County's name.

**Concentration of Credit Risk** - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy minimizes concentration of credit risk by diversifying assets by issuer as necessary. The County's investments in U.S. Treasury Obligations, U.S. Government Agency Securities, Negotiable CD's, Commercial Paper and the STAROhio account were 16.1%, 50.3%, 11.9%, 4.5% and 17.2% respectively, of the County's total investments.

The County has categorized 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 chart identifies the County's recurring fair value measurements as of December 31, 2022.

Most of the County's investments are valued using pricing sources as provided by the investment's managers (Level 2 inputs), while the U.S. Treasury obligations are valued by sources with Level 1 inputs.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 5 - CASH, DEPOSITS AND INVESTMENTS - (Continued)**

**Component Unit**

*Deposits and Investments*

Cash and cash equivalents held by Pickaway County Airport Authority are classified as “cash and cash equivalents.”

At year end, the carrying amount of the Pickaway County Airport Authority deposits was \$198,126 and the bank balance was \$198,126. The \$198,126 bank balance was covered by federal depository insurance.

**NOTE 6 - INTERFUND TRANSACTIONS**

Interfund balances at December 31, 2022, consist of the following receivables and payables:

	Interfund Receivables	Interfund Payables
General	\$198,928	\$0
Countywide Sewer	0	20,474
Nonmajor Special Revenue Funds	0	153,614
Nonmajor Enterprise Funds	0	24,840
	\$198,928	\$198,928

All balances are scheduled to be collected in the subsequent year. All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

A summary of interfund transfers for 2022 were as follows:

	Transfers In	Transfers Out
General	\$0	\$3,551,838
Auto, License and Gas Tax	0	137,468
Nonmajor Special Revenue Funds	3,689,306	0
	\$3,689,306	\$3,689,306

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2022 consisted of property taxes, loans receivable, sales taxes, accounts (billings for user charged services), interest, special assessments and intergovernmental grants. All receivables are considered fully collectible.

A summary of the principal items of intergovernmental receivable follows:

<u>Governmental Activities</u>	
<i>General Fund:</i>	
Local Government Distributions	692,458
State Property Tax Reimbursements	190,027
Total General Fund	<u>882,485</u>
<i>Auto, License and Gas Tax Fund:</i>	
Gasoline Tax	1,935,087
<i>Job and Family Services Fund:</i>	
State and Federal Funding	669,053
<i>Board of Developmental Disabilities Fund:</i>	
State Property Tax Reimbursements	131,993
Grants	494,089
Total Board of Developmental Disabilities Fund	<u>626,082</u>

Continued

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 7 - RECEIVABLES - (Continued)**

<i>Non Major Special Revenue Funds:</i>	
Motor Vehicle Permissive Tax	333,886
Road and Bridge	1,599
Children Services	22,101
Child Support Enforcement Agency	240,620
Probate	15
Probate Computer	663
Special Marriage License	255
Indigent Guardianship	30
Juvenile Computer	159
Youth Services Subsidy Grant	123,954
VOCA Grant	5,572
Delinquent Real Estate Collection	16,546
Crime Victims Assistance	47,536
Dog & Kennel	562
Emergency Management	24,560
HUD Grants	53,726
Workforce Development	45,117
Law Library	2,946
Juvenile Special Project Assess	433
Community Correction Grant	82,690
TCAP Grant	555,042
ATP Grant	34,653
Adult Probation Grant	187,500
ATP Grant - Adult Probation	25,000
Specialized Docket Grant	75,000
Total Nonmajor Special Revenue Funds	1,880,165
 <i>Non Major Capital Project Funds:</i>	
Capital Improvement	8,052
 <b>Total Intergovernmental Receivables</b>	 <b>6,000,924</b>

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 8 - CAPITAL ASSETS**

A summary of changes in general capital assets during 2022 were as follows:

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
<b>Governmental Activities:</b>				
<i>Nondepreciable Capital Assets:</i>				
Land	\$916,902	\$0	(\$27,470)	\$889,432
Construction in Progress	0	426,411	0	426,411
Total Nondepreciable Capital Assets	<u>916,902</u>	<u>426,411</u>	<u>(27,470)</u>	<u>1,315,843</u>
<i>Depreciable Capital Assets:</i>				
Buildings	42,375,399	263,963	(51,850)	42,587,512
Improvements Other Than Buildings	2,250,675	49,063	0	2,299,738
Machinery and Equipment	8,355,387	952,893	(579,559)	8,728,721
Furniture and Fixtures	763,035	36,888	0	799,923
Vehicles	3,828,050	280,627	(309,642)	3,799,035
Infrastructure	62,281,682	2,253,453	(262,862)	64,272,273
Intangible Assets	6,375	70,814	0	77,189
Total Depreciable Capital Assets	<u>119,860,603</u>	<u>3,907,701</u>	<u>(1,203,913)</u>	<u>122,564,391</u>
<i>Accumulated Depreciation:</i>				
Buildings	(6,687,082)	(646,647)	5,833	(7,327,896)
Improvements Other Than Buildings	(665,005)	(55,803)	0	(720,808)
Machinery and Equipment	(4,668,990)	(415,313)	477,680	(4,606,623)
Furniture and Fixtures	(569,836)	(17,773)	0	(587,609)
Vehicles	(2,246,293)	(226,205)	308,731	(2,163,767)
Infrastructure	<u>(29,186,308)</u>	<u>(1,993,400)</u>	<u>262,862</u>	<u>(30,916,846)</u>
Total Accumulated Depreciation	<u>(44,023,514)</u>	<u>(3,355,141)</u>	<u>1,055,106</u>	<u>(46,323,549)</u>
Total Depreciable Capital Assets	<u>75,837,089</u>	<u>552,560</u>	<u>(148,807)</u>	<u>76,240,842</u>
Governmental Activities Capital Assets, Net	<u>\$76,753,991</u>	<u>\$978,971</u>	<u>(176,277)</u>	<u>\$77,556,685</u>

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 8 - CAPITAL ASSETS (Continued)**

For governmental activities, depreciation expense was charged to functions as follows:

Governmental Activities	Amount
<i>General Government:</i>	
Legislative and Executive	\$741,765
Judicial	17,421
Public Safety	310,882
Public Works	2,200,268
Health	23,343
Human Services	59,428
Conservation and Recreation	2,034
Governmental Activities Depreciation Expense	\$3,355,141

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
<b>Business-Type Activities:</b>				
<i>Nondepreciable Capital Assets:</i>				
Land	\$13,964	0	0	\$13,964
Total Nondepreciable Capital Assets	13,964	0	0	13,964
<i>Depreciable Capital Assets:</i>				
Plant and Facilities	801,966	0	0	801,966
Infrastructure	5,359,658	0	0	5,359,658
Total Depreciable Capital Assets	6,161,624	0	0	6,161,624
<i>Accumulated Depreciation:</i>				
Plant and Facilities	(572,216)	(8,500)	0	(580,716)
Infrastructure	(1,158,265)	(76,567)	0	(1,234,832)
Total Accumulated Depreciation	(1,730,481)	(85,067)	0	(1,815,548)
Total Depreciable Capital Assets, Net	4,431,143	(85,067)	0	4,346,076
Business-Type Activities Capital Assets, Net	\$4,445,107	(\$85,067)	\$0	\$4,360,040

**PICKAWAY COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 9 - LONG-TERM OBLIGATIONS**

The County's long-term obligations activity for the year ended December 31, 2022, was as follows:

	Outstanding at January 1, 2022	Additions	Deletions	Outstanding at December 31, 2022	Amount Due In One Year
<i>Governmental Activities:</i>					
<i>General Obligation Notes Payable:</i>					
Engineer's Note - Dump Truck, 2018-2022 2.99%	\$133,477	\$0	\$133,477	\$0	\$0
JFS Building Note , 2018-2028 3.00%	1,693,971	0	82,620	1,611,351	84,978
<i>General Obligation Bonds Payable:</i>					
Energy Saving Renovation Bonds, 2010-2025 3.920%	874,807	0	215,000	659,807	217,000
Sales Tax Bonds, 2018-2044 4.00%	7,685,000	0	5,000	7,680,000	5,000
Sales Tax Bonds, 2018-2048 4.00%	2,785,000	0	5,000	2,780,000	5,000
<i>Loans Payable Direct Borrowing:</i>					
OPWC Loan, 2009-2029 0%	102,436	0	12,804	89,632	12,804
<i>Other Long-Term Obligations:</i>					
Compensated Absences	1,625,789	1,256,308	1,157,347	1,724,750	1,238,620
Installment Loan	73,315	53,660	37,892	89,083	41,855
Premium on Bonds	656,005	0	27,267	628,738	0
Premium on Notes	19,950	0	19,950	0	0
<i>Net Pension Liability:</i>					
OPERS	17,306,327	0	6,922,158	10,384,169	0
STRS	98,162	85,209	0	183,371	0
Total Net Pension Liability	<u>17,404,489</u>	<u>85,209</u>	<u>6,922,158</u>	<u>10,567,540</u>	<u>0</u>
Governmental Activities Long-Term Obligations	<u>\$33,054,239</u>	<u>\$1,395,177</u>	<u>\$8,618,515</u>	<u>\$25,830,901</u>	<u>\$1,605,257</u>

**PICKAWAY COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 9 - LONG-TERM OBLIGATIONS** *(Continued)*

	Outstanding at January 1, 2022	Additions	Deletions	Outstanding at December 31, 2022	Amount Due In One Year
<b>Business-Type Activities:</b>					
<i>General Obligation Notes Payable:</i>					
Orient Water Tower, 2014-2024 4.00%	\$25,050	\$0	\$7,790	\$17,260	\$7,790
<i>Net Pension Liability:</i>					
OPERS	107,969	0	47,389	60,580	0
Business-Type Activities Long-Term Obligations	<u>\$133,019</u>	<u>\$0</u>	<u>\$55,179</u>	<u>\$77,840</u>	<u>\$7,790</u>

The Engineer's Note Dump Truck was issued in 2018 for \$552,428 with a 2.99% interest rate. This note was issued for the purchase of three Dump Trucks with snow plows. This note was paid by the Engineer's Note Debt Service Fund.

The JFS Building Note was issued in 2018 for \$2,000,000 with a 3.00% interest rate. This note was issued for the purchase of a JFS Building. This note will be paid by the Pickaway County Service Center Debt Service Fund.

The Energy Saving Renovation Bonds were issued in 2010 for \$2,995,615 with a 3.920% interest rate. These bonds are issued for renovations of all County buildings for energy savings. These bonds will be repaid through the Energy Savings Debt Service Fund.

The Sales Tax Bonds were issued in 2018 for \$7,700,000 with a 4.00% interest rate. These bonds are issued for renovations of County buildings at the fairgrounds. These bonds will be repaid through the Fairground Improvement Debt Service Fund.

The Sales Tax Bonds were issued in 2019 for \$2,800,000 with a 4.00% interest rate. These bonds are issued for renovations of County buildings at the fairgrounds. These bonds will be repaid through the Fairground Improvement Debt Service Fund.

The Ohio Public Works Commission (OPWC) Loan is related to the Cromley Road Bridge Replacement Project. The loan will be paid in bi-annual installments of \$6,402, over 20 years. The debt is to be repaid from the Auto, License and Gas Tax Fund. This loan is to be a zero-percentage interest rate for the life of the loan. This loan was issued in 2009 for \$256,088.

The Orient Water Tower note was issued in 2014 for \$74,984 with a 4.00% interest rate. This note was issued to repair the water tower near the Village of Orient. This note will be repaid from the Orient Water Enterprise Fund.

The compensated absences liability and pension obligations will be paid from the fund from which the employees are paid. The installment loans will be repaid through the General Fund, Job and Family Service Fund and other nonmajor special revenue funds. The amount of principal payments on the installment loan paid in 2022 amounted to \$37,892.

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

**PICKAWAY COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 9 - LONG-TERM OBLIGATIONS (Continued)**

For the Year Ended December 31	JFS Building		Energy Saving Renovation Bonds		Direct Borrowing OPWC Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$84,978	\$48,369	\$217,000	\$35,102	\$12,804
2024	87,735	45,612	220,000	23,557	12,805	0
2025	90,444	42,901	222,807	11,853	12,805	0
2026	93,237	40,108	0	0	12,804	0
2027	1,254,957	37,332	0	0	12,805	0
2028-2032	0	0	0	0	25,609	0
<b>Total</b>	<b>\$1,611,351</b>	<b>\$214,322</b>	<b>\$659,807</b>	<b>\$70,512</b>	<b>\$89,632</b>	<b>\$0</b>

For the Year Ended December 31	Sales Tax Bond		2019 Sales Tax Bond		Installment Loans		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$5,000	\$330,500	\$5,000	\$131,400	\$41,855	\$4,025	\$366,637
2024	30,000	330,300	5,000	131,200	23,724	1,850	379,264	532,519
2025	40,000	329,100	5,000	131,000	13,633	1,060	384,689	515,914
2026	275,000	327,500	5,000	130,800	9,871	527	395,912	498,935
2027	285,000	316,500	5,000	130,600	0	0	1,557,762	484,432
2028-2032	1,610,000	1,402,100	25,000	650,000	0	0	1,660,609	2,052,100
2033-2037	1,960,000	1,053,300	25,000	645,000	0	0	1,985,000	1,698,300
2038-2042	2,405,000	616,650	25,000	640,000	0	0	2,430,000	1,256,650
2043-2047	1,070,000	79,500	1,980,000	606,000	0	0	3,050,000	685,500
2048	0	0	700,000	103,250	0	0	700,000	103,250
<b>Total</b>	<b>\$7,680,000</b>	<b>\$4,785,450</b>	<b>\$2,780,000</b>	<b>\$3,299,250</b>	<b>\$89,083</b>	<b>\$7,462</b>	<b>\$12,909,873</b>	<b>\$8,376,996</b>

The following is a summary of the County's future principal and interest requirements for business-type long-term obligations:

For the Year Ended December 31	Orient Water Tower	
	Principal	Interest
2023	\$7,790	\$542
2024	9,470	215
<b>Totals</b>	<b>\$17,260</b>	<b>\$757</b>

**PICKAWAY COUNTY, OHIO**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 10 - NOTES PAYABLE**

The following is a summary of the County's note obligation activity for the year ended December 31, 2022:

Purpose/Description	Maturity Date	Interest Rate	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
<b><i>Governmental Activities:</i></b>						
<i>Notes Payable:</i>						
Bond Anticipation Note	2022	1.00%	\$1,500,000	\$0	\$1,500,000	\$0
Governmental Activities Notes Payable			<u>\$1,500,000</u>	<u>\$0</u>	<u>\$1,500,000</u>	<u>\$0</u>

**NOTE 11 - LOANS PAYABLE**

The County's loan transactions for the year ending December 31, 2022, were as follows:

Purpose/Description	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022	Amount Due Within One Year
<b><i>Business-Type Activities:</i></b>					
<i>OPWC Loans Payable:</i>					
Darby Twp, Sewer Improvement, 0%	\$60,000	\$0	\$20,000	\$40,000	\$20,000
Darby Area Sanitary Sewer, 0%	177,493	0	8,255	169,238	8,256
Orient Water Improvement, 0%	42,512	0	10,628	31,884	10,628
<i>OWDA Loans Payable:</i>					
Darby Twp, Sewer Improvement, 0%	527,932	0	105,586	422,346	105,586
Darby Area Sanitary Sewer, 1.00%	<u>1,089,749</u>	<u>0</u>	<u>42,364</u>	<u>1,047,385</u>	<u>42,789</u>
Business-Type Activities Loans Payable	<u>\$1,897,686</u>	<u>\$0</u>	<u>\$186,833</u>	<u>\$1,710,853</u>	<u>\$187,259</u>

The first Ohio Public Works Commission (OPWC) Loan is related to improvements to the Darby Township Sanitary Sewer System. The loan will be paid in bi-annual installments of \$10,000, over 20 years. The debt is to be repaid by user charges to consumers that use the system. This loan is to be a zero percentage interest rate for the life of the loan. This loan was issued in 2005 for \$400,000.

The second Ohio Public Works Commission (OPWC) Loan is related to the Derby Area Sanitary Sewer Project. The OPWC has granted a loan in the amount of \$400,000 for this project. The loan is to be repaid in bi-annual installments of \$4,128 effective January 1, 2014 over 30 years with the final installment payable on July 1, 2043. The debt is repaid by user charges to consumers that use the system. The County must set rates in an amount that guarantees repayment of the debt.



**Pickaway County, Ohio**  
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**NOTE 11 - LOANS PAYABLE - (Continued)**

The third Ohio Public Works Commission (OPWC) Loan is related to the County takeover of the Village of Orient water in 2014. The loan will be paid in bi-annual installments of \$5,314, over 20 years. The debt is to be repaid by user charges to consumers that use the system. This loan is to be a zero percentage interest rate for the life of the loan. This loan was issued in 2006 to the Village of Orient for \$212,560 and was assumed by the County in 2014.

The first Ohio Water Development Authority (OWDA) Loan is related to improvements to the Darby Township Sanitary Sewer System. The OWDA has granted an original loan amount of \$1,624,478 and a supplementary loan amount of \$487,248, for a maximum loan amount of \$2,111,726 for this project. The loan will be repaid in semi-annual installments of \$52,793 effective July 1, 2007, over 20 years for the original loan amount with the final installment payable on January 1, 2027. The debt is repaid by user charges to consumers that use the system. The County must set rates in an amount that guarantees repayment of the debt.

The second Ohio Water Development Authority (OWDA) Loan is related to the Derby Area Sanitary Sewer. The OWDA has granted a loan in the amount of \$1,352,366 for this project. The loan will be repaid in semi-annual installments of \$26,578 effective July 1, 2016, over 30 years for the original loan amount with the final installment payable on January 1, 2045. The debt is repaid by user charges to consumers that use the system. The County must set rates in an amount that guarantees repayment of the debt.

In connection with the OWDA and OPWC loans, the County has pledged future customer revenues of the Sewer Fund net of specified operating expenses, to repay these loans. The loans are payable, through final maturities, from net revenues applicable to the Sewer Fund. Total principal and interest remaining on these loans at December 31, 2022 was \$1,678,969 and \$122,041, respectively. The net revenue available for these loans was \$357,136 and principal and interest paid was \$186,997. The coverage ratio for the loans was 1.91 for the year ended December 31, 2022.

In connection with the OPWC loan, the County has pledged future customer revenues of the Water Fund net of specified operating expenses, to repay this loan. The loan is payable, through final maturities, from net revenues applicable to the Water Fund. Total principal remaining on this loan at December 31, 2022 was \$31,884. The net revenue available for this loan was \$32,890 and principal paid was \$10,628. The coverage ratio for the loan was 3.09 for the year ended December 31, 2022.

For the Year Ended December 31	OPWC Darby Twp. Sewer	OPWC Darby Area Sanitary Sewer	OPWC Orient Water Improvement	OWDA Darby Twp. Sewer Improvement
2023	\$20,000	\$8,256	\$10,628	\$105,586
2024	20,000	8,255	10,628	105,586
2025	0	8,255	10,628	105,586
2026	0	8,255	0	105,588
2027	0	8,255	0	0
2028-2032	0	41,275	0	0
2033-2037	0	41,275	0	0
2038-2042	0	41,275	0	0
2043	0	4,137	0	0
Totals	<u>\$40,000</u>	<u>\$169,238</u>	<u>\$31,884</u>	<u>\$422,346</u>

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 11 - LOANS PAYABLE - (Continued)**

For the Year Ended December 31	OWDA		Totals	
	Darby Area Sanitary Sewer		Principal	Interest
	Principal	Interest		
2023	\$42,789	\$10,367	\$187,258	\$10,367
2024	43,217	9,938	187,686	9,938
2025	43,651	9,505	168,120	9,505
2026	44,088	9,067	157,931	9,067
2027	44,530	8,625	52,785	8,625
2028-2032	229,438	36,340	270,713	36,340
2033-2037	241,171	24,607	282,446	24,607
2038-2042	253,505	12,273	294,780	12,273
2043	104,996	1,319	109,134	1,319
Totals	<u>\$1,047,385</u>	<u>\$122,041</u>	<u>\$1,710,853</u>	<u>\$122,041</u>

The effects of the debt limitations at December 31, 2022, were an overall legal debt margin of \$29,683,811 and an unvoted legal debt margin of \$4,700,964.

The County has entered into agreements to lease equipment and other assets. Such agreements are, in substance, installment loan purchases and are reflected as capital installment loan obligations in the government-wide financial statements. New leases are, in substance, capital purchases and are recorded as current expenditures and inception of capital installment loan on the fund financial statements. The capital installment loan obligations reflected above as part of the long-term obligations represent the present value of the net future minimum lease payments on all capital installment loan. The County made \$37,892 of principal payments on leases during the year.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 12 - PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility personal property located in the County. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2017. Real property taxes are payable annually or semiannually. The first payment is due February 15, with the remainder payable by July 18.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property currently is assessed at varying percentage of true value; public utility real property is assessed at 35 percent of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to itself its share of the taxes collected. The County records receipt of these taxes in various funds.

Accrued property taxes receivable represents delinquent taxes outstanding and real and public utility taxes that were measurable and unpaid as of December 31, 2022. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2022 operations. The receivable is therefore offset by a credit to deferred inflows.

The full tax rate for all County operations for the year ended December 31, 2022, was \$3.00 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2022 property tax receipts were based are as follows:

Category	Assessed Value
<i>Real Estate:</i>	
Agriculture	\$231,763,710
Residential	1,009,621,030
Commercial	125,695,120
Industrial	26,146,240
Minerals	203,610
Public Utilities	15,929,130
 <i>Personal Property:</i>	
Public Utilities	356,164,280
Total Assessed Values	\$1,765,523,120

**NOTE 13 – TAX ABATEMENTS**

A tax abatement is defined as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forego tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the County or the citizens of the County. The County has entered into such agreements. A description of the County’s abatement programs where the County has promised to forego taxes follows:

**Community Reinvestment Area (CRA) Program**

The Ohio Community Reinvestment Area program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Community Reinvestment Areas (CRA) are areas of land in which property owners can receive tax incentives for investing in real property improvements. In order to use the Community Reinvestment program, a city, village, or county petitions to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing has traditionally been discouraged. Once the area is confirmed by the Directory of ODSA, communities may offer real property tax exemptions to taxpayers that invest in that area.

The County determines the type of development to support by specifying the eligibility of residential, commercial and/or industrial projects. The County negotiates property tax exemptions on new property tax from investment for up to one hundred percent (100%) for up to fifteen years based on the amount of investments made to renovate or construct buildings within a CRA. Taxes are abated as the increase in assessed value resulting from the investment is not included (or included at a lesser amount) in the assessed value used for property tax computation for the taxpayer. For commercial projects, job retention and/or creation is also required. Agreements must be in place before the project begins. Provisions for recapturing property tax exemptions, which can be used at the discretion of the County, are pursuant to ORC Section 9.66(C)(1) and 9.66(C)(2).

**Enterprise Zone Program**

The Ohio Enterprise Zone Program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. Enterprise zones are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investment. The Enterprise Zone Program can provide tax exemptions for a portion of the value of new real property investment when the investment is made in conjunction with a project that includes job creation. Existing land values and existing building values are not eligible. The zone’s geographic area is identified by the local communities involved in the creation of the zone. Once a zone is defined, the local legislative authority participating in the creation must petition the Director of ODSA. The Director must then certify the area for it to become an active Enterprise Zone. Local communities may offer tax incentives for non-retail projects that are establishing or expanding operations in the State of Ohio. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 13 – TAX ABATEMENTS - (Continued)**

There are 3 Enterprise Zones in the County. Business located in an Enterprise Zone may negotiate exemptions on new property tax from investment for up to seventy-five percent (75%) for 10 years. For commercial projects, job retention and/or creation is also required. Taxes are abated as the increase in assessed value resulting from the investment is not included (or included at a lesser amount) in the assessed value used for property tax computation for the taxpayer. Agreements must be in place before the project begins. Pursuant to the terms of such agreements, if the actual number of employee positions created or retained by the business in any three-year period during which the agreement is in effect is not equal to or greater than 75 percent of the number of employee positions estimated to be created or retained under the agreement, the business shall repay the amount of taxes on property that would have been payable had the property not been exempted. In addition, the County may terminate or modify the exemptions from taxation granted under the agreement if the terms of the agreement are not met.

A summary of the taxes foregone on the County’s abatement programs for the year ended December 31, 2022 as follows:

Program	Tax Abated	Amount
Community Reinvestment Areas	Property Tax	\$3,781,843
Enterprise Zone Agreements	Property Tax	170,253

**NOTE 14 - PERMISSIVE SALES TAX**

In 1988, in accordance with Sections 5739.02 and 5741.02 of the Revised Code, the County Commissioners, by resolution, imposed a 1 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. In December 2001, the County Commissioners, by resolution, imposed an additional one-half 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. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County. The Tax Commissioner’s certification must be made within forty-five days after the end of each month. A warrant payable to the County is then drawn within five days. Proceeds of the tax were credited to the General Fund and Capital Project Fund. Amounts that have been collected by the State and are to be received within the available period are accrued as revenue. Sales and use tax revenue for 2022 amounted to \$12,974,900 in the Statement of Activities.

**NOTE 15 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During 2022, the County contracted with County Risk Sharing Authority (CORSA), a jointly governed organization, for liability, property, and crime insurance. The CORSA program has a \$2,500 deductible.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 15 - RISK MANAGEMENT - (Continued)**

Coverages provided by the program are as follows:

<u>Property:</u>	
Buildings & Contents	\$131,450,411
(\$100,000 annual aggregate pool limit for flood and earthquake)	
 <u>Liability:</u>	
General Liability	\$1,000,000
Excess Liability	7,000,000
Law Enforcement	1,000,000
Automobile	1,000,000
Uninsured/Underinsured Motorist	250,000
Faithful Performance and Employee Bond	1,000,000
Boiler and Machinery (each accident)	100,000,000

Settlement amounts on claims have not exceeded insurance coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year.

The County participates in the Workers' Compensation Program provided by the State of Ohio. During 2022, the County belonged to a pool with 63 other Ohio counties (County Commissioners Association of Ohio) for a workers' compensation group-rating program. The County joined this group plan to achieve lower workers' compensation rates.

The County purchases health, dental and vision insurances through the Franklin County Cooperative Health Benefits Program (FCCHBP). Insurance purchased through the FCCHBP is not considered limited risk health insurance. Workers' compensation benefits are provided through the State Bureau of Workers' Compensation. The County pays all elected officials' bonds by statute.

**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS**

**Net Pension Liability**

The net pension liability reported on the Statement of Net Position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS - (Continued)**

The net pension liability represents the County's proportionate share of each pension 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 liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

GASB 68 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). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

**A. Ohio Public Employees Retirement System (OPERS)**

**Plan Description** - County employees, who are not certified teachers with the school for developmental disabilities, 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 cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. 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 Annual Comprehensive Financial Report referenced above for additional information):

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS - (Continued)**

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

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3.0% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3.0%.

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



**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS - (Continued)**

	2022		2021	
	State and Local	Law Enforcement	State and Local	Public Safety
<b>Statutory Maximum Contribution Rates</b>				
Employer	14.0%	18.1%	14.0%	18.1%
Employee	10.0%	**	10.0%	**
<b>Actual Contribution Rates</b>				
Employer:				
Pension	14.0%	18.1%	14.0%	18.1%
Post-employment Health Care Benefits	0.0%	0.0%	0.0%	0.0%
Total Employer	<u>14.0%</u>	<u>18.1%</u>	<u>14.0%</u>	<u>18.1%</u>
Employee	<u>10.0%</u>	<u>13.0%</u>	<u>10.0%</u>	<u>12.0%</u>

\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2.0% 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 pension contributions to OPERS were \$2,876,863 for 2022. Of this amount, \$107,620 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2021, and the 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:

	<u>OPERS</u>
<i>Proportion of the Net Pension Liability:</i>	
Current Measurement Date	0.120049%
Prior Measurement Date	0.117605%
Change in Proportionate Share	<u>0.002444%</u>
Proportionate Share of the Net Pension Liability	\$10,444,749
Pension Expense	(\$986,534)

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS - (Continued)**

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
<b>Deferred Outflows of Resources</b>	
Differences between Expected and Actual Experience	\$532,458
Changes of Assumptions	1,306,106
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	600,314
Contributions Subsequent to the Measurement Date	2,876,863
<b>Total Deferred Outflows of Resources</b>	<b>\$5,315,741</b>
<b>Deferred Inflows of Resources</b>	
Differences between Expected and Actual Experience	\$229,079
Net Difference between Projected and Actual Earnings on Pension Plan Investments	12,423,646
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	5,880
<b>Total Deferred Inflows of Resources</b>	<b>\$12,658,605</b>

\$2,876,863 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date but before the end of the County's reporting period, will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS
Year Ending December 31:	
2023	(\$1,162,186)
2024	(4,159,924)
2025	(2,921,303)
2026	(1,976,314)
	<b>(\$10,219,727)</b>

**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.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS - (Continued)**

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, 2021, using the following actuarial assumptions, applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2021, are presented below.

Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
<i>COLA or Ad Hoc COLA:</i>	
Pre-January 7, 2013 Retirees	3 percent, simple
Post-January 7, 2013 Retirees	0.5 percent, simple through 2022, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

The long-term 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.

During 2021, OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes 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 investments expense and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 15.3% for 2021.

**Pickaway County, Ohio**  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS - (Continued)**

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board 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 rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric 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, 2021, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	24.00%	1.03%
Domestic Equities	21.00%	3.78%
Real Estate	11.00%	3.66%
Private Equity	12.00%	7.43%
International Equities	23.00%	4.88%
Risk Parity	5.00%	2.92%
Other investments	4.00%	2.85%
<b>Total</b>	<b>100.00%</b>	<b>4.21%</b>

**Discount Rate**

The discount rate used to measure the total pension liability was 6.9%. 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 statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments 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 6.9%, 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 (5.9%) or one-percentage-point higher (7.9%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net Pension Liability (Asset)	\$27,538,040	\$10,444,749	(\$3,779,143)

**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS** *(Continued)*

**B. State Teachers Retirement System (STRS)**

**Plan Description** – County licensed teachers and other faculty members participate in STRS Ohio, 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 <http://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 (CO). 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 was 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until 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 DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2026 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all their member contributions and 9.53% of the 14.0% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14.0% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The CO Plan offers features of both the DB Plan and the DC Plan. In the CO Plan, 12% of the 14% member rate is deposited into the member's DC account and the remaining 2% 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 CO 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 CO 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 CO 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 CO Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members on or after July 1, 2013 must have at least ten years of qualifying service credit that 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.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS** *(Continued)*

**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. For the fiscal year ended June 30, 2022, plan members were required to contribute 14.0% of their annual covered salary. The County was required to contribute 14.0%; the entire 14.0% was the portion used to fund pension obligations. The fiscal year 2022 contribution rates were equal to the statutory maximum rates.

The County’s contractually required pension contributions to STRS were \$15,972 for 2022. All of this amount has been contributed as of the end of the year.

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

The net pension liability was measured as of June 30, 2022, and the 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:

	STRS
<i>Proportion of the Net Pension Liability:</i>	
Current Measurement Date	0.000824880%
Prior Measurement Date	0.000767734%
Change in Proportionate Share	0.000057146%
Proportionate Share of the Net Pension Liability	\$183,371
Pension Expense	\$18,657

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	STRS
<b>Deferred Outflows of Resources</b>	
Differences between Expected and Actual Experience	\$2,350
Net Difference between Projected and Actual Investment Earnings	6,381
Changes of Assumptions	21,944
Changes in Proportion and Differences between Entity Contributions and Proportionate Share of Contributions	18,785
Entity Contributions Subsequent to the Measurement Date	8,600
<b>Total Deferred Outflows of Resources</b>	<b>\$58,060</b>
<b>Deferred Inflows of Resources</b>	
Differences between Expected and Actual Experience	\$702
Changes of Assumptions	16,517
Changes in Proportion and Differences between Entity Contributions and Proportionate Share of Contributions	7,210
<b>Total Deferred Inflows of Resources</b>	<b>\$24,429</b>

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS** *(Continued)*

\$8,600 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 measurement year ending June 30, 2023. 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:	STRS
2023	\$3,604
2024	1,815
2025	1,016
2026	18,596
	\$25,031

**Actuarial Assumptions - STRS**

The total pension liabilities in the June 30, 2022 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Projected salary increases	8.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.00%, net of investment expenses, including inflation
Discount Rate of Return	7.00%
Payroll Increases	3.00%
Cost-of-Living Adjustments (COLA)	0.00%

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2020.

STRS Ohio's 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:

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 16 - DEFINED BENEFIT RETIREMENT PLANS** *(Continued)*

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return**
Domestic Equity	26.00%	6.60%
International Equity	22.00%	6.80%
Alternatives	19.00%	7.38%
Fixed Income	22.00%	1.75%
Real Estate	10.00%	5.75%
Liquidity Reserves	1.00%	1.00%
Total	100.00%	

\*Target allocation percentages is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

\*\* 10 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 Ohio's 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 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not 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, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

**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 7.00%, 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 (6.00%) or one-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00)	1% Increase (8.00%)
County's Proportionate Share of the Net Pension Liability	\$277,008	\$183,371	\$104,185

**Adjustment and Benefit Changes Since the Prior Measurement Date**

Demographic assumptions were changed based on the actuarial experience study for the period of July 1, 2015 through June 30, 2021.



**NOTE 17 – DEFINED BENEFIT OPEB PLANS**

**Net OPEB Asset**

The net OPEB asset reported on the Statement of Net Position represents an assets for to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB asset represents the County’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates 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 OPEB are financed; however, the County does receive the benefit of employees’ services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

**A. Ohio Public Employees Retirement System (OPERS)**

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

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

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive 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 requiring 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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0.0 percent during calendar year 2022. 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 2022 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 2022.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

**OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB asset and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The County's proportion of the net OPEB asset was based on the County's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS
<i>Proportion of the Net OPEB Asset:</i>	
Current Measurement Date	0.117643%
Prior Measurement Date	0.114528%
Change in Proportionate Share	0.003115%
Proportionate Share of the Net OPEB Asset	\$3,684,759
Negative OPEB Expense	\$2,913,549

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
<b>Deferred Outflows of Resources</b>	
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	\$165,803
<b>Total Deferred Outflows of Resources</b>	<b>\$165,803</b>
<b>Deferred Inflows of Resources</b>	
Differences between Expected and Actual Experience	\$558,921
Net Difference between Projected and Actual Earnings	1,756,633
Changes of Assumptions	1,491,549
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	1,959
<b>Total Deferred Inflows of Resources</b>	<b>\$3,809,062</b>

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

No amounts reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized an increase to the net OPEB asset in 2023. Other 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
2023	(\$2,208,674)
2024	(798,492)
2025	(383,814)
2026	(252,279)
	(\$3,643,259)

**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, 2020, rolled forward to the measurement date of December 31, 2021. 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	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	1.84 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.5 percent, ultimate in 2034
Actuarial Cost Method	Individual Entry Age

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2021, 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, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and 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 a loss of 14.3 percent for 2021.

The allocation of investment assets within the Health Care portfolio is approved by the Board 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. The System’s primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit 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 rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Health Care portfolio’s target asset allocation as of December 31, 2021, 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	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
<b>Total</b>	<b>100.00 %</b>	<b>3.45 %</b>

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

**Discount Rate**

A single discount rate of 6.00 percent was used to measure the OPEB liability (asset) on the measurement date of December 31, 2021. 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 1.84 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 2121. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2121 the duration of the projection period through which projected health care payments are fully funded.

**Sensitivity of the County’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate**

The following table presents the County’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 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 (3.00 percent) or one-percentage-point higher (5.00 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
County's Proportionate Share of the Net OPEB Asset	\$2,166,984	\$3,684,759	\$4,944,535

**Sensitivity of the County’s Proportionate Share of the Net OPEB Asset 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 asset. 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 2021 is 8.5 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.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
County's Proportionate Share of the Net OPEB Asset	\$3,724,577	\$3,684,759	\$3,637,522

**B. 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, 2020. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://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, 2022, STRS did not allocate any employer contributions to post-employment health care.

**OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB 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:

	<u>STRS</u>
<i>Proportion of the Net OPEB Asset:</i>	
Current Measurement Date	0.000824880%
Prior Measurement Date	<u>0.000767734%</u>
Change in Proportionate Share	<u>0.000057146%</u>
Proportionate Share of the Net OPEB Asset	\$21,359
Negative OPEB Expense	(\$3,628)

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	STRS
<b>Deferred Outflows of Resources</b>	
Differences between Expected and Actual Experience	\$307
Net Difference between Projected and Actual Investment Earnings	373
Changes of Assumptions	910
Changes in Proportion and Differences between Entity	
Contributions and Proportionate Share of Contributions	564
<b>Total Deferred Outflows of Resources</b>	<b>\$2,154</b>
 <b>Deferred Inflows of Resources</b>	
Differences between Expected and Actual Experience	\$3,206
Changes of Assumptions	15,148
Changes in Proportion and Differences between Entity	
Contributions and Proportionate Share of Contributions	128
<b>Total Deferred Inflows of Resources</b>	<b>\$18,482</b>

No amounts reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the measurement year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	STRS
Year Ending December 31:	
2023	(\$4,677)
2024	(4,594)
2025	(2,283)
2026	(979)
2027	(1,251)
Thereafter	(2,544)
	<b>(\$16,328)</b>



**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

**Actuarial Assumptions – STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022, actuarial valuation are presented below:

Projected salary increases	8.50 percent at age 20 to 2.50 percent at age 65	
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	
Discount Rate of Return	7.00 percent	
Payroll Increases	3.00 percent	
Cost-of-Living Adjustments (COLA)	0.0 percent	
Health Care Cost Trends	Initial	Ultimate
Medical		
Pre-Medicare	7.50%	3.94%
Medicare	(68.78%)	3.94%
Prescription Drug		
Pre-Medicare	9.00%	3.94%
Medicare	5.47%	3.94%

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

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

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	26.00 %	7.35 %
International Equity	22.00	7.55
Alternatives	19.00	7.09
Fixed Income	22.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

\* Target allocation percentages is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022

\*\* 10 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 actual rate of return, without net value added by management.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB 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 OPEB plan assets of 7.00 percent was used to measure the total OPEB liability as of June 30, 2022.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 17 – DEFINED BENEFIT OPEB PLANS** *(Continued)*

**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, 2022, calculated using the current period discount rate assumption of 7.00 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 (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>Increase</u>
County's Proportionate Share of the Net OPEB Asset	\$19,746	\$21,359	\$22,741
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>Increase</u>
County's Proportionate Share of the Net OPEB Asset	\$22,154	\$21,359	\$20,355

**Benefit Term Changes Since the Prior Measurement Date**

Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based.

Healthcare trends were updated to reflect emerging claims and recoveries experience.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 18 – FUND BALANCES**

As of December 31, 2022 fund balances are composed of the following:

	General	Auto License and Gas	Job and Family Services	Board of Developmental Disabilities	American Rescue Plan	All Other Governmental Funds	Total Governmental Funds
<i>Nonspendable:</i>							
Prepaid Items	\$360,613	\$10,513	\$23,266	\$25,218	\$0	\$13,060	\$432,670
Loan Receivable	0	0	0	0	0	428,790	428,790
Materials & Supplies Inventory	110,801	283,177	0	0	0	0	393,978
Unclaimed Monies	450,669	0	0	0	0	0	450,669
<b>Total Nonspendable</b>	<b>922,083</b>	<b>293,690</b>	<b>23,266</b>	<b>25,218</b>	<b>0</b>	<b>441,850</b>	<b>1,706,107</b>
<i>Restricted:</i>							
Legislative and Executive	0	0	0	0	0	1,248,178	1,248,178
Judicial	0	0	0	0	0	1,294,884	1,294,884
Public Safety	0	0	0	0	0	862,958	862,958
Public Works	0	3,574,769	0	0	0	1,594,824	5,169,593
Health	0	0	0	17,756,152	0	86,014	17,842,166
Human Services	0	0	765,712	0	0	1,765,386	2,531,098
Capital Outlay	0	0	0	0	0	346,285	346,285
Debt Service	0	0	0	0	0	47,762	47,762
<b>Total Restricted</b>	<b>0</b>	<b>3,574,769</b>	<b>765,712</b>	<b>17,756,152</b>	<b>0</b>	<b>7,246,291</b>	<b>29,342,924</b>
<i>Committed:</i>							
Special Children Services	0	0	0	0	0	1,205,844	1,205,844
Excessive Delinquent Tax Sale	0	0	0	0	0	18,784	18,784
Tax Lien Sales	0	0	0	0	0	44,032	44,032
Capital Projects	0	0	0	0	0	301,422	301,422
<b>Total Committed</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,570,082</b>	<b>1,570,082</b>
<i>Assigned:</i>							
Greenbriar Ditch Ext	0	0	0	0	0	3,704	3,704
Clark's Run Upper Term Ditch	0	0	0	0	0	301	301
DS Drainage Upfront Payments	0	0	0	0	0	376	376
Fairground Improvement Bond	0	0	0	0	0	29,126	29,126
<b>Total Assigned</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,507</b>	<b>33,507</b>
<i>Unassigned (Deficit)</i>	15,708,456	0	0	0	0	(308,727)	15,399,729
<b>Total Fund Balances (Deficits)</b>	<b>\$16,630,539</b>	<b>\$3,868,459</b>	<b>\$788,978</b>	<b>\$17,781,370</b>	<b>\$0</b>	<b>\$8,983,003</b>	<b>\$48,052,349</b>

**NOTE 19 - ADDITIONAL DISCLOSURE FOR DISCRETELY PRESENTED COMPONENT UNIT**

**A. Measurement Focus and Basis of Accounting**

Pickaway County Airport Authority uses fund accounting to report on their operations and uses the accrual basis of accounting.

**B. Budgetary Basis of Accounting**

Budgetary information for the discretely presented component unit is not presented because it is not included in the entity for which the "appropriated budget" is adopted and does not maintain separate budgetary financial records.

**C. Capital Assets**

Property and equipment for the component unit is stated at historical cost and is updated for the costs of additions and retirements during the year. Donated capital assets have been recorded at the acquisition value at the date of the gift.

The assets for Pickaway County Airport are depreciated on a straight line basis using the following estimated useful lives:

Category	Pickaway County Airport
Buildings and Improvements	30-40 years
Infrastructure	10-60 years

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

**NOTE 19 - ADDITIONAL DISCLOSURE FOR DISCRETELY PRESENTED COMPONENT UNIT**  
*(Continued)*

A summary of changes in capital assets for the Pickaway County Airport during 2022 were as follows:

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
<i>Nondepreciable Capital Assets:</i>				
Land	\$342,860	\$0	\$0	\$342,860
Construction in Progress	0	1,263,733	0	1,263,733
Total Nondepreciable Capital Assets	342,860	1,263,733	0	1,606,593
<i>Depreciable Capital Assets:</i>				
Buildings and Improvements	837,176	6,800	0	843,976
Machinery & Equipment	86,999	0	0	86,999
Infrastructure	1,625,697	0	0	1,625,697
Total Depreciable Capital Assets	2,549,872	6,800	0	2,556,672
<i>Accumulated Depreciation:</i>				
Buildings and Improvements	(444,493)	(16,461)	0	(460,954)
Machinery & Equipment	(25,077)	(2,864)	0	(27,941)
Infrastructure	(416,979)	(40,642)	0	(457,621)
Total Accumulated Depreciation	(886,549)	(59,967)	0	(946,516)
Depreciable Capital Assets, Net	1,663,323	(53,167)	0	1,610,156
Capital Assets, Net	\$2,006,183	\$1,210,566	\$0	\$3,216,749

**NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Paint Valley Mental Health Alcohol and Drug Addiction Board**

The Paint Valley Mental Health Alcohol and Drug Addiction Board serves Pike, Fayette, Highland, Pickaway and Ross Counties and is a jointly governed organization that is responsible for developing, coordinating, modernizing, funding, monitoring and evaluating a community-based mental health and substance abuse program. The Board consists of eighteen members. The Director of the Ohio Department of Mental Health appoints four members and the Director of the Ohio Department of Alcohol and Drug Addiction Services appoints four members. The remaining members are appointed by the County Commissioners of Pike, Fayette, Highland, Pickaway, and Ross Counties in the same proportion as each County's population bears to the total population of the five counties combined. The Board receives revenue from the participating counties and receives federal and state funding through grant monies that are applied for and received by the Board of Trustees. Pickaway County cannot significantly influence operations of the Board, who has sole budgetary authority and controls surpluses and deficits. Pickaway County has no ongoing financial interest or responsibility. During 2022, Pickaway County did not make any contributions to the program.

**NOTE 20 - JOINTLY GOVERNED ORGANIZATIONS** *(Continued)*

**B. Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District**

The County is a member of the Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District, which is a jointly governed organization of the four-named counties. The purpose of the District is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and land filling. The District was created in 1989, as required by the Ohio Revised Code.

The Ross, Pickaway, Highland, Fayette Joint Solid Waste Management District is governed and operated through three groups. A twelve member board of directors, comprised of three commissioners from each county, is responsible for the District's financial matters. Financial records are maintained by the Pickaway County Auditor and Treasurer, and the Pickaway County Commissioners budget and finance the District with board approval. A twenty-nine member policy committee, comprised of seven members from each county and one at-large member appointed by the board of directors, is responsible for preparing the solid waste management plan of the District in conjunction with a twenty-three member Technical Advisory Council (members appointed by the policy committee). The District's sole revenue source is derived from a waste disposal fee for in-district and out-of-district waste. Although the counties contributed amounts to the District at the time of its creation, all contributions have since been returned to the respective counties and no future contributions by the counties are anticipated. Continued existence of the District is not dependent on the County's continued participation, no equity interest exists, and no debt is outstanding.

**C. County Risk Sharing Authority (CORSA)**

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

Each member County has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the board of trustees. CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of the certificates. The County does not have an equity interest in CORSA. The County's payment for insurance to CORSA in 2022 was \$246,725.

**D. Southern Ohio Council of Governments**

The County is a member of the Southern Ohio Council of Governments, which is a jointly governed organization created under the Ohio Revised Code Section 167.01. The governing body consists of a thirteen member board with each participating County represented by its Director of its Board of Developmental Disabilities. Member counties include: Adams, Athens, Brown, Fayette, Gallia, Highland, Jackson, Lawrence, Pickaway, Pike, Ross, Scioto and Vinton Counties. During 2022, the County contributed \$105,192 to this organization. Financial statements can be obtained from the Southern Ohio Council of Governments, 43 N. Paint St., Chillicothe, Ohio, 45601.

**Pickaway County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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**NOTE 21 - RELATED ORGANIZATIONS**

**A. Pickaway County Park District**

The County's probate judge is responsible for appointing the members of the board of the Pickaway County Park District. The County is the fiscal agent for the Park District; therefore, the activities of the Park District are reflected as a custodial fund of the County.

**B. Pickaway County District Public Library**

The Pickaway County District Public Library is statutorily created as a separate and distinct political subdivision of the State. Four trustees of the District Library are appointed by the County Commissioners, and three trustees are appointed by the judges of the Common Pleas Court. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the County for operational subsidies. Due process is required to remove board members. No subsidies are provided by the County.

**NOTE 22 - CONTINGENT LIABILITIES**

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

The County is currently party to litigation. However, in the opinion of management, any potential liability would not have a material effect on the County's financial condition.

**NOTE 23 – ACCOUNTABILITY**

The following funds have a fund balance deficit as of December 31, 2022:

<b><u>Nonmajor Funds</u></b>	
<b><u>Special Revenue Funds</u></b>	
Diversion Program	\$31
VOCA Grant	1,600
Emergency Management	635
HUD Grants	280,022
<b><u>Capital Project Funds</u></b>	
Rhoads Drainage Improvement	26,439

These deficits are a result of the application of accounting principles generally accepted in the United States of America to the financial reporting of these funds. The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.



**Pickaway County, Ohio**  
*Required Supplementary Information*  
*Schedule of the County's Proportionate Share of Net Pension/OPEB Liability(Asset)*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Nine Years*

	2022	2021	2020	2019
<i>Pension (1)</i>				
County's Proportion of the Net Pension Liability	0.120049%	0.117605%	0.113474%	0.112111%
County's Proportionate Share of the Net Pension Liability	\$10,444,749	\$17,414,296	\$22,428,906	\$30,704,930
County Covered-Employee Payroll	\$17,907,547	\$16,237,585	\$16,332,191	\$15,424,994
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	58.33%	107.25%	137.33%	199.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%	74.70%
<i>OPEB (2)</i>				
County's Proportion of the Net OPEB Liability/Asset	0.117643%	0.114528%	0.111124%	0.110186%
County's Proportionate Share of the Net OPEB Liability (Asset)	(\$3,684,759)	(\$2,040,408)	\$15,349,111	\$14,365,653
County Covered-Employee Payroll	\$17,907,547	\$16,237,585	\$16,332,191	\$15,424,994
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered-Employee Payroll	(20.58%)	(12.57%)	93.98%	93.13%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	128.23%	115.57%	47.80%	46.33%

(1) Information prior to 2014 is not available.

(12) Information prior to 2017 is not available.

Amounts presented as of the County's measurement date which is the prior fiscal year.

2018	2017	2016	2015	2014
0.110495%	0.108348%	0.108043%	0.107392%	0.107392%
\$17,334,476	\$24,603,988	\$18,714,410	\$12,969,030	\$12,660,118
\$14,975,394	\$14,101,828	\$13,567,656	\$13,231,184	\$12,854,975
115.75%	174.47%	137.93%	98.02%	98.48%
84.66%	77.25%	81.08%	86.45%	86.36%
0.107690%	0.105214%	N/A	N/A	N/A
\$11,694,341	\$10,626,946	N/A	N/A	N/A
\$14,975,394	\$14,101,828	N/A	N/A	N/A
78.09%	75.36%	N/A	N/A	N/A
54.14%	54.05%	N/A	N/A	N/A

**Pickaway County, Ohio**  
*Required Supplementary Information*  
*Schedule of the County's Proportionate Share of Net Pension/OPEB Liability/Asset*  
*State Teachers Retirement System of Ohio*  
*Last Ten Years*

	2022	2021	2020	2019
<i>Pension</i>				
County's Proportion of the Net Pension Liability	0.00082488%	0.00076773%	0.00068902%	0.00077689%
County's Proportionate Share of the Net Pension Liability	\$183,371	\$98,162	\$166,718	\$171,805
County Covered-Employee Payroll	\$114,086	\$99,243	\$95,493	\$84,929
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	160.73%	98.91%	174.59%	202.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.88%	87.80%	75.50%	77.40%
<i>OPEB (1)</i>				
County's Proportion of the Net OPEB Liability/Asset	0.00082488%	0.00076773%	0.00068902%	0.00077689%
County's Proportionate Share of the Net OPEB Asset	\$21,359	\$16,187	\$12,110	\$12,867
County's Proportionate Share of the Net OPEB Liability	\$0	\$0	\$0	\$0
County Covered-Employee Payroll	\$114,086	\$99,243	\$95,493	\$84,929
County's Proportionate Share of the Net OPEB (Asset) Liability as a Percentage of its Covered-Employee Payroll	(18.72%)	(16.31%)	(12.68%)	(15.15%)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	230.73%	174.73%	182.13%	174.74%

(1) Information prior to 2017 is not available.

Amounts presented as of the County's measurement date which is the prior fiscal year.

2018	2017	2016	2015	2014	2013
0.00075373%	0.00071479%	0.00068972%	0.00075880%	0.00070252%	0.00070252%
\$165,728	\$169,800	\$230,869	\$209,710	\$170,877	\$119,352
\$87,900	\$82,421	\$76,857	\$77,107	\$75,679	\$75,943
188.54%	206.02%	300.39%	271.97%	225.79%	157.16%
77.30%	75.30%	66.78%	72.09%	74.71%	69.30%
0.00075373%	0.00071479%	N/A	N/A	N/A	N/A
\$12,112	\$0	N/A	N/A	N/A	N/A
\$0	\$27,888	N/A	N/A	N/A	N/A
\$87,900	\$82,421	N/A	N/A	N/A	N/A
(13.78%)	33.84%	N/A	N/A	N/A	N/A
75.30%	75.30%	N/A	N/A	N/A	N/A

**Pickaway County, Ohio**  
*Required Supplementary Information*  
*Schedule of County Contributions - Pension*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Ten Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i><u>OPERS - Law Enforcement</u></i>				
Contractually Required Contribution	\$467,084	\$397,385	\$362,716	\$324,596
Contributions in Relation to the Contractually Required Contribution	<u>(467,084)</u>	<u>(397,385)</u>	<u>(362,716)</u>	<u>(324,596)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Employee Payroll	\$2,580,575	\$2,195,497	\$2,003,956	\$1,793,348
Contributions as a Percentage of Covered-Employee Payroll	18.10%	18.10%	18.10%	18.10%
<i><u>OPERS - All Others</u></i>				
Contractually Required Contribution	\$2,409,779	\$2,199,687	\$1,992,708	\$2,035,438
Contributions in Relation to the Contractually Required Contribution	<u>(2,409,779)</u>	<u>(2,199,687)</u>	<u>(1,992,708)</u>	<u>(2,035,438)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Employee Payroll	\$17,212,707	\$15,712,050	\$14,233,629	\$14,538,843
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$286,262	\$264,832	\$224,277	\$219,059	\$208,393	\$223,074
<u>(286,262)</u>	<u>(264,832)</u>	<u>(224,277)</u>	<u>(219,059)</u>	<u>(208,393)</u>	<u>(223,074)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,581,558	\$1,548,725	\$1,393,028	\$1,360,613	\$1,302,459	\$1,304,525
18.10%	17.10%	16.10%	16.10%	16.10%	17.10%
\$1,938,081	\$1,745,467	\$1,525,056	\$1,464,845	\$1,431,447	\$1,501,559
<u>(1,938,081)</u>	<u>(1,745,467)</u>	<u>(1,525,056)</u>	<u>(1,464,845)</u>	<u>(1,431,447)</u>	<u>(1,501,559)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$13,843,436	\$13,426,669	\$12,708,800	\$12,207,043	\$11,928,725	\$11,550,450
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

**Pickaway County, Ohio**  
*Required Supplementary Information*  
*Schedule of County Contributions - OPEB*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Ten Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i><u>OPERS - Law Enforcement</u></i>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Employee Payroll	\$2,580,575	\$2,195,497	\$2,003,956	\$1,793,348
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%
<i><u>OPERS - All Others</u></i>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Employee Payroll	\$17,212,707	\$15,712,050	\$14,233,629	\$14,538,843
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$0	\$15,487	\$0	\$0	\$0	\$13,045
<u>0</u>	<u>(15,487)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(13,045)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$1,581,558	\$1,548,725	\$1,393,028	\$1,360,613	\$1,302,459	\$1,304,525
0.00%	1.00%	0.00%	0.00%	0.00%	1.00%
\$0	\$134,267	\$0	\$0	\$0	\$115,505
<u>0</u>	<u>(134,267)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(115,505)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$13,843,436	\$13,426,669	\$12,708,800	\$12,207,043	\$11,928,725	\$11,550,450
0.00%	1.00%	0.00%	0.00%	0.00%	1.00%



**Pickaway County, Ohio**  
*Required Supplementary Information*  
*Schedule of County Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i><u>Pension</u></i>				
Contractually Required Contribution	\$15,972	\$13,894	\$13,369	\$11,890
Contributions in Relation to the Contractually Required Contribution	<u>(15,972)</u>	<u>(13,894)</u>	<u>(13,369)</u>	<u>(11,890)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Employee Payroll	\$114,086	\$99,243	\$95,493	\$84,929
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%
 <i><u>OPEB</u></i>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered-Employee Payroll	\$114,086	\$99,243	\$95,493	\$84,929
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$12,306	\$11,539	\$10,760	\$10,795	\$9,838	\$9,873
<u>(12,306)</u>	<u>(11,539)</u>	<u>(10,760)</u>	<u>(10,795)</u>	<u>(9,838)</u>	<u>(9,873)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$87,900	\$82,421	\$76,857	\$77,107	\$75,679	\$75,943
14.00%	14.00%	14.00%	14.00%	13.00%	13.00%
\$0	\$0	\$0	\$0	\$757	\$759
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(757)</u>	<u>(759)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$87,900	\$82,421	\$76,857	\$77,107	\$75,679	\$75,943
0.00%	0.00%	0.00%	0.00%	1.00%	1.00%

**PICKAWAY COUNTY**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended December 31, 2022*

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**NOTE 1 – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO**

**Pension**

*Changes in benefit terms:* There were no changes in benefit terms for the period 2014-2022.

*Changes in Assumptions:*

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25% - 10.02% to 3.25% - 10.75%

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The investment return assumption reducing it from 7.50% to 7.20%.

2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2021: The COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees reduced for 1.4% to 0.5%.

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 7.20% to 6.90%
- Decrease in wage inflation from 3.25% to 2.75%
- Change in future salary increases from a range of 3.25% - 10.75% to 2.75% to 10.75%

**Other Postemployment Benefits**

*Changes in benefit terms:* For 2018-2019, there were no changes in benefit terms.

For 2020, 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.

For 2021-2022, there were no changes in benefit terms.

*Changes in assumptions:*

For 2018, the single discount rate changed from 4.23% to 3.85%.

For 2019, the single discount rate changed from 3.85% to 3.96% and investment return assumption reducing it from 6.50% to 6.0%.

**PICKAWAY COUNTY**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended December 31, 2022*

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**NOTE 1 – OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO** *(Continued)*

For 2020, the single discount rate changed from 3.96% to 3.16%.

For 2021: The following were the most significant changes of assumptions that affected total OPEB liability since the prior measurement date

- The single discount rate increased from 3.16% to 6.00%.
- The municipal bond rate decreased from 2.75% to 2.00%.
- The initial health care cost trend rate decreased from 10.5% to 8.5%.

For 2022, the municipal bond rate changed from 2.06% to 1.84% and the health care cost trend rate initial amount changed from 8.50% to 5.5%.

**NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

**Pension**

*Changes in benefit terms:* For 2018-2022, there were no changes in benefit terms.

*Changes in assumptions:* For 2018-2020, there were no changes in assumptions.

For 2021, the discount rate was adjusted to 7.00% from 7.45%.

For 2022, there were no changes for assumptions.

**Other Postemployment Benefits**

**Changes in benefit terms**

For fiscal year 2019, the following was the most significant change in benefit terms that affected the total OPEB liability since the prior measurement date:

- The subsidy multiplier for non-Medicare benefit recipients increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements were scheduled to be discontinued beginning January 1, 2020, though the STRS Board voted in June 2019 to extend the current Medicare Part B partial reimbursement for one year.

For 2020, there were no changes in benefit terms.

For 2021, there were no changes in benefit terms.

For 2022, there were no changes in benefit terms.

**PICKAWAY COUNTY**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended December 31, 2022*

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**NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO** (Continued)

Changes in assumptions

For fiscal year 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The discount rate increased from a 4.13 percent blended discount rate to 7.45 percent.
- The health care trend assumption rate changed from 6 to 11 percent initial, 4.5 percent ultimate to:
  - Medical Medicare – 6 percent initial, 4 percent ultimate
  - Medical Pre-Medicare – 5 percent initial, 4 percent ultimate
  - Prescription Drug Medicare – 8 percent initial, 4 percent ultimate
  - Prescription Drug Pre-Medicare- -5.23 percent initial, 4 percent ultimate

For fiscal year 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
  - Medical Medicare – from 6 percent to 5.87 percent initial, 4 percent ultimate
  - Medical Pre-Medicare – from 5 percent to 4.93 percent initial, 4 percent ultimate
  - Prescription Drug Medicare – from 8 percent to 7.73 percent initial, 4 percent ultimate
  - Prescription Drug Pre-Medicare – from -5.23 percent to 9.62 initial, 4 percent ultimate

For fiscal year 2021, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
  - Medical Medicare – from 5.87 percent to 5.00 percent initial, 4 percent ultimate
  - Medical Pre-Medicare – from 4.93 percent to (6.69) percent initial, 4 percent ultimate
  - Prescription Drug Medicare – from 7.73 percent to 6.50 percent initial, 4 percent ultimate
  - Prescription Drug Pre-Medicare – from 9.62 percent to 11.87 initial, 4 percent ultimate

For fiscal year 2022, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The health care trend assumption rate changed as follows:
  - Medical Medicare – from 16.18 percent to 68.78 percent initial, 3.94 percent ultimate
  - Medical Pre-Medicare – from 5.00 percent to (7.50) percent initial, 3.94 percent ultimate
  - Prescription Drug Medicare – from 29.98 percent to (5.47) percent initial, 3.94 percent ultimate
  - Prescription Drug Pre-Medicare – from 6.50 percent to 9.00 initial, 3.94 percent ultimate

**PICKAWAY COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor / Pass through Grantor / Program Title	Pass-Through Entity Number	Federal AL Number	Passed through to Subrecipients	Expenditures
<b><u>U.S. Department of Agriculture</u></b>				
<i>Passed through Ohio Department of Job and Family Services:</i>				
State Administrative Matching Grants for the Supplemental SNAP Cluster				
Nutrition Assistance Program	G-2223-11-6977	10.561	\$0	\$246,947
Total - SNAP Cluster			0	246,947
<b>Total U.S. Department of Agriculture</b>			<b>\$0</b>	<b>\$246,947</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<i>Passed through Ohio Department of Development:</i>				
Community Development Block Grant	B-F-20-1CH-1	14.228	0	824,330
Community Development Block Grant	B-X-20-1CH-1	14.228	0	400,530
Total - Community Development Block Grant			0	1,224,860
HOME Investment Partnership Program	B-X-20-1CH-2	14.239	0	16,589
<b>Total U.S. Department of Housing and Urban Development</b>			<b>\$0</b>	<b>\$1,241,449</b>
<b><u>U.S. Department of Justice</u></b>				
<i>Passed through Ohio Department of Youth Services:</i>				
Bulletproof Vest Partnership Program - FY 21	N/A	16.607	0	3,222
Bulletproof Vest Partnership Program - FY 22	N/A	16.607	0	3,100
Total - Bulletproof Vest Partnership Program			0	6,322
<i>Passed through Public Children Services Association of Ohio</i>				
Crime Victim Assistance	2022-VOCA-134714288	16.575	33,451	33,451
Crime Victim Assistance	2023-VOCA-135105226	16.575	12,226	12,226
Total - Crime Victim Assistance			45,677	45,677
<i>Passed through Ohio Attorney General:</i>				
Crime Victim Assistance	2022-VOCA-134714322	16.575	34,015	34,015
Crime Victim Assistance	2023-VOCA-135105234	16.575	11,338	11,338
Total - Crime Victim Assistance			45,353	45,353
Total - Crime Victim Assistance			91,030	91,030
<b>Total U.S. Department of Justice</b>			<b>91,030</b>	<b>97,352</b>
<b><u>U.S. Department of Homeland Security</u></b>				
<i>Passed through Ohio Department of Emergency Management:</i>				
Emergency Management Performance Grant	EMC-2022-56181	97.042	0	75,873
Total - Emergency Management Performance Grant			0	75,873
<b>Total U.S. Department of Homeland Security</b>			<b>0</b>	<b>75,873</b>
<b><u>U.S. Department of Health and Human Services</u></b>				
<i>Passed through Public Children Services Association of Ohio:</i>				
Opioid Treatment SOR	1H79T1083294-01	93.788	\$11,803	\$50,113
Total Opioid Treatment SOR			11,803	50,113
<i>Passed through Ohio Department of Job &amp; Family Services:</i>				
MaryLee Allen Promoting Safe and Stable Families Program	G-2223-11-6977	93.556	0	63,493
Total MaryLee Allen Promoting Safe and Stable Families Program			0	63,493
Foster Care Title IV-E	G-2223-11-6977	93.658	0	715,313
Total - Foster Care Title IV-E			0	715,313

**PICKAWAY COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor / Pass through Grantor / Program Title	Pass-Through Entity Number	Federal AL Number	Passed through to Subrecipients	Expenditures
Adoption Assistance	G-2223-11-6977	93.659	0	141,870
Total Adoption Assistance			0	141,870
<i>Temporary Assistance for Needy Families</i>				
Temporary Assistance for Needy Families (TANF)	G-2223-11-6977	93.558	52,634	1,378,892
Total Temporary Assistance for Needy Families			52,634	1,378,892
<i>CCDF Cluster:</i>				
Child Care Development Block Grant	G-2223-11-6977	93.575	0	53,243
Total CCDF Cluster			0	53,243
Child Support Enforcement	G-2223-11-6977	93.563	0	570,788
Total Child Support Enforcement			0	570,788
Social Service Block Grant	G-2223-11-6977	93.667	0	339,796
Total Social Service Block Grant			0	339,796
<i>Passed through Ohio Department of Developmental Disabilities:</i>				
Social Services Block Grant	2101OHSOSR	93.667	0	35,323
Total Social Service Block Grant			0	375,119
Total Social Service Block Grant			0	714,915
<i>Passed through The Ohio State University:</i>				
Enhanced Safety of Children Affected by Substance Abuse	90CU0083-05-00	93.087	15,598	86,045
Total Enhanced Safety of Children Affected by Substance Abuse			15,598	86,045
<i>Medicaid Cluster:</i>				
<i>Passed through Ohio Department of Job &amp; Family Services:</i>				
Medicaid Assistance	G-2223-11-6977	93.778	0	618,757
Total Medicaid Assistance Program			0	618,757
Total Medicaid Cluster			0	618,757
<i>Passed through Ohio Department of Job &amp; Family Services:</i>				
Substance Abuse Block Grant COVID	1B08T1083541-01	93.959	27,650	28,215
Total Substance Abuse Block Grant COVID			27,650	28,215
<b>Total U.S. Department of Health and Human Services</b>			<b>107,685</b>	<b>4,081,848</b>
<b><u>U.S. Department of Transportation</u></b>				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	3-39-0020-022-2022	20.106	0	1,251,080
<i>Passed through Ohio Department of Public Safety:</i>				
<i>Highway Safety Cluster</i>				
State and Community Highway Safety	69A37521300004020OHA	20.600	0	2,049
Total Highway Safety Cluster			0	2,049
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	69A37521300001640OHA	20.608	0	743
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated			0	743
<i>Passed through Ohio Department of Transportation:</i>				

**PICKAWAY COUNTY**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor / Pass through Grantor / Program Title	Pass-Through Entity Number	Federal AL Number	Passed through to Subrecipients	Expenditures
<i>Highway Planning and Construction Cluster</i>				
Highway Planning and Construction	113732	20.205	0	59,356
Highway Planning and Construction	115294	20.205	0	25,956
Highway Planning and Construction	115589	20.205	0	39,254
Total - Highway Planning and Construction			0	124,566
<b>Total U.S. Department of Transportation</b>			<b>0</b>	<b>1,378,438</b>
<b><u>U.S. Department of Treasury</u></b>				
State and Local Fiscal Recovery Fund	N/A	21.027	0	1,384,499
<b>Total U.S. Department of Treasury</b>			<b>0</b>	<b>1,384,499</b>
<b><u>U.S. Department of Labor</u></b>				
<i>Passed through Area 20/21 Workforce Development Board:</i>				
<i>Employer Services Cluster:</i>				
Employment Service/Wagner Peyser Funded Activities	G-2223-15-0047	17.207	\$0	\$7,174
Total Employer Services Cluster			0	7,174
Trade Adjustment Assistance	G-2223-15-0047	17.245	0	1,120
Total Trade Adjustment Assistance			0	1,120
<i>WIOA Cluster:</i>				
Work Innovation and Opportunity Act Adult Program	G-2223-15-0047	17.258	0	71,888
Total Work Innovation and Opportunity Act Adult Program			0	71,888
Work Innovation and Opportunity Act Youth Activities	G-2223-15-0047	17.259	85,333	102,910
Total Work Innovation and Opportunity Act Youth Activities			85,333	102,910
Work Investment and Opportunity Act Dislocated Worker	G-2223-15-0047	17.278	0	19,777
Total Work Investment and Opportunity Act Dislocated Worker			0	19,777
Total Work Innovation and Opportunity Act Cluster			85,333	194,575
<b>Total U.S. Department of Labor</b>			<b>85,333</b>	<b>202,869</b>
<b>Total Federal Awards Expenditures</b>			<b>\$284,048</b>	<b>\$8,709,275</b>



**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Pickaway County (the County) under programs of the federal government for the year ended December 31, 2022. 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.

**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 Area 20/21 Workforce Investment Board, the Public Children Services Association of Ohio, the Ohio State University, 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 law, 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 federal loan programs listed subsequently are administered directly by the County, and balances and transactions relating to these programs are included in the County's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The current cash balance on the County's local program income account as of December 31, 2022 is \$76,937.

**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.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITORS' REPORT**

To the Board of County Commissioners  
Pickaway County, Ohio:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Pickaway County, Ohio (the "County") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2023.

**Report on Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
June 30, 2023

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITORS' REPORT**

To the Board of County Commissioners  
Pickaway County, Ohio:

**Report on Compliance for Each Major Federal Program**

***Qualified and Unmodified Opinions***

We have audited Pickaway County, Ohio's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Qualified Opinion on the Coronavirus State and Local Fiscal Recovery Funds***

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Coronavirus State and Local Fiscal Recovery Funds for the year ended December 31, 2022.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2022.

***Basis for Qualified and Unmodified Opinions***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

*Matter Giving Rise to Qualified Opinion on the Coronavirus State and Local Fiscal Recovery Funds*

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding Assistance Listing No. 21.027 Coronavirus State and Local Fiscal Recovery Funds as described in finding number 2022-001 for Procurement.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-002. Our opinion on each major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness and a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
June 30, 2023

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued :	unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	no
• Significant deficiency(ies) identified not considered to be material weaknesses?	none reported
Noncompliance material to financial statements noted?	no

**Federal Awards**

Internal Control over major program:	
• Material weakness(es) identified?	yes
• Significant deficiency(ies) identified not considered to be material weaknesses?	yes
Type of auditors' report issued on compliance for major programs:	qualified over the Coronavirus State and Local Fiscal Recovery Funds and unmodified for the other major programs
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	yes
Identification of major programs:	
<i>ALN 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds</i> <i>ALN 93.558 – Temporary Assistance for Needy Families (TANF)</i> <i>ALN 14.228 – Community Development Block Grant</i> <i>ALN 20.106 – COVID-19 Airport Improvement Program</i>	
Dollar threshold to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	no



## **Section II - Financial Statement Findings**

**None**

## **Section III – Federal Award Findings and Questioned Costs**

### **2022-001 – Procurement – Coronavirus State and Local Fiscal Recovery Funds**

*ALN 21.027*

*U.S. Department of Treasury*

*Criteria:* The U.S. Department of Treasury established procurement requirements for local governments as outlined in sections 602(c) and 603(c) of the Act and Treasury's Interim Final Rule. These requirements established procurement procedures for Coronavirus State and Local Fiscal Recovery Fund (SLFRF) expenditures to comply with 2 CFR 200.321 – 200.323.

*Condition:* The County had a project that was subject to procurement requirements but was not competitively bid.

*Context:* During our review of the SLFRF expenditures, we noted the County had \$62,752 in expenditures for a broadband improvement project subject to procurement requirements that was not procured in accordance with Uniform Guidance.

*Effect:* \$62,752 of expenditures are considered questioned costs due to being paid on a contract that was not in compliance with procurement requirements.

*Cause:* Lack of sufficient internal controls over the procurement requirements of the SLFRF program.

*Recommendation:* We recommend the County enhance its internal controls over procurement to meet the requirements of the SLFRF program by implementing procurement policies and procedures that comply with procurement standards outlined in the Uniform Guidance.

***Views of Responsible Officials:*** See Corrective Action Plan

**2022-002 –Reporting – Coronavirus State and Local Fiscal Recovery Funds**

*ALN 21.027*

*U.S. Department of Treasury*

*Criteria:* The U.S. Department of Treasury established reporting requirements for local governments. These requirements established methods and timelines for reporting Coronavirus State and Local Fiscal Recovery Fund (SLFRF) expenditures to the U.S. Department of Treasury.

*Condition:* The County had multiple errors in the accuracy of the reporting of subrecipients and subawards on the quarterly project and expenditure reports.

*Context:* During our review of the quarterly project and expenditure reports, we noted the County incorrectly reported themselves as subrecipients and two subawards that were expenditures of the County.

*Effect:* The County was not in compliance with reporting requirements in 2022.

*Cause:* Lack of sufficient internal controls over the reporting requirements of the SLFRF program.

*Recommendation:* We recommend the County enhance its internal controls over the reporting requirements of the SLFRF program by reviewing the U.S. Department of Treasury's Final Rule and Project and Expenditure Report User Guide – State and Local Fiscal Recovery Funds.

***Views of Responsible Officials:*** See Corrective Action Plan

Brad M. Washburn  
Pickaway County Auditor  
110 Island Road, Suite F  
Circleville, Ohio 43113

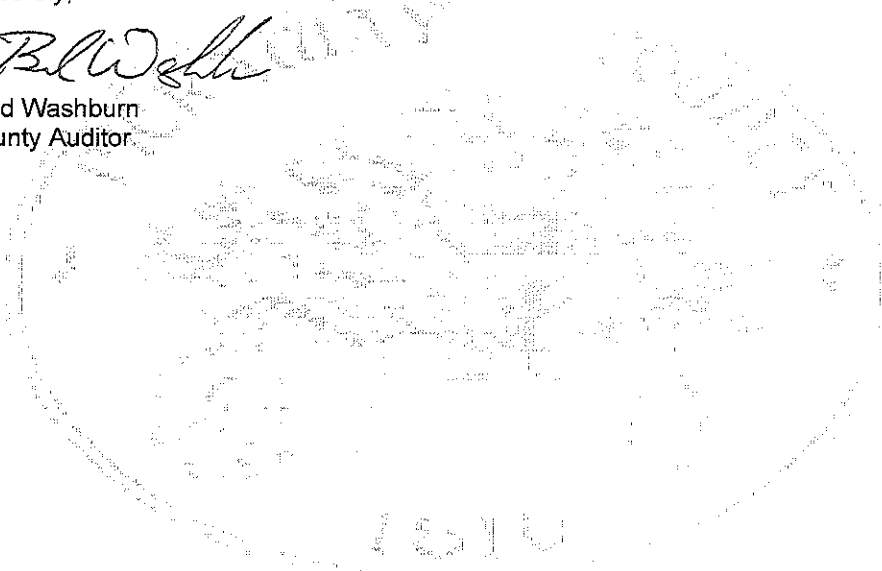
**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**2 CFR § 200.511(c)**  
**December 31, 2022**

Finding Number	Status	Explanation
2021-001	Corrected	
2021-002	Not Corrected	Repeated as finding 2022-001
2021-003	Not Corrected	Repeated as finding 2022-002

Sincerely,



Brad Washburn  
County Auditor



PHONE: (740) 474-4765 \* FAX: (740) 474-4956  
E-MAIL: [bwashburn@pickawaycountyohio.gov](mailto:bwashburn@pickawaycountyohio.gov) \* WEB SITE: [www.pickaway.iviewauditor.com](http://www.pickaway.iviewauditor.com)

Brad M. Washburn  
Pickaway County Auditor  
110 Island Road, Suite F  
Circleville, Ohio 43113

**CORRECTIVE ACTION PLAN**

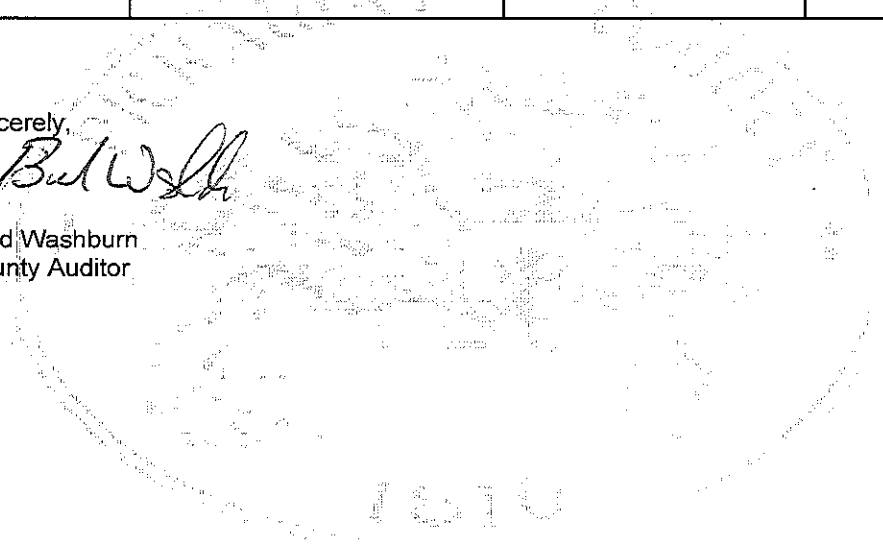
**December 31, 2022**

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2022-001	We will implement procedures to ensure all future contracts are properly procured under this grant.	July 31, 2023	County Administrator 740-474-6093
2022-002	We will correct our reporting issues with the next required report.	July 31, 2023	County Administrator 740-474-6093

Sincerely,



Brad Washburn  
County Auditor



# OHIO AUDITOR OF STATE KEITH FABER



**PICKAWAY 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 8/29/2023**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)