OHIO AUDITOR OF STATE
KEITH FABER

ALLEN COUNTY
DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

Allen County
301 North Main Street
Lima, Ohio 45801

To the Board of County Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregated discretely presented component units, each major fund, and the aggregate remaining fund information of Allen County, Ohio (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregated discretely presented component units, each major fund, and the aggregate remaining fund information of Allen County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Motor Vehicle and Gasoline Tax, Job and Family Services, Developmental Disabilities, and American Rescue Plan funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the component unit, LODDI, Inc., which represent 34 percent, 33 percent, and 50 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of December 31, 2021, and the respective changes in financial position, thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for LODDI, Inc. is based solely on the report of other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of LODDI, Inc. were not audited in accordance with Government Auditing Standards.

Emphasis of Matter

As discussed in Note 31 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the identify accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2022, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Keith Faber

Keith Faber
Auditor of State
Columbus, Ohio

September 8, 2022

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The discussion and analysis of Allen County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Highlights

In total, the County's net position increased 47 percent; 73 percent increase for governmental activities and 5 percent increase for the business-type activity.

Using this Annual 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 Allen County's financial position.

The statement of net position and the statement of activities provide information about the activities of the County as a whole, presenting both an aggregate and a longer-term view of the County.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the County's most significant funds individually and the County's non-major funds in a single column. The County's major funds are the General Fund, the Motor Vehicle and Gasoline Tax, Job and Family Services, Developmental Disabilities, and American Rescue Plan special revenue funds, the Ditch Construction capital projects fund, and the Sewer enterprise fund.

Reporting the County as a Whole

The statement of net position and the statement of activities reflect how the County did financially during 2021. These statements include all assets and liabilities using the accrual basis of accounting similar to that which is used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the County's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the County as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. The causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base and the condition of the County's capital assets. These factors must be considered when assessing the overall health of the County.

In the statement of net position and the statement of activities, the County is divided into three distinct types 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, and conservation and recreation. These services are funded primarily by property taxes, sales taxes, and intergovernmental revenues including federal and state grants and other shared revenues.

Business-Type Activity - This service is provided on a charge for services basis and is intended to recover all or most of the costs of the service provided. The County's sewer operations are reported here.

Component Units - The County's financial statements include financial information for LODDI (Living Options for Developmentally Disabled Individuals) and the Allen County Land Reutilization Corporation (Land Bank). These component units are more fully described in Note 1 to the basic financial statements.

Reporting the County's Most Significant Funds

Fund financial statements provide detailed information about the County's major funds, the General Fund, the Motor Vehicle and Gasoline Tax, Job and Family Services, Developmental Disabilities, and American Rescue Plan special revenue funds, the Ditch Construction capital projects fund, and the Sewer enterprise fund. While the County uses many funds to account for its financial transactions, these are the most significant.

Governmental Funds - The County's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which 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.

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 County'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 help make this comparison between governmental funds and governmental activities.

Proprietary Fund - The County's proprietary fund consists of one enterprise fund. Enterprise funds use the accrual basis of accounting and are used to report the same functions presented as the business-type activity on the government-wide financial statements.

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 these funds are not available to support the County's programs. These funds also use the accrual basis of accounting.

Allen County
Management's Discussion and Analysis
For the Year Ended December 31, 2021
Unaudited

Government-Wide Financial Analysis

Table 1 provides a summary of the County's net position for 2021 and 2020.

Table 1
Net Position

	Governmental Activities		Business-Type Activity		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and Other Assets	$104,908,258	$84,111,571	$9,543,171	$8,850,505	$114,451,429	$92,962,076
Net Pension Asset	672,211	431,502	33,612	21,575	705,823	453,077
Net OPEB Asset	4,106,055	31,593	203,773	0	4,309,828	31,593
Capital Assets, Net	80,311,875	79,302,764	43,024,613	44,681,859	123,336,488	123,984,623
Total Assets	189,998,399	163,877,430	52,805,169	53,553,939	242,803,568	217,431,369
Deferred Outflows of Resources						
Pension	6,468,762	7,168,499	320,339	355,470	6,789,101	7,523,969
OPEB	3,112,312	4,760,298	155,463	237,832	3,267,775	4,998,130
Total Deferred Outflows of Resources	9,581,074	11,928,797	475,802	593,302	10,056,876	12,522,099
Liabilities						
Current and Other Liabilities	15,096,304	3,519,825	434,293	227,757	15,530,597	3,747,582
Long-Term Liabilities						
Pension	34,657,299	44,022,867	1,723,580	2,179,399	36,380,879	46,202,266
OPEB	0	29,840,075	0	1,492,002	0	31,332,077
Other Amounts	15,489,158	16,052,558	16,148,415	17,457,360	31,637,573	33,509,918
Total Liabilities	65,242,761	93,435,325	18,306,288	21,356,518	83,549,049	114,791,843
Deferred Inflows of Resources						
Pension	15,989,063	11,248,542	772,542	520,070	16,761,605	11,768,612
OPEB	12,770,921	5,098,356	632,036	241,305	13,402,957	5,339,661
Other Amounts	12,264,000	11,979,068	0	0	12,264,000	11,979,068
Total Deferred Inflows of Resources	41,023,984	28,325,966	1,404,578	761,375	42,428,562	29,087,341
Net Position						
Net Investment in Capital Assets	68,266,851	66,706,439	26,937,695	27,447,832	95,204,546	94,154,271
Restricted	49,760,491	42,001,588	0	0	49,760,491	42,001,588
Unrestricted (Deficit)	(24,714,614)	(54,663,091)	6,632,410	4,581,516	(18,082,204)	(50,081,575)
Total Net Position	$93,312,728	$54,044,936	$33,570,105	$32,029,348	$126,882,833	$86,074,284

The net pension/OPEB liability (asset) reported by the County at December 31, 2021, is reported pursuant to Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, end users of these financial statements will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability (asset), and the net OPEB asset to the reported net position and subtracting deferred outflows related to pension and OPEB.

GASB standards are national standards and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB Statement No. 27) and postemployment benefits (GASB Statement No. 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 or net OPEB liability. GASB Statements No. 68 and No. 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 Statements No. 68 and No. 75 require the net pension liability (asset) and the net OPEB liability (asset) (as applicable) to equal the County's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

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

Most long-term liabilities have set repayment schedules or in the case of compensated absences (i.e. vacation and sick 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 applicable). As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the County. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension 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 (as applicable) are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statements No. 68 and No. 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 the net pension liability (asset) and the net OPEB liability (asset), respectively, not accounted for as deferred outflows/inflows.

Pension/OPEB changes noted in the above table reflect an overall decrease in deferred outflows and overall increase in deferred inflows. These changes are affected by changes in benefits, contribution rates, return on investments, and actuarial assumptions. The increase in the net pension asset and the net OPEB asset and the decrease in the net pension liability and the net OPEB liability represents the County's proportionate share of the unfunded benefits.

Aside from the changes related to pension/OPEB, there were several other changes of significance for governmental activities. Three primary sources contributed to the increase in current and other assets. Cash and cash equivalents increased almost $17 million due, in part, to American Rescue Plan Act (ARPA) monies received and not spent as of year end. In addition, a number of funds have been accumulating resources in excess of activity during the year (for instance, the taxes levied for future debt service are greater than debt payments being made and resources received for various permanent improvements are greater than the cost of the annual improvements). There was also an increase in amounts due from other governments due to grant resources due to the County for various activities (for example, resources due from the Ohio Department of Rehabilitation and Correction, the Ohio Department of Natural Resources, the Ohio Department of Transportation, and for community development projects). The increase in property taxes receivable reflects an increase in the assessed valuation of property (assessed value increased over $51 million). The increase in current and other liabilities was primarily due to the increase in unearned revenue (for ARPA monies receive but not spent as of year end) but there was also an increase in accrued wages at year end due to the pay period end dates and in contracts and retainage payable related to the community development projects (Village of Harrod and Village of LaFayette) and for the improvements at Legacy Park. The increase in unrestricted net position, while substantially impacted by the above items, also reflects the significant decrease in the pension/OPEB liability. While changes in pension/OPEB related assumptions led to the decrease in these liabilities, the most significant change was due to the health care group plans offered by the system being discontinued for non-Medicare and reemployed employees and those changes being reflected in the December 31, 2020, measurement date. This change resulted in the elimination of the net OPEB liability and an increase in the net OPEB asset.

For the business-type activity, the increase in current and other assets was primarily due to an increase in cash and cash equivalents; the result of a substantial decrease in expenses in 2021 (primarily personal services costs due to the reduction in pension/OPEB expenses as well as staff reductions). The increase in current and other liabilities was due to an increase in accounts payable (based on timing) and contracts payable (generally research and design services for phase 2 of the wastewater treatment plant project). The decrease in other long-term liabilities represents scheduled debt retirement.

Table 2 reflects the change in net position for 2021 and 2020.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activity		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	$15,206,326	$12,771,208	$8,114,140	$8,010,460	$23,320,466	$20,781,668
Operating Grants, Contributions, and Interest	33,485,636	34,299,434	0	0	33,485,636	34,299,434
Capital Grants and Contributions	4,347,554	1,510,789	0	0	4,347,554	1,510,789
Total Program Revenues	53,039,516	48,581,431	8,114,140	8,010,460	61,153,656	56,591,891
General Revenues						
Property Taxes Levied for						
General Operations	3,247,411	3,119,870	0	0	3,247,411	3,119,870
Health-Developmental Disabilities	5,483,959	5,233,060	0	0	5,483,959	5,233,060
Human Services-Children Services	2,236,677	2,142,648	0	0	2,236,677	2,142,648
Debt Service	1,476,088	1,418,077	0	0	1,476,088	1,418,077
Marimor Permanent Improvement	476,859	455,054	0	0	476,859	455,054
Permissive Sales Taxes	19,915,211	17,823,648	0	0	19,915,211	17,823,648
Grants and Entitlements	3,203,880	2,576,800	0	0	3,203,880	2,576,800
Interest	103,731	751,549	108	125	103,839	751,674
Other	4,588,844	6,599,797	161,441	329,260	4,750,285	6,929,057
Total General Revenues	40,732,660	40,120,503	161,549	329,385	40,894,209	40,449,888
Total Revenues	93,772,176	88,701,934	8,275,689	8,339,845	102,047,865	97,041,779
Program Expenses						
General Government						
Legislative and Executive	10,429,274	13,818,343	0	0	10,429,274	13,818,343
Judicial	6,296,618	10,242,459	0	0	6,296,618	10,242,459
Public Safety	5,572,065	12,882,420	0	0	5,572,065	12,882,420
Public Works	14,193,433	12,232,565	0	0	14,193,433	12,232,565
Health						
Developmental Disabilities	5,763,398	9,208,225	0	0	5,763,398	9,208,225
Other Health	396,736	884,839	0	0	396,736	884,839
Human Services						
Job and Family Services	5,037,912	9,534,163	0	0	5,037,912	9,534,163
Children Services	4,787,502	7,343,738	0	0	4,787,502	7,343,738
Other Human Services	1,587,770	2,955,667	0	0	1,587,770	2,955,667
Conservation and Recreation	460,217	941,117	0	0	460,217	941,117
Interest and Fiscal Charges	120,924	197,461	0	0	120,924	197,461
Sewer	0	0	6,593,467	7,996,045	6,593,467	7,996,045
Total Expenses	54,645,849	80,240,997	6,593,467	7,996,045	61,239,316	88,237,042
Increase in Net Position Before Transfers	39,126,327	8,460,937	1,682,222	343,800	40,808,549	8,804,737
Transfers	141,465	(322,106)	(141,465)	322,106	0	0
Increase in Net Position	39,267,792	8,138,831	1,540,757	665,906	40,808,549	8,804,737
Net Position Beginning of Year	54,044,936	45,906,105	32,029,348	31,363,442	86,074,284	77,269,547
Net Position End of Year	$93,312,728	$54,044,936	$33,570,105	$32,029,348	$126,882,833	$86,074,284

For governmental activities, the most significant change in program revenues was the increase in capital grants and contributions. Grant resources were received for a number of projects including community development projects (Village of Harrod and Village of LaFayette), the Department of Rehabilitation and Correction (jail elevator), the Department of Natural Resources (Legacy Park), the Department of Transportation (Buckeye Road, guardrail project), and the Ohio Public Works Commission (Kiggins Road, Agerter Road, and various township road improvements). However, there was also an increase in charges for services for various fees and costs; activity was down in the prior year due to the pandemic. The decrease in operating grants and contributions is largely related to COVID-19 relief monies received in the prior year. The change in general revenues from the prior year was not significant; however, there was a increase in sales tax revenue and a decrease in interest revenue, both impacted by the pandemic. The decrease in expenses is due to a decrease in overall pension/OPEB expense which decreased $7.2 million from the prior year.

For the business-type activity, there was little change in revenues. The decrease in expenses was primarily related to the decrease in pension/OPEB expenses.

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
General Government:				
Legislative and Executive	$10,429,274	$13,818,343	$5,380,339	$7,752,718
Judicial	6,296,618	10,242,459	(1,029,949)	5,327,995
Public Safety	5,572,065	12,882,420	3,629,289	6,737,237
Public Works	14,193,433	12,232,565	(2,604,159)	61,519
Health				
Developmental Disabilities	5,763,398	9,208,225	1,746,418	5,452,009
Other Health	396,736	884,839	(19,187)	366,114
Human Services				
Job and Family Services	5,037,912	9,534,163	(4,326,752)	1,478,417
Children Services	4,787,502	7,343,738	(897,873)	2,500,508
Other Human Services	1,587,770	2,955,667	(764,968)	939,665
Conservation and Recreation	460,217	941,117	372,251	845,923
Interest and Fiscal Charges	120,924	197,461	120,924	197,461
Total Expenses	$54,645,849	$80,240,997	$1,606,333	$31,659,566

The County's general revenues (primarily property and sales taxes and unrestricted grants and entitlements) supported nearly 3 percent of the services provided by the County (39 percent in 2020). The net cost of services has been largely affected by the CARES Act monies received in 2020 and the American Recovery Plan Act monies received in 2021 and their impact on expenses over the past two years. A review of the above table reveals that a number of the County's programs have consistently received substantial support through program revenues. For instance, 46 percent of the legislative and executive program costs were provided for through various charges for services. The judicial program provides for its costs through various fines, court costs, and grants. The public works program receives program revenues from motor vehicle license and gas taxes as well as from charges to other governmental entities for which the County Engineer provides services. Grants provide for a significant portion of the costs of the health and human services programs (Developmental Disabilities, Job and Family Services, and Children Services programs).

Governmental Funds Financial Analysis

The County's major governmental funds are the General Fund, the Motor Vehicle and Gasoline Tax, Job and Family Services, Developmental Disabilities, and the American Rescue Plan special revenue funds, and the Ditch Construction capital projects fund.

The change in fund balance for the General Fund was not significant (less than 1 percent).

Fund balance decreased 4 percent for the Motor Vehicle and Gasoline Tax Fund. Revenues increased almost 16 percent largely due to an increase in gas tax revenue. However, there was a 32 percent increase in expenses due to more road improvement work in 2021. The Fund also transferred almost $1.4 million to other funds for road related improvement activities.

Fund balance increased approximately $116,000 in the Job and Family Services Fund which is not a significant increase. There were slight increases in both revenues and expenditures.

The change in fund balance in the Developmental Disabilities Fund was not significant (2 percent).

The American Rescue Plan Fund was a newly created fund in 2021 to record the pandemic recovery resources received from the federal government. The County received almost $10 million in 2021, most of which remained unspent as of year end.

Although there was an increase in grant funding in 2021 in the Ditch Construction Fund, there was a decrease in fund balance due to a greater amount of ditch maintenance during the year.

Business-Type Activities Financial Analysis

Revenues were very similar to the prior year in the Sewer Fund; however, there was a substantial decrease in expenses due to the decrease in the pension/OPEB expense. Net position increased almost 5 percent.

Budgetary Highlights

The County prepares an annual budget of revenues and expenditures/expenses for all funds of the County for use by County officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations resolution which is effective the first day of January. The County's most significant budgeted fund is the General Fund. For revenues, changes from the original budget to the final budget were not significant. Changes from the final budget to actual revenues were sizable due to conservative estimates for sales taxes, and fines and forfeitures (all reduced in the prior year by the pandemic). For expenditures, changes from the original budget to the final budget were not significant overall; however, estimates were increased for several programs. Actual expenditures were less than the final budget primarily due to budgeting conservatively.

Capital Assets and Debt Administration

Capital Assets - The County's net investment in capital assets for governmental and business-type activities as of December 31, 2021, was $68,266,851 and $26,937,695, respectively (net of accumulated depreciation and related debt). The primary additions for governmental activities included some land, the JFS conference center, a pole barn, a garage for the dog warden, roof replacements, the improvements at Legacy Park, miscellaneous equipment, and various road and bridge improvements. Disposals included a number of vehicles and miscellaneous equipment.

For the business-type activity, additions included a scissor lift, a fork lift, and a pump station. Disposals included water lines, a fork lift, and a truck.

For further information regarding the County's capital assets, refer to Note 12 to the basic financial statements.

Debt - At December 31, 2021, the County had $306,347 in special assessment bonds, $1,372,632 in OPWC loans, and $2,507,475 in OWDA loans payable from governmental activities. The business-type activity had $15,681,274 in OWDA loans outstanding at year end.

In addition to the debt outlined above, the County's long-term obligations also include the net pension liability, capital loans, capital leases, and compensated absences. For additional information on the County's debt, refer to Notes 20 and 21 to the basic financial statements.

Current Issues

The unemployment rate fell from 4.8 percent in December 2020, to 3.4 percent as of December 2021. The unemployment rate was 4.8 percent in December 2020, 3.8 percent in December 2019, and 4.7 percent in December 2018. Financially, unemployment fraud from outside attackers has continued to plague Allen County as it has with numerous other counties across the State. Although many businesses have reopened over the last year, many are not at full capacity for business nor employment. Finding employees willing and able to work remains a challenge, as it is across the nation.

The Allen County Commissioners and elected officials have continued monitoring the budget closely and have been diligent in keeping expenditures in line with revenues. There was a welcome increase in sales tax revenue in 2021 which appeared to be somewhat artificially inflated due to additional stimulus funds provided to households during 2021. Sales tax revenue supports our General Fund significantly and as of the March 2022 sales tax receipt numbers, Allen County appears to continue to be on an upward trend; however, the County will remain conservative in the use of that funding until we can determine the impact the current economic state will have on Allen County's revenues. Inflation concerns are strong in the Country which could be playing a part in the increased sales tax numbers. Demand continues for items that remain backordered or are unavailable altogether, such as computer equipment, vehicles, appliances, furniture, and even basic necessities such as baby formula.

The County Commissioners, in 2019, began to plan capital projects aimed at courthouse renovations. However, due to the pandemic and the resulting loss of casino dollars that help fund our available capital dollars, the projects were placed on hold. A .2 percent sales tax levy on the May 2018 ballot aimed at funding capital projects did not pass. Building renovations remain high on the County's priority list.

In June 2021, Allen County received the first tranche of American Rescue Plan Act funds. The second tranche of funds will likely be received in June 2022. There are specific guidelines as to the appropriate use of these funds. At this time, the Allen County Commissioners are still determining the best, most appropriate projects to apply these funds. Meetings continue among the Commissioners, department and elected officials, and others to determine where there is the highest need.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's financial status. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to Rachael Gilroy, Allen County Auditor, 301 North Main Street, Lima, Ohio 45801 or by visiting the County's website at www.allencountyohio.com.

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Allen County, Ohio
Statement of Net Position
Primary Government and Discreteley Presented Component Units
December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activity	Total	LODDI	Land Bank
Assets					
Equity in Pooled Cash and Cash Equivalents	$69,928,311	$6,116,184	$76,044,495	$0	$0
Cash and Cash Equivalents in Segregated Accounts	280,741	0	280,741	31,642	492,932
Investments in Segregated Accounts	0	0	0	78,433	0
Accounts Receivable	226,279	3,005,686	3,231,965	2,520	0
Accrued Interest Receivable	23,675	0	23,675	0	0
Permissive Sales Taxes Receivable	5,230,553	0	5,230,553	0	0
Permissive Motor Vehicle License Taxes Receivable	99,306	0	99,306	0	0
Due from Other Governments	10,700,352	0	10,700,352	0	0
Prepaid Items	407,257	12,550	419,807	12,285	0
Materials and Supplies Inventory	668,415	58,719	727,134	0	0
Property Held for Resale	0	0	0	0	2,150,914
Internal Balances	(350,032)	350,032	0	0	0
Property Taxes Receivable	13,726,922	0	13,726,922	0	0
Notes Receivable	631,223	0	631,223	0	0
Special Assessments Receivable	3,335,256	0	3,335,256	0	0
Net Pension Asset	672,211	33,612	705,823	0	0
Net OPEB Asset	4,106,055	203,773	4,309,828	0	0
Nondepreciable Capital Assets	4,647,094	835,479	5,482,573	136,546	0
Depreciable Capital Assets, Net	75,664,781	42,189,134	117,853,915	1,121,164	0
Total Assets	189,998,399	52,805,169	242,803,568	1,382,590	2,643,846
Deferred Outflows of Resources					
Pension	6,468,762	320,339	6,789,101	0	0
OPEB	3,112,312	155,463	3,267,775	0	0
Total Deferred Outflows of Resources	9,581,074	475,802	10,056,876	0	0
Liabilities					
Accrued Wages Payable	1,612,737	80,061	1,692,798	0	0
Employee Withholdings Payable	415,001	0	415,001	0	0
Accounts Payable	928,197	142,038	1,070,235	10,421	0
Contracts Payable	1,287,862	177,758	1,465,620	0	0
Due to Other Governments	753,654	34,436	788,090	0	0
Unearned Revenue	10,030,541	0	10,030,541	0	0
Retainage Payable	60,953	0	60,953	0	0
Accrued Interest Payable	7,359	0	7,359	0	0
Notes Payable	0	0	0	3,820	0
Long-Term Liabilities:					
Due Within One Year	2,507,931	1,418,766	3,926,697	0	0
Due in More Than One Year	12,981,227	14,729,649	27,710,876	62,591	0
Net Pension Liability	34,657,299	1,723,580	36,380,879	0	0
Total Liabilities	65,242,761	18,306,288	83,549,049	76,832	0
Deferred Inflows of Resources					
Property Taxes	12,264,000	0	12,264,000	0	0
Pension	15,989,063	772,542	16,761,605	0	0
OPEB	12,770,921	632,036	13,402,957	0	0
Other	0	0	0	0	200
Total Deferred Inflows of Resources	41,023,984	1,404,578	42,428,562	0	200

(continued)

Allen County, Ohio
Statement of Net Position
Primary Government and Discreteley Presented Component Units
December 31, 2021
(continued)

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activity	Total	LODDI	Land Bank
Net Position					
Net Investment in Capital Assets	$68,266,851	$26,937,695	$95,204,546	$1,257,710	$0
Restricted for:					
Debt Service	2,413,945	0	2,413,945	0	0
Capital Projects	7,470,595	0	7,470,595	0	0
Public Works	6,458,569	0	6,458,569	0	0
Developmental Disabilities	13,146,971	0	13,146,971	0	0
Job and Family Services	2,118,370	0	2,118,370	0	0
Children Services	5,509,340	0	5,509,340	0	0
Real Estate Assessment	2,189,431	0	2,189,431	0	0
Revolving Loan	1,376,898	0	1,376,898	0	0
Ditch Maintenance	2,828,019	0	2,828,019	0	0
Other Purposes	6,248,353	0	6,248,353	0	0
Unrestricted (Deficit)	(24,714,614)	6,632,410	(18,082,204)	48,048	2,643,646
Total Net Position	$93,312,728	$33,570,105	$126,882,833	$1,305,758	$2,643,646

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Activities
Primary Government and Discretely Presented Component Units
For the Year Ended December 31, 2021

		Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
Governmental Activities				
General Government:				
Legislative and Executive	$10,429,274	$4,805,104	$243,831	$0
Judicial	6,296,618	2,722,897	4,603,670	0
Public Safety	5,572,065	882,837	809,939	250,000
Public Works	14,193,433	5,672,217	7,223,821	3,901,554
Health				
Developmental Disabilities	5,763,398	118,763	3,702,217	196,000
Other Health	396,736	415,923	0	0
Human Services				
Job and Family Services	5,037,912	195	9,364,469	0
Children Services	4,787,502	82,370	5,603,005	0
Other Human Services	1,587,770	418,054	1,934,684	0
Conservation and Recreation	460,217	87,966	0	0
Interest and Fiscal Charges	120,924	0	0	0
Total Governmental Activities	54,645,849	15,206,326	33,485,636	4,347,554
Business-Type Activity				
Sewer	6,593,467	8,114,140	0	0
Total Primary Government	$61,239,316	$23,320,466	$33,485,636	$4,347,554
Component Unit				
LODDI	222,031	142,018	20,000	0
Land Bank	685,031	0	0	0
	$907,062	$142,018	$20,000	$0

General Revenues:
Property Taxes Levied for:
General Operating
Health-Developmental Disabilities
Human Services-Children Services
Debt Service
Marimor Permanent Improvement
Permissive Sales Taxes
Grants and Entitlements not Restricted to Specific Programs
Interest
Other

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year - Restated (Note 3)

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

	Net (Expense) Revenue and Change in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-Type Activity	Total	LODDI	Land Bank
	($5,380,339)	$0	($5,380,339)	$0	$0
	1,029,949	0	1,029,949	0	0
	(3,629,289)	0	(3,629,289)	0	0
	2,604,159	0	2,604,159	0	0
	(1,746,418)	0	(1,746,418)	0	0
	19,187	0	19,187	0	0
	4,326,752	0	4,326,752	0	0
	897,873	0	897,873	0	0
	764,968	0	764,968	0	0
	(372,251)	0	(372,251)	0	0
	(120,924)	0	(120,924)	0	0
	(1,606,333)	0	(1,606,333)	0	0
	0	1,520,673	1,520,673	0	0
	(1,606,333)	1,520,673	(85,660)	0	0
	0	0	0	(60,013)	0
	0	0	0	0	(685,031)
	0	0	0	(60,013)	(685,031)
	3,247,411	0	3,247,411	0	0
	5,483,959	0	5,483,959	0	0
	2,236,677	0	2,236,677	0	0
	1,476,088	0	1,476,088	0	0
	476,859	0	476,859	0	0
	19,915,211	0	19,915,211	0	0
	3,203,880	0	3,203,880	0	162,675
	103,731	108	103,839	10,291	0
	4,588,844	161,441	4,750,285	20,078	28,799
	40,732,660	161,549	40,894,209	30,369	191,474
	141,465	(141,465)	0	0	0
	40,874,125	20,084	40,894,209	30,369	191,474
	39,267,792	1,540,757	40,808,549	(29,644)	(493,557)
	54,044,936	32,029,348	86,074,284	1,335,402	3,137,203
	$93,312,728	$33,570,105	$126,882,833	$1,305,758	$2,643,646

Allen County, Ohio
Balance Sheet
Governmental Funds
December 31, 2021

	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Developmental Disabilities
Assets				
Equity in Pooled Cash and Cash Equivalents	$17,536,498	$3,177,612	$1,999,407	$12,888,608
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	2,414	264	0	38,757
Accrued Interest Receivable	23,675	0	0	0
Permissive Sales Taxes Receivable	5,057,246	0	0	0
Permissive Motor Vehicle License Taxes Receivable	0	99,306	0	0
Due from Other Governments	1,260,497	3,188,842	1,025,693	451,473
Prepaid Items	281,017	17,216	32,667	28,589
Materials and Supplies Inventory	61,474	544,053	13,705	45,442
Interfund Receivable	3,108,412	1,554	0	493
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	260,763	0	0	0
Property Taxes Receivable	3,393,871	0	0	5,820,292
Notes Receivable	263,276	0	0	0
Special Assessments Receivable	0	0	0	0
Total Assets	$31,249,143	$7,028,847	$3,071,472	$19,273,654
Liabilities				
Accrued Wages Payable	$644,270	$127,687	$222,444	$259,552
Employee Withholdings Payable	415,001	0	0	0
Accounts Payable	265,690	105,596	92,641	48,340
Contracts Payable	0	0	0	0
Due to Other Governments	328,485	51,398	90,388	145,562
Unearned Revenue	0	0	0	0
Interfund Payable	1,078	22,670	241,171	34,680
Retainage Payable	0	0	0	0
Total Liabilities	1,654,524	307,351	646,644	488,134
Deferred Inflows of Resources				
Property Taxes Receivable	3,067,679	0	0	5,138,254
Unavailable Revenue	4,800,429	2,496,126	772,712	1,134,827
Total Deferred Inflows of Resources	7,868,108	2,496,126	772,712	6,273,081
Fund Balance				
Nonspendable	3,143,395	561,269	46,372	74,031
Restricted	0	3,664,101	1,605,744	12,438,408
Assigned	8,133,260	0	0	0
Unassigned (Deficit)	10,449,856	0	0	0
Total Fund Balance (Deficit)	21,726,511	4,225,370	1,652,116	12,512,439
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$31,249,143	$7,028,847	$3,071,472	$19,273,654

See Accompanying Notes to the Basic Financial Statements

American Rescue Plan	Ditch Construction	Other Governmental	Total
$9,944,291	$799,287	$23,321,845	$69,667,548
0	0	280,741	280,741
0	0	184,844	226,279
0	0	0	23,675
0	0	173,307	5,230,553
0	0	0	99,306
0	0	4,773,847	10,700,352
0	0	47,768	407,257
0	0	3,741	668,415
0	0	442,277	3,552,736
0	0	0	260,763
0	0	4,512,759	13,726,922
0	0	367,947	631,223
0	1,699,975	1,635,281	3,335,256
$9,944,291	$2,499,262	$35,744,357	$108,811,026
$0	$0	$358,784	$1,612,737
0	0	0	415,001
0	0	415,930	928,197
0	0	1,287,862	1,287,862
0	0	137,821	753,654
9,940,241	0	90,300	10,030,541
0	2,556,569	1,046,600	3,902,768
0	0	60,953	60,953
9,940,241	2,556,569	3,398,250	18,991,713
0	0	4,058,067	12,264,000
0	1,699,975	6,241,463	17,145,532
0	1,699,975	10,299,530	29,409,532
0	0	51,509	3,876,576
4,050	0	23,408,718	41,121,021
0	0	4,813	8,138,073
0	(1,757,282)	(1,418,463)	7,274,111
4,050	(1,757,282)	22,046,577	60,409,781
$9,944,291	$2,499,262	$35,744,357	$108,811,026

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Allen County, Ohio
Reconciliation of Total Governmental Fund Balance
to Net Position of Governmental Activities
December 31, 2021

Total Governmental Fund Balance		$60,409,781
Amounts reported for governmental activities on 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.		80,311,875
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
Accounts Receivable	112,498	
Accrued Interest Receivable	16,678	
Permissive Sales Taxes Receivable	3,558,706	
Due from Other Governments	8,659,472	
Deliquent Property Taxes Receivable	1,462,922	
Special Assessments Receivable	3,335,256	
		17,145,532
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Special Assessment Bonds Payable	(306,347)	
OPWC Loans Payable	(1,372,632)	
OWDA Loans Payable	(2,507,475)	
Capital Loans Payable	(916,658)	
Capital Leases Payable	(6,966,667)	
Compensated Absences Payable	(3,419,379)	
		(15,489,158)
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds; it is reported when due.		(7,359)
The net pension/OPEB asset and net pension liability are not due and payable in the current period, therefore, the asset, liability and related deferred outflows/inflows are not reported in the governmental funds.		
Net Pension Asset	672,211	
Net OPEB Asset	4,106,055	
Deferred Outflows - Pension	6,468,762	
Deferred Inflows - Pension	(15,989,063)	
Net Pension Liability	(34,657,299)	
Deferred Outflows - OPEB	3,112,312	
Deferred Inflows - OPEB	(12,770,921)	
		(49,057,943)
Net Position of Governmental Activities		$93,312,728

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2021

	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Developmental Disabilities
Revenues				
Property Taxes	$3,093,548	$0	$0	$5,162,245
Permissive Sales Taxes	18,973,162	0	0	0
Permissive Motor Vehicle License Taxes	0	1,235,676	0	0
Charges for Services	5,583,907	747,355	195	118,688
Licenses and Permits	7,633	18,739	0	0
Fines and Forfeitures	508,840	199,172	0	0
Intergovernmental	2,945,165	8,498,429	8,889,547	3,802,194
Special Assessments	0	0	0	0
Interest	99,495	2,016	0	36
Gifts and Donations	0	0	0	0
Other	1,215,149	90,989	960,637	987,838
Total Revenues	32,426,899	10,792,376	9,850,379	10,071,001
Expenditures				
Current:				
General Government:				
Legislative and Executive	10,369,885	0	0	0
Judicial	7,787,063	0	0	0
Public Safety	9,914,273	0	0	0
Public Works	88,963	9,762,703	0	0
Health	214,059	0	0	9,436,444
Human Services	394,500	0	9,812,758	0
Conservation and Recreation	415,959	0	0	0
Other	53,463	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	48,587	151,862	304,000	0
Interest and Fiscal Charges	1,179	0	0	0
Total Expenditures	29,287,931	9,914,565	10,116,758	9,436,444
Excess of Revenues Over (Under) Expenditures	3,138,968	877,811	(266,379)	634,557
Other Financing Sources (Uses)				
Capital Loan Issued	0	305,090	0	0
Sale of Capital Assets	0	6,326	0	0
Transfers In	0	0	382,180	0
Transfers Out	(3,097,916)	(1,377,396)	0	(350,000)
Total Other Financing Sources (Uses)	(3,097,916)	(1,065,980)	382,180	(350,000)
Changes in Fund Balance	41,052	(188,169)	115,801	284,557
Fund Balance (Deficit) Beginning of Year - Restated (Note 3)	21,685,459	4,413,539	1,536,315	12,227,882
Fund Balance (Deficit) End of Year	$21,726,511	$4,225,370	$1,652,116	$12,512,439

See Accompanying Notes to the Basic Financial Statements

American Rescue Plan	Ditch Construction	Other Governmental	Total
$0	$0	$3,975,147	$12,230,940
0	0	693,226	19,666,388
0	0	0	1,235,676
0	0	3,765,467	10,215,612
0	0	580,886	607,258
0	0	30,919	738,931
0	0	14,086,617	38,221,952
0	563,270	1,679,470	2,242,740
4,050	0	877	106,474
0	0	45,500	45,500
0	1,500	1,425,123	4,681,236
4,050	564,770	26,283,232	89,992,707
0	0	2,563,996	12,933,881
0	0	2,824,609	10,611,672
0	0	2,076,243	11,990,516
0	0	2,305,749	12,157,415
0	0	372,614	10,023,117
0	0	9,397,122	19,604,380
0	0	0	415,959
0	500	0	53,963
0	980,521	5,450,680	6,431,201
0	0	399,371	903,820
0	55,720	67,592	124,491
0	1,036,741	25,457,976	85,250,415
4,050	(471,971)	825,256	4,742,292
0	0	0	305,090
0	0	23,659	29,985
0	176,913	4,454,096	5,013,189
0	0	(46,412)	(4,871,724)
0	176,913	4,431,343	476,540
4,050	(295,058)	5,256,599	5,218,832
0	(1,462,224)	16,789,978	55,190,949
$4,050	($1,757,282)	$22,046,577	$60,409,781

Allen County, Ohio
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to Statement of Activities
For the Year Ended December 31, 2021

Changes in Fund Balance - Total Governmental Funds		$5,218,832
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current year.		
Capital Outlay - Nondepreciable Capital Assets	779,799	
Capital Outlay - Depreciable Capital Assets	5,212,900	
Depreciation	(4,938,839)	
		1,053,860
The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds. However, the cost of the capital assets is removed from the capital asset account on the statement of net position and is offset against the proceeds from the sale of capital assets resulting in a gain or loss on disposal of capital assets on the statement of activities.		
Proceeds from Sale of Capital Assets	(29,985)	
Gain on Disposal of Capital Assets	29,985	
Loss on Disposal of Capital Assets	(44,749)	
		(44,749)
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Deliquent Property Taxes	690,054	
Permissive Sales Taxes	248,823	
Charges for Services	(46,112)	
Licenses and Permits	60	
Intergovernmental	2,762,639	
Special Assessments	212,161	
Interest	4,236	
Other	(122,377)	
		3,749,484
Repayment of principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net position.		
General Obligation Bonds Payable	48,587	
Special Assessment Bonds Payable	90,000	
OPWC Loans Payable	151,862	
OWDA Loans Payable	296,871	
Capital Loans Payable	12,500	
Capital Leases Payable	304,000	
		903,820
Debt proceeds are other financing sources in the governmental funds but the issuance increases long-term liabilities on the statement of net position.		
Capital Loans		(305,090)
Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.		
Accrued Interest Payable	(5,517)	
Amortization of Premium	9,084	
		3,567

(continued)

Compensated absences reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		($71,937)
Except for amounts reported as deferred outflows/inflows, changes in the net pension/OPEB liability (asset) are reported as pension/OPEB expense on the statement of activities.		
Pension Expense	(511,148)	
OPEB Expense	24,560,794	
		24,049,646
Contractually required pension/OPEB contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.		
Contractually Required Contributions - Pension	4,677,167	
Contractually Required Contributions - OPEB	33,192	
		4,710,359
Change in Net Position of Governmental Activities		$39,267,792

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Property Taxes	$2,925,500	$2,925,500	$3,043,954	$118,454
Permissive Sales Taxes	15,975,000	15,975,000	18,867,985	2,892,985
Charges for Services	3,727,950	3,727,950	5,462,521	1,734,571
Licenses and Permits	5,910	5,910	7,633	1,723
Fines and Forfeitures	85,650	85,650	504,618	418,968
Intergovernmental	1,701,800	1,701,800	2,875,133	1,173,333
Interest	700,000	700,000	183,488	(516,512)
Other	772,434	810,681	994,101	183,420
Total Revenues	25,894,244	25,932,491	31,939,433	6,006,942
Expenditures				
Current:				
General Government:				
Legislative and Executive	11,129,552	11,935,758	10,475,124	1,460,634
Judicial	7,675,473	8,384,785	7,908,695	476,090
Public Safety	10,169,310	10,443,034	9,878,197	564,837
Public Works	153,000	121,136	95,850	25,286
Health	217,718	217,718	213,059	4,659
Human Services	657,275	664,884	393,621	271,263
Conservation and Recreation	406,777	416,726	414,706	2,020
Other	77,119	77,119	53,463	23,656
Debt Service:				
Principal Retirement	48,587	48,587	48,587	0
Interest and Fiscal Charges	1,128	1,179	1,179	0
Total Expenditures	30,535,939	32,310,926	29,482,481	2,828,445
Excess of Revenues Over (Under) Expenditures	(4,641,695)	(6,378,435)	2,456,952	8,835,387
Other Financing Sources (Uses)				
Other Financing Sources	167,000	167,000	319,916	152,916
Advances In	20,000	20,000	326,653	306,653
Advances Out	(50,000)	(30,000)	0	30,000
Transfers Out	(1,184,987)	(3,097,916)	(3,097,916)	0
Total Other Financing Sources (Uses)	(1,047,987)	(2,940,916)	(2,451,347)	489,569
Changes in Fund Balance	(5,689,682)	(9,319,351)	5,605	9,324,956
Fund Balance Beginning of Year	16,195,712	16,195,712	16,195,712	0
Prior Year Encumbrances Appropriated	49,215	49,215	49,215	0
Fund Balance End of Year	$10,555,245	$6,925,576	$16,250,532	$9,324,956

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Permissive Motor Vehicle License Taxes	$1,100,000	$1,100,000	$1,224,621	$124,621
Charges for Services	730,000	730,000	687,649	(42,351)
Licenses and Permits	10,000	10,000	18,749	8,749
Fines and Forfeitures	170,000	170,000	199,196	29,196
Intergovernmental	6,250,000	8,211,833	8,360,264	148,431
Interest	30,000	30,000	2,095	(27,905)
Total Revenues	8,290,000	10,251,833	10,492,574	240,741
Expenditures				
Current:				
Public Works	8,298,419	11,530,232	11,021,005	509,227
Debt Service:				
Principal Retirement	151,862	151,862	151,862	0
Total Expenditures	8,450,281	11,682,094	11,172,867	509,227
Excess of Revenues Under Expenditures	(160,281)	(1,430,261)	(680,293)	749,968
Other Financing Sources (Uses)				
Other Financing Sources	140,000	140,000	91,160	(48,840)
Sale of Capital Assets	0	0	6,326	6,326
Capital Loan Issued	0	305,090	305,090	0
Transfers Out	(107,222)	(1,377,396)	(1,377,396)	0
Total Other Financing Sources (Uses)	32,778	(932,306)	(974,820)	(42,514)
Changes in Fund Balance	(127,503)	(2,362,567)	(1,655,113)	707,454
Fund Balance Beginning of Year	3,356,005	3,356,005	3,356,005	0
Prior Year Encumbrances Appropriated	135,521	135,521	135,521	0
Fund Balance End of Year	$3,364,023	$1,128,959	$1,836,413	$707,454

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Job and Family Services Fund
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Charges for Services	$500	$500	$195	($305)
Intergovernmental	9,273,300	9,313,300	8,751,238	(562,062)
Total Revenues	9,273,800	9,313,800	8,751,433	(562,367)
Expenditures				
Current:				
Human Services	11,343,438	12,033,391	10,379,942	1,653,449
Excess of Revenues Under Expenditures	(2,069,638)	(2,719,591)	(1,628,509)	1,091,082
Other Financing Sources				
Other Financing Sources	1,017,554	1,017,554	1,012,591	(4,963)
Transfers In	382,180	382,180	382,180	0
Total Other Financing Sources	1,399,734	1,399,734	1,394,771	(4,963)
Changes in Fund Balance	(669,904)	(1,319,857)	(233,738)	1,086,119
Fund Balance Beginning of Year	816,600	816,600	816,600	0
Prior Year Encumbrances Appropriated	793,438	793,438	793,438	0
Fund Balance End of Year	$940,134	$290,181	$1,376,300	$1,086,119

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Developmental Disabilities Fund
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Property Taxes	$5,116,080	$5,116,080	$5,058,548	($57,532)
Charges for Services	155,227	155,227	125,436	(29,791)
Intergovernmental	3,782,692	3,782,692	3,868,262	85,570
Interest	1,900	1,900	37	(1,863)
Other	94,000	94,000	102,683	8,683
Total Revenues	9,149,899	9,149,899	9,154,966	5,067
Expenditures				
Current:				
Health	10,478,090	10,788,790	9,488,923	1,299,867
Excess of Revenues Under Expenditures	(1,328,191)	(1,638,891)	(333,957)	1,304,934
Other Financing Sources (Uses)				
Other Financing Sources	759,478	759,478	882,348	122,870
Transfers Out	(5,000)	(355,000)	(350,000)	5,000
Total Other Financing Sources (Uses)	754,478	404,478	532,348	127,870
Changes in Fund Balance	(573,713)	(1,234,413)	198,391	1,432,804
Fund Balance Beginning of Year	12,333,506	12,333,506	12,333,506	0
Fund Balance End of Year	$11,759,793	$11,099,093	$12,531,897	$1,432,804

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
American Rescue Plan Fund
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Over (Under)
Revenues				
Intergovernmental	$0	$0	$9,940,241	$9,940,241
Interest	0	0	3,290	3,290
Total Revenues	0	0	9,943,531	9,943,531
Expenditures	0	0	0	0
Changes in Fund Balance	0	0	9,943,531	9,943,531
Fund Balance Beginning of Year	0	0	0	0
Fund Balance End of Year	$0	$0	$9,943,531	$9,943,531

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Fund Net Position
Enterprise Fund
December 31, 2021

	Sewer
Assets	
Current Assets	
Equity in Pooled Cash and Cash Equivalents	$6,116,184
Accounts Receivable	3,005,686
Prepaid Items	12,550
Materials and Supplies Inventory	58,719
Interfund Receivable	362,582
Total Current Assets	9,555,721
Non-Current Assets	
Net Pension Asset	33,612
Net OPEB Asset	203,773
Nondepreciable Capital Assets	835,479
Depreciable Capital Assets, Net	42,189,134
Total Non-Current Assets	43,261,998
Total Assets	52,817,719
Deferred Outflows of Resources	
Pension	320,339
OPEB	155,463
Total Deferred Outflows of Resources	475,802
Liabilities	
Current Liabilities	
Accrued Wages Payable	80,061
Accounts Payable	142,038
Contracts Payable	177,758
Due to Other Governments	34,436
Interfund Payable	12,550
OWDA Loans Payable	1,223,219
Capital Leases Payable	73,864
Compensated Absences Payable	121,683
Total Current Liabilities	1,865,609
Non-Current Liabilities	
OWDA Loans Payable	14,458,055
Net Pension Liability	1,723,580
Capital Leases Payable	154,022
Compensated Absences Payable	117,572
Total Non-Current Liabilities	16,453,229
Total Liabilities	18,318,838
Deferred Inflows of Resources	
Pension	772,542
OPEB	632,036
Total Deferred Inflows of Resources	1,404,578
Net Position	
Net Investment in Capital Assets	26,937,695
Unrestricted	6,632,410
Total Net Position	$33,570,105

See Accompanying Notes to the Basic Financial Statements

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Allen County, Ohio
Statement of Revenues, Expenses,
and Change in Fund Net Position
Enterprise Fund
For the Year Ended December 31, 2021

	Sewer
Operating Revenues	
Charges for Services	$8,063,815
Licenses, Permits, and Inspections	50,325
Other	161,441
Total Operating Revenues	8,275,581
Operating Expenses	
Personal Services	889,714
Materials and Supplies	373,017
Contractual Services	2,318,321
Other	3,688
Depreciation	2,201,881
Total Operating Expenses	5,786,621
Operating Income	2,488,960
Non-Operating Revenues (Expenses)	
Interest Revenue	108
Loss on Disposal of Fixed Assets	(313,094)
Interest Expense	(493,752)
Total Non-Operating Revenues (Expenses)	(806,738)
Income before Transfers	1,682,222
Transfers Out	(141,465)
Change in Net Position	1,540,757
Net Position Beginning of Year	32,029,348
Net Position End of Year	$33,570,105

See Accompanying Notes to the Basic Financial Statements

	Sewer
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	$8,040,992
Cash Payments for Personal Services	(2,332,324)
Cash Payments to Suppliers	(1,226,463)
Cash Payments for Contractual Services	(1,366,382)
Cash Received from Other Revenues	161,441
Cash Payments for Other Expenses	(3,688)
Net Cash Provided by Operating Activities	3,273,576
Cash Flows from Noncapital Financing Activities	
Cash Received from Advances In	58,338
Cash Payments for Advances Out	(20,850)
Net Cash Provided by Noncapital Financing Activities	37,488
Cash Flows from Capital and Related Financing Activities	
Acquisition of Capital Assets	(739,495)
Principal Paid on OWDA Loans	(1,305,379)
Interest Paid on OWDA Loans	(485,394)
Principal Paid on Capital Loan	(12,500)
Interest Paid on Capital Loan	(17,077)
Lease Principal	(71,852)
Lease Interest	(8,358)
Net Cash Used for Capital and Related Financing Activities	(2,640,055)
Cash Flows from Investing Activities	
Interest	108
Net Increase in Cash and Cash Equivalents	671,117
Cash and Cash Equivalents Beginning of Year	5,445,067
Cash and Cash Equivalents End of Year	$6,116,184

(continued)

Allen County, Ohio
Statement of Cash Flows
Enterprise Fund
For the Year Ended December 31, 2021
(continued)

	Sewer
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	$2,488,960
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	2,201,881
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(73,148)
Decrease in Prepaid Items	2,975
Decrease in Materials and Supplies Inventory	17,421
Increase in Net Pension Asset	(3,972)
Increase in Net OPEB Asset	(984,782)
Increase in Accrued Wages Payable	4,090
Increase in Accounts Payable	82,216
Increase in Due to Other Governments	1,996
Decrease in Interfund Payable	(6,285)
Decrease in Compensated Absences Payable	(43,602)
Decrease in Net Pension Liability	(9,234)
Decrease in Deferred Outflows - Pension	384,867
Decrease in Deferred Inflows - Pension	(551,914)
Decrease in Deferred Outflows - OPEB	217,151
Decrease in Deferred Inflows - OPEB	(455,044)
Total Adjustments	784,616
Net Cash Provided by Operating Activities	$3,273,576

Non-Cash Capital Transactions

At December 31, 2020, the Sanitary Sewer enterprise fund had payables related to the acquisition of capital assets, in the amount of $59,524.

At December 31, 2021, the Sanitary Sewer enterprise fund had payables related to the acquisition of capital assets, in the amount of $177,758.

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021

	Investment Trust	Martha Mark Private Purpose Trust	Custodial
Assets			
Equity in Pooled Cash and Cash Equivalents	$6,208,660	$12,596	$20,722,814
Cash and Cash Equivalents in Segregated Accounts	0	0	1,715,839
Due from Other Governments	0	0	4,835,927
Property Taxes Receivable	0	0	108,954,197
Special Assessments Receivable	0	0	16,807,147
Total Assets	6,208,660	12,596	153,035,924
Liabilities			
Due to Other Governments	0	0	6,105,629
Deferred Inflows of Resources			
Property Taxes	0	0	97,155,345
Net Position			
Held in Trust for External Pool Participants	6,208,660	0	0
Held in Trust for the Benefit of Children	0	12,596	0
Restricted for Individuals, Organizations, and other Governments	0	0	49,774,950
Total Net Position	$6,208,660	$12,596	$49,774,950

See Accompanying Notes to the Basic Financial Statements

Allen County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2021

	Investment Trust	Custodial
Additions		
Interest	$3,312	$0
Intergovernmental Amounts for Other Governments	0	38,560,224
Amounts Received as Fiscal Agent	0	33,954,157
Licenses, Permits, and Fees for Other Governments	0	23,506,057
Fines and Forfeitures for Other Governments	0	1,350,499
Property Tax Collections for Other Governments	0	64,174,777
Other Local Tax Collections for Other Governments	0	354,479
Special Assessments Collections for Other Governments	0	3,160,187
Sheriff Sales Collections for Others	0	1,219,194
Other	0	1,414,536
Total Additions	3,312	167,694,110
Deductions		
Capital Transactions	(1,248,115)	0
Distributions to Participants	3,449	0
Distributions to the State of Ohio	0	1,011,774
Distributions of State Funds to Other Governments	0	36,240,698
Distributions as Fiscal Agent	0	32,986,055
Distributions to Individuals	0	907,207
Licenses, Permits, and Fees Distributions to Other Governments	0	22,976,693
Fines and Forfeitures Distributions to Other Governments	0	1,284,438
Property Tax Distributions to Other Governments	0	60,720,217
Other Local Tax Distributions to Other Governments	0	354,479
Special Assessments Distributions to Other Governments	0	3,151,393
Sheriff Sales Distributions to Others	0	1,209,744
Total Deductions	(1,244,666)	160,842,698
Net Increase in Fiduciary Net Position	1,247,978	6,851,412
Net Position Beginning of Year - Restated (Note 3)	4,960,682	42,923,538
Net Position End of Year	$6,208,660	$49,774,950

See Accompanying Notes to the Basic Financial Statements

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Note 1 - Reporting Entity

Allen County, Ohio (the County) was created in 1831. The County is governed by a board of three commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, two Common Pleas Court Judges, a Probate/Juvenile Court Judge, and a Domestic Relations Court Judge.

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

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

A. Primary Government

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Allen County, this includes the Child Support Enforcement Agency, the Children's Services Board, the Board of Developmental Disabilities (DD), and all departments and activities that are directly operated by the elected County officials.

B. Component Units

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

Discretely Presented Component Unit

The component unit column on the government-wide financial statements identifies the financial data of the County's component units, LODDI and the Allen County Land Reutilization Corporation (Land Bank). They are reported separately to emphasize that they are legally separate from the County. Information about the component units is presented in Notes 28 and 29 to the basic financial statements.

Note 1 - Reporting Entity (continued)

LODDI - LODDI, Inc. (Living Options for Developmentally Disabled Individuals) is a legally separate non-profit organization served by a self-appointing board of trustees. LODDI was incorporated on December 1, 1992, to provide lifetime affordable housing to individuals in Allen County with developmental disabilities. Due to a significant portion of LODDI's income being received from the Allen County Board of DD and because the Allen County Board of DD assumes the responsibility for all debts of LODDI upon dissolution, LODDI is reflected as a component unit of Allen County. LODDI operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from LODDI, 2500 Ada Road, Lima, Ohio 45801.

Allen County Land Reutilization Corporation - The Allen County Land Reutilization Corporation (Land Bank) is a county land reutilization corporation that was formed on January 7, 2016, when the Allen County Board of Commissioners authorized the incorporation of the Land Bank under Chapters 1724 and 1702 of the Ohio Revised Code through a resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Land Bank is to strengthen neighborhoods in the County by returning vacant and abandoned properties to productive use. The Land Bank has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax-foreclosed, or other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

The Land Bank is governed by a five member Board of Directors, consisting of two County Commissioners, the County Treasurer, one representative from the City of Lima, and one representative selected by the statutory directors. The Board of Directors has the authority to make, prescribe, and enforce all rules and regulations for the conduct of all business and affairs of the Land Bank and the management and control of its properties. Because the County makes up and/or appoints a voting majority of the Board of Directors, the County is able to impose its will on the operation of the Land Bank and the relationship between the primary government and the organization is such that exclusion would cause the County's financial statements to be misleading. Separately issued financial statements can be obtained from the Allen County Land Reutilization Corporation, 301 North Main Street, Suite 203, Lima, Ohio 45801.

As custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of the separate organizations listed below, the County serves as fiscal agent, but the organizations are not considered part of Allen County. The North Central Ohio Solid Waste District and the Johnny Appleseed Metropolitan Park District are reported as an investment trust fund since they represent the external portion of an investment pool. The remaining organizations are reported as custodial funds within the financial statements.

Mental Health and Recovery Services Board of Allen, Auglaize, and Hardin Counties
Combined Allen County General Health District
Allen County Family and Children First Council
Allen County Soil and Water Conservation District
Special Emergency Planning Commission
District Court of Appeals
Lima-Allen County Regional Planning Commission
Western Ohio Regional Treatment and Habilitation (WORTH) Center
Allen Water District
Veteran's Memorial Civic and Convention Center

Note 1 - Reporting Entity (continued)

The County participates in several joint ventures, jointly governed organizations, insurance pools, and related organizations. These organizations are presented in Notes 24, 25, 26, and 27 to the basic financial statements. These organizations are:

Lima-Allen County Downtown Construction
Mental Health and Recovery Services Board of Allen, Auglaize, and Hardin Counties
Lima-Allen County Regional Planning Commission
North Central Ohio Solid Waste District
Western Ohio Regional Treatment and Habilitation (WORTH) Center
Lima-Allen County Joint Parking Commission
County Risk Sharing Authority, Inc. (CORSA)
County Employee Benefits Consortium of Ohio, Inc. (CEBCO)
Port Authority of Allen County
Allen County Regional Airport Authority
Allen County Transportation Improvement District
Allen County Veterans Memorial Civic and Convention Center

Note 2 - Summary of Significant Accounting Policies

The financial statements of Allen 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. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

Note 2 - Summary of Significant Accounting Policies (continued)

The statement of net position presents the financial condition of the governmental and business-type activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activity. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned 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 governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and 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. The funds of the County are presented in three categories; governmental, proprietary, and fiduciary.

Governmental Funds

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

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

Motor Vehicle and Gasoline Tax - This fund accounts for monies derived from gasoline taxes and the sale of motor vehicle licenses. Expenditures are restricted by State law to county road and bridge repair/improvement programs.

Job and Family Services - This fund accounts for federal, state, and local monies restricted to providing general relief and to pay providers of medical assistance and social services.

Note 2 - Summary of Significant Accounting Policies (continued)

Developmental Disabilities - This fund accounts for a county-wide property tax levy and federal and state grants restricted for the operation of a school for the developmentally disabled.

American Rescue Plan - This fund accounts for resources received from the federal government under the American Rescue Plan Act restricted to expenditures to support the County during the Coronavirus public health emergency.

Ditch Construction - This fund accounts for special assessments restricted for the construction of ditches.

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, change in net position, financial position, and cash flows.

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

Sewer - This fund accounts for user charges for sewer service provided to residents of Allen County.

Fiduciary Funds

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

The County's investment trust fund accounts for the external portion of the County's investment pool. The County's custodial funds are used to account for assets held by the County as fiscal agent for the Combined Allen County General Health District and other districts and entities; for various taxes, assessments, fines and fees collected for the benefit of and distributed to other governments; and for State shared resources received from the State and distributed to other local governments.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities 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.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund Financial Statements

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

Like the government-wide financial statements, the enterprise and fiduciary funds are accounted for using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of these funds are included on the statement of fund 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 the enterprise fund, the statement of revenues, expenses, and change in fund net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from fiduciary 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. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

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

Note 2 - Summary of Significant Accounting Policies (continued)

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the year in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the 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 both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), grants and interest.

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 these amounts have not yet been earned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. Deferred outflows of resources are reported on the government-wide and enterprise fund statements of net position for pension and OPEB and explained in Notes 17 and 18 to the basic financial statements.

In addition to liabilities, the statement of financial position may report 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 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 was an enforceable legal claim as of December 31, 2021, but which were levied to finance 2022 operations. These amounts have been recorded as deferred inflows of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental fund balance sheet and represents receivables which will not be collected within the available period. For the County, unavailable revenue includes accrued interest, permissive sales taxes, intergovernmental revenue including grants, delinquent property taxes, special assessments, and other sources. These amounts are deferred and recognized as inflows of resources in the period when the amounts become available. For further details on unavailable revenue, refer to the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities on page 23. Deferred inflows of resources related to pension and OPEB are reported on the government-wide and enterprise fund statements of net position and explained in Notes 17 and 18 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

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

E. Budgetary Process

All funds, 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 object level within each department for all funds.

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 on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

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

F. Cash and Investments

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

Cash and cash equivalents that are held separately within departments of the County are recorded as "Cash and Cash Equivalents in Segregated Accounts".

Cash and cash equivalents and investments of the component units are held by the component units and are recorded as "Cash and Cash Equivalents in Segregated Accounts" or "Investments in Segregated Accounts".

Note 2 - Summary of Significant Accounting Policies (continued)

During 2021, the County invested in nonnegotiable and negotiable certificates of deposit, federal agency securities, mutual funds, and STAR Ohio. Investments are reported at fair value, except for nonnegotiable certificates of deposit which are reported at cost. Fair value is based on quoted market price or current share price. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants". The County measures the investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals exceeding $100 million. STAR Ohio reserves the right to limit the transaction to $250 million requiring the excess amount to be transacted the following business day(s) but only to the $250 million limit. All accounts of the participant will be combined for this purpose.

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2021 was $99,495, which includes $87,639 assigned from other County funds.

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, 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.

H. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Unclaimed monies that have a legal restriction on their use are reported as restricted.

Note 2 - Summary of Significant Accounting Policies (continued)

J. Capital Assets

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

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date donated. The County maintains a capitalization threshold of ten 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 capitalized.

All capital assets are depreciated, except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. The County reports all infrastructure, including that acquired prior to 1980.

Depreciation is computed using the straight-line method over the following useful lives:

	Governmental Activities	Business-Type Activity
Buildings and Improvements	20-35 years	35 years
Machinery and Equipment	12 years	12-40 years
Vehicles	6 years	6 years
Furniture, Fixtures, and Equipment	5-10 years	10 years
Roads	15-20 years	n/a
Bridges	50 years	n/a
Infrastructure	n/a	35 years

K. Interfund Assets/Liabilities

On fund financial statements, outstanding interfund loans and unpaid amounts for services provided are reported as "Interfund Receivables/Payables". Interfund balances are eliminated on the statement of net position, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as "Internal Balances".

L. 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.

Note 2 - Summary of Significant Accounting Policies (continued)

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the County's past experience of making termination payments. Accumulated unused sick leave is paid to employees who retire at various rates depending on length of service and department policy.

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise fund are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Special assessment bonds, long-term loans, capital loans, and capital leases are recognized as liabilities on the governmental fund financial statements when due. The 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 to pay those benefits.

N. Unamortized Bond Premium

Bond premiums are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds payable.

O. Net Position

Net position represents the difference between all other elements on the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance 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 constitutional provisions or 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 includes resources restricted for various law enforcement activities and activities of the County's courts. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Note 2 - Summary of Significant Accounting Policies (continued)

P. Fund Balance

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

Nonspendable - The nonspendable classification 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 portion of interfund receivables, where applicable.

Restricted - The restricted classification includes amounts 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 or enabling legislation (County resolutions).

Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for purposes specified by the legislation.

Committed - The committed classification includes amounts that can be used only for the specific purposes determined by a formal action (resolution) of the County Commissioners. The committed amounts cannot be used for any other purpose unless the County Commissioners remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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 classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the County Commissioners. Fund balance policy of the County Commissioners authorizes department managers to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Commissioners have also assigned fund balance to cover a gap between estimated resources and appropriations in the 2022 budget. Certain resources have also been assigned for auto titling, for the clerk of courts, economic development, and for other miscellaneous purposes.

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.

Note 2 - Summary of Significant Accounting Policies (continued)

The County first applies restricted resources when an expenditure is 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 can be used.

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the County, these revenues are user charges for sewer services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as nonoperating.

R. Interfund Transactions

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

Internal allocations of overhead expenses from one function to another or within the same function 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 nonoperating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pension/OPEB, pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans, and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB systems. 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 systems report investments at fair value.

Note 2 - Summary of Significant Accounting Policies (continued)

T. Estimates

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

Note 3 - Restatement of Fund Balance and Net Position

The Veteran's Memorial Civic and Convention Center (VMCCC) is a legally separate entity. In prior years, the VMCCC was reported as a special revenue fund on Allen County's financial statements; however, the VMCCC should be reported as a custodial fund. The restatement had the following effect on fund balance/net position of the major and nonmajor funds of the County as they were previously reported.

	General	Motor Vehicle and Gas Tax	Job and Family Services	Developmental Disabilities
Fund Balance at December 31, 2020	$21,685,459	$4,413,539	$1,536,315	$12,227,882
Change in Fund Structure	0	0	0	0
Adjusted Fund Balance at December 31, 2020	$21,685,459	$4,413,539	$1,536,315	$12,227,882

	Ditch Construction	Other Governmental	Total
Fund Balance at December 31, 2020	($1,462,224)	$17,542,881	$55,943,852
Change in Fund Structure	0	(752,903)	(752,903)
Adjusted Fund Balance at December 31, 2020	($1,462,224)	$16,789,978	$55,190,949

Note 3 - Restatement of Fund Balance and Net Position (continued)

The restatement had the following effect on net position.

	Governmental Activities
Net Position at December 31, 2020	$54,800,146
Change in Fund Structure	(755,210)
Adjusted Net Position at December 31, 2020	$54,044,936

Due to the reporting change of the Veteran's Memorial Civic and Convention Center, custodial funds are reporting a beginning net position of $42,923,538.

Note 4 - Change in Accounting Principles

For 2021, the County implemented Implementation Guide No. 2019-1. These changes were incorporated in the County's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

Note 5 - Accountability and Compliance

A. Accountability

At December 31, 2021, the Wellness special revenue fund and the Ditch Construction, Water Projects, Sewer Projects, Baughman Ditch Watershed, Slabtown Road, and Elida Road capital projects funds had a deficit fund balance, in the amount of $1,103, $1,757,282, $990,220, $180,508, $3,598, $184,124, and $58,876, respectfully, resulting from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

B. Compliance

At December 31, 2021, the Women's Crisis Center special revenue fund had final appropriations in excess of estimated resources plus available balances, in the amount of $26. The County will review appropriations to ensure they are within available resources.

Note 6 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances 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 Budgetary Basis) and Actual for the General Fund and the major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

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).

Adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

Changes in Fund Balance

	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Developmental Disabilities	American Rescue Plan
GAAP Basis	$41,052	($188,169)	$115,801	$284,557	$4,050
Increase (Decrease) Due To					
Revenue Accruals					
Accrued 2020, Received in Cash 2021	1,869,360	585,363	222,132	107,943	0
Accrued 2021, Not Yet Received in Cash	(2,116,826)	(793,840)	(252,981)	(37,934)	9,940,241
Expenditure Accruals					
Accrued 2020, Paid in Cash 2021	(1,175,518)	(354,397)	(420,253)	(556,460)	0
Accrued 2021, Not Yet Paid in Cash	1,239,523	307,351	646,644	488,134	0
Cash Adjustments					
Unrecorded Activity 2020	908,661	84,491	69,340	248,881	0
Unrecorded Activity 2021	(891,164)	(90,710)	(136,369)	(356,711)	(760)
Prepaid Items	(6,238)	3,456	3,466	10,936	0
Materials and Supplies Inventory	(11,958)	41,831	5,220	9,045	0
Payment on Notes Receivable	62,624	0	0	0	0
Advances In	326,653	0	0	0	0
Advances Out	0	0	0	0	0
Encumbrances Outstanding at Year End (Budget Basis)	(240,564)	(1,250,489)	(486,738)	0	0
Budget Basis	$5,605	($1,655,113)	($233,738)	$198,391	$9,943,531

Note 7 - 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 in the following securities provided a written investment policy has been filed 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 obligation 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 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio or its political subdivisions 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 Ohio Revised Code Section 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 division (1) or (2) above; commercial paper as described in Ohio Revised Code 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;

<u>Note 7 - Deposits and Investments</u> (continued)

9. Up to forty percent of the County's average portfolio in either of the following if training requirements have been met:
    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 10 percent of the value of the outstanding commercial paper of the issuing corporation, which mature within two hundred seventy days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate of 5 percent of interim monies available for investment at the time of purchase;
    b. bankers acceptances that are insured by the federal deposit insurance corporation and which mature not later than one hundred eighty days after purchase;

10. Up to 15 percent of the County's average portfolio in notes issued by United States corporations or by depository institutions that are doing business under authority granted by the United States 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 Ohio Revised Code Chapter 1724; and,

12. Up to 2 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.

Investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, all investments 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 they will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or 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, by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System, 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.

Note 7 - Deposits and Investments (continued)

Investments

As of December 31, 2021, the County had the following investments:

	Measurement	Investment Maturities (in Years)	
Measurement/Investment	Amount	Less Than 1	1-5
Fair Value (Level 1 Inputs)			
Mutual Funds	$9,555,226	$9,555,226	$0
Fair Value (Level 2 Inputs)			
Federal Farm Credit Bank Notes	465,595	0	465,595
Federal Home Loan Bank Notes	4,015,238	0	4,015,238
Fair Value (Level 3 Inputs)			
Negotiable Certificates of Deposit	3,062,883	1,710,753	1,352,130
Net Asset Value Per Share			
STAR Ohio	56,609,893	56,609,893	0
Total Investments	$73,708,835	$67,875,872	$5,832,963

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2021. The mutual funds are measured at fair value using quoted market prices (Level 1 inputs). The County's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/ dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs). The negotiable certificates of deposit measured at fair value are valued using Level 3 inputs.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the County.

Note 7 - Deposits and Investments (continued)

The mutual funds, Federal Farm Credit Bank, and Federal Home Loan Bank notes carry a rating of Aaa by Moody's. The negotiable certificates of deposit are generally covered by FDIC insurance. STAR Ohio carries a rating of AAA by Standard and Poor's. The County has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service and STAR Ohio must maintain the highest rating by at least one nationally recognized standard rating service.

The County places no limit on the amount of its inactive monies it may invest in a particular security. The following table indicates the percentage of each investment to the County's total portfolio.

	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank Notes	$465,595	0.63%
Federal Home Loan Bank Notes	4,015,238	5.45%
Negotiable Certificates of Deposit	3,062,883	4.16%

Note 8 - Investment Pool

The County serves as fiscal agent for the North Central Ohio Solid Waste District and the Johnny Appleseed Metropolitan Park District, legally separate entities. The County pools the monies of these entities with the County's for investment purposes. Participation in the pool is voluntary. The County cannot allocate its investments between the internal and external investment pools. The investment pool is not registered with the SEC as an investment company. The fair value of investments is determined annually. The pool does not issue shares. Each participant is allocated a pro rata share of each investment at fair value along with a pro rata share of interest that it earns.

Condensed financial information for the investment pool is as follows:

Statement of Net Position
December 31, 2021

Assets	
Equity in Pooled Cash and Cash Equivalents	$102,988,565
Accrued Interest Receivable	23,675
Total Assets	$103,012,240
Net Position Held in Trust for Pool Participants	
Internal Portion	$96,803,580
External Portion	6,208,660
Total Net Position Held in Trust for Pool Participants	$103,012,240

Note 8 - Investment Pool (continued)

Statement of Changes in Net Position
For the Year Ended December 31, 2021

Revenues	
Interest	$109,894
Expenses	
Operating Expenses	0
Net Increase Resulting from Operations	109,894
Distributions to Participants	(193,402)
Capital Transactions	20,842,162
Total Increase in Net Position	20,758,654
Net Position Beginning of Year	82,253,586
Net Position End of Year	$103,012,240

Investments

As of December 31, 2021, the County's investment pool had the following investments:

	Measurement	Investment Maturities (in Years)	
Measurement/Investment	Amount	Less Than 1	1-5
Fair Value (Level 1 Inputs)			
Mutual Funds	$9,555,226	$9,555,226	$0
Fair Value (Level 2 Inputs)			
Federal Farm Credit Bank Notes	465,595	0	465,595
Federal Home Loan Bank Notes	4,015,238	0	4,015,238
Fair Value (Level 3 Inputs)			
Negotiable Certificates of Deposit	3,062,883	1,710,753	1,352,130
Net Asset Value Per Share			
STAR Ohio	56,609,893	56,609,893	0
Total Investments	$73,708,835	$67,875,872	$5,832,963

Note 8 - Investment Pool (continued)

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2021. The mutual funds are measured at fair value using quoted market prices (Level 1 inputs). The County's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/ dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs). The negotiable certificates of deposit measured at fair value are valued using Level 3 inputs.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the Treasurer from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless they are matched to a specific obligation or debt of the County.

The mutual funds, Federal Farm Credit Bank, and Federal Home Loan Bank notes carry a rating of Aaa by Moody's. The negotiable certificates of deposit are generally covered by FDIC insurance. STAR Ohio carries a rating of AAA by Standard and Poor's. The County has no investment policy dealing with credit risk beyond the requirements of State statute. Ohio law requires mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service and STAR Ohio must maintain the highest rating by at least one nationally recognized standard rating service.

The County places no limit on the amount of its inactive monies it may invest in a particular security. The following table indicates the percentage of each investment to the County's total portfolio.

	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank Notes	$465,595	0.63%
Federal Home Loan Bank Notes	4,015,238	5.45%
Negotiable Certificates of Deposit	3,062,883	4.16%

Note 9 - Receivables

Receivables at December 31, 2021, consisted of accounts (e.g., billings for user charged services, including unbilled charges); accrued interest; permissive sales and motor vehicle license taxes; intergovernmental receivables arising from grants, entitlements, and shared revenues; interfund; property taxes; notes; and special assessments. All receivables are considered fully collectible within one year, except for interfund, property taxes, notes, and special assessments. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Note 9 - Receivables (continued)

Notes receivable, in the amount of $526,312, will not be received within one year. Special assessments receivable, in the amount of $1,671,608 will not be received within one year. At December 31, 2021, the amount of delinquent special assessments was $265,973.

Notes receivable represent low interest loans for development projects granted to eligible County residents and businesses under the Housing Assistance Program and the Federal Community Development Block Grant program. The notes have interest rates ranging from zero to 4.25 percent and are to be repaid over periods ranging from five to twenty-four years. The County also made a loan to the Veteran's Memorial Civic and Convention Center for lighting improvements. The note has an annual interest rate of 2 percent and will be repaid over five years.

A summary of the changes in notes receivable during 2021 follows:

	Balance January 1, 2021 (Restated)	New Loans	Repayments	Balance December 31, 2021
General Fund				
Veteran's Memorial Civic and Convention Center	$325,900	$0	$62,624	$263,276
Special Revenue Funds				
Revolving Loan Fund				
Housing Assistance Program	209,708	0	2,088	207,620
Community Development Block Grant	224,879	0	38,946	185,933
Total Revolving Loan Fund	434,587	0	41,034	393,553
	760,487	$0	$103,658	656,829
Less Allowance for Uncollectible Accounts				25,606
				$631,223

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Local Government	$535,963
Election Costs	119,062
Homestead and Rollback	205,847
Indigent Defense	395,673
Bureau of Workers' Compensation	3,952
Total General Fund	1,260,497

(continued)

Note 9 - Receivables (continued)

	Amount
Governmental Activities (continued)	
Major Funds (continued)	
Motor Vehicle and Gasoline Tax	
Gasoline Tax	$1,715,517
Motor Vehicle License Fees	1,277,679
Public Works Commission	78,400
Charges for Services	117,246
Total Motor Vehicle and Gasoline Tax	3,188,842
Job and Family Services	
Department of Job and Family Services	1,025,102
Bureau of Workers' Compensation	591
Total Job and Family Services	1,025,693
Developmental Disabilities	
Department of Education	10,514
State of Ohio	168,158
Homestead and Rollback	272,587
Charges for Services	214
Total Developmental Disabilities	451,473
Total Major Funds	5,926,505
Nonmajor Funds	
Drug Law Enforcement	
Department of Public Safety	8,546
Sheriff's Grants	61,185
Total Drug Law Enforcement	69,731
Child Support Enforcement Agency	
Child Support Enforcement	355,678
Children Services	
Department of Education	632,280
State of Ohio	30,524
Homestead and Rollback	119,416
Total Children Services	782,220
Law Library	
City of Lima	10,651
Felony Care and Subsidy	
Ohio Department of Youth Services	342,683
Adult Probation Grant	
Ohio Department of Rehabilitation and Correction	681,318
Emergency Management Agency	
Emergency Management Grants	19,654
Future Debt Service	
Homestead and Rollback	93,567
Water Projects	
Community Development Block Grant	973,978
Sewer Projects	
City of Lima	9,010

(continued)

Note 9 - Receivables (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds (continued)	
Marimor Permanent Improvement	
Homestead and Rollback	$23,704
Department of Natural Resources	196,000
Total Marimor Permanent Improvement	219,704
Building and Expansion	
Casino Tax	709,555
Department of Rehabilitation and Correction	250,000
Total Building and Expansion	959,555
Buckeye Road Improvements	
Department of Transportation	252,500
Baughman Ditch Watershed	
Department of Natural Resources	3,598
Total Nonmajor Funds	4,773,847
Total Governmental Activities	$10,700,352
Custodial Funds	
Local Government	$1,547,963
Library Local Government	1,953,475
Gasoline Tax	882,235
Motor Vehicle License Fees	452,254
Total Custodial Funds	$4,835,927

Note 10 - Permissive Sales and Use Tax

The County Commissioners, by resolution, imposed a 1 percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles not subject to the sales 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 the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month.

Note 11 - Property Taxes

Property taxes include amounts levied against all real and public utility property located in the County. Real property tax revenues received in 2021 represent the collection of 2020 taxes. Real property taxes received in 2021 were levied after October 1, 2020, on the assessed values as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Note 11 - Property Taxes (continued)

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

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

Accrued property taxes receivable represents real, public utility, and outstanding delinquent property taxes which were measurable as of December 31, 2021, and for which there was an enforceable legal claim. In the governmental funds, the portion of the receivable not levied to finance 2021 operations is offset to deferred inflows of resources - property taxes. On the accrual basis, delinquent real property taxes have been recorded as a receivable and revenue; on the modified accrual basis, the revenue has been reported as deferred inflows of resources - unavailable revenue.

The full tax rate for all County operations for the year ended December 31, 2021, was $11.40 per $1,000 of assessed value. The assessed values of real and public utility property upon which 2021 property tax receipts were based are as follows:

Real Property	
Residential	$1,303,141,550
Agriculture	203,305,080
Commercial/Industrial/Mineral	437,816,060
Public Utility Property	
Real	1,131,210
Personal	208,513,380
Total Assessed Value	$2,153,907,280

Note 12 - Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021
Governmental Activities				
Nondepreciable Capital Assets				
Land	$3,929,515	$74,904	$0	$4,004,419
Construction in Progress	1,890,725	704,895	(1,952,945)	642,675
Total Nondepreciable Capital Assets	5,820,240	779,799	(1,952,945)	4,647,094

(continued)

Note 12 - Capital Assets (continued)

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021
Governmental Activities (continued)				
Depreciable Capital Assets				
Buildings and Improvements	$77,156,703	$2,390,551	$0	$79,547,254
Machinery and Equipment	3,235,231	943,023	0	4,178,254
Vehicles	4,793,206	56,970	(334,882)	4,515,294
Furniture, Fixtures, and Equipment	5,700,985	1,469,368	(202,912)	6,967,441
Roads	35,049,564	1,576,528	0	36,626,092
Bridges	34,736,364	729,405	0	35,465,769
Total Depreciable Capital Assets	160,672,053	7,165,845	(537,794)	167,300,104
Less Accumulated Depreciation for				
Buildings and Improvements	(43,729,283)	(1,562,324)	0	(45,291,607)
Machinery and Equipment	(2,040,050)	(207,988)	0	(2,248,038)
Vehicles	(2,961,728)	(430,797)	296,064	(3,096,461)
Furniture, Fixtures, and Equipment	(4,110,977)	(369,722)	196,981	(4,283,718)
Roads	(21,254,428)	(1,624,881)	0	(22,879,309)
Bridges	(13,093,063)	(743,127)	0	(13,836,190)
Total Accumulated Depreciation	(87,189,529)	(4,938,839)	493,045	(91,635,323)
Total Depreciable Capital Assets, Net	73,482,524	2,227,006	(44,749)	75,664,781
Governmental Activities Capital Assets, Net	$79,302,764	$3,006,805	($1,997,694)	$80,311,875

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021
Business-Type Activity				
Nondepreciable Capital Assets				
Land	$51,219	$0	$0	$51,219
Construction in Progress	285,349	498,911	0	784,260
Total Nondepreciable Capital Assets	336,568	498,911	0	835,479
Depreciable Capital Assets				
Buildings and Improvements	3,551,806	0	0	3,551,806
Machinery, Equipment, and Vehicles	3,279,570	126,962	(32,917)	3,373,615
Infrastructure	80,780,134	231,856	(660,144)	80,351,846
Total Depreciable Capital Assets	87,611,510	358,818	(693,061)	87,277,267
Less Accumulated Depreciation for				
Buildings and Improvements	(1,520,742)	(101,480)	0	(1,622,222)
Machinery, Equipment, and Vehicles	(1,870,148)	(196,816)	32,917	(2,034,047)
Infrastructure	(39,875,329)	(1,903,585)	347,050	(41,431,864)
Total Accumulated Depreciation	(43,266,219)	(2,201,881)	379,967	(45,088,133)
Total Depreciable Capital Assets, Net	44,345,291	(1,843,063)	(313,094)	42,189,134
Business-Type Activity Capital Assets, Net	$44,681,859	($1,344,152)	($313,094)	$43,024,613

Note 12 - Capital Assets (continued)

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General Government	
Legislative and Executive	$585,985
Judicial	312,485
Public Safety	458,492
Public Works	2,688,476
Health	247,886
Human Services	415,419
Conservation and Recreation	230,096
Total Depreciation Expense - Governmental Activities	$4,938,839

Note 13 - Interfund Receivables/Payables

Interfund balances at December 31, 2021, consisted of the following receivables and payables:

Due to General Fund from:	
Motor Vehicle and Gasoline Tax	$17,216
Job and Family Services	32,025
Developmental Disabilities	28,589
Ditch Construction	2,556,569
Other Governmental	461,463
Sewer	12,550
Total Due to General Fund	$3,108,412
Due to Motor Vehicle and Gasoline Tax Fund from:	
General	$1,078
Other Governmental	476
Total Due to Motor Vehicle and Gasoline Tax Fund	$1,554
Due to Developmental Disabilities Fund from:	
Other Governmental	$493
Due to Other Governmental Funds from:	
Job and Family Services	$209,146
Developmental Disabilities	6,091
Other Governmental	227,040
Total Due to Other Governmental Funds	$442,277
Due to Sewer Fund from:	
Motor Vehicle and Gasoline Tax	$5,454
Other Governmental	357,128
Total Due to Sewer Fund	$362,582

Note 13 - Interfund Receivables/Payables (continued)

The balance due to the General Fund includes loans made to provide working capital for operations or projects, or to provide cash flow resources. The remaining interfund receivables/payables resulted from the time lag between dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund receivables not expected to be repaid within one year include $2,540,141 to the General Fund, $200,000 to other governmental funds, and $307,128 to the Sewer enterprise fund.

Note 14 - Risk Management

A. Workers' Compensation

The County's workers' compensation coverage is provided by the State of Ohio. The County pays the State Workers' Compensation System a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs.

B. Other Insurance Coverage

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2021, the County contracted with the County Risk Sharing Authority, Inc. (CORSA) for insurance coverage. The CORSA program has a $2,500 to $25,000 deductible. Coverage provided by CORSA is as follows:

General Liability	$1,000,000
Excess Liability	9,000,000
Law Enforcement Professional Liability	1,000,000
Public Officials Errors and Omissions Liability	1,000,000
Privacy and Security Liability	1,000,000
Automobile Liability	1,000,000
Uninsured Motorists Liability	250,000
Building and Contents	327,609,208
Other Property Insurance	
Automobile Physical Damage	Actual Cash Value or Cost
Flood and Earthquake	100,000,000
Comprehensive Boiler and Machinery	100,000,000
Crime Insurance	
Faithful Performance	1,000,000
Money and Securities	1,000,000
Depositor's Forgery	1,000,000
Money Order and Counterfeit Paper	1,000,000

There has been no significant reduction in insurance coverage from 2020 and settled claims have not exceeded this coverage in the past three years. The County pays all elected officials' bonds by statute.

Note 15 - Construction and Other Significant Commitments

The County had various outstanding contracts at December 31, 2021. The following amounts remain on these contracts.

Vendor	Outstanding Balance
Access Engineering Solutions	$59,000
All Phase Electric Supply Company	25,823
Allen County Children's Board	459,818
Allen County Common Pleas Court	222,930
Ben's Construction	200,000
Degen Excavating Company	79,420
Enterprise FM Trust	23,889
Joe and Joe Contracting	102,839
Kalida Truck Equipment, Inc.	383,150
Kohli & Kaliher Association LTD, Inc.	109,174
Lexur Enterprises	167,793
Maximus Consulting Services	45,000
MS Consultants	565,407
NR Lee Restoration, LTD	252,000
Ohio Machinery Company	352,593
Parr Public Safety Equipment	20,003
Pavement Technology	197,554
Peterson Construction	54,000
Raabe Ford Lincoln Mercury	41,995
Reineke Ford	101,530
Rush Truck Center of Ohio, Inc.	502,736
Schindler Elevator Company	107,828
Woolpert Consultants	122,223

At year end, the amount of significant encumbrances expected to be honored upon performance by the vendor in 2022 are as follows:

General Fund	$240,564
Motor Vehicle and Gasoline Tax Fund	1,250,489
Job and Family Services Fund	486,738
Ditch Construction	20,955
Other Governmental Funds	5,376,219
	$7,374,965

Note 16 - Asset Retirement Obligation

Ohio Revised Code Section 6111.44 requires the County to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the County would be responsible to address any public safety issues associated with their waste water treatment facilities. Any ARO associated with these public safety issues are not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

Note 17 - Defined Benefit Pension Plans

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

Net Pension Liability (Asset)/Net OPEB Asset

The net pension liability (asset) and the net OPEB asset reported on the statement of net position represent a liability 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.

The 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 Statements No. 68 and No. 75 assume the liability is solely the obligation of the employer because (1) they benefit from employee services and (2) State statute requires all funding to come from the employers. All pension contributions to date have come solely from the employer (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contribution to provide for OPEB benefits. In addition, health care plan enrollees pay a portion of the health care cost in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within thirty years. If the pension amortization period exceeds thirty 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 health care to eligible benefit recipients.

Note 17 - Defined Benefit Pension Plans (continued)

The proportionate share of each plan's unfunded benefits is presented as a net pension/OPEB asset or long-term net pension/OPEB 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 as an intergovernmental payable on both the accrual and modified accrual basis of accounting.

The remainder of this note includes the required pension disclosures. See Note 18 for the required OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees, other than certified teachers, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, public safety, and law enforcement divisions. While members in the state and local divisions may participate in all three plans, public safety and law enforcement divisions exist only within the traditional plan.

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

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

Note 17 - Defined Benefit Pension Plans (continued)

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 and Service Requirements:**	**Age and Service Requirements:**
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula:	**Traditional Plan Formula:**	**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 years	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 years
Combined Plan Formula:	**Combined Plan Formula:**	**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 years	1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 years	1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35 years
Public Safety	**Public Safety**	**Public Safety**
Age and Service Requirements:	**Age and Service Requirements:**	**Age and Service Requirements:**
Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	**Law Enforcement**	**Law Enforcement**
Age and Service Requirements:	**Age and Service Requirements:**	**Age and Service Requirements:**
Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	**Public Safety and Law Enforcement**	**Public Safety and Law Enforcement**
Traditional Plan Formula:	**Traditional Plan Formula:**	**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 years	2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost of living adjustment.

Note 17 - Defined Benefit Pension Plans (continued)

When a traditional plan benefit recipient has received benefits for twelve months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost of living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index capped at 3 percent.

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 plan participants must have attained the age of fifty-five, 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 member's contributions, vested employer contributions, and investment gains or losses resulting from the member's 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 account. 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 the entire account balance net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Beginning in 2022, the combined plan will be consolidated under the traditional plan (defined benefit plan) and the combined plan option will no longer be available for new hires beginning in 2022.

Note 17 - Defined Benefit Pension Plans (continued)

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

	State and Local	Public Safety	Law Enforcement
2021 Statutory Maximum Contribution Rates			
Employer	14.0%	18.1%	18.1%
Employee *	10.0 %	**	***
2021 Actual Contribution Rates			
Employer			
Pension ****	14.0 %	18.1 %	18.1 %
Postemployment Health Care Benefits ****	0.0	0.0	0.0
Total Employer	14.0 %	18.1 %	18.1 %
Total Employee	10.0 %	12.0 %	13.0 %

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

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

*** This rate is also determined by OPERS' Board but is limited by the 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 contribution 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 2021, the County's contractually required contribution was $4,742,126 for the traditional plan, $164,820 for the combined plan, and $103,728 for the member-directed plan. Of these amounts, $568,601 is reported as an intergovernmental payable for the traditional plan, $19,403 for the combined plan, and $10,253 for the member-directed plan.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Teachers employed by the Board of Developmental Disabilities participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. The report may be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

<u>Note 17 - Defined Benefit Pension Plans</u> (continued)

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

The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the retirement board made the decision to reduce the cost of living adjustment (COLA) granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients base benefit and past COLA increases are not affected by this change. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of qualifying service credit and age sixty-five or thirty-five years of service credit and at least age sixty. Eligibility changes for DBP members who retire with actuarially reduced benefits will be phased in until August 1, 2026, when retirement eligibility will be five years of qualifying service credit and age sixty or thirty years of service credit at any age.

The DCP allows members to place all their member contributions and 9.53 percent of the 14 percent employer contribution into an investment account. The member determines how to allocate the member and employer contributions among the various choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age fifty and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

New members who choose the DCP or CP will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member’s defined contribution account or the defined contribution portion of a member’s CP account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB Statement No. 68 reporting purposes.

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

Note 17 - Defined Benefit Pension Plans (continued)

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2021 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2021, the full employer contribution rate was allocated to pension.

The County's contractually required contribution to STRS was $16,325 for 2021.

Pension Liability (Asset), Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension

The net pension liability (asset) for OPERS was measured as of December 31, 2020, and the net pension liability for STRS was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of the respective 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	STRS	Total
Proportion of the Net Pension Liability/Asset				
Current Measurement Date	0.24443244%	0.24451308%	0.00145280%	
Prior Measurement Date	0.23154936%	0.21727692%	0.00179762%	
Change in Proportionate Share	0.01288308%	0.02723616%	0.00034482%	
Proportionate Share				
Net Pension Liability	$36,195,127	$0	$185,752	$36,380,879
Net Pension Asset	$0	$705,823	$0	$705,823
Pension Expense	$868,810	$11,268	($303,079)	$576,999

Pension expense for the member-directed defined contribution plan was $103,728 for 2021. The aggregate pension expense for all pension plans was $680,727 for 2021.

Note 17 - Defined Benefit Pension Plans (continued)

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

	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Deferred Outflows of Resources				
Differences Between Expected and Actual Experience	$0	$0	$5,739	$5,739
Changes of Assumptions	0	44,079	51,531	95,610
Changes in Proportion and Differences Between County Contributions and the Proportionate Share of Contributions	1,773,920	3,000	0	1,776,920
County Contributions Subsequent to the Measurement Date	4,742,126	164,820	3,886	4,910,832
Total Deferred Outflows of Resources	$6,516,046	$211,899	$61,156	$6,789,101
Deferred Inflows of Resources				
Difference Between Expected and Actual Experience	$1,514,071	$133,160	$1,165	$1,648,396
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	14,107,802	104,966	160,084	14,372,852
Changes in Proportion and Differences Between County Contributions and the Proportionate Share of Contributions	451,119	43,560	245,678	740,357
Total Deferred Inflows of Resources	$16,072,992	$281,686	$406,927	$16,761,605

$4,910,832 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 in the net pension asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as pension expense as follows.

	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Year Ending December 31,				
2022	($5,229,988)	($55,853)	($121,414)	($5,407,255)
2023	(1,394,168)	(37,412)	(98,116)	(1,529,696)
2024	(5,750,819)	(61,624)	(83,126)	(5,895,569)
2025	(1,924,097)	(31,511)	(47,001)	(2,002,609)
2026	0	(16,539)	0	(16,539)
Thereafter	0	(31,668)	0	(31,668)
Total	($14,299,072)	($234,607)	($349,657)	($14,883,336)

Note 17 - Defined Benefit Pension Plans (continued)

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, 2020, using the following actuarial assumptions applied to all periods included in the measurement in accordance with GASB Statement No. 67. Key methods and assumptions used in the latest actuarial valuation reflecting experience study results prepared as of December 31, 2020, 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	3 percent simple	3 percent simple
Post-January 7, 2013	.5 percent simple through 2021, then 2.15 percent simple	.5 percent simple through 2021, 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 2020, the OPERS Board adopted a change in COLA for post-January 7, 2013, retirees changing it from 1.4 percent simple through 2020 then 2.15 percent simple to .5 percent simple through 2021 then 2.15 percent simple.

Preretirement mortality rates were 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. Postretirement mortality rates were 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. Postretirement mortality rates for disabled retirees were 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 were 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.

Note 17 - Defined Benefit Pension Plans (continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. Each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2020, is summarized in the following table.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other Investments	9.00	4.75
Total	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability was 7.2 percent for the traditional and the combined plans. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for all three plans 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 (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
County's Proportionate Share of the Net Pension Liability (Asset)			
OPERS Traditional Plan	$69,042,387	$36,195,127	$8,882,675
OPERS Combined Plan	($491,471)	($705,823)	($865,576)

Note 17 - Defined Benefit Pension Plans (continued)

Changes Between the Measurement Date and the Reporting Date

During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 percent along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2021, actuarial valuation compared with those used in the June 30, 2020, actuarial valuation are presented below.

	June 30, 2021	June 30, 2020
Inflation	2.5 percent	2.5 percent
Projected Salary Increases	12.5 percent at age 20 to 2.5 percent at age 65	12.5 percent at age 20 to 2.5 percent at age 65
Investment Rate of Return	7 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation
Discount Rate of Return	7 percent	7.45 percent
Payroll Increases	3 percent	3 percent
Cost of Living Adjustments (COLA)	0 percent, effective July 1, 2017	0 percent, effective July 1, 2017

Postretirement mortality rates for healthy retirees were based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age sixty-nine, 70 percent of rates between ages seventy and seventy-nine, 90 percent of rates between ages eighty and eighty-four, and 100 percent of rates thereafter projected forward generationally using Mortality Improvement Scale MP-2016. Preretirement mortality rates were based on the RP-2014 Employee Mortality Table projected forward generationally using Mortality Improvement Scale MP-2016. Postretirement disabled mortality rates were based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females projected forward generationally using Mortality Improvement Scale MP-2016.

Actuarial assumptions used in the July 1, 2021, valuation are based on the results of an actuarial experience study effective for the period July 1, 2011, through June 30, 2016.

Note 17 - Defined Benefit Pension Plans (continued)

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

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

** 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.25 percent and is net of investment expenses. Over a 30 year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7 percent as of June 30, 2021, and 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on pension plan investments of 7 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7 percent as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6 percent) or one percentage point higher (8 percent) than the current rate.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
County's Proportionate Share of the Net Pension Liability	$347,847	$185,752	$48,785

Note 18 - Defined Benefit OPEB Plans

See Note 17 for a description of the net OPEB asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans; the traditional 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 postemployment health care trust which funds multiple health care plans including medical coverage, prescription drug coverage, and deposits to a health reimbursement arrangement (HRA) to qualifying benefit recipients of both the traditional and combined pension plans. Currently, Medicare eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses, and dependents with selecting a medical and pharmacy plan. Monthly allowances based on years of service and the age at which the retiree first enrolled in OPERS coverage are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription drug coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare eligible retirees who choose to become reemployed or survivors who become employed in an OPERS covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

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

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and reemployed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

Note 18 - Defined Benefit OPEB Plans (continued)

In order to qualify for postemployment health care coverage, age and service retirees under the traditional and combined pension plans must have twenty or more years of qualifying Ohio service credit and a minimum age of sixty or generally thirty years of qualifying service credit at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. The health care coverage provided by OPERS meets the definition of an other postemployment benefit (OPEB) as described in GASB Statement No. 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

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

Disclosures for the health care plan are presented separately in the OPERS financial report which 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.

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 the OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional and combined plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed 14 percent of earnable salary and public safety and law enforcement employers contributed 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 of Trustees determines the portion of the employer contribution rate that will be set aside to fund the health care plans. For 2021, OPERS did not allocate any employer contributions to health care for members in the traditional and combined plans.

The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants of the member-directed plan was 4 percent for 2021.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was $34,852 for 2021. Of this amount, $4,101 is reported as an intergovernmental payable.

Note 18 - Defined Benefit OPEB Plans (continued)

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the health care plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the health care plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For 2021, STRS did not allocate any employer contributions to postemployment health care.

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

The net OPEB Asset and the total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. For STRS, the net OPEB asset was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB asset was determined by an independent actuarial valuation as of that date. The County's proportion of the net OPEB asset was based on the County's share of contributions to the respective retirement system relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense.

	OPERS	STRS	Total
Proportion of the Net OPEB Asset			
Current Measurement Date	0.24019128%	0.00145280%	
Prior Measurement Date	0.22683696%	0.00179762%	
Change in Proportionate Share	0.01335432%	0.00034482%	
Proportionate Share			
Net OPEB Asset	$4,279,197	$30,631	$4,309,828
OPEB Expense	($25,775,950)	($5,859)	($25,781,809)

Note 18 - Defined Benefit OPEB Plans (continued)

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

	OPERS	STRS	Total
Deferred Outflows of Resources			
Difference Between Expected and Actual Experience	$0	$1,091	$1,091
Changes of Assumptions	2,103,703	1,956	2,105,659
Changes in Proportion and Differences Between County Contributions and the Proportionate Share of Contributions	1,126,173	0	1,126,173
County Contributions Subsequent to the Measurement Date	34,852	0	34,852
Total Deferred Outflows of Resources	$3,264,728	$3,047	$3,267,775
Deferred Inflows of Resources			
Difference Between Expected and Actual Experience	$3,861,953	$5,612	$3,867,565
Changes of Assumptions	6,933,586	18,274	6,951,860
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	2,279,161	8,490	2,287,651
Changes in Proportion and Differences Between County Contributions and the Proportionate Share of Contributions	283,769	12,112	295,881
Total Deferred Inflows of Resources	$13,358,469	$44,488	$13,402,957

$34,852 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows.

	OPERS	STRS	Total
Year Ending December 31,			
2022	($5,322,725)	($12,086)	($5,334,811)
2023	(3,546,881)	(11,873)	(3,558,754)
2024	(990,430)	(11,743)	(1,002,173)
2025	(268,557)	(4,256)	(272,813)
2026	0	(1,483)	(1,483)
Total	($10,128,593)	($41,441)	($10,170,034)

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.

Note 18 - Defined Benefit OPEB Plans (continued)

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, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB Statement No. 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	6 percent
Prior Measurement Date	3.16 percent
Investment Rate of Return	6 percent
Municipal Bond Rate	
Current Measurement Date	2 percent
Prior Measurement Date	2.75 percent
Health Care Cost Trend Rate	
Current Measurement Date	8.5 percent initial 3. 5 percent ultimate in 2035
Prior Measurement Date	10.5 percent initial 3.5 percent ultimate in 2030
Actuarial Cost Method	individual entry age

Preretirement mortality rates were 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. Postretirement mortality rates were 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. Postretirement mortality rates for disabled retirees were 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 were 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.

Note 18 - Defined Benefit OPEB Plans (continued)

The allocation of investment assets with the Health Care 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 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 benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage adjusted for inflation. Best estimates of arithmetic rates of return were provided by OPERS investment consultant. Each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2020, is summarized in the following table.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other Investments	9.00	4.43
Total	100.00 %	

Discount Rate - A single discount rate of 6 percent was used to measure the OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. 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 twenty year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the expected rate of return on the health care investment portfolio of 6 percent and a municipal bond rate of 2 percent (Fidelity Index's "Twenty-Year Municipal GO AA Index). The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through 2120; the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate - The following table presents the County's proportionate share of the net OPEB asset calculated using the single discount rate of 6 percent as well as what the County's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (5 percent) or one percentage point higher (7 percent) than the current rate.

Note 18 - Defined Benefit OPEB Plans (continued)

	1% Decrease (5%)	Current Discount Rate (6%)	1% Increase (7%)
County's Proportionate Share of the Net OPEB Asset	$1,064,047	$4,279,197	$6,922,313

Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using assumed trend rates and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1 percent lower or 1 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption that changes over several years built into the assumption. The near term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.5 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that 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 3.5 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 Asset	$4,383,491	$4,279,197	$4,162,515

Changes Between the Measurement Date and the Reporting Date

During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effect of these changes is unknown.

Note 18 - Defined Benefit OPEB Plans (continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2021, actuarial valuation and the June 30, 2020, actuarial valuation are presented below.

	June 30, 2021	June 30, 2020
Projected Salary Increases	12.5 percent at age 20 to 2.5 percent at age 65	12.5 percent at age 20 to 2.5 percent at age 65
Investment Rate of Return	7 percent net of investment expenses, including inflation	7.45 percent net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7 percent	7.45 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	5 percent initial, 4 percent ultimate	5 percent initial, 4 percent ultimate
Medicare	-16.18 percent initial, 4 percent ultimate	-6.69 percent initial, 4 percent ultimate
Medical		
Pre-Medicare	6.5 percent initial, 4 percent ultimate	6.5 percent initial, 4 percent ultimate
Medicare	29.98 percent initial, 4 percent ultimate	11.87 percent initial, 4 percent ultimate

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

For healthy retirees, the mortality rates were based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age sixty-nine, 70 percent of rates between ages seventy and seventy-nine, 90 percent of rates between ages eighty and eighty-four, and 100 percent of rates thereafter projected forward generationally using Mortality Improvement Scale MP-2016. For disabled retirees, mortality rates were based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females projected forward generationally using Mortality Improvement Scale MP-2016.

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011, through June 30, 2016.

The non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in 2022. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 17.

Note 18 - Defined Benefit OPEB Plans (continued)

Discount Rate - The discount rate used to measure the total OPEB asset was 7 percent as of June 30, 2021, and was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the Health Care Fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on health care plan investments of 7 percent was used to measure the total OPEB asset as of June 30, 2021.

Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and the Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2021, calculated using the current period discount rate assumption of 7 percent as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6 percent) or one percentage point higher (8 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
County's Proportionate Share of the Net OPEB Asset	$25,848	$30,631	$34,627

	1% Decrease	Current Trend Rate	1% Increase
County's Proportionate Share of the Net OPEB Asset	$34,465	$30,631	$25,890

Changes Between the Measurement Date and the Reporting Date

In February 2022, the STRS Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. The effect of these changes is unknown.

Note 19 - Compensated Absences

County employees earn vacation and sick leave at varying rates depending upon length of service and standard work week. All accumulated unused vacation leave is paid upon separation from the County for those employees with more than one year of service.

Sick leave is earned at varying rates depending on union or non-union status. Upon retirement, employees with ten or more years of service are paid one-fourth of accumulated sick leave up to a maximum of thirty days.

Note 20 - Long-Term Obligations

The County's long-term obligations activity for the year ended December 31, 2021, was as follows:

	Interest Rate	Balance January 1, 2021 (Restated)	Additions	Reductions	Balance December 31, 2021	Due Within One Year
Governmental Activities						
General Obligation Bonds from Direct Placement						
2013 Airport Improvement						
(Original Amount $388,668)	2.29%	$48,587	$0	$48,587	$0	$0
Special Assessment Bonds with Government Commitment						
2005 Delmar/Glenn Sewer						
(Original Amount $342,600)	3.0 - 5.0	97,000	0	25,300	71,700	23,300
2005 Trebor Drive Waterline						
(Original Amount $11,000)	3.0 - 5.0	3,000	0	700	2,300	700
2005 Southwood Waterline						
(Original Amount $71,000)	3.0 - 5.0	11,000	0	5,000	6,000	6,000
2005 Berryman Waterline						
(Original Amount $133,000)	3.0 - 5.0	29,000	0	9,000	20,000	10,000
2005 Oakview Project						
(Original Amount $805,000)	3.0 - 5.0	220,000	0	50,000	170,000	55,000
2006 Bond Premium		45,431	0	9,084	36,347	0
Total Special Assessment Bonds		405,431	0	99,084	306,347	95,000
OPWC Loans from Direct Borrowings						
Second						
(Original Amount $188,611)	0.00	37,722	0	9,431	28,291	4,715
Eastown 1						
(Original Amount $995,670)	0.00	273,809	0	49,783	224,026	24,892
Eastown 2						
(Original Amount $135,232)	0.00	43,950	0	6,762	37,188	3,381
Eastown 4						
(Original Amount $684,638)	0.00	342,319	0	34,232	308,087	17,116
Road Resurfacing						
(Original Amount $345,518)	0.00	155,483	0	17,276	138,207	8,638
Shawnee Road						
(Original Amount $500,000)	0.00	420,000	0	20,000	400,000	10,000
Hume Road						
(Original Amount $65,000)	0.00	54,600	0	2,600	52,000	1,300
Zurmehly Road Bridge						
(Original Amount $190,192)	0.00	156,908	0	9,509	147,399	4,755
Kill Road Reconstruction						
(Original Amount $45,375)	0.00	39,703	0	2,269	37,434	1,134
Total OPWC Loans		1,524,494	0	151,862	1,372,632	75,931

(continued)

Note 20 - Long-Term Obligations (continued)

	Interest Rate	Balance January 1, 2021 (Restated)	Additions	Reductions	Balance December 31, 2021	Due Within One Year
Governmental Activities (continued)						
OWDA Loans from Direct Borrowings						
Lutz/Early						
(Original Amount $718,512)	1.00%	$193,281	$0	$37,889	$155,392	$38,269
4th /Bowman						
(Original Amount $437,856)	0.00	109,464	0	21,893	87,571	21,893
Perry Schools Sewer						
(Original Amount $482,944)	3.42	241,589	0	26,738	214,851	27,660
Findlay Rd						
(Original Amount $429,009)	3.42	198,422	0	25,545	172,877	26,426
Westminister						
(Original Amount $3,451,817)	0.00	1,771,158	0	168,682	1,602,476	168,682
Indian Village Mobile Home Park						
(Original Amount $375,581)	3.74	290,432	0	16,124	274,308	16,733
Total OWDA Loans		2,804,346	0	296,871	2,507,475	299,663
Net Pension Liability						
Ohio Public Employees Retirement System		43,587,907	0	9,116,360	34,471,547	0
State Teachers Retirement System		434,960	0	249,208	185,752	0
Total Net Pension Liability		44,022,867	0	9,365,568	34,657,299	0
Net OPEB Liability						
Ohio Public Employees Retirement System		29,840,075	0	29,840,075	0	0
Capital Loans Payable from Direct Borrowings		624,068	305,090	12,500	916,658	154,528
Capital Leases Payable		7,270,667	0	304,000	6,966,667	304,000
Compensated Absences Payable		3,347,442	550,360	478,423	3,419,379	1,578,809
Total Governmental Activities		$89,887,977	$855,450	$40,596,970	$50,146,457	$2,507,931
Business-Type Activity						
OWDA Loans from Direct Borrowings						
American II						
(Original Amount $9,311,017)	1.00%	$3,948,618	$0	$476,518	$3,472,100	$481,295
Bath SSO						
(Original Amount $636,518)	1.00	302,187	0	32,252	269,935	32,576
Ottawa River Sewer Inceptor						
(Original Amount $3,318,241)	3.65	2,560,554	0	143,051	2,417,503	148,320
Shawnee II WWTP, Pump Station						
(Original Amount $15,589,221)	3.45-3.95	10,063,406	0	541,670	9,521,736	561,028
Total OWDA Loans		16,874,765	0	1,193,491	15,681,274	1,223,219

(continued)

Note 20 - Long-Term Obligations (continued)

	Interest Rate	Balance January 1, 2021 (Restated)	Additions	Reductions	Balance December 31, 2021	Due Within One Year
Business-Type Activity (continued)						
Net Pension Liability						
Ohio Public Employees Retirement System		$2,179,399	$0	$455,819	$1,723,580	$0
Net OPEB Liability						
Ohio Public Employees Retirement System		1,492,002	0	1,492,002	0	0
Capital Leases Payable		299,738	0	71,852	227,886	73,864
Compensated Absences Payable		282,857	0	43,602	239,255	121,683
Total Business-Type Activities		$21,128,761	$0	$3,256,766	$17,871,995	$1,418,766

General Obligation Bonds

All general obligation bonds are supported by the full faith and credit of Allen County and are payable from unvoted property tax revenues to the extent that other resources are not available to meet annual principal and interest payments.

Special Assessment Bonds

Special assessment bonds will be paid from the proceeds of the special assessments levied against those property owners who primarily benefited from the project. In the event that property owners fail to make their special assessment payments, the County is responsible for providing the resources to meet annual principal and interest payments. Special assessment debt is supported by the full faith and credit of Allen County.

OPWC Loans

The OPWC loans from direct borrowings consist of monies owed to the Ohio Public Works Commission for various street, bridge, sewer, and water projects. The loans are interest free. OPWC loans will be repaid from the Motor Vehicle and Gasoline Tax special revenue fund.

In the event of a default, (1) OPWC may apply late fees of 8 percent per year, (2) loans more than sixty days late will be turned over to the Attorney General's office for collection and, as provided by law, OPWC may require that such payment be taken from the County's share of the County undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

Note 20 - Long-Term Obligations (continued)

OWDA Loans

The OWDA loans from direct borrowings consist of monies owed to the Ohio Water Development Authority for various projects. OWDA loans will be repaid from the Water Projects and Sewer Projects capital projects funds and the Sewer enterprise fund.

The OWDA loans contain provisions that in an event of default, (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within thirty days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall also be paid to OWDA, and (3) for each additional thirty days during which the charges remain unpaid, the County shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

For OPWC and OWDA loans payable from governmental funds, the principal remaining to be paid on the OPWC loans is $1,372,632, principal and interest remaining to be paid on the OWDA loans is $2,507,475 and $126,469, respectively. The OPWC loans are payable though 2042 and the OWDA loans are payable through 2035.

OWDA loans payable from the Sewer enterprise fund are payable solely from the gross revenues of the fund. Annual principal and interest payments on the loans are expected to require less than 100 percent of these net revenues. For OWDA loans, principal and interest remaining to be paid on the loans is $15,681,274 and $3,326,210, respectively. Principal and interest paid in the Sewer enterprise fund for the current year were $1,305,379 and $485,394, respectively. Total net revenues for the Sewer enterprise fund were $4,690,841. The OWDA loans are payable through 2035.

Capital Loans Payable

In 2021, the County obtained a bank loan, in the amount of $305,090, for the purchase of a Vac Truck. The loan has an interest rate of 2.75 percent and will mature in 2023. The loan will be retired from the Motor Vehicle and Gas Tax special revenue fund.

In 2018, the County obtained a loan from the United States Department of Agriculture, in the amount of $833,000, for sewer improvements to Springbrook Estates. The loan will be retired from the net revenues of the Sewer enterprise fund.

In the event of a default, the County may be subject to a mandatory injunction raising utility rates in a reasonable amount, except as otherwise provided by law.

Capital Leases Payable

Capital lease obligations will be paid from the fund that maintains custody of the related asset.

Note 20 - Long-Term Obligations (continued)

Net Pension Liability

There is no repayment schedule for the net pension liability; however, employer pension contributions are paid from the General Fund, Motor Vehicle and Gasoline Tax, Job and Family Services, Developmental Disabilities, Auditor/Recorder/Clerk Fees, 911 Systems, Dog and Kennel, Drug Law Enforcement, Child Support Enforcement Agency, Real Estate Assessment, DRETAC, Children's Services, Law Library, Felony Care and Subsidy, Adult Probation Grant, Emergency Management Agency, Ditch Maintenance, and Mental/Drug/Reeny Payroll Subsidy special revenue funds, and the Sewer enterprise fund.

Compensated Absences Payable

Compensated absences will be paid from the fund from which the employees' salaries are paid including the General Fund, Motor Vehicle and Gasoline Tax, Job and Family Services, Developmental Disabilities, Auditor/Recorder/Clerk Fees, Dog and Kennel, Child Support Enforcement Agency, Real Estate Assessment, Children's Services, Felony Care and Subsidy, Adult Probation Grant, Emergency Management Agency, Ditch Maintenance, and Mental/Drug/Reeny Payroll Subsidy special revenue funds, and the Sewer enterprise fund.

The County's legal debt margin was $49,705,883 and an unvoted debt margin of $18,897,274.

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

	Special Assessment Bonds		OPWC Loans From Direct Borrowings	OWDA Loans From Direct Borrowings		Capital Loans From Direct Borrowings	
Year	Principal	Interest	Principal	Principal	Interest	Principal	Interest
2022	$95,000	$11,475	$75,931	$299,663	$24,365	$154,528	$17,615
2023	90,000	7,438	151,862	302,545	21,483	170,062	20,929
2024	85,000	3,612	151,862	305,516	18,511	13,500	16,190
2025	0	0	147,146	308,585	15,442	13,800	15,817
2026	0	0	137,676	250,033	12,375	14,100	15,435
2027-2031	0	0	397,917	965,639	29,276	77,100	71,063
2032-2036	0	0	171,890	75,494	5,017	88,300	59,784
2037-2041	0	0	127,048	0	0	101,300	46,859
2042-2046	0	0	11,300	0	0	116,100	32,037
2047-2051	0	0	0	0	0	133,100	15,054
2052-2053	0	0	0	0	0	34,768	841
	$270,000	$22,525	$1,372,632	2,507,475	126,469	$916,658	$311,624

Note 20 - Long-Term Obligations (continued)

The County's future annual debt service requirements payable from the business-type activity are as follows:

	OWDA Loans From Direct Borrowings	
Year	Principal	Interest
2022	$1,223,219	$455,667
2023	1,253,885	425,001
2024	1,285,522	393,364
2025	1,318,165	360,721
2026	1,351,849	327,037
2027-2031	5,668,727	1,110,867
2032-2035	3,579,907	253,553
	$15,681,274	$3,326,210

Conduit Debt

In 2008, the County issued health care facilities revenue bonds, in the amount of $300,000,000. These bonds were issued to provide financial assistance to Catholic Healthcare Partners with construction and refunding of debt. As of December 31, 2021, $300,000,000 was still outstanding.

In, 2010, the County issued health care facilities revenue bonds, in the amount of $152,315,000, $334,015,000, $100,000,000, and $95,000,000. These bonds were issued to provide financial assistance to Catholic Healthcare Partners with construction and refunding of debt. As of December 31, 2021, $152,315,000, $104,815,000, $82,950,000, and $77,950,000, respectively, was still outstanding.

In, 2012, the County issued health care facilities revenue bonds, in the amount of $100,000,000 and $273,620,000. These bonds were issued to provide financial assistance to Catholic Healthcare Partners with construction and refunding of debt. As of December 31, 2021, $100,000,000 and $249,840,000, respectively, was still outstanding.

In 2015, the County issued health care facilities revenue bonds, in the amount of $159,205,000 and $100,000,000. These bonds were issued to provide financial assistance to Mercy Health with construction and refunding of debt. As of December 31, 2021, $159,205,000 and $100,000,000, respectively, was still outstanding.

The County is not obligated in any way to pay the debt and related charges on these revenue bonds from any of its funds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Note 21 - Capital Leases

The County has entered into capitalized leases for buildings and machinery and equipment. Capital lease payments are reflected as debt service expenditures on the statement of revenues, expenditures, and changes in fund balance for the governmental funds and as a reduction of the liability in the enterprise fund. Principal payments in 2021 were $304,000 for governmental funds and $71,852 for the enterprise fund.

	Governmental Activities	Business-Type Activity
Building	$7,600,000	$0
Equipment	0	469,948
Less Accumulated Depreciation	(651,429)	(42,426)
Carrying Value, December 31, 2021	$6,948,571	$427,522

The following is a schedule of future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2021.

	Governmental Activities	Business Type Activity	
Year	Principal	Principal	Interest
2022	$304,000	$73,864	$6,346
2023	304,000	75,932	4,278
2024	304,000	78,090	2,120
2025	304,000	0	0
2026	304,000	0	0
2027-2031	1,520,000	0	0
2032-2036	1,520,000	0	0
2037-2041	1,520,000	0	0
2042-2044	886,667	0	0
	$6,966,667	$227,886	$12,744

Note 22 - Interfund Transfers

During 2021, the General Fund made transfers to the Job and Family Services special revenue fund, the Ditch Construction capital projects fund, and to other governmental funds, in the amount of $382,180, $176,913, and $2,538,823, respectively, to subsidize operations in those funds. The Motor Vehicle and Gasoline Tax special revenue fund made transfers to other governmental funds, in the amount of $1,377,396, for road construction activities. The Developmental Disabilities special revenue fund made transfers to other governmental funds, in the amount of $350,000 for capital improvements. Other governmental funds made transfers of $46,412 to other governmental funds to make debt payments when due. The Sewer enterprise fund made transfers to the other governmental funds, in the amount of $141,465 to make debt payments when due.

Note 23 - Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below.

Fund Balance	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Developmental Disabilities
Nonspendable for:				
Interfund Loans	$2,540,141	$0	$0	$0
Prepaid Items	281,017	17,216	32,667	28,589
Materials and Supplies Inventory	61,474	544,053	13,705	45,442
Unclaimed Monies	260,763	0	0	0
Total Nonspendable	3,143,395	561,269	46,372	74,031
Restricted for:				
Developmental Disabilities Operations	0	0	0	12,438,408
Job and Family Services Operations	0	0	1,605,744	0
Road and Bridge Repair/ Improvement	0	3,664,101	0	0
Total Restricted	0	3,664,101	1,605,744	12,438,408

(continued)

Note 23 - Fund Balance (continued)

Fund Balance	General	Motor Vehicle and Gasoline Tax	Job and Family Services	Developmental Disabilities
Assigned for:				
Airport	$1,523	$0	$0	$0
Clerk of Courts	34,899	0	0	0
Drug Court	19,208	0	0	0
Economic Development	385,604	0	0	0
Probate Court	6,227	0	0	0
Projected Budget Shortage	5,701,857	0	0	0
Recorder Equipment	73,724	0	0	0
Title Administration	1,762,825	0	0	0
Unpaid Obligations	147,393	0	0	0
Total Assigned	8,133,260	0	0	0
Unassigned	10,449,856	0	0	0
Total Fund Balance	$21,726,511	$4,225,370	$1,652,116	$12,512,439

Fund Balance	American Rescue Plan	Ditch Construction	Other Governmental Funds
Nonspendable for:			
Prepaid Items	$0	$0	$47,768
Materials and Supplies Inventory	0	0	3,741
Total Nonspendable	0	0	51,509
Restricted for:			
Board of Elections	0	0	134
Child Support Enforcement	0	0	521,851
Children Services		0	4,969,516
Court Operations	0	0	2,498,501
Crime Victim Assistance	0	0	1,235
Debt Retirement	0	0	2,167,446
Delinquent Tax Collections	0	0	117,579
Ditch Maintenance	0	0	1,593,422
Dog and Kennel Operations	0	0	522,183
Economic Development and Rehabilitation	0	0	1,443,423
Economic Recovery	4,050	0	6,932
Emergency Management Agency	0	0	38,800
Family Counseling	0	0	6,166
Foreign Trade Zone	0	0	3,258

(continued)

Note 23 - Fund Balance (continued)

Fund Balance	American Rescue Plan	Ditch Construction	Other Governmental Funds
Restricted for (continued):			
Law Library Operations	$0	$0	$549,477
Permanent Improvements	0	0	4,984,076
Real Estate Assessments	0	0	2,193,606
Road and Bridge Repair/ Improvement	0	0	934,509
Scholarships	0	0	8,500
Sheriff Operations	0	0	836,026
Tax Abatement	0	0	12,078
Total Restricted	4,050	0	23,408,718
Assigned for:			
Permanent Improvements	0	0	4,813
Unassigned (Deficit)	0	(1,757,282)	(1,418,463)
Total Fund Balance (Deficit)	$4,050	($1,757,282)	$22,046,577

The County has established a General Fund budget stabilization arrangement by resolution pursuant to Ohio Revised Code Section 5705.13 to stabilize against cyclical changes in revenues. The stabilization arrangement does not meet the criteria to be classified as restricted or committed. The County did not identify any requirements for additions to the stabilization amount or conditions under which amounts can be spent other than upon approval by the County Commissioners. The balance in the reserve at December 31, 2021, was $3,731,248.

Note 24 - Joint Ventures

A. Lima-Allen County Downtown Construction

The County and the City of Lima entered into a joint funding agreement for the construction and funding of certain facilities, including the expansion of the Veteran's Memorial Civic and Convention Center, a parking garage, and a pedestrian overhead walkway (skywalk) from the Civic Center to the parking garage. The Civic Center expansion and the skywalk were constructed by and are owned by the County. The parking garage was constructed by and is owned by the City.

The operation and maintenance costs associated with the skywalk and the parking garage are the joint responsibility of the County and the City. The County and the City share equally the net revenue/(loss) derived from the garage. The joint venture has not accumulated significant financial resources nor is the joint venture experiencing fiscal stress that may cause an additional financial benefit to or burden on the County in the future. Financial information may be obtained from the Allen County Commissioners, Allen County, Ohio.

Note 24 - Joint Ventures (continued)

The City of Lima has agreed to enter into a long-term lease agreement with the County offering the County a one-half ownership interest in the parking garage, which will be operated and maintained by the Lima-Allen County Joint Parking Commission, in accordance with the rules and regulations established for the Joint Parking Commission (see Note 25). As of December 31, 2021, this lease has not been executed.

B. Mental Health and Recovery Services Board of Allen, Auglaize, and Hardin Counties

The Mental Health and Recovery Services Board of Allen, Auglaize, and Hardin Counties provides leadership in planning for and supporting community-based alcohol, drug addiction, and mental health services in cooperation with public and private resources with emphasis on the development of prevention and early intervention programming while respecting, protecting, and advocating for the rights of persons as consumers of alcohol, drug addiction, and mental health services.

The Mental Health and Recovery Services Board of Allen, Auglaize, and Hardin Counties consists of sixteen members. Four members are appointed by the Director of the Ohio Department of Mental Health and four members are appointed by the Director of the Ohio Department of Alcohol and Drug Addiction Services. The remaining members are appointed by the County Commissioners of Allen, Auglaize, and Hardin Counties in the same proportion of each county's population to the total combined population. The degree of control exercised by any participating County is limited to its representation on the Board. The Mental Health and Recovery Services Board of Allen, Auglaize, and Hardin Counties is a joint venture because its existence is dependent on the continued participation of the County.

Allen County serves as fiscal agent. The Board receives tax revenue from the three counties and receives federal and state funding through grants which are applied for and received by the Board. The Board is not accumulating significant financial resources and is not experiencing fiscal stress that may cause an additional financial benefit to or burden on the County in the future. Financial information may be obtained from the Allen County Commissioners, Allen County, Ohio.

Note 25 - Jointly Governed Organizations

A. Lima-Allen County Regional Planning Commission

The Lima-Allen County Regional Planning Commission is a jointly governed organization established under Section 713.21 of the Ohio Revised Code. The Commission consists of six delegates and six alternates appointed by the Allen County Commissioners, one delegate and one alternate for each five thousand persons determined by the last federal decennial census from each municipal corporation and each of the townships participating in the Commission; provided that no cooperating municipality or township has less than one delegate and one alternate to the Commission. Each participating municipality and township contributes to the operation of the Commission based on a per capita charge.

Duties of the Commission include making studies, maps, plans, and other reports of the County and adjoining areas, recommendations for systems of transportation, highways, park and recreational facilities, water supply, sewerage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region.

Note 25 - Jointly Governed Organizations (continued)

The Commission has the authority to employ an Executive Director, engineers, accountants, attorneys, planners, and others as may be necessary and set their compensation.

In 2021, the County did not pay any membership fees. Financial information may be obtained from the Lima-Allen County Regional Planning Commission, 130 West North Street, Lima, Ohio 45801.

B. North Central Ohio Solid Waste District

Allen County participates in a multi-county Solid Waste District along with Champaign, Hardin, Madison, Shelby, and Union counties. The District was established following the requirements of House Bill 592. The Board of Directors consists of County Commissioners from each county. Initial funding for the District was contributed by each county based on its individual county population compared to the total of all participating counties' populations.

Allen County, the largest of the six counties, initially contributed 33 percent of the total funds contributed. In 1994, the District became self-supporting and does not anticipate having to rely on future support coming from funds given to the District by the six counties. The County does not contribute to the Joint Solid Waste District nor does it anticipate doing so in the future. Allen County serves as fiscal agent. Financial information may be obtained from the Joint Solid Waste District, 815 Shawnee Road, Suite D, Lima, Ohio 45805.

C. Western Ohio Regional Treatment and Habilitation (WORTH) Center

The Western Ohio Regional Treatment and Habilitation (WORTH) Center is a residential probation center created in 1991 under Section 2301.51 of the Ohio Revised Code. The WORTH Center is operated by the Facilities Governing Board comprised of Allen, Auglaize, Hancock, Hardin, Mercer, Paulding, Putnam, Shelby, and Van Wert Counties. The WORTH Center is operated for both men and women from the nine counties placed on probation by the Common Pleas Court that otherwise would be sentenced to incarceration in a state penal institution. Training and counseling are personalized to meet the needs of each offender and are designed to establish an ongoing treatment plan that will accompany the offender upon release from the WORTH Center. The WORTH Center is located in Allen County and the County serves as the fiscal agent.

A Facilities Governing Board oversees the facility's operations. Common pleas judges from the counties the facility serves comprise a Judicial Advisory Board. The Judicial Advisory Board appoints two-thirds of the members of the Facilities Governing Board and advises the Board regarding facility matters. The Board includes at least one common pleas court judge from each county the facility serves. The County has entered into a sublease with the Department of Rehabilitation and Correction which stipulates that the WORTH Center building constructed by the Ohio Building Authority reverts to the County's ownership after twenty years from the start of the WORTH Center project. The County does not contribute to the operations of the WORTH Center nor does it anticipate doing so in the future. Financial information may be obtained from the WORTH Center, 243 East Bluelick Road, Lima, Ohio 45802.

Note 25 - Jointly Governed Organizations (continued)

D. Lima-Allen County Joint Parking Commission

The County and the City of Lima have established a joint parking commission (JPC) which is responsible for developing and implementing a joint city-county parking system for the Central Business District in Lima and has management control over the downtown parking garage and various downtown surface lots. The JPC establishes policies for the operation of the parking system under its control, including rates to be charged.

The JPC is comprised of two members, one appointed by the Mayor of the City of Lima and one appointed by the President of the Board of County Commissioners.

Note 26 - Insurance Pools

A. County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA), is a jointly governed organization among a number of counties in Ohio. CORSA was formed as an Ohio not-for-profit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA.

Each member county has one vote on all matters requiring a vote to be cast by a designated representative. The affairs of CORSA are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board of Trustees. No county may have more than one representative on the Board of Trustees at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

B. County Employee Benefits Consortium of Ohio, Inc.

The County participates with the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation with membership open to Ohio political subdivisions to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis, the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claims contingency reserve fund, as well as the fixed costs of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine or more than fifteen directors that exercise all powers of the consortium. Two-thirds of the directors are county commissioners of the member counties and one-third are employees of the member counties. Each member of the consortium is entitled to one vote. At all times, one director is required to be a member of the board of directors of the County Commissioners Association of Ohio and another is required to be a board member of the County Risk Sharing Authority, Inc.

Note 27 - Related Organizations

A. Port Authority of Allen County

The Port Authority of Allen County was created pursuant to Sections 4582.202 through 4582.58 of the Ohio Revised Code to promote manufacturing, commerce, distribution, and research and development interests of Allen County, including rendering financial and other assistance to such enterprises situated in Allen County and to induce the location in Allen County of other manufacturing, commerce, distribution, and research and development enterprises; to purchase, subdivide, sell, and lease real property in Allen County and erect or repair any building or improvement for the use of any manufacturing, commerce, distribution, or research and development enterprise in Allen County. The Port Authority Board of Directors consists of seven members who are appointed by the Allen County Commissioners. The Port Authority serves as custodian of its own funds and maintains all records and accounts independent of Allen County. Financial information can be obtained from the Port Authority of Allen County, 144 South Main Street, Suite 200, Lima, Ohio 45801.

B. Allen County Regional Airport Authority

The Allen County Airport Authority was created by resolution of the County Commissioners under the authority of Chapter 308 of the Ohio Revised Code. The Airport Authority is governed by a seven member board of trustees appointed by the County Commissioners. The Board of Trustees has the authority to exercise all of the powers and privileges provided under the law. These powers include the ability to sue or be sued in its corporate name; the power to establish and collect rates, rentals, and other charges; the authority to acquire, construct, operate, manage, and maintain airport facilities; the authority to buy and sell real and personal property; and the authority to issue debt for acquiring or constructing any facility or permanent improvement. The Airport Authority serves as custodian of its own funds and maintains all records and accounts independent of Allen County.

Although the County has no obligation to provide financial resources to the airport, the County Commissioners have in prior years allocated certain funds to the Airport Authority. In 2021, this allocation was $61,784.

C. Allen County Transportation Improvement District

The Allen County Transportation Improvement District (TID) is a distinct political subdivision of the State of Ohio established to finance and construct roads and water and sewer lines in Allen County. The TID was created under Section 5540.02 of the Ohio Revised Code. The TID is controlled by a seven-member Board of Trustees; five voting members are appointed by the County Commissioners. The County Engineer is a voting member. Two non-voting members include members of the General Assembly in whose legislative district the TID is located. Financial information can be obtained from the Allen County Engineer, 1501 N. Sugar Street, Lima, Ohio 45801.

Note 27 - Related Organizations (continued)

D. Allen County Veterans Memorial Civic and Convention Center

The Allen County Veterans Memorial Civic and Convention Center (VMCCC) was created by resolution of the County Commissioners under the authority of Chapter 345 of the Ohio Revised Code. The VMCCC is governed by an eleven member board of trustees appointed by the County Commissioners. The purpose of the VMCCC is to commemorate the services of all members and veterans of the armed forces of the United States and permanently recognize those service members from Allen County who made the ultimate sacrifice. The VMCCC also serves as Allen County's convention facility and center for performing arts, community, civic, and patriotic gatherings. Financial information can be obtained from the Allen County Civic and Convention Center, 7 Town Square, Lima, Ohio 45801.

Note 28 - LODDI

A. Summary of Significant Accounting Policies

Reporting Entity

LODDI is presented following the provisions of NCGA Statement No. 1 "Governmental Accounting and Financial Reporting Principles", as modified by subsequent NCGA and GASB pronouncements.

Basis of Presentation

LODDI is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities are included on the statement of net position. LODDI uses the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized at the time they are incurred.

B. Deposits and Investments

At December 31, 2021, the carrying amount of deposits was $31,642. These amounts are classified as "Cash and Cash Equivalents in Segregated Accounts" on the statement of net position. Investments are classified as "Investments in Segregated Accounts" on the statement of net position and consisted of exchange traded products, in the amount of $67,458, and mutual funds, in the amount of $10,975. There are no significant statutory restrictions regarding the deposit and investment of funds by the not-for-profit corporation.

C. Capital Assets

LODDI had capital assets of land and buildings, in the amount of $136,546 and $1,751,171, respectively, as of December 31, 2021. Accumulated depreciation was $630,007, with a net capital asset amount of $1,257,710. Depreciation is computed using the straight-line method over a useful life of forty years.

Note 28 - LODDI (continued)

D. Long-Term Obligations

	Interest Rate	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Due Within One Year
Mortgage Notes Payable	5.625%	$69,968	$0	$3,554	$66,411	$3,820

Note 29 - Allen County Land Reutilization Corporation

A. Summary of Significant Accounting Policies

Reporting Entity

The Allen County Land Reutilization Corporation (Land Bank) is presented following the provisions of NCGA Statement No. 1 "Governmental Accounting and Financial Reporting Principles", as modified by subsequent NCGA and GASB pronouncements.

Basis of Presentation

The Land Bank is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities are included on the statement of net position. The Land Bank uses the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized at the time they are incurred.

B. Deposits and Investments

At December 31, 2021, the carrying amount of deposits was $492,932. These amounts are classified as "Cash and Cash Equivalents in Segregated Accounts" on the statement of net position. There are no significant statutory restrictions regarding the deposit and investment of funds by the not-for-profit corporation.

C. Property Held for Resale

Property held for resale is recorded at cost, which totaled $2,150,914 as of December 31, 2021. The property held is mostly vacant and abandoned properties in primarily distressed neighborhoods. All significant costs incurred to acquire and improve or rehabilitate the property are recorded as "Property Held for Resale" on the statement of net position. Reimbursements for these costs are reported as part of the property sale revenue when sold.

Lots are often held in depressed areas and obtaining appraisals is not reasonably possible. Consequently, lots are carried at cost and no current charge is posted as an expense, which is a departure from GAAP. The impact on earnings and equity would equal a difference between lot costs and what they could be sold for modified for an estimated impact of probable donation. This difference could not be reasonably determined.

Note 30 - Contingent Liabilities

A. Litigation

The County is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The County management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the County.

B. Federal and State Grants

For the period January 1, 2021, to December 31, 2021, the County received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowances, if any, would be immaterial.

Note 31 - COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June 2021 while the national state of emergency continues. During 2021, the County received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. The impact of the County’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

The County’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

Note 32 - Subsequent Event

On March 25, 2022, the County issued special assessment bonds, in the amount of $95,000, for ditch improvements. The bonds have an interest rate of 2.25 percent and mature on November 1, 2026.

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

	2021	2020	2019	2018
County's Proportion of the Net Pension Liability	0.24443244%	0.23154936%	0.24113735%	0.24392450%
County's Proportionate Share of the Net Pension Liability	$36,195,127	$45,767,306	$66,042,633	$38,267,025
County's Covered Payroll	$33,297,133	$31,883,423	$31,580,022	$31,488,073
County's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	108.70%	143.55%	209.13%	121.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%

(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 as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2017	2016	2015	2014
0.25652166%	0.26640800%	0.27637600%	0.27637600%
$58,180,708	$46,145,222	$33,334,034	$32,581,130
$31,433,836	$33,225,588	$32,790,592	$37,870,469
185.09%	138.88%	101.66%	86.03%
77.25%	81.08%	86.45%	86.36%

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

	2021	2020	2019	2018
County's Proportion of the Net Pension Asset	0.24451308%	0.21727692%	0.20995425%	0.21070735%
County's Proportionate Share of the Net Pension Asset	$705,823	$453,077	$234,778	$286,843
County's Covered Payroll	$1,083,921	$978,736	$893,036	$873,108
County's Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll	65.12%	46.29%	26.29%	32.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	157.67%	145.28%	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 as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

Allen County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Nine Fiscal Years (1)

	2021	2020	2019	2018
County's Proportion of the Net Pension Liability	0.00145280%	0.00179762%	0.00286235%	0.00329680%
County's Proportionate Share of the Net Pension Liability	$185,752	$434,960	$632,990	$724,892
County's Covered Payroll	$179,264	$216,943	$336,050	$374,793
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	103.62%	200.50%	188.36%	193.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.80%	75.50%	77.40%	77.30%

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

Amounts presented for each fiscal year were determined as of June 30th.

See Accompanying Notes to the Required Supplementary Information

2017	2016	2015	2014	2013
0.00380363%	0.00732584%	0.00678598%	0.00727737%	0.00727737%
$903,561	$2,452,182	$1,875,444	$1,770,107	$2,108,541
$418,164	$770,821	$708,007	$800,746	$780,192
216.08%	318.13%	264.89%	221.06%	270.26%
75.30%	66.80%	72.10%	74.70%	69.30%

Allen County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employees Retirement System
Last Five Years (1)

	2021	2020	2019	2018
County's Proportion of the Net OPEB Liability (Asset)	0.24019128%	0.22683696%	0.23593620%	0.23867150%
County's Proportionate Share of the Net OPEB Liability (Asset)	($4,279,197)	$31,332,077	$30,760,511	$25,917,968
County's Covered Payroll	$35,233,604	$33,604,384	$33,237,483	$33,131,281
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	-12.15%	93.24%	92.55%	78.23%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%

(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 as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2017
0.25107700%
$25,359,630
$33,050,769
76.73%
54.04%

Allen County
Required Supplementary Information
Schedule of the County's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Five Fiscal Years (1)

	2021	2020	2019	2018
County's Proportion of the Net OPEB Liability (Asset)	0.00145280%	0.00179762%	0.00286235%	0.00329680%
County's Proportionate Share of the Net OPEB Liability (Asset)	($30,631)	($31,593)	($47,408)	($52,977)
County's Covered Payroll	$179,264	$216,943	$336,050	$374,793
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-17.09%	-14.56%	-14.11%	-14.14%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	174.70%	182.10%	174.70%	176.00%

(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 as of the County's measurement date which is the prior year end.

See Accompanying Notes to the Required Supplementary Information

2017
0.00380363%
$148,404
$418,164
35.49%
47.10%

Allen County
Required Supplementary Information
Schedule of the County's Contributions
Ohio Public Employees Retirement System
Last Nine Years (1) (2)

	2021	2020	2019	2018
Net Pension Liability - Traditional Plan				
Contractually Required Contribution	$4,742,126	$4,819,305	$4,614,086	$4,560,770
Contributions in Relation to the Contractually Required Contribution	(4,742,126)	(4,819,305)	(4,614,086)	(4,560,770)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll	$32,794,249	$33,297,133	$31,883,423	$31,580,022
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net Pension Asset - Combined Plan				
Contractually Required Contribution	$164,820	$151,749	$137,023	$125,025
Contributions in Relation to the Contractually Required Contribution	(164,820)	(151,749)	(137,023)	(125,025)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll	$1,177,286	$1,083,921	$978,736	$893,036
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability - OPEB Plan (2)				
Contractually Required Contribution	$34,852	$34,102	$29,689	$30,577
Contributions in Relation to the Contractually Required Contribution	(34,852)	(34,102)	(29,689)	(30,577)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll (3)	$34,842,835	$35,233,604	$33,604,384	$33,237,483
OPEB Contributions as a Percentage of Covered Payroll	0.04%	0.04%	0.04%	0.04%

(1) Information prior to 2013 is not available.
(2) Beginning in 2016, OPERS used one trust as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.
(3) The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See Accompanying Notes to the Required Supplementary Information

2017	2016	2015	2014	2013
$4,226,933	$3,907,021	$4,122,098	$4,073,325	$5,063,631
(4,226,933)	(3,907,021)	(4,122,098)	(4,073,325)	(5,063,631)
$0	$0	$0	$0	$0
$31,488,073	$31,433,836	$33,225,588	$32,790,592	$37,870,469
13.42%	12.43%	12.41%	12.42%	13.37%
$113,504	$101,842	$106,915	$92,896	$90,497
(113,504)	(101,842)	(106,915)	(92,896)	(90,497)
$0	$0	$0	$0	$0
$873,108	$848,683	$890,958	$774,133	$696,131
13.00%	12.00%	12.00%	12.00%	13.00%
$355,423	$676,381			
(355,423)	(676,381)			
$0	$0			
$33,131,281	$33,050,769			
1.02%	2.04%			

Allen County
Required Supplementary Information
Schedule of the County's Contributions
State Teachers Retirement System of Ohio
Last Ten Years

	2021	2020	2019	2018
Net Pension Liability				
Contractually Required Contribution	$16,325	$26,742	$40,116	$48,994
Contributions in Relation to the Contractually Required Contribution	(16,325)	(26,742)	(40,116)	(48,994)
Contribution Deficiency (Excess)	$0	$0	$0	$0
County Covered Payroll (1)	$116,607	$191,014	$286,543	$349,957
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability (Asset)				
Contractually Required Contribution	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) The County's covered payroll is the same for the pension and OPEB.

See Accompanying Notes to the Required Supplementary Information

2017	2016	2015	2014	2013	2012
$22,603	$73,323	$77,672	$73,514	$99,683	$103,166
(22,603)	(73,323)	(77,672)	(73,514)	(99,683)	(103,166)
$0	$0	$0	$0	$0	$0
$161,450	$523,736	$554,800	$565,490	$766,792	$793,585
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%
$0	$0	$0	$2,405	$7,668	$7,936
0	0	0	(2,405)	(7,668)	(7,936)
$0	$0	$0	$0	$0	$0
0.00%	0.00%	0.00%	0.43%	1.00%	1.00%

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 assumptions compared with those used in prior years are presented below.

	2019	2018 and 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	3 percent simple	3 percent simple	3 percent simple
Post-January 7, 2013	see below	see below	see below
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	individual entry age	individual entry age	individual entry age

The assumptions related to COLA and Ad Hoc COLA for post-January 7, 2013, retirees are as follows.

2021	.5 percent simple through 2021, then 2.15 percent simple
2020	1.4 percent simple through 2020, then 2.15 percent simple
2017 through 2019	3 percent simple through 2019, then 2.15 percent simple
2016 and prior	3 percent simple through 2018, then 2.8 percent simple

Amounts reported beginning in 2017 use preretirement mortality rates 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. Postretirement mortality rates were 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. Postretirement mortality rates for disables retirees were 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 were 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 twenty 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 2021 and 2020, the combined plan had the same change in COLA or Ad Hoc COLA for post-January 7, 2013, retirees as the traditional plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions - STRS Pension

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

	2017	2016 and Prior
Inflation	2.5 percent	2.75 percent
Projected Salary Increases	12.5 percent at age 20 to 2.5 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost of Living Adjustments (COLA)	0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA commences on fifth anniversary of retirement date

Beginning in 2021, the investment rate of return was decreased from 7.45 percent to 7 percent.

Beginning in 2017, postretirement mortality rates for healthy retirees were based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age sixty-nine, 70 percent of rates between ages seventy and seventy-nine, 90 percent of rates between ages eighty and eighty-four, and 100 percent of rates thereafter projected forward generationally using Mortality Improvement Scale MP-2016. Preretirement mortality rates were based on RP-2014 Employee Mortality Table projected forward generationally using Mortality Improvement Scale MP-2016. Postretirement disabled mortality rates were based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females projected forward generationally using Mortality Improvement Scale MP-2016.

For the 2016 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022-Scale AA) for males and females. Males ages were set back two years through age eighty-nine and no set back for age ninety and above. Females younger than age eighty were set back four years, one year set back from age eighty through eighty-nine, and no set back from age ninety and above.

Changes in Assumptions - OPERS OPEB

Investment Return Assumption	
Beginning in 2019	6 percent
2018	6.5 percent
Municipal Bond Rate	
2021	2 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate	
2021	6 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate	
2021	8 percent initial 3.5 percent ultimate in 2035
2020	10 percent initial 3.5 percent ultimate in 2030
2019	10 percent initial 3.25 percent ultimate in 2029
2018	7.5 percent initial 3.25 percent ultimate in 2028

Changes in Assumptions - STRS OPEB

For 2021, the discount rate was decreased from 7.45 percent to 7 percent.

For 2018, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

Changes in Benefit Terms - OPERS OPEB

On January 15, 2020, the OPERS Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes were effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS sponsored medical plans for non-Medicare retirees with monthly allowances similar to the program for Medicare retirees. These changes are reflected in 2021.

Changes in Benefit Terms - STRS OPEB

For 2021, the non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in 2022. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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

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

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

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Allen County, Ohio
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

Federal Grantor/ Pass Through Grantor/ Program Title	Federal AL Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Passed through the Ohio Department of Job and Family Services:				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2021-11-5892 / G-2223-11-6892	$0	$274,802
Total SNAP Cluster			0	274,802
Total U.S. Department of Agriculture			**0**	**274,802**
U.S. Department of Housing and Urban Development				
Passed through the Ohio Department of Development				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
Formula Allocation Program	14.228	B-F-20-1AB-1	0	15,500
CDBG Revolving Loans	14.228	N/A	0	6,545
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			0	22,045
Total U.S. Department of Housing and Urban Development			**0**	**22,045**
U.S. Department of Labor				
Passsed through the Area 7 Workforce Developmental Board:				
Workforce Investment Act (WIA) National Emergency Grants	17.277	2020/21-7102-1	0	63,571
Unemployment Insurance	17.225	2020/21-7102-1	0	44,642
Employment Service Cluster:				
Employment Service/Wagner-Peyser Funded Activities	17.207	2020/21-7102-1	0	18,220
Total Employment Service Cluster			0	18,220
Trade Adjustment Assistance	17.245	2020/21-7102-1	0	3,080
WIOA Cluster				
WIOA Adult Program	17.258	2020/21-7102-1	0	219,508
WIOA Youth Activities	17.259	2020/21-7102-1	0	419,979
WIOA Dislocated Worker Formula Grants	17.278	2020/21-7102-1	0	642,465
Total WIOA Cluster			0	1,281,952
Total U.S. Department of Labor			**0**	**1,411,465**
U.S. Department of Transportation				
Passed through the Ohio Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	PID #101979	0	280,236
Total Highway Planning and Construction Cluster			0	280,236
Passed through the Ohio Department of Public Safety:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	STEP-2022-2-00-00-00017-00	0	4,346
State and Community Highway Safety	20.600	STEP-2021-2-00-00-00017-00	0	15,405
Total Highway Safety Cluster			0	19,751
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2022-2-00-00-00017-00	0	7,543
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2021-2-00-00-00017-00	0	12,311
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated			0	19,854
Total U.S. Department of Transportation			**0**	**319,841**
U.S. Department of Education				
Passed through the Ohio Department of Education:				
Special Education Cluster (IDEA):				
Special Education_Grants to States	84.027	N/A	0	19,223
Total Special Education Cluster (IDEA)			0	19,223
Passed through the Ohio Department of Developmental Disabilities:				
Special Education - Grants for Infants and Families	84.181	H181A190024	0	85,685
Special Education - Grants for Infants and Families	84.181	H181A200024	0	100,629
Total Special Education - Grants for Infants and Families			0	186,314
Total U.S. Department of Education			**0**	**205,537**
U.S. Elections Assistance Commission				
Passed through the Ohio Secretary of State:				
2018 HAVA Election Security Grants	90.404	N/A	0	24,091
COVID-19 HAVA Election Security Grants	90.404	N/A	0	11,004
Total 2018 HAVA Election Security Grants			0	35,095
Total U.S. Election Assistance Commission			**0**	**35,095**

(continued)

Allen County, Ohio
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended December 31, 2021

Federal Grantor/ Pass Through Grantor/ Program Title	Federal AL Number	Pass Through Entity Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Health and Human Services				
Passed through the Ohio Department of Developmental Disabilities				
Elder Abuse Prevention Interventions Program	93.747	G-2021-11-5892 / G-2223-11-6892	$0	$14,235
Passed through the Ohio Department of Developmental Disabilities:				
Social Services Block Grant	93.667	2001OHSOSR	$0	$92,096
Passed through the Ohio Department of Job and Family Services:				
Social Services Block Grant	93.667	G-2021-11-5892 / G-2223-11-6892	0	636,350
Total Social Services Block Grant			0	728,446
Passed through the Ohio Department of Job and Family Services:				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G-2021-11-5894 / G-2223-11-6894	0	47,168
MaryLee Allen Promoting Safe and Stable Families Program	93.556	5AU-17-C0002	0	35,321
Total MaryLee Allen Promoting Safe and Stable Families Program			0	82,489
Child Support Enforcement	93.563	G-2021-11-5893	0	637,030
Child Support Enforcement	93.563	G-2223-11-6893	0	863,493
Total Child Support Enforcement			0	1,500,523
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2021-11-5894 / G-2223-11-6894	0	119,069
Stephanie Tubbs Jones Child Welfare Services Program	93.645	5AU-17-C0002	0	4,366
Total Stephanie Tubbs Jones Child Welfare Service Program			0	123,435
Foster Care_Title IV-E	93.658	G-2021-11-5894 / G-2223-11-6894	0	1,109,463
Adoption Assistance	93.659	G-2021-11-5894 / G-2223-11-6894	0	914,026
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2021-11-5894 / G-2223-11-6894	0	85,245
Children's Health Insurance Program	93.767	G-2021-11-5894 / G-2223-11-6894	0	551,392
CCDF Cluster:				
Child Care and Development Block Grant	93.575	G-2223-11-5892 / G-2223-11-6892	0	90,693
Total CCDF Cluster			0	90,693
Temporary Assistance for Needy Families	93.558	G-2223-11-5892 / G-2223-11-6892	12,291	4,301,882
Temporary Assistance for Needy Families	93.558	G-2021-11-5894 / G-2223-11-6894	0	4,669
Total Temporary Assistance for Needy Families			12,291	4,306,551
Passed through the Ohio Department of Developmental Disabilities:				
Medicaid Cluster:				
Medical Assistance Program	93.778	2005OH5ADM	0	429,345
Passed through the Ohio Department of Job and Family Services:				
Medical Assistance Program	93.778	G-2223-11-5892 / G-2223-11-6892	0	1,248,517
Total Medicaid Cluster			0	1,677,862
Total U.S. Department of Health and Human Services			**12,291**	**11,184,360**
U.S. Department of Justice				
Direct Program				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	N/A	0	26,552
Passed through the Ohio Department of Public Safety:				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-CE-PPF-2001	0	13,000
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-CE-CTF-2157	0	64,272
Total COVID-19 Coronavirus Emergency Supplemental Funding Program			0	103,824
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-JG-A01-6409	0	33,540
Total U.S. Department of Justice			**0**	**137,364**
U.S. Department of Homeland Security				
Passed through the Ohio Department of Public Safety:				
Homeland Security Grant Program	97.067	EMW-2019-SS-00024-S01	0	230
Homeland Security Grant Program	97.067	EMW-2020-SS-00037-S01	0	14,905
Total Homeland Security Grant Program			0	15,135
Emergency Management Performance Grants	97.042	EMC-2020-EP-00004	0	37,976
Emergency Management Performance Grants	97.042	EMC-2019-EP-00005	0	6,478
Total Emergency Management Performance Grants			0	44,454
Total U.S. Department of Homeland Security			**0**	**59,589**
Total Federal Expenditures			**$12,291**	**13,650,098**

N/A - pass through entity number not available

The accompanying notes are integral part of this schedule

ALLEN COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Allen County (the County) under programs of the federal government for the year ended December 31, 2021. 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 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting, with exception for expenditures passed through the Area 7 Workforce Development Board, which are reported on the accrual basis of accounting in accordance with U.S. Department of Labor. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) WITHOUT CONTINUING COMPLIANCE REQUIREMENTS

The County has a revolving loan fund (RLF) program to provide low-interest loans to business to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The U.S. Department of Housing and Urban Development (HUD) grants money for these loans to the County passed through the Ohio Department of Development. The Schedule reports loan made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans. These loans are collateralized by second position mortgages on the land and building on behalf of the County for HUD.

NOTE 4 – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOUSE INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS WITH REVOLVING LOAN CASH BALANCES

The current cash balances on the County’s local program income account as of December 31, 2021 is $393,553.

NOTE 5 – 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 6 – SUBRECIPIENTS

The County passes certain federal awards received from the U.S. Department of Health and Human Services to other governments or not-for-profit agencies (subrecipients). As Note 2 describes, the County reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these sub-awards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE 7 - TRANSFERS BETWEEN FEDERAL PROGRAMS

During 2021, the County made allowable transfers of $350,000 from the Temporary Assistance for Needy Families (93.558) program to the Social Services Block Grant (93.667) program. The amount reported for the Temporary Assistance for Needy Families program on the Schedule excludes the amount transferred to the Social Services Block Grant program. The amount transferred to the Social Services Block Grant program is included in the federal program expenditures for these programs when disbursed. The following table shows the gross amount drawn for the Temporary Assistance for Needy Families program during 2021 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	$4,656,551
Social Services Block Grant	(350,000)
Total Temporary Assistance for Needy Families	**$4,306,551**

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*

Allen County
301 North Main Street
Lima, Ohio 45801

To the Board of County Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Allen County, (the County) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 8, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. Our report includes a reference to other auditors who audited the financial statements of the component unit, LODDI, Inc., as described in our report on the County's financial statements. The financial statements of LODDI, Inc. were not audited in accordance with *Governmental Auditing Standards*, and accordingly, this report does not include reporting on internal control or compliance or other matters associated with the component unit LODDI, Inc. or that are reported on separately by those auditors who audited the financial statements of the component unit LODDI, Inc.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

September 8, 2022

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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

Allen County
301 North Main Street
Lima, Ohio 45801

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Allen County's (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Allen County's major federal programs for the year ended December 31, 2021. Allen County's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the Allen County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

September 8, 2022

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ALLEN COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021

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):**	Child Support Enforcement (AL #93.563) Foster Care Title IV-E (AL #93.658) Children's Health Insurance Program (AL #93.767)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE
KEITH FABER

ALLEN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 9/27/2022

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