



OHIO AUDITOR OF STATE
KEITH FABER



**LOGAN COUNTY
DECEMBER 31, 2020**

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DECEMBER 31, 2020**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Logan County
Honorable County Board of Commissioners
Honorable County Auditor
Honorable County Treasurer
100 South Madriver Street
Bellefontaine, Ohio 43311

To the County Board of Commissioners, Auditor, and Treasurer:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Logan County, Ohio (the County), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Logan County, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Auto and Gas, Developmental Disabilities, and Children Services funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20 to the financial statements, during 2020, the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

Also, as discussed in Note 21 to the financial statements, during 2020, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2021, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

December 10, 2021

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LOGAN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

As management of Logan County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately \$100.6 million (net position).
- The County's Governmental Activities net position increased by \$6.5 million and the County's Business-Type Activities net position decreased by \$1.3 million.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of approximately \$39.6 million, an increase of \$7.5 million in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

The *Statement of Net Position* presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County included general government, public safety, public works, health, human services, conservation and recreation, economic development and assistance, and urban redevelopment and housing. The business-type activities of the County include sewer district and county home operations.

The government-wide financial statements can be found on pages 15-17 of this report.

LOGAN COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

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

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

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

The County maintains 140 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, auto and gas fund, developmental disabilities fund and childrens services fund, each of which are considered to be major funds. Data from the other 136 governmental funds are combined into a single, aggregated presentation.

The County adopts annual appropriated budgets for the general fund, auto and gas fund, developmental disabilities fund, and childrens services fund. A budgetary comparison statement has been provided for each to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 18-28 of this report.

Proprietary funds - The County utilizes one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its sewer district and county home operations.

Proprietary funds provided the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provided separate information for sewer district and county home operations, both of which are considered to be major funds of the County.

The basic proprietary fund financial statements can be found on pages 29-32 of this report.

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

The basic fiduciary fund financial statements can be found on pages 33-34 of this report.

LOGAN COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 35 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. This required supplementary information can be found on pages 85-95 of this report.

Government-Wide Financial Analysis

The table below provides a comparative summary of the County's net position at December 31, 2020 and December 31, 2019:

	Net Position			
	2020 Governmental Activities	2020 Business-Type Activities	Restated 2019 Governmental Activities	2019 Business-Type Activities
<u>Assets</u>				
Current and other assets	\$ 57,219,959	\$ 16,495,556	\$ 49,093,951	\$ 16,734,616
Capital assets, net	<u>89,766,115</u>	<u>37,079,456</u>	<u>88,775,557</u>	<u>36,298,958</u>
Total assets	<u>146,986,074</u>	<u>53,575,012</u>	<u>137,869,508</u>	<u>53,033,574</u>
<u>Deferred Outflows of Resources</u>	<u>5,726,319</u>	<u>3,469,747</u>	<u>10,117,482</u>	<u>4,104,647</u>
<u>Liabilities</u>				
Current and other liabilities	2,501,462	1,161,154	2,141,011	829,810
Long-term liabilities				
Other Long Term Liabilities	15,330,123	25,979,089	16,069,150	25,782,772
Net Pension Liability	21,539,550	6,648,185	29,032,117	8,405,094
Net OPEB Liability	<u>13,786,975</u>	<u>4,595,659</u>	<u>13,020,560</u>	<u>3,897,472</u>
Total liabilities	<u>53,158,110</u>	<u>38,384,087</u>	<u>60,262,838</u>	<u>38,915,148</u>
<u>Deferred Inflows of Resources</u>	<u>15,488,468</u>	<u>2,154,247</u>	<u>10,169,566</u>	<u>370,635</u>
<u>Net position</u>				
Net Investment in Capital Assets	75,925,232	12,637,045	75,147,388	11,556,578
Restricted	27,831,031	-	25,015,110	-
Unrestricted	<u>(19,690,448)</u>	<u>3,869,380</u>	<u>(22,607,912)</u>	<u>6,295,860</u>
Total net position	<u>\$ 84,065,815</u>	<u>\$ 16,506,425</u>	<u>\$ 77,554,586</u>	<u>\$ 17,852,438</u>

LOGAN COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

The net pension liability (NPL) and net OPEB liability are two of the largest liabilities reported by the County at December 31, 2020. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the County's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension (asset)/liability and the net OPEB (asset)/liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB (asset)/liability.

LOGAN COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$100.6 million at the close of the most recent fiscal year.

By far the largest portion of the County's net position reflects its investment in capital assets (e.g. land, buildings, equipment and machinery, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (restricted net position) represents resources that are subject to external restriction on how they may be used.

LOGAN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

The table below provides a comparative analysis of changes in net position for 2020 and 2019:

	Change in Net Position			
	Governmental	Business-Type	Governmental	Business-Type
	Activities	Activities	Activities	Activities
Revenues	2020	2020	2019	2019
Program revenues:				
Charges for Services	\$ 7,758,184	\$ 12,201,937	\$ 8,569,304	\$ 12,113,709
Operating Grants and Contributions	18,370,309	2,499,960	14,756,695	2,356,946
Capital Grants and Contributions	431,081	-	225,473	-
Total program revenues	<u>26,559,574</u>	<u>14,701,897</u>	<u>23,551,472</u>	<u>14,470,655</u>
General revenues:				
Property, Sales and Other Local Taxes	21,446,837	-	18,649,565	-
Unrestricted Grants and Entitlements	1,417,144	-	1,484,592	-
Unrestricted Investment Earnings	735,338	-	922,550	4,604
Miscellaneous	4,065,525	220,507	759,109	-
Total general revenues	<u>27,664,844</u>	<u>220,507</u>	<u>21,815,816</u>	<u>4,604</u>
Total revenues	<u>54,224,418</u>	<u>14,922,404</u>	<u>45,367,288</u>	<u>14,475,259</u>
Expenses				
General Government- Legislative and Executive	7,357,610	-	6,916,839	-
General Government- Judicial	3,915,087	-	3,894,353	-
Public Safety	7,664,395	-	8,637,529	-
Public Works	8,744,966	-	8,088,216	-
Health	3,066,531	-	1,732,004	-
Human Services	15,763,417	-	16,781,515	-
Conservation and Recreation	-	-	4,116	-
Economic Development and Assistance	649,832	-	1,411,744	-
Urban Redevelopment and Housing	144,787	-	603,728	-
Interest and Fiscal Charges	471,564	-	506,675	-
Sewer District Fund	-	5,831,270	-	5,041,898
Logan Acres County Home Fund	-	10,372,147	-	10,581,624
Total expenses	<u>47,778,189</u>	<u>16,203,417</u>	<u>48,576,719</u>	<u>15,623,522</u>
Change in Net Position Before Transfers	6,446,229	(1,281,013)	(3,209,431)	(1,148,263)
Net Transfers	<u>65,000</u>	<u>(65,000)</u>	<u>-</u>	<u>-</u>
Change in Net Position	6,511,229	(1,346,013)	(3,209,431)	(1,148,263)
Net position, Beginning of Year - Restated	77,554,586	17,852,438	N/A	19,000,701
Net Position, End of Year	<u>\$ 84,065,815</u>	<u>\$ 16,506,425</u>	<u>\$ 77,554,586</u>	<u>\$ 17,852,438</u>

Operating grants and contribution increased significantly in comparison with the prior year. This increase is primarily the result of CARES Act funding received by the County.

Miscellaneous revenue increased significantly in comparison with the prior fiscal year, mainly due to reimbursements from workers compensation.

LOGAN COUNTY, OHIO

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2020 and 2019. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>	Total Cost of Services <u>2019</u>	Net Cost of Services <u>2019</u>
Program expenses				
Legislative and Executive	\$ 7,357,610	\$ 4,898,012	\$ 6,916,839	\$ 4,071,061
Judicial	3,915,087	2,808,925	3,894,353	2,277,966
Public Safety	7,664,395	6,666,183	8,637,529	7,286,557
Public Works	8,744,966	1,487,971	8,088,216	2,359,718
Health	3,066,531	856,702	1,732,004	201,881
Human Services	15,763,417	7,743,183	16,781,515	7,665,136
Conservation and Recreation	-	-	4,116	4,116
Economic Development and Assistance	649,832	(3,858,712)	1,411,744	477,746
Urban Redevelopment and Housing	144,787	144,787	603,728	174,391
Interest and Fiscal Charges	471,564	471,564	506,675	506,675
Total program expenses	<u>\$ 47,778,189</u>	<u>\$ 21,218,615</u>	<u>\$ 48,576,719</u>	<u>\$ 25,025,247</u>

As can be seen in the chart above, the County is highly dependent upon property and sales taxes to support its governmental activities. For all governmental activities, taxes and other general revenues support 44 percent of expenses.

Financial Analysis of the Governmental Funds

As of the end of the current fiscal year, the County’s governmental funds reported combined ending fund balances of approximately \$39.6 million, an increase of \$7.5 million in comparison with the prior year.

The significant increase in fund balance is primarily due to a reduction in expenditures and the receipt of coronavirus cares act monies.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was approximately \$4.5 million, while total fund balance reached approximately \$9.6 million. As a measure of general fund liquidity, it may be useful to compare both unassigned and total fund balance to total general fund expenditures. Unassigned fund balance represents 36 percent of total general fund expenditures, while total fund balance represents 76 percent of that same amount.

The fund balance of the County’s general fund increased by approximately \$1.9 million during the current fiscal year. This increase represents the amount in which revenues and other financing sources (\$18.2 million) exceeded expenditures and other financing uses (\$16.3 million).

The fund balance of the County’s auto and gas fund increased by \$694,000 during the current fiscal year. This increase represents the amount in which program revenues and an increase in inventory exceeded program expenditures.

LOGAN COUNTY, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

The fund balance of the County's developmental disabilities fund increased by \$568,028 during the current fiscal year. For the most part, this increase represents the amount in which property taxes and intergovernmental revenues exceeded program expenditures.

The fund balance of the County's childrens services fund increased by \$1.1 million during the current fiscal year. For the most part, this increase represents the amount in which property taxes and intergovernmental revenues exceeded program expenditures.

Financial Analysis of the Proprietary Funds

Net position in the sewer district Fund decreased \$727,586 during the current fiscal year. The key components of this decrease were operating loss of \$164,350 and interest expense of \$498,236.

Net position in the Logan Acres Home Fund decreased \$618,427 during the current fiscal year. The key components of this decrease were an operating loss of \$230,389 and interest expense of \$392,156.

General Fund Budgeting Highlights

The County's final and original revenue estimate was \$19.1 and 15.9 million, respectively. The County's final revenue estimate exceeded actual revenues by \$2.7 million, or 14%. This is mainly due to receiving less miscellaneous revenue than expected due to COVID-19.

The County's final appropriations exceeded original appropriations by approximately \$5.4 million. This increase is the result of additional appropriations resulting from the County receiving Cares Act funds. The County's final actual budgetary expenditures were \$2.9 million less than final appropriations.

Capital Assets

The County's investment in capital assets for governmental activities as of December 31, 2020, including land, land improvements, buildings and building improvements, machinery and equipment, vehicles, infrastructure and construction in progress totaled approximately \$89.8 million (net of accumulated depreciation), an increase of \$990,558 in comparison with the prior year. This increase represents the amount in which current year acquisitions of approximately \$5.8 million exceeded depreciation of approximately \$4.8 million and net current year disposals of \$4,564.

The County's investment in capital assets for business-type activities as of December 31, 2020, including land, land improvements, buildings and building improvements, machinery and equipment, vehicles, infrastructure and construction in progress totaled approximately \$37.1 million (net of accumulated depreciation), an increase of \$780,498 in comparison with the prior year. This increase represents the amount in which current year acquisitions of approximately \$2.5 million exceeded current year depreciation of approximately \$1.7 million.

Detailed information regarding capital asset activity is included in the Note 8 to the basic financial statements.

LOGAN COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2020 (UNAUDITED)

Debt Administration

The County's governmental activities debt as of December 31, 2020 totaled approximately \$13.7 million, a decrease of \$919,208 in comparison with the prior year. This decrease represents the amount of principal payments \$900,000 and premium amortization \$19,208.

The County's business-type activities debt as of December 31, 2020 totaled \$24.5 million, an increase of \$264,980 in comparison with the prior year. This increase represents the amount in which new loans and bonds issued (\$1.5 million) exceeded principal payments (\$1.2 million) and premium amortization (\$89,229).

Detailed information regarding debt activity is included in the Note 9 to the basic financial statements.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional information contact Jack Reser, County Auditor, 100 South Madriver Street, Bellefontaine, Ohio 43311, or e-mail at jreser@co.logan.oh.us or telephone at (937) 599-7209.

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

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 37,880,170	\$ 14,694,626	\$ 52,574,796
Cash and Cash Equivalents in Segregated Accounts	37,736	111,505	149,241
Taxes Receivable	12,942,915	-	12,942,915
Accounts Receivable	245,730	1,331,774	1,577,504
Special Assessments Receivable	104,317	96,727	201,044
Intergovernmental Receivable	4,532,889	227,420	4,760,309
Loans Receivable	166,250	-	166,250
Prepaid Items	203,621	18,965	222,586
Materials and Supplies Inventory	990,480	14,539	1,005,019
Net OPEB Asset	115,851	-	115,851
Non-Depreciable Capital Assets	4,317,795	2,001,561	6,319,356
Depreciable Capital Assets, Net	85,448,320	35,077,895	120,526,215
<i>Total Assets</i>	<u>146,986,074</u>	<u>53,575,012</u>	<u>200,561,086</u>
Deferred Outflows of Resources			
Deferred Charges on Refunding	-	972,455	972,455
Pension	3,474,061	1,472,399	4,946,460
OPEB	2,252,258	1,024,893	3,277,151
<i>Total Deferred Outflows of Resources</i>	<u>5,726,319</u>	<u>3,469,747</u>	<u>9,196,066</u>
Liabilities			
Accounts Payable	1,596,690	717,406	2,314,096
Accrued Wages	603,030	207,207	810,237
Due to Other Governments	261,369	89,387	350,756
Accrued Interest Payable	40,277	147,154	187,431
Matured Compensated Absences Payable	96	-	96
Long-Term Liabilities:			
Due Within One Year	1,514,607	1,524,030	3,038,637
Due In More Than One Year:			
Net Pension Liability	21,539,550	6,648,185	28,187,735
Net OPEB Liability	13,786,975	4,595,659	18,382,634
Other Amounts Due in More Than One Year	13,815,516	24,455,059	38,270,575
<i>Total Liabilities</i>	<u>53,158,110</u>	<u>38,384,087</u>	<u>91,542,197</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	9,130,132	-	9,130,132
Pension	4,257,276	1,462,808	5,720,084
OPEB	2,101,060	691,439	2,792,499
<i>Total Deferred Inflows of Resources</i>	<u>15,488,468</u>	<u>2,154,247</u>	<u>17,642,715</u>
Net Position			
Net Investment in Capital Assets	75,925,232	12,637,045	88,562,277
Restricted for:			
Capital Projects	700,471	-	700,471
Debt Service	79,003	-	79,003
Legislative & Executive	1,867,035	-	1,867,035
Public Safety	457,755	-	457,755
Human Services	11,640,601	-	11,640,601
Public Works	11,377,395	-	11,377,395
Economic Development and Assistance	649,979	-	649,979
Judicial	940,824	-	940,824
Urban Redevelopment and Housing	8,060	-	8,060
Health	106,524	-	106,524
Other Purposes	3,384	-	3,384
Unrestricted	(19,690,448)	3,869,380	(15,821,068)
<i>Total Net Position</i>	<u>\$ 84,065,815</u>	<u>\$ 16,506,425</u>	<u>\$ 100,572,240</u>

See accompanying notes to the basic financial statements.

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

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General Government				
Legislative and Executive	\$ 7,357,610	\$ 2,422,127	\$ 37,471	\$ -
Judicial Systems	3,915,087	419,369	686,793	-
Public Safety	7,664,395	482,742	515,470	-
Public Works	8,744,966	1,192,827	5,633,087	431,081
Health	3,066,531	2,209,829	-	-
Human Services	15,763,417	986,179	7,034,055	-
Economic Development and Assistance	649,832	45,111	4,463,433	-
Urban Redevelopment and Housing	144,787	-	-	-
Interest and Fiscal Charges	471,564	-	-	-
<i>Total Governmental Activities</i>	<u>47,778,189</u>	<u>7,758,184</u>	<u>18,370,309</u>	<u>431,081</u>
Business-Type Activities				
Sewer District	5,831,270	4,992,020	-	-
Logan Acres County Home Fund	10,372,147	7,209,917	2,499,960	-
<i>Total Business-Type Activities</i>	<u>16,203,417</u>	<u>12,201,937</u>	<u>2,499,960</u>	<u>-</u>
<i>Total</i>	<u>\$ 63,981,606</u>	<u>\$ 19,960,121</u>	<u>\$ 20,870,269</u>	<u>\$ 431,081</u>

General Revenues
Property Taxes Levied for:
 General Purposes
 Developmental Disabilities
 Childrens Services
Sales Tax Levied for:
 General Purposes
 Permanent Improvements
Other Local Taxes
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Miscellaneous
Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year - Restated

Net Position End of Year

See accompanying notes to the basic financial statements.

Net (Expense)
Revenue and Changes
in Net Position

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (4,898,012)	\$ -	\$ (4,898,012)
(2,808,925)	-	(2,808,925)
(6,666,183)	-	(6,666,183)
(1,487,971)	-	(1,487,971)
(856,702)	-	(856,702)
(7,743,183)	-	(7,743,183)
3,858,712	-	3,858,712
(144,787)	-	(144,787)
(471,564)	-	(471,564)
<u>(21,218,615)</u>	<u>-</u>	<u>(21,218,615)</u>
-	(839,250)	(839,250)
-	(662,270)	(662,270)
-	(1,501,520)	(1,501,520)
<u>(21,218,615)</u>	<u>(1,501,520)</u>	<u>(22,720,135)</u>
3,846,274	-	3,846,274
3,652,109	-	3,652,109
2,635,464	-	2,635,464
7,508,552	-	7,508,552
3,754,285	-	3,754,285
50,153	-	50,153
1,417,144	-	1,417,144
735,338	-	735,338
4,065,525	220,507	4,286,032
<u>27,664,844</u>	<u>220,507</u>	<u>27,885,351</u>
65,000	(65,000)	-
<u>27,729,844</u>	<u>155,507</u>	<u>27,885,351</u>
6,511,229	(1,346,013)	5,165,216
<u>77,554,586</u>	<u>17,852,438</u>	<u>95,407,024</u>
<u>\$ 84,065,815</u>	<u>\$ 16,506,425</u>	<u>\$ 100,572,240</u>

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

	General Fund	Auto and Gas Fund	Developmental Disabilities Fund	Childrens Services Fund
Assets				
Equity in Pooled Cash and Investments	\$ 8,260,155	\$ 4,036,105	\$ 8,073,010	\$ 1,537,686
Cash and Cash Equivalents in Segregated Accounts	-	-	-	15,169
Taxes Receivable	5,196,987	-	3,918,166	2,831,674
Accounts Receivable	124,248	2,839	200	-
Special Assessments Receivable	-	-	-	-
Intergovernmental Receivable	490,099	2,495,445	241,003	268,137
Interfund Receivable	-	-	-	-
Advances to Other Funds	450,000	-	-	-
Prepaid Items	154,675	-	335	-
Materials and Supplies Inventory	-	990,480	-	-
Due from Other Funds	279,308	-	-	-
Loans Receivable	166,250	-	-	-
<i>Total Assets</i>	<u>\$ 15,121,722</u>	<u>\$ 7,524,869</u>	<u>\$ 12,232,714</u>	<u>\$ 4,652,666</u>
Liabilities				
Accounts Payable	\$ 283,024	\$ 127,486	\$ 59,090	\$ 203,107
Accrued Wages	279,203	62,792	100,197	46,456
Due to Other Governments	124,950	27,298	38,556	20,176
Interfund Payable	-	-	-	23,028
Matured Compensated Absences	-	96	-	-
Due to Other Funds	-	-	-	-
Advances from Other Funds	-	-	-	-
<i>Total Liabilities</i>	<u>687,177</u>	<u>217,672</u>	<u>197,843</u>	<u>292,767</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	2,918,668	-	3,584,576	2,576,737
Unavailable Revenue	1,920,074	2,089,104	360,508	312,689
<i>Total Deferred Inflows of Resources</i>	<u>4,838,742</u>	<u>2,089,104</u>	<u>3,945,084</u>	<u>2,889,426</u>
Fund Balances				
Nonspendable	857,078	990,480	335	-
Restricted	-	4,227,613	8,089,452	1,470,473
Committed	328,847	-	-	-
Assigned	3,943,630	-	-	-
Unassigned	4,466,248	-	-	-
<i>Total Fund Balance</i>	<u>9,595,803</u>	<u>5,218,093</u>	<u>8,089,787</u>	<u>1,470,473</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 15,121,722</u>	<u>\$ 7,524,869</u>	<u>\$ 12,232,714</u>	<u>\$ 4,652,666</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 15,973,214	\$ 37,880,170
22,567	37,736
996,088	12,942,915
118,443	245,730
104,317	104,317
1,038,205	4,532,889
23,028	23,028
-	450,000
48,611	203,621
-	990,480
41,360	320,668
-	166,250
<u>\$ 18,365,833</u>	<u>\$ 57,897,804</u>
\$ 923,983	\$ 1,596,690
114,382	603,030
50,389	261,369
-	23,028
-	96
320,668	320,668
450,000	450,000
<u>1,859,422</u>	<u>3,254,881</u>
50,151	9,130,132
<u>1,230,699</u>	<u>5,913,074</u>
<u>1,280,850</u>	<u>15,043,206</u>
48,611	1,896,504
9,144,275	22,931,813
3,709,284	4,038,131
2,636,998	6,580,628
(313,607)	4,152,641
<u>15,225,561</u>	<u>39,599,717</u>
<u>\$ 18,365,833</u>	<u>\$ 57,897,804</u>

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

Total Governmental Fund Balances		\$ 39,599,717
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		89,766,115
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Sales Taxes	\$ 2,021,455	
Property Taxes	423,576	
Special Assessments	54,166	
Intergovernmental	2,966,226	
Accounts Receivable	447,651	5,913,074
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(40,277)
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset	115,851	
Deferred Outflows - Pension	3,474,061	
Deferred Outflows - OPEB	2,252,258	
Net Pension Liability	(21,539,550)	
Net OPEB Liability	(13,786,975)	
Deferred Inflows - Pension	(4,257,276)	
Deferred Inflows - OPEB	(2,101,060)	(35,842,691)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Various Purpose Bonds	(13,545,000)	
Loans Payable	(68,028)	
Unamortized Bond Premium	(143,928)	
Capital Leases	(77,745)	
Compensated Absences	(1,495,422)	(15,330,123)
<i>Net Position of Governmental Activities</i>		\$ 84,065,815

See accompanying notes to the basic financial statements.

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

	General Fund	Auto and Gas Fund	Developmental Disabilities Fund	Childrens Services Fund
Revenues				
Sales Taxes	\$ 7,435,120	\$ -	\$ -	\$ -
Property Taxes	2,982,113	-	3,652,783	2,636,359
Other Local Taxes	-	-	-	-
Special Assessments	-	-	-	-
Charges for Services	2,719,957	327,383	53,820	250
Licenses and Permits	427,200	-	-	-
Fines and Forfeitures	161,534	57,072	-	-
Intergovernmental	981,645	5,565,641	1,635,469	2,281,651
Investment Income	780,748	-	-	-
Miscellaneous	2,616,297	47,473	329,008	476,071
<i>Total Revenues</i>	<u>18,104,614</u>	<u>5,997,569</u>	<u>5,671,080</u>	<u>5,394,331</u>
Expenditures				
Current:				
General Government				
Legislative and Executive	4,321,355	-	-	-
Judicial Systems	2,486,121	-	-	-
Public Safety	3,593,435	-	-	-
Public Works	338,715	4,667,546	-	-
Health	1,089,217	-	-	-
Human Services	541,891	-	5,083,066	4,250,816
Economic Development and Assistance	-	-	-	-
Urban Redevelopment and Housing	-	-	-	-
Capital Outlay	176,963	636,023	19,986	28,747
Debt Service:				
Principal Retirement	31,982	-	-	-
Interest and Fiscal Charges	-	-	-	-
<i>Total Expenditures</i>	<u>12,579,679</u>	<u>5,303,569</u>	<u>5,103,052</u>	<u>4,279,563</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,524,935</u>	<u>694,000</u>	<u>568,028</u>	<u>1,114,768</u>
Other Financing Sources (Uses)				
Inception of Capital Lease	92,705	-	-	-
Transfers In	75,000	-	-	-
Transfers Out	<u>(3,757,217)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(3,589,512)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	1,935,423	694,000	568,028	1,114,768
<i>Fund Balances Beginning of Year - Restated</i>	7,660,380	4,298,774	7,521,759	355,705
<i>Increase (Decrease) in Consumable Inventory</i>	-	225,319	-	-
<i>Fund Balances End of Year</i>	<u>\$ 9,595,803</u>	<u>\$ 5,218,093</u>	<u>\$ 8,089,787</u>	<u>\$ 1,470,473</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 3,717,569	\$ 11,152,689
864,736	10,135,991
47,838	47,838
55,504	55,504
3,154,484	6,255,894
203,868	631,068
22,710	241,316
8,874,782	19,339,188
1,192	781,940
1,629,474	5,098,323
<u>18,572,157</u>	<u>53,739,751</u>
1,715,573	6,036,928
987,860	3,473,981
2,820,057	6,413,492
69,093	5,075,354
2,116,964	3,206,181
4,656,534	14,532,307
1,166,218	1,166,218
144,787	144,787
4,233,368	5,095,087
907,856	939,838
492,722	492,722
<u>19,311,032</u>	<u>46,576,895</u>
<u>(738,875)</u>	<u>7,162,856</u>
-	92,705
3,830,277	3,905,277
<u>(83,060)</u>	<u>(3,840,277)</u>
<u>3,747,217</u>	<u>157,705</u>
3,008,342	7,320,561
12,217,219	32,053,837
-	225,319
<u>\$ 15,225,561</u>	<u>\$ 39,599,717</u>

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

Net Change in Fund Balances - Total Governmental Funds		\$ 7,320,561
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 5,780,402	
Current Year Depreciation	<u>(4,785,280)</u>	995,122
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(4,564)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Sales Taxes	110,148	
Property Taxes	(2,144)	
Special Assessments	(3,646)	
Intergovernmental	(15,750)	
Accounts Receivable	370,970	
Accrued Interest on Investments	<u>(45,410)</u>	414,168
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities they are reported as an expense when consumed.		
		225,319
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Various Purpose Bonds	900,000	
Capital Lease	<u>39,838</u>	939,838
Inception of capital lease in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
		(92,705)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	1,950	
Amortization of Premium on Bonds	<u>19,208</u>	21,158
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension		2,070,724
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(3,576,365)	
OPEB	<u>(1,674,077)</u>	(5,250,442)
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences		<u>(127,950)</u>
<i>Change in Net Position of Governmental Activities</i>		<u>\$ 6,511,229</u>

See accompanying notes to the basic financial statements.

LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance (Over)/Under
Revenues:				
Sales Taxes	\$ 5,861,512	\$ 7,285,268	\$ 7,361,147	\$ 75,879
Property Taxes	3,000,000	3,000,000	2,944,148	(55,852)
Intergovernmental	1,316,686	1,636,507	1,653,552	17,045
Investment Income	665,276	826,871	735,643	(91,228)
Licenses and Permits	340,170	422,796	427,200	4,404
Fines and Forfeitures	132,804	165,062	166,781	1,719
Charges for Services	1,668,337	2,073,575	2,095,172	21,597
Miscellaneous	3,005,215	3,735,179	1,001,282	(2,733,897)
Total Revenues	<u>15,990,000</u>	<u>19,145,258</u>	<u>16,384,925</u>	<u>(2,760,333)</u>
Expenditures:				
Current:				
General Government:				
Legislative and Executive	4,679,881	5,401,261	4,938,505	462,756
Judicial	2,958,212	3,144,022	2,897,337	246,685
Public Safety	5,411,282	5,585,869	3,720,224	1,865,645
Public Works	419,782	418,418	343,542	74,876
Health	139,975	170,873	169,649	1,224
Human Service	755,175	849,994	617,014	232,980
Capital Outlay	152,198	444,839	418,790	26,049
Total Expenditures	<u>14,516,505</u>	<u>16,015,276</u>	<u>13,105,061</u>	<u>2,910,215</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,473,495	3,129,982	3,279,864	149,882
Other Financing Sources (Uses):				
Advances In	-	24,742	25,000	258
Advances Out	-	(477,707)	(477,340)	367
Transfers Out	(926,053)	(4,407,216)	(4,407,216)	-
Total Other Financing Sources (Uses)	<u>(926,053)</u>	<u>(4,860,181)</u>	<u>(4,859,556)</u>	<u>625</u>
Net Change in Fund Balances	547,442	(1,730,199)	(1,579,692)	150,507
Fund Balance, Beginning of Year	3,706,141	3,706,141	3,706,141	-
Prior Year Encumbrances Appropriated	852,759	852,759	852,759	-
Fund Balance, End of Year	<u>\$ 5,106,342</u>	<u>\$ 2,828,701</u>	<u>\$ 2,979,208</u>	<u>\$ 150,507</u>

See accompanying notes to the basic financial statements

LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND ACTUAL
AUTO AND GAS FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance (Over)/Under
Revenues				
Intergovernmental	\$ 9,948,000	\$ 9,948,000	\$ 5,638,184	\$ (4,309,816)
Fines and Forfeitures	75,000	75,000	60,200	(14,800)
Charges for Services	200,000	200,000	327,383	127,383
Miscellaneous	10,000	10,000	47,473	37,473
Total Revenues	<u>10,233,000</u>	<u>10,233,000</u>	<u>6,073,240</u>	<u>(4,159,760)</u>
Expenditures:				
Current:				
Public Works	6,474,103	6,668,849	4,848,201	1,820,648
Capital Outlay	1,842,000	2,034,333	692,782	1,341,551
Total Expenditures	<u>8,316,103</u>	<u>8,703,182</u>	<u>5,540,983</u>	<u>3,162,199</u>
Net Change in Fund Balances	1,916,897	1,529,818	532,257	(997,561)
Fund Balance, Beginning of Year Prior	2,824,297	2,824,297	2,824,297	-
Year Encumbrances Appropriated Fund	387,079	387,079	387,079	-
Balance, End of Year	<u>\$ 5,128,273</u>	<u>\$ 4,741,194</u>	<u>\$ 3,743,633</u>	<u>\$ (997,561)</u>

See accompanying notes to the basic financial statements

LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND ACTUAL
DEVELOPMENTAL DISABILITIES FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance (Over)/Under
Revenues				
Property Taxes	\$ 3,681,728	\$ 3,681,728	\$ 3,606,080	\$ (75,648)
Intergovernmental	1,627,617	1,627,617	1,594,174	(33,443)
Charges for Services	54,745	54,745	53,620	(1,125)
Miscellaneous	335,910	335,910	329,008	(6,902)
Total Revenues	<u>5,700,000</u>	<u>5,700,000</u>	<u>5,582,882</u>	<u>(117,118)</u>
Expenditures:				
Current:				
Human Service	5,779,353	5,795,154	4,882,313	912,841
Capital Outlay	20,000	20,500	20,337	163
Total Expenditures	<u>5,799,353</u>	<u>5,815,654</u>	<u>4,902,650</u>	<u>913,004</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(99,353)	(115,654)	680,232	795,886
Other Financing Sources (Uses):				
Transfers Out	(440,000)	(540,000)	(540,000)	-
Total Other Financing Sources (Uses)	<u>(440,000)</u>	<u>(540,000)</u>	<u>(540,000)</u>	<u>-</u>
Net Change in Fund Balances	(539,353)	(655,654)	140,232	795,886
Fund Balance, Beginning of Year	7,458,908	7,458,908	7,458,908	-
Prior Year Encumbrances Appropriated	116,301	116,301	116,301	-
Fund Balance, End of Year	<u>\$ 7,035,856</u>	<u>\$ 6,919,555</u>	<u>\$ 7,715,441</u>	<u>\$ 795,886</u>

See accompanying notes to basic financial statements

LOGAN COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (NON-GAAP BASIS) AND ACTUAL
CHILDRENS SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Budget	Actual	Variance (Over)/Under
Revenues				
Property Taxes	\$ 2,700,000	\$ 2,700,000	\$ 2,602,790	\$ (97,210)
Intergovernmental	1,489,967	1,660,000	2,225,455	565,455
Charges for Services	167	700	250	(450)
Miscellaneous	318,735	425,000	476,071	51,071
Total Revenues	<u>4,508,869</u>	<u>4,785,700</u>	<u>5,304,566</u>	<u>518,866</u>
Expenditures:				
Current:				
Human Service	4,170,576	4,610,849	4,491,261	119,588
Capital Outlay	7,100	28,942	28,747	195
Total Expenditures	<u>4,177,676</u>	<u>4,639,791</u>	<u>4,520,008</u>	<u>119,783</u>
Net Change in Fund Balances	331,193	145,909	784,558	638,649
Fund Balance, Beginning of Year	276,831	276,831	276,831	-
Prior Year Encumbrances Appropriated	222,615	222,615	222,615	-
Fund Balance, End of Year	<u>\$ 830,639</u>	<u>\$ 645,355</u>	<u>\$ 1,284,004</u>	<u>\$ 638,649</u>

See accompanying notes to basic financial statements

Logan County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2020

	Enterprise Funds		
	Sewer District	Logan Acres Home	Total
Assets			
<i>Current Assets:</i>			
Equity in Pooled Cash and Investments	\$ 8,203,849	\$ 6,490,777	\$ 14,694,626
Cash and Cash Equivalents in Segregated Accounts	38,824	72,681	111,505
Accounts Receivable	1,087,313	244,461	1,331,774
Special Assessments Receivable	96,727	-	96,727
Intergovernmental Receivable	-	227,420	227,420
Prepaid Items	14,847	4,118	18,965
Materials and Supplies Inventory	-	14,539	14,539
<i>Total Current Assets</i>	<u>9,441,560</u>	<u>7,053,996</u>	<u>16,495,556</u>
<i>Non-Current Assets:</i>			
Non-Depreciable Capital Assets	2,001,561	-	2,001,561
Depreciable Capital Assets, Net	23,111,636	11,966,259	35,077,895
<i>Total Non-Current Assets</i>	<u>25,113,197</u>	<u>11,966,259</u>	<u>37,079,456</u>
<i>Total Assets</i>	<u>34,554,757</u>	<u>19,020,255</u>	<u>53,575,012</u>
Deferred Outflows of Resources			
Deferred Charges on Refunding	841,086	131,369	972,455
Pension	479,201	993,198	1,472,399
OPEB	302,279	722,614	1,024,893
<i>Total Deferred Outflows of Resources</i>	<u>1,622,566</u>	<u>1,847,181</u>	<u>3,469,747</u>
Liabilities			
<i>Current Liabilities:</i>			
Accounts Payable	419,409	297,997	717,406
Accrued Wages	45,812	161,395	207,207
Due to Other Governments	19,996	69,391	89,387
Accrued Interest Payable	115,105	32,049	147,154
Compensated Absences Payable	37,387	101,261	138,648
Capital Leases Payable	5,873	-	5,873
Loans Payable	38,720	-	38,720
Revenue Bonds Payable	900,789	440,000	1,340,789
<i>Total Current Liabilities</i>	<u>1,583,091</u>	<u>1,102,093</u>	<u>2,685,184</u>
<i>Long-Term Liabilities:</i>			
Compensated Absences Payable - Net of Current Portion	42,143	109,680	151,823
Capital Leases Payable - Net of Current Portion	7,831	-	7,831
Loans Payable - Net of Current Portion	415,742	-	415,742
Revenue Bonds Payable - Net of Current Portion	12,889,791	9,800,000	22,689,791
Unamortized Bond Premium	937,611	252,261	1,189,872
Net Pension Liability	1,329,637	5,318,548	6,648,185
Net OPEB Liability	919,132	3,676,527	4,595,659
<i>Total Long-Term Liabilities</i>	<u>16,541,887</u>	<u>19,157,016</u>	<u>35,698,903</u>
<i>Total Liabilities</i>	<u>18,124,978</u>	<u>20,259,109</u>	<u>38,384,087</u>
Deferred Inflows of Resources			
Pension	282,045	1,180,763	1,462,808
OPEB	131,834	559,605	691,439
<i>Total Deferred Inflows of Resources</i>	<u>413,879</u>	<u>1,740,368</u>	<u>2,154,247</u>
Net Position			
Net Investment in Capital Assets	\$ 11,031,678	\$ 1,605,367	\$ 12,637,045
Unrestricted	6,606,788	(2,737,408)	3,869,380
<i>Total Net Position</i>	<u>\$ 17,638,466</u>	<u>\$ (1,132,041)</u>	<u>\$ 16,506,425</u>

See accompanying notes to the basic financial statements.

Logan County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Enterprise		
	Sewer District	Logan Acres Home	Total
Operating Revenues			
Charges for Services	\$ 4,871,958	\$ 7,209,917	\$ 12,081,875
Special Assessments	120,062	-	120,062
Intergovernmental	-	2,499,960	2,499,960
Other	176,664	39,725	216,389
<i>Total Operating Revenues</i>	<u>5,168,684</u>	<u>9,749,602</u>	<u>14,918,286</u>
Operating Expenses			
Personal Services	1,448,217	5,289,845	6,738,062
Fringe Benefits	455,031	832,196	1,287,227
Contractual Services	1,514,689	2,302,621	3,817,310
Materials and Supplies	641,030	923,957	1,564,987
Depreciation	1,243,787	426,278	1,670,065
Miscellaneous	30,280	205,094	235,374
<i>Total Operating Expenses</i>	<u>5,333,034</u>	<u>9,979,991</u>	<u>15,313,025</u>
<i>Operating Income (Loss)</i>	<u>(164,350)</u>	<u>(230,389)</u>	<u>(394,739)</u>
Non-Operating Revenues (Expenses)			
Other Nonoperating Revenue	-	4,118	4,118
Interest and Fiscal Charges	(498,236)	(392,156)	(890,392)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(498,236)</u>	<u>(388,038)</u>	<u>(886,274)</u>
<i>Income (Loss) Before Transfers</i>	(662,586)	(618,427)	(1,281,013)
Transfers Out	(65,000)	-	(65,000)
<i>Change in Net Position</i>	(727,586)	(618,427)	(1,346,013)
<i>Net Position Beginning of Year</i>	<u>18,366,052</u>	<u>(513,614)</u>	<u>17,852,438</u>
<i>Net Position End of Year</i>	<u>\$ 17,638,466</u>	<u>\$ (1,132,041)</u>	<u>\$ 16,506,425</u>

See accompanying notes to the basic financial statements.

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

	Enterprise Funds		
	Sewer District	Logan Acres Home	Total
Cash Flows from Operating Activities			
Cash Received from Services	\$ 5,035,487	\$ 7,358,096	\$ 12,393,583
Cash Received from Other Governments	-	2,485,968	2,485,968
Cash Received from Other Operating Sources	174,090	25,176	199,266
Cash Payments to Suppliers for Goods and Services	(2,007,996)	(3,165,887)	(5,173,883)
Cash Payments to Employees for Services	(1,435,656)	(5,239,433)	(6,675,089)
Cash Payments for Other Services	(23,762)	(198,513)	(222,275)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>1,742,163</u>	<u>1,265,407</u>	<u>3,007,570</u>
Cash Flows from Noncapital Financing Activities			
Transfers Out	(65,000)	-	(65,000)
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(65,000)</u>	<u>-</u>	<u>(65,000)</u>
Cash Flows from Capital and Related Financing Activities			
Proceeds of General Obligation Bonds	1,000,000	-	1,000,000
Proceeds of OWDA Loans	493,182	-	493,182
Acquisition of Capital Assets	(1,959,575)	(427,435)	(2,387,010)
Principal Payments on Debt	(808,202)	(420,000)	(1,228,202)
Interest Payments on Debt	(492,317)	(401,387)	(893,704)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,766,912)</u>	<u>(1,248,822)</u>	<u>(3,015,734)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(89,749)	16,585	(73,164)
Cash and Cash Equivalents at Beginning of Year	<u>8,332,422</u>	<u>6,546,873</u>	<u>14,879,295</u>
Cash and Cash Equivalents at End of Year	<u>\$ 8,242,673</u>	<u>\$ 6,563,458</u>	<u>\$ 14,806,131</u>

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

	Enterprise Funds		
	Sewer District	Logan Acres Home	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$ (164,350)	\$ (230,389)	\$ (394,739)
Adjustments:			
Depreciation	1,243,787	426,278	1,670,065
(Increase) Decrease in Assets and Deferred Outflows:			
Accounts Receivable	(435,607)	133,630	(301,977)
Due from Other Governments	-	(13,992)	(13,992)
Prepaid Items	(8,048)	175	(7,873)
Materials and Supplies Inventory	-	11,482	11,482
Special Assessments Receivable	476,500	-	476,500
Deferred Outflows - Pension/OPEB	(124,076)	686,413	562,337
Increase (Decrease) in Liabilities and Deferred Inflows:			
Accounts Payable	172,567	58,094	230,661
Accrued Wages	4,810	11,169	15,979
Due to Other Governments	1,899	5,899	7,798
Compensated Absences Payable	(4,426)	30,865	26,439
Deferred Inflows - Pension/OPEB	361,633	1,421,979	1,783,612
Net Pension Liability	(44,691)	(1,712,218)	(1,756,909)
Net OPEB Liability	262,165	436,022	698,187
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 1,742,163</u>	<u>\$ 1,265,407</u>	<u>\$ 3,007,570</u>

Noncash Capital Financing Activities:

At the end of 2019, the County had capital-related payables in the Sewer District Fund totaling \$114,122

At the end of 2020, the County had capital-related payables in the Sewer District Fund totaling \$177,675

See accompanying notes to the basic financial statements.

Logan County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2020

	Private Purpose Trust	Custodial
Assets		
Equity in Pooled Cash and Cash Investments	\$ 83,707	\$ 4,999,377
Cash and Cash Equivalents in Segregated Accounts	-	703,946
Accounts Receivable	-	1,417
Prepaid Items	-	60,465
Property and Other Local Taxes Receivable	-	53,048,215
Due from Other Governments	-	2,368,711
Special Assessments Receivable (Current Asset)	-	718,731
<i>Total Assets</i>	<u>83,707</u>	<u>61,900,862</u>
Liabilities		
Accounts Payable	-	97,601
Accrued Wages and Benefits	-	54,915
Intergovernmental Payable	-	23,720
Due to Other Governments	-	8,395,379
<i>Total Liabilities</i>	<u>-</u>	<u>8,571,615</u>
Deferred Inflows of Resources		
Property Taxes Levied for the Next Year	-	50,763,715
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>50,763,715</u>
Net Position		
Non-Expendable	12,920	-
Expendable	70,787	-
Restricted Net Position for Individuals, Organizations & Other Govts	-	2,565,532
<i>Total Net Position</i>	<u>\$ 83,707</u>	<u>\$ 2,565,532</u>

See accompanying notes to the basic financial statements.

Logan County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2020

	Private Purpose Trust	Custodial
Additions		
Interest	\$ 1,349	\$ 1,033
Intergovernmental	-	7,193,566
Amounts Received as Fiscal Agent	-	3,099,068
Licenses, Permits & Fees for Other Governments	-	8,171,541
Fines & Forfeitures for Other Governments	-	406,758
Property Tax Collections for Other Governments	-	48,998,629
Special Assessment Collections for Other Governments	-	100,803
Sheriff Sale Collections for Other Governments	-	662,610
Amounts Received for Others	-	314,830
<i>Total Additions</i>	<u>1,349</u>	<u>68,948,838</u>
Deductions		
Distributions as Fiscal Agent	-	2,661,146
Distributions of State Funds to Other Governments	-	7,301,471
Distributions to the State of Ohio	-	450
Licenses, Permits & Fees Distributions to Other Governments	-	8,127,978
Fines & Forfeitures Distributions to Other Governments	-	411,221
Property Tax Distributions to Other Governments	-	48,967,443
Sheriff Sale Distributions to Other Governments	-	658,985
Distributions to Other Governments	-	24,987
Distributions to Individuals	-	255,621
<i>Total Deductions</i>	<u>-</u>	<u>68,409,302</u>
<i>Change in Net Position</i>	1,349	539,536
<i>Net Position Beginning of Year - Restated</i>	<u>82,358</u>	<u>2,025,996</u>
<i>Net Position End of Year</i>	<u>\$ 83,707</u>	<u>\$ 2,565,532</u>

See accompanying notes to the basic financial statements.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

NOTE 1 – REPORTING ENTITY

The County of Logan (the County) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The County was formed by an act of the Ohio General Assembly in 1818. The three-member Board of County Commissioners is the legislative and executive body of the County. The County Auditor is the chief fiscal officer. In addition, there are seven other elected administrative officials, each of whom is independent as set forth in Ohio Law. The officials are: Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, and Treasurer. The County's basic financial statements include accounts of all County's operations. The County's major operations include human and social services, certain health care and community assistance services, civil and criminal justice systems, road and bridge maintenance and general administrative services. In addition, the county also operates a sewer district and provides home services for individuals of the County.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financials are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. The County provides public safety protection within its boundaries and adjacent townships by mutual agreement contracts. The County provides basic utilities in the form of wastewater treatment. The County constructs and maintains roads and bridges within the County. The County also operates and maintains a recreation and conservation system.

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; 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 their budget, the issuance of their debt or the levying of their taxes. Based on the foregoing criteria, the County does not have any component units.

JOINTLY GOVERNED ORGANIZATIONS

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

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

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

RELATED ORGANIZATIONS

Logan County Libraries - The County is not involved in the budgeting process or operational management of the Library, nor does it subsidize or finance its operations.

EXCLUDED POTENTIAL COMPONENT UNITS

As counties are structured in Ohio, the County Auditor and County Treasurer, respectively, serve as fiscal officer and custodian of funds for various agencies, boards, and commissions. As fiscal officer, the Auditor certifies the availability of cash and appropriations prior to the processing of payments and purchases. As the custodian of all public funds, the Treasurer invests public monies held on deposit in the County Treasury.

In the case of the separate agencies, boards, and commissions listed below, the County serves as fiscal agent and custodian, but does not exercise primary oversight responsibility; accordingly, the following have been excluded from the County's basic financial statements:

Logan County Health District - The Board representing the disciplines of medicine, law, business and industry, and education is composed of five members appointed by the mayors, township trustees, and county commissioners of Logan County.

Logan County Soil and Water Conservation District - The five members of the District are independently elected officials. They adopt their own budget and control their separate operations.

Logan County Family and Children First Council – The Council's Executive Committee is made up of eight members elected from the members of the full Council. The Council has selected the Logan County Auditor as fiscal and administrative agent.

Management believes the financial statements included in this report represent all of the funds of the County over which the County has the ability to exercise direct operating control.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Presentation

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

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

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 the fiduciary funds. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

During the year, the County segregates transactions related to certain County programs 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 a more detail level. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

(b) Fund Accounting

The County uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary.

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be 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 is reported as fund balance. The General Fund, Auto and Gas Fund, Developmental Disabilities Fund and Childrens Services Fund are the County's major governmental funds:

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

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Auto and Gas Fund - The Auto and Gas Fund is used to account for monies received by the Ohio Public Works Commission and the County for State gasoline tax and vehicle registration fees used for County road and bridge improvement programs.

Developmental Disabilities Fund - The Developmental Disabilities Fund is used to account for a County-wide property tax levy and state and federal grants and reimbursements used for care and services for individuals with developmental disabilities.

Childrens Services Fund - The Childrens Services Fund is used to account for a County-wide property tax levy and state and federal grants and reimbursements used advocate and work for children to have safe, permanent, and nurturing families.

The other governmental funds of the County are for grants and other resources, debt service, and capital projects of the County whose uses are restricted, committed, or assigned to a particular purpose.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service.

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 County's two major enterprise funds are:

Sewer District Fund - The Sewer District Fund, formerly known as the Water Pollution Control Fund, is used to account for the financial transactions related to the water treatment service operations of the County.

Logan Acres Home Fund - The Logan Acres Home Fund is used to account for home services for individuals of Logan County.

Fiduciary Funds

Fiduciary funds focus on net position and changes in net position. The fiduciary funds are 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. The County's only trust fund (Chase Stuart Fund) is a private trust fund recorded as part of the fiduciary funds activities because the fund does not support any of the County's programs. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The County's remaining fiduciary funds are custodial funds. Custodial funds are used to account for assets held by the County as fiscal agent for 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.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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(c) Measurement Focus

Government Wide Financial Statements

The Government -wide Financial Statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the County are included on the Statement of Net Position.

Fund Financial Statements

All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and others 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 reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

(d) Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

LOGAN COUNTY
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Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. 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 of the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available as an advance, interest, grants, and rentals.

Unavailable Revenue

On the governmental funds balance sheet, unavailable revenue represent receivables that do not meet the County's availability criteria for recognition in the current period, such as sales taxes, special assessments, gasoline taxes, motor vehicle license fees, homestead and rollback funding, permissive license taxes, local government funds, state and federal grants, and delinquent property taxes, whose availability is indeterminate. In subsequent periods, when revenue recognition criteria are met, the unavailable revenue deferral is removed from the balance sheet and revenue is recognized.

Property and Other Local Taxes

On the government-wide statement of net position and governmental funds balance sheet, property and other local taxes represents property taxes and special assessments for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance year 2021 operations.

Revenue sources not susceptible to accrual include dog and vendor licenses, donations and some fines and forfeitures.

Expenditures/Expenses

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

(e) Budget

An annual appropriated budget is legally required to be prepared for all funds of the County other than custodial funds. The Commissioners appropriate at the major account level within a division and fund. The appropriation level accounts for the County include personal services, fringe benefits, county share of retirement, unemployment compensation, materials and supplies, services and charges, grants, capital outlays, debt service, interfund transfers, and other expenses. For funds, which the Commissioners directly appropriate, transfers of appropriations at the major account level or between appropriation levels require a resolution signed by at least two Commissioners.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Estimated Resources:

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the County Auditor by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the County must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2020.

Appropriations:

A temporary appropriation resolution to control expenditures may be passed on or about January 1 of each year for the period of January 1 to March 31. An annual appropriation resolution must be passed by April 1 of each year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund, department, and object level. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an approval by at least two Commissioners. Several supplemental appropriation resolutions were legally enacted by the Commissioners during the year and were considered routine. The budget figures, which appear in the statement of budgetary comparisons, present the original and final appropriation amounts including all amendments and modifications.

Encumbrances:

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, General Fund encumbrances outstanding at year-end are reported as Assigned fund balance.

Lapsing of Appropriations:

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

(f) Cash and Investments

For GASB reporting purposes the County considers "Equity in Pooled Cash and Investments" to be cash on hand, demand deposits, and all investments held by the County Treasurer; and "Cash and Cash Equivalents in Segregated Accounts" to be all cash, deposits, and investments not held by the County Treasurer or in the County's investment pool. The County Treasurer, by statute, invests all short-term cash surpluses. The residual investments are reported on the balance sheet as "Equity in Pooled Cash and Investments". Interest income credited to the General Fund in 2020 totaled \$780,748.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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During 2020, investments were limited to federal agency securities, negotiable certificates of deposit, the State Treasury Assets Reserve of Ohio (STAR Ohio), commercial paper, municipal bonds and a money market fund. STAR Ohio is an investment pool managed by the State Treasurer's Office that 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 GASB Statement No 79, Certain External Investment Pools and Pool Participants. Investments in STAR Ohio are valued at the net asset value (NAV) per share provided by STAR Ohio. Money market funds are reported at the NAV per share. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. All other investments are reported at fair value (See Note 4). Premiums paid for coupon bearing investments are amortized using the straight-line method; discounts are not amortized.

(g) Inventories

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first in, first out basis. Inventory in governmental funds consist of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

(h) Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current fiscal year 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 it was consumed.

(i) Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The County maintains a capitalization threshold of \$5,000 dollars. Public domain ("infrastructure") general capital assets consisting of roads and bridges have been capitalized in accordance with requirements of the Governmental Accounting Standards Board. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated, with the exception of land including land under road base. Improvements are depreciated over the remaining useful life of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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<u>Description</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Land	N/A	N/A
Improvements Other Than Buildings	15 years	15 years
Buildings and Improvements	30-100 years	30-100 years
Appliances	15 years	15 years
Furniture, Fixtures, and Equipment	10-20 years	10-20 years
Computer, Electronic, and Small Equipment	5-10 years	5-10 years
Vehicles	5-10 years	5-10 years
Infrastructure - Water and Sewer Lines	N/A	70 years
Infrastructure - Pavement	15 years	N/A
Infrastructure - Base Roadways	75 years	N/A

(j) Interfund Balances

On fund financial statements, receivables and payables resulting from Interfund loans are classified as “Due to/From Other Funds” or “Advances To/From Other Funds”, the latter not expected to be repaid within one year, and outstanding repayments from funds responsible for particular expenditures to the funds that initially paid for them are classified as “Interfund Receivable/Payable”. All of these amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Presently, there are no internal balances.

(k) Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources are reported on the government-wide and proprietary fund statements of net position for deferred charge on refunding, pension, and other postemployment benefits (OPEB). A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the County, deferred inflows of resources include property taxes, pension, other postemployment benefits (OPEB), and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance year 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental funds balance sheet. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the County, unavailable revenue includes delinquent property taxes, sales taxes, intergovernmental grants and entitlements, and other revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are explained in Notes 12 and 13.

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(l) Compensated Absences

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

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

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

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

County employees earn vacation at varying rates ranging from two to five weeks per year. Sick leave is accumulated at the rate of three weeks per year. Vacation and sick leave is accumulated on an hours-worked basis. Accumulated vacation cannot exceed three times the annual accumulation rate for an employee. The County does not accrue a liability for non-vested sick leave or vacation benefits except as required by GASB 16 (see above).

(m) Accrued Liabilities and Long-Term Obligations

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

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

(n) Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting, the County classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories were used:

Non-spendable – The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria 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 policies of the County Commissioners, which includes giving the County Auditor the authority to constrain monies for intended 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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

(o) Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The majority of net position reported as restricted represent state and federal grants and entitlements. The County did not have any restrictions through enabling legislation at year-end.

LOGAN COUNTY
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(p) Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are sewer district and county home resident charges for services. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund.

(q) Capital Contributions

Capital Contributions in proprietary fund financial statements arise from outside contributions of capital assets, from grant or outside contributions of resources restricted to capital acquisition and construction, or from capital related transactions with governmental funds. The County did not have any capital contributions in 2020.

(r) Interfund Activity

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

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

(s) Pensions/Other Postemployment Benefits (OPEB)

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

(t) Extraordinary and Special Items

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

(u) Estimates

The preparation of the financial statements in conformity with GAAP 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.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 3 – BUDGET BASIS OF ACCOUNTING

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

The Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Basis) and Actual is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures (budget basis) rather than Assigned or Restricted fund balance (GAAP).
- (d) Due to the implementation of GASB 54, some funds were reclassified to the General Fund. These funds are not required to be included in the General Fund Budgetary Statement. Therefore, the activity from these funds is excluded with an adjustment for their change in fund balance.

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

	Net Change in Fund Balances			
	General Fund	Auto and Gas Fund	Developmental Disabilities Fund	Children Services Fund
Budget Basis	\$ (1,579,692)	\$ 532,257	\$ 140,232	\$ 784,558
Revenue Accruals	(672,624)	(75,671)	88,198	89,765
Expenditure Accruals	592,357	(55,058)	(557,971)	(13,237)
Other Financing Sources/Uses	545,045	-	540,000	-
Encumbrances	1,245,563	292,472	357,569	253,682
Unclaimed Funds Activities	(29,798)	-	-	-
Recorder Equipment	11,652	-	-	-
Certificate of Title	41,355	-	-	-
Long Term Environment	75,000	-	-	-
Severance Reserve	758,992	-	-	-
Workers Compensation	947,573	-	-	-
GAAP Basis	<u>\$ 1,935,423</u>	<u>\$ 694,000</u>	<u>\$ 568,028</u>	<u>\$ 1,114,768</u>

LOGAN COUNTY
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NOTE 4 – DEPOSITS AND INVESTMENTS

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligations or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of this state or the political subdivisions of this state, provided the bonds or other obligations of political subdivisions mature within ten years from the date of settlement;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts, in eligible institutions pursuant to Ohio Revised Code (ORC) sections 135.32;
6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in (1) or (2) above; commercial paper as described in ORC section 135.143 (6); and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value, within certain limitations;
9. Up to forty percent of the County's average portfolio, if training requirements have been met in either of the following:

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- a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other state, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation, which mature within 270 days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate five percent of interim monies available for investment at the time of purchase.
 - b. Bankers acceptances of banks that are insured by the Federal Deposit Insurance Corporation and that mature not later than 180 days after purchase.
10. Up to fifteen percent of the County's average portfolio in notes issued by U.S. corporations or by depository institutions doing business under authority granted by the U.S. or any state, provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature not later than three years after purchase;
 11. A current unpaid or delinquent tax line of credit, provided certain conditions are met related to a County land reutilization corporation organized under ORC Chapter 1724; and
 12. Up to two percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government, subject to certain limitations. All interest and principal shall be denominated and payable in United States funds.

Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States, are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of settlement, unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity.

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

(a) Cash on Hand

At year-end, the County Treasurer had \$8,000 in undeposited drawer and petty cash funds that is included in the financial statements as "Equity in Pooled Cash and Investments."

(b) Deposits with Financial Institutions

At year-end, the carrying amount of the County's deposits, including cash in segregated accounts, was \$50,232,500 and the bank balance was \$50,600,866. Of the County's bank balance, \$4,448,920 was covered by the Federal Deposit Insurance Corporation and the remaining amount was collateralized.

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Custodial credit risk is the risk that, in the event of bank failure, the County's deposits may not be returned. Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in addition to amounts insured by the FDIC, or may pledge a single pool of collateral for the benefit of every depositor via the Ohio Pooled Collateral Program administered by the Treasurer of State. Specific collateral must equal or exceed 105% of the carrying value of assets, whereas pooled collateral must equal or exceed 102% or lesser amount as determined by the Treasurer of State. The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

(c) Investments

Interest Rate Risk: Interest rate risk is the risk that an interest rate change could adversely affect an investment's fair value. The reporting of effective duration in the table below quantifies, to the fullest extent possible, the interest rate risk of the County's fixed income assets.

Investment Type	Value	Investment Maturities		
		Less than one year	1 to 2 years	Greater than 2 years
Federal Home Mortgage Corporation	\$ 3,253,705	\$ -	\$ -	\$ 3,253,705
Commercial Paper	998,305	998,305	-	-
Brokered Certificate of Deposit	1,547,405	249,585	768,451	529,369
Federal National Mortgage Association	761,965	-	-	761,965
Federal Agriculture Mortgage Corporation	718,560	-	-	718,560
Municipal Bond	150,419	-	-	150,419
Government National Mortgage Association	1,036	-	-	1,036
STAR Ohio	44,739	44,739	-	-
Money Market	45,626	45,626	-	-
Toyota Motor Credit Note	748,807	-	-	748,807
Total	<u>\$ 8,270,567</u>	<u>\$ 1,338,255</u>	<u>\$ 768,451</u>	<u>\$ 6,163,861</u>

Credit Risk: Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. At year-end, the County's investments were rated as follows:

Investment Type	Value	Standard and Poor's Ratings		
		AAA	AA+	Not Rated
Federal Home Mortgage Corporation	\$ 3,253,705	\$ 3,253,705	\$ -	\$ -
Commercial Paper	998,305	-	-	998,305
Brokered Certificate of Deposit	1,547,405	-	-	1,547,405
Federal National Mortgage Association	761,965	-	761,965	-
Federal Agriculture Mortgage Corporation	718,560	-	718,560	-
Municipal Bond	150,419	150,419	-	-
Government National Mortgage Association	1,036	1,036	-	-
STAR Ohio	44,739	44,739	-	-
Money Market	45,626	45,626	-	-
Toyota Motor Credit Note	748,807	-	748,807	-
Total	<u>\$ 8,270,567</u>	<u>\$ 3,495,525</u>	<u>\$ 2,229,332</u>	<u>\$ 2,545,710</u>

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

The County's investment policy does not restrict individual investments except for those mentioned in the Ohio Rev. Code Section 135.35.

Concentration of Credit Risk: Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification. The County places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the County at December 31, 2020:

Investment Type	Value	% of Total
Federal Home Mortgage Corporation	\$ 3,253,705	39.34%
Commercial Paper	998,305	12.07%
Brokered Certificate of Deposit	1,547,405	18.71%
Federal National Mortgage Association	761,965	9.21%
Federal Agriculture Mortgage Corporation	718,560	8.69%
Municipal Bond	150,419	1.82%
Government National Mortgage Association	1,036	0.01%
STAR Ohio	44,739	0.54%
Money Market	45,626	0.55%
Toyota Motor Credit Note	748,807	9.06%
Total	<u>\$ 8,270,567</u>	<u>100%</u>

The County measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The County measures their investment in the money market fund at the net asset value (NAV) per share provided by the investment manager. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. All other investments are reported at fair value. 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. All of the County's investments reported at fair value are valued using quoted market prices (Level 1 inputs).

(d) Deficit Fund Balances

The following governmental funds had deficit fund balances at December 31, 2020 as a result of accruals recorded in accordance with accounting principles generally accepted in the United States of America. The General Fund transfers funds when deficit cash balances exist, not when accruals occur.

Fund	Deficit
JDC Grant Fund	\$ (26,336)
Cultural Facilities Grant Memorial Fund	(249,825)
CHIP 2020 Fund	(6,784)
Logan County ARC Grant Fund	(18,767)
Indigent Drivers Interlock and Alcohol Fund	(11,895)

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

NOTE 5 – INTERFUND TRANSFERS

Interfund transfer activity during the fiscal year was as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Funds:</u>		
General Fund	\$ 75,000	\$ 3,757,217
Other Governmental Funds	3,830,277	83,060
Total Governmental Funds	<u>\$ 3,905,277</u>	<u>\$ 3,840,277</u>
<u>Proprietary Fund:</u>		
Sewer Fund	\$ -	\$ 65,000
 Total Transfers	 <u>\$ 3,905,277</u>	 <u>\$ 3,905,277</u>

The transfers from the General Fund to the Other Governmental Funds represent recurring subsidies for program (\$190,810), and debt service expenditures (\$3,566,407). The transfers from Other Governmental Funds to the General Fund and Other Governmental Funds represent environmental remediation reserve (\$75,000), and close out of funds (\$8,060). The transfer from the Sewer Fund to Other Governmental Funds was to pay debt service.

NOTE 6 – INTERFUND LOANS

Interfund loan activity during the fiscal year was as follows:

<u>Fund</u>	<u>Beginning Balance</u>	<u>New Advances</u>	<u>Advance Repayments</u>	<u>Ending Balance</u>
General	\$ 276,968	\$ 477,340	\$ (25,000)	\$ 729,308
JDC Grant	(26,968)	-	-	(26,968)
Cultural Facilities Fund	(250,000)	-	-	(250,000)
CHIP Grant	-	(2,340)	-	(2,340)
Capital Projects Special Project	-	(16,360)	-	(16,360)
Indigent Driver	-	(15,000)	-	(15,000)
Logan County ARC Grant	-	31,360	-	31,360
Permanent Improvement & Ditch Bond Fund	10,000	-	-	10,000
Faulkner/Wheeler Ditch Construction Fund	(10,000)	(450,000)	-	(460,000)
	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ (25,000)</u>	<u>\$ -</u>

These loans relate to grant programs and the construction of the Faulkner/Wheeler Ditch project.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

NOTE 7 – RECEIVABLES

Receivables at December 31, 2020, consisted primarily of sales taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, loans, and accounts receivable. No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

Property taxes include amounts levied against all real and public utility property located in the County. Real property taxes and public utility taxes are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by state law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of cost). Tangible personal property taxes attach as a lien and are levied on January 1 of the current year. Tangible personal property assessments are currently 25% of true value. The total assessed value of real and public utility property for tax year 2019, which was used to collect property taxes in calendar year 2020, was \$1,359,515,280. The full tax rate for all County operations applied to real property for the year ended December 31, 2020, was \$2.50 per \$1,000 of assessed valuation.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due February 10. If paid semi-annually, the first payment is due February 10, and the remainder payable by July 20. Under certain circumstances, state statute permits earlier or later payment dates to be established.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the tax collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County.

Property taxes receivable represents delinquent real and public utility taxes outstanding as of the last settlement and real and public utility taxes which were measurable as of the year end. Since the current levy is not intended to finance 2020 operations, the receivable is offset by a credit to Deferred Inflows of Resources (Property and Other Local Taxes). The delinquent real and public utility taxes that will become available to the County within the first 30 days of 2021 are shown as 2020 revenue; the remainder is shown as "Unavailable Revenue".

The eventual collection of significantly all real and public utility property taxes (both current and delinquent) is reasonably assured due to the County's ability to force foreclosure of the properties on which the taxes are levied.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

NOTE 8 – CAPITAL ASSETS

Capital asset activity for Governmental Activities during the fiscal year was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Nondepreciable Capital Assets				
Land	\$ 3,979,984	\$ -	\$ -	\$ 3,979,984
Construction in Progress	-	337,811	-	337,811
Total Nondepreciable Assets	<u>3,979,984</u>	<u>337,811</u>	<u>-</u>	<u>4,317,795</u>
Depreciable Capital Assets				
Land Improvements	754,561	-	-	754,561
Building and Improvements	38,321,388	501,134	(44,441)	38,778,081
Machinery and Equipment	18,429,401	809,684	(23,687)	19,215,398
Vehicles	4,487,237	198,776	(11,600)	4,674,413
Infrastructure- Roads and Bridges	98,346,054	3,932,997	-	102,279,051
Total Depreciable Assets	<u>160,338,641</u>	<u>5,442,591</u>	<u>(79,728)</u>	<u>165,701,504</u>
Less accumulated depreciation				
Land Improvements	(596,014)	(10,163)	-	(606,177)
Building and Improvements	(11,517,360)	(968,006)	42,218	(12,443,148)
Machinery and Equipment	(15,036,312)	(592,987)	22,506	(15,606,793)
Vehicles	(3,399,050)	(257,089)	10,440	(3,645,699)
Infrastructure- Roads and Bridges	(44,994,332)	(2,957,035)	-	(47,951,367)
Total accumulated depreciation	<u>(75,543,068)</u>	<u>(4,785,280)</u>	<u>75,164</u>	<u>(80,253,184)</u>
Depreciable Capital Assets, Net of accumulated depreciation	<u>84,795,573</u>	<u>657,311</u>	<u>(4,564)</u>	<u>85,448,320</u>
Total Capital Assets, Net	<u>\$ 88,775,557</u>	<u>\$ 995,122</u>	<u>\$ (4,564)</u>	<u>\$ 89,766,115</u>

Depreciation expense was charged to the governmental functions as follows:

General Government	
Legislative	\$ 906,619
Judicial	17,448
Conservation and Recreation	4,116
Public Works	3,267,032
Public Safety	330,527
Human Services	109,230
Health	150,308
Total depreciation expense	<u>\$ 4,785,280</u>

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Capital asset activity for business-type activities during the fiscal year was as follows:

Sewer District Capital Assets:	Beginning Balance	Additions	Deductions	Ending Balance
Nondepreciable Capital Assets				
Land	\$ 209,800	\$ -	\$ -	\$ 209,800
Construction in Progress	271,611	1,520,150	-	1,791,761
Total Nondepreciable Assets	481,411	1,520,150	-	2,001,561
Depreciable Capital Assets				
Land Improvements	336,647	-	-	336,647
Building and Improvements	17,458,550	-	-	17,458,550
Machinery and Equipment	5,256,976	147,156	-	5,404,132
Vehicles	1,225,160	355,822	-	1,580,982
Infrastructure	21,300,550	-	-	21,300,550
Total Depreciable Assets	45,577,883	502,978	-	46,080,861
Less accumulated depreciation				
Land Improvements	(225,911)	(3,748)	-	(229,659)
Building and Improvements	(5,794,695)	(344,867)	-	(6,139,562)
Machinery and Equipment	(4,137,414)	(207,451)	-	(4,344,865)
Vehicles	(787,114)	(159,791)	-	(946,905)
Infrastructure	(10,780,304)	(527,930)	-	(11,308,234)
Total accumulated depreciation	(21,725,438)	(1,243,787)	-	(22,969,225)
Depreciable Capital Assets, Net of accumulated depreciation	23,852,445	(740,809)	-	23,111,636
Total Capital Assets, Net	\$ 24,333,856	\$ 779,341	\$ -	\$ 25,113,197
Logan Acres County Home:				
	Beginning Balance	Additions	Deductions	Ending Balance
Depreciable Capital Assets				
Land Improvements	\$ 15,853	\$ -	\$ -	\$ 15,853
Building and Improvements	16,950,579	8,250	-	16,958,829
Machinery and Equipment	885,702	419,185	-	1,304,887
Vehicles	95,186	-	-	95,186
Infrastructure	9,052	-	-	9,052
Total Depreciable Assets	17,956,372	427,435	-	18,383,807
Less accumulated depreciation				
Land Improvements	(5,220)	(960)	-	(6,180)
Building and Improvements	(5,198,511)	(349,993)	-	(5,548,504)
Machinery and Equipment	(700,026)	(71,389)	-	(771,415)
Vehicles	(82,353)	(3,507)	-	(85,860)
Infrastructure	(5,160)	(429)	-	(5,589)
Total accumulated depreciation	(5,991,270)	(426,278)	-	(6,417,548)
Total Capital Assets, Net	\$ 11,965,102	\$ 1,157	\$ -	\$ 11,966,259

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

NOTE 9 – LONG TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended December 31, 2020:

<i>Governmental Activities</i>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Series 2012 A/B - Various Purpose Bonds Issued 11/8/12. 0.65% to 3%	\$ 5,035,000	\$ -	\$ (720,000)	\$ 4,315,000	\$ 740,000
Series 2012 A/B - Premium	76,202	-	(16,202)	60,000	-
2016 911 System Loan	68,028	-	-	68,028	68,028
General Obligation Capital Facilities Bonds					
Series 2018 Issued 11/14/18, 4.00%	9,410,000	-	(180,000)	9,230,000	185,000
Series 2018 - Premium	86,934	-	(3,006)	83,928	-
Net Pension Liability					
OPERS	27,603,790	-	(7,659,231)	19,944,559	-
STRS	1,428,327	166,664	-	1,594,991	-
Net OPEB Liability					
OPERS	13,020,560	766,415	-	13,786,975	-
Compensated Absences	1,368,108	1,087,210	(959,896)	1,495,422	483,890
Capital Leases	24,878	92,705	(39,838)	77,745	37,689
Total Governmental Activities	<u>\$ 58,121,827</u>	<u>\$ 2,112,994</u>	<u>\$ (9,578,173)</u>	<u>\$ 50,656,648</u>	<u>\$ 1,514,607</u>

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LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

<i>Business-Type Activities</i>	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Sewer System Improvement Revenue Bonds, Series 2007A/B Issued 03/30/07, 4.125%	\$ 2,058,200	\$ -	\$ (40,400)	\$ 2,017,800	\$ 42,000
Series 2012 A/B - Various Purpose Bonds Issued 11/8/12. 0.65% to 3%	180,000	-	(60,000)	120,000	60,000
Series 2012 A/B - Premium	2,954	-	(1,477)	1,477	-
Sewer System Improvement Bonds Series 2015, Issued 4/16/15, 2.125%	3,626,862	-	(76,082)	3,550,780	77,789
2016 Refunding Bonds 2-4% Issued 5/3/16, Matures 12/1/33	7,695,000	-	(480,000)	7,215,000	505,000
2016 Refunding Bonds Premium	1,008,608	-	(72,474)	936,134	-
2014 Refunding Bonds, 3-5% Issued 9/30/14, Matures 12/1/39	10,660,000	-	(420,000)	10,240,000	440,000
2014 Refunding Bonds Premium	267,539	-	(15,278)	252,261	-
OWDA Lewistown Sanitary Sewer Design	-	179,496	(38,720)	140,776	38,720
OWDA Orchard Island and Wolfe Sanitary Replacement	-	313,686	-	313,686	-
Telemetry Bonds	-	1,000,000	(113,000)	887,000	216,000
Net Pension Liability-OPERS	8,405,094	-	(1,756,909)	6,648,185	-
Net OPEB Liability-OPERS	3,897,472	698,187	-	4,595,659	-
Compensated Absences Payable	264,032	507,569	(481,130)	290,471	138,648
Capital Leases	19,577	-	(5,873)	13,704	5,873
Total Business-Type Activities	<u>\$ 38,085,338</u>	<u>\$ 2,698,938</u>	<u>\$ (3,561,343)</u>	<u>\$ 37,222,933</u>	<u>\$ 1,524,030</u>

Compensated absences will be paid with available resources with the appropriate fund that relates to each particular employee. The funds include both governmental and business-type funds.

There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from both governmental and business-type funds. For additional information related to the net pension liability and net OPEB liability see Notes 12 and 13.

In March 2007 the County issued \$2,410,000 of Sewer System Improvement Revenue Bonds, Series A/B, for the purpose of paying the cost of improving the Logan County Sewer District by constructing sanitary sewers and installing individual grinder pumping stations.

In November 2012, the County issued \$10,585,000 of Various Purpose Bonds, Series 2012 A and Series 2012 B. \$9,830,000 for the purpose of advance refunding Series 2002 Various Purpose Bonds, Series 2002 Sewer System Refunding Bonds, Series 2011 Capital Facilities Bond Anticipation Note, Series 2011 Recycling Upgrade Bond Anticipation Note, and Series 2011 Sewer Improvement Note, and \$755,000 for the purpose of paying the costs of improving, rehabilitating and renovating the Carnegie Library Building.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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On September 30, 2014, the County issued \$12,300,000 of refunding bonds with a true cost of 3.48%, to advance refund \$12,413,000 of outstanding 2006 and 2010 bonds. The proceeds of \$12,647,746 (net of \$200,654 in issuance costs) provided for a deposit into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2006 and 2010 bonds. As a result, the 2006 and 2010 bonds are considered to be defeased and the liability for those bonds was removed from the bonds payable balance.

The 2014 refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$177,909. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through calendar year 2039 using the straight-line method. The County completed the advance refunding to reduce its total bond payments through calendar year 2039 by \$1,446,136 and to obtain an economic gain (difference between the present values of the old and new bond payments) of \$1,096,898.

In April 2015, the County issued \$3,810,000 Sewer System Improvement Bonds, Series 2015, for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving, and/or extending its sewer system. The bonds carry an interest rate of 2.125% and mature on April 1, 2055.

In April 2016, the County entered into an interest free loan with the State of Ohio in the amount of \$272,109 for the purpose of upgrading the 911 system in Logan County as well as the City of Sidney, City of Bellefontaine and Shelby County. The loan carries an interest rate of 0% and was supposed to mature in the year 2020, but COVID-19 extended this loan into 2021.

In May 2016, the County issued \$8,670,000 of Sewer System refunding bonds to completely current refund 2007 Sewer System Improvement Bonds (\$1,590,000) and to partially advance refund 2008 Sewer System Improvement Bonds (\$7,210,000). The proceeds of \$9,950,388, including a premium in the amount of \$1,280,388, provided for a deposit into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2007 and 2008 bonds refunded. The refunding bonds carry interest rates ranging from 2.0 to 4.0 percent and mature on December 1, 2033.

The 2007 and 2008 bonds refunded are considered to be defeased and the liability for those bonds was removed from the bonds payable balance. The 2016 refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,150,388. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through December 1, 2033 using the straight-line method. The County completed the advance refunding to reduce its total bond payments through December 1, 2033 by \$1,439,500 and to obtain an economic gain (difference between the present values of the old and new bond payments) of approximately \$1.0 million.

In November 2018, the County issued \$9,580,000 Capital Facilities Bonds, Series 2018, for the purpose of refunding the County's Capital Facilities Notes 2017B and Capital Facilities Notes 2018A. The bonds carry an interest rate of 4.00% and mature on December 1, 2048.

During 2020, the County issued \$179,496 of OWDA loans for the Lewistown Sanitary Sewer Design Project. The County also issued \$313,686 of OWDA loans for the Orchard Island Sanitary Sewer Design Project. The loans carry an interest rates of 0.00%. Since the loans haven't been completely drawn down and finalized, the loans are not included in the principal and interest schedule.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

During 2020, the County issued \$1,000,000 of Capital Facilities Bonds, Series 2020 for the Telemetry Project. The bonds carry an interest rate of 1.78% and mature on December 1, 2024.

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

The code further provides that the total voted and unvoted net debt of the County less the same exempt debt, shall never exceed a sum equal to three percent of the first \$100,000,000, of the assessed valuation, plus one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000.

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

	Sewer System Improvement Bonds, Series 2007 A/B			2014 Refunding Bonds		
	Principal	Interest	Totals	Principal	Interest	Totals
2021	\$ 42,000	\$ 83,234	\$ 125,234	\$ 440,000	\$ 384,588	\$ 824,588
2022	43,800	81,502	125,302	450,000	366,987	816,987
2023	45,600	79,695	125,295	475,000	344,487	819,487
2024	47,500	77,814	125,314	500,000	320,737	820,737
2025	49,400	75,855	125,255	515,000	286,737	801,737
2026-2030	279,500	346,954	626,454	2,900,000	1,203,806	4,103,806
2031-2035	342,300	284,336	626,636	3,430,000	676,069	4,106,069
2036-2040	419,100	207,653	626,753	1,530,000	123,425	1,653,425
2041-2045	512,700	113,813	626,513	-	-	-
2046-2050	235,900	14,698	250,598	-	-	-
Total	<u>\$ 2,017,800</u>	<u>\$ 1,365,554</u>	<u>\$ 3,383,354</u>	<u>\$ 10,240,000</u>	<u>\$ 3,706,836</u>	<u>\$ 13,946,836</u>

	911 System Loan			Various Purpose Refunding Bonds, Series 2012 A/B		
	Principal	Interest	Totals	Principal	Interest	Totals
2021	\$ 68,028	\$ -	\$ 68,028	\$ 800,000	\$ 119,074	\$ 919,074
2022	-	-	-	815,000	99,075	914,075
2023	-	-	-	300,000	78,699	378,699
2024	-	-	-	310,000	71,200	381,200
2025	-	-	-	320,000	63,450	383,450
2026-2030	-	-	-	1,375,000	190,863	1,565,863
2031-2035	-	-	-	515,000	23,400	538,400
Total	<u>\$ 68,028</u>	<u>\$ -</u>	<u>\$ 68,028</u>	<u>\$ 4,435,000</u>	<u>\$ 645,761</u>	<u>\$ 5,080,761</u>

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

	Sewer System Improvement Bonds, Series 2015			2016 Refunding Bonds		
	Principal	Interest	Totals	Principal	Interest	Totals
2021	\$ 77,789	\$ 75,042	\$ 152,831	\$ 505,000	\$ 288,600	\$ 793,600
2022	79,538	73,380	152,918	515,000	268,400	783,400
2023	81,330	71,682	153,012	540,000	247,800	787,800
2024	83,169	70,137	153,306	560,000	226,200	786,200
2025	85,054	68,169	153,223	580,000	203,800	783,800
2026-2030	456,337	312,691	769,028	2,785,000	669,000	3,454,000
2031-2035	501,435	261,646	763,081	1,730,000	140,200	1,870,200
2036-2040	474,824	210,006	684,830	-	-	-
2041-2045	529,287	157,052	686,339	-	-	-
2046-2050	591,601	97,896	689,497	-	-	-
2051-2055	590,416	31,799	622,215	-	-	-
Total	<u>\$ 3,550,780</u>	<u>\$ 1,429,500</u>	<u>\$ 4,980,280</u>	<u>\$ 7,215,000</u>	<u>\$ 2,044,000</u>	<u>\$ 9,259,000</u>

	Telemetry Bonds, LTGO Bonds Series 2020			Capital Facilities Bonds, Series 2018		
	Principal	Interest	Totals	Principal	Interest	Totals
2021	\$ 216,000	\$ 15,789	\$ 231,789	\$ 185,000	\$ 367,250	\$ 552,250
2022	220,000	11,944	231,944	195,000	359,850	554,850
2023	224,000	8,028	232,028	200,000	354,000	554,000
2024	227,000	4,052	231,052	210,000	346,000	556,000
2025	-	-	-	215,000	383,800	598,800
2026-2030	-	-	-	1,225,000	1,551,000	2,776,000
2031-2035	-	-	-	1,480,000	1,286,000	2,766,000
2036-2040	-	-	-	1,800,000	966,000	2,766,000
2041-2045	-	-	-	2,190,000	575,800	2,765,800
2046-2050	-	-	-	1,530,000	124,000	1,654,000
Total	<u>\$ 887,000</u>	<u>\$ 39,813</u>	<u>\$ 926,813</u>	<u>\$ 9,230,000</u>	<u>\$ 6,313,700</u>	<u>\$ 15,543,700</u>

Pledged Revenues on Debt Issuances – The County has pledged future Logan Acres home revenues, net of specified operating expenses, to repay the county home bonds issued, the majority of which were refunded with the 2014 Refunding Bonds. Proceeds from the bonds provided financing for the construction of the Logan Acres facility. The bonds are payable solely from the home customers net revenues and are payable through 2039.

The County also has pledged future sewer customer revenues, net of specified operating expenses, to repay \$2.41 million in sewer system improvement revenue bonds issued in March 2007. Proceeds from the bonds provided financing for the construction of sanitary sewers and installing individual grinder pumping stations. The bonds are payable solely from sewer customer net revenues and are payable through 2047. Annual principal and interest payments on the bonds are expected to require less than 13 percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,383,354. Principal and interest paid for the current year and total customer net revenues in 2020 were \$125,151 and negative \$164,350, respectively.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 10 – COMPENSATED ABSENCES

Vacation and sick leave accumulated by governmental fund type employees has been recorded in the Government-wide Financial Statements. Upon termination of County service, a fully vested employee is entitled to 25% of their accumulated sick leave not to exceed 30 days, plus all accumulated vacation and overtime. At December 31, 2020 vested vacation, compensatory, and sick leave benefits for governmental activity and business-type activity employees totaled \$1,495,422 and \$290,471, respectively.

NOTE 11 – CAPITAL LEASES – LESSEE DISCLOSURE

During 2018, the County entered into a capitalized lease for the purchase of copiers, which were accounted for in the Job and Family Services non-major governmental fund. The lease will be repaid in full in 2023. The lease is paid from the County’s Job and Family Services non-major governmental fund.

A capital asset for the copiers has been capitalized in the amount of \$34,699. This amount represents the present value of minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2020 was \$13,880, leaving a current book value of \$20,819. A corresponding liability was recorded in the government-wide financial statement.

During 2018, the County entered into a capitalized lease for the purchase of copiers, which was accounted for in the Indian Lake Sewer District Fund. The lease will be repaid in full in 2023. The lease is paid from the County’s Indian Lake Sewer District Fund.

A capital asset for the copiers has been capitalized in the amount of \$29,366. This amount represents the present value of minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2020 was \$11,747, leaving a current book value of \$17,619. A corresponding liability was recorded in the business-type financial statement.

During 2020, the County entered into a capitalized lease for the purchase of Storage Upgrade for the Sheriff department, which was accounted for in the General Fund. The lease will be repaid in full in 2022. The lease is paid from the General Fund.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the future minimum lease payments as of December 31, 2020:

Year	<u>Perry Protech Copier Lease</u>		<u>HP Storage Upgrade</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
2021	\$ 7,856	\$ 5,873	\$ 29,833
2022	7,856	5,873	30,889
2023	1,311	1,958	-
Present Value of Minimum Lease Payments	<u>\$ 17,023</u>	<u>\$ 13,704</u>	<u>\$ 60,722</u>

LOGAN COUNTY
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NOTE 12 – DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and OPEB are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

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

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

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

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

The remainder of this note includes the pension disclosures. See Note 13 for the OPEB disclosures.

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Plan Description – Ohio Public Employees Retirement System (OPERS)

County employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. While members (e.g. County employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The 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.

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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When a benefit recipient has received benefits for 12 months, current law provides for an annual cost-of-living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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

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

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

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$2,676,747 for 2020. Of this amount, \$235,607 is reported as due to other governments.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

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

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

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

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

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

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The County's contractually required contribution to STRS was \$124,915 for 2020. Of this amount, \$5,207 is reported as due to other governments.

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

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

	<u>OPERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Period	0.13454000%	0.00659184%	
Prior Measurement Period	<u>0.13147700%</u>	<u>0.00645881%</u>	
Change in Proportion	<u>0.00306300%</u>	<u>0.00013303%</u>	
 Proportionate Share of the Net			
Pension Liability	\$ 26,592,744	\$ 1,594,991	\$ 28,187,735
Pension Expense	\$ 4,716,063	\$ 168,437	\$ 4,884,500

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

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	OPERS	STRS	Total
Deferred Outflows of Resources			
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	\$ -	\$ 77,565	\$ 77,565
Differences between Expected and			
Actual Experience	-	3,580	3,580
Changes of Assumptions	1,420,363	85,621	1,505,984
Changes in Proportionate Share	510,987	108,434	619,421
County Contributions Subsequent			
to the Measurement Date	2,676,747	63,163	2,739,910
Total Deferred Outflows of Resources	<u>\$ 4,608,097</u>	<u>\$ 338,363</u>	<u>\$ 4,946,460</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 336,228	\$ 10,200	\$ 346,428
Net Difference between Projected and Actual			
Earnings on Pension Plan Investments	5,304,652	-	5,304,652
Changes in Proportionate Share	52,586	16,418	69,004
Total Deferred Inflows of Resources	<u>\$ 5,693,466</u>	<u>\$ 26,618</u>	<u>\$ 5,720,084</u>

\$2,739,910 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	STRS	Total
2021	\$ (306,406)	\$ 71,747	\$ (234,659)
2022	(1,569,079)	57,963	(1,511,116)
2023	219,666	78,190	297,856
2024	(2,106,297)	40,682	(2,065,615)
	<u>\$ (3,762,116)</u>	<u>\$ 248,582</u>	<u>\$ (3,513,534)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019 are presented below.

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

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

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

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

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

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

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

Discount Rate The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net Pension Liability	\$ 43,860,040	\$ 26,592,744	\$ 11,069,951

Actuarial Assumptions - STRS

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

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

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

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

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net Pension Liability	\$ 2,270,988	\$ 1,594,991	\$ 1,022,138

Social Security System

Effective July 1, 1991, all employees not otherwise covered by a State Retirement System have an option to choose Social Security or the appropriate state system. As of December 31, 2020, none have elected Social Security.

NOTE 13 – DEFINED BENEFIT OPEB PLANS

See Note 12 for a description of the net OPEB liability (asset).

Plan Description – Ohio Public Employees Retirement System (OPERS)

OPERS administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

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

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

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

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

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

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

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

Plan Description - State Teachers Retirement System (STRS)

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

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

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Period	0.13308600%	0.00659184%	
Prior Measurement Period	<u>0.12976300%</u>	<u>0.00645881%</u>	
Change in Proportion	<u>0.00332300%</u>	<u>0.00013303%</u>	
Proportionate Share of the Net			
OPEB Liability (Asset)	\$ 18,382,634	\$ (115,851)	\$ 18,266,783
OPEB Expense	\$ 2,328,720	\$ (6,365)	\$ 2,322,355

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

	<u>OPERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Net Difference between Projected and Actual			
Earnings on OPEB Plan Investments	\$ -	\$ 4,060	\$ 4,060
Differences between Expected and			
Actual Experience	492	7,425	7,917
Changes of Assumptions	2,909,775	1,913	2,911,688
Changes in Proportionate Share	<u>349,642</u>	<u>3,844</u>	<u>353,486</u>
Total Deferred Outflows of Resources	<u>\$ 3,259,909</u>	<u>\$ 17,242</u>	<u>\$ 3,277,151</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 1,681,177	\$ 23,074	\$ 1,704,251
Net Difference between Projected and Actual			
Earnings on OPEB Plan Investments	936,041	-	936,041
Changes of Assumptions	-	110,038	110,038
Changes in Proportionate Share	<u>41,258</u>	<u>911</u>	<u>42,169</u>
Total Deferred Inflows of Resources	<u>\$ 2,658,476</u>	<u>\$ 134,023</u>	<u>\$ 2,792,499</u>

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

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Year Ending December 31:	OPERS	STRS	Total
2021	\$ 675,858	\$ (29,368)	\$ 646,490
2022	324,810	(26,619)	298,191
2023	744	(25,651)	(24,907)
2024	(399,979)	(25,056)	(425,035)
2025	-	(4,519)	(4,519)
Thereafter	-	(5,568)	(5,568)
	<u>\$ 601,433</u>	<u>\$ (116,781)</u>	<u>\$ 484,652</u>

Actuarial Assumptions - OPERS

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

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

Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Single Discount Rate:	
Current Measurement Date	3.16 percent
Prior Measurement Date	3.96 percent
Investment Rate of Return	
Current Measurement Date	6.00 percent
Prior Measurement Date	6.00 percent
Municipal Bond Rate	
Current Measurement Date	2.75 percent
Prior Measurement Date	3.71 percent
Health Care Cost Trend Rate	
Current Measurement Date	10.50 percent, initial, 3.50 percent ultimate in 2030
Prior Measurement Date	10.00 percent, initial, 3.25 percent ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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

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

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net OPEB Liability	\$ 24,056,625	\$ 18,382,634	\$ 13,839,613

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

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

	1% Decrease	Current Trend Rate	1% Increase
County's Proportionate Share of the Net OPEB Liability	\$ 17,840,178	\$ 18,382,634	\$ 18,918,175

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Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

Actuarial Assumptions – STRS

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

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

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

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

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

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net OPEB Asset	\$ (100,798)	\$ (115,851)	\$ (128,624)
		Current Trend Rate	
	1% Decrease	1% Increase	
County's Proportionate Share of the Net OPEB Asset	\$ (127,831)	\$ (115,851)	\$ (101,259)

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NOTE 14 – DEFERRED COMPENSATION PLAN

County employees and elected officials participate in a statewide deferred compensation plan created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

NOTE 15 – CONTINGENT LIABILITIES

Federal and State Grants - The County participates in several federally assisted programs. These programs are subject to financial and compliance audits by grantor agencies or their representative. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Pending Litigation - The County is a defendant in a lawsuit. Although the outcome of this lawsuit is not presently determinable, it is the opinion of the County's counsel that a resolution of this matter will not have a material adverse effect on the financial condition of the County.

NOTE 16 – INSURANCE

The County is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters. The County is a member of County Risk Sharing Authority, Inc. (CORSA) which is a shared risk pool of sixty-two counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program.

Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSA. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

The County continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 17 – TAX ABATEMENTS

Ohio Enterprise Zone Program

The Ohio Enterprise Zone Program is an economic development tool used by the County that provides real and personal property tax exemptions to businesses making investments in the County. The tax being abated is real property tax. The tax incentives are negotiated by the County and the enterprise zone agreement must be in place before the project begins. The Ohio Enterprise Zone Program is part of chapter 5709 of the Ohio Revised Code.

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The County’s Enterprise Zone’s geographic area is determined by the County. Resolution number 466-95 passed by the County sets forth the area of the County that can negotiate an enterprise zone agreement. The taxes are abated by exempting a percentage of certain assessed valuation of the property for a period of time, in exchange for a commitment to purchase, remodel, and/or construct properties that will improve property value and/or bring/retain jobs to/within the County.

The Tax Incentive Review Council meets annually to review the exemptions and to determine whether the company is maintaining their end of the agreement. If an agreement is terminated by the Review Council, the assessed valuation of the property will be set at its fair market valuation with no additional exemption allowed.

The gross dollar amount by which the taxes were reduced to the County for 2020 was as follows:

Company	Tax Years	Percent	Amount
NEX Transport, Inc.	2015-2024	100	\$ 5,069
Midwest Express, Inc.	2014-2023	100	3,049
			<u>\$ 8,118</u>

In addition, under tax abatement agreements entered into by the City of Bellefontaine, the County’s 2020 property tax revenues were reduced by \$41,978.

NOTE 18 – CONTRACTUAL COMMITMENTS

At calendar year-end, the County had the following outstanding contractual commitments:

Contract	Contract Amount	Amount Outstanding
Eastern Regional Sewer Design	\$ 618,000	\$ 112,351
Lewistown Sanitary Sewer Design	283,350	32,705
Orchard Island and Wolfe Island Sanitary Replacement	632,749	228,227
Lift Station Control/Telemetry Improvements	777,735	200,493
Canopy Project	294,225	106,524
	<u>\$ 2,606,059</u>	<u>\$ 680,300</u>

The outstanding balance noted above represents the difference between the contract amount and total services completed and stored to-date through the end of the year.

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NOTE 19 – FUND BALANCE

Fund balance can be 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 as follows:

	<u>General Fund</u>	<u>Auto and Gas Fund</u>	<u>Developmental Disabilities Fund</u>	<u>Childrens Services Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
FUND BALANCES:						
Nonspendable:						
Inventories	\$ -	\$ 990,480	\$ -	\$ -	\$ -	\$ 990,480
Prepays	154,675	-	335	-	48,611	203,621
Long-term Receivables	166,250	-	-	-	-	166,250
Unclaimed Monies	86,153	-	-	-	-	86,153
Advances	450,000	-	-	-	-	450,000
Total Nonspendable	<u>857,078</u>	<u>990,480</u>	<u>335</u>	<u>-</u>	<u>48,611</u>	<u>1,896,504</u>
Restricted for:						
Public Works	-	4,227,613	-	-	3,414,083	7,641,696
Human Services	-	-	8,089,452	1,470,473	1,392,865	10,952,790
Capital Projects	-	-	-	-	514,306	514,306
Public Safety	-	-	-	-	411,953	411,953
Economic Development and Assistance	-	-	-	-	590,657	590,657
Legislative & Executive	-	-	-	-	1,867,929	1,867,929
Judicial	-	-	-	-	952,482	952,482
Total Restricted	<u>-</u>	<u>4,227,613</u>	<u>8,089,452</u>	<u>1,470,473</u>	<u>9,144,275</u>	<u>22,931,813</u>
Committed to:						
Health	328,847	-	-	-	2,349,136	2,677,983
Public Works	-	-	-	-	43,111	43,111
Capital Projects	-	-	-	-	1,109,403	1,109,403
Economic Development and Assistance	-	-	-	-	34,378	34,378
Public Safety	-	-	-	-	173,256	173,256
Total Committed	<u>328,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,709,284</u>	<u>4,038,131</u>
Assigned to:						
Public Works	2,728	-	-	-	1,154,153	1,156,881
Legislative and Executive	3,100,312	-	-	-	-	3,100,312
Capital Outlay	304,657	-	-	-	1,482,845	1,787,502
Judicial	20,906	-	-	-	-	20,906
Public Safety	74,185	-	-	-	-	74,185
Human Services	54,494	-	-	-	-	54,494
Future Appropriations	386,348	-	-	-	-	386,348
Total Assigned	<u>3,943,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,636,998</u>	<u>6,580,628</u>
Unassigned	4,466,248	-	-	-	(313,607)	4,152,641
Total Fund Balances	<u>\$ 9,595,803</u>	<u>\$ 5,218,093</u>	<u>\$ 8,089,787</u>	<u>\$ 1,470,473</u>	<u>\$ 15,225,561</u>	<u>\$ 39,599,717</u>

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NOTE 20 – IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION/FUND BALANCES

Implementation of New Accounting Principles

For the year ended December 31, 2020 the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the County will no longer be reporting agency funds. The County reviewed its funds for proper classification, and any fund reclassifications resulted in the restatement of the County’s financial statements (see below).

Restatement of Net Position/Fund Balances

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

	Governmental Activities
Net Position, December 31, 2019	\$ 77,553,301
GASB Statement No. 84	1,285
Restated Net Position, December 31, 2019	\$ 77,554,586

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

	General Fund	Auto and Gas Fund	Developmental Disabilities Fund	Childrens Services Fund	Other Governmental Funds
Fund Balance, December 31, 2019	\$ 7,668,086	\$ 4,298,774	\$ 7,521,759	\$ 354,482	\$ 12,209,451
GASB Statement No. 84	(7,706)	-	-	1,223	7,768
Restated Fund Balance, December 31, 2019	\$ 7,660,380	\$ 4,298,774	\$ 7,521,759	\$ 355,705	\$ 12,217,219

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

	Custodial Funds
Net Position, December 31, 2019	\$ -
GASB Statement No. 84	2,025,996
Restated Net Position, December 31, 2019	\$ 2,025,996

LOGAN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

NOTE 21 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. The County's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the County's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Logan County
Required Supplementary Information
Schedule of County's Proportionate Share of the Net Pension (Asset)/Liability
Ohio Public Employees Retirement System

Last Seven Years (1)

	2020	2019	2018	2017	2016	2015	2014
County's Proportion of the Net Pension (Asset)/Liability							
Traditional Plan	0.134540%	0.131477%	0.130461%	0.136759%	0.137597%	0.136209%	0.136209%
Combined Plan	0.000000%	0.157039%	0.137547%	0.120570%	0.119997%	0.109021%	0.109021%
County's Proportionate Share of the Net Pension (Asset)/Liability							
Traditional Plan	\$ 26,592,744	\$ 36,008,884	\$ 20,466,802	\$ 31,055,643	\$ 23,664,479	\$ 16,428,328	\$ 16,057,266
Combined Plan	\$ -	\$ (175,605)	\$ (187,246)	\$ (67,106)	\$ (58,393)	\$ (41,975)	\$ (11,439)
County's Covered Payroll							
State and Local	\$ 17,879,595	\$ 18,430,066	\$ 15,906,038	\$ 16,139,704	\$ 16,502,473	\$ 15,401,758	\$ 16,010,577
Law Enforcement	\$ 1,988,074	\$ 1,658,189	\$ 1,404,362	\$ 1,174,141	\$ 1,297,874	\$ 1,326,584	\$ 1,153,512
County's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Payroll	133.85%	178.38%	117.15%	178.98%	132.62%	97.96%	93.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability							
Traditional Plan	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	0.00%	126.64%	137.28%	116.55%	116.90%	114.83%	104.56%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information.

**Logan County
Required Supplementary Information
Schedule of County's Proportionate Share of the Net Pension Liability
State Teachers Retirement System Fund**

Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
County's Proportion of the Net Pension Liability	0.00659184%	0.00645881%	0.00570154%	0.00573984%	0.005971%	0.005828%	0.006373%	0.006373%
County's Proportionate Share of the Net Pension Liability	\$ 1,594,991	\$ 1,428,327	\$ 1,253,641	\$ 1,363,511	\$ 1,998,674	\$ 1,610,733	\$ 1,550,039	\$ 1,846,397
County's Covered Payroll	\$ 892,250	\$ 780,170	\$ 717,983	\$ 643,158	\$ 722,897	\$ 688,887	\$ 701,192	\$ 708,177
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	178.76%	183.08%	174.61%	212.00%	276.48%	233.82%	221.06%	260.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.50%	77.40%	77.30%	75.30%	66.80%	72.10%	74.70%	69.30%

(1) Information prior to 2013 is not available.

Amounts presented as of the County's measurement date, which is June 30 of each year.

See accompanying notes to the required supplementary information.

**Logan County
Required Supplementary Information
Schedule of County Pension Contributions
Ohio Public Employees Retirement System**

Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution								
State and Local	\$ 2,335,809	\$ 2,503,143	\$ 2,580,208	\$ 2,067,785	\$ 1,936,764	\$ 1,980,297	\$ 1,848,211	\$ 2,081,375
Law Enforcement	\$ 340,938	\$ 359,841	\$ 300,132	\$ 240,146	\$ 189,037	\$ 208,958	\$ 213,580	\$ 197,251
Contributions in Relation to the Contractually Required Contribution	\$ 2,676,747	\$ 2,862,984	\$ 2,880,340	\$ 2,307,931	\$ 2,125,801	\$ 2,189,255	\$ 2,061,791	\$ 2,278,626
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll								
State and Local	\$ 16,684,350	\$ 17,879,595	\$ 18,430,066	\$ 15,906,038	\$ 16,139,704	\$ 16,502,473	\$ 15,401,758	\$ 16,010,577
Law Enforcement	\$ 1,883,635	\$ 1,988,074	\$ 1,658,189	\$ 1,404,362	\$ 1,174,141	\$ 1,297,874	\$ 1,326,584	\$ 1,153,512
Contributions as a Percentage of Covered Payroll								
State and Local	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Law Enforcement	18.10%	18.10%	18.10%	17.10%	16.10%	16.10%	16.10%	17.10%

(1) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

**Logan County
Required Supplementary Information
Schedule of County Pension Contributions
State Teachers Retirement System Fund**

Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ 124,915	\$ 109,224	\$ 100,518	\$ 90,042	\$ 101,206	\$ 96,444	\$ 91,155	\$ 92,063	\$ 93,225	\$ 124,075
Contributions in Relation to the Contractually Required Contribution	\$ 124,915	\$ 109,224	\$ 100,518	\$ 90,042	\$ 101,206	\$ 96,444	\$ 91,155	\$ 92,063	\$ 93,225	\$ 124,075
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 892,250	\$ 780,170	\$ 717,983	\$ 643,158	\$ 722,897	\$ 688,887	\$ 701,192	\$ 708,177	\$ 717,115	\$ 954,423
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%	13.00%	13.00%

See accompanying notes to the required supplementary information.

Logan County
Required Supplementary Information
Schedule of County's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System

Last Four Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's Proportion of the Net OPEB Liability	0.133086%	0.129763%	0.128421%	0.125983%
County's Proportionate Share of the Net OPEB Liability	\$ 18,382,634	\$ 16,918,032	\$ 13,945,574	\$ 12,724,711
County's Covered Payroll				
State and Local	\$ 17,879,595	\$ 18,430,066	\$ 15,906,038	\$ 16,139,704
Law Enforcement	\$ 1,988,074	\$ 1,658,189	\$ 1,404,362	\$ 1,174,141
County's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	92.53%	84.22%	80.56%	73.49%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.05%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

Logan County
Required Supplementary Information
Schedule of County's Proportionate Share of the Net OPEB (Asset)/Liability
State Teachers Retirement System Fund

Last Four Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's Proportion of the Net OPEB (Asset)/Liability	0.00659184%	0.00645881%	0.00570154%	0.00573984%
County's Proportionate Share of the Net OPEB (Asset)/Liability	\$ (115,851)	\$ (106,973)	\$ (91,618)	\$ 223,947
County's Covered Payroll	\$ 892,250	\$ 780,170	\$ 717,983	\$ 643,158
County's Proportionate Share of the Net OPEB (Asset)/Liability as a Percentage of its Covered Payroll	-12.98%	-13.71%	-12.76%	34.82%
Plan Fiduciary Net Position as a Percentage of the Total OPEB (Asset)/Liability	182.10%	174.74%	176.00%	47.10%

(1) Information prior to 2017 is not available.

Amounts presented as of the County's measurement date, which is June 30 of each year.

See accompanying notes to the required supplementary information.

**Logan County
Required Supplementary Information
Schedule of County OPEB Contributions
Ohio Public Employees Retirement System**

Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution								
State and Local	\$ -	\$ -	\$ -	\$ 159,060	\$ 322,794	\$ 330,049	\$ 308,035	\$ 160,106
Law Enforcement	\$ -	\$ -	\$ -	\$ 14,044	\$ 23,483	\$ 25,957	\$ 26,532	\$ 11,535
Contributions in Relation to the Contractually Required Contribution	\$ -	\$ -	\$ -	\$ 173,104	\$ 346,277	\$ 356,007	\$ 334,567	\$ 171,641
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll								
State and Local	\$ 16,684,350	\$ 17,879,595	\$ 18,430,066	\$ 15,906,038	\$ 16,139,704	\$ 16,502,473	\$ 15,401,758	\$ 16,010,577
Law Enforcement	\$ 1,883,635	\$ 1,988,074	\$ 1,658,189	\$ 1,404,362	\$ 1,174,141	\$ 1,297,874	\$ 1,326,584	\$ 1,153,512
Contributions as a Percentage of Covered Payroll								
State and Local	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%
Law Enforcement	0.00%	0.00%	0.00%	1.00%	2.00%	2.00%	2.00%	1.00%

(1) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

**Logan County
Required Supplementary Information
Schedule of County OPEB Contributions
State Teachers Retirement System Fund**

Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,012	\$ 7,082	\$ 7,171	\$ 9,544
Contributions in Relation to the Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,012	\$ 7,082	\$ 7,171	\$ 9,544
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 892,250	\$ 780,170	\$ 717,983	\$ 643,158	\$ 722,897	\$ 688,887	\$ 701,192	\$ 708,177	\$ 717,115	\$ 954,423
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%

See accompanying notes to the required supplementary information.

Logan County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

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

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

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

Changes in Benefit Terms – OPERS

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

Changes in Assumptions – STRS

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

Changes in Benefit Terms - STRS

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

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions - OPERS

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

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

Logan County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020

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

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

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

Changes in Benefit Terms – OPERS

No significant changes in benefit terms.

Changes in Assumptions – STRS

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

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

Changes in Benefit Terms – STRS

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

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

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

Logan County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020

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

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LOGAN COUNTY

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

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program/Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Award Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed through the Ohio Department of Job & Family Services</i>				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Total SNAP Cluster	10.561	G-1819-11-5764, G-2021-11-5951	\$ 488	\$ 284,083
<i>Passed Through Ohio Department of Education</i>				
Child Nutrition Cluster:				
School Breakfast Program:				
COVID-19 School Breakfast Program	10.553	(1)	-	2,445
School Breakfast Program	10.553	(1)	-	2,592
Total School Breakfast Program			-	5,037
National School Lunch Program:				
COVID-19 National School Lunch Program	10.555	(1)	-	4,493
National School Lunch Program	10.555	(1)	-	6,347
Total National School Lunch Program			-	10,840
Total Child Nutrition Cluster			-	15,877
Total U.S. Department of Agriculture			488	299,960
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Pass through the Ohio Department of Development</i>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii:				
Community Housing Improvement Program	14.228	B-C-17-1BP-1	-	78,904
Formula Grant	14.228	B-F-17-1BP-1	-	3,499
Formula Grant	14.228	B-F-19-1BP-1	-	171,945
Formula Grant	14.228	B-D-20-1BP-1	-	191,600
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			-	445,948
Home Investment Partnerships Program:				
Home Investment Partnerships Program	14.239	B-C-17-1BP-2	-	11,800
Home Investment Partnerships Program	14.239	B-C-20-1BP-2	-	16,533
Total Home Investment Partnerships Program			-	28,333
Total U.S. Department of Housing and Urban Development			-	474,281
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<i>Passed through the Ohio Attorney General's Office</i>				
Crime Victim Assistance:				
Crime Victim Assistance	16.575	2020-VOCA-132923199	-	72,964
Crime Victim Assistance	16.575	2021-VOCA-133899424	-	10,569
Total Crime Victim Assistance			-	83,533
<i>Passed through the Ohio Department of Public Safety</i>				
Edward Byrne Memorial Justice Assistance Grant Program:				
Edward Byrne Memorial JAG - Jail Programs	16.738	2018-JG-C01-6066	-	625
Total U.S. Department of Justice			-	84,158
<u>U.S. DEPARTMENT OF LABOR</u>				
<i>Passed through the Ohio Department of Job & Family Services and Area 7 Workforce Development Board</i>				
Trade Adjustment Assistance	17.245	2019-7346-1	-	2,024
WIOA Cluster:				
WIOA Adult Program	17.258	2019-7346-1	-	22,788

LOGAN COUNTY

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

FEDERAL GRANTOR Pass Through Grantor Program/Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Award Disbursements
WIOA Youth Activities	17.259	2019-7346-1	-	19,358
WIOA Dislocated Worker Formula Grants	17.278	2019-7346-1	-	104,903
Total WIOA Cluster			-	147,049
Employment Service Cluster: Employment Service/Wagner-Peyser Funded Activities - Total Employment Service Cluster	17.207	2019-7346-1	-	11,165
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	2019-7346-1	-	1,127
Total U.S. Department of Labor			-	161,365
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed through the Ohio Department of Transportation</i>				
Highway Planning and Construction Cluster: Highway Planning and Construction	20.205	PID #99757	-	1,652,227
Highway Planning and Construction	20.205	PID #102319	-	150,000
Highway Planning and Construction	20.205	PID #111045	-	39,659
Total Highway Planning and Construction Cluster			-	1,841,886
<i>Passed through the Ohio Department of Public Safety</i>				
Highway Safety Cluster: State and Community Highway Safety	20.600	STEP-2020-00042	-	6,762
State and Community Highway Safety	20.600	STEP-2021-00043	-	1,611
Total State and Community Highway Safety - Total Highway Safety Cluster			-	8,373
Minimum Penalties for Repeat Offenders for Driving While Intoxicated: Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2020-00042	-	13,465
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2021-00043	-	3,302
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated			-	16,767
Total U.S. Department of Transportation			-	1,867,026
<u>U.S. DEPARTMENT OF TREASURY</u>				
<i>Passed through the Ohio Office of Budget and Management</i>				
COVID-19 Coronavirus Relief Fund: COVID-19 Coronavirus Relief Fund	21.019	HB481-CRF-Local	100,000	3,401,628
COVID-19 Coronavirus Relief Fund - Infection Control Incentive	21.019	HB481-CRF-Local	-	26,245
<i>Passed through the Supreme Court of Ohio</i>				
COVID-19 Coronavirus Relief Fund - Remote Technology Grant	21.019	20-RTG-250	-	36,599
		20-RTG-0100	-	17,460
Total COVID-19 Coronavirus Relief Fund and U.S. Department of Treasury			100,000	3,481,932
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed through the Ohio Department of Education</i>				
Special Education Cluster (IDEA): Special Education Grants to States	84.027	(1)	-	51,409
Special Education Preschool Grants	84.173	(1)	-	80,177
Total Special Education Cluster (IDEA)			-	131,586
Total U.S. Department of Education			-	131,586
<u>U.S. ELECTION ASSISTANCE COMMISSION</u>				
<i>Passed through the Ohio Secretary of State</i>				
2018 HAVA Election Security Grants: COVID-19 2018 HAVA Election Security Grants	90.404	(1)	-	44,724
2018 HAVA Election Security Grants	90.404	(1)	-	54,257
Total 2018 HAVA Election Security Grants:			-	98,981
Total U.S. Election Assistance Commission			-	98,981

LOGAN COUNTY

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

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program/Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Award Disbursements
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed through the Ohio Department of Job & Family Services</i>				
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G-2021-11-5952	-	30,457
Temporary Assistance for Needy Families	93.558	G-1819-11-5764, G-2021-11-5951	-	375,584
Child Support Enforcement	93.563	G-1819-11-5764, G-2021-11-5951	-	643,700
<i>Passed through the Ohio Department of Job & Family Services</i>				
CCDF Cluster: Child Care and Development Block Grant - Total CCDF Cluster	93.575	G-1819-11-5764, G-2021-11-5951	-	34,860
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2021-11-5952	-	47,771
Foster Care - Title IV-E	93.658	G-1819-11-5765, G-2021-11-5952	-	959,658
Foster Care - Title IV-E	93.658	G-1819-06-0138	-	25,402
Total Foster Care - Title IV-E			-	985,060
Adoption Assistance	93.659	G-1819-11-5765, G-2021-11-5952	-	233,207
Social Services Block Grant: <i>Passed through the Ohio Department of Developmental Disabilities</i> Social Services Block Grant	93.667	(1)	-	20,862
<i>Passed through the Ohio Department of Job & Family Services</i> Social Services Block Grant	93.667	G-1819-11-5764, G-2021-11-5951	18,264	439,772
Total Social Services Block Grant			18,264	460,634
<i>Passed through the Ohio Department of Job & Family Services</i>				
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2021-11-5952	-	6,004
Medicaid Cluster: <i>Passed through the Ohio Department of Job & Family Services</i> Medical Assistance Program	93.778	G-2021-11-5951	123,630	416,222
<i>Passed through the Ohio Department of Developmental Disabilities</i> Medical Assistance Program	93.778	(1)	-	146,554
Total Medicaid Cluster			123,630	562,776
Total U.S. Department of Health and Human Services			141,894	3,380,053
<u>U.S DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed through the Ohio Department of Public Safety</i>				
<i>Emergency Management Agency</i>				
Emergency Management Performance Grants: Emergency Management Performance Grants	97.042	EMC-2019-EP-00005-S01	-	17,357
Emergency Management Performance Grants	97.042	EMC-2020-EP-00004	-	57,857
Total Emergency Management Performance Grants			-	75,214
Total Department of Homeland Security			-	75,214
Total Expenditures of Federal Awards			\$ 242,382	\$ 10,054,556

(1) Pass through number not available.

LOGAN COUNTY, OHIO

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - SUBRECIPIENTS

The County passes certain federal awards received from the Ohio Department of Job and Family Services and the Ohio Office of Budget and Management to other governments or not-for-profit agencies (sub-recipients). As Note B describes, the County reports expenditures of Federal awards to sub-recipients when paid in cash.

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

NOTE E – MATCHING REQUIREMENTS

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

LOGAN COUNTY, OHIO

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

NOTE F – TRANSFERS BETWEEN FEDERAL PROGRAMS

During calendar year 2020, the County made allowable transfers of \$317,936 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent \$375,584 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn from the TANF program during calendar year 2020 and the amount transferred to the Social Services Block Grant program.

Total Temporary Assistance for Needy Families.....	\$ 693,520
Total transferred to Social Services Block Grant	<u>(317,936)</u>
Total reported as Temporary Assistance for Needy Families.....	<u>\$ 375,584</u>

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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**

Logan County
Honorable County Board of Commissioners
Honorable County Auditor
Honorable County Treasurer
100 South Madriver Street
Bellefontaine, Ohio 43311

To the County Board of Commissioners, Auditor, and Treasurer:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Logan County, (the County) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 10, 2021, wherein we noted the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) No. 84, *Fiduciary Activities*. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Keith Faber
Auditor of State
Columbus, Ohio

December 10, 2021



**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**

Logan County
Honorable County Board of Commissioners
Honorable County Auditor
Honorable County Treasurer
100 South Madriver Street
Bellefontaine, Ohio 43311

To the County Board of Commissioners, Auditor, and Treasurer:

Report on Compliance for Each Major Federal Program

We have audited Logan County's (the County) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of Logan County's major federal programs for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies each of the County's major federal programs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on each Major Federal Program

In our opinion, Logan County complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

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

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

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



Keith Faber
Auditor of State
Columbus, Ohio

December 10, 2021

LOGAN COUNTY
SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	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):	Highway Planning and Construction Cluster CFDA #21.019 – COVID-19 Coronavirus Relief Fund CFDA # 93.667 - Social Services Block Grant
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

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OHIO AUDITOR OF STATE KEITH FABER



LOGAN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/13/2022

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

This report is a matter of public record and is available online at
www.ohioauditor.gov