NOBLE COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2019

OHIO AUDITOR OF STATE
KEITH FABER

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Noble County
200 Courthouse Square
Caldwell, Ohio 43724

To the Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Noble County, Ohio (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Noble County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Job and Family Services, Motor Vehicle and Gasoline Tax, Developmental Disabilities Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during 2019, the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter. Additionally, as discussed in Note 24 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis* and Schedules of Net Pension and Other Post-Employment Benefit Liabilities/Assets and Pension and Other Post-Employment Benefit Contributions listed in the Table of Contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the County's basic financial statements taken as a whole.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

December 23, 2020

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Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the County of Noble, Ohio's (the County) financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the County's financial performance as a whole. The MD&A should be read in conjunction with the basic financial statements, notes to the basic financial statements, and required supplementary information to enhance their understanding of the County's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2019 are as follows:

- The assets of Noble County exceeded its liabilities at the close of the year ended December 31, 2019, by $42,853,589 (net position). Of this amount, no amount may be used to meet the County's ongoing obligations to citizens and creditors as the entire balance is either restricted or invested in capital assets.

- The County's total net position increased by $1,247,372 from the total net position at the beginning of the year 2019.

- At the end of the current year, the County reported unrestricted net position for governmental activities of ($7,776,648).

- At the end of the current year, the County's governmental funds reported a combined ending fund balance of $14,239,469, an increase of $3,473,005 from the prior year. Of this amount, $844,406 is available for spending (unassigned fund balance) on behalf of its citizens.

- At the end of the current year, unassigned fund balance for the General Fund was $1,079,595, which represents 21 percent of total General Fund expenditures.

Using this Annual Financial Report

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those finances.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. Fund financial statements also report County's operations in more detail than the government-wide statements by providing information about the County's most financially significant funds. Nonmajor funds are presented separately from major funds in total and in one column.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Statement of Net Position and Statement of Activities

While these documents contain information about the funds used by the County to provide services to our citizens, the view of the County as a whole looks at all financial transactions and asks the question, "How did we do financially during 2019?" The Statement of Net Position and the Statement of Activities answer this question.

The Statement of Net Position presents information on all of the County's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between these reported as net position. The Statement of Activities presents information showing how the County's net position changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net position is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

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

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

Business-Type Activities - This service is provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's sewer system is reported here.

Reporting Noble 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 of the funds of the County can be divided into three categories; governmental funds, proprietary funds, and fiduciary funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to its residents. The fund financial statements focus on the County's most significant funds. The County's major governmental funds include the General Fund and the Job and Family Services, Motor Vehicle and Gasoline Tax, and Developmental Disabilities Special Revenue Funds.

Governmental Funds **-** Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

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 on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-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 on the governmental fund balance sheet and on the governmental fund 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. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds **-** The County maintains one proprietary fund - enterprise. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses an enterprise fund to account for the Sewer Fund 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 on the government-wide financial statements because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

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

Government-Wide Financial Analysis

Recall that the Statement of Net Position provides the perspective of the County as a whole. Table 1 provides a summary of the County's net position for 2019 compared to 2018:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and Other Assets	$25,390,548	$19,053,018	$367,616	$517,945	$25,758,164	$19,570,963
Noncurrent Assets:						
Net Pension Asset	17,858	10,958	0	0	17,858	10,958
Capital Assets	31,213,781	31,343,433	8,569,496	8,688,674	39,783,277	40,032,107
Total Assets	56,622,187	50,407,409	8,937,112	9,206,619	65,559,299	59,614,028
Deferred Outflows of Resources						
Pension	3,404,403	1,711,360	0	0	3,404,403	1,711,360
OPEB	500,406	379,167	0	0	500,406	379,167
Total Deferred Outflows of Resources	3,904,809	2,090,527	0	0	3,904,809	2,090,527
Liabilities						
Current and Other Liabilities	(1,952,774)	(676,114)	(42,224)	(139,124)	(1,994,998)	(815,238)
Long-Term Liabilities:						
Due Within One Year	(378,282)	(279,316)	(46,291)	(46,400)	(424,573)	(325,716)
Due in More Than One Year:						
Net Pension Liability	(10,877,680)	(6,107,833)	0	0	(10,877,680)	(6,107,833)
Net OPEB Liability	(4,939,831)	(4,012,498)	0	0	(4,939,831)	(4,012,498)
Other Amounts	(1,735,569)	(1,883,214)	(637,304)	(683,014)	(2,372,873)	(2,566,228)
Total Liabilities	(19,884,136)	(12,958,975)	(725,819)	(868,538)	(20,609,955)	(13,827,513)
Deferred Inflows of Resources						
Property Taxes	(5,830,969)	(4,535,291)	0	0	(5,830,969)	(4,535,291)
Pension	(156,192)	(1,436,630)	0	0	(156,192)	(1,436,630)
OPEB	(13,403)	(298,904)	0	0	(13,403)	(298,904)
Total Deferred Inflows of Resources	(6,000,564)	(6,270,825)	0	0	(6,000,564)	(6,270,825)
Net Position						
Net Investment in Capital Assets	29,213,966	29,904,687	7,887,519	7,836,889	37,101,485	37,741,576
Restricted	13,204,978	9,564,292	0	0	13,204,978	9,564,292
Unrestricted (Deficit)	(7,776,648)	(6,200,843)	323,774	501,192	(7,452,874)	(5,699,651)
Total Net Position	$34,642,296	$33,268,136	$8,211,293	$8,338,081	$42,853,589	$41,606,217

The net pension liability (NPL) is the largest single liability reported by the County at December 31, 2019 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27". 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 the net pension/OPEB asset and deferred outflows related to pension and OPEB.

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

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of "employment exchange" - that is, the employee is trading his for 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 pension 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 this liability. 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 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.

As noted earlier, the County's net position, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $42,853,589 ($34,642,296 in governmental activities and $8,211,293 in business-type activities) as of December 31, 2019. The County's net position is reflected in three categories, Net Investment in Capital Assets, Restricted, and Unrestricted. The largest portion of the County's net position (87 percent) reflects its investment in capital assets, (e.g., land, buildings and improvements, machinery, equipment, furniture and fixtures, vehicles, and infrastructure), net of related debt. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to pay these liabilities. The restricted portion of the County's net position (31 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance is an 18 percent deficit unrestricted net position. Unrestricted net position, if positive, may be used to meet the County's ongoing obligations to its citizens and creditors.

The County is showing an increase in current and other assets in the amount of $6,187,201 for the following reasons. Cash and cash equivalents increased in the amount of $3,478,839. The County is continuing its effort to increase cash reserves to allow for an adequate carry over balance into the next year. Property and other local taxes receivable increased in the amount of $1,304,462 due to increased valuations from the prior year. Intergovernmental receivables increased in the amount of $1,321,663 as the amount of awarded grants and the timing of those grant revenues have risen from the prior year. During 2019 capital assets decreased by $248,830 due to current year depreciation exceeding capitalizations.

Deferred outflows of resources increased by $1,814,282. This significant increase in deferred outflows of resources is largely due to the reported pension and OPEB amounts pursuant to GASB Statement Numbers 68 and 75.

Current and other liabilities increased by $1,179,760, largely the result of an increase in contracts payable. Long-term liabilities increased in the amount of $5,602,682, largely the result of pension and OPEB liabilities. The net pension/OPEB liabilities represent the County's proportionate share of the OPERS traditional plan's and STRS plan's unfunded benefits. Different factors, including changes in pension benefits, contribution rates, and return on investments affect the balance of the total pension liability. Offsetting these increases is a decrease in general obligation bonds and OWDA loans as the County continues to make required debt service payments.

The County's total net position increased 3 percent or $1,247,372 during 2019. However, for governmental activities, the change in unrestricted net position relates to pension and OPEB related items. Restricted net position increased by $3,640,686 as restricted assets from external sources have outpaced their associated liabilities. Changes in net position, both assets/deferred outflows of resources and liabilities/deferred inflows of resources, are summarized in Table 2.

Business-type activities reflect a minimal decrease in ending net position of $126,788.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2019 and 2018:

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues						
Charges for Services	$3,112,464	$2,415,374	$207,428	$145,671	$3,319,892	$2,561,045
Operating Grants, Contributions and Interest	9,704,210	7,354,197	0	0	9,704,210	7,354,197
Capital Grants and Contributions	1,478,386	1,598,340	70,787	1,903,441	1,549,173	3,501,781
Total Program Revenues	14,295,060	11,367,911	278,215	2,049,112	14,573,275	13,417,023
General Revenues						
Property Taxes	4,167,284	4,277,965	0	0	4,167,284	4,277,965
Sales Taxes	2,197,437	1,824,067	0	0	2,197,437	1,824,067
Intergovernmental	528,391	548,271	0	0	528,391	548,271
Investment Earnings	288,252	181,549	0	0	288,252	181,549
Miscellaneous	674,701	408,772	190	216	674,891	408,988
Total General Revenues	7,856,065	7,240,624	190	216	7,856,255	7,240,840
Total Revenues	22,151,125	18,608,535	278,405	2,049,328	22,429,530	20,657,863
Program Expenses						
General Government						
Legislative and Executive	3,645,194	3,292,728	0	0	3,645,194	3,292,728
Judicial	936,742	807,528	0	0	936,742	807,528
Public Safety	3,505,359	2,803,841	0	0	3,505,359	2,803,841
Public Works	5,766,780	4,180,994	0	0	5,766,780	4,180,994
Health	1,146,691	1,695,109	0	0	1,146,691	1,695,109
Human Services	4,749,763	4,605,103	0	0	4,749,763	4,605,103
Conservation and Recreation	78,957	0	0	0	78,957	0
Economic Development and Assistance	903,005	453,123	0	0	903,005	453,123
Interest and Fiscal Charges	44,474	46,653	0	0	44,474	46,653
Sewer	0	0	405,193	366,579	405,193	366,579
Total Expenses	20,776,965	17,885,079	405,193	366,579	21,182,158	18,251,658
Increase before Transfers	1,374,160	723,456	(126,788)	1,682,749	1,247,372	2,406,205
Transfers	0	(4,400)	0	4,400	0	0
Change in Net Position	1,374,160	719,056	(126,788)	1,687,149	1,247,372	2,406,205
Net Position Beginning of Year	33,268,136	32,514,434	8,338,081	6,650,932	41,606,217	39,165,366
Restatement - See Note 3	0	34,646	0	0	0	34,646
Net Position End of Year	$34,642,296	$33,268,136	$8,211,293	$8,338,081	$42,853,589	$41,606,217

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. As the result of legislation enacted in 1976, the overall revenue generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at $100,000 and taxed at 1.0 mill would pay $35.00 annually in taxes. If three years later the home was reappraised and increased to $200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay $35.00.

Our County, which is dependent upon property taxes is hampered by a lack of revenue growth and must periodically return to the voters to maintain a constant level of service. The last successful levy renewal/passage was passed during the November 2015 election. Property and sales taxes made up 29 percent of revenues for governmental activities for Noble County in the year 2019.

As noted earlier, increases in intergovernmental receivables lead to the increase in operating and capital grants in the amount of $2,230,059.

The largest Governmental Activities program expenses are public works, human services, and legislative and executive which collectively comprises 68 percent of total expenses. Each program expense increased from the prior year. Although the County is trying to maintain expenses within allowable resources, increases in pension/OPEB costs which are not within the County's administrative control, have significantly added to these program costs. The largest changes were in the public works program which showed an increase of $1,585,786 primarily relating to the non-capitalized expenses of the County road and bridge services. Interest expense during fiscal year 2019 was $44,474 and was attributable to outstanding general obligation bonds.

Business-Type Activities

The net position for business-type activities decreased $126,788 during 2019. Capital grants and contributions decreased by $1,832,654 as the County participated in capital grants as a source of funding for construction of sewer lines in the prior year. Expenses showed little change as operating costs remained consistent with previous year amounts.

The Statement of Activities shows the cost of program services and the charges for services, grants, contributions, and interest offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements and interest.

Table 3

	Total Cost of Services 2019	Net Cost of Services 2019	Total Cost of Services 2018	Net Cost of Services 2018
General Government				
Legislative and Executive	$3,645,194	$1,538,377	$3,292,728	$1,939,203
Judicial	936,742	714,107	807,528	609,946
Public Safety	3,505,359	2,231,294	2,803,841	1,715,376
Public Works	5,766,780	(593,745)	4,180,994	(116,556)
Health	1,146,691	902,422	1,695,109	1,470,050
Human Services	4,749,763	1,491,011	4,605,103	1,655,975
Conservation and Recreation	78,957	29,847	0	(677,757)
Economic Development and Assistance	903,005	124,118	453,123	(125,722)
Interest and Fiscal Charges	44,474	44,474	46,653	46,653
Total Expenses	$20,776,965	$6,481,905	$17,885,079	$6,517,168

Operating grants, contributions, and interest (68 percent) are the primary source of program revenues, whereas property and sales taxes (81 percent) are the primary sources of general revenues. The County's dependence upon tax revenues for the shortfall in program revenues is apparent. The net cost of $1,538,377 in the legislative and executive program represents activities that serve the County's residents. As a result, this program relies on the general revenues of the County to support its activities. Other programs that have a large net cost are the public safety and human services programs. To help reduce the tax burden and increase program revenues for public safety programs, the County has contracts for the housing of prisoners from other entities outside the County. Also, the voters have approved tax levies for the developmental disabilities and health department programs to provide general revenue for the implementation of health programs in the County. Tax levies have also been approved for ambulance and senior citizens services in order to cover the net cost of human service programs.

The County's Fund

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

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $1,079,595 with a total fund balance of $4,321,460. Unassigned fund balance represents 21 percent of expenditures. This is one measurement of the General Fund's liquidity. The fund balance of the General Fund increased by $881,012 which is 26 percent of the prior year.

The Job and Family Services Special Revenue Fund balance increased minimally by $232,567. This change shows the impact that state and federal funding can have on the effort of the County to try and keep expenditures in line with/or below current revenue streams.

The Motor Vehicle and Gasoline Tax Special Revenue Fund balance increased by $994,183 from 2018. Increased state shared revenues in the form of license fees and gas tax relating to the County's engineer department are the reason for this increase.

The Developmental Disabilities Special Revenue Fund balance increased in the amount of $380,537 which represents approximately 52 percent of expenditures. This department strives to keep current year expenditures less than beginning balance in anticipation of avoiding deficit spending. The property tax levy approved by the voters helps the County achieve this goal.

Proprietary Fund - The County maintains one type of proprietary fund - enterprise. Enterprise funds are used to report functions presented as business-type activities on the government-wide financial statements. The County uses an enterprise fund to account for the Sewer Fund activities. As of December 31, 2019, the net position for the County's enterprise fund was $8,211,293. Of that total, $323,774 represents unrestricted net position that is available for spending at the County's discretion. The remainder of this net position is invested in capital assets reduced by the borrowing used to fund these assets.

General Fund Budgeting Highlights

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. By State statute, the Board of County Commissioners adopts a permanent annual operating budget for the County prior to the first day of April.

During the course of 2019 the County's original budget was amended several times but not significant in total.

For the General Fund, final budgeted revenue estimates were $2,909,941 lower than actual results. This was due to conservative estimates for charges for services and the sales taxes that are hard to predict actual results. Final budgeted amounts in the legislative and executive program were $459,519 higher than actual amounts. The County expected more expenditures in the contingency line item of the General Fund's budget that did not occur.

The County's General Fund ending unobligated cash balance was $3,835,218 above the final budgeted amounts primarily due to conservative estimates for both revenues and expenditures.

Capital Assets and Debt Administration

Capital Assets

The County's capital assets for governmental and business-type activities as of December 31, 2019, were $39,783,277 (net of accumulated depreciation). This includes land, buildings and improvements, machinery, equipment, furniture and fixtures, vehicles, and infrastructure. Table 4 shows 2019 balances compared to 2018 after accumulated depreciation of $15,337,603 and $1,383,415, respectively:

Table 4
Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	$865,586	$865,586	$17,500	$17,500	$883,086	$883,086
Gravel Roads/Bases	12,809,356	12,809,356	0	0	12,809,356	12,809,356
Buildings and Improvements	6,641,085	6,894,332	0	0	6,641,085	6,894,332
Machinery, Equipment, Furniture and Fixtures	1,061,219	871,946	0	0	1,061,219	871,946
Vehicles	870,151	774,983	3,600	4,400	873,751	779,383
Infrastructure	8,966,384	9,127,230	8,548,396	8,666,774	17,514,780	17,794,004
Total Capital Assets	$31,213,781	$31,343,433	$8,569,496	$8,688,674	$39,783,277	$40,032,107

For governmental activities, major capital asset additions during 2019 included work on the County's roads and bridges and the purchase of machinery, equipment, furniture and fixtures, and vehicles. For business-type activities, the net decrease in book value amounts from the prior year results from current year depreciation exceeding capitalization. See Note 11 for more detailed information on the County's capital assets.

Debt

At December 31, 2019, the County had $2,050,186 in outstanding long-term debt with $118,819 due within one year. Table 5 outlines the long-term debt held by the County during 2019 and 2018.

Table 5
Long-Term Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	$1,368,209	$1,438,746	$0	$0	$1,368,209	$1,438,746
OWDA Loans	0	0	681,977	728,037	681,977	728,037
Total Long-Term Debt	$1,368,209	$1,438,746	$681,977	$728,037	$2,050,186	$2,166,783

The 2014 County Services Facilities Bonds were originally issued in the amount of $1,700,000 for the purpose of constructing a county facilities building. The debt is being retired through the Bond Retirement Debt Service Fund with transfers from the General Fund. The OWDA Loans were issued during 2009 through 2019 for the purpose of planning, designing, and construction of sanitary sewer lines. See Note 17 for more detailed information on the County's debt. In addition to the above debt, the County is presenting long-term liabilities for net pension/OPEB liability and compensated absences.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, and 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 Peggy Davis, Auditor of Noble County, Courthouse, Caldwell, Ohio 43724.

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Noble County, Ohio
Statement of Net Position
December 31, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	$13,958,587	$297,035	$14,255,622
Cash and Cash Equivalents In Segregated Accounts	2,154	0	2,154
Materials and Supplies Inventory	220,662	0	220,662
Accrued Interest Receivable	1,920	0	1,920
Accounts Receivable	17,103	80,254	97,357
Internal Balance	10,574	(10,574)	0
Prepaid Items	275,865	901	276,766
Permissive Motor Vehicle License Tax Receivable	4,387	0	4,387
Sales Taxes Receivable	445,065	0	445,065
Property and Other Local Taxes Receivable	5,948,577	0	5,948,577
Intergovernmental Receivable	4,496,205	0	4,496,205
Loans Receivable	9,449	0	9,449
Net Pension Asset	17,858	0	17,858
Non-Depreciable Capital Assets	13,674,942	17,500	13,692,442
Depreciable Capital Assets, Net	17,538,839	8,551,996	26,090,835
Total Assets	56,622,187	8,937,112	65,559,299
Deferred Outflows of Resources			
Pension	3,404,403	0	3,404,403
OPEB	500,406	0	500,406
Total Deferred Outflows of Resources	3,904,809	0	3,904,809
Liabilities			
Matured Compensated Absences Payable	16,732	0	16,732
Accrued Wages and Benefits	292,928	439	293,367
Payroll Withholdings Payable	53,173	0	53,173
Intergovernmental Payable	173,923	12,640	186,563
Accounts Payable	355,479	9,795	365,274
Contracts Payable	704,629	19,350	723,979
Retainage Payable	4,000	0	4,000
Deposits Held and Due to Others	50,000	0	50,000
Accrued Interest Payable	16,413	0	16,413
Unearned Revenue	285,497	0	285,497
Long-Term Liabilities:			
Due Within One Year	378,282	46,291	424,573
Due In More Than One Year:			
Net Pension Liability (See Note 13)	10,877,680	0	10,877,680
Net OPEB Liability (See Note 14)	4,939,831	0	4,939,831
Other Amounts Due in More Than One Year	1,735,569	637,304	2,372,873
Total Liabilities	19,884,136	725,819	20,609,955
Deferred Inflows of Resources			
Property Taxes not Levied to Finance Current Year Operations	5,830,969	0	5,830,969
Pension	156,192	0	156,192
OPEB	13,403	0	13,403
Total Deferred Inflows of Resources	6,000,564	0	6,000,564
Net Position			
Net Investment in Capital Assets	29,213,966	7,887,519	37,101,485
Restricted for:			
Capital Projects	997,303	0	997,303
Public Assistance	137,159	0	137,159
Child Support Enforcement	481,266	0	481,266
Roads and Bridges	3,677,426	0	3,677,426
Developmental Disabilities	1,809,182	0	1,809,182
Community Development	1,036,863	0	1,036,863
Revolving Loan Program	79,940	0	79,940
Real Estate Assessment	1,321,922	0	1,321,922
Delinquent Real Estate Tax and Collection	176,511	0	176,511
Court Corrections	395,136	0	395,136
Ambublance Services	1,349,760	0	1,349,760
Cooperative Extension	624,626	0	624,626
Senior Citizens Services	320,236	0	320,236
Federal Emergency Management	10,810	0	10,810
911 Services	379,441	0	379,441
Other Purposes	407,397	0	407,397
Unrestricted (Deficit)	(7,776,648)	323,774	(7,452,874)
Total Net Position	$34,642,296	$8,211,293	$42,853,589

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Activities
For the Year Ended December 31, 2019

		Program Revenues			Net (Expense) Revenue and Change in Net Position		
					Primary Government		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General Government:							
Legislative and Executive	$3,645,194	$1,738,258	$368,559	$0	($1,538,377)	$0	($1,538,377)
Judicial	936,742	178,836	43,799	0	(714,107)	0	(714,107)
Public Safety	3,505,359	633,419	397,857	242,789	(2,231,294)	0	(2,231,294)
Public Works	5,693,526	128,018	4,996,910	1,162,343	593,745	0	593,745
Public Works - External Portion	73,254	0	0	73,254	0	0	0
Health	1,146,691	34,106	210,163	0	(902,422)	0	(902,422)
Human Services	4,749,763	350,717	2,908,035	0	(1,491,011)	0	(1,491,011)
Conservation and Recreation	78,957	49,110	0	0	(29,847)	0	(29,847)
Economic Development and Assistance	437,902	0	750,847	0	312,945	0	312,945
Economic Development and Assistance - External Portion	465,103	0	28,040	0	(437,063)	0	(437,063)
Interest and Fiscal Charges	44,474	0	0	0	(44,474)	0	(44,474)
Total Governmental Activities	20,776,965	3,112,464	9,704,210	1,478,386	(6,481,905)	0	(6,481,905)
Business-Type Activities:							
Sewer	405,193	207,428	0	70,787	0	(126,978)	(126,978)
Total Business-Type Activities	405,193	207,428	0	70,787	0	(126,978)	(126,978)
Total Primary Government	$21,182,158	$3,319,892	$9,704,210	$1,549,173	(6,481,905)	(126,978)	(6,608,883)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Property Taxes Levied for:			
General Purposes	1,651,301	0	1,651,301
Health	1,191,666	0	1,191,666
Human Services	769,885	0	769,885
Economic Development and Assistance	554,432	0	554,432
Sales Taxes Levied for General Purposes	2,197,437	0	2,197,437
Grants and Entitlements not Restricted to Specific Programs	528,391	0	528,391
Investment Earnings	288,252	0	288,252
Miscellaneous	674,701	190	674,891
Total General Revenues	7,856,065	190	7,856,255
Change in Net Position	1,374,160	(126,788)	1,247,372
Net Position Beginning of Year (Restated - See Note 3)	33,268,136	8,338,081	41,606,217
Net Position End of Year	$34,642,296	$8,211,293	$42,853,589

See accompanying notes to the basic financial statements

Noble County, Ohio
Balance Sheet
Governmental Funds
December 31, 2019

	General	Job and Family Services	Motor Vehicle and Gasoline Tax	Developmental Disabilities	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	$4,208,454	$255,258	$1,662,489	$1,728,987	$6,041,354	$13,896,542
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	2,154	2,154
Sales Tax Receivable	445,065	0	0	0	0	445,065
Materials and Supplies Inventory	42,036	500	170,387	1,200	6,539	220,662
Accrued Interest Receivable	1,719	0	201	0	0	1,920
Accounts Receivable	11,617	0	0	0	5,486	17,103
Intergovernmental Receivable	350,928	163,837	2,132,638	62,419	1,786,383	4,496,205
Interfund Receivable	131,607	147,637	16,343	0	100,291	395,878
Prepaid Items	49,197	13,498	14,378	25,701	173,091	275,865
Property and Other Local Taxes Receivable	2,296,876	0	0	1,396,099	2,255,602	5,948,577
Permissive Motor Vehicle License Tax Receivable	0	0	4,387	0	0	4,387
Loans Receivable	0	0	0	0	9,449	9,449
Restricted Cash and Cash Equivalents	8,045	0	50,000	0	4,000	62,045
Total Assets	$7,545,544	$580,730	$4,050,823	$3,214,406	$10,384,349	$25,775,852
Liabilities and Fund Balances						
Liabilities						
Matured Compensated Absences Payable	$8,366	$0	$0	$0	$8,366	$16,732
Accounts Payable	160,497	51,356	67,277	1,467	74,882	355,479
Accrued Wages Payable	122,296	59,333	63,242	5,668	42,389	292,928
Payroll Withholdings Payable	27,900	9,005	10,626	300	5,342	53,173
Contracts Payable	11,658	458	0	0	692,513	704,629
Retainage Payable	0	0	0	0	4,000	4,000
Deposits Held and Due to Others	0	0	50,000	0	0	50,000
Interfund Payable	45	91,758	54	0	293,447	385,304
Unearned Revenue	0	0	0	0	285,497	285,497
Intergovernmental Payable	97,671	26,186	27,592	2,442	20,032	173,923
Total Liabilities	428,433	238,096	218,791	9,877	1,426,468	2,321,665
Deferred Inflows of Resources						
Property Taxes not Levied to Finance Current Year Operations	2,248,477	0	0	1,379,934	2,202,558	5,830,969
Unavailable Revenue	547,174	163,333	1,350,984	70,359	1,251,899	3,383,749
Total Deferred Inflows of Resources	2,795,651	163,333	1,350,984	1,450,293	3,454,457	9,214,718
Fund Balances						
Nonspendable	99,278	13,998	184,765	26,901	189,079	514,021
Restricted	0	165,303	2,296,283	1,727,335	5,549,534	9,738,455
Committed	32,908	0	0	0	0	32,908
Assigned	3,109,679	0	0	0	0	3,109,679
Unassigned (Deficit)	1,079,595	0	0	0	(235,189)	844,406
Total Fund Balances	4,321,460	179,301	2,481,048	1,754,236	5,503,424	14,239,469
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$7,545,544	$580,730	$4,050,823	$3,214,406	$10,384,349	

Amounts reported for governmental activities in the statement of net position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.			31,213,781
Other long-term assets are not available to pay for current-period expenditures and, therefore, deferred in the funds:			
	Property Taxes Receivable	103,913	
	Sales Tax Receivable	157,570	
	Accounts Receivable	248,162	
	Intergovernmental Receivables	2,874,104	3,383,749
The net pension asset, net pension liability, and net OPEB liability are not due and payable in the current period, therefore, the asset, liability, and related deferred inflows/outflows are not reported in governmental funds:			
	Net Pension Asset	17,858	
	Deferred Outflows - Pension	3,404,403	
	Deferred Inflows - Pension	(156,192)	
	Net Pension Liability	(10,877,680)	
	Deferred Outflows - OPEB	500,406	
	Deferred Inflows - OPEB	(13,403)	
	Net OPEB Liability	(4,939,831)	(12,064,439)
Long-term liabilities and accrued interest are not due and payable in the current period and, therefore, are not reported in the funds:			
	General Obligation Bonds	(1,368,209)	
	Compensated Absences	(745,642)	
	Accrued Interest Payable	(16,413)	(2,130,264)
Net Position of Governmental Activities			$34,642,296

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General	Job and Family Services	Motor Vehicle and Gasoline Tax	Developmental Disabilities	Other Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	$1,647,644	$0	$0	$900,454	$1,611,585	$4,159,683
Sales Taxes	2,208,484	0	0	0	0	2,208,484
Permissive Motor Vehicle License Taxes	0	0	56,751	0	0	56,751
Charges for Services	1,596,672	578,804	0	0	865,465	3,040,941
Licenses and Permits	2,223	0	0	0	50	2,273
Fines and Forfeitures	62,527	0	9,665	0	29,264	101,456
Intergovernmental	650,927	1,983,376	4,130,804	204,376	4,066,512	11,035,995
Interest	288,252	0	19,638	0	68	307,958
Rent	109,294	0	0	0	0	109,294
Contributions and Donations	4,225	0	0	0	67,403	71,628
Other	285,876	22,993	289,690	1,330	68,644	668,533
Total Revenues	6,856,124	2,585,173	4,506,548	1,106,160	6,708,991	21,762,996
Expenditures						
Current:						
General Government:						
Legislative and Executive	2,409,565	0	0	0	658,045	3,067,610
Judicial	711,953	0	0	0	37,623	749,576
Public Safety	1,757,931	0	0	0	1,167,927	2,925,858
Public Works	20,467	0	3,529,328	0	1,560,297	5,110,092
Health	50,906	0	0	734,625	355,287	1,140,818
Human Services	281,165	2,397,285	0	0	1,494,148	4,172,598
Conservation and Recreation	0	0	0	0	56,485	56,485
Economic Development and Assistance	0	0	0	0	449,766	449,766
Intergovernmental	0	0	0	0	538,357	538,357
Debt Service:						
Principal Retirement	0	0	0	0	70,537	70,537
Interest and Fiscal Charges	0	0	0	0	45,320	45,320
Total Expenditures	5,231,987	2,397,285	3,529,328	734,625	6,433,792	18,327,017
Excess of Revenues Over Expenditures	1,624,137	187,888	977,220	371,535	275,199	3,435,979
Other Financing Sources (Use)						
Proceeds from the Sale of Capital Assets	6,800	0	16,963	9,002	4,261	37,026
Transfers In	0	44,679	0	0	705,246	749,925
Transfers Out	(749,925)	0	0	0	0	(749,925)
Total Other Financing Sources (Use)	(743,125)	44,679	16,963	9,002	709,507	37,026
Net Change in Fund Balances	881,012	232,567	994,183	380,537	984,706	3,473,005
Fund Balances (Deficit) Beginning of Year (Restated - See Note 3)	3,440,448	(53,266)	1,486,865	1,373,699	4,518,718	10,766,464
Fund Balances End of Year	$4,321,460	$179,301	$2,481,048	$1,754,236	$5,503,424	$14,239,469

See accompanying notes to the basic financial statements

Noble County, Ohio
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

Net Change in Fund Balances - Governmental Funds		$3,473,005
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 expense. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital Asset Additions - Capital Outlay	1,250,555	
Current Year Depreciation	(1,291,338)	
Total		(40,783)
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the proceeds and loss from the disposal of assets:		
Proceeds from Sale of Capital Assets	(37,026)	
Loss on Disposal of assets	(51,843)	
		(88,869)
Revenues/expenses in the statement of activities that do not provide current financial resources are not reported as revenues/expenditures in the funds:		
Property Taxes	7,601	
Sales Taxes	(11,047)	
Charges for Services	(198,251)	
Public Safety	(78,986)	
Miscellaneous	6,168	
Intergovernmental	565,856	
Total		291,341
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:		
Pension	794,338	
OPEB	2,184	
		796,522
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(2,583,804)	
OPEB	(522,777)	
		(3,106,581)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:		
General Obligation Bonds		70,537
Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of activities.		846
Expenses reported in the statement of activities relating to compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(21,858)
Change in Net Position of Governmental Activities		$1,374,160

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	$1,302,110	$1,302,110	$1,643,023	$340,913
Sales Taxes	1,100,000	1,100,000	2,322,973	1,222,973
Charges for Services	765,450	840,970	1,584,811	743,841
Licenses and Permits	1,710	1,710	2,223	513
Fines and Forfeitures	45,005	45,005	63,148	18,143
Intergovernmental	535,435	585,435	648,022	62,587
Interest	60,000	60,000	284,145	224,145
Rent	75,000	75,000	111,924	36,924
Contributions and Donations	0	0	4,225	4,225
Other	34,005	34,005	289,682	255,677
Total Revenues	3,918,715	4,044,235	6,954,176	2,909,941
Expenditures				
Current:				
General Government:				
Legislative and Executive	2,859,287	2,877,780	2,418,261	459,519
Judicial	793,207	793,207	730,302	62,905
Public Safety	1,772,729	1,926,066	1,796,741	129,325
Public Works	20,590	20,590	18,689	1,901
Health	59,853	59,853	50,147	9,706
Human Services	292,739	292,739	280,417	12,322
Total Expenditures	5,798,405	5,970,235	5,294,557	675,678
Excess of Revenues Over (Under) Expenditures	(1,879,690)	(1,926,000)	1,659,619	3,585,619
Other Financing Sources (Uses)				
Procees from Sale of Capital Assets	0	400	6,800	6,400
Advances In	0	0	344,741	344,741
Advances Out	0	0	(338,641)	(338,641)
Transfers Out	(824,162)	(824,162)	(748,800)	75,362
Total Other Financing Sources (Uses)	(824,162)	(823,762)	(735,900)	87,862
Net Change in Fund Balance	(2,703,852)	(2,749,762)	923,719	3,673,481
Fund Balance at Beginning of Year	2,837,704	2,837,704	2,837,704	0
Prior Year Encumbrances Appropriated	73,795	73,795	73,795	0
Fund Balance at End of Year	$207,647	$161,737	$3,835,218	$3,673,481

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Job and Family Services Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
Revenues				
Charges for Services	$550,000	$550,000	$493,902	($56,098)
Intergovernmental	2,220,163	2,308,940	1,983,376	(325,564)
Other	70,000	70,000	22,962	(47,038)
Total Revenues	2,840,163	2,928,940	2,500,240	(428,700)
Expenditures				
Current:				
Human Services	2,902,575	2,991,352	2,434,008	557,344
Excess of Revenues Over (Under) Expenditures	(62,412)	(62,412)	66,232	128,644
Other Financing Source				
Transfers In	0	0	44,679	44,679
Net Change in Fund Balance	(62,412)	(62,412)	110,911	173,323
Fund Balance at Beginning of Year	85,015	85,015	85,015	0
Prior Year Encumbrances Appropriated	10,075	10,075	10,075	0
Fund Balance at End of Year	$32,678	$32,678	$206,001	$173,323

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Permissive Motor Vehicle License Tax	$55,000	$55,000	$56,136	$1,136
Fines and Forfeitures	7,500	7,500	9,442	1,942
Intergovernmental	3,255,000	3,255,000	3,876,112	621,112
Interest	5,500	5,500	18,436	12,936
Other	80,100	80,100	289,564	209,464
Total Revenues	3,403,100	3,403,100	4,249,690	846,590
Expenditures				
Current:				
Public Works	4,053,172	4,253,172	3,559,889	693,283
Excess of Revenues Over (Under) Expenditures	(650,072)	(850,072)	689,801	1,539,873
Other Financing Sources (Use)				
Proceeds from the Sale of Capital Assets	0	0	16,963	16,963
Advances In	0	0	213,399	213,399
Advances Out	0	0	(229,649)	(229,649)
Total Other Financing Sources (Use)	0	0	713	713
Net Change in Fund Balance	(650,072)	(850,072)	690,514	1,540,586
Fund Balance at Beginning of Year	896,729	896,729	896,729	0
Prior Year Encumbrances Appropriated	53,172	53,172	53,172	0
Fund Balance at End of Year	$299,829	$99,829	$1,640,415	$1,540,586

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Developmental Disabilities Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	$801,300	$801,300	$896,725	$95,425
Intergovernmental	27,200	27,200	219,690	192,490
Other	0	0	1,330	1,330
Total Revenues	828,500	828,500	1,117,745	289,245
Expenditures				
Current:				
Health	1,274,529	1,274,929	790,155	484,774
Excess of Revenues Over (Under) Expenditures	(446,029)	(446,429)	327,590	774,019
Other Financing Source				
Proceeds from the Sale of Capital Assets	0	0	9,002	9,002
Net Change in Fund Balance	(446,029)	(446,429)	336,592	783,021
Fund Balance at Beginning of Year	1,376,388	1,376,388	1,376,388	0
Fund Balance at End of Year	$930,359	$929,959	$1,712,980	$783,021

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Fund Net Position
Proprietary Fund
December 31, 2019

	Business-Type Activity
	Sewer
Assets	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	$297,035
Accounts Receivable	80,254
Interfund Receivable	169
Prepaid Items	901
Total Current Assets	378,359
Noncurrent Assets:	
Non-Depreciable Capital Assets	17,500
Depreciable Capital Assets, Net	8,551,996
Total Noncurrent Assets	8,569,496
Total Assets	8,947,855
Liabilities	
Current Liabilities:	
Accrued Wages and Benefits	439
Compensated Absences Payable	231
Intergovernmental Payable	12,640
Accounts Payable	9,795
Contracts Payable	19,350
Interfund Payable	10,743
OWDA Loans Payable	46,060
Total Current Liabilities	99,258
Long-Term Liabilities (Net of Current Portion):	
Compensated Absences Payable	1,387
OWDA Loans Payable	635,917
Total Noncurrent Liabilities	637,304
Total Liabilities	736,562
Net Position	
Net Investment in Capital Assets	7,887,519
Unrestricted	323,774
Total Net Position	$8,211,293

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2019

	Business-Type Activity
	Sewer
Operating Revenues	
Charges for Services	$207,428
Other	190
Total Operating Revenues	207,618
Operating Expenses	
Personal Services	8,518
Contractual Services	144,744
Materials and Supplies	16,597
Depreciation	235,109
Other	225
Total Operating Expenses	405,193
Operating Loss before Contributions	(197,575)
Capital Contributions from Grants	67,267
Capital Contributions from Customers	3,520
Change in Net Position	(126,788)
Net Position Beginning of Year	8,338,081
Net Position End of Year	$8,211,293

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2019

	Business-Type Activity Sewer
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	$208,605
Cash Received from Other Operating Sources	190
Cash Payments for Employee Services and Benefits	(132,393)
Cash Payments for Goods and Services	(8,206)
Cash Payments for Other Operating Expenses	(225)
Net Cash Provided by Operating Activities	67,971
Cash Flows from Noncapital Financing Activities	
Advances In	64,910
Advances Out	(54,260)
Net Cash Provided by Noncapital Financing Activities	10,650
Cash Flows from Capital and Related Financing Activities	
Tap In Fees	61,549
Capital Grants & Contributions	184,415
Proceeds from OWDA Loans	134,415
Payments for Capital Acquisitions	(239,679)
Principal Paid on OWDA Loans	(180,475)
Net Cash Used for Capital and Related Financing Activities	(39,775)
Net Increase in Cash and Cash Equivalents	38,846
Cash and Cash Equivalents Beginning of Year	258,189
Cash and Cash Equivalents End of Year	$297,035
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating Loss	($197,575)
Adjustment:	
Depreciation	235,109
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	1,186
Increase in Interfund Receivable	(9)
Decrease in Prepaid Items	2,127
Increase in Accounts Payable	7,065
Increase in Contracts Payable	19,350
Increase in Compensated Absences Payable	241
Increase in Accrued Wages and Benefits	56
Increase in Interfund Payable	44
Increase in Intergovernmental Payable	377
Net Cash Provided by Operating Activities	$67,971

Noncash Capital Financing Activities:
The Sewer Enterprise Fund reflects net capital asset additions in the amount of ($123,748) resulting from the recognition of prior year contracts and retainage payables.

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2019

Assets	
Equity in Pooled Cash and Cash Equivalents	$3,491,576
Cash and Cash Equivalents in Segregated Accounts	75,344
Accounts Receivable	141,729
Permissive Motor Vehicle License Tax Receivable	1,657
Property Taxes Receivable	26,457,098
Intergovernmental Receivable	1,514,615
Total Assets	31,682,019
Liabilities	
Accounts Payable	4,088
Intergovernmental Payable	1,885,721
Payroll Withholdings Payable	11,884
Total Liabilities	1,901,693
Deferred Inflows of Resources	
Property Taxes not Levied to Finance Current Year Operations	20,004,803
Net Position	
Restricted for Individuals, Organizations, and Other Governments	$9,775,523

See accompanying notes to the basic financial statements

Noble County, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
December 31, 2019

Additions	
Intergovernmental	$3,023,084
Amounts Received as Fiscal Agent	3,733,305
Licenses and Permits and Fees for Other Governments	798,053
Fines and Forfeitures for Other Governments	254,162
Property Tax Collections for Other Governments	23,756,876
Sheriff Sale Collections for Other Governments	22,805
Amounts Received for Others	74,581
Total Assets	31,662,866
Deductions	
Distributions as Fiscal Agent	3,508,106
Distributions of State Funds to Other Goverments	3,023,084
Distributions to the State of Ohio	67,775
Licenses and Permits and Fees Distributions to Other Governments	708,400
Fines and Forfeitures Distributions to Other Governments	276,967
Property Tax Distributions to Other Governments	17,999,240
Distributions to Individuals	7,642
Total Liabilities	25,591,214
Change in Net Position	6,071,652
Net Position Beginning of Year (Restated - See Note 3)	3,703,871
Net Position End of Year	$9,775,523

See accompanying notes to the basic financial statements

Note 1 - Description of Noble County and Reporting Entity

Noble County, Ohio (the County), was created March 11, 1851. The County was the last county formed in the State of Ohio and is comprised of fifteen townships. The County is governed by a board of three Commissioners elected by the voters of the County. An elected County Auditor serves as chief fiscal officer. In addition, there are seven other elected officials, each of whom is independent as set forth in Ohio Law. These officials are the Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff and Treasurer. Also elected, to oversee the district's justice system, are a County Court Judge and Common Pleas Judge who also serves as judge for the Probate and Juvenile Courts.

Although the elected officials manage the internal operation of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body and the chief administrator of public services for the County, including each of these departments.

Reporting Entity

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

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For the County, this includes the Board of Developmental Disabilities, the Department of Job and Family Services, the Noble County Regional Planning Commission Board, and all departments and activities that are directly operated by the elected County officials.

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

The following potential component units have been excluded from the County's financial statements because the County is not financially accountable for these organizations nor are these entities for which the County approves the budget, the issuance of debt, or the levying of taxes:

Noble Counseling Center
Noble County Agricultural Society
Noble County Historical Society
Noble County Rural Water Association

As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the separate agencies, boards, and commissions listed below, the County serves as fiscal agent, but is not financially accountable for their operations. Accordingly, the activity of the following entities is presented as custodial funds within the County's financial statements:

Noble County Health Department is governed by a five member Board of Health and a Health Commissioner which oversees the operation of the Health Department. The Board is elected by a District Advisory Council comprised of township trustees, county commissioners, and mayors of participating municipalities. The Board adopts its own budget, hires and fires its own staff, and operates autonomously from the County. The Board has sole budgetary authority, and controls surpluses and deficits. The County is not legally obligated for the Health Department's debt.

Noble County Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the State. The five supervisors of the Soil and Water Conservation District are elected officials authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, hire and fire staff, and do not rely on the County to finance deficits.

Noble County Family and Children First Council accounts for State and Federal grant revenue and expenditures. The Noble County Health Department serves as administrating agent and the County Auditor serves as fiscal agent. The purpose of the Council is to help families seeking government services and to coordinate existing government services for families seeking assistance for their children.

Southeastern Ohio Joint Solid Waste Management District is a jointly governed organization and is governed and operated through three groups (See Note 21). This District was created as required by the Ohio Revised Code and provides for management strategies and local government funding on behalf of the participating counties regarding contractual arrangements with private solid waste disposal facilities, which would assure continued access to adequate disposal capacity for the District. The governing body exercises total control over the operations of the District including budgeting, appropriating, contracting, and designating management. The County is not legally obligated for the District's debt.

Noble County Regional Planning Commission is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A twenty-member board governs the commission. The Commission exercises total control over the operations of the Commission including budgeting, appropriating, contracting, and designating management. The County is not legally obligated for the Commission's debt.

The County is associated with certain organizations which are defined as Public Entity Risk Pools, Jointly Governed Organizations, or Related Organizations. These organizations are presented in Notes 20, 21, and 22 to the basic financial statements. These organizations are:

Buckeye Joint-County Insurance Council
County Commissioners' Association of Ohio Workers' Compensation Group Rating Plan
Southeastern Ohio Joint Solid Waste Management District
Mental Health and Recovery Services Board
Guernsey-Monroe-Noble Community Action Corporation (GMN)
Buckeye Hills-Hocking Valley Regional Development District
Oakview Juvenile Residential Center
Ohio Valley Employment Resource (OVER)
Noble County Metropolitan Housing Authority
Noble County Airport Authority

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

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

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

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

B. Fund Accounting

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

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

> ***General Fund*** The General Fund, the County's primary operating fund, accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> ***Job and Family Services Fund*** To account for various federal and state grants and reimbursements as well as transfers from the General Fund restricted to provide public assistance, human services, and workforce development programs.
>
> ***Motor Vehicle and Gasoline Tax Fund*** To account for revenues derived from state-shared motor vehicle license charges, gasoline taxes, and the County's permissive five dollar motor vehicle licenses charge. Expenditures in the Motor Vehicle and Gasoline Tax Special Revenue Fund are restricted by state law to County road and bridge repair and improvement programs.
>
> ***Developmental Disabilities Fund*** To account for property tax revenues and federal and state grants. Expenditures are restricted by federal and state law to those that benefit the developmentally disabled.

The other governmental funds of the County account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

Proprietary Fund Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service. The County only reports one enterprise fund.

> Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County reports the following major proprietary fund:
>
> > ***Noble County Sanitary Sewer Fund (Sewer Fund)*** To account for sanitary sewer services provided to individuals and commercial users. The costs of providing these services are financed primarily through user charges.

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 arrangement that has certain characteristics. The County does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The County's fiduciary funds are custodial funds. The County's custodial funds are used to account for assets held by the County as agent for the Noble County Health Department and other districts and entities and for various taxes, assessments, fines, and fees collected for the benefit of and distributed to other governments and individuals; and for State shared resources received from the State and distributed to other governments.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the County are included on the Statement 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 of resources and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all 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. For proprietary funds, the Statement of Changes in Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The Statement of Cash Flows provides information about 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 investment trust funds, private purpose trust funds, and custodial funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary and fiduciary funds also use 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, in the recording of deferred outflows/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 year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale occurs. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). 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 nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales tax (see Note 8), interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees, and rentals.

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources are reported on the government-wide Statement of Net Position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the County, deferred inflows of resources include property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance fiscal year 2020 operations. These amounts have been recorded as a deferred inflow 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. For the County unavailable revenue includes delinquent property taxes, permissive sales taxes, grants and entitlements, and other miscellaneous accounts receivable. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 18. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide Statement of Net Position. (See Notes 13 and 14)

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

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

E. Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department, and object level. Budgetary modifications may only be made by resolution of the County Commissioners.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original 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 approved.

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

F. Cash, Cash Equivalents, and Investments

Cash balances of the County's funds, except cash held by a trustee, fiscal agent, or held in segregated accounts, are pooled and invested in short-term investments in order to provide improved cash management. During 2019, investments were limited to non-negotiable certificates of deposit. Nonparticipating investment contracts such as repurchase agreements and non-negotiable certificates of deposit are reported at cost or amortized cost. 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 presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

The County has segregated bank accounts for monies held separate from the County's central bank accounts. These accounts are presented as "Cash and Cash Equivalents in Segregated Accounts" since they are not required to be deposited into the County treasury.

Provisions of the Ohio Revised Code restrict investment procedures. Under existing Ohio statutes all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General Fund during 2019 amounted to $288,252 which includes $203,787 assigned from other County funds.

G. Restricted Assets

The Governmental Balance Sheet is showing restricted cash and cash equivalents for unclaimed monies not available for appropriation and for amounts withheld until the successful completion of contractual agreements. Restricted assets are also presented for amounts held which represent bond guarantee deposits.

H. Inventory of Supplies

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used.

I. Receivables and Payables

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined material and substantiated not only by supporting documentation, but also, by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability. Using this criteria, the County has elected to not record child support arrearages. 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.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

K. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The County was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level to deflate the cost to the acquisition year or estimated acquisition year). Donated fixed assets are recorded at their acquisition values as of the date received. The County maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

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

Description	Governmental and Business-Type Activities Estimated Lives
Buildings and Improvements	50 years
Machinery, Equipment, Furniture and Fixtures	5 - 20 years
Vehicles	5 - 20 years
Infrastructure	5 - 50 years

The County's infrastructure consists of roads, bridges, and sewer lines and includes infrastructure acquired prior to 1980.

L. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term and long-term interfund loans or interfund services provided and used are classified as "Interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

M. Compensated Absences

Vacation 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 time when earned for all employees with more than one year of service. The liability for vacation benefits is recorded as long-term liabilities, as the balances can be accumulated and carried for more than one year.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those 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 after ten 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 are paid. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

N. Pensions/Other Postemployment Benefits (OPEB)

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

O. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported in the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, long-term loans and notes, and capital leases payable are recognized as a liability in 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.

P. Capital Contributions

Contributions of capital arise from contributions of capital assets from governmental activities to business-type activities, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. 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 governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, prepaids, as well as inventory, unless the use of the proceeds from the collection of those receivables, or from the use of the prepaids and inventory, is restricted, committed, or assigned.

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the County Commissioners. In the General Fund, assigned amounts represent intended uses established by the County Commissioners or a County official delegated that authority be resolution or by State Statute. State Statute authorizes the County Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Commissioners assigned fund balance to cover a gap between estimated revenue and appropriations in 2020's appropriated budget.

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

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

R. Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes primarily include the net position relating to activity associated with miscellaneous local court grant funds and public safety grant funds. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

S. Internal Activity

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

Internal allocations of overhead expenses from one program to another or within the same program are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2019.

U. Operating Revenues and Expenses

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

V. 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.

W. Bond Premiums, Discounts, and Issuance Costs

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

On the governmental fund financial statements, governmental fund types recognize bond premiums or discounts in the period in which the related debt is issued. The face amount of the debt issue is reported as other financing sources. Premiums received or discounts paid on debt issuances are shown as other financing sources or uses on the governmental fund financial statements. Debt issuance costs are reported as expenses in the period incurred.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Note 3 - Change in Accounting Principles and Restatement of Fund Balances/Net Position

Change in Accounting Principles

The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance.* The County evaluated implementing these certain GASB pronouncements based on the guidance in GASB 95.

For 2019, the County implemented GASB Statement No. 84, *Fiduciary Activities;* Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements;* and related guidance from (GASB) Implementation Guide No. 2019-2, *Fiduciary Activities.*

For 2019, the County also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2018-1.* These changes were incorporated in the County's 2019 financial statements; however, there was no effect on beginning fund balances/net position.

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

GASB Statement No. 88 improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. In also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the County's 2019 financial statements; however, there was no effect on beginning net position/fund balances.

Restatement of Fund Balances and Net Position

The implementation of GASB Statement No. 84 had the following effect on fund balances and net position as of December 31, 2018:

	General	Job and Family Services	Motor Vehicle and Gasoline Tax
Fund Balances (Deficit), December 31, 2018	$3,407,275	($53,266)	$1,486,542
Adjustments:			
GASB Statement No. 84	33,173	0	323
Restated Fund Balances, December 31, 2018	$3,440,448	($53,266)	$1,486,865

(continued)

(continued)	Developmental Disabilities	Other Governmental Funds	Total Governmental Funds
Fund Balances (Deficit), December 31, 2018	$1,373,699	$4,491,179	$10,705,429
Adjustments:			
GASB Statement No. 84	0	27,539	61,035
Restated Fund Balances, December 31, 2018	$1,373,699	$4,518,718	$10,766,464

	Governmental Activities
Net Position December 31, 2018	$33,233,490
Adjustments:	
GASB Statement No. 84	34,646
Restated Net Position December 31, 2018	$33,268,136

The implementation of GASB Statement No. 84 had the following effect on fiduciary net position as of December 31, 2018:

	Fiduciary Funds	
	Agency	Custodial
Net Position December 31, 2018	$0	$0
Adjustments:		
Assets	23,865,311	23,561,949
Liabilities	(23,865,311)	(1,377,931)
Deferred Inflows of Resources	0	(18,480,147)
Restated Net Position December 31, 2018	$0	$3,703,871

Note 4 - Budgetary Basis of Accounting

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

The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual for the General Fund and each major special revenue 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 as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).

4. Unrecorded cash, unrecorded interest, segregated cash accounts, and prepaid items are reported on the Balance Sheet (GAAP basis), but not on the budgetary basis.

5. Cash that is held by custodial funds on behalf of County funds represent amounts not included on a budget basis are allocated and reported on the Balance Sheet (GAAP basis) in the appropriate County fund.

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

Adjustments necessary to convert the results of operations at the end of the year on the Budget basis to the GAAP basis for the major funds are as follows:

Net Change in Fund Balances
General and Major Special Revenue Funds

	General	Job and Family Services	Motor Vehicle and Gasoline Tax	Developmental Disabilities
GAAP Basis	$881,012	$232,567	$994,183	$380,537
Net Adjustment for Revenue Accruals	101,977	(84,784)	(255,366)	15,338
Beginning of the Year:				
Unrecorded Cash	65,484	34,747	1,280	0
Custodial Fund Cash Allocation	158,126	0	41,602	12,254
Prepaid Items	51,058	13,924	15,556	14,706
End of the Year:				
Unrecorded Cash	(71,913)	(34,896)	(2,684)	0
Custodial Fund Cash Allocation	(155,622)	0	(41,690)	(16,007)
Prepaid Items	(49,197)	(13,498)	(14,378)	(25,701)
Net Adjustment for Expenditure Accruals	89,315	(22,788)	(4,039)	(44,535)
Advances In	344,741	0	213,399	0
Advances Out	(338,641)	0	(229,649)	0
Transfers Out	1,125	0	0	0
Encumbrances	(153,746)	(14,361)	(27,700)	0
Budget Basis	$923,719	$110,911	$690,514	$336,592

Note 5 - Accountability

The Children Services Special Revenue Fund had a deficit fund balance as of December 31, 2019 in the amount of $235,189. This deficit is due to the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides operating transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 6 - Deposits and Investments

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;

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

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

4. Bonds and other obligations of this state or the political subdivisions of this state, provided the bonds or other obligations of political subdivisions mature within ten years from the date of settlement;

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts, in eligible institutions pursuant to ORC sections 135.32;

6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in (1) or (2) above; commercial paper as described in ORC section 135.143 (6); and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;

7. The State Treasurer's investment pool (STAR Ohio);

8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value, within certain limitations;

9. Up to forty percent of the County's average portfolio, if training requirements have been met in either of the following:

    a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other State, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation, which mature within 270 days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate five percent of interim monies available for investment at the time of purchase.

b. Bankers acceptances of banks that are insured by the federal deposit insurance corporation and that mature not later than 180 days after purchase.

10. Up to fifteen percent of the County's average portfolio in notes issued by U.S. corporations or by depository institutions doing business under authority granted by the U.S. or any state provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature not later than three years after purchase;

11. A current unpaid or delinquent tax line of credit, provided certain conditions are met related to a County land reutilization corporation organized under ORC Chapter 1724; and,

12. Up to two percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government, subject to certain limitations. All interest and principal shall be denominated and payable in United States funds.

Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of settlement, 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. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Cash on Hand At year-end, the County had $500 in undeposited cash on hand which is included on the Balance Sheet of the County as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits Custodial credit risk for deposits is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, $2,640,449 of the County's bank balance of $3,044,626 as exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution.

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

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

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

Investments As of December 31, 2019, the County had no investments which were part of an internal investment pool.

Interest Rate Risk The County has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the County, and that an investment must be purchased with the expectation that it will be held to maturity. The intent of the policy is to avoid the need to sell securities prior to maturity.

Note 7 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the County. Property tax revenue received during 2019 for real and public utility property taxes represents collections of 2018 taxes.

2019 real property taxes were levied after October 1, 2019, on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2019 public utility property taxes which became a lien December 31, 2018, were levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all County operations for the year ended December 31, 2019, was $9.95 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2019 property tax receipts were based are as follows:

Real Property	$317,465,980
Public Utility Personal Property	238,135,630
Total Assessed Value	$555,601,610

The County Treasurer collects property taxes on behalf of all taxing districts in the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through custodial funds. The amount of the County's tax collections is accounted for within the applicable funds. Property taxes receivable represents real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2019, and for which there is an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2019 operations is offset to deferred inflows of resources - property taxes.

On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources - unavailable revenue.

Note 8 - Permissive Sales and Use Tax

In 1967, in accordance with Section 5739.02 of the Revised Code, counties were authorized to levy an excise tax of 0.5% to 1-1/2%. The tax must be levied pursuant to a resolution of the County Commissioners and a copy of the resolution of the County Commissioners sent to the Tax Commissioner not later than 60 days prior to the effective date of the tax.

Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the Office of Budget Management the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of the month. The Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

Effective November 1970, the County Commissioners adopted by resolution a 0.5% permissive sales tax as allowed by Section 5739.02 and 5741.02, Revised Code. In February 1985, an additional 0.5% was adopted and in 1994 an additional 0.5% was adopted. Proceeds of the tax are credited to the General Fund.

Note 9 - Receivables

Receivables at December 31, 2019, consisted of taxes, lodging taxes, permissive motor vehicle registration, interfund, accrued interest, sales taxes, accounts (billings for user charged services, including unbilled utility services), loans, and intergovernmental receivables arising from grants, entitlements and shared revenues. A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amount
Property Tax Allocations	$104,912
Casino Tax	84,795
Local Government Subsidies	128,415
Developmental Disabilities Grants and Subsidies	48,328
Gasoline Excise Tax and MVL Distributions	2,124,044
Community Development Block Grants	932,007
Sheriff Subsidy	2,404
Issue II	631,606
Emergency Management	28,975
Homeland Security Grant	7,400
Load Rating Grant	8,512
Subsidy Grants and Allocations	6,055
Targeted Community Alternitives Grant	37,500
Pre-Sentencing Investigation Grant	3,718
State Victims Assistance	26,185
Cost Allocation	13,798
Public Assistance Grants and Subsidies	163,837
Children Services Grants and Subsidies	1,421
Child Support Enforcement Grants and Subsidies	70,605
Housing of Prisoners	15,210
Indigent Defense Reimbursements	6,859
Dispatcher Wage Reimbursement	8,967
School Resource Officer Reimbursements	39,205
Miscellaneous Intergovernmental Receivables	1,447
Total Governmental Activities	4,496,205

Delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for non-payment. Management believes all other receivables are fully collectible within one year except for property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Delinquent property taxes deemed collectible by the County Auditor are recorded as a receivable, in the amount of $103,913, may not be collected within one year. Loans Receivable, although ultimately collectible, will not be collected within one year. The County is reflecting a $9,449 loan receivable in the USDA Rural Business Enterprise Special Revenue Fund. This is the result of the issuance of revolving loans administered by the County.

Note 10 - Federal Food Stamp Program

The County's Department of Job and Family Services distributed through contracting issuance centers, federal food stamps to entitled recipients within Noble County. The receipt and issuance of these stamps have the characteristics of federal "grants"; however, the Department of Job and Family Services merely acts in an intermediary capacity. Therefore, the inventory value of these stamps is not reflected in the accompanying financial statements as the only economic interest related to these stamps rests with the ultimate recipient. The County's Department of Job and Family Services had no federal food stamps at December 31, 2019.

Note 11 - Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance 12/31/2018	Additions	Reductions	Balance 12/31/2019
Governmental Activities				
Non-Depreciable Capital Assets:				
Land	$865,586	$0	$0	$865,586
Gravel Roads/Bases	12,809,356	0	0	12,809,356
Total Non-Depreciable Capital Assets	13,674,942	0	0	13,674,942
Depreciable Capital Assets:				
Buildings and Improvements	10,415,230	57,297	0	10,472,527
Machinery, Equipment, Furniture and Fixtures	2,580,977	320,698	0	2,901,675
Vehicles	2,142,234	305,395	(160,076)	2,287,553
Infrastructure	16,785,626	567,165	(138,104)	17,214,687
Total Depreciable Capital Assets	31,924,067	1,250,555	(298,180)	32,876,442
Less Accumulated Depreciation:				
Buildings and Improvements	(3,520,898)	(310,544)	0	(3,831,442)
Machinery, Equipment, Furniture and Fixtures	(1,709,031)	(131,425)	0	(1,840,456)
Vehicles	(1,367,251)	(171,849)	121,698	(1,417,402)
Infrastructure	(7,658,396)	(677,520)	87,613	(8,248,303)
Total Accumulated Depreciation	(14,255,576)	(1,291,338) *	209,311	(15,337,603)
Total Depreciable Capital Assets, Net	17,668,491	(40,783)	(88,869)	17,538,839
Governmental Capital Assets, Net	$31,343,433	($40,783)	($88,869)	$31,213,781

* Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities	
General Government:	
Legislative and Executive	$125,567
Judicial	20,295
Public Safety	156,288
Public Works	877,435
Health	16,170
Human Services	73,111
Conservation and Recreation	22,472
Total Depreciation Expense	$1,291,338

	Balance 12/31/2018	Additions	Reductions	Balance 12/31/2019
Business-Type Activities				
Non-Depreciable Capital Assets:				
Land	$17,500	$0	$0	$17,500
Depreciable Capital Assets:				
Vehicles	6,400	0	0	6,400
Infrastructure	9,813,080	115,931	0	9,929,011
Total Depreciable Capital Assets	9,819,480	115,931	0	9,935,411
Less Accumulated Depreciation:				
Vehicles	(2,000)	(800)	0	(2,800)
Infrastructure	(1,146,306)	(234,309)	0	(1,380,615)
Total Accumulated Depreciation	(1,148,306)	(235,109)	0	(1,383,415)
Total Depreciable Capital Assets, Net	8,671,174	(119,178)	0	8,551,996
Business-Type Capital Assets, Net	$8,688,674	($119,178)	$0	$8,569,496

Note 12 - Risk Management

The County is exposed to various risks of loss related to torts; theft, damage to or destruction of assets; errors and omissions; employee injuries, and natural disasters. During 2019, the County contracted with the Buckeye Joint-County Insurance Council (a public entity risk pool - See Note 20) for liability, auto, and crime insurance. This organization is a cost-sharing pool. Coverage provided by the program is as follows:

Basic Contribution	Coverage Limits/Aggregate	Deductible
Blanket Buildings and Personal Property	$23,680,054	$1,000/$25,000
Legal Liability Real Property	1,000,000	1,000
Business Income with Extra Expense	1,000,000	1,000
Inland Marine	2,711,873	1,000
Electronic Equipment Limit	500,000	1,000
Electronic Media and Extra Expense Limit	5,000	1,000
Property Away From Premises Limit	10,000	1,000
Computer Virus	1,000	1,000
General Liability	2,000,000	0
Personal and Advertising Injury	2,000,000	0
General Aggregate	4,000,000	0
Product – Completed Operations Aggregate Limit	4,000,000	0
Medical Expense Limit – Per Person	10,000	0
Medical Expense Limit Per Accident	50,000	0
Employers Liability - Ohio Stop Gap	2,000,000	0
Employees Benefits Liability	2,000,000/4,000,000	0
Public Official Liability	2,000,000/4,000,000	5,000
Law Enforcement Liability	2,000,000/4,000,000	5,000
Theft, Disappearance and Destruction	50,000	0
Public Employee Dishonesty	250,000	0
Forgery and Alteration	5,000	0

Computer Fraud	50,000	100
Funds Transfer Fraud	5,000	0
Animal Mortality	$10,000	0
Arson Reward	5,000	0
Cemetery Structures	10,000	0
Fire Department Service Charge	1,000	0
Lock Re-Keying	2,500	0
Outdoor Property	100,000	0
Personal Effects	2,500	0
Pollution Clean Up and Removal	100,000	0
Property Off Premises	10,000	0
Accounts Receivable	250,000	0
Builder Risk	500,000	0
Fine Arts	25,000	0
Fire Protection Devices	5,000	0
Grounds Maintenance Equipment	50,000	0
Newly Acquired or Constructed Buildings	2,000,000	0
Newly Acquired Personal Property	1,000,000	0
Paved Surfaces	50,000	0
Underground Pipes, Flues or Drains	1,000,000	0
Unnamed Locations	250,000	0
Valuable Papers and Records	250,000	0
Utility Services	25,000	0
Property in Transit	100,000	0
Auto Liability	2,000,000	0
Auto Medical Payments	10,000	0

Settled claims have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

For 2019, the County participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool (See Note 20). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate.

In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program. The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The County pays all elected official bonds by state statute.

Note 13 - Defined Benefit Pension Plan

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

Net Pension Liability (Asset)/Net OPEB Liability (Asset)
The net pension liability (asset) and the net OPEB liability (asset) reported on the Statement of Net Position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions/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/OPEB liability (asset) represents the County's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/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 these estimates annually.

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OBEB liability* 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 *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)
County Employees, other than certified teachers and other faculty members, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

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 CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

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

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded.

Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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

	State and Local	Law Enforcement
2019 Statutory Maximum Contribution Rates		
Employer	14.0 %	18.1 %
Employee *	10.0 %	**
2019 Actual Contribution Rates		
Employer:		
Pension ***	14.0 %	18.1 %
Post-employment Health Care Benefits ***	0.0	0.0
Total Employer	14.0 %	18.1 %
Employee	10.0 %	13.0 %

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

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

*** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

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

For 2019, the County's contractually required contribution was $785,348 for the traditional plan, $8,990 for the combined plan, and $5,460 for the member-directed plan. Of these amounts, $99,771 is reported as an intergovernmental payable for the traditional plan, $1,131 for the combined plan, and $969 for the member-directed plan.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of the respective measurement dates. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	OPERS Traditional Plan	OPERS Combined Plan	Total
Proportion of the Net Pension Liability/Asset:			
Current Measurement Date	0.0397170%	0.0159690%	
Prior Measurement Date	0.0389330%	0.0080500%	
Change in Proportionate Share	0.0007840%	0.0079190%	
Proportionate Share of the:			
Net Pension Liability	$10,877,680	$0	$10,877,680
Net Pension Asset	0	17,858	17,858
Pension Expense	$2,580,034	$3,770	$2,583,804

2019 pension expense for the member-directed defined contribution plan was $9,002. The aggregate pension expense for all pension plans was $2,592,806 for 2019.

At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$502	$0	$502
Change of assumptions	946,929	3,988	950,917
Net difference between projected and actual earnings on pension plan investments	1,476,406	3,846	1,480,252
Changes in proportion and differences between County contributions and proportionate share of contributions	174,861	3,533	178,394
County contributions subsequent to the measurement date	785,348	8,990	794,338
Total Deferred Outflows of Resources	$3,384,046	$20,357	$3,404,403
Deferred Inflows of Resources			
Differences between expected and actual experience	$142,831	$7,294	$150,125
Changes in proportion and differences between County contributions and proportionate share of contributions	0	6,067	6,067
Total Deferred Inflows of Resources	$142,831	$13,361	$156,192

$794,338 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	OPERS Traditional Plan	OPERS Combined Plan	Total
2020	$1,113,717	$344	$1,114,061
2021	518,546	(426)	518,120
2022	136,966	(344)	136,622
2023	686,638	859	687,497
2024	0	(721)	(721)
Thereafter	0	(1,706)	(1,706)
	$2,455,867	($1,994)	$2,453,873

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, 2018, 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, 2018, are presented below.

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change was effective beginning with the 2018 valuation.

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

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan, and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses, and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94 percent for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

Discount Rate
For 2018, the discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. For 2017, the discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan, and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
County's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	$16,069,498	$10,877,680	$6,563,234
OPERS Combined Plan	(5,909)	(17,858)	(26,509)

Note 14 - Defined Benefit OPEB Plan

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

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

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

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

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and 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 2019 was 4.0 percent.

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

The County's contractually required contribution was $2,184 for 2019. Of this amount, $277 is reported as an intergovernmental payable.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of 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, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the

expected value of health care cost accruals, the actual health care payment, and interest accruals during the year.
The County's proportion of the net OPEB liability 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
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.037889%
Prior Measurement Date	0.036950%
Change in Proportionate Share	0.0009390%
Proportionate Share of the Net OPEB Liability	$4,939,831
OPEB Expense	$522,777

At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources	
Differences between expected and actual experience	$1,673
Changes of assumptions	159,266
Net difference between projected and actual earnings on pension plan investments	226,462
Changes in proportion and differences between County contributions and proportionate share of contributions	110,821
County contributions subsequent to the measurement date	2,184
Total Deferred Outflows of Resources	$500,406
Deferred Inflows of Resources	
Differences between expected and actual experience	$13,403

$2,184 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 the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS
2020	$249,612
2021	82,794
2022	38,328
2023	114,085
Total	$484,819

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, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current Measurement Date	3.96 percent
Prior Measurement Date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current Measurement Date	3.71 percent
Prior Measurement Date	3.31 percent
Health Care Cost Trend Rate:	
Current Measurement Date	10.0 percent, initial 3.25 percent, ultimate in 2029
Prior Measurement Date	7.25 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age Normal

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change was be effective for the 2018 valuation.

Pre-retirement mortality rates are based on the RP-2014 Employees Mortality Table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant Mortality Table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

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

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

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

During 2018, 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 5.6 percent for 2018.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00 %	5.16 %

Discount Rate
A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017.

Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the County's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Discount Rate (3.96%)	1% Increase (4.96%)
County's proportionate share of the net OPEB liability	$6,319,885	$4,939,831	$3,842,323

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB Liability	$4,748,249	$4,939,831	$5,160,482

Note 15 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Employees earn two to six weeks of vacation per year, depending on length of service. Vacation accumulation is limited to three years. All accumulated, unused vacation time is paid to eligible employees upon termination of employment.

Employees earn sick leave at the rate of 1.25 days per month of service. Sick leave is accumulated without limit. Upon retirement or death, an employee can be paid from twenty-five to fifty percent of accumulated, unused sick leave up to 480 hours accumulation.

B. Insurance

The County provides health and prescription insurance coverage purchased through The Health Plan for all eligible employees. The County pays eighty percent of the monthly premiums and employees pay twenty percent.

The County provides life insurance to most employees through Humana. The County pays the entire monthly premium for this benefit.

The County provides dental and vision insurance to employees through Humana. The County pays the entire monthly premium for these benefits.

C. Health Insurance Option

Some employees of the Motor Vehicle and Gasoline Tax Special Revenue Fund may wish to waive their insurance coverage after having this benefit provided elsewhere. In that event, a cash payment in lieu of a health benefit shall be made to the employee. The cash payment will be made once a year in December and shall not exceed twenty-five percent of the cost of premiums or payments that otherwise would be paid by the County for the employee under the single coverage.

Some employees of the Development Disabilities Special Revenue Fund may wish to waive their insurance coverage after having this benefit provided elsewhere. In that event, a cash payment in lieu of a health benefit shall be made to the employee. The cash payment will be made quarterly in the amount of $450 for an annual stipend of $1,800.

Note 16 - Significant Commitments

Encumbrances are commitments to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Governmental Funds	
General Fund	$153,746
Job and Family Services	14,361
Motor Vehicle and Gasoline Tax	27,700
Other Governmental Funds	144,399
Total Governmental Funds	340,206
Proprietary Fund	
Sewer	4,350
Total All Funds	$344,556

Note 17 - Long -Term Obligations

Changes in the County's long-term obligations during the year consisted of the following:

	Outstanding 12/31/2018	Additions	Deletions	Outstanding 12/31/2019	Amounts Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
County Services Facilities	$1,438,746	$0	$70,537	$1,368,209	$72,759
Net Pension Liability - OPERS	6,107,833	4,769,847	0	10,877,680	0
Net OPEB Liability - OPERS	4,012,498	927,333	0	4,939,831	0
Compensated Absences	723,784	341,145	319,287	745,642	305,523
Total Governmental Activities	12,282,861	6,038,325	389,824	17,931,362	378,282
Business-Type Activities:					
Sewer Project Phase II					
OWDA Loan - 2009 - 0%	152,707	0	12,217	140,490	12,217
Belle Valley Project OWDA					
Loan - 2013 - 0%	575,330	0	33,843	541,487	33,843
Lashley Addition Wastewater System					
OWDA Loan - 2018 - 0%	0	134,415	134,415	0	0
Compensated Absences	1,377	594	353	1,618	231
Total Business-Type Activities	729,414	135,009	180,828	683,595	46,291
Total Long-Term Obligations	$13,012,275	$6,173,334	$570,652	$18,614,957	$424,573

Governmental Activities

During 2014, the County issued $1,700,000 in County Services Facilities private placement general obligation bonds at an interest rate of 3.15% with a final maturity date of August 2034 for the purpose of constructing a county facilities building. The debt is being retired through the General Fund.

Annual debt service requirements to retire general obligation bonds outstanding at December 31, 2019, are as follows:

Year Ending December 31,	Principal	Interest	Total
2020	$72,759	$43,099	$115,858
2021	75,051	40,807	115,858
2022	77,415	38,443	115,858
2023	79,853	36,004	115,857
2024	82,368	33,489	115,857
2025-2029	452,436	126,849	579,285
2030-2034	528,327	50,957	579,284
Total	$1,368,209	$369,648	$1,737,857

There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the following funds: The General Fund and the Job and Family Services, Motor Vehicle and Gasoline Tax, Developmental Disabilities, Child Support Enforcement Agency, Litter, Dog and Kennel, Delinquent Real Estate and Tax Collection, 911, Emergency Management Agency, Community Development Block Grant, State Victims Advocate, Miscellaneous Court Grants, Real Estate Assessment, and Law Library Resources Special Revenue Funds. For additional information related to the net pension/OPEB liability see Notes 13 and 14.

Compensated absences will be paid from the funds from which the employees' salaries are paid, which consist of the General Fund and the Job and Family Services, Motor Vehicle and Gasoline Tax, Real Estate Assessment, Child Support Enforcement Agency, Developmental Disabilities, Miscellaneous Court Grants, and Emergency Management Agency Special Revenue Funds.

Business-Type Activities

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay $681,977 in sewer system OWDA loans issued between 2009 and 2019. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from sewer customer net revenues and are payable through 2035. Annual principal and interest payments on the loans as compared to net future revenues are not estimable but are expected to be less than net revenues in each year the loans are outstanding. Principal paid for the current year and total customer net revenues were $180,475 and $37,534, respectively.

Annual debt service requirements to maturity for the OWDA loans are as follows:

Year Ending December 31,	Principal
2020	$46,060
2021	46,060
2022	46,060
2023	46,060
2024	46,060
2025-2029	230,290
2030-2034	187,534
2035	33,853
Total	$681,977

The County's overall legal debt margin at December 31, 2019 was $11,021,831.

Note 18 - Interfund Transactions

Interfund balances at December 31, 2019 consist of the following individual fund receivables and payables:

	Interfund Receivable					
	Major Funds					
Interfund Payable	General	Job and Family Services	Motor Vehicle and Gasoline Tax	Sewer	Other Nonmajor Governmental	Totals
Major Funds:						
General	$0	$0	$0	$45	$0	$45
Job and Family Services	0	91,688	0	70	0	91,758
Motor Vehicle ans Gasoline Tax	0	0	0	54	0	54
Sewer	10,650	0	93	0	0	10,743
Other Nonmajor Governmental	120,957	55,949	16,250	0	100,291	293,447
Total All Funds	$131,607	$147,637	$16,343	$169	$100,291	$396,047

The above interfund receivables/payables are due to time lags between the dates interfund goods and services are provided, transactions recorded in the accounting system, and payments between funds were made. Also included in the above balances are short-term advances made from the General Fund to the Litter Control and Law Enforcement and Education Special Revenue Funds in the amounts of $5,000 and $1,500, respectively. A short-term advance was also made from the Motor Vehicle and Gasoline Tax Special Revenue Fund to the FEMA Special Revenue Fund in the amount of $16,250.

Interfund transfers for the year ended December 31, 2019 consisted of the following, as reported on the fund statements:

	Transfer to		
	Major Fund		
Transfer from	Job and Family Services	Other Other Nonmajor Governmental	Totals
Major Fund:			
General Fund	$44,679	$705,246	$749,925

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

Note 19 - Fund Balances

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

Noble County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Fund Balances	General	Job and Family Services	Motor Vehicle and Gasoline Tax	Developmental Disabilities	Other Governmental Funds	Total
Nonspendable:						
Inventory	$42,036	$500	$170,387	$1,200	$6,539	$220,662
Prepaids	49,197	13,498	14,378	25,701	173,091	275,865
Revolving Loan	0	0	0	0	9,449	9,449
Unclaimed Monies	8,045	0	0	0	0	8,045
Total Nonspendable	99,278	13,998	184,765	26,901	189,079	514,021
Restricted to:						
Capital Projects	0	0	0	0	365,697	365,697
Public Assistance	0	165,303	0	0	0	165,303
Child Support Enforcement	0	0	0	0	434,434	434,434
Roads and Bridges	0	0	2,296,283	0	10,810	2,307,093
Developmental Disabilities	0	0	0	1,727,335	0	1,727,335
Community Development	0	0	0	0	121,736	121,736
Revolving Loan Program	0	0	0	0	70,491	70,491
Real Estate Assessment	0	0	0	0	1,302,370	1,302,370
Delinquent Tax Collection	0	0	0	0	176,248	176,248
Court Corrections	0	0	0	0	344,643	344,643
Ambulance Services	0	0	0	0	1,319,903	1,319,903
Cooperative Extension	0	0	0	0	597,289	597,289
Senior Citizens Services	0	0	0	0	310,723	310,723
Federal Emergency Management	0	0	0	0	10,810	10,810
'911	0	0	0	0	140,044	140,044
Other Purposes	0	0	0	0	344,336	344,336
Total Restricted	0	165,303	2,296,283	1,727,335	5,549,534	9,738,455
Committed to:						
Unpaid Obligations	3,227	0	0	0	0	3,227
Severance Payments	29,681	0	0	0	0	29,681
Total Assigned	32,908	0	0	0	0	32,908
Assigned to:						
Purchases on Order	30,649	0	0	0	0	30,649
Subsequent Years' Appropriations	3,079,030	0	0	0	0	3,079,030
Total Assigned	3,109,679	0	0	0	0	3,109,679
Unassigned (Deficit)	1,079,595	0	0	0	(235,189)	844,406
Total Fund Balances (Deficit)	$4,321,460	$179,301	$2,481,048	$1,754,236	$5,503,424	$14,239,469

Note 20 - Public Entity Risk Pools

A. Buckeye Joint-County Insurance Council

The Buckeye Joint-County Insurance Council is an insurance purchasing pool that serves Noble, Athens, Hocking, Jackson, Lawrence, Monroe, Morgan, Perry, Pike, and Vinton Counties. The Council was formed as an Ohio nonprofit corporation for the purpose of establishing an insurance pool to obtain general liability, law enforcement, professional and fleet insurance. Member counties provide operating resources to the corporation based on actuarially determined rates. The Governing Board, consisting of a commissioner from each county, annually elects officers, which includes a President, Vice President, Second Vice President and two Governing Board members. The Governing Board exercises total control over the operations of the Council including budgeting, contracting, appropriating, and designating management. The degree of control exercised by any participating government is limited to its representation on the Governing Board. The expenditures and investment of funds by the officers must be approved by the Governing Board unless specific limits have been set by the Governing Board to permit otherwise.

Noble County does not have any ongoing financial interest or responsibility. The agreement between the County and the Council indicates that a voluntary withdrawal or termination of the Council shall constitute a forfeiture of any pro rata share of the Council reserve fund. In the event of the termination of the Council, current members shall be paid in an amount that they have contributed to the Council as of the last month of the Council's existence. Current calculation of this potential residual interest is therefore not possible. During 2019, Noble County paid $87,953 to the Council for coverage.

B. County Commissioners Association of Ohio Workers' Compensation Group Rating Plan

For 2019, the County participated in the County Commissioners' Association of Ohio Workers' Compensation Group Rating Plan (Plan) provided by the County Commissioners' Association of Ohio, a workers' compensation insurance purchasing pool. The intent of the Plan is 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 counties in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate. In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, annually the Plan's executive committee calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control, and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the Plan. The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows representatives of the Plan to access loss experience for three years following the last year of participation. The County's contribution to the pool for 2019 was $56,355.

Note 21 - Jointly Governed Organizations

A. Southeastern Ohio Joint Solid Waste Management District

The County is a member of the Southeastern Ohio Joint Solid Waste Management District, which is a jointly governed organization involving Noble, Muskingum, Guernsey, Morgan, Monroe and Washington counties. The purpose of the District is to plan and implement comprehensive and environmentally sound solid waste management facilities and provide for the establishment of waste minimization, waste reduction, and recycling programs. The District was created in 1989, as required by the Ohio Revised Code.

The Southeastern Ohio Joint Solid Waste Management District is governed and operated through three groups. An eighteen member board of directors, comprised of three commissioners from each County, is responsible for the District's financial matters. Financial records are maintained by the County (through a custodial fund) and the District. The Board exercises total control over the operations of the District including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. The District's sole revenue source is a waste disposal fee for in-district waste. A forty-three member policy committee, comprised of seven members from each county and one at-large member appointed by the policy committee, is responsible for preparing the solid waste management plan of the District in conjunction with a Technical Advisory Council whose members are appointed by the policy committee. No contributions were received from the County during 2019.

B. Mental Health and Recovery Services Board

The Mental Health and Recovery Services Board is a jointly governed organization whose participants are Muskingum, Coshocton, Guernsey, Perry, Morgan, and Noble Counties. The Board has the responsibility for development, coordinated continuation and ongoing modernization, funding, monitoring, and evaluation of community-based mental health and substance abuse programming. The Board is managed by an eighteen member board of trustees; three appointed by the Muskingum County Commissioners, seven appointed by the commissioners of the other participating counties, four by the director of the State Department of Alcohol and Drug Addiction, and four appointed by the Director of the State Department of Mental Health. The Board exercises total control over the operations including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board.

During 2019, Noble County contributed $289,601 in tax levy revenue money through a .70 mill levy. The remaining revenues are provided by levies from other member counties, and state and federal grants awarded to the multi-county board. Muskingum County serves as fiscal agent for the Board. Continued existence of the Board is not dependent on the County's continued participation and no equity interest exists. The Board has no outstanding debt.

C. Guernsey-Monroe-Noble Community Action Corporation (GMN)

The Guernsey-Monroe-Noble Community Action Corporation is a non-profit corporation organized to plan, conduct and coordinate programs designed to combat social and economic problems and to help eliminate conditions of poverty within Guernsey, Monroe and Noble counties. The agency is governed by an eighteen member board which consists of two commissioners or their appointees from each county, two individuals from the private sector from each county, and two low income individuals elected by each county. The six business owners are nominated by other local business owners and the six low income individuals are nominated at a public meeting of the local Neighborhood Service Center Policy Advisory Committee. The agency received federal and state monies which are applied for and received by, and in the name of, the Board of Directors.

Continued existence of the Community Action Agency is not dependent upon the County's continued participation, nor does the County have an equity interest in the agency. The agency is not accumulating significant financial resources and is not experiencing fiscal distress that may cause an additional financial benefit to or burden on the County. The agency administers the operations of the Senior Citizens Center. During 2019, $186,369 in Senior Citizens Levy money was received on behalf of the elderly residents of Noble County.

D. Buckeye Hills - Hocking Valley Regional Developmental District

The District serves as the Area Agency on Aging for Noble, Athens, Hocking, Meigs, Morgan, Monroe, Perry, and Washington Counties. The District was created to foster a cooperative effort in regional planning, programming, and implementing plans and programs. The District is governed by a fifteen-member Board of Directors. The Board is comprised of one County Commissioner from each county, one member from the City of Athens, one member from the City of Marietta, four at-large members appointed from the ten government members, and one member from the minority sector. The Board exercises total control over the operations of the District including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. Noble County's annual cash contribution during 2019 was $1,757. The local contribution is based on the County's formal resolution of cooperation with the district and the 2010 census.

E. Oakview Juvenile Residential Center

The Oakview Juvenile Residential Center is a jointly governed organization among Monroe, Belmont, Harrison, Guernsey, Jefferson, and Noble Counties. The Center was formed to operate a regional juvenile rehabilitation facility for the use of member counties, and to house and treat adjudicated non-violent felony offenders. The facility is operated and managed by Oakview Juvenile Residential Center. The participating entities created a Judicial Rehabilitation Board the members of which are made-up of the juvenile judges of each participating county. The Board exercises total control of the budgeting, appropriating, contracting, and designating management. Each County's degree of control is limited to its representation on the Board. A twelve member Advisory Board has been created whose members are appointed by the Judicial Rehabilitation Board of which all participating Counties have two appointees. The facility is located on property now owned by Belmont County. Policies, procedures and the operating budget are approved by the Judicial Rehabilitation Board.

F. Ohio Valley Employment Resource (OVER)

The Ohio Valley Employment Resource is a jointly governed organization whereby the three county commissioners from Noble, Monroe, Morgan, and Washington Counties serve on the governing board. The Ohio Valley Employment Resource was formed for the purpose of creating and providing employment and training programs in response to local need, a part of which is implementation of the Workforce Investment Act, P.L. 105-220. The continued existence of the Ohio Valley Employment is not dependent on the County's continued participation and no equity interest exists. The Ohio Valley Employment Resource has no outstanding debt.

Note 22 - Related Organizations

A. Noble County Metropolitan Housing Authority

The Noble County Metropolitan Housing Authority is a nonprofit organization established to provide adequate public housing for low income individuals and was created pursuant to State statutes. The Authority is operated by a five member board. Two members are appointed by the largest municipality in the County, one member is appointed by the probate court judge, one member is appointed by the common pleas court judge, and one member is appointed by the County commissioners. The Authority receives funding from the Federal Department of Housing and Urban Development. The board sets its own budget and selects its own management, and the County is not involved in the management or operation. The County is not financially accountable for the Authority.

B. Noble County Airport Authority

The Noble County Airport Authority was created in 1967. The Authority leases property from the State of Ohio, on which an airport is operated. The Authority is governed by a five-member Board. The original Board was appointed by the Noble County Commissioners, and the Commissioners approve members to fill vacancies upon recommendation of the current Authority Board. The Authority derives its revenues from hanger rental, state and federal grants received directly by the Authority, interest, and a minimal contribution from the County. The County is not financially accountable for the Authority; the County cannot impose its will on the Authority; and no financial benefit/burden relationship exists between the County and the Authority.

Note 23 - Contingent Liabilities

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

Note 24 - Subsequent Event

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the County. The County's investment portfolio and the investments of the pension and other employee benefit plans in which the County participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the County's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Noble County, Ohio
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Six Years (1)

	2019	2018	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	0.039717%	0.038933%	0.037318%	0.036571%	0.035320%	0.037318%
County's Proportionate Share of the Net Pension Liability	$10,877,680	$6,107,833	$8,474,282	$6,334,558	$4,259,987	$4,163,768
County's Covered Payroll	$5,215,105	$4,999,205	$4,688,383	$4,433,709	$4,218,321	$4,119,237
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	208.58%	122.18%	180.75%	142.87%	100.99%	101.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See accompanying notes to the basic financial statements

Noble County, Ohio
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
Last Two Years (1)

	2019	2018
County's Proportion of the Net Pension Asset	0.0000000%	0.0080500%
County's Proportionate Share of the Net Pension Asset	$17,858	$10,958
County's Covered Payroll	$62,121	$32,969
County's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-28.75%	-33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the County's participation in this plan was considered immaterial in previous years.

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

See accompanying notes to the basic financial statements

Noble County, Ohio
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System - OPEB Plan
Last Three Years (1)

	2019	2018	2017
County's Proportion of the Net OPEB Liability	0.0378890%	0.0369500%	0.0357600%
County's Proportionate Share of the Net OPEB Liability	$4,939,831	$4,012,498	$3,611,881
County's Covered Payroll	$5,341,526	$5,095,224	$4,819,233
County's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	92.48%	78.75%	74.95%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the basic financial statements

Noble County, Ohio
Required Supplementary Information
Schedule of County Contributions
Ohio Public Employees Retirement System
Last Seven Years (1)

	2019	2018	2017	2016	2015	2014	2013
Net Pension Liability - Traditional Plan							
Contractually Required Contribution	$785,348	$751,703	$669,268	$579,847	$547,021	$520,425	$548,137
Contributions in Relation to the Contractually Required Contribution	(785,348)	(751,703)	(669,268)	(579,847)	(547,021)	(520,425)	(548,137)
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0
County Covered Payroll	$5,427,004	$5,215,105	$4,999,205	$4,688,383	$4,433,709	$4,218,321	$4,119,237
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Net Pension Asset - Combined Plan							
Contractually Required Contribution	$8,990	$8,697	$4,286	$7,626	$10,105	$10,872	$11,192
Contributions in Relation to the Contractually Required Contribution	(8,990)	(8,697)	(4,286)	(7,626)	(10,105)	(10,872)	(11,192)
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0
County Covered Payroll	$64,214	$62,121	$32,969	$63,550	$84,208	$90,600	$86,092
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Net OPEB Liability - OPEB Plan (2)							
Contractually Required Contribution	$2,184	$2,572	$52,844	$97,730			
Contributions in Relation to the Contractually Required Contribution	(2,184)	(2,572)	(52,844)	(97,730)			
Contribution Deficiency (Excess)	$0	$0	$0	$0			
County Covered Payroll (3)	$5,545,818	$5,341,526	$5,095,224	$4,819,233			
OPEB Contributions as a Percentage of Covered Payroll	0.04%	0.05%	1.04%	2.03%			

(1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available for traditional and combined plans. An additional column will be added each year.

(2) Although this schedule is intended to reflect information for ten years, information prior to 2016 is not available for the OPEB plan.

(3) The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan. The member directed plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the basic financial statements

Changes in Assumptions - OPERS Pension - Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and in 2016 and prior are presented below:

	2019	2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 mortality table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions - OPERS Pension - Combined Plan

For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions - OPERS OPEB

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. For 2019, the health care cost trend rate was 10 percent, initial; 3.25 ultimate in 2029. For 2018, the health care cost tend rate was 7.25 percent, initial; 3.25 percent ultimate in 2028. For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

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NOBLE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

FEDERAL GRANTOR *Pass Through Grantor* Program/Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	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-1819-11-5787/G-2021-11-5974	$0	$98,901
Total SNAP Cluster			0	98,901
Passed Through Ohio Department of Natural Resources				
Forest Service Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	N/A	0	1,490
Total Forest Service Schools and Roads Cluster			0	1,490
Total U.S. Department of Agriculture			0	100,391
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through Ohio Development Services Agency				
Community Development Block Grants - State's Programs	14.228	B-C-18-1CD-1	0	89,328
		B-F-18-1CD-1	0	145,325
Total Community Development Block Grants - State's Programs			0	234,653
Home Investment Partnerships Program	14.239	B-C-18-1CD-2	0	60,401
Total U.S.Department of Housing and Urban Development			0	295,054
U.S. DEPARTMENT OF THE INTERIOR				
Passed Through Ohio Department of Natural Resources				
Payments in Lieu of Taxes	15.226	N/A	0	283
National Forest Acquired Lands	15.438	N/A	0	435
Total U.S. Department of The Interior			0	718
U.S. DEPARTMENT OF JUSTICE				
Passed Through Ohio Attorney General				
Crime Victim Assistance	16.575	2018-VOCA-132923165	0	7,139
		2019-VOCA-132133304	0	1,083
		2019-VOCA-132131746	0	24,232
Total Crime Victim Assistance			0	32,454
Total U.S. Department of Justice			0	32,454
U.S. DEPARTMENT OF LABOR				
Passed through Workforce Investment Act Area 15				
WIOA Cluster:				
WIOA Adult Program	17.258	G-1819-11-5787/G-2021-11-5974	0	159,341
WIOA Youth Program	17.259	G-1819-11-5787/G-2021-11-5974	0	87,403
WIOA Dislocated Worker Formula Grants	17.278	G-1819-11-5787/G-2021-11-5974	0	143,400
Total WIOA Cluster			0	390,144
Total US Department of Labor			0	390,144
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Ohio Department of Transportation				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	PID 108474	0	28,782
		PID 109176	0	15,562
		PID 108424	0	21,392
Total Highway Planning and Construction			0	65,736
Total Highway Planning and Construction Cluster			0	65,736
Total U.S. Department of Transportation			0	65,736

NOBLE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Continued)

FEDERAL GRANTOR ***Pass Through Grantor*** **Program/Cluster Title**	**Federal CFDA Number**	**Pass Through Entity Identifying Number**	**Provided Through to Subrecipients**	**Total Federal Expenditures**
U.S. ELECTION ASSISTANCE COMMISSION				
Passed through Ohio Secretary of State				
HAVA Election Security Grants	90.404	N/A	0	20,944
Total U.S. Election Assistance Commission			0	20,944
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Ohio Dept of Developmental Disabilities				
Social Services Block Grant	93.667	1901OHSOSR	0	12,099
Passed through Ohio Dept of Job and Family Services				
Promoting Safe and Stable Families	93.556	G-1819-11-5787/G-2021-11-5974	0	17,261
TANF Cluster:				
Temporary Assistance for Needy Families	93.558	G-1819-11-5787/G-2021-11-5974	0	893,839
Total TANF Cluster:			0	893,839
Child Support Enforcement	93.563	G-1819-11-5787/G-2021-11-5974	0	140,246
CCDF Cluster:				
Child Care and Development Block Grant	93.575	G-1819-11-5787/G-2021-11-5974	0	14,142
TOTAL CCDF Cluster			0	14,142
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-1819-11-5787/G-2021-11-5974	0	15,184
Foster Care Title IV-E	93.658	G-1819-11-5787/G-2021-11-5974	0	163,937
Adoption Assistance	93.659	G-1819-11-5787/G-2021-11-5974	0	16,175
Social Services Block Grant	93.667	G-1819-11-5787/G-2021-11-5974	0	227,275
Children's Health Insurance Program	93.767	G-1819-11-5787/G-2021-11-5974	0	6,285
Medicaid Cluster:				
Medical Assistance Program	93.778	G-1819-11-5787/G-2021-11-5974	0	216,439
Total Medicaid Cluster			0	216,439
Total U.S. Department of Health and Human Services			0	1,722,882
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Ohio Emergency Management Agency				
Public Assistance Grant Program	97.036	FEMA-4360-DR-121-0127E7-00	0	587,036
Emergency Management Performance Grant	97.042	EMC-2018-EP-00008-S01	0	23,445
		EMC-2019-EP-00005	0	28,975
Total Emergency Management Performance Grants - EMA			0	52,420
Homeland Security Grant Program	97.067	EMW-2016-SS-00104-S01	0	213,581
Total U.S. Department of Homeland Security			0	853,037
Total Expenditures of Federal Awards			**$0**	**$3,481,360**

The accompanying notes are an integral part of this Schedule.

NOBLE COUNTY

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2019**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Noble County (the County) under programs of the federal government for the year ended 2019. 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 – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS with REVOLVING LOAN CASH BALANCE

The current cash balance on the County's local program income account as of December 31, 2019 is $56,421.

NOTE E - 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 F - TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2019, the County made allowable transfers of $191.014 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent approximately $893,839 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 2019 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	$1,084,853
Transfer to Social Services Block Grant	(191,014)
Total Temporary Assistance for Needy Families	**$893,839**

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OHIO AUDITOR OF STATE
KEITH FABER

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

Noble County
200 Courthouse Square
Caldwell, Ohio 43724

To the Board of County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Noble County, Ohio (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 23, 2020, wherein we noted the County adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities,* and also wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

Keith Faber
Auditor of State
Columbus, Ohio

December 23, 2020

OHIO AUDITOR OF STATE
KEITH FABER

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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

Noble County
200 Courthouse Square
Caldwell, Ohio 43724

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Noble County's, Ohio (the County) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Noble County's major federal programs for the year ended December 31, 2019. The *Summary of Auditor's Results* in the accompanying Schedule of Findings identifies the County's major federal programs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to opine on the County's compliance for the County's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Noble County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

The County's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the County's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

December 23, 2020

NOBLE COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2019

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):** • CFDA #93.558 TANF Cluster • CFDA #97.036 Public Assistance Grant Program	
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

OHIO AUDITOR OF STATE
KEITH FABER

NOBLE 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 1/5/2021

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