





**WILLIAMS COUNTY  
DECEMBER 31, 2020**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Williams County  
One Courthouse Square, Second Floor  
Bryan, Ohio 43506-1791

To the Board of Commissioners:

### ***Report on the Financial Statements***

We have audited the accompanying cash-basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Williams 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 the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for 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 cash financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2020, and the respective changes in cash financial position and the respective budgetary comparison for the General, Auto and Gas, Enrichment Center, Job and Family Services, and Department of Aging funds thereof for the year then ended in accordance with the accounting basis described in Note 2.

**Accounting Basis**

Ohio Administrative Code § 117-2-03(B) requires the County to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis applied to these statements. The financial statements are prepared on the cash basis of accounting, which is a basis other than generally accepted accounting principles. We did not modify our opinion regarding this matter.

**Emphasis of Matters**

As discussed in Note 24 to the financial statements, during 2020, the County adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

As discussed in Note 25 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the County. We did not modify our opinion regarding this matter.

**Other Matters**

*Supplementary Information*

Our audit was conducted to opine on the 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 schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule 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 October 14, 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

October 14, 2021

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**WILLIAMS COUNTY**

**STATEMENT OF NET POSITION - CASH BASIS  
DECEMBER 31, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 25,629,836	\$ 4,856,306	\$ 30,486,142
Cash and Cash Equivalents in Segregated Accounts	28,349		28,349
<i>Total Assets</i>	<b>\$ 25,658,185</b>	<b>\$ 4,856,306</b>	<b>\$ 30,514,491</b>
<b>Net Position</b>			
Restricted for:			
Debt Service	\$ 361,092		\$ 361,092
Capital Projects	33,647		33,647
Other Purposes	14,385,224		14,385,224
Unrestricted	10,878,222	\$ 4,856,306	15,734,528
<i>Total Net Position</i>	<b>\$ 25,658,185</b>	<b>\$ 4,856,306</b>	<b>\$ 30,514,491</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WILLIAMS COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Program Cash Receipts</u>			
	<u>Cash</u> <u>Disbursement</u>	<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital</u> <u>Grants and</u> <u>Contributions</u>
<b>Governmental Activities</b>				
General Government:				
Legislative and Executive	\$ 3,597,916	\$ 2,067,866	\$ 313,544	
Judicial	3,170,748	714,514	1,379,161	
Public Safety	4,891,429	196,375	1,913,762	
Public Works	6,535,945	553,323	5,539,322	
Health	2,175,478	2,043,697	214,749	
Human Services	9,456,292	1,191,102	5,292,207	
Conservation and Recreation	21,197			
Economic Development and Assista	1,593,878	11,750	1,081,891	\$ 170,764
Hospitalization	1,308,044	12,314		
Other	154,414	58,337		
Capital Outlay	2,915,991	27,626	444,348	1,367,642
Debt Service:				
Principal Retirement	451,745	196,451		213,267
Interest and Fiscal Charges	122,043	33,334		46,065
<i>Total Governmental Activities</i>	<u>36,395,120</u>	<u>7,106,689</u>	<u>16,178,984</u>	<u>1,797,738</u>
<b>Business-Type Activities</b>				
Hillside	7,097,723	6,252,694	705,674	
Sanitary Sewer	587,851	504,726		33,332
<i>Total Business-Type Activities</i>	<u>7,685,574</u>	<u>6,757,420</u>	<u>705,674</u>	<u>33,332</u>
<b>Totals</b>	<u>\$ 44,080,694</u>	<u>\$ 13,864,109</u>	<u>\$ 16,884,658</u>	<u>\$ 1,831,070</u>

**General Cash Receipts**

Property Taxes Levied For:  
  General Purposes  
  Human Services - Enrichment Center  
  Human Services - Department of Aging  
Sales Taxes  
Grants and Entitlements not  
  Restricted to Specific Programs  
Investment Income  
Proceeds from Sale of Capital Assets  
Miscellaneous

*Total General Cash Receipts*

Advances

*Total General Cash Receipts and Advances*

*Change in Net Cash Position*

Net Cash Position at Beginning of Year (Restated)

*Net Cash Position at End of Year*

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Cash Disbursements) Cash Receipts and  
Changes in Net Cash Position**

<u>Governmental Activities</u>	<u>Business- Activities</u>	<u>Total</u>
\$ (1,216,506)		\$ (1,216,506)
(1,077,073)		(1,077,073)
(2,781,292)		(2,781,292)
(443,300)		(443,300)
82,968		82,968
(2,972,983)		(2,972,983)
(21,197)		(21,197)
(329,473)		(329,473)
(1,295,730)		(1,295,730)
(96,077)		(96,077)
(1,076,375)		(1,076,375)
(42,027)		(42,027)
(42,644)		(42,644)
<u>(11,311,709)</u>		<u>(11,311,709)</u>
	\$ (139,355)	(139,355)
	(49,793)	(49,793)
	<u>(189,148)</u>	<u>(189,148)</u>
<u>(11,311,709)</u>	<u>(189,148)</u>	<u>(11,500,857)</u>
2,002,717		2,002,717
2,263,104		2,263,104
1,143,687		1,143,687
6,775,417		6,775,417
1,064,264		1,064,264
446,844	71,383	518,227
308,649		308,649
1,669,697	212,828	1,882,525
<u>15,674,379</u>	<u>284,211</u>	<u>15,958,590</u>
(10,195)		(10,195)
<u>15,664,184</u>	<u>284,211</u>	<u>15,948,395</u>
4,352,475	95,063	4,447,538
21,305,710	4,761,243	26,066,953
<u>\$ 25,658,185</u>	<u>\$ 4,856,306</u>	<u>\$ 30,514,491</u>

WILLIAMS COUNTY

STATEMENT OF ASSETS AND FUND BALANCES - CASH BASIS  
 GOVERNMENTAL FUNDS  
 DECEMBER 31, 2020

	<u>General</u>	<u>Auto and Gas</u>	<u>Enrichment Center</u>	<u>Job and Family Services</u>	<u>Department of Aging</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Cash Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$8,876,015	\$ 2,176,970	\$ 5,284,508	\$ 220,835	\$ 996,076	\$ 8,075,432	\$ 25,629,836
Cash and Cash Equivalents in Segregated Accounts	9,616	50			18,653	30	28,349
<i>Total Assets</i>	<u>\$8,885,631</u>	<u>\$ 2,177,020</u>	<u>\$ 5,284,508</u>	<u>\$ 220,835</u>	<u>\$ 1,014,729</u>	<u>\$ 8,075,462</u>	<u>\$ 25,658,185</u>
<b>Fund Cash Balances</b>							
Nonspendable	\$ 35,785						\$ 35,785
Restricted		\$ 2,177,020	\$ 5,284,508	\$ 220,835	\$ 1,014,729	\$ 6,047,086	14,744,178
Committed						809,460	809,460
Assigned	817,782					1,218,916	2,036,698
Unassigned	<u>8,032,064</u>						<u>8,032,064</u>
<i>Total Fund Cash Balances</i>	<u>\$8,885,631</u>	<u>\$ 2,177,020</u>	<u>\$ 5,284,508</u>	<u>\$ 220,835</u>	<u>\$ 1,014,729</u>	<u>\$ 8,075,462</u>	<u>\$ 25,658,185</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**WILLIAMS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN FUND BALANCES - CASH BASIS - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>General</u>	<u>Auto and Gas</u>	<u>Enrichment Center</u>	<u>Job and Family Services</u>
<b>Cash Receipts</b>				
Property Taxes	\$ 2,002,717		\$ 2,263,104	
Sales Taxes	6,775,417			
Charges for Services	1,973,827	\$ 187,143	289,424	\$ 695,487
Licenses and Permits	4,375	2,830		
Fines and Forfeitures	99,252	153		
Intergovernmental	1,674,438	5,522,808	534,827	2,289,542
Special Assessments	36,185			
Investment Income	399,990	37,118		
Rental Income	96,677			
Loan Repayments				
Other	903,242	28,937	15,362	50,899
<i>Total Cash Receipts</i>	<u>13,966,120</u>	<u>5,778,989</u>	<u>3,102,717</u>	<u>3,035,928</u>
<b>Cash Disbursements</b>				
Current:				
General Government:				
Legislative and Executive	3,110,209			
Judicial	1,586,431			
Public Safety	3,144,487			
Public Works	196,055	5,876,910		
Health	64,487			
Human Services	792,955		2,201,566	2,918,550
Conservation and Recreation	21,197			
Economic Development and Assistance	283,763			
Hospitalization	1,308,044			
Other	152,661			
Capital Outlay				
Debt Service:				
Principal Retirement	17,440			
Interest and Fiscal Charges	3,447			
<i>Total Cash Disbursements</i>	<u>10,681,176</u>	<u>5,876,910</u>	<u>2,201,566</u>	<u>2,918,550</u>
<i>Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements</i>	<u>3,284,944</u>	<u>(97,921)</u>	<u>901,151</u>	<u>117,378</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sales of Capital Assets		40,412		
Advances In	2,000			
Advances Out	(456,295)			
Transfers In				
Transfers Out	(897,794)			(101,670)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,352,089)</u>	<u>40,412</u>		<u>(101,670)</u>
<i>Net Change in Fund Cash Balances</i>	1,932,855	(57,509)	901,151	15,708
Fund Balances at Beginning of Year (Restated)	6,952,776	2,234,529	4,383,357	205,127
<i>Fund Balances at End of Year</i>	<u>\$ 8,885,631</u>	<u>\$ 2,177,020</u>	<u>\$ 5,284,508</u>	<u>\$ 220,835</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<u>Department of Aging</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,143,687		\$ 5,409,508
		6,775,417
	\$ 3,067,311	6,213,192
	177,441	184,646
	142,940	242,345
378,518	8,400,448	18,800,581
	546,423	582,608
7	9,729	446,844
	27,626	124,303
	91,459	91,459
288,198	291,600	1,578,238
<u>1,810,410</u>	<u>12,754,977</u>	<u>40,449,141</u>
	487,707	3,597,916
	1,584,317	3,170,748
	1,746,942	4,891,429
	462,980	6,535,945
	2,110,991	2,175,478
1,558,199	1,985,022	9,456,292
		21,197
	1,310,115	1,593,878
		1,308,044
	1,753	154,414
	2,915,991	2,915,991
	434,305	451,745
	118,596	122,043
<u>1,558,199</u>	<u>13,158,719</u>	<u>36,395,120</u>
<u>252,211</u>	<u>(403,742)</u>	<u>4,054,021</u>
1,921	266,316	308,649
	446,000	448,000
	(1,900)	(458,195)
	999,464	999,464
		(999,464)
<u>1,921</u>	<u>1,709,880</u>	<u>298,454</u>
254,132	1,306,138	4,352,475
760,597	6,769,324	21,305,710
<u>\$ 1,014,729</u>	<u>\$ 8,075,462</u>	<u>\$ 25,658,185</u>

WILLIAMS COUNTY

STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Budgetary Basis Receipts</b>				
Property Taxes	\$ 2,006,200	\$ 2,004,000	\$ 2,002,717	\$ (1,283)
Sales Taxes	6,300,000	6,750,000	6,775,417	25,417
Charges for Services	5,170,775	1,619,825	1,664,695	44,870
Licenses and Permits	3,700	4,200	4,375	175
Fines and Forfeitures	100,500	99,500	99,252	(248)
Intergovernmental	1,368,119	1,465,294	1,674,438	209,144
Special Assessments	38,000	36,200	36,185	(15)
Investment Income	350,360	351,460	399,990	48,530
Rental Income	94,555	79,555	83,998	4,443
Other	338,700	346,700	899,831	553,131
<i>Total Budgetary Basis Receipts</i>	<u>15,770,909</u>	<u>12,756,734</u>	<u>13,640,898</u>	<u>884,164</u>
<b>Budgetary Basis Disbursements</b>				
Current:				
General Government:				
Legislative and Executive	3,320,979	3,242,561	2,717,419	525,142
Judicial	1,700,196	1,799,908	1,649,345	150,563
Public Safety	4,522,737	3,739,274	3,504,470	234,804
Public Works	308,998	265,846	196,055	69,791
Health	93,206	93,206	92,057	1,149
Human Services	917,483	921,483	802,612	118,871
Conservation and Recreation	7,000	21,197	21,197	
Economic Development and Assistance	328,378	328,378	321,088	7,290
Hospitalization	4,800,000	1,377,666	1,308,044	69,622
Other	413,319	185,171	152,661	32,510
Debt Service:				
Principal Retirement	17,440	17,440	17,440	
Interest and Fiscal Charges	3,450	3,450	3,447	3
<i>Total Budgetary Basis Disbursements</i>	<u>16,433,186</u>	<u>11,995,580</u>	<u>10,785,835</u>	<u>1,209,745</u>
<i>Excess (Deficiency) of Budgetary Basis Receipts Over (Under) Budgetary Basis Disbursements</i>	<u>(662,277)</u>	<u>761,154</u>	<u>2,855,063</u>	<u>2,093,909</u>
<b>Other Financing Sources (Uses)</b>				
Advances In			2,000	2,000
Advances Out			(456,295)	(456,295)
Transfers Out		(897,794)	(897,794)	
<i>Total Other Financing Sources (Uses)</i>		<u>(897,794)</u>	<u>(1,352,089)</u>	<u>(454,295)</u>
<i>Net Change in Fund Cash Balance</i>	<u>(662,277)</u>	<u>(136,640)</u>	<u>1,502,974</u>	<u>1,639,614</u>
Fund Cash Balance at Beginning of Year (Restated)	5,565,243	5,565,243	5,565,243	
Prior Year Encumbrances Appropriated	327,704	327,704	327,704	
<i>Fund Cash Balance at End of Year</i>	<u>\$ 5,230,670</u>	<u>\$ 5,756,307</u>	<u>\$ 7,395,921</u>	<u>\$ 1,639,614</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**WILLIAMS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
AUTO AND GAS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Budgetary Basis Receipts</b>				
Charges for Services	\$ 263,000	\$ 263,000	\$ 187,143	\$ (75,857)
Licenses and Permits	3,200	3,200	2,830	(370)
Fines and Forfeitures	200	200	153	(47)
Intergovernmental	7,242,957	7,242,957	5,522,808	(1,720,149)
Investment Income	14,000	14,000	37,118	23,118
Other	18,248	9,648	28,937	19,289
<i>Total Budgetary Basis Receipts</i>	<u>7,541,605</u>	<u>7,533,005</u>	<u>5,778,989</u>	<u>(1,754,016)</u>
<b>Budgetary Basis Disbursements</b>				
Current:				
Public Works	<u>7,822,363</u>	<u>7,898,203</u>	<u>5,876,910</u>	<u>2,021,293</u>
<i>Excess of Budgetary Basis Disbursements Over Budgetary Basis Receipts</i>	<u>(280,758)</u>	<u>(365,198)</u>	<u>(97,921)</u>	<u>267,277</u>
<b>Other Financing Sources</b>				
Proceeds From Sale of Capital Assets	<u>25,000</u>	<u>25,000</u>	<u>40,412</u>	<u>15,412</u>
<i>Net Change in Fund Cash Balance</i>	<u>(255,758)</u>	<u>(340,198)</u>	<u>(57,509)</u>	<u>282,689</u>
Fund Cash Balance at Beginning of Year (Restated)	1,978,771	1,978,771	1,978,771	
<i>Prior Year Encumbrances Appropriated</i>	<u>255,758</u>	<u>255,758</u>	<u>255,758</u>	
<i>Fund Cash Balance at End of Year</i>	<u>\$ 1,978,771</u>	<u>\$ 1,894,331</u>	<u>\$ 2,177,020</u>	<u>\$ 282,689</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WILLIAMS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
ENRICHMENT CENTER FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Budgetary Basis Receipts</b>				
Property and Other Taxes	\$ 2,206,000	\$ 2,231,600	\$ 2,263,104	\$ 31,504
Charges for Services	152,000	152,000	289,424	137,424
Intergovernmental	530,000	530,000	534,827	4,827
Other	12,000	12,000	15,362	3,362
<i>Total Budgetary Basis Receipts</i>	<u>2,900,000</u>	<u>2,925,600</u>	<u>3,102,717</u>	<u>177,117</u>
<b>Budgetary Basis Disbursements</b>				
Current:				
Human Services	<u>3,531,750</u>	<u>3,536,750</u>	<u>2,201,566</u>	<u>1,335,184</u>
<i>Excess (Deficiency) of Budgetary Basis Receipts Over (Under) Budgetary Basis Disbursements</i>	<u>(631,750)</u>	<u>(611,150)</u>	<u>901,151</u>	<u>1,512,301</u>
<b>Other Financing Sources</b>				
Proceeds From Sale of Capital Assets	<u>6,000</u>	<u>6,000</u>	<u></u>	<u>(6,000)</u>
<i>Net Change in Fund Cash Balance</i>	<u>(625,750)</u>	<u>(605,150)</u>	<u>901,151</u>	<u>1,506,301</u>
Fund Cash Balance at Beginning of Year	4,380,857	4,380,857	4,380,857	
<i>Prior Year Encumbrances Appropriated</i>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	
<i>Fund Cash Balance at End of Year</i>	<u>\$ 3,757,607</u>	<u>\$ 3,778,207</u>	<u>\$ 5,284,508</u>	<u>\$ 1,506,301</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WILLIAMS COUNTY

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
JOB AND FAMILY SERVICES FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Budgetary Basis Receipts</b>				
Charges for Services	\$ 679,110	\$ 679,110	\$ 695,487	\$ 16,377
Intergovernmental	2,955,000	2,879,500	2,289,542	(589,958)
Other	16,300	16,300	50,899	34,599
<i>Total Budgetary Basis Receipts</i>	<u>3,650,410</u>	<u>3,574,910</u>	<u>3,035,928</u>	<u>(538,982)</u>
<b>Budgetary Basis Disbursements</b>				
Current:				
Human Services	<u>3,543,871</u>	<u>3,108,220</u>	<u>3,048,004</u>	<u>60,216</u>
<i>Excess (Deficiency) of Budgetary Basis Receipts Over (Under) Budgetary Basis Disbursements</i>	106,539	466,690	(12,076)	(478,766)
<b>Other Financing Uses</b>				
Transfers Out	<u>(120,000)</u>	<u>(102,000)</u>	<u>(101,670)</u>	<u>330</u>
<i>Net Change in Fund Cash Balance</i>	(13,461)	364,690	(113,746)	(478,436)
Fund Cash Balance at Beginning of Year	122,845	122,845	122,845	
<i>Prior Year Encumbrances Appropriated</i>	82,282	82,282	82,282	
<i>Fund Cash Balance at End of Year</i>	<u>\$ 191,666</u>	<u>\$ 569,817</u>	<u>\$ 91,381</u>	<u>\$ (478,436)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WILLIAMS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
DEPARTMENT OF AGING FUND  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Budgetary Basis Receipts</b>				
Property and Other Taxes	\$ 1,103,200	\$ 1,107,100	\$ 1,143,687	\$ 36,587
Intergovernmental	364,950	364,950	378,518	13,568
Investment income	4	4	7	3
Other	255,000	255,000	288,198	33,198
<i>Total Budgetary Basis Receipts</i>	<u>1,723,154</u>	<u>1,727,054</u>	<u>1,810,410</u>	<u>83,356</u>
<b>Budgetary Basis Disbursements</b>				
Current:				
Human Services	<u>1,746,870</u>	<u>1,811,174</u>	<u>1,591,014</u>	<u>220,160</u>
<i>Excess (Deficiency) of Budgetary Basis Receipts Over (Under) Budgetary Basis Disbursements</i>	(23,716)	(84,120)	219,396	303,516
<b>Other Financing Sources</b>				
Proceeds From Sale of Capital Assets	<u>5,000</u>	<u>5,000</u>	<u>1,921</u>	<u>(3,079)</u>
<i>Net Change in Fund Cash Balance</i>	(18,716)	(79,120)	221,317	300,437
Fund Cash Balance at Beginning of Year (Restated)	718,787	718,787	718,787	
<i>Prior Year Encumbrances Appropriated</i>	<u>41,810</u>	<u>41,810</u>	<u>41,810</u>	
<i>Fund Cash Balance at End of Year</i>	<u>\$ 741,881</u>	<u>\$ 681,477</u>	<u>\$ 981,914</u>	<u>\$ 300,437</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WILLIAMS COUNTY**  
**STATEMENT OF FUND NET POSITION**  
**CASH BASIS**  
**PROPRIETARY FUNDS**  
**DECEMBER 31,2020**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Hillside</b>	<b>Other Enterprise Funds</b>	<b>Total</b>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 4,677,953	\$ 178,353	\$ 4,856,306
<b>Net Position</b>			
Unrestricted	\$ 4,677,953	\$ 178,353	\$ 4,856,306

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WILLIAMS COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN  
FUND NET POSITION - CASH BASIS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Hillside</b>	<b>Other Enterprise Funds</b>	<b>Total</b>
<b>Operating Cash Receipts</b>			
Charges for Services	\$ 6,252,694	\$ 504,726	\$ 6,757,420
Other Operating Cash Receipts	20,637		20,637
<i>Total Operating Cash Receipts</i>	<u>6,273,331</u>	<u>504,726</u>	<u>6,778,057</u>
<b>Operating Cash Disbursements</b>			
Personal Services	4,800,161	207,599	5,007,760
Contractual Services	1,106,797	315,870	1,422,667
Materials and Supplies	624,263	24,488	648,751
Capital Outlay	105,978	25,742	131,720
Other	73,874	1,786	75,660
<i>Total Operating Cash Disbursements</i>	<u>6,711,073</u>	<u>575,485</u>	<u>7,286,558</u>
<i>Operating Loss</i>	<u>(437,742)</u>	<u>(70,759)</u>	<u>(508,501)</u>
<b>Nonoperating Cash Receipts (Disbursements)</b>			
Debt Service:			
Principal Retirement	(237,000)		(237,000)
Interest and Fiscal Charges	(149,650)	(12,366)	(162,016)
Investment Income	71,383		71,383
Intergovernmental Revenue	705,674	33,332	739,006
Other Nonoperating Revenue	156,521	35,670	192,191
<i>Total Nonoperating Cash Receipts (Disbursements)</i>	<u>546,928</u>	<u>56,636</u>	<u>603,564</u>
<i>Changes in Net Position</i>	109,186	(14,123)	95,063
Net Position at Beginning of Year (Restated)	<u>4,568,767</u>	<u>192,476</u>	<u>4,761,243</u>
<i>Net Position at End of Year</i>	<u>\$ 4,677,953</u>	<u>\$ 178,353</u>	<u>\$ 4,856,306</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WILLIAMS COUNTY

STATEMENT OF FIDUCIARY FUND NET POSITION - CASH BASIS  
FIDUCIARY FUNDS  
DECEMBER 31, 2020

	<u>Fiduciary Type Activities Custodial Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 5,696,633
Cash and Cash Equivalents in Segregated Accounts	<u>181,506</u>
<i>Total Assets</i>	<u><u>\$ 5,878,139</u></u>
<b>Net Position</b>	
Restricted for Individuals, Organizations and Other Governments	<u>\$ 5,878,139</u>
<i>Total Net Position</i>	<u><u>\$ 5,878,139</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WILLIAMS COUNTY**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CASH BASIS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Fiduciary Type Activities Custodial Funds</b>
<b>Additions</b>	
Property and Other Local Taxes Collected for Distribution	\$32,918,653
Charges for Services	171,736
Fines, Licenses and Permits for Distribution	566,457
Earnings on Investments	2,230
Intergovernmental	6,953,710
Amounts Received as Fiscal Agent	7,118,597
Other Amounts Collected for Distribution	5,063,320
<i>Total Additions</i>	<i>52,794,703</i>
<b>Deductions</b>	
Distributions as Fiscal Agent	6,378,997
Distributions to Other Governments	44,909,641
Other Distributions	1,485,307
<i>Total Deductions</i>	<i>52,773,945</i>
<i>Change in Net Position</i>	<i>20,758</i>
Net Position Beginning of Year (Restated)	5,857,381
<i>Net Position End of Year</i>	<i>\$5,878,139</i>

See accompanying notes to the basic financial statements



## WILLIAMS COUNTY

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020

#### NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION

Williams County (the County) is a body politic and corporate established in 1840 to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The County is governed by a board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the County Auditor, County Treasurer, County Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, and two Common Pleas Court Judges (a Probate Court Judge and a Domestic Relations/Juvenile Court Judge). Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the County, including each of these departments.

#### Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. For Williams County, this includes the Children's Services Board, the Department of Job and Family Services, the Williams County Solid Waste Management Board, the Williams County Emergency Management Agency, and all departments and activities that are directly operated by the elected County officials.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organizations governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the County in that the County approves the budget, the issuance of debt, or the levying of taxes. The County has no component units.

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

- County General Health District
- Soil and Water Conservation District
- Four County Solid Waste District
- Family and Children First Council
- Park District

The County is associated with certain organizations which are defined as Jointly Governed Organizations or Joint Ventures Without Equity Interest. These organizations are presented in Notes 13 and 14 to the financial statements. These organizations are:

- Regional Planning Commission
- Maumee Valley Planning Organization (MVPO)
- Ohio-Michigan-Indiana Regional Council of Governments
- Corrections Commission of Northwest Ohio (CCNO)
- Northwest Ohio Juvenile Detention, Training, and Rehabilitation Center
- Four County Solid Waste District
- Quadco Rehabilitation Center
- Four County Board of Alcohol, Drug Addiction and Mental Health Services (ADAMHS Board)

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION – (Continued)**

Multi-Area Narcotics Task Force

The County is involved with three public entity risk pools which are presented in Note 15 to the financial statements:

County Risk Sharing Authority (CORSA)  
County Commissioners' Association Workers' Compensation Group Rating Plan  
County Employee Benefits Consortium of Ohio (CEBCO)

The County is involved with six related organizations which are presented in Note 16 to the financial statements. These organizations are:

Williams County Public Library  
Williams Metropolitan Housing Authority  
Williams County Regional Airport Authority  
Williams County Port Authority  
Williams County Transportation Improvement District  
Williams County Land Reutilization Corporation

The County's management believes these financial statements present all activities for which the County is financially accountable.

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

As discussed further in the Basis of Accounting section of this Note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the County's accounting policies.

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

*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 that provide a more detailed level of financial information.

Although the Ohio Administrative Code § 117-2-03(B) requires the County's financial report to follow generally accepted accounting principles, the County chooses to prepare its financial statements and notes in accordance with the cash basis of accounting. This is a comprehensive basis of accounting other than generally accepted accounting principles.

The County's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the County's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

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

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid and accrued expenses and liabilities) are not recorded in these financial statements.

*Government-Wide Financial Statements* - The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” receipts and cash disbursements. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the cash balance of the governmental and business-type activities of the County at year end. The statement of activities compares disbursements and program receipts for each program or function of the County’s governmental activities and business-type activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the County is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program.

Receipts which are not classified as program receipts are presented as general receipts of the County, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program or business activity is self-financing on a cash basis or draws from the general receipts of the County.

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

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds’ principal services. Operating disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

**B. Fund Accounting**

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

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

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

*Governmental Funds* - Governmental funds are those through which most governmental functions of the County are financed. The following are the County's major governmental funds:

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

Auto and Gas Fund - This fund accounts for monies received from state gasoline tax and motor vehicle registration fees designated for maintenance and repair of roads and bridges.

Enrichment Center Fund - This fund accounts for property taxes and various federal and state grants used to provide assistance, care, and training to mentally challenged and developmentally disabled individuals of the County.

Job and Family Services Fund - This fund accounts for various federal and state grants as well as contributions from the General fund used to provide public assistance to general relief recipients, pay their providers of medical assistance, and for certain public social services.

Department of Aging Fund - This fund accounts for property taxes and various federal and state grants used to provide public assistance to senior citizens, pay their providers of medical assistance, and for certain public social services.

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

*Proprietary Funds* - The County classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise funds or internal service funds.

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

Hillside Fund - This fund accounts for the user charges and expenses of maintaining the County home.

*Fiduciary Funds* – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. The County has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The County's custodial funds account for amounts collected and distributed on behalf of another government or organization.

**C. Basis of Accounting**

The County's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the County's financial records and reported in the financial statements when cash is received rather than when earned, and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the County are described in the appropriate section in this note.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

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

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**D. Budgetary Process**

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate.

The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, department, and object level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificated of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

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

**E. Cash and Investments**

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

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

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

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

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

During 2020, the County invested in nonnegotiable certificates of deposit. Investments are reported at cost.

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General fund during 2020 were \$399,990 which includes \$297,255 assigned from other County funds.

**F. Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Unclaimed monies that are required to be held for five years before they may be utilized by the County are reported as restricted.

**G. Inventory and Prepaid Items**

The County reports disbursements for inventory and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**H. Capital Assets and Depreciation**

Acquisition of property, plant, and equipment purchased are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements, but are included in Note 19 as additional information.

Capital asset values initially were determined at December 31, 1991, assigning original costs when such information was available. In cases when original costs were not available, estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition. Donated capital assets are estimated at fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included in the value of capital assets. Depreciation has not been reported for any capital assets.

Public domain (infrastructure) consists of sewer lines constructed from 2001 through the present.

**I. Interfund Receivables / Payables**

The County reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

**J. Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the County's basis of accounting, but is included as additional information in Note 18.

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

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

**K. Employer Contributions to Cost-Sharing Pension Plans**

The County recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 10 and 11, the employer contributions include portions for pension benefits and for other postemployment benefits (OPEB).

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

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

**M. Long-Term Obligations**

The County's cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments are reported when paid.

**N. Net Position**

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes primarily include resources restricted for the upkeep of the County's roads and bridges, various mental health services, child support and welfare services, services for the handicapped and mentally handicapped, and activities of the County's courts.

The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**O. Fund Balance**

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

*Nonspendable* - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are 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. It also includes the long-term amount of interfund loans.

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

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the County Commissioners or a County official delegated that authority by resolution or by State Statute.

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

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

**P. Interfund Activity**

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

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

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance (Budgetary Basis) presented for the General, Auto and Gas, Enrichment Center, Job and Family Services, and Department of Aging funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances which are treated as cash disbursements (budgetary basis) rather than reservations of fund balances (cash basis). The following table summarizes the adjustments necessary to reconcile the cash basis statement to the budgetary basis statement for the General fund, Auto and Gas fund, Enrichment Center fund, Job and Family Services fund, and Department of Aging fund:



**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING – (Continued)**

	Fund Cash Balance				
	General	Auto and Gas	Enrichment Center	Job and Family Services	Department of Aging
Cash Basis	\$8,885,631	\$2,177,020	\$5,284,508	\$220,835	\$1,014,729
Funds Budgeted Elsewhere	(969,638)				
Adjustment for Encumbrances	(520,072)			(129,454)	(32,815)
Budget Basis	<u>\$7,395,921</u>	<u>\$2,177,020</u>	<u>\$5,284,508</u>	<u>\$91,381</u>	<u>\$981,914</u>

As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds (Recorders Equipment and Certificate of Title funds) are considered part of the General fund on the cash basis.

**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;

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 4 - DEPOSITS AND INVESTMENTS – (Continued)**

6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in (1) or (2) above; commercial paper as described in ORC section 135.143 (6); and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value, within certain limitations;
9. Up to forty percent of the County's average portfolio, if training requirements have been met in either of the following:
  - a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other state, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation, which mature within 270 days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate five percent of interim monies available for investment at the time of purchase.
  - b. Bankers acceptances of banks that are insured by the Federal Deposit Insurance Corporation and that mature not later than 180 days after purchase.
10. Up to fifteen percent of the County's average portfolio in notes issued by U.S. corporations or by depository institutions doing business under authority granted by the U.S. or any state, provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature not later than three years after purchase;
11. A current unpaid or delinquent tax line of credit, provided certain conditions are met related to a County land reutilization corporation organized under ORC Chapter 1724; and
12. Up to two percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government, subject to certain limitations. All interest and principal shall be denominated and payable in United States funds.

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

Investments may only be made through specified dealers and institutions. 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.

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

**NOTE 4 - DEPOSITS AND INVESTMENTS – (Continued)**

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

At year end, the County had \$450,027 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents."

**NOTE 5 - INTERFUND TRANSFERS**

During 2020 the follow transfers were made:

	Transfers In	Transfers Out
Governmental Activities:		
General		\$ 897,794
Job and Family Services		101,670
Other Governmental Funds:		
Child Support Enforcement	\$ 101,670	
Capital Projects	897,794	
	<u>\$ 999,464</u>	<u>\$ 999,464</u>

The above mentioned Transfers In/Out were used to move unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorization and to reallocate public assistance monies between job and family services programs.

**NOTE 6 - PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the County. Property tax revenue received during 2020 for real and public utility property taxes represents collections of 2019 taxes.

2020 real property taxes are levied after October 1, 2020, on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are collected in and intended to finance 2021.

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

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

The full tax rate for all County operations for the year ended December 31, 2020, was \$8.10 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2020 property tax receipts were based are as follows:

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

**NOTE 6 - PROPERTY TAXES – (continued)**

Real Property	\$ 763,656,830
Public Utility	<u>40,665,820</u>
Total Assessed Value	<u><u>\$ 804,322,650</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the County. The County Auditor periodically remits to the County its portion of the taxes collected.

**NOTE 7 - PERMISSIVE SALES AND USE TAX**

In 1988, the County Commissioners, by resolution, imposed a one percent tax on all retail sales in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles, not subject to the sales tax. In 2003, the County Commissioners by resolution, imposed an additional .5 percent tax. The allocation of sales tax is 100 percent to the County's General Fund. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Office of Budget and Management (OBM) the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within forty-five days after the end of each month. OBM then has five days in which to draw the warrant payable to the County.

**NOTE 8 - TAX ABATEMENTS**

Real estate taxes on various properties in the County were abated in accordance with Community Reinvestment Area agreements and Enterprise Zone Program agreements. The Community Reinvestment Area program is a direct incentive tax exemption program benefiting property owners who renovate existing or construct new buildings. The Enterprise Zone program can provide tax exemptions for a portion of the value of new real property investment when the investment is made in conjunction with a project that includes job creation. Existing land values and existing building values are not eligible (except as noted within rare circumstances).

For 2020, the County had the following Community Reinvestment Area Program agreements allowed by Ohio Revised Code Section 3735.671:

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 8 - TAX ABATEMENTS – (continued)**

<b>Property Owner</b>	<b>Tax District</b>	<b>Abatement Period (Tax Years)</b>	<b>Market Value of Abated Property</b>	<b>Tax Abated by County</b>	<b>Tax Abated for Other Entities</b>	<b>Total Tax Abated for 2020</b>
A-Stamp Ind.	City of Bryan	01/17-12/23	\$338,560	\$960	\$6,622	\$7,582
Baltosser Properties	Stryker Village	01/15-12/24	94,400	268	1,944	2,212
Bard Mfg Co	City of Bryan	01/19-12/28	1,391,840	3,946	28,660	32,606
Colon, Russell & Colon, David	West Unity Village	01/12-12/21	539,470	1,529	10,638	12,167
Drewfund LLC	Stryker Village	01/10-12/19	56,400	160	1,161	1,321
G R Ellis LLC	City of Bryan	01/11-12/20	1,248,000	3,538	24,408	27,946
J & R Holdings (Bryan Area Animal Hospital)	City of Bryan	01/17-12/26	478,020	1,355	9,349	10,704
Krebs, Terry Trustee (Laub Auto)	City of Bryan	01/17-12/23	114,030	323	2,230	2,553
Leffel-Terebinski Enterprises	City of Bryan	01/15-12/21	184,320	523	3,605	4,128
Maynard Rentals (Kora Brew & Wine Bar)	City of Bryan	01/19-12/25	41,000	116	802	918
Minteq International Inc	City of Bryan	01/11-12/20	317,440	900	6,209	7,109
MLZ Realty (Best One Tire)	City of Bryan	01/17-12/26	653,680	1,853	12,785	14,638
Nihart Enterprises	City of Bryan	01/10-12/19	792,730	2,247	15,504	17,751
Nihart Enterprises	City of Bryan	01/18-12/27	524,800	1,488	10,264	11,752
Rupp & Roach Ltd	West Unity Village	01/13-12/27	124,100	352	2,447	2,799
Rupp & Roach Ltd	West Unity Village	01/18-12/27	287,680	816	5,673	6,489
Square Feet Unlimited	Montpelier Village	01/06-12/20	1,189,180	3,371	20,511	23,882
Swanson, David Trustee	City of Bryan	01/17-12/23	266,070	754	5,204	5,958
Swanson, David Trustee	City of Bryan	01/17-12/26	723,030	2,050	14,141	16,191
Troder Properties LLC	City of Bryan	01/14-12/20	200,700	569	3,925	4,494
<b>Total</b>			<b>\$9,565,450</b>	<b>\$27,118</b>	<b>\$186,082</b>	<b>\$213,200</b>

For 2020, the County had the following Enterprise Zone Program agreements allowed by Ohio Revised Code Sections 5709.61 through 5709.69:

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 8 - TAX ABATEMENTS – (continued)**

<b>Property Owner</b>	<b>Tax District</b>	<b>Abatement Period (Tax Years)</b>	<b>Market Value of Abated Property</b>	<b>Tax Abated by County</b>	<b>Tax Abated by Other Entities</b>	<b>Total Tax Abated for 2020</b>
CBC Acquisition/Chase Brass & Copper	Holiday City - Jefferson Twp	01/12-12/21	\$1,145,860	\$3,249	\$20,744	\$23,993
Edgerton Forge	Edgerton Village	01/14-12/28	315,760	895	5,669	6,564
KLJ Limited Partnership (Reifel Ind)	Pioneer Village	01/13-12/22	180,900	513	3,237	3,750
KLJ Limited Partnership (Reifel Ind)	Pioneer Village	01/19-12/28	512,400	1,453	9,169	10,622
Menard Inc	Holiday City - Madison Twp	01/08-12/22	21,811,240	61,835	400,358	462,193
Menard Inc	Holiday City - Madison Twp	01/09-12/23	720,540	2,043	13,226	15,269
Menard Inc	Holiday City - Madison Twp	01/13-12/27	28,558,800	80,964	524,213	605,177
Menard Inc	Holiday City - Madison Twp	01/19-12/33	8,538,560	24,207	156,730	180,937
Moore Industries	Montpelier Village	01/16-12/25	377,640	1,071	6,513	7,584
NA Busche LLC	Edon Village	01/19-12/33	484,060	1,372	7,460	8,832
RDIRE, LLC (20/20 CMP)	Holiday City - Jefferson Twp	01/12-12/21	937,920	2,659	16,979	19,638
RDIRE, LLC (20/20 CMP)	Holiday City - Jefferson Twp	01/20-12/34	4,460,480	12,645	80,750	93,395
Square Feet Unlimited	Montpelier Village	01/12-12/26	1,213,680	3,441	20,933	24,374
<b>Total</b>			<b>\$69,257,840</b>	<b>\$196,347</b>	<b>\$1,265,981</b>	<b>\$1,462,328</b>

**NOTE 9 - RISK MANAGEMENT**

**A. Property and Liability**

The County is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2020, the County contracted with County Risk Sharing Authority (CORSA) for insurance coverage. The CORSA program has a \$2,500 deductible. Coverages provided by CORSA are as follows:

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 9 - RISK MANAGEMENT – (continued)**

<u>Liability</u>	
General Liability	\$1,000,000 Each Occurrence
Law Enforcement Liability	\$1,000,000 Each Occurrence
Automobile Liability	\$1,000,000 Each Occurrence
Errors and Omissions Liability	\$1,000,000 Each Occurrence
Ohio Stop Gap/Employer's Liability	\$1,000,000 Each Occurrence
Employee Benefits Liability	\$1,000,000 Each Occurrence
Privacy and Security Liability	\$5,000,000 Each Occurrence
Attorney Disciplinary Proceedings	\$25,000 Each Occurrence
Declaratory, Injunctive or Equitable Relief	\$25,000 Each Occurrence
Uninsured/Underinsured Motorists	\$250,000 Each Occurrence
<u>Property</u>	
Building and Contents (inc. Electronic Data Processing Equipment)	Replacement Cost
Flood and Earthquake	\$100,000,000
Valuable Papers/Accounts Receivable	\$2,500,000/\$1,000,000
Auto Physical Damage	Actual Cash Value
Automatic Acquisition	\$5,000,000
Bridges	\$8,762
Contractors Equipment	Replacement Cost
Errors and Omissions	\$250,000
Fine Arts	\$1,000,000
Law Enforcement & Therapy Canines	\$20,000
Mobile Medical Equipment	\$250,000
Pollutant Cleanup/Removal	\$10,000
Property In Transit	\$100,000
Scheduled 1&2 Controlled Substances Cleanup/Removal	\$35,000
Service Interruption Property Damage	\$2,500,000
Sewer Lines	\$18,275,000
Collapse	Replacement Cost
Equipment Breakdown	\$100,000,000
Extra Expense / Gross Earnings	\$2,500,000
<u>Crime</u>	
Employee Dishonesty/Faithful Performance	\$1,000,000 Each Occurrence
Individual Public Official Bond Excess	\$250,000 Each Occurrence
Claims Expense	\$1,000 Each Occurrence
Money and Securities (inside)	\$1,000,000 Each Occurrence
Money and Securities (outside)	\$1,000,000 Each Occurrence
Depositor's Forgery	\$1,000,000 Each Occurrence
Money Orders and Counterfeit Currency	\$1,000,000 Each Occurrence
Fund Transfer Fraud	\$500,000 Each Occurrence
Computer Fraud	\$500,000 Each Occurrence
Social Engineering Fraud	\$1,000,000 Each Occurrence
Dog Warden Blanket Bond	\$2,000 Bond Limit

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

**NOTE 9 - RISK MANAGEMENT – (continued)**

With the exceptions of health insurance, life insurance, and workers' compensation, all insurance is held with CORSA (See Note 15). There has been no significant reduction in insurance coverage from 2019, and settled claims have not exceeded this coverage in the past three years. The County pays all elected officials' bonds by statute. Settled claims have not exceeded this commercial coverage in the past three years.

CORSA reported the following summary of actuarially-measured liabilities and assets available to pay those liabilities as of April 30 (CORSA's fiscal year end):

	<u>2020</u>	<u>2019</u>
Cash and Investments	\$ 130,129,745	\$ 125,499,168
Actuarial liabilities	\$ 33,729,000	\$ 30,822,005

**B. Workers Compensation Group Rating Program**

For 2020, the County participated in the County Commissioners' Association Organization Workers' Compensation Group Rating Program (the Program), an insurance purchasing pool (Note 15).

The program is intended to achieve lower workers' compensation rates while establishing safe working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants in the Program.

Each participant pays its workers' compensation premium to the State based on the rate for the Program rather than its individual rate. In order to allocate the savings derived by formation of the Program and to maximize the number of participants in the Program, annually the Program's executive committee calculates the total savings which accrued to the Program through its formation. This savings is then compared to the overall savings percentage of the Program.

The Program's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Program is limited to counties that can meet the Program's selection criteria. The firm of Comp. Management, Inc. provided administrative, cost control, and actuarial services to the Program. Each year, the County pays an enrollment fee to the Program to cover the costs of administering the Program. In 2020, the County remitted \$2,916 to CCAO Service Corporation for this administration.

The County may withdraw from the Program if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation; however, prior to withdrawal any participant leaving the Program allows representatives of the Program to access loss experience for three years following the last year of participation.

**C. County Employee Benefits Consortium of Ohio**

The County participates in the County Employee Benefits Consortium of Ohio (CEBCO) which is a group purchasing consortium available to county governments in Ohio (Note 15). The County pays annual premiums into the program for medical, dental, and prescription drug. CEBCO has an agreement with the County Risk Sharing Authority (CORSA) AAA and the County Commissioners Association of Ohio (CCAO) to provide administrative services for claims processing. In 2020, the County remitted \$4,386,498 to CEBCO.



WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

**NOTE 10 - DEFINED BENEFIT PENSION PLANS**

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

**Net Pension Liability/Net OPEB Liability**

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

The net pension liability and the net OPEB liability represent the County's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability 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 funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The net pension/net OPEB liability (asset) are not reported on the face of the financial statements, but rather are disclosed in the notes because of the use of the cash basis framework.

The remainder of this note includes the pension disclosures. See Note 11 for the OPEB disclosures.

**Plan Description – Ohio Public Employees Retirement System (OPERS)**

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

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 10 - DEFINED BENEFIT PENSION PLANS – (continued)**

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):

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

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

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 10 - DEFINED BENEFIT PENSION PLANS – (continued)**

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.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those 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.

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

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

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 10 - DEFINED BENEFIT PENSION PLANS – (continued)**

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
<b>2020 Statutory Maximum Contribution Rates</b>			
Employer	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	**	***
<b>2020 Actual Contribution Rates</b>			
Employer:			
Pension ****	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$2,207,648 for year 2020.

**Net Pension Liability**

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. 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:

	<u>OPERS</u>
Proportion of the Net Pension Liability	
Current Measurement Date	0.101487%
Prior Measurement Date	<u>0.104164%</u>
Change in Proportionate Share	<u><u>-0.002677%</u></u>
Proportionate Share of the Net Pension Liability	\$19,844,133

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

NOTE 10 - DEFINED BENEFIT PENSION PLANS – (continued)

Actuarial Assumptions - OPERS

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

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

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3 percent, simple
Post-January 7, 2013 Retirees	1.4 percent, simple through 2020, then 2.15%, simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 the 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 for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 10 - DEFINED BENEFIT PENSION PLANS – (continued)**

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. 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	100.00 %	5.61 %

**Discount Rate** The discount rate used to measure the total pension liability was 7.2%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments 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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
County's proportionate share of the net pension liability	\$32,954,859	\$19,843,753	\$8,073,291

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 11 - POSTEMPLOYMENT BENEFITS**

**Net OPEB Liability**

See note 10 for a description of the net OPEB liability.

**Plan Description – Ohio Public Employees Retirement System**

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

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

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 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.

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

**NOTE 11 - POSTEMPLOYMENT BENEFITS – (continued)**

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

***Net OPEB Liability***

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 County's proportion of the net OPEB liability was based on the County's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>
Proportion of the Net OPEB Liability:	
Current Measurement Date	0.098816%
Prior Measurement Date	<u>0.101367%</u>
Change in Proportionate Share	<u><u>-0.002551%</u></u>
Proportionate Share of the Net OPEB Liability	\$13,649,057

***Actuarial Assumptions - OPERS***

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

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



**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 11 - POSTEMPLOYMENT BENEFITS – (continued)**

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return	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	10.0 percent, initial 3.50 percent, ultimate in 2030
Prior Measurement date	7.25 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age Normal

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.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 11 - POSTEMPLOYMENT BENEFITS – (continued)**

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:

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

**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:

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 11 - POSTEMPLOYMENT BENEFITS – (continued)**

	<u>1% Decrease (2.96%)</u>	<u>Current Discount Rate (3.96%)</u>	<u>1% Increase (4.96%)</u>
County's proportionate share of the net OPEB liability	\$17,861,980	\$13,649,454	\$10,275,876

***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.

	<u>1% Decrease</u>	<u>Current Health Care Cost Trend Rate Assumption</u>	<u>1% Increase</u>
County's proportionate share of the net OPEB liability	\$13,246,285	\$13,649,454	\$14,046,694

***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.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 12 - LONG-TERM DEBT**

The changes in the County's long-term debt during 2020 were as follows:

	Interest Rates	Balance at 12/31/19	Increase	Decrease	Balance at 12/31/20	Amounts Due in One Year
Governmental Activities:						
OPWC Loans	0%	\$ 73,503		\$ 9,188	\$ 64,315	\$ 9,188
OWDA Loans	0%-6.13%	1,566,863		386,196	1,180,667	367,086
USDA Special Assessment Bonds	5.13%	581,592		22,263	559,329	23,404
USDA Revenue Bonds	4.63%-5.13%	801,064		16,658	784,406	17,051
Court of Appeals Loan	4.16%	74,556		17,440	57,116	18,094
Total Governmental Activities		<u>3,097,578</u>		<u>451,745</u>	<u>2,645,833</u>	<u>434,823</u>
Business-Type Activities:						
USDA Revenue Bonds	5.00%	2,993,000		237,000	2,756,000	250,000
Total Business-Type Activities		<u>2,993,000</u>		<u>237,000</u>	<u>2,756,000</u>	<u>250,000</u>
Total Long-Term Obligations		<u>\$ 6,090,578</u>		<u>\$ 688,745</u>	<u>\$ 5,401,833</u>	<u>\$ 684,823</u>

The Ohio Public Works Commission (OPWC) loans were obtained for wastewater improvement projects and are to be retired with general governmental revenues. A portion of receipts for related sanitary sewer bills are allocated to applicable debt service funds for the repayment of the debt. In the case there are insufficient funds in the debt service funds to pay the principal & interest, the Sanitary Sewer enterprise fund will pay the remainder of the debt service.

The Ohio Water Development (OWDA) loans were obtained for wastewater improvement projects and are to be retired with general governmental revenues or special assessments. A portion of receipts for related sanitary sewer bills are allocated to applicable debt service funds for the repayment of the debt. In the case there are insufficient funds in the debt service funds to pay the principal & interest, the Sanitary Sewer enterprise fund will pay the remainder of the debt service.

The United States Department Agriculture (USDA) special assessment bonds are backed by the full faith and credit of the County. In the event that an assessed property owner fails to make payments, the County will be required to pay the related debt. Repayment of debt for the Nettle Lake Sewer Project is made from a debt service fund.

A portion of the USDA revenue bonds pledge sewer fund income derived from the acquired and constructed assets to pay debt service for the Nettle Lake and Melbern sanitary sewer projects. The bond indentures have certain restrictive covenants and principally require that debt reserves be maintained and charges for services to customers be sufficient to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemption of principal, and maintenance of properties. The revenue bonds are prepayable at any time in whole or in part at the sole option of the County at a price of par plus interest accrued to the date of prepayment. A portion of receipts for related sanitary sewer bills are allocated to applicable debt service funds for the repayment of the debt. In the case there are insufficient funds in the debt service funds to pay the principal & interest, the Sanitary Sewer enterprise fund will pay the remainder of the debt service.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 12 - LONG-TERM DEBT – (continued)**

The remaining USDA revenue bonds were issued for the construction of a nursing home facility and renovating the old nursing home facility to an independent living facility. The County has issued bonds which pledge the revenues from the Hillside County Living enterprise fund derived from the acquired and constructed assets to pay debt service. The bond indentures have certain restrictive covenants and principally require that debt reserves be maintained and charges for services to customers be sufficient to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemption of principal, and maintenance of properties. Repayment of debt is made from an enterprise fund.

The District Court of Appeals built a new courthouse and all local counties that utilize the court are obligated to pay a certain portion of the construction debt of \$9,441,223. For Williams County, its portion of the debt is \$411,637 which represents 4.36 percent of the construction debt. The construction debt consists of \$6,260,000 in principal and \$3,181,223 in interest. Debt payments are made from the General fund.

Principal and interest requirements to retire long-term debt outstanding at December 31, 2020, were as follows:

Governmental Activities:

Year Ended	OPWC Loans			OWDA Loans		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 9,188		\$ 9,188	\$ 367,086	\$ 43,284	\$ 410,370
2022	9,188		9,188	112,907	27,913	140,820
2023	9,188		9,188	117,680	23,139	140,819
2024	9,188		9,188	122,729	18,091	140,820
2025	9,188		9,188	128,066	12,753	140,819
2026-2030	18,375		18,375	332,199	13,195	345,394
	<u>\$ 64,315</u>		<u>\$ 64,315</u>	<u>\$ 1,180,667</u>	<u>\$ 138,375</u>	<u>\$ 1,319,042</u>

  

Year Ended	USDA Special Assessment Bonds			USDA Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 23,404	\$ 28,666	\$ 52,070	\$ 17,051	\$ 37,241	\$ 54,292
2022	24,603	27,466	52,069	17,464	36,412	53,876
2023	25,864	26,205	52,069	18,897	35,562	54,459
2024	27,190	24,880	52,070	19,353	34,643	53,996
2025	28,583	23,486	52,069	20,832	33,702	54,534
2026-2030	166,450	93,897	260,347	118,258	152,458	270,716
2031-2035	213,704	46,643	260,347	147,513	120,894	268,407
2036-2040	49,531	2,539	52,070	109,038	87,037	196,075
2041-2045				113,000	62,946	175,946
2046-2050				139,000	34,641	173,641
2051-2052				64,000	4,486	68,486
	<u>\$ 559,329</u>	<u>\$ 273,782</u>	<u>\$ 833,111</u>	<u>\$ 784,406</u>	<u>\$ 640,022</u>	<u>\$ 1,424,428</u>

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 12 - LONG-TERM DEBT – (continued)**

Year Ended	Court of Appeals Loan		
	Principal	Interest	Total
2021	18,094	2,680	20,774
2022	18,966	1,866	20,832
2023	20,056	1,003	21,059
	<u>\$ 57,116</u>	<u>\$ 5,549</u>	<u>\$ 62,665</u>

Business-Type Activities:

Year Ended	USDA Revenue Bonds		
	Principal	Interest	Total
2021	\$ 250,000	\$ 137,800	\$ 387,800
2022	263,000	125,300	388,300
2023	275,000	112,150	387,150
2024	289,000	98,670	387,670
2025	304,000	83,950	387,950
2026-2029	1,375,000	176,148	1,551,148
	<u>\$ 2,756,000</u>	<u>\$ 734,018</u>	<u>\$ 3,490,018</u>

**Conduit Debt**

There are Hospital Facility Revenue Bonds for facilities used by other entities with the aggregate original issue amount of \$10,000,000. The bonds do not represent or constitute debt or pledge of faith and credit of the taxing power of the County nor is the County obligated in any way to pay debt charges on these debt issues from its resources. The debt has been excluded entirely from the County's debt presentation.

**NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS**

**A. Regional Planning Commission**

The County participates in the Williams County Regional Planning Commission (the Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among thirty-four members comprised of the Board of County Commissioners, County Auditor, County Engineer, member of the Health Department, a member of Soil and Water, three members appointed by the City of Bryan, representatives from eight villages, and representatives from eight townships within the County. Each member's control over the operation of the Commission is limited to its representation on the Board. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the County. In 2020, the County did not contribute to the operations of the Commission. Financial records can be obtained from Vickie Grimm, Williams County Auditor, One Courthouse Square, Second Floor, Bryan, Ohio 43506-1791.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS – (continued)**

**B. Maumee Valley Planning Organization**

The County is a member of the Maumee Valley Planning Organization (MVPO), a jointly governed organization between Defiance, Fulton, Henry, Paulding, and Williams counties. MVPO is an organization established to improve the social and economic conditions of the region through development and conservation. MVPO is governed by a fifteen member executive council composed of the three county commissioners, the mayor of the largest municipality, three mayors selected by the committee of mayors that represent the incorporated cities and villages, the township trustee association president, the regional planning commission chairman, and two members at large to represent business, industry, labor, agricultural, low income, minority groups, education, and consumer protection activities.

The County provides resources to the executive council based on a membership fee and services provided to the County. MVPO exercises total control over the operation of MVPO including budgeting, contracting, and designating management. The County has no ongoing financial interest or responsibility for MVPO. In 2020, the County contributed \$141,379 in dues and loan and grant administrative fees. Financial records can be obtained from Brett Kolb, Fulton County Auditor, 152 South Fulton Avenue, Suite 165, Wauseon, Ohio 43567-3310.

**C. Ohio-Michigan-Indiana Regional Council of Governments**

The Ohio-Michigan-Indiana Regional Council of Governments (OMI) is a jointly governed organization created under the provisions of Chapter 167 of the Ohio Revised Code. OMI's purpose is to foster and develop better coordination, protection and satisfaction of the interests and needs of the public governing bodies within the OMI region. Member counties include Williams, Defiance and Fulton in the State of Ohio; Lenawee, Hillsdale and Branch in the State of Michigan; and Allen, Dekalb and Steuben in the State of Indiana. The Board is composed of a member of the Board of County Commissioners from each County which is a member. OMI was created in 2019 and had no financial activity in 2020. Information can be obtained from Vickie Grimm, Williams County Auditor, One Courthouse Square, Second Floor, Bryan, Ohio 43506-1791.

**NOTE 14 - JOINT VENTURES WITHOUT EQUITY INTEREST**

**A. Corrections Commission of Northwest Ohio**

The Corrections Commission of Northwest Ohio (CCNO) is a joint venture between Defiance, Fulton, Henry, Lucas, and Williams counties.

CCNO provides additional jail space for convicted criminals in the five counties and is a correctional center for the inmates. CCNO was created in 1986 and construction was finished and occupancy taken December 31, 1991. CCNO is governed by a Commission Team of eighteen members; one judge, one chief law enforcement officer, and one county commissioner or administrative official from each entity.

The Commission Team exercises total control over the operation of CCNO including budgeting, contracting, and designating management. The continued existence of the CCNO is dependent upon the continued participation of Williams County. The County has no ongoing interest or responsibility for CCNO. In 2020, the County contributed \$2,184,877 for CCNO's operations and services provided. Complete financial statements can be obtained from the Corrections Commission of Northwest Ohio, 03151 County Road 24.25, Stryker, Ohio 43557.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 14 - JOINT VENTURES WITHOUT EQUITY INTEREST – (continued)**

**B. Northwest Ohio Juvenile Detention, Training, and Rehabilitation Center**

The Northwest Ohio Juvenile Detention, Training, and Rehabilitation Center (the Center) is a joint venture between Defiance, Fulton, Henry, and Williams counties. The Center provides a detention facility for juveniles in the four counties. The Center was created in 1996 and construction was finished and occupancy taken in January 2000.

The District is governed by a Board of Trustees made up of thirteen members, three from each County and one at-large. The Board of Trustees exercises total control over the operation of the Center including budgeting, contracting, and designating management. The County has no ongoing financial interest or responsibility for the Center. Continued existence of Northwest Ohio Juvenile Detention Training and Rehabilitation Center is dependent upon the continued participation of Williams County. In 2020, the County contributed \$291,680 for the Center's operations. Completed financial statements can be obtained from Brett Kolb, Fulton County Auditor, 152 South Fulton Avenue, Suite 165, Wauseon, Ohio 43567-3310.

**C. Four County Solid Waste District**

The Four County Solid Waste District (the District) is a joint venture among Defiance, Fulton, Paulding, and Williams counties. The purpose of the District is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and landfilling. The District was created in 1989. The District is governed and operated through a twelve-member board of directors comprised of three commissioners from each county. Financial records are maintained by the Williams County Auditor in Bryan, Ohio. The District's sole revenue source is derived from a waste disposal fee for in-district and out-of-district waste.

The County has an ongoing financial interest in the District. The County Commissioners are able to influence the Board of Directors to use the District's surplus resources to undertake special projects of interest to the County's citizens. In the event that a county withdraws from the District, this access to the net resources has not been explicitly defined, nor is it currently measurable. The County has no ongoing financial responsibility for the District.

**D. Quadco Rehabilitation Center**

Quadco Rehabilitation Center (Quadco), a nonprofit corporation, is a joint venture between Williams, Defiance, Henry, and Fulton counties. Quadco provides services and facilities for training physically and mentally disabled persons and contracts with various agencies to obtain funding to operate the organization.

Quadco is governed by an eight-member board composed of two appointees from each of the four counties' Board of Development Disabilities (DD). Quadco, in conjunction with the county Boards of DD, assesses the needs of adult mentally challenged and developmentally disabled residents in each County and sets priorities based on the available funds. The County provides resources to Quadco based on units of service provided to it.

The County contracted with the Northwest Ohio Waiver Administration Council (NOWAC) to provide services including administration of payments to Quadco. For the year ended December 31, 2020, the County remitted \$32,483 through NOWAC to supplement its operations.



**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 14 - JOINT VENTURES WITHOUT EQUITY INTEREST – (continued)**

Quadco operates autonomously from the County and the County has no financial responsibility of the operations of Quadco. Should Quadco dissolve, the property and equipment of the corporation would revert back to the four counties. This access to the net resources of Quadco has not been explicitly defined, nor is it currently measurable. Complete financial statements for Quadco can be obtained from Quadco Rehabilitation Center, 427 North Defiance Street, Stryker, Ohio 43557.

**E. Four County Board of Alcohol, Drug Addiction, and Mental Health Services**

The Four County Board of Alcohol, Drug Addiction, and Mental Health Services (ADAMHS Board) is a four County political organization whose general purpose is to provide leadership in planning for and supporting community-based alcohol, drug addiction, and mental health services in cooperation with public and private resources with emphasis on the development of prevention and early intervention programming, while respecting, protecting, and advocating the rights of persons as consumers of alcohol, drug addiction, and mental health services.

The governing board of the ADAMHS Board consists of eighteen members. Four members are appointed by the Ohio Director of Alcohol and Drug Addiction Services, four are appointed by the Ohio Director of Mental Health Services, three each are appointed by Defiance and Fulton counties and two each are appointed by Henry and Williams counties. The governing board exercises total control over the operation of the ADAMHS Board including budgeting, contracting, and designating management.

The main sources of revenue of the ADAMHS Board are state and federal grants and a property tax levy covering the entire four county area. Outside agencies are contracted by the Board to provide services for the ADAMHS Board. The ADAMHS Board operates autonomously from the County and the County has no financial responsibility for the operations of the ADAMHS Board. The County does have indirect access to the net resources of the ADAMHS Board. In the event the County withdrew from the ADAMHS Board, it would be entitled to a share of the state and federal grants that are currently being received by the ADAMHS Board. This access to net resources of the ADAMHS Board has not been explicitly defined nor is it currently measurable. In 2020, the County collected and remitted \$798,133 in property taxes to the ADAMHS Board's operations. Complete financial statements can be obtained from Jill R. Little, Defiance County Auditor, 221 Clinton Street, Defiance, Ohio 43512.

**F. Multi-Area Task Force**

The Multi-Area Task Force (Task Force) is a joint venture among Defiance, Williams, Fulton, and Putnam counties and Defiance and Bryan City. The Task Force is jointly controlled by the chief law enforcement officer of each respective entity. The main source of revenue for the Task Force is from federal grants and local matching funds from the entities. The County has no ongoing financial interest or responsibility for the Task Force. In 2020, the County contributed \$25,000 to the Task Force's operations. Information can be obtained from the Defiance County Sheriff's Office, 113 Beide Street, Defiance, Ohio 43512.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 15 - PUBLIC ENTITY RISK POOLS**

**A. County Risk Sharing Authority, Inc.**

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

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

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

The County is participating in the County Commissioners' Association of Ohio Workers' Compensation Group Rating Plan as established under § 4123.29 of the Ohio Revised Code. The County Commissioners Association Service Corporation (CCAOSC) was established through the County Commissioners' Association of Ohio (CCAO) as a group purchasing pool.

A group executive committee is responsible for calculating annual rate contributions and rebates; approving the selection of a third party administrator; reviewing and approving proposed third party fees, fees for risk management services, and general management fees; determining ongoing eligibility of each participant; and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of the CCAOSC and the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member on the group executive committee in any year and each elected member shall be a County Commissioner.

**C. County Employee Benefits Consortium of Ohio**

The County participates in the County Employee Benefits Consortium of Ohio (CEBCO) which is a group purchasing consortium available to county governments in Ohio. CEBCO was established in February 2004 pursuant to Articles of Incorporation file under Chapter 1702 of the Ohio Revised Code – Non-Profit Corporations. CEBCO was formed by the County Commissioners Association (CCAO) to provide cost effective employee benefit programs for counties in Ohio. CEBCO provides the following insurance programs:

- Medical Insurance – Anthem Blue Cross and Blue Shield
- Dental Insurance – Delta Dental
- Prescription Drug – Anthem Blue Cross and Blue Shield/IngenioRx

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 15 - GROUP INSURANCE POOLS – (continued)**

CEBCO is governed by a board comprised of representatives of counties that participate in the program. The board will consist of not less than nine (9) or more than fifteen (15) directors. Two-thirds of the directors shall be county commissioners of member counties and the remaining one-third shall be employees of the member counties. Each member of the consortium signs a Participation Agreement and is committed to the consortium for at least three years in order to ensure stability of the program.

**NOTE 16 - RELATED ORGANIZATIONS**

**A. Williams Metropolitan Housing Authority**

The Williams Metropolitan Housing Authority (the Housing Authority) was created under the authority of § 3735.27 of the Ohio Revised Code. The Housing Authority is governed by a five member board, one of which is (each) appointed by the Williams County Commissioners, the Probate Judge, and by the Common Pleas Judge respectively. Williams County is not financially accountable for the activities of the Housing Authority. Financial information can be obtained from the Williams Metropolitan Housing Authority, Mary Jo Sands, Executive Director, at 1044 Chelsea, Napoleon, Ohio 43545.

**B. Williams County Public Library**

The Williams County Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the County Commissioners and the Common Pleas Judge. The Board of Trustees possesses its own contracting and budgeting authority; hires and fires personnel; and does not depend on the County for operational subsidies. Although the County does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Williams County Public Library, Peggy Disbro, Clerk-Treasurer, at 107 East High Street, Bryan, Ohio 43506-1702.

**C. Williams County Regional Airport Authority**

The Williams County Regional Airport Authority (the Airport Authority) was created by resolution of the County Commissioners under the authority of Chapter 308 of the Ohio Revised Code. The Airport Authority is governed by a seven member Board of Directors appointed by the County Commissioners. The Board of Directors has the authority to exercise all the powers and privileges provided under the law. These powers include the ability to sue or be sued in its corporate name; the power to establish and collect rates, rentals, and other charges; the authority to acquire, construct, operate, manage, and maintain airport facilities; the authority to buy and sell real and personal property; and the authority to issue debt for acquiring or constructing any facility or permanent improvement. The Williams County Auditor services as the fiscal officer for the Airport Authority and the County Commissioners are the administrators of all airport grants.

Although the County has no obligation to provide financial resources to the Airport Authority, the County Commissioners have, in prior years, allocated certain funds to the Airport Authority. In 2020, the County contributed \$78,000 to the Airport Authority for operating expenses.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 16 - RELATED ORGANIZATIONS – (continued)**

**D. Williams County Port Authority**

The Williams County Port Authority (the Port Authority) was created by resolution of the County Commissioners under the authority of Chapter 4582 of the Ohio Revised Code. The Port Authority was created to support the creation of jobs and employment opportunities and to improve economic welfare of Williams County residents.

The Port Authority is governed by a Board of Directors comprised of seven members, each of whom serves a term of four years. All members of the Board of Directors are appointed by this Board except for the two members recommended by the Mayor of the City of Bryan. The Board of Directors has the authority to exercise all the powers and privileges provided under the law. These powers include the ability to sue or be sued in its corporate name; the power to establish and collect rates, rentals, and other charges; the authority to acquire, construct, operate, manage, and maintain airport facilities; the authority to buy and sell real and personal property; and the authority to issue debt for acquiring or constructing any facility or permanent improvement. The Port Authority serves as custodian of its own funds and maintains all records and accounts independent of Williams County. Williams County has no obligation to provide financial resources to the Port Authority. In 2020, the County contributed \$0 for Port Authority expenses.

**E. Williams County Transportation Improvement District**

The Williams County Transportation Improvement District (WCTID) is a body politic and corporate, created for the purpose of financing, constructing, maintaining, repairing, and operating selected transportation projects. The WCTID was specifically created pursuant to Chapter 5540 of the Ohio Revised Code, as amended. The WCTID was created by action of the Board of Williams County Commissioners on August 10, 2015. The WCTID is governed by a Board of Trustees that acts as the authoritative and legislative body of the entity. The Board is comprised of seven members of whom five are voting and two are non-voting. Each Board member serves a term of two years and there are no term limits for reappointment. The five voting Board members are appointed by the Board of Williams County Commissioners. Complete financial statements of the WCTID may be obtained from Vickie Grimm, Secretary-Treasurer at One Courthouse Square, 2nd Floor, Bryan, Ohio 43506.

**F. Williams County Land Reutilization Corporation**

The Williams County Land Reutilization Corporation (WCLRC) is a community improvement corporation designed to strengthen neighborhoods in the County by returning vacant and abandoned properties back to the tax rolls through strategic real estate acquisitions and community partnerships in the redevelopment of Williams County properties. The WCLRC was specifically created pursuant to Chapter 1724 of the Ohio Revised Code. The WCLRC was created by action of the Board of Williams County Commissioners on July 18, 2016. Pursuant to provisions in the Ohio Revised Code, the WCLRC is a legally separate organization that receives funding through the collection of delinquent taxes. Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on the population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. Complete financial statements of the WCLRC may be obtained from Kellie Gray, Secretary-Treasurer at One Courthouse Square, 2nd Floor, Bryan, Ohio 43506.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 17 - CONTINGENCIES**

Amounts grantor agencies pay to the County are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

The County is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the County's financial condition.

**NOTE 18 - COMPENSATED ABSENCES**

Under the basis of accounting utilized by the County (See Note 2.C), the compensated absences liability is not reported on the financial statements. The compensated absences liability below if presented below for informational purposes only.

County employees earn vacation and sick leave at varying rates depending on length of service and department policy.

All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County. Vacation benefits are accrued if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means

Accumulated, unused sick leave is paid, up to a maximum of 90 days, depending on length of service of the employee who retires. Sick leave benefits are accrued using the termination method. The amount is based on an estimate of the amount of accumulated sick leave that will probably be paid as termination benefits.

As of December 31, 2020, the liability for compensated absences was \$942,448 for the entire County.

**NOTE 19 - CAPITAL ASSETS**

A summary of the capital assets at December 31, 2020 was as follows:

	Governmental Funds	Business-Type Funds	Total All Funds
Land	\$ 1,046,440	\$ 611,217	\$ 1,657,657
Land Improvements	4,902,855	395,599	5,298,454
Building and Improvements	19,056,186	9,579,861	28,636,047
Machinery, Furniture, and Equipment	6,540,886	1,069,235	7,610,121
Vehicles	5,964,141	454,375	6,418,516
Infrastructure		16,340,010	16,340,010
Total	<u>\$ 37,510,508</u>	<u>\$ 28,450,297</u>	<u>\$ 65,960,805</u>

Under the basis of accounting utilized by the County (See Note 2.C), capital asset balances are not reported on the financial statements. Capital asset balances are presented above for informational purposes only.

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 20 - INTERFUND RECEIVABLES / PAYABLES**

In 2020, the Northwest Water District repaid the General Fund \$100 towards prior year advances. At December 31, 2020, \$217,826 is owed to the General fund from the Northwest Water District Custodial fund. The balance due from the Northwest Water District Agency fund includes loans made for project and operation expenses and will be paid back from user charges.

The Victims Assistance Special Revenue fund also repaid the General Fund \$1,900 towards prior year advances. Balance due from the Victims Assistance Special Revenue fund is \$0.

The General Fund advanced \$10,295 to the Williams County Park Board Custodial fund to cover project expenses that are expected to be charged to a reimbursement grant in 2021. This amount is expected to be repaid within one year.

The General Fund also advanced \$446,000 to the Kunkle Sewer Capital Project fund to cover project expenses that are expected to be charged to a reimbursement grant in 2021. This amount is expected to be repaid within one year.

**NOTE 21 - FUND BALANCE**

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

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 21 - FUND BALANCE – (Continued)**

<b>Fund Balance</b>	<b>General</b>	<b>Auto and Gas</b>	<b>Enrichment Center</b>	<b>Job and Family Services</b>	<b>Department of Aging</b>	<b>Other Governmental</b>	<b>Total Governmental Funds</b>
Nonspendable For:							
Unclaimed Funds	\$35,785						\$35,785
Restricted For:							
Legislative & Executive Programs						\$1,171,826	1,171,826
Judicial Programs						1,027,456	1,027,456
Public Safety Programs						338,895	338,895
Public Works Projects		\$2,177,020				582,993	2,760,013
Human Service Programs			\$5,284,508	\$220,835	\$1,014,729	1,793,627	8,313,699
Economic Development						541,882	541,882
Health Programs						195,668	195,668
Debt Service						361,092	361,092
Capital Projects						33,647	33,647
Total Restricted		2,177,020	5,284,508	220,835	1,014,729	6,047,086	14,744,178
Committed For:							
Health Programs						809,460	809,460
Total Committed						809,460	809,460
Assigned for:							
Unpaid Obligations (encumbrances)	817,782						817,782
Capital Projects						1,218,916	1,218,916
Total Assigned	817,782					1,218,916	2,036,698
Unassigned	8,032,064						8,032,064
<b>Total Fund Balance</b>	<b>\$8,885,631</b>	<b>\$2,177,020</b>	<b>\$5,284,508</b>	<b>\$220,835</b>	<b>\$1,014,729</b>	<b>\$8,075,462</b>	<b>\$25,658,185</b>

**NOTE 22 – CONTRACTUAL COMMITMENTS**

As of December 31, 2020, the County had the following outstanding contractual purchase commitments for county website development, engineering services for the Kunkle and Alvornton sewer projects and various services for an abandoned gas station cleanup program.

<b>Vendor</b>	<b>Contract Amount</b>	<b>Amount Paid</b>	
		<b>as of 12/31/2020</b>	<b>Outstanding Balance</b>
CivicPlus	\$ 50,000	\$ 39,600	\$ 10,400
Jones & Henry Engineers	125,000	112,542	12,458
TetraTech	250,000	212,675	37,325
<b>Total</b>	<b>\$ 425,000</b>	<b>\$ 364,817</b>	<b>\$ 60,183</b>

WILLIAMS COUNTY

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)

**NOTE 23 - OTHER CASH RECEIPTS**

General Fund Other cash receipts primarily consisted of \$597,857 in Ohio Bureau of Workers' Compensation refunds and rebates.

Department of Aging Fund Other cash receipts primarily consisted of \$239,420 in project income related to receipts for meals served at the County's senior centers and delivered to home bound seniors within the County.

**NOTE 24 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For 2020, the County has implemented GASB Statement No. 83, "Certain Asset Retirement Obligations", GASB Statement No. 84, "Fiduciary Activities", GASB Statement No. 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements", and GASB Statement No. 90, "Majority Equity Interests - an amendment to GASB Statements No. 14 and No. 61."

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the County.

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 agency funds and these funds will be reported in the new fiduciary classification of custodial funds. These fund reclassifications resulted in the restatement of the County's financial statements. See Note 24.C. for details on the restatement.

GASB Statement No. 88 improves the information that is disclosed in notes to the basic financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the County.

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the County.

For 2020, the County has applied GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*" to GASB Statement Nos. 87 and 89, which were originally due to be implemented in 2020. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.



**WILLIAMS COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**  
**(Continued)**

**NOTE 24 - ACCOUNTABILITY AND COMPLIANCE (Continued)**

The following pronouncement is postponed by one year and the County has elected delaying implementation until the fiscal year ended December 31, 2021:

- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

The following pronouncements are postponed by eighteen months and the County has elected delaying implementation until the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

**B. Compliance**

Ohio Administrative Code Section 117-2-03 (B) requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. However, the County prepared its financial statements on a cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, net position/fund balances, and disclosures that, while material, cannot be determined at this time. The County can be fined and various other administrative remedies may be taken against the County.

Contrary to Ohio law, the County inappropriately recorded the sale of a permanent improvement in the wrong fund.

**C. Restatement of Net Position/Fund Balance**

The implementation of GASB Statement No. 84 had the following effect on fund balances and net position at December 31, 2019:

**WILLIAMS COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020  
(Continued)**

**NOTE 24 - ACCOUNTABILITY AND COMPLIANCE (Continued)**

	General	Auto and Gas	Enrichment Center	Job and Family Services	Department of Aging
Fund balance					
previously reported	\$ 6,863,919	\$ 2,234,479	\$ 4,383,357	\$ 205,127	\$ 740,526
GASB Statement 84	88,857	50			20,071
Restated cash fund balance at December 32, 2019	<u>\$ 6,952,776</u>	<u>\$ 2,234,529</u>	<u>\$ 4,383,357</u>	<u>\$ 205,127</u>	<u>\$ 760,597</u>

  

	Other Governmental Funds	Total Governmental Funds	Governmental Activities
Fund balance			
previously reported	\$ 6,730,940	\$ 21,158,348	\$ 21,158,348
GASB Statement 84	38,384	147,362	147,362
Restated cash fund balance at December 32, 2019	<u>\$ 6,769,324</u>	<u>\$ 21,305,710</u>	<u>\$ 21,305,710</u>

  

	Hillside	Other Enterprise Funds	Total Business-Type Funds	Business-Type Activities
Fund balance				
previously reported	\$ 4,568,692	\$ 192,476	\$ 4,761,168	\$ 4,761,168
GASB Statement 84	75		75	75
Restated cash fund balance at December 32, 2019	<u>\$ 4,568,767</u>	<u>\$ 192,476</u>	<u>\$ 4,761,243</u>	<u>\$ 4,761,243</u>

The governmental and business-type activities net cash position at December 31, 2019 equal the restated fund cash balances at December 31, 2019 since there are no adjustments required to convert the fund financial statements to the government-wide financial statements.

Due to the implementation of GASB Statement No. 84, the new classification of custodial funds is reporting a beginning net position of \$5,857,381. Also, related to the implementation of GASB Statement No. 84, the County will no longer be reporting agency funds. At December 31, 2019, agency funds reported assets of \$6,004,818.

**NOTE 25 - 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 impact on the County's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

WILLIAMS 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 Federal Expenditures
<b>U.S. DEPARTMENT OF LABOR</b>				
<i>Passed Through Montgomery County WIA Area 7</i>				
<u>Workforce Innovation and Opportunity Act (WIOA) Cluster</u>				
WIA Adult Program	17.258	2018-7186-1 / 2020/21-7186-1	\$	11,823
WIA Youth Activities	17.259	2018-7186-1 / 2020/21-7186-1		7,357
WIA Dislocated Worker Formula Grants	17.278	2018-7186-1 / 2020/21-7186-1		<u>30,704</u>
Total WIOA Cluster				49,884
<u>Employment Service Cluster</u>				
Employment Service/Wagner-Peyser Funded Activities	17.207	2018-7186-1 / 2020/21-7186-1		17,330
Trade Adjustment Assistance	17.245	2018-7186-1 / 2020/21-7186-1		<u>3,110</u>
<b>Total U.S. Department of Labor</b>				<b><u>70,324</u></b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<i>Passed Through The Area Office of Aging of Northwestern Ohio, Inc</i>				
<u>Aging Cluster:</u>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044			9,426
Nutrition Services Incentive Program	93.053			73,854
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045			86,085
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045			48,560
Total Title III Part C - Nutrition Services				<u>134,645</u>
Total Aging Cluster				217,925
<i>Passed Through the Ohio Department of Job and Family Services</i>				
<u>Supplemental Nutrition Assistance Program (SNAP) Cluster:</u>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2021-11-6012		142,521
Promoting Safe and Stable Families	93.556	G-2021-11-6012		8,883
Temporary Assistance for Needy Families	93.558	G-2021-11-6012		913,852
<u>CCDF Cluster:</u>				
Child Care and Development Block Grant	93.575	G-2021-11-6012	\$	22,837
Child Support Enforcement	93.563	G-2021-11-6012		357,652
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2021-11-6012		31,382
Foster Care, Title IV-E	93.658	G-2021-11-6012		173,310
Adoption Assistance	93.659	G-2021-11-6012		162,928
Social Services Block Grant	93.667	G-2021-11-6012		222,598
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-2021-11-6012		2,548
Children's Health Insurance Program	93.767	G-2021-11-6012		59,827
<u>Medicaid Cluster:</u>				
Medical Assistance Program	93.778	G-2021-11-6012		<u>402,156</u>
Total Passed Through Ohio Job and Family Services			<u>22,837</u>	<u>2,500,494</u>
<i>Passed Through Ohio Department of Developmental Disabilities</i>				
Social Services Block Grant	93.667	2001OHSOSR		20,637
<u>Medicaid Cluster:</u>				
Medical Assistance Program	93.778	2005OH5ADM		57,489
Medical Assistance Program	93.778	2105OH5ADM		18,432
Total Medical Assistance Program				<u>75,921</u>
Total Passed Through Ohio Department of Developmental Disabilities				96,558

(Continued)

WILLIAMS 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 Federal Expenditures
Total All Social Services Block Grants - CFDA #93.667				243,235
Total Medicaid Cluster - CFDA #93.778				478,077
<b>Total U.S. Department of Health and Human Services</b>			<b>22,837</b>	<b>2,814,977</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
<i>Passed Through Ohio Development Services Agency</i>				
HOME Investment Partnerships Program	14.239	B-C-18-1DA-2		215,897
Community Development Block Grants/State's Program	14.228	B-E-17-1DA-1		28,081
Community Development Block Grants/State's Program	14.228	B-C-18-1DA-1		208,174
Community Development Block Grants/State's Program	14.228	B-E-18-1DA-1		5,000
Community Development Block Grants/State's Program	14.228	B-F-19-1DA-1		112,800
Community Development Block Grants/State's Program	14.228	B-X-19-1DA-1		438,900
Community Development Block Grants/State's Program	14.228	B-X-19-1DA-2		6,000
Total Community Development Block Grants/State's Program				<u>798,955</u>
<b>Total U.S. Department of Housing and Urban Development</b>				<b>1,014,852</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<i>Passed Through the Ohio Department of Public Safety Emergency Management Agency</i>				
Emergency Management Performance Grants	97.042	EMC-2019-EP-00005		48,306
Pre-Disaster Mitigation	97.047	EMC-2018-PC-0006		2,475
<i>Passed Through the Lucas County Emergency Management Agency</i>				
Homeland Security Grant Program	97.067	EMC-2018-SS-00038-SO1		<u>24,673</u>
<b>Total U.S. Department of Homeland Security</b>				<b>75,454</b>
<b>ELECTION ASSISTANCE COMMISSION</b>				
<i>Passed Through the Ohio Secretary of State</i>				
2018 HAVA Election Security Grants	90.404			41,147
COVID-19 2018 HAVA Election Security Grants	90.404			29,562
Total HAVA Election Security Grants				<u>70,709</u>
<b>Total Election Assistance Commission</b>				<b>70,709</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
<i>Direct Assistance</i>				
Bulletproof Vest Partnership Program	16.607	2018BUBX18093949		513
<i>Passed Through The Ohio Attorney General</i>				
Crime Victim Assistance	16.575	2020-VOCA-132925679		64,202
Crime Victim Assistance	16.575	2021-VOCA-134143517		13,749
Total Crime Victim Assistance				<u>77,951</u>
<i>Passed Through the Ohio Department of Public Safety Ohio Office of Criminal Justice Services</i>				
Coronavirus Emergency Supplemental Funding Program	16.034	2020-CE-OTH-2016	43,300	<u>43,300</u>
<b>Total U.S. Department of Justice</b>			<b>43,300</b>	<b>121,764</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>				
<i>Passed Through the Ohio Department of Transportation</i>				
<u>Highway Planning and Construction Cluster:</u>				
Highway Planning and Construction	20.205	109328		1,153,647
Highway Planning and Construction	20.205	110515		1,477
Total Highway Planning and Construction Cluster				<u>1,218,204</u>
<i>Passed Through the Ohio Department of Public Safety, Ohio State Highway Patrol</i>				
<u>Highway Safety Cluster:</u>				
State and Community Highway Safety	20.600	STEP 2020-WILLIAMS COUNTY SHERIFFS-00009		3,795
State and Community Highway Safety	20.600	STEP 2021-WILLIAMS COUNTY SHERIFFS-00052		1,477
Total Highway Safety Cluster				<u>5,272</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP 2020-WILLIAMS COUNTY SHERIFFS-00009		7,883
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP 2021-WILLIAMS COUNTY SHERIFFS-00052		1,884
Total Repeat Offenders for Driving While Intoxicated (DWI)				<u>9,767</u>
<b>Total U.S. Department of Transportation</b>				<b>1,233,243</b>

(Continued)

WILLIAMS 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 Federal Expenditures
<b>U.S. DEPARTMENT OF DEFENSE</b>				
<i>Direct Assistance</i>				
North Dakota Environmental Infrastructure (Section 594) - ARRA	12.118			33,332
<b>Total U.S. Department of Defense</b>				<b>33,332</b>
<b>U.S. DEPARTMENT OF TREASURY</b>				
<i>Passed Through Ohio Office of Budget and Management</i>				
Coronavirus Relief Fund	21.019			2,187,258
COVID-19 Coronavirus Relief Fund - Provider Relief Program	21.019			140,500
<i>Passed Through Brady Township</i>				
Coronavirus Relief Fund	21.019			24,000
<i>Passed Through Jefferson Township</i>				
Coronavirus Relief Fund	21.019			88,746
<b>Total U.S. Department of Treasury</b>				<b>2,440,504</b>
<b>Total</b>			<b>\$ 66,137</b>	<b>\$ 7,875,159</b>

The accompanying notes are an integral part of this schedule.

**WILLIAMS COUNTY**

**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 Williams 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 or changes in net position 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 Department of Public Safety to other governments or not-for-profit agencies (subrecipients). As Note B describes, the County reports expenditures of Federal awards to subrecipients when paid in cash.

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

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

The current cash balance on the County's local program income account as of December 31, 2020 is \$541,843.

**NOTE F – MATCHING REQUIREMENTS**

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

WILLIAMS COUNTY

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

**NOTE G – TRANSFERS BETWEEN FEDERAL PROGRAMS**

During fiscal year 2020, the County made allowable transfers of \$175,038 from the Temporary Assistance for Needy Families (TANF) (93.558) program to the Social Services Block Grant (SSBG) (93.667) program. The Schedule shows the County spent approximately \$913,852 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during fiscal year 2020 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families (TANF)	\$1,088,890
Transfer to Social Services Block Grant (SSBG)	<u>(175,038)</u>
Total	<u>\$ 913,852</u>

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# OHIO AUDITOR OF STATE KEITH FABER



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

Williams County  
One Courthouse Square, Second Floor  
Bryan, Ohio 43506-1791

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash-basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Williams 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 and have issued our report thereon dated October 14, 2021, wherein we noted the County uses a special purpose framework other than generally accepted accounting principles. We also noted the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. In addition, we noted the financial impact of COVID-19 and the continuing emergency measures which 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider material weaknesses. We consider findings 2020-002 and 2020-003 to be material weaknesses.

***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 statement. 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 instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2020-001 and 2020-002.

***County's Response to Findings***

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and corrective action plan. We did not subject the County's responses to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

***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

October 14, 2021



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

Williams County  
One Courthouse Square, Second Floor  
Bryan, Ohio 43506-1791

To the Board of Commissioners:

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

We have audited Williams County, Ohio'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 Williams 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 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, Williams 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

October 14, 2021

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

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Coronavirus Relief Fund – CFDA #21.019 Medicaid Cluster Highway Planning and Construction Cluster
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	No

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

**FINDING NUMBER 2020-001**

**Noncompliance**

**Ohio Rev. Code § 117.38** provides that each public office shall file a financial report for each fiscal year. Also, entities filing on a cash-basis must file their annual report with the Auditor of State within 60 days of the fiscal year-end. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office.

**Ohio Admin. Code 117-2-03(B)**, which further clarifies the requirements of Ohio Rev. Code § 117.38, requires the County to file annual financial reports which are prepared using generally accepted accounting principles (GAAP).

The County prepared financial statements that, although formatted similar to financial statements prescribed by the Governmental Accounting Standards Board, report on the cash basis of accounting rather than GAAP. The accompanying financial statements and notes omit certain assets, liabilities, deferred inflows/outflows of resources, fund equities/net position, and disclosures that, while presumed material, cannot be determined at this time. Also, the County's annual financial report was due on March 1, 2021; however, due to deficiencies in policies and procedures over the filing of annual reports, the County's report was not filed until March 11, 2021.

Pursuant to Ohio Rev. Code § 117.38 the County may be fined and subject to various other administrative remedies for its failure to file the required financial report. Failure to report on a GAAP basis compromises the County's ability to evaluate and monitor the overall financial condition of the County. To help provide the users with more meaningful financial statements, the County should prepare its annual financial statements according to generally accepted accounting principles. In addition, the County should file their cash basis annual report on the Auditor of State's Hinkle System within 60 days of fiscal year-end.

**Officials' Response:**

See corrective action plan.

**FINDING NUMBER 2020-002**

**Noncompliance and Material Weakness**

**Ohio Rev. Code § 5705.10(F)** requires revenue received from the sale of a permanent improvement to be paid into the sinking fund, the bond retirement fund, or a special fund for the construction or acquisition of permanent improvements. **Ohio Rev. Code § 5705.01(E)** defines "permanent improvement" or "improvement" to mean any property, asset, or improvement with an estimated life or usefulness of five years or more, including land and interests therein, and reconstructions, enlargements, and extensions thereof having an estimated life or usefulness of five years or more.

Due to a deficiency in the implementation of controls over the sale of assets and recording of assets, the County inappropriately recorded \$250,744 from the sale of a permanent improvement (a school building run by the Board of Developmental Disabilities) in the Enrichment Center Fund. Given the source of the revenue, this should have been recorded in the Capital Projects fund. Audit adjustments are reflected in the financial statements and in the accounting records correcting these misstatements.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The County should implement controls to help ensure all transactions are reviewed and posted to the proper funds.

**Officials' Response:**

See corrective action plan.

### FINDING NUMBER 2020-003

#### Material Weakness – Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were identified:

- Incorrect fiduciary activity determination in accordance with Governmental Accounting Standards Board (GASB) Statement No. 84 affected the following funds and line items:
  - o General fund:
    - Beginning fund cash balance was understated by \$88,857.
    - General Government: Legislative and Executive cash disbursements were understated by \$87,536.
    - General Government: Judicial cash disbursements were understated by \$125.
    - Public Safety cash disbursements were understated by \$1,196.
  - o Auto and Gas fund:
    - Beginning fund cash balance was understated by \$50.
    - Public Works cash disbursements were understated by \$50.
  - o Department of Aging fund:
    - Beginning fund cash balance was understated by \$20,071.
    - Intergovernmental cash receipts were understated by \$20,071.
  - o Other Governmental funds:
    - Beginning fund cash balance was understated by \$38,384.
    - Intergovernmental cash receipts were understated by \$20,296.
    - Public Safety cash disbursements were understated by \$16,900.
    - Health cash disbursements were understated by \$30.
  - o Hillside fund:
    - Beginning fund cash balance was understated by \$75.
    - Personal Services operating cash disbursements were understated by \$75.
  - o Custodial funds:
    - Beginning fund cash balance was overstated by \$26,901.
    - Intergovernmental additions were understated by \$1,760,131.
    - Amounts Received as Fiscal Agent additions were overstated by \$20,296.
    - Distributions as Fiscal Agent deductions were overstated by \$5,447.
    - Other Distributions deductions were understated \$1,760,131.
- Final budgetary basis disbursements reported in the Auto and Gas fund Statement of Receipts, Disbursements and Changes in Fund Balance – Budgetary Basis, did not agree to Board approved amounts. Public works disbursements were understated by \$1,119,221.

These errors were not identified and corrected prior to the County preparing its financial statements due to deficiencies in the County's internal controls over financial statement monitoring. Failure to complete accurate financial statements could lead to the Board of Commissioners making misinformed decisions. The accompanying financial statements have been adjusted to correct these changes.

In addition to the adjustments noted above, we also identified additional misstatements ranging from \$24,673 to \$3,081,043 that we have brought to the County's attention.

To help ensure the County's financial statements and notes to the financial statements are complete and accurate, the County should adopt policies and procedures, including final review of the financial statements and notes to the financial statements by the County Auditor and the audit committee, to help identify and correct errors and omissions.

**Officials' Response:**

See corrective action plan.

<b>3. FINDINGS FOR FEDERAL AWARDS</b>
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None.





# Williams County Auditor

## Vickie L. Grimm

One Courthouse Square  
 Bryan, Ohio 43506  
 Phone 419-636-5639  
 Fax 419-636-8584  
 E-mail: auditor@wmsco.org

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR 200.511(b) DECEMBER 31, 2020

Finding Number	Finding Summary	Status	Additional Information
2019-001	Finding first reported in 2001. Ohio Rev. Code § 117.38 and Ohio Admin. Code § 117-2-03(B) for reporting on a basis other than generally accepted accounting principles.	Not corrected and reissued as Finding 2020-001 in this report.	Management believes reporting on a basis of accounting other than generally accepted accounting principles (GAAP) is more cost efficient.
2019-002	Finding first reported in 2018. Material weakness for lack of monitoring of financial transactions resulting in errors in financial statements.	Not corrected and reissued as Finding 2020-003 in this report.	Additional errors occurred which were not detected by management. Management is aware and understands the importance of the information presented on the financial statements. The County has entered into an agreement with Julian and Grube beginning with fiscal year 2021 for the preparation and compilation of the financial statements which should minimize any future reporting errors.



# Williams County Auditor Vickie L. Grimm

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E-mail: [auditor@wmsco.org](mailto:auditor@wmsco.org)

## CORRECTIVE ACTION PLAN 2 CFR § 200.511(c) DECEMBER 31, 2020

<b>Finding Number:</b>	2020-001
<b>Planned Corrective Action:</b>	Management believes reporting on a basis of accounting other than generally accepted accounting principles (GAAP) is more cost efficient.
<b>Anticipated Completion Date:</b>	N/A
<b>Responsible Contact Person:</b>	Vickie Grimm, County Auditor
<b>Finding Number:</b>	2020-002
<b>Planned Corrective Action:</b>	Additional errors occurred which were not detected by management. Management is aware and understands the importance of the information presented on the financial statements. The County has entered into an agreement with Julian and Grube beginning with fiscal year 2021 for the preparation and compilation of the financial statements which should minimize any future reporting errors.
<b>Anticipated Completion Date:</b>	December 31, 2021
<b>Responsible Contact Person:</b>	Vickie Grimm, County Auditor
<b>Finding Number:</b>	2020-003
<b>Planned Corrective Action:</b>	Additional errors occurred which were not detected by management. Management is aware and understands the importance of the information presented on the financial statements. The County has entered into an agreement with Julian and Grube beginning with fiscal year 2021 for the preparation and compilation of the financial statements which should minimize any future reporting errors.
<b>Anticipated Completion Date:</b>	December 31, 2021
<b>Responsible Contact Person:</b>	Vickie Grimm, County Auditor

# OHIO AUDITOR OF STATE KEITH FABER



**WILLIAMS 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 11/4/2021**

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

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