SENECA COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2023

OHIO AUDITOR OF STATE
KEITH FABER

SENECA COUNTY
DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Seneca County
109 South Washington Street #2206
Tiffin, Ohio 44883-2841

To the Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Seneca County, Ohio (the County), as of and for the year ended December 31, 2023, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Seneca County, Ohio as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Maintenance and Repair, and Seneca County Opportunity Center funds for the year then ended in accordance with the 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. Our responsibilities under those standards are further described in the *Auditor's 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Auditor's 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 auditor's 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 schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions 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 Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 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 September 12, 2024, on our consideration of the County’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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.

Keith Faber
Auditor of State
Columbus, Ohio

September 12, 2024

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The management's discussion and analysis of Seneca County's (the County) financial performance provides an overall review of the County's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for 2023 are as follows:

- The total net position of the County increased $8,235,662, from 2022's total. The net position of the governmental activities increased $8,444,929, which represents a 6.14% increase over the net position at December 31, 2022; meanwhile, the net position of business-type activities decreased $209,267 or 4.48% from December 31, 2022's net position. The County's business-type activities consist of the County Sewer District and Emergency Medical Services operations.

- General revenues accounted for $29,301,517 or 43.09% of total governmental activities revenue. Program specific revenues accounted for $38,692,806 or 56.91% of total governmental activities revenue.

- The County's governmental activities had $59,049,394 in expenses; all of the expenses were offset by program specific charges for services, grants, or contributions of $38,692,806. General revenues (primarily taxes) of $29,301,517 were adequate to provide for these programs.

- The County's business-type activities had $2,469,898 in expenses; $1,719,955 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues of $40,676 and transfers of $500,000 were not adequate to provide for these programs.

- The General fund, the County's largest major governmental fund, had revenues and other financing sources of $25,782,012 in 2023, an increase of $4,718,803 or 22.40% from General fund revenues and other financing sources in 2022. The General fund had expenditures and other financing uses of $28,495,725 in 2023, an increase of $10,025,274 or 54.28% from 2022. The net effect of changes in revenues and expenditures contributed to the General fund balance decrease of $2,713,713 or 18.54% from 2022's net position.

Using the Basic Financial Statements (BFS)

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

The statement of net position and the statement of activities provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements illustrate how services were financed in the short-term, as well as what current resources remain for future spending. The fund financial statements also look at the County's most significant funds with all other non-major funds presented in total in one column. In the case of the County, there are three major governmental funds. The General fund is the largest major fund.

Reporting the County as a Whole

Statement of Net Position and the Statement of Activities

The statement of net position and the statement of activities answer the question, "How did the County perform financially during 2023?" These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting, similar to accounting used by most private-sector companies. This basis of accounting includes all of the current year's revenues and expenses, regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, the County is divided into two distinct kinds of activities:

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

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided.

Reporting the County's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. 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 fund, the Maintenance and Repair fund, the Seneca County Opportunity Center (SCOC) fund. The County's major enterprise funds are the Emergency Medical Services (EMS) fund and the County Sewer District.

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 near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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, the readers may better understand the long-term impact of the government'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 two proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for EMS and County Sewer District operations.

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. Custodial funds are the County's only fiduciary fund type.

Notes to the 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.

Required Supplementary Information (RSI)

The RSI contains information regarding the County's proportionate share of the Ohio Public Employees Retirement System's (OPERS) and State Teachers Retirement System (STRS) net pension liability/net pension asset, net OPEB liability/net OPEB asset and the County's schedule of contributions to OPERS and STRS.

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Government-Wide Financial Analysis

The statement of net position provides the perspective of the County as a whole.

The table below provides a summary of the County's net position at December 31, 2023, and December 31, 2022.

Net Position

	Governmental Activities 2023	Governmental Activities 2022	Business-type Activities 2023	Business-type Activities 2022	Total 2023	Total 2022
Assets						
Current and other assets	$100,899,534	$ 100,069,308	$ 2,318,952	$ 2,426,157	$ 103,218,486	$ 102,495,465
Capital assets	91,779,771	89,525,000	5,380,279	5,331,109	97,160,050	94,856,109
Total assets	192,679,305	189,594,308	7,699,231	7,757,266	200,378,536	197,351,574
Deferred Outflows of Resources	18,359,125	7,099,557	1,211,796	133,064	19,570,921	7,232,621
Liabilities						
Long-term liabilities outstanding	48,752,097	23,534,268	4,315,326	2,820,451	53,067,423	26,354,719
Other liabilities	3,388,991	5,545,892	95,585	84,654	3,484,576	5,630,546
Total liabilities	52,141,088	29,080,160	4,410,911	2,905,105	56,551,999	31,985,265
Deferred Inflows of Resources	12,952,840	30,114,132	36,641	312,483	12,989,481	30,426,615
Net Position						
Net investment in capital assets	83,964,384	80,938,429	2,801,258	2,689,062	86,765,642	83,627,491
Restricted	45,853,058	43,151,215	265,155	242,062	46,118,213	43,393,277
Unrestricted	16,127,060	13,409,929	1,397,062	1,741,618	17,524,122	15,151,547
Total net position	$ 145,944,502	$ 137,499,573	$ 4,463,475	$ 4,672,742	$ 150,407,977	$ 142,172,315

The net pension liability/asset is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, net pension/OPEB asset.

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/asset or net OPEB liability/asset. 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.

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.

Over time, net position can serve as a useful indicator of a government's financial condition. At December 31, 2023, the County's assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by $150,407,977. This amounts to $145,944,502 in the governmental activities and $4,463,475 in the business-type activities.

Capital assets reported on the government-wide statements represent the largest portion of the County's assets. At year-end, capital assets represented 48.49% of total governmental and business-type assets. Capital assets include land and improvements, land improvements, buildings and improvements, machinery and equipment, infrastructure, intangible right to use – leased equipment and construction in progress. The County's net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets and amounted to $86,765,642 at December 31, 2023. Capital assets are used to provide services to citizens and are not available for future spending. Although the County's net investment in capital assets is reported net of related long-term obligations, it should be noted that the resources to repay the related debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2023, the County is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. A portion of the County's net position, $45,853,058 or 31.42% in the governmental activities and $265,155 or 5.94% in the business-type activities, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, which amounts to $16,127,060 in the governmental activities and $1,397,062 in the business-type activities, may be used to meet the County's ongoing obligations to citizens and creditors.

Overall, expenses of the governmental activities increased approximately $14,449,692 or 32.40%. This increase is primarily the result of an increase in pension expense. This increase was the result of an increase in expenses incurred at the pension system level for Ohio Public Employees Retirement System (OPERS) due to a decrease in net investment income on investments compared to previous years.

General government expenses, which include legislative and executive and judicial programs, accounted for $13,611,814 or 23.05% of total governmental expenses. General government expenses were covered by direct charges to users, operating grants and contributions, and capital grants and contributions of $5,137,942, $963,861, and $47,560, respectively, in 2023. Health activities are provided mainly by the SCOC. Health activities expenses of $13,127,244 or 22.23% were funded by $5,180,636 in operating grants and contributions and $2,078,794 in charges for health services in 2023. Human services programs support the operations of Public Assistance, Victim Assistance, Veteran Services, and the Children Services Board. Human services expenses accounted for $12,132,203 or 20.55% of total governmental activities expenses. These expenses were funded by $280,603 in charges to users of services and $10,118,942 in operating grants and contributions in 2023. Public works expenses accounted for $8,988,490 or 15.22% of expenses and were offset by direct charges to users, operating grants and contributions, and capital grants and contributions of $604,504, $6,525,248, and $1,726,052, respectively. Public safety activities include the operations of the County sheriff, coroner, community corrections, homeland security, emergency management, and the Seneca County Youth Center. Public safety expenses accounted for $10,464,986 or 17.72% of total governmental activities expenses. These expenses were covered by direct charges to users, operating grants and contributions, and capital grants and contributions of $2,346,052, $3,140,890, and $431,800, respectively, in 2023. A portion of the operating grants that funded public safety expenses were from the ARP grant.

The County's direct charges to users of governmental services made up $10,447,895 or 15.37% of total governmental activities revenues. These charges include fees for real estate transfers, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, income from the lease of property, and licenses and permits.

The State and federal government contributed to the County revenues of $26,039,499 in operating grants and contributions and $2,205,412 in capital grants and contributions. Operating grants and contributions are restricted to be used for specific County programs, while capital grants and contributions are restricted to be used for the construction or acquisition of facilities and other capital assets.

General revenues totaled $29,301,517 and amounted to 43.09% of total revenues. These revenues primarily consist of property and sales tax revenue of $23,058,712, or 78.69% of total general revenues in 2023. The other primary source of general revenues is unrestricted grants and entitlements of $2,901,008.

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The table below shows the changes in net position for fiscal year 2023 and 2022.

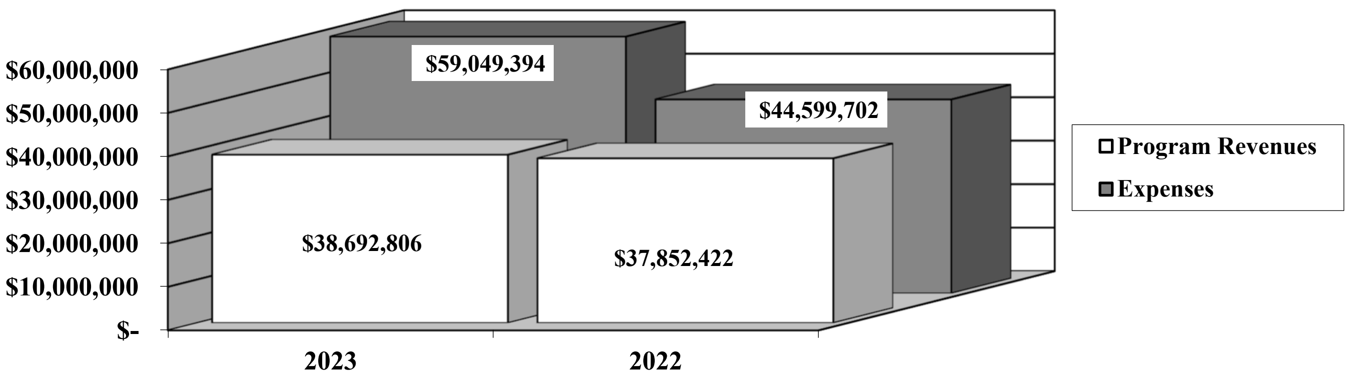
Change in Net Position

	Governmental Activities 2023	Governmental Activities 2022	Business-type Activities 2023	Business-type Activities 2022	Total 2023	Total 2022
Revenues						
Program revenues:						
Charges for services and sales	$ 10,447,895	$ 9,529,976	$ 1,718,950	$ 1,008,471	$ 12,166,845	$ 10,538,447
Operating grants and contributions	26,039,499	25,976,215	1,005	-	26,040,504	25,976,215
Capital grants and contributions	2,205,412	2,346,231	-	-	2,205,412	2,346,231
Total program revenues	38,692,806	37,852,422	1,719,955	1,008,471	40,412,761	38,860,893
General revenues:						
Property taxes	11,362,732	11,796,540	-	-	11,362,732	11,796,540
Other local taxes - lodging excise tax	173,807	155,859	-	-	173,807	155,859
Sales tax	11,695,980	11,791,463	-	-	11,695,980	11,791,463
Unrestricted grants	2,901,008	2,672,579	-	-	2,901,008	2,672,579
Contributions and donations	-	3,918	-	-	-	3,918
Investment earnings	2,642,964	(1,646,940)	14,947	3,082	2,657,911	(1,643,858)
Miscellaneous	525,026	824,373	25,729	12,242	550,755	836,615
Total general revenues	29,301,517	25,597,792	40,676	15,324	29,342,193	25,613,116
Total revenues	67,994,323	63,450,214	1,760,631	1,023,795	69,754,954	64,474,009
Expenses						
Program expenses:						
General government						
Legislative and executive	9,987,936	7,477,969	-	-	9,987,936	7,477,969
Judicial	3,623,878	2,198,143	-	-	3,623,878	2,198,143
Public safety	10,464,986	8,481,613	-	-	10,464,986	8,481,613
Public works	8,988,490	6,121,775	-	-	8,988,490	6,121,775
Health	13,127,244	9,781,484	-	-	13,127,244	9,781,484
Human services	12,132,203	9,356,995	-	-	12,132,203	9,356,995
Conservation and recreation	160,859	615,039	-	-	160,859	615,039
Community and economic development	326,008	309,564	-	-	326,008	309,564
Interest and fiscal charges	237,790	257,120	-	-	237,790	257,120
County Sewer District	-	-	672,606	553,131	672,606	553,131
Emergency Medical Services	-	-	1,797,292	542,095	1,797,292	542,095
Total expenses	59,049,394	44,599,702	2,469,898	1,095,226	61,519,292	45,694,928
Excess of revenues over / (under) expenses	8,944,929	18,850,512	(709,267)	(71,431)	8,235,662	18,779,081
Transfers	(500,000)	(436,645)	500,000	436,645	-	-
Change in net position	8,444,929	18,413,867	(209,267)	365,214	8,235,662	18,779,081
Net position at beginning of year	137,499,573	119,085,706	4,672,742	4,307,528	142,172,315	123,393,234
Net position at end of year	$ 145,944,502	$ 137,499,573	$ 4,463,475	$ 4,672,742	$ 150,407,977	$ 142,172,315

Governmental Activities

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2023 and 2022. That is, it identifies the cost of these services supported by general revenues (such as tax revenue and unrestricted State grants and entitlements). The County is reliant upon general revenues to finance operations, as program revenues are not sufficient to cover total expenses.

Governmental Activities - Program Revenues vs. Total Expenses



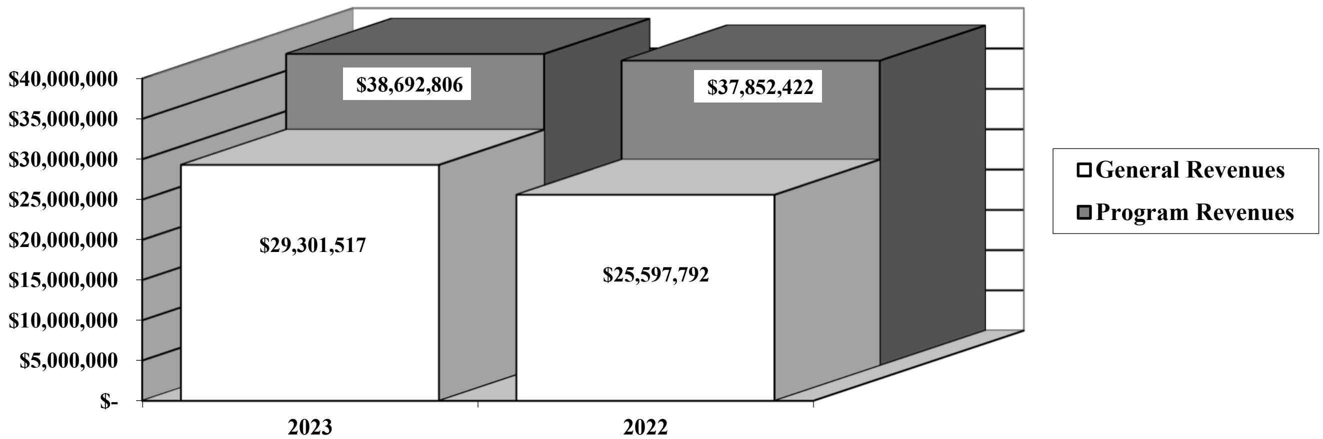
The table that follows presents the total and net costs of services, or the extent to which the County relies on general revenues to finance current operations, of the governmental activities for 2023 and 2022.

	Governmental Activities			
	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
Program Expenses:				
General government				
Legislative and executive	$ 9,987,936	$ 5,854,373	$ 7,477,969	$ 3,090,746
Judicial	3,623,878	1,608,078	2,198,143	506,276
Public safety	10,464,986	4,546,244	8,481,613	281,248
Public works	8,988,490	132,686	6,121,775	(1,840,404)
Health	13,127,244	5,867,814	9,781,484	3,769,189
Human services	12,132,203	1,732,658	9,356,995	(131,168)
Conservation and recreation	160,859	160,859	615,039	615,039
Community and economic development	326,008	216,086	309,564	199,234
Interest and fiscal charges	237,790	237,790	257,120	257,120
Total	$ 59,049,394	$ 20,356,588	$ 44,599,702	$ 6,747,280

The dependence upon general revenues for governmental activities is apparent, with 34.47% of expenses supported through taxes and other general revenues during 2023.

The graph below illustrates the County's dependence on general revenues.

Governmental Activities - General and Program Revenues

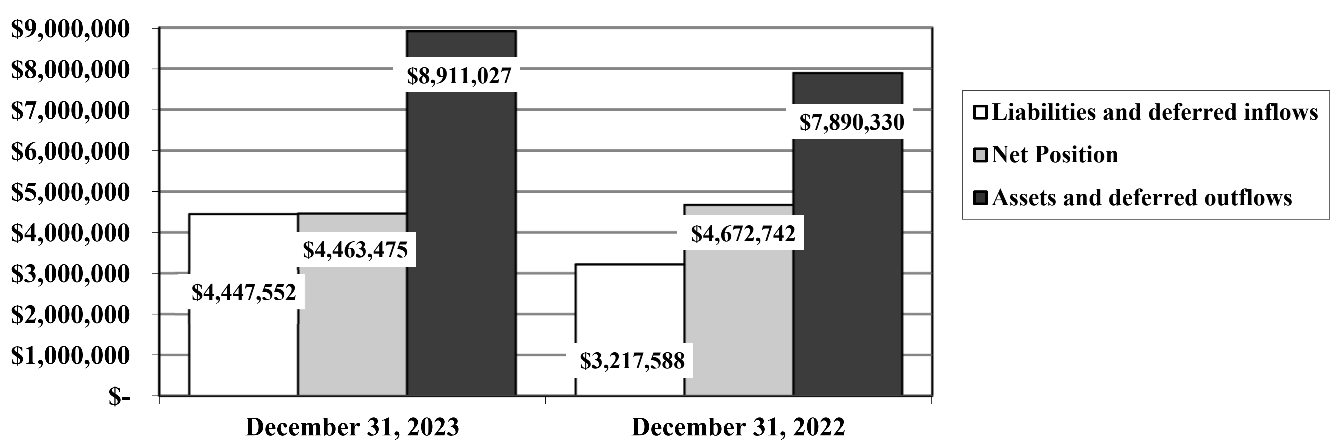


Business-Type Activities

The County Sewer District and Emergency Medical Services are the County's business-type activities. These operations had program revenues of $1,719,955, general revenues of $40,676, transfers of $500,000 and expenses of $2,469,898 for fiscal year 2023. The net position of the business-type activities decreased $209,267 during 2023.

The following graph illustrates the assets, liabilities, and net position of the County's business-type activities at December 31, 2023 and December 31, 2022.

Net Position of Business - Type Activities



Financial Analysis of the Government's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of current resources and obligations. Such information is useful in assessing the County's financing requirements. In particular, fund balances serve as a useful measure of the County's net resources available for spending at year end.

The County's governmental funds reported a combined fund balance of $68,876,175 at December 31, 2023, which is $5,072,420 higher than last year's total fund balance of $63,803,755.

The schedule below indicates the fund balances as of December 31, 2023 and December 31, 2022 and the total change in fund balance during the year for all major governmental funds and the non-major governmental funds in the aggregate.

	Fund Balances December 31, 2023	Fund Balances December 31, 2022	Change
Major funds:			
General	$ 11,924,977	$ 14,638,690	$ (2,713,713)
Maintenance and Repair	18,877,816	18,069,469	808,347
Seneca County Opportunity Center	22,190,935	20,525,010	1,665,925
Nonmajor governmental funds	15,882,447	10,570,586	5,311,861
Total	$ 68,876,175	$ 63,803,755	$ 5,072,420

General Fund

The General fund is the primary operating fund of the County. During 2023, the County's General fund balance decreased $2,713,713.

The table that follows assists in illustrating the revenues of the General fund.

Revenues	2023 Amount	2022 Amount	Percentage Change
Taxes	$14,080,690	$ 13,953,460	0.91 %
Charges for services	5,418,713	4,619,056	17.31 %
Licenses and permits	3,800	3,610	5.26 %
Fines and forfeitures	111,988	130,786	(14.37) %
Intergovernmental	2,853,431	2,761,173	3.34 %
Interest/change in fair value of investments	2,614,728	(1,050,888)	348.81 %
Other	664,930	585,264	13.61 %
Total	$ 25,748,280	$ 21,002,461	22.60 %

Total revenues increased $4,745,819 or 22.60%. Charges for services increased $799,657 or 17.31% primarily due to more services rendered in 2023. Interest income and change in fair value of investments experienced a significant increase during the 2023 as a result of the federal reserve increasing interest rates to combat inflation. Other revenue increased 79,666 or 13.61% from refunds and reimbursements. All other revenues remained comparable to 2022.

The table that follows assists in illustrating the expenditures of the General fund.

Expenditures	2023 Amount	2022 Amount	Percentage Change
General government:			
Legislative and executive	$ 7,802,784	$ 6,827,479	14.28 %
Judicial	3,072,594	2,511,974	22.32 %
Public safety	7,195,235	4,545,279	58.30 %
Public works	76,238	97,182	(21.55) %
Health	147,929	148,861	(0.63) %
Human services	568,328	462,725	22.82 %
Conservation and recreation	151,300	154,812	(2.27) %
Capital outlay	30,542	54,456	(43.91) %
Debt service	36,527	24,822	47.16 %
Total	$ 19,081,477	$ 14,827,590	28.69 %

Total expenditures increased $4,253,887 or 28.69%. General government expenditures, which include expenditures related to administrative and court function, increased during 2023. Public safety expenditures increased as a result of a smaller portion of salaries and benefits for public safety forces were paid from the ARP fund during 2023 compared to 2022. Human services related to military and veteran services increased 22.82% from prior year. All other expenditures remained comparable to the prior year.

Maintenance and Repair Fund

The Maintenance and Repair fund, a major governmental fund, had revenues of $6,952,431 in 2023, an increase of $1,770,011 from 2022 revenues. The Maintenance and Repair fund had expenditures of $6,144,084 in 2023, an increase of $162,624 from 2022. The fund balance of the Maintenance and Repair fund increased $808,347 or 4.47% from 2022 to 2023.

Seneca County Opportunity Center (SCOC) Fund

The SCOC fund, a major governmental fund, had revenues of $14,655,551 in 2023, an increase of $868,850 from 2022. The SCOC fund had expenditures of $12,989,626 in 2023, an increase of $1,208,288 from 2022. The fund balance of the SCOC fund increased $1,665,925 or 8.12% from 2022 to 2023.

Budgeting Highlights - General Fund

The County's budgeting process is prescribed by the Ohio Revised Code (ORC). 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 ORC; therefore, the County's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations may be adjusted accordingly.

Budgetary information is presented for the General fund, Maintenance and Repair fund, and SCOC fund.

In the General fund, final budgeted revenues of $21,877,167 were $523,669 lower than original budgeted revenues and other financing sources of $22,400,836. Actual revenues and other financing sources of $24,061,922 were higher than final budgeted revenues by $2,184,755.

General fund final budgeted expenditures and other financing uses of $30,296,349 were $8,156,607 higher than original budgeted expenditures and other financing uses of $22,139,742. Actual expenditures and financing uses of $29,084,271 were $1,212,078 lower than final budgeted expenditures and financing uses.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)
(Continued)

Proprietary Funds

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

Capital Assets and Debt Administration

Capital Assets

At the end of 2023, the County had $97,160,050 (net of accumulated depreciation/amortization) invested in land and improvements (land and improvements not being depreciated/amortized, such as road base infrastructure), land improvements, buildings and improvements, machinery and equipment, infrastructure, intangible right to use – leased equipment and construction in progress. Of this total, $91,779,771 was reported in the governmental activities and $5,380,279 was reported in the business-type activities.

The following table shows December 31, 2023 balances compared to December 31, 2022.

Capital Assets at December 31
(Net of Depreciation/Amortization)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land and improvements	$ 23,336,082	$ 22,431,403	$ 88,093	$ 88,093	$ 23,424,175	$ 22,519,496
Construction in progress	1,288,743	922,126	-	-	1,288,743	922,126
Land improvements	2,915,976	2,945,290	-	-	2,915,976	2,945,290
Building and improvements	29,497,863	27,850,072	41,528	41,864	29,539,391	27,891,936
Machinery and equipment	6,621,198	5,784,007	856,874	650,587	7,478,072	6,434,594
Infrastructure	27,987,209	29,441,615	4,393,784	4,550,565	32,380,993	33,992,180
Intangible right to use:						
Leased equipment	132,700	150,487	-	-	132,700	150,487
Total	$ 91,779,771	$ 89,525,000	$ 5,380,279	$ 5,331,109	$ 97,160,050	$ 94,856,109

See Note 9 to the basic financial statements for detail on the County's capital assets.

The County's largest capital asset category is infrastructure, which includes roads, bridges and culverts. These items are immovable and of value only to the County; however, the annual cost of purchasing these items is quite significant. The net book value of the County's infrastructure (cost less accumulated depreciation) represents approximately 30.49% of the County's total governmental capital assets.

Debt Administration

At December 31, 2023 the County had $7,020,000 in special obligation bonds, $250,000 Joint Justice Center Loan, $1,369 in OPWC loans payable, $135,846 in leases payable, and $2,577,652 in sewer district improvement revenue bonds outstanding. Of this total, $460,206 is due within one year and $9,524,661 is due in more than one year.

The following table summarizes the bonds, notes and loans outstanding.

Outstanding Debt, at Year End

	Governmental Activities 2023	Business-Type Activities 2023	Governmental Activities 2022	Business-Type Activities 2022
Long-Term Obligations				
General obligation bonds	$ -	$ -	$ 135,000	$ -
Special obligation bonds	7,020,000	-	7,305,000	-
OWDA loan	-	-	2,657	-
Joint Justice Center loan	250,000	-	300,000	-
Leases payable	135,846	-	152,112	
OPWC loan	-	1,369	-	2,395
Sewer improvement bonds	-	2,577,652	-	2,639,652
Total	$ 7,405,846	$ 2,579,021	$ 7,894,769	$ 2,642,047

At December 31, 2023 the County's voted legal debt margin was $35,571,753 and the County's unvoted legal debt margin was $14,829,824. See Note 10 to the basic financial statements for detail on long-term obligations.

Current Economic Factors

The County's estimated population as of July 1, 2023 per the U.S. Census Bureau is 54,527. The County's unemployment rate as of December 2023 was 3.3% compared to 3.1% for the State of Ohio.

The County is primarily a rural community with a significant agricultural and durable goods manufacturing presence. The County's $1.4 billion assessed real property tax base has grown approximately 20% over the last six years. The growth is based on residential real estate construction and revaluations of property within the County. The County's debt burden remains modest.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Honorable Julie A. Adkins, Seneca County Auditor, 109 South Washington Street, Suite 2206, Tiffin, Ohio 44883-2841.

SENECA COUNTY

STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Primary Government		
	Governmental Activities	**Business-type Activities**	**Total**
Assets:			
Equity in pooled cash and investments	$ 66,539,711	$ 2,053,850	$ 68,593,561
Cash and cash equivalents in segregated accounts	218,521	-	218,521
Cash and cash equivalents with fiscal agent	44,435	-	44,435
Receivables:			
Sales taxes	2,982,335	-	2,982,335
Property and other local taxes	16,730,692	-	16,730,692
Accounts	592,811	237,458	830,269
Accrued interest	242,584	-	242,584
Intergovernmental	4,750,920	-	4,750,920
Loans	41,207	-	41,207
Leases	264,958	-	264,958
Materials and supplies inventory	692,341	-	692,341
Prepayments	438,419	20,961	459,380
Net pension asset	153,568	6,927	160,495
Net OPEB asset	74,809	-	74,809
Prepaid bond insurance	23,895	-	23,895
Assets held for resale	-	-	-
Internal balance	244	(244)	-
Investment in joint ventures	7,108,084	-	7,108,084
Capital assets:			
Non-depreciable/amortized capital assets	24,624,825	88,093	24,712,918
Depreciable/amortized capital assets, net	67,154,946	5,292,186	72,447,132
Total capital assets, net	91,779,771	5,380,279	97,160,050
Total assets	192,679,305	7,699,231	200,378,536
Deferred outflows of resources:			
Pension	15,965,302	1,105,571	17,070,873
OPEB	2,393,823	106,225	2,500,048
Total deferred outflows of resources	18,359,125	1,211,796	19,570,921
Liabilities:			
Accounts payable	534,782	19,775	554,557
Contracts payable	68,860	-	68,860
Retainage payable	-	-	-
Accrued wages and benefits payable	901,791	44,020	945,811
Due to other governments	440,104	14,068	454,172
Accrued interest payable	20,313	17,722	38,035
Payroll withholding payable	404,811	-	404,811
Unearned revenue	1,018,330	-	1,018,330
Long-term liabilities:			
Due within one year	416,700	64,342	481,042
Due in more than one year:			
Net pension liability	37,799,685	1,667,709	39,467,394
Net OPEB liability	769,365	34,705	804,070
Other amounts	9,766,347	2,548,570	12,314,917
Total liabilities	52,141,088	4,410,911	56,551,999
Deferred inflows of resources:			
Property taxes levied for the subsequent year	11,302,974	-	11,302,974
Leases	241,185	-	241,185
Pension	1,077,924	22,476	1,100,400
OPEB	330,757	14,165	344,922
Total deferred inflows of resources	12,952,840	36,641	12,989,481

- (Continued)

Component Units	
Seneca County Land Reutilization Corporation	Seneca County Transportation Improvement District
$ 336,744	$ 2,612
-	-
-	-
-	-
-	-
-	-
-	-
78,805	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
28,500	-
-	-
-	-
-	-
-	-
-	-
444,049	2,612
-	-
-	-
-	-
35,653	-
-	-
19,860	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
55,513	-
-	-
-	-
-	-
-	-
-	-

SENECA COUNTY

STATEMENT OF NET POSITION - (Continued)
DECEMBER 31, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Net position:			
Net investment in capital assets	$ 83,964,384	$ 2,801,258	$ 86,765,642
Restricted for:			
Capital projects	1,349	-	1,349
Grants and specific programs	5,118,767	-	5,118,767
Human services programs	1,356,346	-	1,356,346
Community and economic development	247,992	-	247,992
SCOC programs	19,535,003	-	19,535,003
Roads and bridges	19,340,641	-	19,340,641
Pension and OPEB	228,377	6,927	235,304
Debt service	24,583	258,228	282,811
Unrestricted	16,127,060	1,397,062	17,524,122
Total net position	$ 145,944,502	$ 4,463,475	$ 150,407,977

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Component Units	
Seneca County Land Reutilization Corporation	Seneca County Transportation Improvement District
$ -	$ -
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
388,536	2,612
$ 388,536	$ 2,612

SENECA COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government:				
Legislative and executive	$ 9,987,936	$ 3,650,209	$ 435,794	$ 47,560
Judicial	3,623,878	1,487,733	528,067	-
Public safety	10,464,986	2,346,052	3,140,890	431,800
Public works	8,988,490	604,504	6,525,248	1,726,052
Health	13,127,244	2,078,794	5,180,636	-
Human services	12,132,203	280,603	10,118,942	-
Conservation and recreation	160,859	-	-	-
Community and economic development	326,008	-	109,922	-
Interest and fiscal charges	237,790	-	-	-
Total governmental activities	59,049,394	10,447,895	26,039,499	2,205,412
Business-type activities:				
County Sewer District	672,606	450,419	-	-
Emergency Medical Services	1,797,292	1,268,531	1,005	-
Total business-type activities	2,469,898	1,718,950	1,005	-
Totals	$ 61,519,292	$ 12,166,845	$ 26,040,504	$ 2,205,412
Component Unit:				
Seneca County Land Reutilization Corporation	$ 498,829	$ -	$ 258,601	$ -
Transportation Improvement District Seneca County	201	-	-	-

General revenues:
Property taxes levied for:
General purposes
Seneca County Opportunity Center
Other local taxes levied for:
Lodging excise tax
Sales taxes
Grants and entitlements not restricted to specific programs
Investment earnings
Change in fair value of investments
Gain on sale of assets held for resale
Miscellaneous

Total general revenues

Transfers

Total transfers and general revenues

Change 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 Units	
Governmental Activities	Business-type Activities	Total	Seneca County Land Reutilization Corporation	Seneca County Transportation Improvement District
$ (5,854,373)	$ -	$ (5,854,373)	$ -	$ -
(1,608,078)	-	(1,608,078)	-	-
(4,546,244)	-	(4,546,244)	-	-
(132,686)	-	(132,686)	-	-
(5,867,814)	-	(5,867,814)	-	-
(1,732,658)	-	(1,732,658)	-	-
(160,859)	-	(160,859)	-	-
(216,086)	-	(216,086)	-	-
(237,790)	-	(237,790)	-	-
(20,356,588)	-	(20,356,588)	-	-
-	(222,187)	(222,187)	-	-
-	(527,756)	(527,756)	-	-
-	(749,943)	(749,943)	-	-
(20,356,588)	(749,943)	(21,106,531)	-	-
-	-	-	(240,228)	-
-	-	-	-	(201)
2,680,321	-	2,680,321	-	-
8,682,411	-	8,682,411	-	-
173,807	-	173,807	-	-
11,695,980	-	11,695,980	-	-
2,901,008	-	2,901,008	98,316	-
1,578,244	14,947	1,593,191	223	-
1,064,720	-	1,064,720	-	-
-	-	-	710	-
525,026	25,729	550,755	-	-
29,301,517	40,676	29,342,193	99,249	-
(500,000)	500,000	-	-	-
28,801,517	540,676	29,342,193	99,249	-
8,444,929	(209,267)	8,235,662	(140,979)	(201)
137,499,573	4,672,742	142,172,315	529,515	2,813
$ 145,944,502	$ 4,463,475	$ 150,407,977	$ 388,536	$ 2,612

SENECA COUNTY

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	Maintenance and Repair	Seneca County Opportunity Center	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	$ 9,330,098	$ 17,468,346	$ 22,474,250	$ 17,267,017	$ 66,539,711
Cash and cash equivalents in segregated accounts	218,521	-	-	-	218,521
Cash and cash equivalents with fiscal agent	-	-	-	44,435	44,435
Receivables:					
Sales taxes	2,982,335	-	-	-	2,982,335
Property and other local taxes	4,603,465	-	12,106,854	20,373	16,730,692
Accounts	400,869	1,514	7,766	182,662	592,811
Due from other funds	16,664	-	-	-	16,664
Interfund loans	39,852	-	-	-	39,852
Accrued interest	200,493	40,305	-	1,786	242,584
Intergovernmental	1,343,584	2,877,668	353,041	176,627	4,750,920
Loans	-	-	-	41,207	41,207
Leases	157,814	-	-	107,144	264,958
Loans to other funds	126,293	-	-	-	126,293
Materials and supplies inventory	136,567	532,715	23,059	-	692,341
Prepayments	263,212	14,829	61,212	99,166	438,419
Total assets	$ 19,819,767	$ 20,935,377	$ 35,026,182	$ 17,940,417	$ 93,721,743
Liabilities:					
Accounts payable	$ 200,643	$ 11,044	$ 127,912	$ 195,183	$ 534,782
Contracts payable	-	-	-	68,860	68,860
Accrued wages and benefits payable	422,660	52,715	228,058	198,358	901,791
Matured compensated absences payable	10,407	-	10,429	-	20,836
Due to other governments	177,076	9,325	112,634	141,069	440,104
Due to other funds	-	-	-	16,420	16,420
Interfund loans payable	-	-	-	39,852	39,852
Loans from other funds	-	-	-	126,293	126,293
Unearned revenue	-	-	-	1,018,330	1,018,330
Payroll withholding payable	371,379	-	33,432	-	404,811
Total liabilities	1,182,165	73,084	512,465	1,804,365	3,572,079
Deferred inflows of resources:					
Property taxes levied for the subsequent year	3,217,771	-	8,085,203	-	11,302,974
Delinquent property taxes not available	1,385,694	-	4,021,651	-	5,407,345
Leases	135,932	-	-	105,253	241,185
Accrued interest not available	72,539	11,568	-	-	84,107
Fines and forfeitures not available	112,671	-	-	148,352	261,023
Intergovernmental revenue not available	699,211	1,972,909	215,928	-	2,888,048
Sales taxes not available	1,088,807	-	-	-	1,088,807
Total deferred inflows of resources	6,712,625	1,984,477	12,322,782	253,605	21,273,489
Fund balances:					
Nonspendable	744,282	547,544	84,271	99,166	1,475,263
Restricted	-	18,330,272	22,106,664	8,069,510	48,506,446
Committed	11,855	-	-	-	11,855
Assigned	2,567,506	-	-	7,729,652	10,297,158
Unassigned (deficit)	8,601,334	-	-	(15,881)	8,585,453
Total fund balances	11,924,977	18,877,816	22,190,935	15,882,447	68,876,175
Total liabilities, deferred inflows of resources and fund balances	$ 19,819,767	$ 20,935,377	$ 35,026,182	$ 17,940,417	$ 93,721,743

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2023

Total governmental fund balances		$ 68,876,175
Amounts reported for governmental activities on the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		91,779,771
Investments in joint ventures by the governmental activities are not financial resources and therefore are not reported in the funds.		7,108,084
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Sales taxes receivable	$ 1,088,807	
Delinquent property taxes receivable	5,407,345	
Accounts receivable	261,023	
Intergovernmental receivable	2,888,048	
Accrued interest receivable	84,107	
Total		9,729,330
On the statement of net position interest is accrued on outstanding bonds payable, whereas in the governmental funds interest is accrued when due.		(20,313)
Unamortized prepaid bond insurance costs are amortized over the life of the bonds on the statement of net position.		23,895
Unamortized premiums on bond issuances are not recognized in the governmental funds.		(340,681)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(2,415,684)	
Leases payable	(135,846)	
General obligation bonds payable	(7,020,000)	
Loans payable	(250,000)	
Total		(9,821,530)
The net pension asset is not available to pay for the current period expenditures and the net pension liability does not require the use of current period net resources; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources - pension	15,965,302	
Deferred inflows of resources - pension	(1,077,924)	
Net pension asset	153,568	
Net pension liability	(37,799,685)	
Total		(22,758,739)
The net OPEB asset is not available to pay for the current period expenditures and the net OPEB liability does not require the use of current period net resources; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources - OPEB	2,393,823	
Deferred inflows of resources - OPEB	(330,757)	
Net OPEB asset	74,809	
Net OPEB liability	(769,365)	
Total		1,368,510
Net position of governmental activities		$ 145,944,502

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	Maintenance and Repair	Seneca County Opportunity Center	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property and other local taxes	$ 2,305,610	$ -	$ 7,920,360	$ 173,807	$ 10,399,777
Sales taxes	11,775,080	-	-	-	11,775,080
Special assessments	-	-	-	505,349	505,349
Charges for services	5,418,713	48,480	1,869,710	1,690,438	9,027,341
Licenses and permits	3,800	-	-	16,406	20,206
Fines and forfeitures	111,988	24,859	-	388,272	525,119
Intergovernmental	2,853,431	6,229,202	4,851,372	16,166,479	30,100,484
Interest	1,550,008	189,734	-	16,897	1,756,639
Rent	139,904	-	-	217,525	357,429
Contributions and donations	-	-	800	25,762	26,562
Change in fair value of investments	1,064,720	431,326	-	-	1,496,046
Other	525,026	28,830	13,309	268,646	835,811
Total revenues	25,748,280	6,952,431	14,655,551	19,469,581	66,825,843
Expenditures:					
Current:					
General government:					
Legislative and executive	7,802,784	-	-	1,843,255	9,646,039
Judicial	3,072,594	-	-	606,169	3,678,763
Public safety	7,195,235	-	-	2,874,373	10,069,608
Public works	76,238	6,144,084	-	230,780	6,451,102
Health	147,929	-	12,989,626	990,130	14,127,685
Human services	568,328	-	-	11,357,852	11,926,180
Conservation and recreation	151,300	-	-	5,571	156,871
Community and economic development	-	-	-	326,008	326,008
Capital outlay	30,542	-	-	4,098,354	4,128,896
Debt service:					
Principal retirement	32,665	-	-	486,800	519,465
Interest and fiscal charges	3,862	-	-	252,676	256,538
Total expenditures	19,081,477	6,144,084	12,989,626	23,071,968	61,287,155
Excess (deficiency) of revenues over (under) expenditures	6,666,803	808,347	1,665,925	(3,602,387)	5,538,688
Other financing sources (uses):					
Sale of capital assets	3,190	-	-	-	3,190
Lease transaction	30,542	-	-	-	30,542
Transfers in	-	-	-	8,914,248	8,914,248
Transfers (out)	(9,414,248)	-	-	-	(9,414,248)
Total other financing sources (uses)	(9,380,516)	-	-	8,914,248	(466,268)
Net change in fund balances	(2,713,713)	808,347	1,665,925	5,311,861	5,072,420
Fund balances at beginning of year	14,638,690	18,069,469	20,525,010	10,570,586	63,803,755
Fund balances at end of year	$ 11,924,977	$ 18,877,816	$ 22,190,935	$ 15,882,447	$ 68,876,175

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

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, 2023

Net change in fund balances - total governmental funds		$ 5,072,420
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Capital asset additions	$ 7,262,493	
Current year depreciation/amortization	(2,156,319)	
Total		5,106,174
The net effect of various transactions involving capital assets (i.e. sales, disposals, trade-ins, and donations) is to decrease net position.		(2,851,403)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Sales taxes	(79,100)	
Property taxes	1,136,762	
Intergovernmental revenues	75,679	
Fines and forfeitures	12,451	
Investment income	22,688	
Total		1,168,480
Equity interests in joint ventures do not represent current resources and are not reported in the funds; however, gains or losses resulting from these investments increase or decrease decrease assets on the statement of net position.		575,774
Lease transactions are reported as revenues in the governmental funds; however, in the statement of net position the debt is reported as a liability.		(30,542)
Repayment of bond, loans and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		519,465
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
Decrease in accrued interest payable	1,067	
Amortization of bond premiums	19,015	
Amortization of prepaid bond insurance	(1,334)	
Total		18,748
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	3,144,416	
OPEB	27,096	
Total		3,171,512
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/ liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(5,863,360)	
OPEB	1,369,843	
Total		(4,493,517)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		187,818
Change in net position of governmental activities		$ 8,444,929

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Property taxes	$ 2,304,700	$ 2,304,700	$ 2,306,387	$ 1,687
Sales taxes	12,050,000	11,849,574	11,849,574	-
Charges for services	3,618,326	3,623,326	4,834,077	1,210,751
Licenses and permits	2,470	2,470	3,800	1,330
Fines and forfeitures	130,500	130,500	113,871	(16,629)
Intergovernmental	2,219,856	2,504,407	2,840,895	336,488
Interest	950,500	950,500	1,447,300	496,800
Rent	150,000	112,475	124,673	12,198
Contributions and donations	-	-	3,818	3,818
Other	276,370	399,215	490,789	91,574
Total revenues	21,702,722	21,877,167	24,015,184	2,138,017
Expenditures:				
Current:				
General government:				
Legislative and executive	7,558,956	8,054,530	7,778,490	276,040
Judicial	3,053,998	3,073,525	2,999,126	74,399
Public safety	8,181,009	7,384,035	7,304,270	79,765
Public works	106,713	116,054	98,289	17,765
Health	148,232	148,240	148,240	-
Human services	1,022,966	865,498	613,148	252,350
Conservation and recreation	360,164	211,300	160,200	51,100
Total expenditures	20,432,038	19,853,182	19,101,763	751,419
Excess of revenues over expenditures	1,270,684	2,023,985	4,913,421	2,889,436
Other financing sources (uses):				
Sale of capital assets	-	-	3,190	3,190
Advances in	-	-	43,548	43,548
Advances (out)	-	-	(39,852)	(39,852)
Transfers in	698,114	-	-	-
Transfers (out)	(1,707,704)	(10,443,167)	(9,942,656)	500,511
Total other financing sources (uses)	(1,009,590)	(10,443,167)	(9,935,770)	507,397
Net change in fund balance	261,094	(8,419,182)	(5,022,349)	3,396,833
Fund balance at beginning of year	8,406,090	8,406,090	8,406,090	-
Prior year encumbrances appropriated	937,814	937,814	937,814	-
Fund balance at end of year	$ 9,604,998	$ 924,722	$ 4,321,555	$ 3,396,833

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MAINTENANCE AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	**Final**	**Actual**	**Positive (Negative)**
Revenues:				
Charges for services	$ 25,000	$ 25,000	$ 48,480	$ 23,480
Fines and forfeitures	20,000	20,000	25,383	5,383
Intergovernmental	4,350,000	4,350,000	6,234,160	1,884,160
Interest	70,000	70,000	176,844	106,844
Other	15,000	15,000	28,830	13,830
Total revenues	4,480,000	4,480,000	6,513,697	2,033,697
Expenditures:				
Current:				
Public works	6,589,430	7,194,328	6,359,980	834,348
Net change in fund balance	(2,109,430)	(2,714,328)	153,717	2,868,045
Fund balance at beginning of year	17,002,762	17,002,762	17,002,762	-
Prior year encumbrances appropriated	541,107	541,107	541,107	-
Fund balance at end of year	$ 15,434,439	$ 14,829,541	$ 17,697,586	$ 2,868,045

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENECA COUNTY OPPORTUNITY CENTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Property taxes	$ 7,822,000	$ 7,822,000	$ 7,935,253	$ 113,253
Charges for services	300,000	300,000	279,879	(20,121)
Intergovernmental	3,487,207	3,487,207	4,946,837	1,459,630
Contributions and donations	4,000	800	800	-
Other	1,313,000	1,313,000	1,627,278	314,278
Total revenues	12,926,207	12,923,007	14,790,047	1,867,040
Expenditures:				
Current:				
Health	34,500,225	32,562,917	13,866,431	18,696,486
Net change in fund balance	(21,574,018)	(19,639,910)	923,616	20,563,526
Fund balance at beginning of year	18,447,245	18,447,245	18,447,245	-
Prior year encumbrances appropriated	1,984,695	1,984,695	1,984,695	-
Fund balance (deficit) at end of year	$ (1,142,078)	$ 792,030	$ 21,355,556	$ 20,563,526

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds		
	Emergency Medical Services	County Sewer District	Total
Assets:			
Current assets:			
Equity in pooled cash and investments	$ 1,256,908	$ 796,942	$ 2,053,850
Receivables:			
Accounts	131,031	106,427	237,458
Prepayments	11,984	8,977	20,961
Total current assets	1,399,923	912,346	2,312,269
Noncurrent assets:			
Net pension asset.	6,455	472	6,927
Capital assets:			
Non-depreciable capital assets	61,850	26,243	88,093
Depreciable capital assets, net	850,121	4,442,065	5,292,186
Total capital assets, net.	911,971	4,468,308	5,380,279
Total noncurrent assets	918,426	4,468,780	5,387,206
Total assets.	2,318,349	5,381,126	7,699,475
Deferred outflows of resources:			
Pension	1,057,782	47,789	1,105,571
OPEB	99,041	7,184	106,225
Total deferred outflows of resources	1,156,823	54,973	1,211,796
Liabilities:			
Current liabilities:			
Accounts payable	10,768	9,007	19,775
Accrued wages and benefits payable.	41,382	2,638	44,020
Due to other funds	-	244	244
Due to other governments	13,338	730	14,068
Accrued interest payable	-	17,722	17,722
Revenue bonds payable.	-	64,000	64,000
OPWC loans payable	-	342	342
Total current liabilities	65,488	94,683	160,171
Long-term liabilities:			
Compensated absences payable.	33,891	-	33,891
Revenue bonds payable	-	2,513,652	2,513,652
OPWC loans payable	-	1,027	1,027
Net pension liability.	1,553,961	113,748	1,667,709
Net OPEB liability.	32,338	2,367	34,705
Total long-term liabilities	1,620,190	2,630,794	4,250,984
Total liabilities.	1,685,678	2,725,477	4,411,155
Deferred inflows of resources:			
Pension	17,468	5,008	22,476
OPEB	13,330	835	14,165
Total deferred inflows of resources	30,798	5,843	36,641
Net position:			
Net investment in capital assets	911,971	1,889,287	2,801,258
Restricted for debt service	-	258,228	258,228
Restricted for pension.	6,455	472	6,927
Unrestricted.	840,270	556,792	1,397,062
Total net position.	$ 1,758,696	$ 2,704,779	4,463,475

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds		
	Emergency Medical Services	**County Sewer District**	**Total**
Operating revenues:			
Charges for services	$ 1,268,531	$ 445,528	$ 1,714,059
Tap-in fees	-	4,891	4,891
Other operating revenues.	25,001	728	25,729
Total operating revenues.	1,293,532	451,147	1,744,679
Operating expenses:			
Personal services	1,533,069	77,229	1,610,298
Contract services	125,121	346,211	471,332
Materials and supplies	94,309	4,915	99,224
Depreciation	40,310	169,609	209,919
Other	4,483	2,478	6,961
Total operating expenses	1,797,292	600,442	2,397,734
Operating (loss)	(503,760)	(149,295)	(653,055)
Nonoperating revenues (expenses):			
Interest income	-	14,947	14,947
Interest and fiscal charges	-	(72,164)	(72,164)
Intergovernmental	1,005	-	1,005
Total nonoperating revenues (expenses)	1,005	(57,217)	(56,212)
(Loss) before transfers.	(502,755)	(206,512)	(709,267)
Transfer in	500,000	-	500,000
Change in net position	(2,755)	(206,512)	(209,267)
Net position at beginning of year	1,761,451	2,911,291	4,672,742
Net position at end of year.	$ 1,758,696	$ 2,704,779	$ 4,463,475

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds		
	Emergency Medical Services	**County Sewer District**	**Total**
Cash flows from operating activities:			
Cash received from customers	$ 1,278,260	$ 514,878	$ 1,793,138
Cash received from tap-in fees	-	4,891	4,891
Cash received from other operations	25,001	728	25,729
Cash payments for personal services	(1,257,639)	(79,255)	(1,336,894)
Cash payments for contractual services	(128,895)	(368,260)	(497,155)
Cash payments for materials and supplies	(86,121)	(4,730)	(90,851)
Cash payments for other expenses	(4,108)	(2,907)	(7,015)
Net cash provided by (used in) operating activities	(173,502)	65,345	(108,157)
Cash flows from noncapital financing activities:			
Cash received from transfers in	500,000	-	500,000
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(247,139)	(11,950)	(259,089)
Principal retirement on revenue bonds	-	(62,000)	(62,000)
Principal retirement on loans	-	(1,026)	(1,026)
Interest and fiscal charges	-	(72,590)	(72,590)
Intergovernmental	1,005	-	1,005
Net cash used in capital and related financing activities	(246,134)	(147,566)	(393,700)
Cash flows from investing activities:			
Interest received	-	14,947	14,947
Net increase (decrease) in cash and cash equivalents	80,364	(67,274)	13,090
Cash and cash equivalents at beginning of year	1,176,544	864,216	2,040,760
Cash and cash equivalents at end of year	$ 1,256,908	$ 796,942	$ 2,053,850

- - (Continued)

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds		
	Emergency Medical Services	**County Sewer District**	**Total**
Reconciliation of operating (loss) to net cash provided by (used in) operating activities:			
Operating loss	$ (503,760)	$ (149,295)	$ (653,055)
Adjustments:			
Depreciation	40,310	169,609	209,919
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Accounts receivable	9,729	69,350	79,079
Prepayments	(9,794)	(365)	(10,159)
Net pension asset	(2,724)	747	(1,977)
Net OPEB asset	40,529	13,244	53,773
Deferred outflows - pension	(969,799)	(29,611)	(999,410)
Deferred outflows - OPEB	(72,477)	(6,845)	(79,322)
Accounts payable	9,053	(4,313)	4,740
Accrued wages and benefits	14,738	(1)	14,737
Intergovernmental payable	8,990	(17,110)	(8,120)
Amounts due to other funds	-	(421)	(421)
Compensated absences payable	8,809	-	8,809
Net pension liability	1,438,402	75,985	1,514,387
Net OPEB liability	32,338	2,367	34,705
Deferred inflows - pension	(181,557)	(43,479)	(225,036)
Deferred inflows - OPEB	(36,289)	(14,517)	(50,806)
Net cash provided by (used in) operating activities	$ (173,502)	$ 65,345	$ (108,157)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF FIUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2023

	Custodial
Assets:	
Equity in pooled cash and cash equivalents.	$ 20,649,444
Cash in segregated accounts	190,354
Receivables (net of allowances	
for uncollectibles):	
Taxes - current	69,295,470
Taxes - delinquent	39,821,658
Accounts	744,058
Due from other governments	3,608,355
Prepayments	99,078
Total assets	134,408,417
Liabilities:	
Accounts payable	277,624
Accrued wages and benefits	104,009
Compensated absences payable	247,349
Due to other governments	2,593,580
Total liabilities	3,222,562
Deferred inflows of resources:	
Property taxes levied for the next fiscal year.	69,295,470
Net position:	
Restricted for individuals, organizations and other governments .	$ 61,890,385

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SENECA COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Custodial
Additions:	
Intergovernmental	$ 10,161,099
Amounts received as fiscal agent	19,161,892
Licenses, permits and fees for other governments	5,762,118
Fines and forfeitures for other governments	571,854
Property tax collection for other governments	67,927,918
Special assessments collections for other governments	532,579
Other custodial fund collections	1,014,552
Total additions	105,132,012
Deductions:	
Distributions of state funds to other governments	10,399,136
Distributions as fiscal agent	17,745,396
Distributions to individuals	1,032,278
Licenses, permits and fees distributions to other governments	5,759,399
Fines and forfeitures distributions to other governments	603,286
Property tax distributions to other governments	56,517,158
Special assessment distributions to other governments	532,579
Other custodial fund disbursements	292
Total deductions	92,589,524
Net change in fiduciary net position	12,542,488
Net position beginning of year	49,347,897
Net position end of year	$ 61,890,385

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - REPORTING ENTITY

Seneca County, Ohio (the County) was created in 1824. The County is governed by a Board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, two Common Pleas Court Judges and a Probate/Juvenile Court Judge. The County Commissioners authorize expenditures and serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the County, although the elected officials manage the internal operations of their respective departments.

The reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. Seneca County boards include the Board of Developmental Disabilities (Board of DD), the Job and Family Services Department and all departments and activities that are operated directly by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable if it appoints a voting majority of the organization’s governing body and 1) the County is able to impose its will on that organization or 2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. Component units also include organizations that are fiscally dependent on the County in that the County approves the organization's budget, the issuance of the organization's debt or the levying of the organization's taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organize is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. The County has two component units.

Component Units - The component unit columns on the entity-wide financial statements includes the financial data of the County’s discretely presented component units Seneca County Land Reutilization Corporation and the Seneca County Transportation Improvement District. The component units are reported in separate columns to emphasize that they are legally separate from the County. Information in the following notes is applicable to the primary government. Information relative to the component units are presented in Notes 20-21.

Seneca County Land Reutilization Corporation

Seneca County Land Reutilization Corporation (the Corporation) is a county land reutilization corporation that was formed on November 19, 2015 when the Seneca County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout Seneca County (the County). By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and return properties to productive use. Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. Separately issued financial statements can be obtained from the Seneca County Land Reutilization Corporation, 109 South Washington Street Suite 2105, Tiffin, Ohio 44883.

Seneca County Transportation Improvement District (SCTID)
The SCTID is a body politic and corporate, created for the purpose to acquire, construct, enlarge, improve, equip, sell, lease, lease-purchase, exchange, or otherwise dispose of property, structures, and other facilities for transportation projects. The SCTID was specifically created pursuant to Chapter 5540 of the Ohio Revised Code, as amended. The SCTID was created by action of the Board of Seneca County Commissioners on October 25, 2017. The SCTID is governed by a Board of Trustees that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members of whom five are voting and two are non-voting. Each Board member serves a term of one year and there are no term limits for reappointment. The five voting Board members are appointed by the Board of Seneca County Commissioners. In addition, the County is able to impose its will on the SCTID. SCTID's year end is December 31. Separately issued financial statements can be obtained from the Seneca County Transportation Improvement District, 109 South Washington Street, Suite 2105, Tiffin, Ohio 44883.

Related Organizations - Seneca County officials are responsible for appointing a voting majority of the board members of the Seneca County Emergency Planning Commission, Tiffin Seneca Public Library, Seneca County Museum Advisory Board, Seneca County Convention and Visitors' Bureau and Seneca Metropolitan Housing Authority; however, Seneca County is not financially accountable for these entities because it cannot impose its will on any of these organizations and a financial benefit/burden relationship does not exist.

The County Treasurer, as the custodian of public funds, invests all public monies held on deposit in the County treasury. The County serves as fiscal agent for the separate agencies, boards and commissions listed below, but is not financially accountable for these organizations. Accordingly, the activity of the following districts and agencies are presented as custodial funds within Seneca County's financial statements:

Seneca County General Health District
Seneca County Emergency Planning Commission
Seneca County Soil and Water Conservation District
Seneca, Sandusky, Wyandot Mental Health & Recovery Services Board
Seneca County Regional Planning Commission
Seneca County Park District

The following organizations are joint ventures and pools in which the County participates.

Sandusky County-Seneca County - City of Tiffin Port Authority
The Port Authority, a joint venture of Sandusky and Seneca Counties and the City of Tiffin, is established under the authority of Sections 4582.21 et. seq., of the Revised Code, with territorial limits co-terminus with the boundaries of the Counties, with Tiffin being within the boundaries of Seneca County. The Port Authority is governed by a seven member Board of Directors, consisting of two members from each of the counties and the city, with the seventh member being rotated between the three entities every four years. The members are appointed by the County Commissioners in the Counties, and by the Mayor of Tiffin in the City. Appointed members may hold no other public office or public employment except Notary Public, member of the State Militia, or member of a reserve component of the United States Armed Forces. Initial funding for organizational expenses, including purchase of real or personal property by the Port Authority, was contributed by each subdivision with no obligation of future contributions or financial support. The contributions were equal and simultaneous. The Port Authority may be dissolved at any time upon the enactment of an ordinance by the City and resolutions by the Counties. Any real or personal property will be returned to the subdivision from which it was received.

Upon dissolution of the Port Authority, any remaining balances of the Port Authority's funds will be distributed equally to the City and the Counties after paying all expenses and debts.

Ottawa-Sandusky-Seneca County Solid Waste District
The Solid Waste District is a joint venture of Ottawa, Sandusky, and Seneca Counties and is established under the authority of Section 3734.54 of the Ohio Revised Code. The cost of operations and expenses is to be funded by fees collected by the District. In the event that fees are not sufficient for the purpose, the Counties shall share all operating costs and expenses incurred in the same proportions as the populations of the respective Counties bear to the total population of all the Counties. Upon the withdrawal of a county from the District, the Board of Directors shall ascertain, apportion, and order a division of the funds on hand, credits and real personal property of the District, either in money or in kind, on any equitable basis between the District and the withdrawing county. Should the District be dissolved, the Boards of County Commissioners shall continue to levy and collect taxes for the payment of any outstanding indebtedness. The Solid Waste District is governed by the three commissioners of each county involved.

Mental Health and Recovery Services (MHRS)
The Mental Health and Recovery Services Board is a joint venture between Seneca, Ottawa, Sandusky and Wyandot counties. The headquarters for the Mental Health Board is in Seneca County. The Board provides community services to mentally ill and emotionally disturbed persons. Statutorily created, a seventeen-member Board is the governing body. Nine members of the Board are appointed by the Board of County Commissioners from the respective counties of which members are residents, and eight members are appointed by the State of Ohio, Department of Mental Health and Addiction Services. Revenues to provide mental health services are generated through state and federal grants. The Mental Health Board adopts its own budget, hires and fires staff and does not rely on the County to finance deficits. Seneca County is acting as fiscal agent to the Mental Health Board.

Northland Homes and Properties, Inc.
Northland Homes and Properties, Inc. is a not-for-profit corporation organized for charitable purposes under Section 501(c)(3) of the Internal Revenue Code of 1986. The corporation is a joint venture of the Board of DD of Seneca, Crawford, and Marion counties to provide a lifetime of affordable housing and residential services to citizens with developmental disabilities. The corporation is governed by a board of at least ten trustees with each participating county board of developmental disabilities appointing two. The trustees shall serve a maximum of three consecutive three-year terms.

County Risk Sharing Authority, Inc. (CORSA)
The County is a member of CORSA, which is a risk sharing pool among thirty-six counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance. Each member county has one vote on all matters requiring a vote to be cast by a designated representative. The affairs of the CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

County Employee Benefits Consortium of Ohio, Inc (CEBCO)
The County is a member of CEBCO, which is a self-funded, group purchasing consortium that offers medical, dental, vision, and prescription drug coverage to thirty-six counties in Ohio. CEBCO is a nonprofit organization formed by the County Commissioners Association of Ohio (CCAO) to provide cost-effective employee benefit programs for Ohio county governments. Various plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit copays, and out-of-pocket maximums.

CEBCO is governed by a board of directors composed mainly of representatives of counties that participate in the program. Premiums are paid on a monthly basis. Pursuant to participation agreements with CEBCO, each member agrees to pay all funding rates associated with the coverage it elects; as such, funding rates are set and billed to the members by CEBCO. The assigned funding rates consist of the following components: administrative fees, stop-loss fees, expected claim costs, and reserves. Reserves are actuarially determined and allocated based on expected claim activity. Rates are calculated to cover the administrative expenses and expected claims costs of the program.

County Commissioners' Association of Ohio Service Corporation (CCAOSC)
The CCAOSC is an Ohio corporation established to create an employer group workers compensation-rating plan as regulated by Section 4123.29 of the Ohio Revised Code. The CCAOSC is intended to achieve lower workers' compensation rates for the Group and establish safer working conditions and environments for each participant. The corporation is administered by a Group Executive Committee, which consists of seven members. Two of the members are the President and Treasurer of CCAOSC and five members, who must be County Commissioners, are elected by the participants as their representatives.

North Central Ohio Regional Council of Governments (NCORcog)
NCORcog is a legally separate body politic and corporate served by an eight-member Board of Directors that meets the definition of regional Council of governments under Chapter 167 of the Ohio Revised Code. NCORcog is a regional source for shared services. Cost savings achieved are designed to not only maintain existing essential services, but to enhance them as well.

The initial, founding members, and Board of Directors are the North Central Ohio Educational Service Center (ESC), Seneca County, the City of Tiffin, Clinton Township, the Village of New Riegel, North Central Academy, Tiffin City School District, and Seneca East Local School District. The Superintendent of the North Central Ohio ESC serves as Chair of the Board. The Chair is a non-voting member and shall only vote in the event of a tie. The treasurer of North Central Ohio ESC serves as ex-officio/advisor for fiscal matters and is also a non-voting member. Membership is voluntary pursuant to resolution, ordinance or other appropriate action. Application of membership shall be subject to approval by the Board of Directors. Each political subdivision is entitled to one vote. The North Central Ohio ESC serves as the fiscal agent. NCORcog issues a publicly available, stand-alone financial report. The report may be obtained by writing to the Treasurer of the North Central Ohio ESC, 928 West Market Street, Tiffin, Ohio 44883.

Clearwater Council of Governments
The Clearwater Council of Governments (Clearwater) is a regional council of governments comprised of the Boards of Developmental Disabilities (DD) of Crawford, Erie, Huron, Marion, Morrow, Ottawa, Sandusky, Seneca, and Wyandot Counties. The Board of Directors is made up of the superintendents from each of these DD Boards. Clearwater is the administrator of various grant monies for each of these Boards of DD. The degree of control exercised by any participating government is limited to its representation of the Board. Financial information can be obtained from the Clearwater Council of Governments, 8200 West State Route 163, Oak Harbor, Ohio, 43449.

Metro-Richland County (METRICH)
The County is a member of the Metro-Richland County Enforcement Unit, which is a jointly governed organization between Crawford, Huron, Morrow, Knox, Seneca, Marion, Ashland, Hancock and Wyandot Counties, the City of Mansfield, the City of Tiffin and 38 other communities. METRICH remains one of the only decentralized task forces in the state promoting a Community Policing philosophy approach to task force operations. There is a control group in each county (Prosecutor, Sheriff, and chiefs of Police) that direct local efforts including setting local goals and objectives in support of the regional goals and objectives.

The METRICH Control Board is represented by each of the nine Prosecutors, Sheriffs and the Chief of Police of the participating agencies. Funding is obtained through grants administered by the Ohio Office of Criminal Justice Services (OCJS). This grant funding is utilized to support task force operations throughout all nine counties. Information can be obtained from the Mansfield Division of Police, Chief Keith Porch, Project Director.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of the Seneca County financial statements conforms to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources. The County's most significant accounting policies are described below.

A. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including the 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, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity 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 proprietary 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 presented 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 of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

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

Maintenance and Repair fund - The Maintenance and Repair fund accounts for revenue derived from motor vehicle licenses, gasoline taxes, and investment revenue. Expenditures in this fund are restricted by State law to County road and bridge repair/improvement programs.

Seneca County Opportunity Center fund (SCOC) - The SCOC fund accounts for a county-wide property tax levy and federal and state grants and entitlements for operating the SCOC, and providing additional support services for handicapped individuals.

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

Proprietary Funds - Proprietary fund accounting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The following are the County's major enterprise funds:

Emergency Medical Services (EMS) fund - The EMS fund accounts for revenue received from charges for transporting people to the hospital in emergency situations and money received from transfers from the General fund.

County Sewer District fund - The County Sewer District fund accounts for money received from user and tap-in fees for sewer services provided to residents in various development areas of the County and grant and loan activities for the sewer and wastewater treatment facility acquisition and construction.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. Currently, the County does not have any trust funds. The County’s custodial funds account for assets held by the County for political subdivisions for which the County acts as fiscal agent and for taxes, State-levied shared revenues, fines and forfeitures collected for and distributed to other political subdivisions, and other amounts collected for and distributed to organizations or individuals.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets, all deferred outflows of resources, all liabilities and all deferred inflows of resources associated with the operation of the County are included in the statement of net position. The statement of activities presents increases (revenues) and decreases (expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities, and current deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects 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 fund financial statements for governmental funds.

Like the government-wide financial statements, proprietary funds and fiduciary funds are accounted for using a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

The statement of revenues, expenses, and changes in fund net position for proprietary funds presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

The basis of accounting determines when transactions are recorded in financial records and reported on financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; proprietary funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

Revenues-Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the 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, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, State-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, interest, and rent.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 13 and 14 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, sales tax, delinquent property taxes, intergovernmental grants, accrued interest, and fines and forfeitures. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 13 and 14 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures

On the accrual basis, 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, other than 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 the 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 legal level of control has been established by the County Commissioners at the fund, program, department, and object level.

The certificate of estimated resources may be amended during the year if there are projected increases, or the County Auditor identifies decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were 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 2023.

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 appropriations 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.

F. Cash and Investments

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments". During 2023, investments were limited to STAR Ohio, negotiable certificates of deposit (CDs), U.S. Government money market accounts, commercial paper, corporate bonds, PEFCO, Federal Agricultural Mortgage Corporation (FAMC), Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Farm Credit Bank (FFCB) securities, Federal National Mortgage Association (FNMA) securities, TVA power bonds, U.S. Treasury notes, Non-taxable municipal bonds, and taxable municipal issues.

Cash and cash equivalents that are held separately within departments of the County, and not included in the County Treasury, are recorded as "cash and cash equivalents in segregated accounts". Investments are reported at fair value, except for non-negotiable certificates of deposit, which are reported at cost. Fair value is based on quoted market prices. Any increase or decrease in fair value is reported as a component of investment earnings.

During 2023, the County invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The city measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24-hour advance notice for deposits and withdrawals of $100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to County funds according to State statutes and grant requirements. Interest revenue credited to the General fund during 2023 was $1,550,008, which includes approximately $1,243,509 assigned from other County funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are considered to be cash equivalents in the financial statements. Investments with an initial maturity of more than three months, and not purchased from the cash management pool, are reported as investments.

G. Prepayments

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepayments 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. At year-end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

H. Inventory

Inventory is presented at the lower of cost or market on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption. On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance which indicates that it does not constitute available spendable resources.

I. Loans Receivable

Loans receivable represent the right to receive repayment for certain loans made by the County. These loans are based upon written agreements between the County and the various loan recipients. Reported loans receivable are offset by a nonspendable, restricted, or committed fund balance in the governmental fund types.

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date donated. The County maintains a capitalization threshold of $5,000 for all assets except infrastructure. The capitalization threshold for infrastructure is $10,000. The County's infrastructure consists of roads, bridges, culverts and sewers. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated/amortized, except for land and improvements (land and improvements not being depreciated/amortized, such as road base) and construction in progress. Improvements are depreciated/amortized 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/amortization is computed using the straight-line method over the following useful lives.

DESCRIPTION	ESTIMATED LIVES
Buildings and Improvements	50-150
Land Improvements	50-100
Machinery and Equipment	5-20
Software	5-20
Vehicles	20-25
Infrastructure	5-50
Intangible right to use - leased equipment	5-6

The County is reporting intangible right to use assets related to leased equipment. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

K. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "interfund loans receivable/payable" and receivables and payables resulting from long-term interfund loans are classified as "loans to/from other funds". Receivables and payables resulting from the routine lag between the dates interfund goods and services are provided or reimbursable expenditures occur are classified as "due to/from other funds".

Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as "internal balances".

L. Compensated Absences

Vacation and comp 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 the County will compensate the employees for the benefits through paid time off or some other means.

The County records a liability for accumulated unused vacation and comp time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as liabilities using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the County's termination policy. The County records a liability for sick leave for employees with seven or more years of service at varying rates depending on County policy.

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

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

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities and long-term obligations payable from the 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 are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds, loans and lease obligations are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

N. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The County's net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position.

Net position is reported as restricted when there are limitations imposed on its use, either through constitutional provisions or 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.

O. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable in the General fund.

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended uses established by policies of the Board of Commissioners.

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

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

P. Stabilization Arrangement

The County Commissioners have $2,100,000 of fund balance in the General fund to be used for budget stabilization. The County Commissioners have these funds to cover emergency situations or when revenue shortages or budgetary imbalances arise. The budget stabilization arrangement may be removed by action of the County Commissioners at any time.

Q. 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 of the County Sewer District and EMS operations. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as non-operating.

R. Capital Contributions

Capital contributions on the proprietary fund financial statements arise from contributions from governmental activities, from outside contributions of capital assets, from grants, or from outside contributions of resources restricted to capital acquisition and construction.

S. Interfund Transactions

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

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 non-operating revenues/expense 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.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. No events of this nature occurred during 2023.

U. 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.

V. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net pension/OPEB asset, deferred outflows of resources and deferred inflows of resources related 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.

W. Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2023, the County has implemented GASB Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*", GASB Statement No. 96, "*Subscription Based Information Technology Arrangements*", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*".

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the County.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the County.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the County.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the County.

B. Deficit Fund Balances

Fund balances at December 31, 2023 included the following individual fund deficits:

Nonmajor governmental funds	Deficit
S/O selective traffic enforcement	$ 1,679
Wolf creek ditch project	14,202

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

NOTE 4 - DEPOSITS AND INVESTMENTS

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demands upon the County treasury and must be maintained as cash in the County Treasury, or in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Monies held by the County which are not considered active are classified as inactive and can be deposited or invested in the following securities:

1. United States treasury bills, bonds, notes or any other obligations or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency, or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

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

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

7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);

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

9. High grade commercial paper in an amount not to exceed 5 percent of the County's total average portfolio; and,

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity.

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

A. Deposits with Financial Institutions

At December 31, 2023, the carrying amount of all County deposits was $18,983,598 and the bank balance of all County deposits was $19,717,832. Of the bank balance, $695,673 was covered by the FDIC and $19,022,159 was exposed to custodial credit risk discussed below.

Custodial credit risk is the risk that, in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the County's and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the OPCS, a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

For 2023, the County was in the OPCS; however, certain County financial institutions were approved for a reduced collateral rate through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the FDIC.

B. Cash on Hand

At year end, the County had $2,000 in undeposited cash on hand which is included on the financial statements as a component of "equity in pooled cash and investments".

C. Cash and Cash Equivalents with Fiscal Agents

At year end, the County had $44,435 in monies held by a fiscal agent. These monies were set aside for future debt service payments. This amount is included in investments below.

These amounts have been included on the financial statements of the County as "cash and cash equivalents with fiscal agents.

D. Investments

As of December 31, 2023, the County had the following investments and maturities.

		Investment Maturities				
Measurement/ Investment Type	Measurement Amount	6 Months or Less	7 to 12 Months	13 to 18 Months	19 to 24 Months	Greater than 24 months
Amortized Cost:						
STAR Ohio	$ 2,448,154	$ 2,448,154	$ -	$ -	$ -	$ -
Fair Value:						
U.S. Government money market	331,787	331,787	-	-	-	-
Commercial paper	5,013,627	5,013,627	-	-	-	-
Corporate bonds	1,990,015	998,850	237,182	-	-	753,983
Negotiable CDs	4,611,550	1,627,601	238,289	217,440	231,689	2,296,531
FAMC	2,270,052	-	-	-	-	2,270,052
FHLB	10,362,971	349,769	603,806	2,094,945	963,270	6,351,181
FHLMC	5,226,543	-	269,329	1,182,825	3,164,359	610,030
FFCB	14,483,195	529,438	2,681,669	-	318,634	10,953,454
FNMA	2,681,880	806,322	487,260	354,153	567,551	466,594
PEFCO	624,561	-	-	-	-	624,561
TVA Power Bonds	1,285,397	-	-	538,742	-	746,655
U.S. treasury notes	16,378,036	1,433,210	839,936	1,908,688	1,227,133	10,969,069
Non-taxable municipal bonds	240,683	-	240,683	-	-	-
Taxable municipal issue	2,762,266	-	829,110	-	343,840	1,589,316
Total	$ 70,710,717	$ 13,538,758	$ 6,427,264	$ 6,296,793	$ 6,816,476	$ 37,631,426

The weighted average maturity of investments is 2.23 years.

The County's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The County's investments in negotiable CD's, commercial paper, corporate bonds, PEFCO, federal agency securities (FAMC, FHLB, FHLMC, FFCB and FNMA), TVA power bonds, U.S. treasury notes, taxable municipal issues and non-taxable municipal bonds are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the County's investment policy limits maturities only to matching anticipated cash flow requirements.

Credit Risk: STAR Ohio and the U.S. Government money market account were assigned an AAAm rating from Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The County's investments in federal agency securities, PEFCO, TVA power bonds and U.S. treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The commercial paper issues were given a short-term rating of A-1 and A-1+ by Moody's and P-1 by Standard & Poor's. The corporate bonds were given a rating of A1, A2, and Aaa from Moody's and AA+, AA, A+, and A by Standard & Poor's. The municipal issues and bonds were given a rating of Aa2, Aaa, by Moody's and AAA, AA, SP-1+ by Standard & Poor's.

The County has no investment policy that addresses credit risk. The negotiable CDs were not rated.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the County's name. The County's U.S. Bank commercial paper account was exposed to custodial credit risk, while the County's negotiable CDs were covered by the FDIC. The County's investment policy addresses custodial credit risk.

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Concentration of Credit Risk: The County places no limit on the amount that may be invested in any one issuer. The percentage of each investment type held by the County as of December 31, 2023 is as follows:

Measurement/ Investment Type	Measurement Amount	% of Total
Amortized Cost:		
STAR Ohio	$ 2,448,154	3.46
Fair Value:		
U.S. Government money market	331,787	0.47
Commercial paper	5,013,627	7.09
Corporate bonds	1,990,015	2.82
Negotiable CDs	4,611,550	6.52
FAMC	2,270,052	3.21
FHLB	10,362,971	14.66
FHLMC	5,226,543	7.39
FFCB	14,483,195	20.48
FNMA	2,681,880	3.79
PEFCO	624,561	0.88
TVA power bonds	1,285,397	1.82
U.S. treasury notes	16,378,036	23.16
Non-taxable municipal bonds	240,683	0.34
Taxable municipal issue	2,762,266	3.91
Total	$ 70,710,717	100.00

E. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments for the primary government as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2023:

Cash and investments per note	
Carrying amount of deposits	$ 18,983,598
Investments	70,710,717
Cash on hand	2,000
Total	$ 89,696,315
Cash and investments per statement of net position	
Governmental activities	$ 66,802,667
Business-type activities	2,053,850
Custodial funds	20,839,798
Total	$ 89,696,315

NOTE 5 - INTERFUND TRANSACTIONS

A. Short-term interfund loans receivable/payable consisted of the following at December 31, 2023, as reported on the fund financial statements:

Receivable fund	Payable funds	Amount
General	*Nonmajor governmental funds:*	
	S/O elective traffic enforcement	$ 20,676
	Sheriff highway safety grants	19,176
	Total short-term interfund loans payable/receivable	$ 39,852

The short-term interfund loans receivable balances in the General fund and other nonmajor governmental funds resulted from advances made to provide working capital for operations and other projects. All advances were authorized by resolution of the County Commissioners. Short-term interfund loans between governmental funds are eliminated for reporting on the statement of net position.

B. Long-term interfund loans payable/receivable, shown as loans to/from other funds on the balance sheet, consisted of the following at December 31, 2023:

Receivable fund	Payable funds	Amount
General	*Nonmajor governmental funds:*	
	Sheriff programs	$ 23,501
	Sheriff highway safety grants	22,001
	Community corrections	50,000
	CDBG	16,589
	Wolf creek ditch project	14,202
	Total short-term interfund loans payable/receivable	$ 126,293

The long-term interfund loan balances result from resources provided by the receivable fund to the payable fund to provide cash flow resources until anticipated revenues are received. Interfund loans payable/receivable between governmental funds are eliminated on the government-wide financial statements.

C. Amounts due to/from other funds consisted of the following at December 31, 2023, as reported on the fund financial statements:

	Due from other funds (receivable)
Due to other funds (payable):	General Fund
Nonmajor governmental:	
Dog and kennel	5,400
Real estate assessment	243
Emergency management agency	18
Workforce investment act	933
Public assistance	9,826
County sewer district enterprise	244
Total	$ 16,664

Amounts due to/from other funds between governmental funds are eliminated for reporting on the statement of net position. Amounts due to/from other funds between governmental funds and enterprise funds are reported as a component of internal balance on the statement of net position.

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

Interfund transfers for the year ended December 31, 2023, consisted of the following, as reported on the fund financial statements:

	Transfer from:
Transfer to:	General
Nonmajor governmental funds	$ 8,914,248
EMS enterprise fund	500,000
	$ 9,414,248

Transfers among the governmental funds and transfers among the enterprise funds are eliminated on the government-wide financial statements.

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value 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 revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility 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 is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is account for through custodial funds. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, property and other taxes receivable has been offset by a deferred inflow of resources for the current portion, since the current taxes were not levied to finance 2022 operations, and for the delinquent portion, since the collection of the taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as a revenue while on a modified accrual basis this amount is recorded as a deferred inflow of resources.

The full tax rate for all County operations for the year ended December 31, 2023 was $10.60 per $1,000 of assessed value. $1.90 per $1,000 of assessed value is levied for the general operations, while the remaining $8.70 is levied for the Seneca County Opportunity Center.

The assessed values of real and tangible personal property upon which 2023 property tax receipts were based are as follows:

Real Property	$ 1,067,163,760	71.97 %
Public Utility Personal Property	415,631,480	28.03 %
Total Assessed Value	$ 1,482,795,240	100.00 %

NOTE 7 - PERMISSIVE SALES AND USE TAX

In November, 1988, the Citizens of Seneca County passed a one percent sales and use 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. On January 1, 2004 the Commissioners imposed a four-year temporary one-half of one percent sales tax effective January 1, 2004 through December 31, 2007. On February 6, 2007 the Commissioners passed a resolution to make the one-half of one percent sales tax permanent. Proceeds of the tax are credited entirely to the General fund.

Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within the forty-five days after the end of each month. The Office of Budget and Management then has five days in which to draw the warrant payable to the County.

A receivable is recognized at year-end for amounts that will be received from sales, which occurred during 2023. On an accrual basis, the full amount of the receivable is recognized as revenue. On a modified accrual basis, the amount of the receivable not collected within the available period is recorded as a deferred inflow of resources.

NOTE 8 - RECEIVABLES

A. Receivables

Receivables at December 31, 2023 consisted of taxes, interest, accounts (billings for user charged services including unbilled utility services, fines and forfeitures), intergovernmental receivables arising from grants, entitlements and shared revenues), loans (community development block grant monies loaned to local businesses) and leases. All intergovernmental revenues are considered collectible in full. Sewer enterprise fund receivables are considered collectible in full. Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Receivables recorded on the County's financial statements are recorded to the extent the amounts are determined material and substantiated, not only by supporting documentation, but also by a reasonable systematic method of determining their existence, completeness, valuations and collectability. Using these criteria, the County has elected to not record child support arrearages in the custodial funds. These amounts, while potentially significant, are not considered measurable and, because collections are often significantly in arrears, the County is unable to determine a reasonable value.

Loans receivable to be collected in the CDBG fund (a nonmajor governmental fund) amount to $41,207, of which $31,349 is expected to be collected in more than one year. See Note 8.B for detail on leases receivable.

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A summary of the principal items of intergovernmental receivables follows:

Fund Type/Fund	*Description*	*Amount*
Major Funds		
General Fund	Local Government	$ 494,147
	Homestead and Rollback	168,759
	Jail Housing	219,984
	Casino revenue	391,792
	Youth Center Reimbursement	2,724
	Defense of Indigents	66,178
Total General Fund		1,343,584
Maintenance and Repair	Motor Vehicle License	1,025,100
	Gasoline Tax	1,852,568
Total Maintenance and Repair		2,877,668
Seneca County Opportunity Center	Homestead and Rollback	215,928
	Miscellaneous Grants	137,113
Total Seneca County Opportunity Center		353,041
Nonmajor Governmental Funds		
Emergency Management Agency	Grant	12,873
Public Assistance fund	Grant	111,012
BJA grant	Grant	28,771
Victims of Crime Act	Grant	23,971
Total Nonmajor Governmental Funds		176,627
Total		$ 4,750,920

B. Leases Receivable

The County is reporting leases receivable of $157,814 and $107,144 in the General fund and County Capital Projects (a nonmajor capital projects fund), respectively. For 2023, the County recognized lease revenue of $124,701 which is reported in rental income and interest revenue of $10,917.

The County has entered into the following lease agreements as the lessor at varying years and terms as follows:

Lease Type	Commencement Date	Years	Lease End Date	Payment Method
Farmland	2020	5	2025	Annual
Farmland	2021	3	2024	Monthly
Health District building	2020	5	2025	Quarterly
Building	2023	3	2026	Monthly

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2024	$ 141,700	$ 7,992	$ 149,692
2025	109,266	2,952	112,218
2026	13,992	81	14,073
Total	$ 264,958	$ 11,025	$ 275,983

NOTE 9 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2023 for governmental activities follows:

Governmental Activities:	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Nondepreciable/Amortized Capital Assets				
Land and Improvements	$ 22,431,403	$ 904,679	$ -	$ 23,336,082
Construction in Progress	922,126	2,376,628	(2,010,011)	1,288,743
Total Nondepreciable/Amortized Capital Assets	23,353,529	3,281,307	(2,010,011)	24,624,825
Depreciable/Amortized Capital Assets:				
Land Improvements	3,345,096	35,769	-	3,380,865
Buildings and Improvements	49,882,003	1,874,588	-	51,756,591
Machinery and Equipment	16,614,393	1,221,669	(355,822)	17,480,240
Infrastructure	46,737,892	2,828,629	(3,884,718)	45,681,803
Intangible right to use:				
Leased equipment	187,619	30,542	-	218,161
Total Depreciable/Amortized Capital Assets	116,767,003	5,991,197	(4,240,540)	118,517,660
Less: Accumulated Depreciation/Amortization:				
Land Improvements	(399,806)	(65,083)	-	(464,889)
Buildings and Building Improvements	(22,031,931)	(226,797)	-	(22,258,728)
Machinery and Equipment	(10,830,386)	(359,224)	330,568	(10,859,042)
Infrastructure	(17,296,277)	(1,456,886)	1,058,569	(17,694,594)
Intangible right to use:				
Leased equipment	(37,132)	(48,329)	-	(85,461)
Total Accumulated Depreciation/Amortization	(50,595,532)	(2,156,319)	1,389,137	(51,362,714)
Total Depreciable/Amortized Capital Assets, Net	66,171,471	3,834,878	(2,851,403)	67,154,946
Total Governmental Activities Capital Assets, Net	$ 89,525,000	$ 7,116,185	$ (4,861,414)	$ 91,779,771

Depreciation/amortization expense was charged to governmental functions as follows:

Governmental Activities:	
General government:	
Legislative and executive	$ 196,194
Judicial	15,351
Public safety	251,405
Public works	1,566,845
Health	77,246
Human services	45,290
Conservation and recreation	3,988
Total depreciation/amortization expense	$ 2,156,319

Capital assets activity for the year ended December 31, 2023 for business-type activities follows:

Business-type Activities:	Balance 12/31/22	Additions	Deletions	Balance 12/31/23
Non-depreciable Capital Assets				
Land and Improvements	$ 88,093	$ -	$ -	$ 88,093
Depreciable Capital Assets				
Buildings and Improvements	218,465	-	-	218,465
Machinery and Equipment	1,991,513	247,139	(150,000)	2,088,652
Infrastructure	6,708,356	11,950	-	6,720,306
Total Depreciable Capital Assets	8,918,334	259,089	(150,000)	9,027,423
Less: Accumulated Depreciation:				
Buildings and Improvements	(176,601)	(336)	-	(176,937)
Machinery and Equipment	(1,340,926)	(40,852)	150,000	(1,231,778)
Infrastructure	(2,157,791)	(168,731)	-	(2,326,522)
Total Accumulated Depreciation	(3,675,318)	(209,919)	150,000	(3,735,237)
Total Depreciable Capital Assets, Net	5,243,016	49,170	-	5,292,186
Business-Type Activities Capital Assets, Net	$ 5,331,109	$ 49,170	$ -	$ 5,380,279

Depreciation expense was charged to business-type activities as follows:

Business-Type Activities:	
County sewer district	$ 169,609
EMS	40,310
Total depreciation expense	$ 209,919

NOTE 10 - LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended December 31, 2023 is as follows:

	Outstanding 12/31/22	Additions	Deductions	Outstanding 12/31/23	Amount Due Within One Year
Governmental Activities					
Special Obligation Bonds (Taxable Sales)	$ 7,305,000	$ -	$ (285,000)	$ 7,020,000	$ 295,000
General Obligation Bonds (Various Purp.)	135,000	-	(135,000)	-	-
Joint Justice Center Loan (Direct Borrowing)	300,000	-	(50,000)	250,000	50,000
OWDA On-Lot Septic Loan (Direct Borrowing)	2,657	-	(2,657)	-	-
Leases Payable	152,112	30,542	(46,808)	135,846	50,864
Compensated Absences	2,632,688	134,890	(331,058)	2,436,520	20,836
Net Pension Liability	12,647,115	25,285,595	(133,025)	37,799,685	-
Net OPEB Liability	-	769,365	-	769,365	-
Governmental Activities	$ 23,174,572	$ 26,220,392	$ (983,548)	48,411,416	$ 416,700
Add: Unamortized Premium on Bond Issue:				340,681	
				$ 48,752,097	
Business-Type Activities					
Sewer District Improvement Revenue Bonds	$ 2,639,652	$ -	$ (62,000)	$ 2,577,652	$ 64,000
Compensated Absences	25,082	8,809	-	33,891	-
Net Pension Liability	153,322	1,514,387	-	1,667,709	-
Net OPEB Liability	-	34,705	-	34,705	-
OPWC Sewer Project Loan (Direct Borrowing)	2,395	-	(1,026)	1,369	342
Business-type Activities	$ 2,820,451	$ 1,557,901	$ (63,026)	$ 4,315,326	$ 64,342

Special Obligation Bonds

On July 7, 2016, the County issued $8,905,000 in series 2016 special obligation sales tax supported bonds to provide funds to pay part of the County's portion of the costs of the Joint Justice Center Project.

The series 2016 special obligation sales tax supported bonds are comprised of $7,020,000 in serial bonds outstanding at December 31, 2023. The interest rate on the current interest bonds range from 2% to 4%. The bonds were issued for a twenty-six year period, with a final stated maturity date of December 1, 2041. The bonds will be retired through the county sales tax bond retirement fund (a nonmajor governmental fund).

General Obligation Bonds

On June 9, 2009, the County issued $5,285,000 in general obligation refunding bonds to refund other general obligation bonds. General obligation bonds pledge the full faith and credit of the government. The general obligation bonds matured on December 1, 2023, and bore an annual interest rate of 2.00-5.00 percent. At December 31, 2023, the County had fulfilled this debt obligation. The general obligation refunding bonds were paid from the Bond Retirement fund (a nonmajor governmental fund) by money received from the leases to the various departments and other offices that also occupy the building and the balance from the General fund.

The County issued general obligation refunding bonds to provide resources to purchase U. S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of $5,070,000 of general obligation bonds. The investments and fixed earnings are sufficient to fully service the deceased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered deceased and therefore removed as a liability from the County's government-wide financial statements. As of December 31, 2023, the amount of deceased debt amounted to zero.

Joint Justice Center Loan

On January 26, 2015 the County entered into an interest free loan agreement with North Central Ohio Educational Service Center for up to $500,000. As of December 31, 2023, County had $250,000 outstanding. Payments will be paid in quarterly payments of $12,500, until paid in full, immediately following a 12-month grace period after the date of the final disbursement. The loan will be paid from the General fund.

The loan is a direct borrowing that has terms negotiated directly between the County and the North Central Ohio Educational Service Center and is not offered for public sale. The loan has no significant finance-related terms related to events of default, termination events or acceleration clauses.

Sewer District Improvement Revenue Bonds

On June 21, 2012, the County authorized the issuance of $3,212,000 in sewer district improvement revenue bonds at an interest rate of 2.75% for the acquisition and construction of sewer systems throughout the County. This issuance is composed of $1,712,000 in series 2012A revenue bonds, $400,000 in series 2012B revenue bonds, and $1,100,000 in series 2012C revenue bonds. The bonds are liabilities of the County Sewer District enterprise fund, are payable with charges for sewer service, and are backed by the full faith and credit of the County should these revenues be insufficient to satisfy future debt service requirements. Principal and interest payments on the bonds during 2023 required 381.70% of net revenues and 29.83% of total revenues. The total principal and interest remaining to be paid on the bonds is $3,711,377. Principal and interest paid for the current year was $134,590, total net revenues were $35,261 and total revenues were $451,147.

Proceeds from the series 2012A and 2012B sewer district improvement revenue bonds were used for the construction of sewer lines and a wastewater treatment facility in the unincorporated community of Bascom in Hopewell Township. Principal payments on the series 2012A and 2012B bonds are payable annually on October 1, beginning in 2014 and continuing through 2051. Proceeds from the series 2012C sewer district improvement revenue bonds were used to acquire the Village of New Riegel's sewer operations through the retirement of the Village of New Riegel's outstanding sewer system mortgage revenue bonds. Principal payments on the series 2012C bonds began on October 1, 2012, and continue annually through 2051.

OWDA Loan

The County has an interest-free Ohio Water Development Authority (OWDA) loan which is paid directly from the EPA On-Lot Septic Grant capital projects fund with money received from repayment of loans to individuals. The OWDA loan is an interest free loan. Disbursement of the proceeds was not capitalized as an asset, therefore the balance of the OWDA loan is not included in the calculation of the County's net investment in capital assets.

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

OPWC Loan

The County has a loan from the Ohio Public Works Commission (OPWC) for the Honey Creek Sewer Separation Project which is reported as a liability of the County Sewer District enterprise fund and is paid directly from the user fees charged to residents of the sewer district. The OPWC loan is an interest free loan.

The OPWC loan is a direct borrowing that has terms negotiated directly between the County and the OPWC and is not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the County for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the County is located to pay the amount of the default from funds that would otherwise be appropriated to the County from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

Leases Payable

The County has entered into lease agreements for the use for the right to use copier equipment with varying years and terms. Due to the implementation of GASB Statement No. 87, the County will report intangible - right to use capital assets and corresponding liability for the future scheduled payments under the leases. Principal and interest payments are being paid from the General fund, Emergency Management Fund (nonmajor special revenue fund) and Public Assistance Fund (a nonmajor special revenue fund).

Net Pension Liability - See Note 13 for details.

Net OPEB Liability - See Note 14 for details.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid. Among the County's governmental activities, these funds include General fund, Maintenance and Repair, Public Assistance, Seneca County Opportunity Center and the following nonmajor governmental funds: Real Estate Assessment, Ditch Maintenance, CSEA, DRETAC, Dog and Kennel, Community Corrections Grant, Emergency Medical Services, Emergency Management Agency, Delinquent Care and Custody Grant, Allen Eiry Guardianship, Victims of Crime Act Grant, Probate Court Programs, and Juvenile Court Programs. Compensated absences of the business-type activities will be made from the EMS fund.

Legal Debt Margin

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed one percent of the total assessed valuation of the County.

The Code further provides that the total voted and unvoted net debt of the County, less the same exempt debt, shall never exceed a sum equal to three percent of the first $100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of $100,000,000 and not in excess of $300,000,000, plus two and one-half percent of such valuation in excess of $300,000,000. The assessed valuation used in determining the County's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the County's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. Based on this calculation, the County's voted legal debt margin was $35,571,753 at December 31, 2023 and the unvoted legal debt margin was $14,829,824 at December 31, 2023.

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

	Sales Tax Supported Bonds			Joint Justice Center Loan		
Year Ended	Principal	Interest	Total	Principal	Interest	Total
2024	$ 295,000	$ 238,225	$ 533,225	$ 50,000	$ -	$ 50,000
2025	300,000	230,850	530,850	50,000	-	50,000
2026	310,000	221,850	531,850	50,000	-	50,000
2027	320,000	212,550	532,550	50,000	-	50,000
2028	330,000	202,950	532,950	50,000	-	50,000
2029 - 2033	1,805,000	854,800	2,659,800	-	-	-
2034 - 2038	2,160,000	490,800	2,650,800	-	-	-
2039 - 2041	1,500,000	90,900	1,590,900	-	-	-
Total	$ 7,020,000	$ 2,542,925	$ 9,562,925	$ 250,000	$ -	$ 250,000

	Leases Payable		
Year Ended	Principal	Interest	Total
2024	$ 50,864	$ 3,967	$ 54,831
2025	52,673	2,158	54,831
2026	26,396	596	26,992
2027	5,913	74	5,987
Total	$ 135,846	$ 6,795	$ 142,641

The following is a summary of the County's future annual debt service requirements for long-term obligations of the business-type activities:

	OPWC Sewer Project Loan			Sewer District Improvement Revenue Bonds		
Year Ended	Principal	Interest	Total	Principal	Interest	Total
2024	$ 342	$ -	$ 342	$ 64,000	$ 70,884	$ 134,884
2025	685	-	685	65,000	69,126	134,126
2026	342	-	342	67,000	67,337	134,337
2027	-	-	-	69,000	65,496	134,496
2028	-	-	-	71,000	63,597	134,597
2029 - 2033	-	-	-	386,000	287,656	673,656
2034 - 2038	-	-	-	443,000	231,475	674,475
2039 - 2043	-	-	-	504,000	167,288	671,288
2044 - 2048	-	-	-	580,000	93,864	673,864
2049 - 2051	-	-	-	328,652	17,002	345,654
Total	$ 1,369	$ -	$ 1,369	$ 2,577,652	$ 1,133,725	$ 3,711,377

NOTE 11 - RISK MANAGEMENT

A. Property and Liability

The County is exposed to various risks of loss related to torts; damage to and theft or destruction of assets; errors and omissions; injuries to employees and natural disasters. The County maintains liability insurance in the amount of $1,000,000 general aggregate. In addition, the County maintains replacement cost insurance on all buildings and their contents, with a $2,500 deductible on contents. Blanket building and personal property insurance are in the amount of $149,808,718.

The County has additional insurance coverage in the following amounts for various items:

General Liability	$1,000,000	Foster Parents	$5,000,000
Crime Coverage	$1,000,000	Valuable Papers	$2,500,000
Errors and Omissions Liability	$1,000,000	Prosecuting Attorney Defense	$25,000
Employee Dishonesty	$1,000,000	Fleet Insurance:	
Law Enforcement Liability	$1,000,000	Deductible	$2,500
Equipment Breakdown Coverage	$100,000,000	Liability	$1,000,000
Stop Gap Liability	$1,000,000	Uninsured/Underinsured Motorist	$250,000
Excess Liability	$4,000,000	Sewer Lines	$4,731,049
Flood	$125,000,000	Earthquake	$125,000,000

Settled claims have not exceeded coverage in any of the last three years. There has been no significant reduction in insurance coverage from last year.

B. Worker’s Compensation

The County participates in the County Commissioners Association of Ohio Workers' Compensation Group Retrospective Rating Program (the Program), an insurance purchasing pool. The Program is intended to achieve lower workers’ compensation rates while establishing safe working conditions and environments for the participants. The workers’ compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants of the Program. Each participant pays its workers’ compensation premium to the State based on the rate for the Program rather than its individual rate. In order to allocate the savings derived by formation of the Program, and to maximize the number of participants in the Program, the Program’s executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Program is limited to counties that can meet the Plan’s selection criteria. The firm of CompManagement, Inc., provides administrative, cost control, and actuarial services to the Program to cover the costs of administering the Program.

The County may withdraw from the Program if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers’ Compensation; however, the participant is not relieved of the obligation to pay any amounts owed to the program prior to withdrawal, and any participant leaving the Program allows representatives of the Program to access loss experience for three years following the last year of participation.

C. Natural Gas

The County Commissioners Association of Ohio Service Corporation (CCAOSC) partnered with the Palmer Energy Company to help manage a natural gas program for member counties. The program was designed specifically to help counties save money on their natural gas bill by utilizing the strength of group buying. By grouping together, counties leverage their buying power when shopping the market, thus securing the best price possible. The independent energy professionals of the Palmer Energy Company, on behalf of the CCAOSC, obtain the best price for natural gas from various reputable suppliers through the RFP process. Advisory committee meetings are held for oversight purposes regarding the natural gas program. Presently there are over 54 counties participating. Those counties are collectively saving millions of dollars in the program.

NOTE 12 - EMPLOYEE BENEFITS

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time, not to exceed vacation earned in three years, is paid upon separation if the employee has at least one year of service with the County. Sick leave time may be accrued without limit. Accumulated, unused sick leave is paid at varying rates depending on length of service to employees who retire.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Asset and Net OPEB Liability/Asset

The net pension liability/asset and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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

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

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

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

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

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

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

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Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements: Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	**Age and Service Requirements:** Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Traditional Plan Formula: 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	**Traditional Plan Formula:** 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost–of–living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3.00%. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	State and Local			
	Traditional	Combined	Public Safety	Law Enforcement
2023 Statutory Maximum Contribution Rates				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
2023 Actual Contribution Rates				
Employer:				
Pension ****	14.0 %	12.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	2.0	0.0	0.0
Total Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee	10.0 %	10.0 %	12.0 %	13.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
** This rate is determined by OPERS' Board and has no maximum rate established by ORC.
*** This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
**** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

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

The County's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was $3,244,452 for 2023. Of this amount, $144,525 is reported as due to other governments.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective Aug. 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until Aug. 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until Aug. 1, 2023 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 of their member contributions and 11.09% of the 14.00% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. The remaining 2.91% of the 14.00% 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 Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12.00% of the 14.00% percent member rate is deposited into the member's DC account and the remaining 2.00% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members 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.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2023 employer and employee contribution rate of 14.00% was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The County's contractually required contribution to STRS was $77,766 for 2023.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. STRS's total pension liability was measured as of June 30, 2023, 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 or asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Proportion of the net pension liability/asset prior measurement date	0.144709%	0.099256%	0.085238%	0.004325%	
Proportion of the net pension liability/asset current measurement date	0.139371%	0.069162%	0.102314%	0.003846%	
Change in proportionate share	-0.005338%	-0.030094%	0.017076%	-0.000478%	
Proportionate share of the net pension liability	$ 38,639,059	$ -	$ -	$ 828,335	$ 39,467,394
Proportionate share of the net pension asset	-	(152,986)	(7,509)	-	(160,495)
Pension expense	6,276,230	19,614	(727)	(3,759)	6,291,358

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Deferred outflows of resources					
Differences between expected and actual experience	$ 1,283,428	$ 9,405	$ 21,579	$ 30,201	$ 1,344,613
Net difference between projected and actual earnings on pension plan investments	11,013,347	55,753	3,520	-	11,072,620
Changes of assumptions	408,196	10,125	477	68,218	487,016
Changes in employer's proportionate percentage/ difference between employer contributions	865,615	-	-	16,559	882,174
Contributions subsequent to the measurement date	3,155,534	31,067	57,851	39,998	3,284,450
Total deferred outflows of resources	$ 16,726,120	$ 106,350	$ 83,427	$ 154,976	$ 17,070,873

	OPERS - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Deferred inflows of resources					
Differences between expected and actual experience	$ -	$ 21,863	$ -	$ 1,837	$ 23,700
Net difference between projected and actual earnings on pension plan investments	-	-	-	2,482	2,482
Changes of assumptions	-	-	-	51,349	51,349
Changes in employer's proportionate percentage/ difference between employer contributions	921,057	-	-	101,812	1,022,869
Total deferred inflows of resources	$ 921,057	$ 21,863	$ -	$ 157,480	$ 1,100,400

$3,284,450 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/increase to the net pension liability/asset in the year ending December 31, 2024.

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 - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Year Ending December 31:					
2024	$ 1,598,764	$ 2,262	$ 3,575	$ (40,732)	$ 1,563,869
2025	2,413,892	10,259	3,843	(43,506)	2,384,488
2026	3,241,765	14,228	3,911	64,226	3,324,130
2027	5,395,108	24,007	4,428	(22,490)	5,401,053
2028	-	(66)	2,543	-	2,477
Thereafter	-	2,730	7,276	-	10,006
Total	$ 12,649,529	$ 53,420	$ 25,576	$ (42,502)	$ 12,686,023

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, 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, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
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.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

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, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability/Asset to Changes in the Discount Rate - The following table presents the proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	$ 57,880,020	$ 38,639,059	$ 22,634,031
Combined Plan	(79,839)	(152,986)	(210,957)
Member-Directed Plan	(4,801)	(7,509)	(9,602)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023 actuarial valuation compared with June 30, 2022 are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	8.50% at age 20 to 2.50% at age 65
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

For the June 30, 2023, actuarial valuation, post-retirement mortality rates for healthy retirees 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.

For the June 30, 2022, actuarial valuation, post-retirement mortality rates for healthy retirees 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.

The actuarial assumptions used in the June 30, 2023, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2015, through June 30, 2021. The actuarial assumptions used in the June 30, 2022, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016. An actuarial study is done on a quinquennial basis.

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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:

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 %	

* Final target weights reflected at October 1, 2022.

** 10-year annualized geometric nominal returns include the real rate of return and inflation of 2.25% and is net of 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, 2023. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

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	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability	$ 1,273,796	$ 828,335	$ 451,597

NOTE 14 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

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

Plan Description - Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don’t meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022 who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50.00% of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The heath care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was $28,318 for 2023. Of this amount, $1,261 is reported as due to other governments.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14.00% of covered payroll. For 2023, STRS did not allocate any employer contributions to post-employment health care.

Net OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. STRS's total net OPEB asset was measured as of June 30, 2023, and the total OPEB asset 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 liability 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	STRS	Total
Proportion of the net OPEB liability/asset prior measurement date	0.140980%	0.004325%	
Proportion of the net OPEB liability current measurement date	0.135879%	0.003846%	
Change in proportionate share	-0.005101%	-0.000478%	
Proportionate share of the net OPEB liability	$ 804,070	$ -	$ 804,070
Proportionate share of the net OPEB asset	-	(74,809)	(74,809)
OPEB expense	(1,404,399)	(5,872)	(1,410,271)

At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ -	$ 116	$ 116
Net difference between projected and actual earnings on OPEB plan investments	1,596,911	135	1,597,046
Changes of assumptions	785,353	11,020	796,373
Changes in employer's proportionate percentage/ difference between employer contributions	75,729	2,466	78,195
Contributions subsequent to the measurement date	28,318	-	28,318
Total deferred outflows of resources	$ 2,486,311	$ 13,737	$ 2,500,048

	OPERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 200,565	$ 11,408	$ 211,973
Changes of assumptions	64,622	49,355	113,977
Changes in employer's proportionate percentage/ difference between employer contributions	15,443	3,529	18,972
Total deferred inflows of resources	$ 280,630	$ 64,292	$ 344,922

$28,318 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net OPEB liability in the year ending December 31, 2024.

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

	OPERS	STRS	Total
Year Ending December 31:			
2024	$ 327,978	$ (23,913)	$ 304,065
2025	579,976	(10,213)	569,763
2026	497,969	(4,037)	493,932
2027	771,440	(4,916)	766,524
2028	-	(4,466)	(4,466)
Thereafter	-	(3,010)	(3,010)
Total	$ 2,177,363	$ (50,555)	$ 2,126,808

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

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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	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75% including wage inflation
Prior Measurement date	2.75 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

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.

During 2022, 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 15.6% for 2022.

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's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

Discount Rate - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. 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) a 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 the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. 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 the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net OPEB liability/(asset)	$ 2,736,688	$ 804,070	$ (790,656)

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. 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 the health care 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% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB liability	$ 753,673	$ 804,070	$ 860,794

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023, actuarial valuation, compared with June 30, 2022, are presented below:

	June 30, 2023		June 30, 2022	
Inflation	2.50%		2.50%	
Projected salary increases	Varies by service from 2.50% to 8.50%		8.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.00%, net of investment expenses, including inflation		7.00%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Discount rate of return	7.00%		7.00%	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	7.50%	4.14%	7.50%	3.94%
Medicare	-10.94%	4.14%	-68.78%	3.94%
Prescription Drug				
Pre-Medicare	-11.95%	4.14%	9.00%	3.94%
Medicare	1.33%	4.14%	-5.47%	3.94%

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

For the actuarial valuation as of June 30, 2023, healthy mortality rates are based on 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 Healthy Annuitant Mortality Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the actuarial valuation as of June 30, 2022, healthy mortality rates are based on 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 Healthy Annuitant Mortality Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

The actuarial assumptions used in the June 30, 2023, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2015, through June 30, 2021. The actuarial assumptions used in the June 30, 2022, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016. An actuarial experience study is done on a quinquennial basis.

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

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	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 %	

* Final target weights reflected at October 1, 2022.

**10-year annualized geometric nominal returns include the real rate of return and inflation of 2.25% and is net of 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 OPEB liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00%, 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%) or one percentage point higher (8.00%) 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.

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net OPEB asset	$ 63,316	$ 74,809	$ 84,818

	1% Decrease	Current Trend Rate	1% Increase
County's proportionate share of the net OPEB asset	$ 85,282	$ 74,809	$ 62,193

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the General fund, Maintenance and Repair fund, and the Seneca County Opportunity Center fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

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

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

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);

(e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,

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

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

Net Change in Fund Balance

	General Fund	Maintenance & Repair Fund	SCOC Fund
Budget basis	$ (5,022,349)	$ 153,717	$ 923,616
Net adjustment for revenue accruals	1,381,729	438,734	(134,496)
Net adjustment for expenditure accruals	(509,059)	71,699	(22,538)
Net adjustment for other sources/uses	430,254	-	-
Funds budgeted elsewhere	273,612	-	-
Adjustment for encumbrances	732,100	144,197	899,343
GAAP basis	$ (2,713,713)	$ 808,347	$ 1,665,925

Certain funds that are legally budgeted in separate special revenue funds are considered part of the General fund on a GAAP basis. These include the mental expense rotary fund, sheriff rotary fund, unclaimed monies fund, hazardous materials fund, clerk of courts title administration fund, public safety rental fund, recorder equipment fund, employee benefits fund, underground storage tank fund, Medicaid transitional replacement fund, budget stabilization fund and the payroll withholding funds.

NOTE 16 - CONTINGENT LIABILITIES

The County has received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies on 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 not be material.

The County is named among defendants in pending litigation. Plaintiffs are seeking damages in excess of one million dollars from all defendants; however, as of December 31, 2023, the likelihood of a successful claim against the County is not known.

NOTE 17 - CONDUIT DEBT OBLIGATIONS

The County has previously issued Hospital and Healthcare Facilities Revenue Refunding Bonds to provide financial assistance to the Flat Rock Homes, Good Shepherd Home, St. Francis Home, Inc., Project and Catholic Healthcare Partners. During 2013 the County issued Health Care Facilities Revenue Bonds to provide assistance to Volunteers of America Rehabilitation Centers, Inc. and Economic Development and Lease Revenue Bonds to provide assistance to Heidelberg University. On June 18, 2019, The County issued $36,500,000 in Economic Development Revenue Bonds, Series 2019 to provide assistance to Heidelburg University, which refunded the outstanding principal of the Series 2013 Lease Revenue Bonds. The bonds are secured by the properties financed and are payable solely from the payments received on the underlying leases. Upon repayment of the bonds, ownership of the acquired facilities transfers to the entities served by the issuances. The County has made a limited commitment in relation to the bonds and leases. Neither Seneca County, the State of Ohio, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds or lease; therefore, these obligations are not reported as liabilities in the accompanying financial statements. As of December 31, 2023, an estimated $468,500,000 in revenue bond obligations were outstanding.

NOTE 18 - PUBLIC ENTITY RISK POOLS

A. County Risk Sharing Authority (CORSA)

The County is a member of CORSA, which is a public entity risk sharing pool of thirty-nine counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes 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. Financial statements may be obtained by contacting the County Commissioners Association of Ohio in Columbus, Ohio.

B. County Employee Benefits Consortium of Ohio (CEBCO)

The County is a member of CEBCO, which is a self-funded, group purchasing consortium that offers medical, dental, vision, and prescription drug coverage to thirty-six counties in Ohio. CEBCO is a nonprofit organization formed by the County Commissioners Association of Ohio (CCAO) to provide cost-effective employee benefit programs for Ohio county governments. Various plan options are available to members. These plans vary primarily by deductibles, coinsurance levels, office visit copays, and out-of-pocket maximums. CEBCO is governed by a board of directors composed mainly of representatives of counties that participate in the program. Members sign a three-year commitment to CEBCO. Premiums are paid on a monthly basis. Pursuant to participation agreements with CEBCO, each member agrees to pay all funding rates associated with the coverage it elects; as such, funding rates are set and billed to the members by CEBCO. The assigned funding rates consist of the following components: administrative fees, stop-loss fees, expected claim costs, and reserves. Reserves are actuarially determined and allocated based on expected claim activity. Rates are calculated to cover the administrative expenses and expected claims costs of the program. Financial statements may be obtained by contacting the Managing Director of Health and Wellness, 209 East State Street, Columbus, Ohio 43215.

C. County Commissioners Association of Ohio Service Corporation (CCAOSC)

The County is participating in the County Commissioners Association of Ohio Service Corporation (CCAOSC), a pool established under the rules of Ohio Revised Code Section 4123.29, which permits the establishment of employer group rating plans. The CCAOSC was established through the County Commissioners Association of Ohio (CCAO) in order to group the experience of employers for workers' compensation rating purposes.

CCAOSC retains the services of a third party administrator (TPA) in the administration of workers' compensation claims. A Group Executive Committee consists of seven members. Two of the members are president and treasurer, the remaining five members, who must be county commissioners, are elected by the participants. The Group Executive Committee calculates annual rate contributions and rebates, approves the selection of a TPA, approves proposed TPA fees and determines eligibility of participants. The County may withdraw from the group with sixty days written notice and is responsible for payment of its workers' compensation with no further responsibilities or equity. Further financial information for the County Commissioner Association of Ohio Service Corporation can be seen in the CCAO Treasurer's Report as of December 31, 2023.

NOTE 19 - JOINT VENTURES

A. Sandusky County-Seneca County-City of Tiffin Port Authority

Seneca County joined Sandusky County and the City of Tiffin in a joint venture, as described in Note 1, to purchase a railroad line from Tiffin to Woodville. The Port Authority may be dissolved at any time upon the enactment of an ordinance by the City and resolutions by the Counties. Any real or personal property will be returned to the subdivision from which it was received. Upon dissolution of the Port Authority, any personal property belonging to the Port Authority will be distributed equally to the City and the Counties after paying all expenses and debts. Non-interest revenue bonds were issued by the Port Authority during 1989 to purchase 25.1 miles of railroad in May 1990. Debt service requirements are secured by future revenue from shippers who will utilize the railroad. Principal is payable on the bonds through 2028. Summary financial information for the Port Authority for the year ended December 31, 2023 is presented below. Further financial information is in the Sandusky County-Seneca County-City of Tiffin Port Authority financial report for the year ending December 31, 2023.

	Joint Venture	County Share
Beginning Net Position	$ 2,915,713	$ 971,904
Revenues	216,603	72,202
Expenses	(216,314)	(72,105)
Ending Net Position	$ 2,916,002	$ 972,001

B. Ottawa, Sandusky, Seneca Solid Waste District

Seneca County has also entered into a joint venture with Ottawa and Sandusky Counties to form the Ottawa, Sandusky, Seneca County Solid Waste District. The Counties contributed no initial funding and the District is funded entirely by fees. In the event that fees are not sufficient for the operations, the counties shall share all operating costs and expenses incurred in the same proportions as the populations of the respective counties bears to the total population of all counties. Seneca County's share of the total is approximately 35.63 percent. Summary financial information as of, and for the fiscal year ended December 31, 2023 is presented below:

	Joint Venture	County Share
Beginning Net Position	$ 3,865,462	$ 1,377,244
Revenues	2,391,120	851,944
Expenses	(2,157,801)	(768,813)
Ending Net Position	$ 4,098,781	$ 1,460,375

	Population	Equity Percent
Ottawa	39,803	26.01%
Sandusky	58,709	38.36%
Seneca	54,527	35.63%
Total	153,039	100.00%

Summary financial information on the Ottawa, Sandusky, Seneca County Solid Waste District is unaudited cash basis financial data. Further information was not available at this time. Additional financial information can be obtained from the Sandusky County, Ohio Auditor.

C. Mental Health and Recovery Services Board (MHRS)

The Mental Health and Recovery Services Board (MHRS) is a governmental joint venture between Seneca, Ottawa, Sandusky and Wyandot counties. The MHRS Board provides mental health education, consultation, training and referral services to the public. Seneca County serves as the fiscal agent of the MHRS Board. The counties share in the equity of the MHRS Board based on the percentages of population within the three counties. Seneca County’s share of the total is approximately 31.25 percent.

Summary financial information as of, and for the year ended December 31, 2023 is presented below. Further financial information can be found in the Annual Financial Report of the Mental Health and Recovery Services Board of Seneca, Ottawa, Sandusky and Wyandot Counties as of December 31, 2023.

	Joint Venture	County Share		Population	Equity Percent
Beginning Net Position	$ 11,267,885	$ 3,521,020	Sandusky	58,709	33.64%
Revenues	11,012,219	3,441,129	Seneca	54,527	31.25%
Expenses	(9,735,054)	(3,042,037)	Wyandot	21,457	12.30%
Ending Net Position	$ 12,545,050	$ 3,920,112	Ottawa	39,803	22.81%
			Total	174,496	100.00%

D. Northland Homes and Properties, Inc.

Northland Homes and Properties, Inc. is a not-for-profit corporation organized for charitable purposes under Section 501(c)(3) of the Internal Revenue Code of 1986. The corporation is a joint effort of the DD Boards of Seneca, Crawford and Marion counties to provide a lifetime of affordable housing and residential services to citizens with developmental disabilities. The corporation is governed by a board of at least ten Trustees with each participating county board of developmental disabilities appointing two. The Trustees shall serve a maximum of three consecutive three-year terms. The housing purchases are financed by State grants that are distributed to each Board of DD and then to the Corporation. The Boards of DD also fund the operational costs of the Corporation.

Upon dissolution of the corporation, the Board of Trustees shall distribute all remaining assets of the corporation to the participating county boards of developmental disabilities.

Summary financial information as of, and for the fiscal year ended December 31, 2023 is presented below. Further financial information can be found in the Northland Homes and Properties, Inc. financial report as of December 31, 2023.

	Joint Venture	County Share
Total Assets	$ 3,094,676	$ 1,031,559
Total Liabilities	(827,888)	(275,963)
Net Position	$ 2,266,788	$ 755,596
Revenues	$ 1,190,787	$ 396,929
Expenses	(874,683)	(291,561)
Increase in Net Position	$ 316,104	$ 105,368

NOTE 20 - SENECA COUNTY LAND REUTILIZATION CORPORATION - COMPONENT UNIT

A. Description of the Entity

Seneca County Land Reutilization Corporation (the Corporation) is a county land reutilization corporation that was formed on November 19, 2015 when the Seneca County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout Seneca County (the County). The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and also return properties to productive use. The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. The term of office of each ex officio director runs concurrently with the term of office of that elected official. The term of officer of each appointed director is two years.

The Corporation is a political subdivision of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organization Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus", the Corporation's primary government and basic financial statements include components units which are defined as legally separate organizations for which the Corporation is financially accountable. The Corporation is financially accountable for an organization if the Corporation appoints a voting majority of the organization's governing board and (1) the Corporation is able to significantly influence the programs or services performed or provided by the organization; or impose its will over the organization; or (2) the Corporation is legally entitled to or can otherwise access the organization's resources; or (3) the Corporation is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Corporation is obligated for the debt of organization. The Corporation does not have any component units and does not include any organizations in its presentation. The Corporation's management believes these basic financial statements present all activities for which the Corporation is financially accountable. The Corporation is a component unit of Seneca County, Ohio.

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

The Corporation's significant accounting policies are described below.

B. Basis of Presentation

The Corporation'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 Corporation as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds. These statements usually distinguish between those activities of the Corporation that are governmental and those that are business-type. The Corporation, however, does not have any business-type activities or fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Corporation at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Corporation's governmental activities. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Corporation, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Corporation.

Fund Financial Statements

During the year, the Corporation segregates transactions related to certain Corporation 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 Corporation at this more detailed level. The Corporation's General fund is its only governmental fund.

C. Fund Accounting

The Corporation uses fund accounting to segregate cash and investments that are restricted as to use. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and attaining certain objectives in accordance with special regulations, restrictions or limitations. For financial statement presentation purposes, the Corporation's fund is classified as governmental.

Governmental Funds

Governmental funds focus 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 repaid. The difference between governmental fund assets plus deferred outflows less liabilities plus deferred inflows is reported as fund balance. The following is the Corporation's only governmental fund:

General Fund - The General fund accounts for all financial resources that are received from the County Treasurer from penalties collected on delinquent property taxes and interest on those delinquencies. The General fund receives 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Real Estate Tax Assessment and Collection (DRETAC) fund. The General fund balance is available to the Corporation for any purpose provided it is expended or transferred according to the general laws of Ohio.

D. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets, all deferred outflows, all liabilities and all deferred inflows associated with the operation of the Corporation are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

The General fund is accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows, current liabilities and current deferred inflows generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance 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 the General fund.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded on the financial records and reported on the financial statements. Government-wide statements are prepared using the accrual basis of accounting. The General fund uses the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflow 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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Corporation, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the Corporation receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the 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 Corporation must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Corporation on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, intergovernmental revenue sources are considered to be both measurable and available at year-end.

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.

F. Budgetary Process

The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities. The Corporation did not adopt an annual budget prior to the beginning of the year or approve appropriations and subsequent amendments during the year.

G. Federal Income Tax

The Corporation is exempt from federal income tax under Section 115(1) of the Internal Revenue Code.

H. Cash and Investments

All monies received by the Corporation are deposited in demand deposit accounts. The Corporation had no investments during the year or at the end of the year.

Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

I. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements. The Corporation had no prepayments outstanding at December 31, 2023.

J. Assets Held for Resale

Assets held for resale represent properties purchased by or donated to the Corporation. Purchased properties are valued based upon the purchase price plus any costs of maintenance, rehabilitation, or demolition of homes on the properties. Donated or forfeited properties are reported at fair value. The Corporation holds the properties until the home is either sold to a new homeowner, sold to an individual who will rehabilitate the home, or the home on the property is demolished. Properties with demolished homes could be transferred to the city or township they are in after demolition, until those parcels may be merged with adjacent parcels for development or green space projects, or the Corporation may sell other lots to the owners of adjacent parcels for a nominal cost.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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 fund.

L. Unearned Revenue

Unearned revenue represents funds received for property sales that have not been closed out by year-end. The amount received is classified as unearned revenue and is carried over to the next fiscal year and repaid if the sale of property falls out of contract. The Corporation had no unearned revenue at December 31, 2023.

M. Net Position

Net position represents the difference between assets, deferred outflows, liabilities and deferred inflows. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation had no restricted net position at December 31, 2023.

N. Intergovernmental Revenue

The Corporation receives operating income through the County. This money represents the penalties and interest on current unpaid and delinquent property taxes once these taxes are paid. Pursuant to ORC 321.263, these penalty and interest monies are collected by the County when taxes are paid and then are paid to the Corporation upon the Corporation’s written request. In addition, the Corporation receives State grant funding.

O. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, assets held for resale and prepaid amounts.

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

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

Assigned - Assigned fund balance includes amounts that are constrained by the Corporation's intent to be used for specific purposes, but are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by policies of the Board of Directors. The Board of Directors has by resolution authorized the Treasurer to assign fund balance.

Unassigned - Unassigned fund balance is the residual classification for the General fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General fund.

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

P. Estimates

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

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Corporation Administration and that are either unusual in nature or infrequent in occurrence. The Corporation had no extraordinary or special items during 2023.

R. Deposits and Investments

At December 31, 2023, the carrying amount and bank balance of all Corporation deposits was $336,744. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2023, $250,000 of the Corporation's bank balance was covered by the Federal Deposit Insurance Corporation (FDIC) and the remaining $86,744 was either covered by the Ohio Pooled Collateral System (OPCS) or exposed to custodial credit risk as described below.

Custodial credit risk is the risk that, in the event of bank failure, the Corporation will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Corporation has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Corporation's and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Corporation to a successful claim by the FDIC.

S. Risk Management

The Corporation 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. For 2023, the Corporation was covered under Seneca County's policy with the County Risk Sharing Authority (CORSA) for liability insurance.

There has been no reduction in coverage from the prior year and settled claims have not exceeded coverage the past two years and there was no significant change in insurance coverage from the prior year.

T. Transactions with Seneca County

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Seneca County Board of Commissioners to receive 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Real Estate Tax Assessment and Collection (DRETAC) fund and will be available for appropriation by the Corporation to fund operations.

At December 31, 2023, the Corporation recognized revenues of $96,766 for these fees that were collected by Seneca County in 2023.

U. Contingencies

The Corporation received financial assistance from State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General fund. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Corporation.

NOTE 21 - SENECA COUNTY TRANSPORTATION IMPROVEMENT DISTRICT - COMPONENT UNIT

A. Description of the Entity

The Transportation Improvement District, Seneca County (the District), is a body politic and corporate, created for the purpose to acquire, construct, enlarge, improve, equip, sell, lease, lease-purchase, exchange, or otherwise dispose of property, structures, and other facilities for transportation projects. The District was specifically created pursuant to Chapter 5540 of the Ohio Revised Code, as amended. The District was created by action of the Board of Seneca County Commissioners on October 25, 2017.

The District is governed by a Board of Trustees that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members of whom five are voting and two are non-voting. Each Board member serves a term of one year and there are no term limits for reappointment. The five voting Board members are appointed by the Board of Seneca County Commissioners, one nonvoting member is appointed by the Speaker of the Ohio House of Representatives of the general assembly, and one nonvoting member is appointed by the President of the Senate of the general assembly.

The District is a political subdivision of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organization Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus", the District's primary government and basic financial statements include components units which are defined as legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or impose its will over the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of organization. The District does not have any component units and does not include any organizations in its presentation. The District's management believes these basic financial statements present all activities for which the District is financially accountable. The District is a component unit of Seneca County, Ohio.

The financial statements of the District 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 more significant of the District's accounting policies are described below.

B. Basis of Presentation

The District'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 District as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds. These statements usually distinguish between those activities of the District that are governmental and those that are business-type. The District, however, does not have any business-type activities or fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limitations. 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 District.

Fund Financial Statements During the year, the District segregates transactions related to certain District 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 District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds would be aggregated and presented in a single column.

C. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and attaining certain objectives in accordance with special regulations or limitations. For financial statement presentation purposes, the District's funds are classified as governmental. There is one category of funds: Governmental.

Governmental Funds Governmental funds focus 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 funds' assets and liabilities is reported as fund balance. The following is the District's major governmental fund:

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

D. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the *economic resources* measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the District are included on the of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows, 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. At December 31, 2023, there were no differences between the government-wide statements and the statements for governmental funds.

E. 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. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange 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 District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include grants, entitlements, and donations. 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 fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, intergovernmental revenue sources are considered to be both measurable and available at fiscal year-end.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include unavailable revenue. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes intergovernmental receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. At December 31, 2023 the District did not have deferred outflows/inflows of resources.

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.

F. Budgetary Process

The District is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities. The District did not adopt an annual budget prior to the beginning of the year or approve appropriations and subsequent amendments during the year.

G. Cash and Cash Equivalents

The Seneca County Treasurer maintains a cash and investment pool used for all County and the District's funds. The District has no other cash deposits or investments and does not receive interest income on its cash balances held in the County Treasury.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment by Surety Company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

H. Capital Assets

The District reports no capital assets.

I. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide 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. At December 31, 2023, the District had no payables or accrued liabilities.

J. Receivables

The District had no receivables outstanding at December 31, 2023.

K. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, assets held for resale and prepaid items.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board of Trustees (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - The assigned fund balance classification is intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended uses established by policies of the Board of Trustees.

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

L. Net Position

The District applies restricted resources first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. The District had no restricted net position at December 31, 2023.

M. 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.

N. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District Administration and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during 2023.

O. Risk Management

The District is covered under Seneca County's County Risk Sharing Authority (CORSA) insurance policy.

P. Contingencies

Federal and State contracts are subject to review and audit by the grantor agencies or their designees. Such audits could lead to requests for reimbursement to the grantor agency for expenses disallowed under terms of the grant. There are no such claims pending and no known situations which would lead to such a claim. In addition, based upon prior experience and audit results, management believes that such disallowances, if any, would be immaterial.

NOTE 22 - RELATED PARTY TRANSACTIONS

For the year ended December 31, 2023 the County participated in the following related party transactions:

Related Party	Purpose	Amount
Soil and Water Conservation District	Flood Plain Administration	$ 10,000
Seneca County Regional Planning Commission	Assessment	41,438
Total		$ 51,438

NOTE 23 - JOINT USE MANAGEMENT AGREEMENT

On September 22, 2015, the County entered into an agreement with the City of Tiffin in which both parties agreed to provide financing, construction and improvements for the Joint Justice Center. The County is responsible for 75% of the annual operating costs and the City of Tiffin is responsible for the remaining 25%. Each party is also must contribute monies for capital costs of improvements to the Joint Justice Center, the Justice Center Site and replacing or improving furniture, furnishings and equipment. The County is responsible for contributing $30,000 and the City is responsible for contributing $10,000. Those contributions increase by three percent each fiscal year.

On May 17, 2018, the County entered into an agreement with the City of Tiffin and the City of Fostoria for the reimbursement of services associated with the current contract with the County and Inspiron Logistics, Wireless Emergency Notification System for a period of three years, beginning June 1, 2018 thru May 30, 2021. The agreement automatically renews annually until terminated in writing.

NOTE 24 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of resources in the governmental funds.

Constraints placed on fund balances for the governmental funds are presented below:

Fund balance	General	Maintenance and Repair	Seneca County Opportunity Center	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	$ 136,567	$ 532,715	$ 23,059	$ -	$ 692,341
Prepayments	263,212	14,829	61,212	99,166	438,419
Unclaimed monies	218,210	-	-	-	218,210
Long-term loans	126,293	-	-	-	126,293
Total nonspendable	744,282	547,544	84,271	99,166	1,475,263
Restricted:					
Capital projects	-	-	-	1,349	1,349
Grants and specific programs	-	-	-	5,672,328	5,672,328
SCOC programs	-	-	22,106,664	-	22,106,664
Human services programs	-	-	-	2,103,406	2,103,406
Roads and bridges	-	18,330,272	-	-	18,330,272
Community and economic development	-	-	-	247,992	247,992
Debt service	-	-	-	44,435	44,435
Total restricted	-	18,330,272	22,106,664	8,069,510	48,506,446
Committed:					
Underground storage tank	11,855	-	-	-	11,855
Assigned:					
Debt service	-	-	-	1,872	1,872
Capital projects	-	-	-	7,727,780	7,727,780
Grants and specific programs	8,629	-	-	-	8,629
General government	1,997,923	-	-	-	1,997,923
Public safety	42,704	-	-	-	42,704
Conservation and recreation	8,900	-	-	-	8,900
Human services	12,133	-	-	-	12,133
Employee benefits	495,221	-	-	-	495,221
Public works	1,996	-	-	-	1,996
Total assigned	2,567,506	-	-	7,729,652	10,297,158
Unassigned (deficit)	8,601,334	-	-	(15,881)	8,585,453
Total fund balances	$ 11,924,977	$ 18,877,816	$ 22,190,935	$ 15,882,447	$ 68,876,175

NOTE 25 - OTHER COMMITMENTS

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

Fund	Encumbrances
General	$ 436,994
Maintenance and Repair	132,478
Seneca County Opportunity Center	701,422
Nonmajor governmental	1,699,121
Total	$ 2,970,015

NOTE 26 - TAX ABATEMENTS

As of December 31, 2023, the County provides tax abatements through two programs - Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA 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. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone 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. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the Agreement) with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The County has entered into Economic Zone (EZ) tax abatement agreements for the abatement of real property taxes with the City of Tiffin and the City of Fostoria. The total value of the County's share of taxes abated from EZ and CRA programs in 2023 was $950 and $10,020, respectively.

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY/NET PENSION ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	2023	2022	2021	2020
Traditional Plan:				
County's proportion of the net pension liability	0.139371%	0.144709%	0.129444%	0.133861%
County's proportionate share of the net pension liability	$ 38,639,059	$ 11,839,077	$ 18,120,369	$ 24,974,350
County's covered payroll	$ 20,586,293	$ 17,859,486	$ 17,849,993	$ 18,113,629
County's proportionate share of the net pension liability as a percentage of its covered payroll	187.69%	66.29%	101.51%	137.88%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	92.62%	86.88%	82.17%
Combined Plan:				
County's proportion of the net pension asset	0.069162%	0.099256%	0.092098%	0.104624%
County's proportionate share of the net pension asset	$ 152,986	$ 367,740	$ 251,324	$ 205,929
County's covered payroll	$ 302,557	$ 427,771	$ 383,114	$ 445,243
County's proportionate share of the net pension asset as a percentage of its covered payroll	50.56%	85.97%	65.60%	46.25%
Plan fiduciary net position as a percentage of the total pension asset	137.14%	169.88%	157.67%	145.28%
Member Directed Plan:				
County's proportion of the net pension asset	0.102314%	0.085238%	0.090294%	0.081481%
County's proportionate share of the net pension asset	$ 7,509	$ 14,553	$ 15,561	$ 2,907
County's covered payroll	$ 648,150	$ 505,190	$ 504,040	$ 463,020
County's proportionate share of the net pension asset as a percentage of its covered payroll	1.16%	2.88%	3.09%	0.63%
Plan fiduciary net position as a percentage of the total pension asset	126.74%	171.84%	188.21%	118.84%

Amounts presented for each fiscal year were determined as of the County's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.135176%	0.131682%	0.129274%	0.129323%	0.127219%	0.127219%
$ 35,392,536	$ 19,773,939	$ 27,927,276	$ 21,469,046	$ 14,684,663	$ 14,352,986
$ 17,503,793	$ 16,818,677	$ 16,321,667	$ 14,434,208	$ 15,229,083	$ 16,090,392
202.20%	117.57%	171.11%	148.74%	96.43%	89.20%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
0.100040%	0.117856%	0.111159%	0.110370%	0.116450%	0.110645%
$ 106,943	$ 153,572	$ 58,857	$ 51,463	$ 40,770	$ 11,111
$ 409,550	$ 459,185	$ 432,683	$ 389,575	$ 404,450	$ 346,754
26.11%	33.44%	13.60%	13.21%	10.08%	3.20%
126.64%	137.28%	116.55%	116.90%	114.83%	104.56%
0.078083%	0.078923%	0.065284%	0.071569%	n/a	n/a
$ 1,701	$ 2,637	$ 259	$ 274	n/a	n/a
$ 427,240	$ 411,510	$ 268,300	$ 394,092	n/a	n/a
0.40%	0.64%	0.10%	0.07%	n/a	n/a
113.42%	124.46%	103.40%	103.91%	n/a	n/a

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN YEARS

	2023	2022	2021	2020
County's proportion of the net pension liability	0.003846%	0.004325%	0.004121%	0.004240%
County's proportionate share of the net pension liability	$ 828,335	$ 961,360	$ 526,930	$ 1,025,835
County's covered-employee payroll	$ 620,829	$ 559,507	$ 504,657	$ 599,950
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	133.42%	171.82%	104.41%	170.99%
Plan fiduciary net position as a percentage of the total pension liability	80.02%	78.88%	87.78%	75.48%

Amounts presented for each fiscal year were determined as of the County's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
0.004758%	0.004687%	0.005000%	0.004600%	0.004888%	0.004711%
$ 1,052,285	$ 1,030,584	$ 1,187,841	$ 1,539,826	$ 1,351,019	$ 1,145,990
$ 573,536	$ 561,850	$ 564,600	$ 553,757	$ 555,685	$ 518,723
183.47%	183.43%	210.39%	278.07%	243.13%	220.93%
77.40%	77.30%	75.30%	66.80%	72.10%	74.70%

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF COUNTY PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	2023	2022	2021	2020
Traditional Plan:				
Contractually required contribution	$ 3,155,534	$ 2,882,081	$ 2,500,328	$ 2,498,999
Contributions in relation to the contractually required contribution	(3,155,534)	(2,882,081)	(2,500,328)	(2,498,999)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
County's covered payroll	$ 22,539,529	$ 20,586,293	$ 17,859,486	$ 17,849,993
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%
Combined Plan:				
Contractually required contribution	$ 31,067	$ 42,358	$ 59,888	$ 53,636
Contributions in relation to the contractually required contribution	(31,067)	(42,358)	(59,888)	(53,636)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
County's covered payroll	$ 258,892	$ 302,557	$ 427,771	$ 383,114
Contributions as a percentage of covered payroll	12.00%	14.00%	14.00%	14.00%
Member Directed Plan:				
Contractually required contribution	$ 57,851	$ 64,815	$ 50,519	$ 50,404
Contributions in relation to the contractually required contribution	(57,851)	(64,815)	(50,519)	(50,404)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
County's covered payroll	$ 578,510	$ 648,150	$ 505,190	$ 504,040
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ 2,535,908	$ 2,450,531	$ 2,186,428	$ 1,958,600	$ 1,732,105	$ 1,827,490
(2,535,908)	(2,450,531)	(2,186,428)	(1,958,600)	(1,732,105)	(1,827,490)
$ -	$ -	$ -	$ -	$ -	$ -
$ 18,113,629	$ 17,503,793	$ 16,818,677	$ 16,321,667	$ 14,434,208	$ 15,229,083
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
$ 62,334	$ 57,337	$ 59,694	$ 51,922	$ 46,749	$ 48,534
(62,334)	(57,337)	(59,694)	(51,922)	(46,749)	(48,534)
$ -	$ -	$ -	$ -	$ -	$ -
$ 445,243	$ 409,550	$ 459,185	$ 432,683	$ 389,575	$ 404,450
14.00%	14.00%	13.00%	12.00%	12.00%	12.00%
$ 46,302	$ 42,724	$ 41,151	$ 32,196	$ 47,291	
(46,302)	(42,724)	(41,151)	(32,196)	(47,291)	
$ -	$ -	$ -	$ -	$ -	
$ 463,020	$ 427,240	$ 411,510	$ 268,300	$ 394,092	
10.00%	10.00%	10.00%	12.00%	12.00%	

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF COUNTY PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 77,766	$ 86,916	$ 78,331	$ 70,652
Contributions in relation to the contractually required contribution	(77,766)	(86,916)	(78,331)	(70,652)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
County's covered payroll	$ 555,471	$ 620,829	$ 559,507	$ 504,657
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	2019	2018	2017	2016	2015	2014
	$ 83,993	$ 80,295	$ 78,659	$ 79,044	$ 77,526	$ 72,239
	(83,993)	(80,295)	(78,659)	(79,044)	(77,526)	(72,239)
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 599,950	$ 573,536	$ 561,850	$ 564,600	$ 553,757	$ 555,685
	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/NET OPEB ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST SEVEN YEARS

	2023	**2022**	**2021**	**2020**
County's proportion of the net OPEB liability/asset	0.135879%	0.140980%	0.126737%	0.130919%
County's proportionate share of the net OPEB liability/(asset)	$ 804,070	$ (4,152,247)	$ (2,134,532)	$ 17,068,937
County's covered payroll	$ 21,537,000	$ 18,792,447	$ 18,737,147	$ 19,021,892
County's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	-3.73%	22.10%	11.39%	89.73%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	94.79%	128.23%	115.57%	47.80%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the County's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017	
	0.131868%		0.129140%		0.125744%
$	16,435,790	$	13,423,280	$	12,700,586
$	18,340,583	$	17,689,372	$	17,022,650
	89.61%		75.88%		74.61%
	46.33%		54.14%		54.15%

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/NET OPEB ASSET
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST SEVEN YEARS

	2023	2022	2021	2020
County's proportion of the net OPEB liability/asset	0.003846%	0.004325%	0.004121%	0.004240%
County's proportionate share of the net OPEB liability (asset)	$ (74,809)	$ (111,978)	$ (86,892)	$ (74,511)
County's covered-employee payroll	$ 620,829	$ 559,507	$ 504,657	$ 599,950
County's proportionate share of the net OPEB liability/asset as a percentage of its covered-employee payroll	12.05%	20.01%	17.22%	12.42%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	168.52%	230.73%	174.73%	182.13%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the County's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019		2018		2017	
	0.004758%		0.004687%		0.005000%
$	(78,810)	$	(75,000)	$	195,095
$	573,536	$	561,850	$	564,600
	13.74%		13.35%		34.55%
	174.70%		176.00%		47.10%

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF COUNTY OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

LAST TEN YEARS

	2023	2022	2021	2020
Contractually required contribution	$ 28,318	$ 25,926	$ 20,208	$ 20,161
Contributions in relation to the contractually required contribution	(28,318)	(25,926)	(20,208)	(20,161)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
County's covered payroll	$ 23,376,931	$ 21,537,000	$ 18,792,447	$ 18,737,147
Contributions as a percentage of covered payroll	0.12%	0.12%	0.11%	0.11%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ 18,521	$ 17,090	$ 193,853	$ 336,197	$ 296,476	$ 333,730
(18,521)	(17,090)	(193,853)	(336,197)	(296,476)	(333,730)
$ -	$ -	$ -	$ -	$ -	$ -
$ 19,021,892	$ 18,340,583	$ 17,689,372	$ 17,022,650	$ 15,217,875	$ 15,633,533
0.10%	0.09%	1.10%	1.97%	1.95%	2.13%

SENECA COUNTY

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF COUNTY OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN YEARS

	2023	2022	2021	2020
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
County's covered payroll	$ 555,471	$ 620,829	$ 559,507	$ 504,657
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2019	2018	2017	2016	2015	2014
$ -	$ -	$ -	$ -	$ -	$ 4,965
-	-	-	-	-	(4,965)
$ -	$ -	$ -	$ -	$ -	$ -
$ 599,950	$ 573,536	$ 561,850	$ 564,600	$ 553,757	$ 555,685
0.00%	0.00%	0.00%	0.00%	0.00%	1.00%

PENSION

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms:
- There were no changes in benefit terms from the amounts reported for 2014-2023.

Changes in assumptions:
- There were no changes in assumptions for 2014-2016.
- For 2017, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 8.00% down to 7.50%, (b) for defined benefit investments, decreasing the wage inflation from 3.75% to 3.25% and (c) changing the future salary increases from a range of 4.25%-10.05% to 3.25%-10.75%.
- There were no changes in assumptions for 2018.
- For 2019, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) the assumed rate of return and discount rate were reduced from 7.50% down to 7.20%.
- There were no changes in assumptions for 2020-2021.
- For 2022, the following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date: (a) wage inflation was changed from 3.25% to 2.75%, (b) future salary increases, including inflation were changed from 3.25%-10.75% to 2.75%-10.75%, (c) COLA for post 1/7/2013 retirees were changed from 0.50%, simple through 2021, then 2.15% simple to 3.00%, simple through 2022, then 2.05% simple and (d) the actuarially assumed rate of return was changed from 7.20% to 6.90%.
- There were no changes in assumptions for 2023.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms:
- There were no changes in benefit terms from the amounts reported for 2014-2016.
- For 2017, STRS decreased the Cost of Living Adjustment (COLA) to zero effective July 1, 2017.
- There were no changes in benefit terms for 2018-2023.

Changes in assumptions:
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016.
- For 2017, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in assumptions for 2018-2020.
- For 2021, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) projected salary increases changed from 12.50% at age 20 to 2.50% at age 65 to varies by Service from 2.5% to 8.50% and (b) post-retirement mortality rates were changed from RP-2014 Annuitant Mortality Tables to Pub-2010 Teacher Health Annuitant Mortality Tables.
- There were no changes in assumptions for 2023.

(Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for 2017-2020.
- For 2021, the following were the most significant changes in benefit terms since the prior measurement date: the Board approved several changes to the health care plan offered to Medicare and non-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 non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in the December 31, 2020 measurement date health care valuation. These changes significantly decreased the total OPEB liability for the measurement date December 31, 2020.
- There were no changes in benefit terms from the amounts reported for 2022-2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2017.
- For 2018, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date: (a) reduction in the actuarially assumed rate of return from 4.23% down to 3.85%.
- For 2019, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.85% up to 3.96%, (b) The investment rate of return was decreased from 6.50% down to 6.00%, (c) the municipal bond rate was increased from 3.31% up to 3.71% and (d) the health care cost trend rate was increased from 7.50%, initial/3.25%, ultimate in 2028 up to 10.00%, initial/3.25% ultimate in 2029.
- For 2020, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was decreased from 3.96% down to 3.16%, (b) the municipal bond rate was decreased from 3.71% down to 2.75% and (c) the health care cost trend rate was increased from 10.50%, initial/3.25%, ultimate in 2029 up to 10.50%, initial/3.50% ultimate in 2030.
- For 2021, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.16% up to 6.00%, (b) the municipal bond rate was decreased from 2.75% down to 2.00% and (c) the health care cost trend rate was decreased from 10.50%, initial/3.50%, ultimate in 2030 down to 8.50%, initial/3.50% ultimate in 2035.
- For 2022, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) wage inflation changed from 3.25% to 2.75%, (b) projected salary increases, including inflation changed from 3.25%-10.75% to 2.75%-10.75%, (c) the municipal bond rate was changed from 2.00% to 1.84% and (d) the health care cost trend rate was changed from 8.50% initial, 3.50% ultimate in 2035 to 5.50% initial, 3.50% ultimate in 2034.
- For 2023, the following were the most significant changes of assumptions that affect the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 6.00% to 5.22%, (b) the municipal bond rate was changed from 1.84% to 4.05% and (c) the health care cost trend rate was changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

(Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- For 2017, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For 2018, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For 2019, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For 2020, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.
- For 2021, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- For 2022, the non-Medicare subsidy percentage was increased from 2.100% to 2.200%.
- For 2023, there were no change in benefit terms.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For 2017, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For 2018, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For 2019, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- For 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For 2021, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.

(Continued)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO (CONTINUED)

Changes in assumptions (continued) :

- For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) projected salary increases changed from 12.50% at age 20 to 2.50% at age 65 to 8.50% at age 20 to 2.50% at age 65, (b) post-retirement mortality rates were changed from RP-2014 Annuitant Mortality Tables to Pub-2010 Teacher Health Annuitant Mortality Tables and (c) health care cost trend rates were changed to the following: medical pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate, Medicare -16.18% initial - 4.00% ultimate to -68.78% initial - 3.94% ultimate; prescription drug pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate, Medicare 29.98% initial - 4.00% ultimate to -5.47% initial - 3.94% ultimate.
- For 2023, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate, Medicare -68.78% initial - 3.94% ultimate to -10.94% initial - 4.14% ultimate; prescription drug pre-Medicare from 9.00% initial - 3.94% ultimate to -11.95% initial - 4.14% ultimate, Medicare -5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.

SENECA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Job and Family Services			
SNAP Cluster			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2223-11-6989/G-2425-11-6197	$ 370,521
COVID-19 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2223-11-6989/G-2425-11-6197	34,145
Total SNAP Cluster			404,666
Passed Through Ohio Department of Education and Workforce			
Child Nutrition Cluster			
National School Lunch Program			
Cash Assistance	10.555	IRN066241	8,978
NonCash Assistance (Food Distribution)	10.555	IRN066241	2,998
Cash Assistance	10.555	IRN093286	23,810
NonCash Assistance (Food Distribution)	10.555	IRN093286	1,542
Total AL #10.555			37,328
School Breakfast Program	10.553	IRN093286	10,942
Total Child Nutrition Cluster			48,270
Total U.S. Department of Agriculture			452,936
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through Ohio Department of Development			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-F-21-1CQ-1	66,700
U.S. DEPARTMENT OF JUSTICE			
Passed Through the Ohio Attorney General			
Crime Victim Assistance	16.575	2023-VOCA-135109539	67,432
Crime Victim Assistance	16.575	2024-VOCA-135502763	23,971
Crime Victim Assistance	16.575	2023-SVAA-135109542	5,387
Crime Victim Assistance	16.575	2024-SVAA-135502766	1,888
Total AL #16.575			98,678
Pass Through Ohio Department of Public Safety Office of Criminal Justice Services			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022-JG-A03-6508E	25,164
Direct			
Drug Court Discretionary Grant Program	16.585	2018-DC-BX-0135	60,268
Drug Court Discretionary Grant Program	16.585	15PBJA-22-GG-03914-DGCT	179,491
Total AL #16.585			239,759
Comprehensive Opioid Abuse Site-Based Program	16.838	2020-AR-BX-0067	198,579
Total U.S. Department of Justice			562,180
U.S. DEPARTMENT OF LABOR			
Passed Through Montgomery County Workforce Investment Act (WIOA) Area 7			
WIOA Cluster			
WIA Adult Program	17.258	2020/21-7174-1	371,124
WIA Youth Activities	17.259	2020/21-7174-1	75,414
WIA Dislocated Worker Formula Grants	17.278	2020/21-7174-1	59,544
Total WIOA Cluster			506,082
Unemployment Insurance	17.225	2020/21-7174-1	16,941
Workforce Investment Act (WIA) National Emergency Grants	17.277	2020/21-7174-1	130,451
Total U.S. Department of Labor			653,474
U.S. DEPARTMENT OF TRANSPORTATION			
Direct			
Airport Improvement Program	20.106	3-39-0076-017-2021	126,540
COVID-19 Airport Improvement Program	20.106	3-39-0076-018-2021	3,200
Total AL #20.106			129,740
Passed Through Ohio Department of Transportation			
Highway Planning and Construction			
SEN CEAO 2023 Sign Upgrade	20.205	117847	28,724

(Continued)

SENECA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
Passed Through Ohio Department of Public Safety			
Highway Safety Cluster			
State and Community Highway Safety	20.600	IDEP/STEP-2023-O-00071	7,658
State and Community Highway Safety	20.600	IDEP/STEP-2024-O-00056	1,170
Total Highway Safety Cluster			8,828
Minimum Penalties for Repeat Offenders for Driving while Intoxicated	20.608	IDEP/STEP-2023-O-00071	2,981
Minimum Penalties for Repeat Offenders for Driving while Intoxicated	20.608	IDEP/STEP-2024-O-00056	1,599
Total AL #20.608			4,580
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK32240034HMEP	13,880
Total U.S. Department of Transportation			185,752
U.S. DEPARTMENT OF TREASURY			
Passed Through Ohio Department of Job and Family Services			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	G-2223-11-6989	101,096
Passed Through Ohio Office of Budget and Management			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0659	1,767,025
Total AL #21.027			1,868,121
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79T1081926-01	323,443
Passed Through Health Resources and Services Administration			
COVID-19 Provider Relief Fund	93.498	N/A	1,005
Passed Through Ohio Department of Health			
COVID-19 Epidemiology and Laboratory Capacity for Infection Diseases	93.323	FY2023	59,736
Passed Through Ohio Department of Job and Family Services			
Title IV-E Prevention and Family Services and Programs	93.472	G-2223-11-6989/G-2425-11-6197	27,728
Promoting Safe and Stable Families	93.556	G-2223-11-6989/G-2425-11-6197	17,056
Temporary Assistance for Needy Families	93.558	G-2223-11-6989/G-2425-11-6197	1,658,115
Child Support Enforcement	93.563	G-2223-11-6989/G-2425-11-6197	949,831
CCDF Cluster			
Child Care and Development Block Grant	93.575	G-2223-11-6989/G-2425-11-6197	79,055
Grants to States for Access and Visitation Programs	93.597	G-2223-11-6989/G-2425-11-6197	51,872
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2223-11-6989/G-2425-11-6197	47,943
Foster Care Title IV-E	93.658	G-2223-11-6989/G-2425-11-6197	481,127
Adoption Assistance	93.659	G-2223-11-6989/G-2425-11-6197	216,483
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2223-11-6989/G-2425-11-6197	4,119
Passed Through Ohio Department of Job and Family Services			
Social Services Block Grant	93.667	G-2223-11-6989/G-2425-11-6197	608,110
Passed Through Ohio Department of Developmental Disabilities			
Social Services Block Grant	93.667	2301OHSOSR	36,036
Total AL #93.667			644,146
Passed Through Ohio Department of Job and Family Services			
COVID-19 Elder Abuse Prevention Interventions Program	93.747	G-2223-11-6989/G-2425-11-6197	72,834
Passed Through Ohio Department of Job and Family Services			
Medicaid Cluster			
Medical Assistance Program	93.778	G-2223-11-6989/G-2425-11-6197	444,605
Total U.S. Department of Health and Human Services			5,079,098

(Continued)

SENECA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through Ohio Emergency Management Agency			
Emergency Management Performance Grants	97.042	EMC-2022-EP-00006	63,139
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education and Workforce			
Special Education Cluster (IDEA)			
Special Education Grants to States	84.027	FY2023	30,174
Education Stabilization Fund			
COVID-19 Governor's Emergency Education Relief Fund II	84.425C	FY2023	48,062
Total U.S. Department of Education			78,236
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 9,009,636**

The accompanying notes are an integral part of this schedule

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Seneca County, Ohio (the County) under programs of the federal government for the year ended December 31, 2023. 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 – CHILD NUTRITION CLUSTER

The County commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the County assumes it expends federal monies first.

NOTE E – FOOD DONATION PROGRAM

The County reports commodities consumed on the Schedule at the entitlement value. The County allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

NOTE F – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS WITH REVOLVING LOAN CASH BALANCE

The current cash balance on the County's CDBG local program income account as of December 31, 2023 is $121,701.

The current cash balance on the County's HOME local program income account as of December 31, 2023 is $38,228.

NOTE G – MATCHING REQUIREMENTS

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

NOTE H – TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2023, the County made allowable transfers of $489,584 from the Temporary Assistance for Needy Families (TANF) (AL #93.558) program to the Social Services Block Grant (SSBG) (AL #93.667) program. The Schedule shows the County spent approximately $1,658,115 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during fiscal year 2023 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	$2,147,699
Transfer to Social Services Block Grant	(489,584)
Total Temporary Assistance for Needy Families	$1,658,115

NOTE I – PRIOR SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The following error was noted on the 2022 Schedule of Expenditures of Federal Awards:

- Emergency Management Performance Grant (AL #97.042) expenditures of $27,846 were inadvertently omitted from the 2022 Schedule.

This error would not have a material effect on the assessment of major programs or testing of the major programs in 2022.

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Seneca County
109 South Washington Street #2206
Tiffin, Ohio 44883-2841

To the Board of County Commissioners:

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Seneca County, Ohio, (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 12, 2024.

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 grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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.

Keith Faber
Auditor of State
Columbus, Ohio

September 12, 2024

65 East State Street
Columbus, Ohio 43215
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800-282-0370

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

Seneca County
109 South Washington Street #2206
Tiffin, Ohio 44883-2841

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Seneca County, Ohio's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Seneca County's major federal programs for the year ended December 31, 2023. Seneca County's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Seneca County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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 *Auditor's 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.

Responsibilities of Management for Compliance

The County's 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.

Auditor's 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 the 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.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

September 12, 2024

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SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Coronavirus State and Local Fiscal Recovery Funds – AL #21.027 Social Services Block Grant – AL #93.667
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

SENECA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 9/26/2024

65 East State Street, Columbus, Ohio 43215
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