

CLINTON COUNTY, OHIO

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024



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County Commissioners
Clinton County
1850 David's Drive
Wilmington, Ohio 45177

We have reviewed the *Independent Auditors' Report* of Clinton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Clinton County is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

August 29, 2025

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INDEPENDENT AUDITORS' REPORT

Clinton County, Ohio
Board of County Commissioners
1850 David's Drive
Wilmington, Ohio 45177

Report on the Audit of the Financial Statements

Opinions

We have audited the cash basis financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Clinton County, Ohio (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2024, and the respective changes in cash basis financial position and the respective budgetary comparisons for the General, Motor Vehicle and Gas Tax, Board of Developmental Disabilities, JFS Children's Services, and American Rescue Plan Funds for the year then ended in accordance with the cash basis of accounting described in Note 2.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - 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 of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 27, 2025

Basic Financial Statements

Clinton County, Ohio
Statement of Net Position - Cash Basis
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Port Authority
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 63,202,535	\$ 5,443,632	\$ 68,646,167	\$ 16,180,214
Cash and Cash Equivalents in Segregated Accounts	125,995	-	125,995	-
Cash and Cash Equivalents with Fiscal Agents	2,519,714	-	2,519,714	-
<i>Total Assets</i>	<u>65,848,244</u>	<u>5,443,632</u>	<u>71,291,876</u>	<u>16,180,214</u>
Net Position				
Restricted for:				
General Government	3,734,306	-	3,734,306	-
Public Security Programs	643,948	-	643,948	-
Health Programs	8,678,840	-	8,678,840	-
Public Works	10,802,544	-	10,802,544	-
Public Services	7,257,889	-	7,257,889	-
Economic Development	66,050	-	66,050	-
Capital Projects	203,882	-	203,882	-
Debt Service	3,973	-	3,973	-
Other Purposes	22,766	-	22,766	3,690,127
Unrestricted	34,434,046	5,443,632	39,877,678	12,490,087
<i>Total Net Position</i>	<u>\$ 65,848,244</u>	<u>\$ 5,443,632</u>	<u>\$ 71,291,876</u>	<u>\$ 16,180,214</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Activities - Cash Basis
For the Year Ended December 31, 2024

		Program Receipts			Net (Disbursements) Receipts and Changes in Net Position			Component Unit
	Cash Disbursements	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total	Port Authority
Governmental Activities								
General Government								
Legislative and Executive	\$ 8,705,109	\$ 3,138,238	\$ 65,547	\$ -	\$ (5,501,324)	\$ -	\$ (5,501,324)	\$ -
Judicial	5,082,880	580,519	1,230,708	-	(3,271,653)	-	(3,271,653)	-
Public Security Programs	7,803,484	1,364,676	308,813	-	(6,129,995)	-	(6,129,995)	-
Public Works	5,261,620	591,589	5,846,345	-	1,176,314	-	1,176,314	-
Health Programs	4,528,820	572,490	797,980	-	(3,158,350)	-	(3,158,350)	-
Public Services	11,884,823	351,953	6,993,335	-	(4,539,535)	-	(4,539,535)	-
Economic Development	423,621	-	402,255	-	(21,366)	-	(21,366)	-
Capital Outlay	7,257,491	-	-	2,735,349	(4,522,142)	-	(4,522,142)	-
Debt Service:								
Principal Retirement	850,000	-	-	-	(850,000)	-	(850,000)	-
Interest and Fiscal Charges	62,630	-	-	-	(62,630)	-	(62,630)	-
<i>Total Governmental Activities</i>	<u>51,860,478</u>	<u>6,599,465</u>	<u>15,644,983</u>	<u>2,735,349</u>	<u>(26,880,681)</u>	<u>-</u>	<u>(26,880,681)</u>	<u>-</u>
Business-Type Activities								
Sewer	245,834	238,728	-	-	-	(7,106)	(7,106)	-
<i>Total Primary Government</i>	<u>52,106,312</u>	<u>6,838,193</u>	<u>15,644,983</u>	<u>2,735,349</u>	<u>(26,880,681)</u>	<u>(7,106)</u>	<u>(26,887,787)</u>	<u>-</u>
Component Unit								
Port Authority	12,154,810	13,691,646	3,822,955	-	-	-	-	5,359,791
<i>Total</i>	<u>\$ 64,261,122</u>	<u>\$ 20,529,839</u>	<u>\$ 19,467,938</u>	<u>\$ 2,735,349</u>	<u>(26,880,681)</u>	<u>(7,106)</u>	<u>(26,887,787)</u>	<u>5,359,791</u>
General Receipts								
Property Taxes Levied for:								
General Purposes					2,090,636	-	2,090,636	-
Health Programs - County Board of DD					3,319,292	-	3,319,292	-
Public Services - Children Services					2,322,141	-	2,322,141	-
Public Services - Senior Services					2,194,460	-	2,194,460	-
Sales and Other Taxes					12,767,599	-	12,767,599	-
Payments in Lieu of Taxes					918	-	918	-
Grants and Entitlements not Restricted to Specific Programs					1,948,535	-	1,948,535	-
Proceeds from Sale of Assets					2,015,705	-	2,015,705	-
Investment Earnings					1,549,248	-	1,549,248	669,567
Miscellaneous					744,060	11,292	755,352	-
<i>Total General Receipts</i>					<u>28,952,594</u>	<u>11,292</u>	<u>28,963,886</u>	<u>669,567</u>
Advances					100,000	(100,000)	-	-
<i>Change in Net Position</i>					<u>2,171,913</u>	<u>(95,814)</u>	<u>2,076,099</u>	<u>6,029,358</u>
<i>Net Position Beginning of Year</i>					<u>63,676,331</u>	<u>5,539,446</u>	<u>69,215,777</u>	<u>10,150,856</u>
<i>Net Position End of Year</i>					<u>\$ 65,848,244</u>	<u>\$ 5,443,632</u>	<u>\$ 71,291,876</u>	<u>\$ 16,180,214</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Cash Basis Assets and Fund Balance
Governmental Funds
December 31, 2024

	General	Motor Vehicle and Gasoline Tax	Board of Developmental Disabilities	JFS Children's Services	American Rescue Plan	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$ 21,275,748	\$ 3,059,377	\$ 6,045,129	\$ 4,880,375	\$ 6,530,653	\$ 21,411,253	\$ 63,202,535
Cash and Cash Equivalents in Segregated Accounts	125,995	-	-	-	-	-	125,995
Cash and Cash Equivalents with Fiscal Agents	-	-	2,519,714	-	-	-	2,519,714
<i>Total Assets</i>	<u>\$ 21,401,743</u>	<u>\$ 3,059,377</u>	<u>\$ 8,564,843</u>	<u>\$ 4,880,375</u>	<u>\$ 6,530,653</u>	<u>\$ 21,411,253</u>	<u>\$ 65,848,244</u>
Fund Balances							
Nonspendable	\$ 226,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,640
Restricted	-	3,059,377	8,564,843	4,880,375	6,530,653	8,378,950	31,414,198
Committed	350,550	-	-	-	-	10,866,073	11,216,623
Assigned	6,504,510	-	-	-	-	2,166,736	8,671,246
Unassigned	14,320,043	-	-	-	-	(506)	14,319,537
<i>Total Fund Balance</i>	<u>\$ 21,401,743</u>	<u>\$ 3,059,377</u>	<u>\$ 8,564,843</u>	<u>\$ 4,880,375</u>	<u>\$ 6,530,653</u>	<u>\$ 21,411,253</u>	<u>\$ 65,848,244</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Cash Receipts, Disbursements and Changes in Cash Basis Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	Motor Vehicle and Gasoline Tax	Board of Developmental Disabilities	JFS Children's Services	American Rescue Plan	Other Governmental Funds	Total Governmental Funds
Receipts							
Property Taxes	\$ 2,090,636	\$ -	\$ 3,319,292	\$ 2,322,141	\$ -	\$ 2,194,460	\$ 9,926,529
Sales Taxes	12,687,160	-	-	-	-	-	12,687,160
Other Local Taxes	-	80,439	-	-	-	-	80,439
Payments in Lieu of Taxes	-	918	-	-	-	-	918
Special Assessments	-	-	-	-	-	142,172	142,172
Charges for Services	1,509,958	194,127	178,297	64,793	-	1,872,840	3,820,015
Licenses and Permits	1,441,748	-	274,409	-	-	22,996	1,739,153
Fines and Forfeitures	186,553	70,525	-	-	-	87,515	344,593
Intergovernmental	1,948,535	5,531,642	793,885	2,762,129	-	8,354,775	19,390,966
Interest	1,549,248	144,777	-	-	-	7,060	1,701,085
Rent	358,807	-	11,700	-	-	-	370,507
Contributions and Donations	906	-	-	-	-	45,843	46,749
Other	223,880	44,275	363,193	499	-	408,243	1,040,090
<i>Total Receipts</i>	<u>21,997,431</u>	<u>6,066,703</u>	<u>4,940,776</u>	<u>5,149,562</u>	<u>-</u>	<u>13,135,904</u>	<u>51,290,376</u>
Disbursements							
Current:							
General Government							
Legislative and Executive	7,769,767	-	-	-	-	935,342	8,705,109
Judicial	3,939,370	-	-	-	-	1,143,510	5,082,880
Public Security Programs	7,346,919	-	-	-	-	456,565	7,803,484
Public Works	-	4,822,411	-	-	-	439,209	5,261,620
Health Programs	12,409	-	4,382,552	-	-	133,859	4,528,820
Public Services	598,683	-	-	5,229,467	-	6,056,673	11,884,823
Economic Development and Assistance	-	-	-	-	-	423,621	423,621
Capital Outlay	699,517	1,547,187	1,336,281	-	-	3,077,363	6,660,348
Debt Service:							
Principal Retirement	-	-	-	-	-	850,000	850,000
Interest and Fiscal Charges	-	-	-	-	-	62,630	62,630
<i>Total Disbursements</i>	<u>20,366,665</u>	<u>6,369,598</u>	<u>5,718,833</u>	<u>5,229,467</u>	<u>-</u>	<u>13,578,772</u>	<u>51,263,335</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,630,766</u>	<u>(302,895)</u>	<u>(778,057)</u>	<u>(79,905)</u>	<u>-</u>	<u>(442,868)</u>	<u>27,041</u>
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	527,009	-	1,488,696	-	-	-	2,015,705
Insurance Recoveries	29,167	-	-	-	-	-	29,167
Other Financing Sources	-	-	-	-	-	1,875,000	1,875,000
Other Financing Uses	-	-	-	-	-	(1,875,000)	(1,875,000)
Advances In	130,000	-	-	-	-	57,319	187,319
Advances Out	(57,319)	-	-	-	-	(30,000)	(87,319)
Transfers In	1,625,130	-	-	-	-	4,002,088	5,627,218
Transfers Out	(3,847,088)	-	(155,000)	-	-	(1,625,130)	(5,627,218)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,593,101)</u>	<u>-</u>	<u>1,333,696</u>	<u>-</u>	<u>-</u>	<u>2,404,277</u>	<u>2,144,872</u>
<i>Net Change in Fund Balances</i>	<u>37,665</u>	<u>(302,895)</u>	<u>555,639</u>	<u>(79,905)</u>	<u>-</u>	<u>1,961,409</u>	<u>2,171,913</u>
<i>Fund Balances Beginning of Year</i>	<u>21,364,078</u>	<u>3,362,272</u>	<u>8,009,204</u>	<u>4,960,280</u>	<u>6,530,653</u>	<u>19,449,844</u>	<u>63,676,331</u>
<i>Fund Balances End of Year</i>	<u>\$ 21,401,743</u>	<u>\$ 3,059,377</u>	<u>\$ 8,564,843</u>	<u>\$ 4,880,375</u>	<u>\$ 6,530,653</u>	<u>\$ 21,411,253</u>	<u>\$ 65,848,244</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
*Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Receipts				
Property Taxes	\$ 1,331,428	\$ 2,054,428	\$ 2,090,636	\$ 36,208
Sales Taxes	12,990,000	12,555,491	12,687,160	131,669
Charges for Services	790,056	734,649	930,383	195,734
Licenses and Permits	1,277,300	1,277,300	1,400,228	122,928
Fines and Forfeitures	56,500	56,500	186,553	130,053
Intergovernmental	1,743,446	1,758,766	1,938,209	179,443
Interest	1,002,000	1,210,700	1,549,248	338,548
Rent	370,161	370,161	358,807	(11,354)
Contributions and Donations	-	-	906	906
Other	76,871	177,663	255,163	77,500
<i>Total Receipts</i>	<u>19,637,762</u>	<u>20,195,658</u>	<u>21,397,293</u>	<u>1,201,635</u>
Disbursements				
Current:				
General Government				
Legislative and Executive	7,530,036	8,460,144	7,488,172	971,972
Judicial	3,957,899	4,124,495	4,023,908	100,587
Public Security Programs	7,936,054	7,990,837	7,220,118	770,719
Public Services	2,589,816	1,721,541	603,285	1,118,256
Capital Outlay	803,132	883,574	520,939	362,635
<i>Total Disbursements</i>	<u>22,816,937</u>	<u>23,180,591</u>	<u>19,856,422</u>	<u>3,324,169</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(3,179,175)</u>	<u>(2,984,933)</u>	<u>1,540,871</u>	<u>4,525,804</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	-	500,000	527,009	27,009
Insurance Recoveries	-	-	29,167	29,167
Advances In	100,000	192,314	228,128	35,814
Advances Out	-	(263,447)	(261,267)	2,180
Transfers In	-	1,622,670	1,625,130	2,460
Transfers Out	(3,285,000)	(4,032,088)	(4,032,088)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(3,185,000)</u>	<u>(1,980,551)</u>	<u>(1,883,921)</u>	<u>96,630</u>
<i>Net Change in Fund Balance</i>	<u>(6,364,175)</u>	<u>(4,965,484)</u>	<u>(343,050)</u>	<u>4,622,434</u>
<i>Fund Balance Beginning of Year</i>	<u>11,805,483</u>	<u>11,805,483</u>	<u>11,805,483</u>	<u>-</u>
Prior Year Encumbrances Appropriated	<u>553,842</u>	<u>553,842</u>	<u>553,842</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 5,995,150</u>	<u>\$ 7,393,841</u>	<u>\$ 12,016,275</u>	<u>\$ 4,622,434</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
*Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle and Gasoline Tax Fund
For the Year Ended December 31, 2024*

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Receipts				
Other Local Taxes	\$ 80,000	\$ 80,000	\$ 80,439	\$ 439
Payments in Lieu of Taxes	800	800	918	118
Charges for Services	210,000	210,000	194,127	(15,873)
Fines and Forfeitures	60,000	60,000	70,525	10,525
Intergovernmental	5,204,000	5,204,000	5,531,642	327,642
Investment Income	100,000	100,000	144,777	44,777
Other	25,000	25,000	44,275	19,275
<i>Total Receipts</i>	<u>5,679,800</u>	<u>5,679,800</u>	<u>6,066,703</u>	<u>386,903</u>
Disbursements				
Current:				
Public Works	6,154,885	6,549,838	5,073,724	1,476,114
Capital Outlay	2,557,500	2,232,640	1,979,166	253,474
<i>Total Disbursements</i>	<u>8,712,385</u>	<u>8,782,478</u>	<u>7,052,890</u>	<u>1,729,588</u>
<i>Net Change in Fund Balance</i>	(3,032,585)	(3,102,678)	(986,187)	2,116,491
<i>Fund Balance Beginning of Year</i>	3,278,433	3,278,433	3,278,433	-
Prior Year Encumbrances Appropriated	<u>83,837</u>	<u>83,837</u>	<u>83,837</u>	-
<i>Fund Balance End of Year</i>	<u>\$ 329,685</u>	<u>\$ 259,592</u>	<u>\$ 2,376,083</u>	<u>\$ 2,116,491</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
*Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
Board of Developmental Disabilities Fund
For the Year Ended December 31, 2024*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 3,156,963	\$ 3,156,963	\$ 3,319,292	\$ 162,329
Charges for Services	170,202	170,202	178,297	8,095
Licenses and Permits	308,000	308,000	274,409	(33,591)
Intergovernmental	750,957	750,957	793,885	42,928
Rent	46,800	46,800	11,700	(35,100)
Other	148,000	148,000	363,193	215,193
<i>Total Receipts</i>	<u>4,580,922</u>	<u>4,580,922</u>	<u>4,940,776</u>	<u>359,854</u>
Disbursements				
Current:				
Health	4,924,660	4,908,596	4,555,436	353,160
Capital Outlay	-	1,640,839	1,607,578	33,261
<i>Total Disbursements</i>	<u>4,924,660</u>	<u>6,549,435</u>	<u>6,163,014</u>	<u>386,421</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(343,738)</u>	<u>(1,968,513)</u>	<u>(1,222,238)</u>	<u>746,275</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	500	1,485,500	1,488,696	3,196
Transfers In	1,000	1,000	1,000	-
Transfers Out	(156,000)	(156,000)	(156,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(154,500)</u>	<u>1,330,500</u>	<u>1,333,696</u>	<u>3,196</u>
<i>Net Change in Fund Balance</i>	<u>(498,238)</u>	<u>(638,013)</u>	<u>111,458</u>	<u>749,471</u>
<i>Fund Balance Beginning of Year</i>	<u>5,345,098</u>	<u>5,345,098</u>	<u>5,345,098</u>	<u>-</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>145,265</u>	<u>145,265</u>	<u>145,265</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,992,125</u>	<u>\$ 4,852,350</u>	<u>\$ 5,601,821</u>	<u>\$ 749,471</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
*Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
JFS Children's Services
For the Year Ended December 31, 2024*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 2,203,793	\$ 2,203,793	\$ 2,322,141	\$ 118,348
Charges for Services	33,000	33,000	64,793	31,793
Intergovernmental	2,822,000	2,822,000	2,762,129	(59,871)
Other	-	-	499	499
<i>Total Receipts</i>	<u>5,058,793</u>	<u>5,058,793</u>	<u>5,149,562</u>	<u>90,769</u>
Disbursements				
Current:				
Public Services	<u>5,405,596</u>	<u>6,054,596</u>	<u>5,229,467</u>	<u>825,129</u>
<i>Net Change in Fund Balance</i>	(346,803)	(995,803)	(79,905)	915,898
<i>Fund Balance Beginning of Year</i>	<u>4,960,280</u>	<u>4,960,280</u>	<u>4,960,280</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,613,477</u>	<u>\$ 3,964,477</u>	<u>\$ 4,880,375</u>	<u>\$ 915,898</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
*Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Fund
For the Year Ended December 31, 2024*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Disbursements				
Current:				
Public Works	\$ -	\$ 6,530,323	\$ 6,530,323	\$ -
<i>Net Change in Fund Balance</i>	-	(6,530,323)	(6,530,323)	-
<i>Fund Balance Beginning of Year</i>	330	330	330	-
Prior Year Encumbrances Appropriated	6,530,323	6,530,323	6,530,323	-
<i>Fund Balance End of Year</i>	<u>\$ 6,530,653</u>	<u>\$ 330</u>	<u>\$ 330</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Fund Net Position
Proprietary Fund
December 31, 2024

	<u>Enterprise Fund</u> <u>Martinsville-</u> <u>Midland Sewer</u>
Assets	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 5,443,632</u>
Net Position	
Unrestricted	<u>\$ 5,443,632</u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Cash Receipts, Disbursements and Changes in Fund Net Position - Cash Basis
Proprietary Fund
For the Year Ended December 31, 2024

	Enterprise Fund Martinsville- Midland Sewer
Operating Receipts	
Charges for Services	\$ 238,728
Operating Disbursements	
Personal Services	29,716
Contractual Services	135,629
Materials and Supplies	8,269
Capital Outlay	72,220
<i>Total Operating Disbursements</i>	245,834
<i>Operating Loss</i>	(7,106)
Non-Operating Revenues	
Other Nonoperating Revenue	11,292
<i>Income Before Advances</i>	4,186
Advances Out	(100,000)
<i>Change in Net Position</i>	(95,814)
<i>Net Position Beginning of Year</i>	5,539,446
<i>Net Position End of Year</i>	\$ 5,443,632

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
December 31, 2024

	<u>Custodial Funds</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 6,162,544
Cash and Cash Equivalents in Segregated Accounts	<u>682,032</u>
<i>Total Assets</i>	<u>6,844,576</u>
 Net Position	
Restricted for Individuals, Organizations & Other Governments	<u><u>\$ 6,844,576</u></u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Statement of Changes in Fiduciary Net Position - Cash Basis
Fiduciary Funds
For the Year Ended December 31, 2024

	<u>Custodial Funds</u>
Additions	
Intergovernmental	\$ 2,332,602
Amounts Received as Fiscal Agent	4,599,154
Licenses, Permits & Fees for Other Governments	15,567,328
Fines & Forfeitures for Other Governments	680,701
Property Tax Collections for Other Governments	45,948,571
Sheriff Sale Collections for Other Governments	1,804,379
Amounts Received for Others	20,838
<i>Total Additions</i>	<u>70,953,573</u>
 Deductions	
Distributions as Fiscal Agent	4,238,676
Distributions of State Funds to Other Governments	2,327,602
Licenses, Permits & Fees Distributions to Other Governments	15,486,378
Fines & Forfeitures Distributions to Other Governments	757,289
Property Tax Distributions to Other Governments	45,962,531
Sheriff Sale Distributions to Other Governments	1,785,122
Distributions to Individuals	18,535
<i>Total Deductions</i>	<u>70,576,133</u>
 <i>Change in Net Position</i>	 377,440
 <i>Net Position Beginning of Year</i>	 <u>6,467,136</u>
 <i>Net Position End of Year</i>	 <u><u>\$ 6,844,576</u></u>

See accompanying notes to the basic financial statements.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 1 – REPORTING ENTITY

Clinton County, Ohio (the “County”) was created in 1812. The County is governed by a Board of three commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body, and the chief administrators of public services for 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, recorder, clerk of courts, coroner, engineer, prosecuting attorney, sheriff, two common pleas court judges, a probate court judge and a county municipal court judge.

The County utilizes the standards of Government Accounting Standards Board (GASB) Statement 14 for determining the reporting entity, as well as GASB Statement 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB Statement 14 and GASB Statement 61, The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34. The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading.

A. Component Units

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the 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 organizations' resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the County in that the County approves their budget, the issuance of their debt or the levying of their taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the financial statements incomplete or misleading.

Based on the foregoing criteria, the financial activities of the following entities have been reflected in the accompanying basic financial statements as:

Blended Component Units

Certain funds are legally separate from the County; however, their activity is so intertwined with that of the County that they are reported as part of the County. The following fund has been included or blended into the County's basic financial statements:

Local Emergency Planning Commission (LEPC) - The LEPC is a legally separate entity from the County. The County Commissioners do not appoint a voting majority of the LEPC’s Board. The LEPC is fiscally independent from the County; however, it would be misleading to exclude the LEPC’s operations from that of the County since the LEPC provides services entirely for the benefit of the County. The operations of the LEPC are accounted for as a separate special revenue fund.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Discretely Presented Component Unit

Clinton County Port Authority - The Clinton County Port Authority (the “Port Authority”) was created by the Clinton County Board of Commissioners in September 2004 to enhance economic development in Clinton County. The Port Authority is created in accordance with Section 4582.22 of the Ohio Revised Code. The purpose of the Port Authority is to undertake projects that create or preserve jobs and employment opportunities; that improve and sustain the economic welfare of Clinton County and its residents, and that enhance, aid and promote transportation, housing, recreation, education, governmental operations and culture within the territory served. The Port Authority is considered a component unit of the County as the County can impose its will on the Port Authority through the appointment of the members of the Board of Directors.

The following component units have been excluded from the County’s financial statements as the County has determined it is not misleading to exclude them since they do not have a measurable influence on the County’s financial statements.

Clinton County Regional Airport Authority - The Clinton County Regional Airport Authority (the Authority), Clinton County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Clinton County Commissioners appoint a seven-member Board to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of the Clinton County Regional Airport Authority.

Clinton County Land Reutilization Corporation (Corporation) - The Corporation is a county land reutilization corporation formed when the Clinton County Board of Commissioners authorized through resolution its incorporation under Chapter 1724 of the Ohio Revised Code as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout the County. The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing the Corporation, the County can address dilapidated housing issues in communities in the County and return properties to productive use. The Corporation has been designated as the County’s agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code. The Board of Directors is made up of three elected officials of the County and a representative of City of Wilmington and the Village of Midland. Separately issued financial statements can be obtained from the Corporation by contacting Clinton County Treasurer, Chairman, Clinton County Land Reutilization Corporation, 69 N South Street, Wilmington, Ohio 45177.

Potential Component Units Reported as Custodial Funds

In the case of the separate agencies, boards, and commissions listed below, the County serves as fiscal agent and custodian, but is not accountable as defined in GASB Statement No. 14; therefore, the operations of the following potential component units have been excluded from the County’s basic financial statements, but the funds held on behalf of these potential component units in the County Treasury are included in the custodial funds.

Clinton County Soil and Water Conservation District
Clinton County Board of Health
Clinton County Regional Planning Commission
Clinton County Family & Children First Council (FCFC)
Clinton County Park District

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Information in the notes to the basic financial statements is applicable to the primary government. When information is provided relative to component units, it is specifically identified.

B. Public Entity Risk Pool

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

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

C. Jointly Governed Organization

The County is a member of the Southern Ohio Council of Governments (the SOCOG), which is a jointly governed organization under Ohio Revised Code Section 167.01. The governing body consists of a fourteen member Board with each participating County represented by its Superintendent of its Board of Developmental Disabilities (DD). Member counties include: Adams, Brown, Clinton, Fayette, Gallia, Highland, Jackson, Lawrence, Meigs, Pickaway, Pike, Ross, Scioto and Vinton Counties. The SOCOG acts as fiscal agent for the Clinton County Board of DD's supportive living program and Medicaid Reserve monies. During 2024, the SOCOG did not receive any supportive living monies from Clinton County and as of December 31, 2024, the County had a \$2,519,714 balance on hand with the SOCOG. Financial statements can be obtained from the SOCOG at 167 W. Main St., Suite C, Chillicothe, Ohio, 45601.

D. Related Organizations

County officials are also responsible for appointing the members of the Boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments of the following organizations:

Clinton County Regional Planning Commission - The Board of County Commissioners appoints 11 of the 20 board members.

E. Joint Venture without Equity Interest

Warren/Clinton Counties Community Alcoholism, Drug Addiction and Mental Health Services Board (ADAMHS Board) - The County is a member of the Warren/Clinton Counties Community Alcoholism, Drug Addiction and Mental Health Services Board (ADAMHS Board), which is a joint venture between Warren and Clinton Counties. The purpose of the Board is to provide aid, support and education for alcohol and drug dependent citizens, as well as those who are mentally handicapped.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

The Warren/Clinton Counties ADAMHS Board is governed by a Board appointed by the Ohio Director of Alcohol and Drug Addiction Services, the Ohio Director of Mental Health Services, and Clinton and Warren Counties. The main sources of revenue for this Board are grants from the two previously named state departments and a property tax levy in each of the counties. Outside agencies are contracted by the Board to provide services for the Board. Financial records are maintained by the Warren County Auditor and Treasurer. Pursuant to Section 340.016 of the Ohio Revised Code, any withdrawing county would be required to submit a comprehensive plan that provides for the equitable adjustment and division of debts and obligations of the Joint County District to the State Director of Mental Health.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further under Basis of Accounting, 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.

Basis of Presentation

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other non-exchange 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 interest earned on grants that is 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 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.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Proprietary funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating receipts of the County's proprietary funds are charges for services. All receipts and disbursements not meeting these definitions are reported as nonoperating receipts and disbursements.

Fund Accounting

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

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

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

Motor Vehicle and Gas Tax - This fund accounts for monies received by the County for State gasoline tax and vehicle registration fees used for County road and bridge maintenance, construction and improvements.

Board of Developmental Disabilities (DD) - This fund accounts for the operation of a school and the costs of administering a workshop for the developmentally disabled. Receipt sources include a countywide property tax levy and federal and State grants.

JFS Children Services - This fund accounts for a County-wide property tax levy, Federal and State grants, support collections, Veteran's Administration and Social Security. Major disbursements are for foster homes, emergency shelters, medical care, school supplies, counseling and parental training.

American Rescue Plan - This fund is used to account for monies received from the federal government as part of the American Rescue Plan Act of 2021. This Act provides additional relief to address the continued impact of the COVID-19 pandemic.

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 - Proprietary funds are used to account for the County's ongoing activities which are similar to those found in the private sector. The following is the County's proprietary fund type:

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

Martinsville-Midland Sewer - This fund accounts for the operations of the Martinsville-Midland Sewer.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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's custodial funds account for assets held by the County for political subdivisions for which the County acts as fiscal agent and for taxes, state-levied shared receipts, and fines and forfeitures collected and distributed to other political subdivisions.

Basis of Accounting

The County's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, 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.

As a result of the use of this cash basis of accounting, certain assets and deferred outflows of resources and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and deferred inflows of resources 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.

Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than custodial funds, are required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the County Commissioners.

Budgetary information for certain funds is not reported because it is not included in the entity for which the "appropriated budget" is adopted and separate budgetary financial records are not maintained.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official certificate of estimated resources, which states the projected revenue of each fund.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the County Auditor determines that revenue to be collected will be greater than or less than the prior estimates and the Budget Commission finds the revised estimates to be reasonable. The amounts set forth in the budgetary statements represent estimates from the final amended certificate issued during 2024.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Appropriations - A temporary appropriation resolution to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual Appropriation Resolution must be passed by April 1 of each year for the period January 1 to December 31. The Appropriation Resolution may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The County legally adopted several supplemental appropriations during the year. The original budget and all budgetary amendments and supplemental appropriations necessary during 2024 are included in the final budget amounts in the budget-to-actual comparisons.

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

Cash and Investments

To improve cash management, cash received by the County is pooled and invested. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through County records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

The County has segregated depository accounts for monies held separately from the County’s central bank account. These interest-bearing depository accounts are presented on the financial statements as “cash and cash equivalents in segregated accounts” since they are not required to be deposited into the County Treasury.

The County utilized a jointly governed organization (SOCOG) to service developmentally disabled residents within the County. The balance in this account is presented as “cash and cash equivalents with fiscal agents.”

Investments of the County’s cash management pool and investments with an original maturity of three months or less at the time they are purchased by the County are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months 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.

Following Ohio statutes, the County has, by resolution, specified the funds to receive an allocation of interest earnings. Interest receipts credited to the general fund during fiscal year 2024 was \$1,549,248, which included \$1,279,735 assigned from other County funds.

Inventory and Prepaids

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

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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.

Accumulated Leave

For 2024, GASB Statement No. 101, *Compensated Absences*, was effective. GASB 101 defines a compensated absence as leave for which employees may receive cash payments when the leave is used for time off or receive cash payments for unused leave upon termination of employment. These payments could occur during employment or upon termination of employment. Compensated absences generally do not have a set payment schedule. The County does not offer noncash settlements.

County employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave.

This GASB pronouncement had no effect on beginning net position/fund balance as unpaid leave is not reflected as a liability under the County's cash basis of accounting.

Pensions/Other Postemployment Benefits (OPEB)

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

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 (including the intangible right to use) when entering into a lease, subscription-based information technology arrangements (SBITA) or financed purchase transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments, SBITA payments, and financed purchase payments are reported when paid.

Leases and SBITAs

The County records receipts and disbursements for lease payments when received/paid. The County is the lessor/lessee (as defined by GASB 87) in various leases related to buildings and equipment under noncancelable leases, however lease receivables/deferred inflow of resources and intangible right-to-use assets/lease payables are not reflected in the County's cash basis financial statements. The County may also enter into noncancelable Subscription-Based Information Technology Arrangements (SBITA) (as defined by GASB 96) for software, including contracts related to financial systems and various other software. Subscription assets/liabilities are not reflected under the County's cash basis of accounting. Any subscription disbursements are recognized when they are paid.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial 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. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented on the financial statements.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. Subsequently, settlements have been reached with other distributors. For 2024, distributions of \$325,197 are reflected as fines and forfeitures revenue in the OneOhio Opioid Settlement special revenue fund in the accompanying financial statements.

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 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.

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

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

Assigned 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. State Statute authorizes the County Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

The County applies restricted resources first when disbursements are made 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 disbursements are made for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Budget Stabilization Arrangement

Pursuant to Ohio Revised Code Section 5705.13, on August 20, 2012, the County established a reserve balance account, in the General fund, in the amount of \$2,103,795, to be used in emergencies for operational disbursements. The balance of the reserve balance account at December 31, 2024 is \$2,000,000. This amount is reported as a component of unassigned fund balance in the General fund and unrestricted net position in the governmental activities.

Net Position

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Estimates

The cash basis of accounting used by the County requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

New Accounting Pronouncements

For 2024, GASB Statement No. 100, *Accounting Changes and Error Corrections* was effective. This GASB pronouncement had no effect on beginning net position/fund balance as the County had no accounting changes or error corrections related to 2024. See the Accumulated Leave section of Note 2 for discussion of the implementation of GASB Statement No. 101, *Compensated Absences*.

NOTE 3 - DEPOSITS AND INVESTMENTS

Monies held by the County are classified by State statute into two categories.

Active deposits are public deposits 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.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

Inactive deposits are public deposits that the County has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Protection of the County's and Port Authority'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.

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

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 securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal governmental agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that 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 that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above, and repurchase agreements secured by such obligations, provided that 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;

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

9. Up to forty percent of the County's average portfolio 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 need exceed ten percent of the value of the outstanding commercial paper of the issuing corporation and which mature within 270 days after purchase;
 - b. Banker's acceptances eligible for purchase by the Federal Reserve System and which mature within 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 that are doing business under authority granted by the U.S. provided that the notes are rated in the second highest or higher category by at least two nationally recognized standard rating services at the time of purchase and the notes mature within two years from the date of purchase;
11. No-load money market mutual fund rated in the highest category at the time of purchase by at least one nationally recognized standard rating service consisting exclusively of obligations guaranteed by the United States, securities issued by a federal government agency of instrumentality, and/or highly rated commercial paper; and,
12. Up to one 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. All interest and principal shall be denominated and payable in the United States.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits

At year-end the County had \$28,943 in undeposited cash on hand which is included as part of the "Equity in Pooled Cash and Cash Equivalents.

Custodial credit risk for deposits is the risk that in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$20,335,853 of the County's bank balance of \$22,639,822 was exposed to custodial credit risk because it was uninsured and collateralized. Although the securities were held by the pledging financial institutions' trust department in the County's name, and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the FDIC.

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

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

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

Cash and Cash Equivalents in Segregated Accounts At year-end, the County had \$808,027 in cash and cash equivalents deposited separate from the County's internal investment pool.

Cash and Cash Equivalents with Fiscal Agent At year-end, the County had \$2,519,714 in monies held by SOCOG as a fiscal agent. This amount has been excluded from the total amount of deposits below as it is not part of the County's internal investment pool.

B. Investments

As of December 31, 2024, the County had the following investments and maturities:

S&P Global Ratings	Investment Type	Measurement Value	Investment Maturities			Percent of Total
			12 Months or Less	12 to 36 Months	More Than 36 Months	
	Cost:					
AAAm	First American Funds	\$ 121,300	\$ 121,300	\$ -	\$ -	0.23%
AA	Federal Agency Securities	29,599,948	16,300,000	11,133,140	2,166,808	54.92%
A-1	Commercial Paper	4,489,210	4,489,210	-	-	8.33%
A	Corporate Bond	4,912,203	-	4,912,203	-	9.12%
A	Corporate Note	749,250	-	749,250	-	1.39%
n/a	Jefferson Twp Fire Station Bond	52,500	-	-	52,500	0.10%
n/a	Negotiable Certificate of Deposit	1,427,676	-	243,268	1,184,408	2.65%
n/a	US Treasury Note	12,531,392	-	1,465,108	11,066,284	23.26%
	Total Investments	<u>\$53,883,479</u>	<u>\$20,910,510</u>	<u>\$18,502,969</u>	<u>\$ 14,470,000</u>	<u>100.00%</u>

Interest Rate Risk Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the County's investment policy limits investment portfolio maturities to five years or less.

Credit Risk The County has no investment policy dealing with investment credit risk beyond the requirements in state statutes.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Concentration of Credit Risk The County places no limit on the amount it may invest in any one issuer.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

C. Component Unit

At December 31, 2024, the Port Authority's bank balance was fully insured.

As of December 31, 2024, the Port Authority had the following investments:

Investment	S&P Global Rating	Measurement Amount	Maturity (in months) 0 - 12	% Total Investments
Net Asset Value: STAR Ohio	AAAm	\$13,734,039	\$13,734,039	100.00%

NOTE 4 - INTERFUND TRANSACTIONS

A. Interfund Transfers

During 2024 the following transfers were made:

Transfer To	Transfer From			Total
	General Fund	Board of Developmental Disabilities	Nonmajor Governmental Funds	
Governmental Activities				
General Fund	\$ -	\$ -	\$ 1,625,130	\$ 1,625,130
Nonmajor governmental funds	3,847,088	155,000	-	4,002,088
Total	<u>\$ 3,847,088</u>	<u>\$ 155,000</u>	<u>\$ 1,625,130</u>	<u>\$ 5,627,218</u>

The general fund transferred \$3,022,670 to the nonmajor county property and courthouse culvert repair funds for capital improvements, and transferred \$824,418 to the nonmajor economic development fund to support ongoing operations. The board of developmental disabilities fund transferred \$155,000 to the non-major board of developmental disabilities capital projects fund. The nonmajor bypass construction and davids drive funds transferred \$2,461 and \$1,622,669, respectively, to the general fund because the projects were completed.

B. Long-Term Loans

A long-term, interest-free loan from the general fund to the Martinsville-Midland sewer fund was made previously to provide funds to retire the balance of the OPWC loan and USDA bonds issued to finance the construction of Midland sewer. The Martinsville-Midland sewer fund is scheduled to repay the general fund no less than \$100,000 per year until the general fund has been fully reimbursed for the cost of retiring the debt or upon further resolution by the County Commissioners. The Martinsville-Midland sewer fund repaid the general fund \$100,000 as scheduled during the year, and the remaining balance is \$2,081,336 at year-end.

C. Interfund Advances

The non-major common pleas court justice system collaboration fund repaid a \$30,000 advance made in the previous year by the general fund to cover disbursements until grant money was received. The general fund advanced \$3,500, \$47,659, and \$6,160 to the nonmajor probate special projects, common pleas court opioid response, and recycle Ohio funds, respectively, due to the timing of disbursements and revenues.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Property tax receipts received during 2024 for real and public utility property taxes represents collections of the 2023 taxes.

2024 real property taxes were levied after October 1, 2024, on the assessed value as of January 1, 2024, the lien date. Assessed values are established by State law at 35 percent of the appraised market value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due February 14; if paid semi-annually, the first payment is due February 14, 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. 2024 public utility property taxes which became a lien December 31, 2023, are levied after October 1, 2024, and are collected in 2025 with real property taxes.

The assessed values of real property and public utility tangible property upon which 2024 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	
Agricultural/Residential	\$ 1,188,589,010
Commerical/Industrial/Mineral	211,325,760
Tangible Personal Property	
Public Utility	103,835,000
Total Assessed Value	<u>\$ 1,503,749,770</u>
Full tax rate per \$1,000 of assessed valuation:	\$11.85

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

NOTE 6 - PERMISSIVE SALES AND USE TAX

In 1977, the County Commissioners by resolution imposed a 0.5 percent tax on all retail sales, except sales of motor vehicles, made in the County, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. In 1988 and 2019, the County Commissioners added an additional 0.5 percent tax to the existing tax. Vendor collections of the tax are paid to the State Treasurer by the 23rd day of the month following collection. The State Tax Commissioner certifies the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within 45 days after the end of the month following collection. The Office of Budget and Management then has five days in which to draw the warrant payable to the County. Proceeds of the tax are credited entirely to the general fund.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 7 - LONG-TERM OBLIGATIONS

A. Governmental Activities Long-Term Obligations

The following changes occurred in the County's governmental long-term obligations during 2024:

	Balance 12/31/2023	Additions	Reductions	Balance 12/31/2024	Due in One Year
Governmental Activities:					
<u>General Obligation Bonds</u>					
Various Purpose Bonds	\$ 1,275,000	\$ -	\$ 630,000	\$ 645,000	\$ 645,000
<u>Direct Placement</u>					
Fairground/Public Service Agency Building Refunding Bond	920,000	-	220,000	700,000	230,000
<i>Total Governmental Activities</i>	<u>\$2,195,000</u>	<u>\$ -</u>	<u>\$ 850,000</u>	<u>\$1,345,000</u>	<u>\$ 875,000</u>

General Obligation Bonds: General obligation bonds are direct obligations of the County for which its full faith and credit are pledged for repayment. Principal and interest payments on the general obligation bonds are made from the debt service funds.

2016 Various Purpose Bonds: On March 26, 2016, the County issued general obligation bonds in the amount of \$5,790,000. Proceeds from the bonds were used to renovate the County courthouse. The bonds were issued with a varying interest rate of 2.00-3.00 percent. The bonds were issued for a ten year period with final maturities at December 1, 2025.

2019 Various Purpose Refunding Bonds: On March 6, 2019, the County issued \$1,960,000 various purpose refunding bonds with an interest rate of 2.65 percent. The bonds were issued to refund the \$1,900,000 outstanding 2008 various purpose general obligation bonds. The bonds were issued for a nine year period final maturity at December 1, 2027.

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

	Governmental Activities					
	General Obligation Bonds		Direct Placement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 645,000	\$ 19,350	\$ 230,000	\$ 18,550	\$ 875,000	\$ 37,900
2026	-	-	230,000	12,455	230,000	12,455
2027	-	-	240,000	6,360	240,000	6,360
Totals	<u>\$ 645,000</u>	<u>\$ 19,350</u>	<u>\$ 700,000</u>	<u>\$ 37,365</u>	<u>\$ 1,345,000</u>	<u>\$ 56,715</u>

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

B. Component Unit Long-Term Obligations

During 2024, the following changes occurred in the Port Authority's long-term obligations:

	Balance 12/31/2023	Additions	Reductions	Balance 12/31/2024	Due in One Year
Direct Placement:					
OEBF Loan	\$ 5,855,001	\$ -	\$ 365,833	\$ 5,489,168	\$ 375,834
166 Loan	2,535,535	-	191,413	2,344,122	193,331
Total Long-Term Obligations	<u>\$ 8,390,536</u>	<u>\$ -</u>	<u>\$ 557,246</u>	<u>\$ 7,833,290</u>	<u>\$ 569,165</u>

During 2013, the Port Authority began drawing down on a \$9,055,000 loan obtained from the Ohio Enterprise Bond Fund program (the OEBF loan) for the purpose of constructing a new hangar building. The loan agreement functioned similar to a line-of-credit agreement, and any undisbursed proceeds were held in escrow by a trustee. At December 31, 2014, the Port Authority received the remaining proceeds of the \$9,055,000 loan. The loan requires monthly payments beginning in 2014, including interest at annual rates ranging from 2.0 - 5.0 percent.

The final payment is due November 15, 2036. The Port Authority receives rental payments under a lease agreement with Air Transport International LLC (ATI LLC) and Airborne Maintenance and Engineering Services, Inc. (AMES) in an amount sufficient to cover the monthly debt service payments on the loan. The loan and lease payments are guaranteed by Air Transport Services Group, Inc.

In conjunction with the OEBF loan, in 2013 the Port Authority was awarded a \$4,000,000 Ohio Revised Code Chapter 166 loan. The Port Authority received the full amount of the loan proceeds during 2014. Semi-annual payments, including interest at an annual rate of 1 percent, began in May of 2016. The loan is secured with funds derived from a tax increment financing agreement created by the City of Wilmington, Ohio.

The following tables show the future principal and interest payments due on the OEBF loan, 166 loan and the lease-purchase agreement.

	OEBF Loan		166 Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 375,834	\$ 226,229	\$ 193,331	\$ 28,699	\$ 569,165	\$ 254,928
2026	386,667	213,961	195,270	26,276	581,937	240,237
2027	400,833	200,806	197,227	23,829	598,060	224,635
2028	410,833	187,214	199,204	21,358	610,037	208,572
2029	425,834	173,095	201,201	18,861	627,035	191,956
2030-2034	2,405,000	567,992	1,036,670	55,979	3,441,670	623,971
2035-2036	1,084,167	53,167	321,219	4,021	1,405,386	57,188
Totals	<u>\$ 5,489,168</u>	<u>\$ 1,622,464</u>	<u>\$ 2,344,122</u>	<u>\$ 179,023</u>	<u>\$ 7,833,290</u>	<u>\$ 1,801,487</u>

NOTE 8 - RISK MANAGEMENT

A. General Insurance

The County is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the CORSA are managed by an elected Board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the board. No county may have more than one representative on the board at any one 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.

The County pays the State Workers' Compensation System a premium based on a rate per \$100 of employee compensation. The rate is calculated based on accident history and administrative costs. Settled claims have not exceeded this coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from last year.

B. Health Care, Vision, Dental and Life Insurance

The County has elected to provide medical, dental, vision and group life insurance benefit offerings to employees. The County, through CEBCO, a risk-sharing consortium which is part of CCAO, is insured for medical with Anthem Blue Cross as the carrier. The county contracts for a specific premium rate for the year for enrollees (a fully-insured rate). The consortium is self-insured. Dental is a fully-insured product through Superior Dental and vision is a fully-insured product through VSP. Group life is fully insured through AUL (American United Life).

NOTE 9 – DEFINED BENEFIT PENSION PLAN

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

Net Pension Liability/Net OPEB Liability (Asset)

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/OPEB liability represents the County's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability 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 the 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.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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 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 10 for the OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed. (The latest information available.) Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

State and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement.

Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

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.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original 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 on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. 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 and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2024 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee	10.0 %	*	**
2024 Actual Contribution Rates			
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>

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

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

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll. The County's contractually required contribution was \$2,493,730 for 2024.

Pension Liability

The net pension liability for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the respective measurement 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:

Clinton County, Ohio
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Clinton County

	<u>OPERS</u>
Proportion of the Net Pension Liability:	
Current Measurement Period	0.104833%
Prior Measurement Period	<u>0.101157%</u>
Change in Proportion	<u>0.003676%</u>
Proportionate Share of the Net Pension Liability	\$ 27,445,709

Clinton County Port Authority (A Component Unit of Clinton County)

	<u>OPERS</u>
Proportion of the Net Pension Liability:	
Current Measurement Period	0.002256%
Prior Measurement Period	<u>0.000875%</u>
Change in Proportion	<u>0.001381%</u>
Proportionate Share of the Net Pension Liability	\$ 590,630

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the value 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, 2023, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67:

	<u>OPERS Traditional Plan</u>
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees (Current Year)	2.3 percent, simple through 2024, then 2.05 percent, simple
Post-January 7, 2013 Retirees (Prior Year)	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Clinton County, Ohio
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Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

Discount Rate The discount rate used to measure the total pension liability for the current year was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on

Clinton County, Ohio
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For the Year Ended December 31, 2024

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 6.9 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 (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	<u>Clinton County</u>		
	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
County's Proportionate Share of the Net Pension Liability	\$ 43,206,921	\$ 27,445,709	\$ 14,336,961

Clinton County Port Authority (A Component Unit of Clinton County)

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Port Authority's Proportionate Share of the Net Pension Liability	\$ 929,810	\$ 590,630	\$ 308,531

NOTE 10 – DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

See Note 9 for a description of the net OPEB liability.

Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. 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. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

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

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

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

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit; or

Group C 32 years of total service cred with at least 20 years of qualified health care service credit.

Age 59 or younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52; or

Group C 32 years of qualified health care service credit and at least age 55.

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

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

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i> Any Age with 10 years of service credit	Age and Service Requirements <i>December 1, 2014 or Prior</i> Any Age with 10 years of service credit	Age and Service Requirements <i>December 1, 2014 or Prior</i> Any Age with 10 years of service credit
<i>January 1, 2015 through</i> <i>December 31, 2021</i> Age 60 with 20 years of service credit or Any Age with 30 years of service credit	<i>January 1, 2015 through</i> <i>December 31, 2021</i> Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	<i>January 1, 2015 through</i> <i>December 31, 2021</i> Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

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

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Clinton County, Ohio
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Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's had no contractually required contribution for the year 2024.

OPEB Liability (Asset)

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, 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 (asset) 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>Clinton County</u>	<u>OPERS</u>
Proportion of the Net OPEB Liability (Asset):		
Current Measurement Period		0.101883%
Prior Measurement Period		0.098077%
Change in Proportion		<u>0.003806%</u>
Proportionate Share of the		
Net OPEB Liability (Asset)	\$	(919,518)

Clinton County Port Authority (A Component Unit of Clinton County)

	<u>OPERS</u>
Proportion of the Net OPEB Liability (Asset):	
Current Measurement Period	0.002670%
Prior Measurement Period	0.001529%
Change in Proportion	<u>0.001141%</u>
Proportionate Share of the Net	
OPEB Liability (Asset)	\$ (24,097)

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Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the value 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 the System and plan members. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent
	including wage inflation
Single Discount Rate	5.70 percent
Prior Year Single Discount Rate	5.22 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.77 percent
Prior Year Municipal Bond Rate	4.05 percent
Health Care Cost Trend Rate	5.5 percent, initial
	3.50 percent, ultimate in 2038
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and

Clinton County, Ohio
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maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00%	2.82%
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	<u>100.00%</u>	

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent. (Fidelity Index's "20-Year Municipal GO AA Index") The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, 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 (Asset) 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 5.70 percent, as well as what the County's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower 4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	<u>Clinton County</u>		
	1% Decrease	Current Discount Rate	1% Increase
County's Proportionate Share of the Net OPEB Liability (Asset)	\$ 505,340	\$ (919,518)	\$ (2,099,809)

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Clinton County Port Authority (A Component Unit of Clinton County)

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Port Authority's Proportionate Share of the Net OPEB Liability (Asset)	\$ 13,243	\$ (24,097)	\$ (55,029)

Sensitivity of the County's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset 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 with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 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 the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	<u>Clinton County</u>		
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
County's Proportionate Share of the Net OPEB Liability (Asset)	\$ (957,700)	\$ (919,518)	\$ (876,194)

Clinton County Port Authority (A Component Unit of Clinton County)

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Port Authority's Proportionate Share of the Net OPEB Liability (Asset)	\$ (25,098)	\$ (24,097)	\$ (22,962)

NOTE 11 - CONTINGENT LIABILITIES

A. Grants

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

B. Litigation

Several claims and lawsuits are pending against the County. No liability has been accrued on the balance sheet. In the opinion of the County Prosecutor, the likelihood of a liability for the County cannot reasonably be estimated at this time.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 12 – COMMITMENTS

A. Contractual Commitments

At December 31, 2024, the County had contractual commitments for the following projects:

	Contract Amount	Expended	Outstanding Commitment
<i>Governmental-Type Activities:</i>			
Reconstruction of Antioch Road	\$ 1,600,548	\$ -	\$ 1,600,548
Replace Pratt Road Bridge	1,565,800	-	1,565,800
Guardrail Replacements	358,675	-	358,675
Replace Borum Road Bridge	713,362	51,253	662,109
Chiller at County Jail	388,768	-	388,768
Pole Barn at Owens Avenue	339,796	-	339,796
	<u>\$ 4,966,949</u>	<u>\$ 51,253</u>	<u>\$ 4,915,696</u>

B. Other Commitments

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

Fund	Amount
General	\$ 1,347,655
Motor Vehicle & Gas Tax	683,292
Board of Developmental Disabilities	376,027
American Rescue Plan	6,530,323
Nonmajor Governmental	1,789,931
	<u>\$ 10,727,228</u>

NOTE 13 - 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 Cash Receipts, Disbursements and Change in Cash Basis Fund Balance – Budget and Actual (Budget Basis) for the General Fund and each major special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and the cash basis are as follows:

1. Outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as restricted, committed, or assigned fund balance (cash basis).
2. Cash that is held by the custodial funds on behalf of County funds on a budget basis are allocated and reported on the balance sheet (cash basis) in the appropriate County fund.
3. Some funds are included in the general fund (cash basis), but have separate legally adopted budgets.

Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

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

Net Change in Fund Balance

	General	Motor Vehicle & Gasoline Tax	Board of Developmental Disabilities	JFS Children's Services	American Rescue Plan
Cash Basis	\$ 37,665	\$ (302,895)	\$ 555,639	\$ (79,905)	\$ -
Beginning of Year:					
Cash with Fiscal Agent	-	-	2,451,560	-	-
End of Year:					
Cash with Fiscal Agent	-	-	(2,519,714)	-	-
Fund Budgeted Elsewhere*	387,808	-	-	-	-
Adjustment for Encumbrances	(768,523)	(683,292)	(376,027)	-	(6,530,323)
Budget Basis	<u>\$ (343,050)</u>	<u>\$ (986,187)</u>	<u>\$ 111,458</u>	<u>\$ (79,905)</u>	<u>\$ (6,530,323)</u>

*Certain funds that are legally budgeted in separate special revenue funds are considered part of the General fund on a GAAP basis. These include the Unclaimed Money, General Fund Reserve Fund Balance, Geographic Information Systems, Indigent Application Fee, Certificate of Title Administration, Sick and Vacation Payout, County Recorder Equipment, Health Insurance Depository, Sheriff Policing Rotary and Former County Hospital funds.

NOTE 14 – 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 asset/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.

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Clinton County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 15 - FUND BALANCE

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

	General	Motor Vehicle & Gas Tax	Board of Developmental Disabilities	JFS Children Services	American Rescue Plan	Other Governmental Funds	Total
Nonspendable for:							
Unclaimed Monies	\$ 226,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 226,640
Total Nonspendable	226,640	-	-	-	-	-	226,640
Restricted for:							
General Government	-	-	-	-	-	3,734,306	3,734,306
Public Security Programs	-	-	-	-	-	643,948	643,948
Public Works	-	3,059,377	-	-	6,530,653	1,212,514	10,802,544
Health Programs	-	-	8,564,843	-	-	113,997	8,678,840
Public Services	-	-	-	4,880,375	-	2,377,514	7,257,889
Economic Development and Assistance	-	-	-	-	-	66,050	66,050
Capital Projects	-	-	-	-	-	203,882	203,882
Debt Service	-	-	-	-	-	3,973	3,973
Other Purposes	-	-	-	-	-	22,766	22,766
Total Restricted	-	3,059,377	8,564,843	4,880,375	6,530,653	8,378,950	31,414,198
Committed for:							
General Government	271,442	-	-	-	-	-	271,442
Public Security Programs	79,108	-	-	-	-	-	79,108
Public Works	-	-	-	-	-	4,989,316	4,989,316
Capital Projects	-	-	-	-	-	4,472,093	4,472,093
Debt Service	-	-	-	-	-	1,404,664	1,404,664
Total Committed	350,550	-	-	-	-	10,866,073	11,216,623
Assigned for:							
General Government: Legislative & Executive	473,509	-	-	-	-	-	473,509
General Government: Judicial	84,538	-	-	-	-	-	84,538
Public Security Programs	194,910	-	-	-	-	-	194,910
Public Services	4,602	-	-	-	-	-	4,602
Capital Projects	585,005	-	-	-	-	-	585,005
Subsequent Year Appropriations	2,314,715	-	-	-	-	-	2,314,715
Health Programs	2,847,231	-	-	-	-	-	2,847,231
Other Purposes	-	-	-	-	-	2,166,736	2,166,736
Total Assigned	6,504,510	-	-	-	-	2,166,736	8,671,246
Unassigned	14,320,043	-	-	-	-	(506)	14,319,537
Total Fund Balance	\$ 21,401,743	\$ 3,059,377	\$ 8,564,843	\$ 4,880,375	\$ 6,530,653	\$ 21,411,253	\$ 65,848,244

The VOCA grant fund had a deficit fund balance of \$506 due to the timing of expenditures and revenues.

CLINTON COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal AL Number	Disbursements	Subrecipients
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through the Ohio Department of Job and Family Services</i>				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	G-2425-11-6121	10.561	\$ 369,727	\$ -
Total SNAP Cluster			369,727	-
Total U.S. Department of Agriculture			369,727	-
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through the Ohio Department of Developmental Disabilities</i>				
Special Education - Grants for Infants and Families	H181A220024	84.181	92,137	92,137
Special Education - Grants for Infants and Families	H181A230024	84.181	76,433	76,433
Total Special Education - Grants for Infants and Families			168,570	168,570
Total U.S. Department of Education			168,570	168,570
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through the Ohio Department of Job and Family Services</i>				
Title IV-E Prevention Program	G-2223-11-6911 / G-2425-11-6121	93.472	26,922	-
Temporary Assistance for Needy Families (TANF)	G-2425-11-6121	93.558	1,072,198	90,809
CCDF Cluster:				
Child Care and Development Block Grant	G-2425-11-6121	93.575	55,091	-
Total CCDF Cluster			55,091	-
Social Services Block Grant				
Title XX - Base Subsidy	G-2425-11-6121	93.667	73,868	-
Title XX - Transfer Subsidy	G-2425-11-6121	93.667	336,518	-
Total Social Services Block Grant			410,386	-
Elder Abuse Prevention Interventions Program				
COVID-19 Elder Abuse Prevention Interventions Program	G-2021-11-5911	93.747	25,260	-
Total Elder Abuse Prevention Intervention Program			25,260	-
Medicaid Cluster:				
Grants to States for Medicaid	G-2223-11-6911 / G-2425-11-6121	93.778	436,461	-
Total Medicaid Cluster			436,461	-
Child Support Services	G-2223-11-6911 / G-2425-11-6121	93.563	520,417	-
MaryLee Allen Promoting Safe and Stable Families Program	G-2425-11-6121	93.556	23,279	-
Stephanie Tubbs Jones Child Welfare Services Program	G-2425-11-6121	93.645	1,938	-
Foster Care (Title IV-E)	G-2425-11-6121	93.658	1,136,041	-
Adoption Assistance (Title IV-E)	G-2425-11-6121	93.659	478,166	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	G-2223-11-6911 / G-2425-11-6121	93.674	24,443	-
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Social Services Block Grant	FAIN2401OHSOSR	93.667	27,794	-
Memo Total AL 93.667			438,180	-
<i>Passed through the Ohio Department of Mental Health</i>				
Opioid STR	2100683	93.788	45,390	-
Total U.S. Department of Health and Human Services			4,283,786	90,809
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed Through the Ohio Department of Transportation</i>				
Highway Planning and Construction:				
CLI-CR12-4.43 Antioch Rd	PID #109958	20.205	847	-
CLI-Guardrail FY24	PID #109959	20.205	261,255	-
CLI -CR12-4.81 Antioch Rd	PID #119808	20.205	9,377	-
CLI-CR16-7.96 Center Rd	PID #109957	20.205	1,332,817	-
CLI-TR256-0.01 Pratt Rd Bridge Rehab	PID #115214	20.205	1,293	-
CLI-TR169-1.97 Borum Rd Bridge Rehab	PID #117500	20.205	25,782	-
Curve Sign Upgrade	PID #120873	20.205	15,862	-
Total Highway Planning and Construction			1,647,233	-
Total U.S. Department of Transportation			1,647,233	-

(Continued)

CLINTON COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass Through Grantor Program Title	Pass Through Entity Number	Federal AL Number	Disbursements	Subrecipients
<u>U.S. DEPARTMENT OF THE TREASURY</u>				
<i>Passed Through the Ohio Department of Job and Family Services</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	G-2223-11-6911	21.027	\$ 43,905	\$ -
Total U.S. Department of the Treasury			43,905	-
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed Through the Ohio Development Services Agency</i>				
Community Development Block Grants (CDBG)/State's Program and Non-Entitlement Grants in Hawaii				
Small Cities CDBG Program	B-F-23-1AN-1	14.228	148,736	-
Small Cities CDBG Program	B-X-23-1AN-1	14.228	22,311	-
Small Cities CDBG Program	B-X-23-1AN-2	14.228	12,000	-
Small Cities CDBG Program	B-C-21-1AN-1	14.228	7,212	-
Small Cities CDBG Program	B-C-21-1AN-2	14.228	51,905	-
Total CDBG/State's Program and Non-Entitlement Grants in Hawaii			<u>242,164</u>	<u>-</u>
Home Investment Partnerships Program	B-C-21-1AN-2/B-C-23-1AN-2	14.239	134,053	-
Total U.S. Department of Housing and Urban Development			376,217	-
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed Through the Ohio Department of Public Safety</i>				
Emergency Management Performance Grants	DPSFE272	97.042	15,049	-
Emergency Management Performance Grants	DPSFE285	97.042	43,438	-
Total Emergency Management Performance Grant			<u>58,487</u>	<u>-</u>
Total U.S. Department of Homeland Security			58,487	-
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<i>Passed Through the Ohio Attorney General's Office - Crime Victim Section</i>				
Crime Victim Assistance	2024-VOCA-135500054	16.575	20,280	-
Crime Victim Assistance	2024-VOCA-135899180	16.575	11,210	-
Crime Victim Assistance	2024-VOCA-135500240	16.575	20,274	-
Crime Victim Assistance	2025-VOCA-135899224	16.575	3,668	-
Total Crime Victim Assistance			<u>55,432</u>	<u>-</u>
Total U.S. Department of Justice			55,432	-
<u>U.S. DEPARTMENT OF LABOR</u>				
<i>Passed Through the Ohio Department of Jobs and Family Services</i>				
<i>via Ohio Area 7 Workforce Investment Board</i>				
Unemployment Insurance	G-2021-7314-1	17.225	9,315	9,315
WIOA Cluster				
WIOA - Adult Program	G-2021-7314-1	17.258	113,979	110,874
WIOA Youth Activities	G-2021-7314-1	17.259	126,465	124,942
WIOA - Dislocated Worker Formula Grants	G-2021-7314-1	17.278	52,247	50,870
Total WIOA Cluster			<u>292,691</u>	<u>286,686</u>
Employment Service Cluster:				
Employment Service/Wagner-Peyser Funded Activities	G-2021-7314-1	17.207	10,537	-
Total Employment Service Cluster			<u>10,537</u>	<u>-</u>
Trade Adjustment Assistance	G-2021-7314-1	17.245	1,389	-
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	G-2021-7314-1	17.277	21,459	21,459
Total U.S. Department of Labor			335,391	317,460
Total Federal Expenditures			\$ 7,338,748	\$ 576,839

The accompanying notes are an integral part of this schedule.

CLINTON COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS 2 CFR 200.510(b)(6) FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Clinton County (the County's) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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 Developmental Disabilities and the Ohio Department of Job and Family Services 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, 2024 is \$36,014.

CLINTON COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024

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.

NOTE G - TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2024, the County made allowable transfers of \$336,518 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 \$1,072,197 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 2024 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	\$ 1,408,715
Transfer to Social Services Block Grant	<u>(336,518)</u>
Total Temporary Assistance for Needy Families	<u>\$ 1,072,197</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Clinton County, Ohio
Board of County Commissioners
1850 David's Drive
Wilmington, Ohio 45177

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Clinton County, Ohio (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2025, wherein we noted the County reported on the cash basis of accounting.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2024-001.

The County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 27, 2025



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Clinton County, Ohio
Board of County Commissioners
1850 David's Drive
Wilmington, Ohio 45177

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Clinton County, Ohio's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2024. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
June 27, 2025

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	Yes

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified not considered to be material weakness(es)?	None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
ALN 20.205 – Highway Planning and Construction	
ALN 93.658 – Foster Care (Title IV-E)	
ALN 93.659 – Adoption Assistance (Title IV-E)	
Dollar threshold to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

Finding Number 2024-001: Noncompliance – Not Reporting in Accordance with GAAP

Ohio Administrative Code Section 117-2-3(B) requires the County to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America (GAAP). Clinton County has elected to prepare and submit its annual financial report on the cash basis of accounting. The accompanying financial statements and notes omit material assets, liabilities, fund equities and disclosures required by GAAP.

Management Response: It is not cost beneficial for the county to file its financial statements on a GAAP basis. Our constituents would much rather see their tax dollars spent on operational needs rather than a set of financial statements that the average person on the street does not understand, and that do not truly state the County's financial position.

Section III – Federal Awards Findings and Questioned Costs

None Noted



TERENCE G. HABERMEHL
CLINTON COUNTY AUDITOR

Administrative Campus
1850 Davids Drive, Suite 303
Wilmington, Ohio 45177

Phone: (937)-382-2250

Fax: (937)- 382-4090

Website: <https://clintoncountyauditor.org/>

Schedule of Prior Audit Findings
December 31, 2024

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Status</u>	<u>Additional Information</u>
2023-001	ORC § 117.38 and OAC § 117-2-03(B) – not filing financial report on a GAAP basis.	Not Corrected	Repeated as Finding Number 2024-001
2023-002	Audit reclassifications were necessary to correct certain errors within the County's financial statements presented for audit.	Corrected	



TERENCE G. HABERMEHL
CLINTON COUNTY AUDITOR

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Corrective Action Plan
December 31, 2024

Finding Number:	2024-001
Planned Corrective Action:	It is not cost beneficial for the county to file its financial statements on a GAAP basis. Our constituents would much rather see their tax dollars spent on operational needs rather than a set of financial statements that the average person on the street does not understand, and that do not truly state the county's financial position.
Anticipated Completion Date:	N/A
Responsible Contact Person:	Terence G. Habermehl



OHIO AUDITOR OF STATE KEITH FABER



CLINTON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 9/11/2025

65 East State 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