



OHIO AUDITOR OF STATE  
**KEITH FABER**





**SCIOTO COUNTY  
DECEMBER 31, 2024**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Scioto County  
602 Seventh Street  
Portsmouth, Ohio 45662

To the Board of County Commissioners:

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Scioto 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 financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Scioto County, Ohio as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Public Assistance, Motor Vehicle Gas Tax, Board of Developmental Disabilities, and Children Services Funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 3 to the financial statements, during 2024, the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statements No. 100, *Accounting Changes and Error Corrections* and No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

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

***Supplementary information***

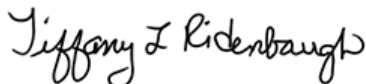
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements,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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 December 2, 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.

KEITH FABER  
Ohio Auditor of State



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

December 2, 2025

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**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2024  
Unaudited

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Scioto County's (the "County") discussion and analysis of the annual financial report provides a review of the financial performance for the year ended December 31, 2024.

**FINANCIAL HIGHLIGHTS**

The net position for business-type activity increased \$547,978, which includes transfers during 2024. The net position of the County's governmental activities decreased \$1,833,870 including transfers.

The County had \$87,887,186 in expenses related to governmental activities: \$51,329,365 of these expenses were offset by program specific charges for services and sales, grants, and contributions. General revenues (primarily grants and entitlements, property taxes and sales taxes) of \$34,708,951 were more than adequate to provide for these programs. The County had \$5,331,772 in expenses related to its business-type activity; all of which were offset by program specific charges for services and sales along with operating grants and contributions.

**USING THIS ANNUAL FINANCIAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the County's most significant funds with all other nonmajor funds presented in total in one column.

**REPORTING THE COUNTY AS A WHOLE**

*Statement of Net Position and the Statement of Activities*

The analysis of the County as a whole begins with the Statement of Net Position and the Statement of Activities. These statements provide information that will help the reader to determine if Scioto County is financially better off or worse off as a result of the year's activities. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes to those net positions. This change informs the reader whether the County's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the County's financial well-being. Some of these factors include the County's tax base and the condition of capital assets.

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

Governmental Activities – Most of the County's services are reported here including general government, public safety, public works, health, human services, conservation and recreation, economic development and assistance, and transportation.

**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2024  
Unaudited

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Business-Type Activity – This activity includes fees for sewer services that are charged based upon the amount of usage. The intent is that the fees charged recoup operational costs.

The financial activities of the Scioto County Airport Authority, Scioto County Land Reutilization Corporation, and the Southern Ohio Port Authority are component units of Scioto County, are presented in a single column on the Statement of Net Position and are combined together on the Statement of Activities. The component units are presented in individual columns on the Condensed Component Unit Statements in Note 24. While the County provides services and resources to the Scioto County Airport Authority, Scioto County Land Reutilization Corporation, and the Southern Ohio Port Authority, these discrete presentations are made in order to emphasize that they are still legally separate organizations from the County. However, focus on the government-wide financial statements remains clearly on the County as the primary government.

## **REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS**

### ***Fund Financial Statements***

The analysis of the County's major funds begins on page 11. Fund financial statements provide detailed information about the County's major funds – not the County as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the County Auditor, with the approval of the County Commissioners, to help control, manage and report money received for a particular purpose or to show that the County is meeting legal responsibilities for the use of grants. The County's major funds are the General, Public Assistance, Motor Vehicle Gas Tax, Board of Developmental Disabilities, Children Services, and Sewer Funds.

***Governmental Funds*** – Most of the County's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

***Enterprise Funds*** – When the County charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in enterprise funds. Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

## **THE COUNTY AS A WHOLE**

As stated previously, the Statement of Net Position looks at the County as a whole. Table 1 provides a summary of the County's net position for 2024 compared to 2023.

**SCIOTO COUNTY, OHIO**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2024**  
**Unaudited**

Table 1  
Net Position

	Governmental Activities		Business-Type Activity		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and						
Other Assets	\$73,385,743	\$77,957,668	\$11,378,155	\$11,080,951	\$84,763,898	\$89,038,619
Net Pension Asset	131,767	96,240	5,344	3,904	137,111	100,144
Net OPEB Asset	1,414,849	103,809	53,475	0	1,468,324	103,809
Equity Interest in						
Joint Venture	499,250	446,790	0	0	499,250	446,790
Capital Assets,						
Net of Depreciation	93,129,524	91,192,398	57,286,384	57,972,334	150,415,908	149,164,732
Total Assets	<u>168,561,133</u>	<u>169,796,905</u>	<u>68,723,358</u>	<u>69,057,189</u>	<u>237,284,491</u>	<u>238,854,094</u>
<b>Deferred Outflows of Resources</b>						
Deferred Charge on						
Refunding	59,627	74,196	778,729	837,236	838,356	911,432
Pension	12,878,566	18,953,593	514,460	759,189	13,393,026	19,712,782
OPEB	1,163,832	2,765,868	46,461	111,232	1,210,293	2,877,100
Total Deferred Outflows	<u>14,102,025</u>	<u>21,793,657</u>	<u>1,339,650</u>	<u>1,707,657</u>	<u>15,441,675</u>	<u>23,501,314</u>
<b>Liabilities</b>						
Current and Other						
Liabilities	6,734,080	13,050,449	545,447	764,628	7,279,527	13,815,077
Long-Term Liabilities:						
Due Within						
One Year	3,506,954	2,205,138	937,885	818,129	4,444,839	3,023,267
Due in More						
Than One Year						
Net Pension Liability	41,270,112	46,139,189	1,633,746	1,823,909	42,903,858	47,963,098
OPEB Liability	0	908,325	0	36,826	0	945,151
Other Amounts	9,253,047	3,674,023	22,052,425	22,760,460	31,305,472	26,434,483
Total Liabilities	<u>60,764,193</u>	<u>65,977,124</u>	<u>25,169,503</u>	<u>26,203,952</u>	<u>85,933,696</u>	<u>92,181,076</u>
<b>Deferred Inflows of Resources</b>						
Deferred Charge on Refunding	0	0	717,415	762,836	717,415	762,836
Property Taxes	13,739,597	13,597,017	0	0	13,739,597	13,597,017
Revenue in Lieu of Taxes	0	21,600	0	0	0	21,600
Pension	300,239	448,909	4,788	12,680	305,027	461,589
OPEB	827,685	387,593	31,161	12,221	858,846	399,814
Total Deferred Inflows	<u>\$14,867,521</u>	<u>\$14,455,119</u>	<u>\$753,364</u>	<u>\$787,737</u>	<u>\$15,620,885</u>	<u>\$15,242,856</u>

*(continued)*

**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2024  
Unaudited

Table 1  
Net Position  
(Continued)

	Governmental Activities		Business-Type Activity		Total	
	2024	2023	2024	2023	2024	2023
<b>Net Position</b>						
Net Invested in						
Capital Assets	\$90,111,599	\$86,222,624	\$34,790,037	\$34,717,877	\$124,901,636	\$120,940,501
Restricted for:						
Debt Service	75,322	67,353	0	0	75,322	67,353
Capital Projects	1,019,368	3,953,263	0	0	1,019,368	3,953,263
Pension/OPEB Plans	1,546,616	200,049	58,819	3,904	1,605,435	203,953
Other Purposes	31,776,771	33,711,842	0	0	31,776,771	33,711,842
Unrestricted (Deficit)	(17,498,232)	(12,996,812)	9,291,285	9,051,376	(8,206,947)	(3,945,436)
Total Net Position	<u>\$107,031,444</u>	<u>\$111,158,319</u>	<u>\$44,140,141</u>	<u>\$43,773,157</u>	<u>\$151,171,585</u>	<u>\$154,931,476</u>

***New Accounting Pronouncement/Restatements***

Table 1 provides a summary of the County's net position for 2024 compared to 2023. For 2024, the County implemented GASB Statement No. 101, *Compensated Absences*. The County also implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*, which does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be rested for changes in accounting principle.

The implementation of GASB 101 resulted in recognizing additional compensated absences liabilities of \$2,293,005 in governmental activities, and \$180,994 in business-type activities at January 1, 2024. These amounts also impacted beginning net position for the cumulative effect of additional compensated absences expense (See Note 3).

The net pension liability (NPL) is the largest single liability reported by the County at December 31, 2024. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB

**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2024  
Unaudited

liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Total assets of the County's governmental activities decreased \$1,235,772, despite an increase in capital assets, net of depreciation. The County's current and other assets decreased \$4,571,925. Cash and cash equivalents decreased due to an increase in public works and human services expenditures. Public works expenditures increased due to an increase in projects for other government entities and not an asset of the County. Human services expenditures increased as a result of a three percent raise in salaries and an increase in contracted services from transitioning custodial and maintenance staff to contracted providers and an increase in Department of Developmental Disabilities service fees and waiver match compared to previous years. Capital Assets, Net of Depreciation increased \$1,937,126, mainly the result of building projects within the County Engineer's office and infrastructure projects that were completed.

The County's governmental net pension liability decreased \$4,869,077. During 2024, the OPERS net pension liability for the traditional plan decreased, the net pension asset related to the combined plan increased while the net OPEB liability changed to a net OPEB asset. These changes primarily resulted from increased pension plan investment earnings. The decrease in deferred outflows related to pension and OPEB resulted from the amortization of prior year net difference between projected and actual earnings of investments offset by the 2024 deferred inflow amount.

Net position of the County's governmental activities decreased \$1,833,870 from the prior year due to a decrease in unrestricted net position. The unrestricted net position decreased due to the State-wide pension system investment earnings and the amortization of prior year net difference between projected and actual earning of investments offset by the 2024 deferred inflow amount. An increase in the compensated absences liability due to an increase in the average salary as well as an increase in overall leave balances from 2023 to 2024 also contributed to the decrease in unrestricted net position. Net invested in capital assets increased primarily as a result of construction in progress projects beginning during the year but not completed.

Net position of the County's business-type activities increased \$547,978. This is mainly due to an increase in cash from revenues outpacing expenditures during the year.

Table 2 shows the changes in net position for the years ended December 31, 2024, and 2023.

Table 2  
Changes in Net Position

	Governmental Activities		Business-Type Activity		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales	\$9,064,448	\$9,854,116	\$5,820,290	\$5,720,681	\$14,884,738	\$15,574,797
Operating Grants and Contributions	35,584,751	33,102,425	0	0	35,584,751	33,102,425
Capital Grants and Contributions	6,680,166	6,457,150	0	149,904	6,680,166	6,607,054
Total Program Revenues	<u>\$51,329,365</u>	<u>\$49,413,691</u>	<u>\$5,820,290</u>	<u>\$5,870,585</u>	<u>\$57,149,655</u>	<u>\$55,284,276</u>

*(continued)*

**SCIOTO COUNTY, OHIO**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2024**  
**Unaudited**

Table 2  
**Changes in Net Position**  
**(Continued)**

	Governmental Activities		Business-Type Activity		Total	
	2024	2023	2024	2023	2024	2023
General Revenues:						
Property Taxes	\$13,585,413	\$13,685,672	\$0	\$0	\$13,585,413	\$13,685,672
Other Local Taxes	680,392	1,086,931	0	0	680,392	1,086,931
Sales Tax	14,824,834	14,990,736	0	0	14,824,834	14,990,736
Revenue in Lieu of Taxes	2,672	2,768	0	0	2,672	2,768
Grants and Entitlements not Restricted to Specific Programs	2,946,275	2,674,874	0	0	2,946,275	2,674,874
Operating	0	0	0	0	0	0
Capital	0	0	0	0	0	0
Rent	0	0	0	0	0	0
Unrestricted Interest						
Investment Earnings/Interest	331,953	587,911	0	0	331,953	587,911
Contributions and Donations	0	0	0	0	0	0
Miscellaneous	2,337,412	1,561,507	74,460	719,173	2,411,872	2,280,680
Gain on Sale of Capital Assets	0	38,181	0	0	0	38,181
Total General Revenues	34,708,951	34,628,580	74,460	719,173	34,783,411	35,347,753
Total Revenues	86,038,316	84,042,271	5,894,750	6,589,758	91,933,066	90,632,029
<b>Program Expenses</b>						
General Government:						
Legislative and Executive	13,136,930	14,624,253	0	0	13,136,930	14,624,253
Judicial	4,270,419	4,379,180	0	0	4,270,419	4,379,180
Public Safety:						
Sheriff	10,965,912	11,881,243	0	0	10,965,912	11,881,243
Other	3,996,467	5,936,534	0	0	3,996,467	5,936,534
Public Works	12,537,360	3,410,674	0	0	12,537,360	3,410,674
Health	16,351,008	14,720,786	0	0	16,351,008	14,720,786
Human Services	22,598,813	21,710,181	0	0	22,598,813	21,710,181
Conservation and Recreation	1,716,100	853,188	0	0	1,716,100	853,188
Economic Development and Assistance	1,146,153	2,221,900	0	0	1,146,153	2,221,900
Transportation	932,104	993,776	0	0	932,104	993,776
Interest	235,920	1,018,388	0	0	235,920	1,018,388
Sewer	0	0	5,331,772	5,724,698	5,331,772	5,724,698
Total Expenses	87,887,186	81,750,103	5,331,772	5,724,698	93,218,958	87,474,801
Change in Net Position Before Transfers	(1,848,870)	2,292,168	562,978	865,060	(1,285,892)	3,157,228
Transfers	15,000	15,000	(15,000)	(15,000)	0	0
Change in Net Position	(1,833,870)	2,307,168	547,978	850,060	(1,285,892)	3,157,228
Net Position, January 1 as Previously Reported	111,158,319	108,851,151	43,773,157	42,923,097	154,931,476	151,774,248
Restatement - Change in Accounting Principle (See Note 3)	(2,293,005)	0	(180,994)	0	(2,473,999)	0
Restated Net Position, January 1	108,865,314	108,851,151	43,592,163	42,923,097	152,457,477	151,774,248
Net Position at End of Year	\$107,031,444	\$111,158,319	\$44,140,141	\$43,773,157	\$151,171,585	\$154,931,476

**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2024  
Unaudited

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***New Accounting Pronouncement/Restatements***

Table 2 provides a summary of the County's change in net position for 2024 compared to 2023. The above table also separately reflects the restatement for changes in accounting principles related to the implementation of GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 100, *Accounting Changes and Error Corrections* does not require Management Discussion and Analysis information for years prior to periods presented in the basic financial statements to be restated for changes in accounting principle. The 2023 information does not reflect activity related to the additional compensated absences expenses required under GASB 101, *Compensated Absences*. (See also explanation of new accounting pronouncements provided related to Net Position - Table 1 and explanation provided in Note 3.)

***Governmental Activities***

The County's direct charges to users of governmental services are \$9,064,448 of total governmental revenues for 2024. These charges are for fees for real estate transfers, fees associated with the collection of property taxes, recording fees, sheriff contracts, transportation fees, fines and forfeitures related to judicial activity, housing fees for prisoners from other jurisdictions, and licenses and permits.

Operating grants and contributions restricted to specific programs is the largest source of revenue for Scioto County and increased which resulted in an overall increase in program revenues of \$1,915,674. The major recipients of operating grants and contributions were the Public Assistance, Motor Vehicle Gas Tax, Board of Developmental Disabilities, and Children Services Funds. The increase in operating grants and contributions is mainly due to an increase in Children Services State funding, Child Support Enforcement, Probation Supervision Services, and CDGB State funding.

General revenues increased \$80,371, insignificantly.

Legislative and Executive made up \$13,136,930 of total expenses and decreased \$1,487,323 compared to 2023. Health accounted for \$16,351,008 of total expenses for governmental activities and increased \$1,630,222. Overall, expenses increased \$6,137,083. This increase is largely attributable to a three percent salary adjustment, along with an increase in projects for other government entities.

***Business-Type Activity***

The net position for business-type activity increased \$547,978 during 2024. The increase in 2024 is mainly due to revenues outpacing expenditures.

**THE COUNTY'S FUNDS**

Information about the County's major governmental funds begins on page 18. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of \$84,054,068 and expenditures of \$88,074,280.

The General Fund balance increased \$215,473 in 2024, which was mostly due to a decrease in expenditures in 2024 when compared to 2023.

The Public Assistance fund balance decreased \$207,618, which was mostly due to an increase in expenditures compared to 2023.

**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
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The Motor Vehicle Gas Tax fund balance decreased \$297,418 mainly due to an increase in expenditures compared to 2023.

The Board of Developmental Disabilities fund balance decreased \$2,724,806 in 2024. This was primarily driven by a three percent increase in salaries. Additionally, there was a significant increase in contract services, resulting from the transition of custodial and maintenance staffing to contracted providers and an increase in Department of Developmental Disabilities service fees and waiver match compared to previous years.

The Children Services Fund balance decreased \$110,811, which is mainly due to expenditures outpacing revenues.

The Sewer Funds net position increased \$547,978, which is mainly due contractual services decreasing from the prior year due to reduced payables for maintenance and professional services.

***General Fund Budgeting Highlights***

The County's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of receipts, disbursements and encumbrances. The County's budget is adopted on a line item basis. Before the budget is adopted, the County Commissioners review detailed budget worksheets of each function within the General Fund and then adopt the budget at the fund, department, and object level (i.e., General Fund – Commissioners – salaries, supplies, equipment, contract repairs, travel expenses, maintenance, and other expenses).

During 2024, the County amended its General Fund budget as needed. There was an increase from original budget revenue amounts to the final budget revenue amounts of \$1,000,000. The increase from the final budget revenue to the actual revenues is mainly due to an increase in sales tax and charges for services revenue. Sales tax revenue increased due to the economy continuing to return to pre-pandemic activity levels.

Total variance from original budget expenditure amounts to the final budget expenditure amounts increased mostly in judicial and public safety due to greater costs associated with various purposes such as utilities, maintenance, supplies and health insurance costs which were not anticipated in the original budget. The variances from final budget expenditure amounts to actual amounts decreased in all expenditure categories with the largest in legislative and executive and health. This decrease was mainly due to monitoring expenditures.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

During 2024, the County had additions in nondepreciable and depreciable assets of \$1,327,345 and \$8,490,022, respectively, in the governmental activities. These were mainly the result of building projects within the County Engineer's office and infrastructure projects that were completed.

The additions to construction in progress and depreciable assets consisted of \$215,500 and \$574,841, respectively, in the business-type activities. These were related to sewer construction projects, along with some projects being completed and added to infrastructure as well as additions to furniture, fixtures, and equipment and vehicles. See Note 9 of the notes to the basic financial statements for more detailed capital assets information.



**SCIOTO COUNTY, OHIO**  
Management's Discussion and Analysis  
For the Year Ended December 31, 2024  
Unaudited

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***Debt***

At December 31, 2024, Scioto County had \$6,343,361 in long-term debt outstanding in governmental activities. This included \$5,598,018 of general obligation bonds and premium, \$675,540 in leases and \$69,803 in financed purchases payable.

The amount of long-term debt in the business-type activity was \$22,626,771 which consisted of \$3,374,262 in general obligation bonds, \$628,800 in Ohio Public Works Commission (OPWC) loans, and \$18,623,709 in the Ohio Water Development Authority (OWDA) and the United States Department of Agriculture (USDA) loans.

The County's total legal debt margin was \$33,721,514 with an unvoted debt margin of \$14,019,187 at December 31, 2024.

The County's long-term obligations also included compensated absences and net pension/OPEB liability for governmental and business-type activities.

See Note 15 of the notes to the basic financial statements for more detailed information.

**CONTACTING THE COUNTY AUDITOR'S OFFICE**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact David L. Green, County Auditor, Scioto County, 602 Seventh Street, Room 103, Portsmouth, Ohio 45662.

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**SCIOTO COUNTY, OHIO**  
Statement of Net Position  
December 31, 2024

	Primary Government			
	Governmental Activities	Business-Type Activity	Total	Component Units
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$39,191,025	\$8,292,591	\$47,483,616	\$710,632
Cash and Cash Equivalents in Segregated Accounts	265,268	316,221	581,489	11,561
Cash and Cash Equivalents with Trustee	0	0	0	85,829
Accrued Interest Receivable	36,186	0	36,186	0
Materials and Supplies Inventory	1,131,915	23,331	1,155,246	0
Accounts Receivable	320,477	2,528,041	2,848,518	11,859
Prepaid Items	696,300	12,135	708,435	54,306
Sales Tax Receivable	3,887,991	0	3,887,991	0
Property Taxes Receivable	16,086,725	0	16,086,725	0
Due from Other Governments	11,398,658	205,836	11,604,494	60,321
Loans Receivable	81,850	0	81,850	0
Lease Receivable	0	0	0	5,761,409
Notes Receivable	289,348	0	289,348	0
Equity Interest in Joint Venture	499,250	0	499,250	0
Unamortized Bond Discount	0	0	0	64,820
Assets Held for Resale	0	0	0	1,475,348
Net Pension Asset	131,767	5,344	137,111	0
Net OPEB Asset	1,414,849	53,475	1,468,324	0
Capital Assets:				
Land and Construction in Progress	2,667,254	730,775	3,398,029	1,531,196
Depreciable Capital Assets, Net	90,462,270	56,555,609	147,017,879	12,814,819
<b>Total Assets</b>	<b>168,561,133</b>	<b>68,723,358</b>	<b>237,284,491</b>	<b>22,582,100</b>
<b><u>Deferred Outflows Of Resources:</u></b>				
Deferred Charge On Refunding	59,627	778,729	838,356	0
Pension	12,878,566	514,460	13,393,026	0
OPEB	1,163,832	46,461	1,210,293	0
<b>Total Deferred Outflows of Resources</b>	<b>14,102,025</b>	<b>1,339,650</b>	<b>15,441,675</b>	<b>0</b>
<b><u>Liabilities:</u></b>				
Accounts Payable	1,961,942	191,893	2,153,835	29,826
Contracts Payable	365,081	19,705	384,786	65,310
Accrued Wages Payable	520,574	0	520,574	0
Due to Other Governments	718,102	12,871	730,973	0
Payroll Withholdings	183,451	6,659	190,110	0
Accrued Interest Payable	19,794	275,684	295,478	8,257
Compensatory Time Payable	132,434	38,635	171,069	0
Accrued Liabilities	0	0	0	46,673
Due to Grantors	0	0	0	39,264
Unearned Revenue	2,832,702	0	2,832,702	26,881
Long-Term Liabilities:				
Due Within One Year	3,506,954	937,885	4,444,839	120,000
Due in More Than One Year:				
Net Pension Liability	41,270,112	1,633,746	42,903,858	0
Other Amounts	9,253,047	22,052,425	31,305,472	3,655,000
<b>Total Liabilities</b>	<b>60,764,193</b>	<b>25,169,503</b>	<b>85,933,696</b>	<b>3,991,211</b>
<b><u>Deferred Inflows Of Resources:</u></b>				
Deferred Charge on Refunding	0	717,415	717,415	0
Property Taxes	13,739,597	0	13,739,597	0
Leases	0	0	0	5,761,409
Pension	300,239	4,788	305,027	0
OPEB	827,685	31,161	858,846	0
<b>Total Deferred Inflows Of Resources</b>	<b>14,867,521</b>	<b>753,364</b>	<b>15,620,885</b>	<b>5,761,409</b>
<b><u>Net Position:</u></b>				
Net Investment in Capital Assets	90,111,599	34,790,037	124,901,636	10,707,569
Restricted for:				
Debt Service	75,322	0	75,322	0
Capital Projects	1,019,368	0	1,019,368	0
Public Safety	3,018,731	0	3,018,731	0
Human Services	6,072,331	0	6,072,331	0
Public Works	9,613,974	0	9,613,974	0
Health	6,824,470	0	6,824,470	0
Community and Economic Development	2,280,643	0	2,280,643	60,100
Transportation	483,280	0	483,280	0
Judicial	948,104	0	948,104	0
Legislative and Executive	2,510,791	0	2,510,791	0
Conservation and Recreation	24,447	0	24,447	0
Pension/OPEB Plans	1,546,616	58,819	1,605,435	0
Unrestricted (Deficit)	(17,498,232)	9,291,285	(8,206,947)	2,061,811
<b>Total Net Position</b>	<b>\$107,031,444</b>	<b>\$44,140,141</b>	<b>\$151,171,585</b>	<b>\$12,829,480</b>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Activities  
For the Year Ended December 31, 2024

	Program Revenues		
	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Expenses			
<b><u>Governmental Activities:</u></b>			
General Government:			
Legislative and Executive	\$13,136,930	\$2,234,865	\$414,197
Judicial	4,270,419	1,147,937	785,810
Public Safety:			
Sheriff	10,965,912	3,100,632	697,546
Other	3,996,467	347,399	2,499,710
Public Works	12,537,360	610,920	6,588,557
Health	16,351,008	802,529	4,840,971
Human Services	22,598,813	515,379	16,256,663
Conservation and Recreation	1,716,100	44,308	453,347
Economic Development and Assistance	1,146,153	26,122	2,519,163
Transportation	932,104	234,357	528,787
Interest	235,920	0	0
<i>Total Governmental Activities</i>	87,887,186	9,064,448	35,584,751
			6,680,166
<b><u>Business-Type Activity:</u></b>			
Sewer	5,331,772	5,820,290	0
			0
<i>Total Primary Government</i>	\$93,218,958	\$14,884,738	\$35,584,751
			\$6,680,166
<i>Component Units</i>	\$3,824,066	\$441,877	\$2,731,928
			\$138,020

**General Revenues:**

Property Taxes Levied for:  
    General Purposes  
    Board of Developmental Disabilities  
    Children Services  
    Other Purposes  
Other Local Taxes  
Sales Tax  
Revenue in Lieu of Taxes  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings/Interest  
Miscellaneous  
Transfers

*Total General Revenues*

Change in Net Position

*Net Position at Beginning of Year as Previously Reported*

*Change in Accounting Principles - See Note 3*

*Restated Net Position at Beginning of Year*

*Net Position at End of Year*

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Governmental Activities	Business-Type Activity	Total	Component Units	
(\$10,487,868)	\$0	(\$10,487,868)	\$0	
(2,336,672)	0	(2,336,672)	0	
(7,167,734)	0	(7,167,734)	0	
(1,149,358)	0	(1,149,358)	0	
1,342,283	0	1,342,283	0	
(10,707,508)	0	(10,707,508)	0	
(5,826,771)	0	(5,826,771)	0	
(1,218,445)	0	(1,218,445)	0	
1,399,132	0	1,399,132	0	
(168,960)	0	(168,960)	0	
(235,920)	0	(235,920)	0	
(36,557,821)	0	(36,557,821)	0	
0	488,518	488,518	0	
(36,557,821)	488,518	(36,069,303)	0	
0	0	0	(512,241)	
2,499,333	0	2,499,333	0	
6,619,528	0	6,619,528	0	
3,723,839	0	3,723,839	0	
742,713	0	742,713	0	
680,392	0	680,392	0	
14,824,834	0	14,824,834	0	
2,672	0	2,672	0	
2,946,275	0	2,946,275	1,485,000	
331,953	0	331,953	239,926	
2,337,412	74,460	2,411,872	59,090	
15,000	(15,000)	0	0	
34,723,951	59,460	34,783,411	1,784,016	
(1,833,870)	547,978	(1,285,892)	1,271,775	
111,158,319	43,773,157	154,931,476	11,557,705	
(2,293,005)	(180,994)	(2,473,999)	0	
108,865,314	43,592,163	152,457,477	11,557,705	
\$107,031,444	\$44,140,141	151,171,585	\$12,829,480	

**SCIOTO COUNTY, OHIO**

Balance Sheet  
Governmental Funds  
December 31, 2024

	General Fund	Public Assistance Fund	Motor Vehicle Gas Tax Fund	Board of Developmental Disabilities Fund
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$6,847,112	\$701,525	\$5,791,129	\$4,375,438
Cash and Cash Equivalents in Segregated Accounts	105,088	0	0	0
Receivables:				
Sales Tax	3,887,991	0	0	0
Property Taxes	3,138,658	0	0	7,905,585
Accounts	14,406	0	0	56,751
Accrued Interest	36,186	0	0	0
Interfund	0	0	0	0
Due from Other Governments	1,311,050	837,365	3,091,841	1,458,965
Prepaid Items	425,115	70,237	15,237	58,634
Materials and Supplies Inventory	100,469	22,922	999,383	2,507
Due from Other Funds	42,523	69,646	0	0
Notes Receivable	289,348	0	0	0
Loans Receivable	70,000	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	1,213,252	0	0	0
<b>Total Assets</b>	<b>\$17,481,198</b>	<b>\$1,701,695</b>	<b>\$9,897,590</b>	<b>\$13,857,880</b>
<b><u>Liabilities:</u></b>				
Accounts Payable	\$383,013	\$356,545	\$22,821	\$362,180
Contracts Payable	0	0	104,900	0
Accrued Wages Payable	157,695	110,102	29,674	156,261
Due to Other Governments	283,255	59,970	24,369	272,650
Due to Other Funds	34,242	108,023	0	0
Payroll Withholdings	83,444	27,848	9,982	30,860
Interfund Payable	0	0	0	0
Unearned Revenue	0	0	0	0
<b>Total Liabilities</b>	<b>941,649</b>	<b>662,488</b>	<b>191,746</b>	<b>821,951</b>
<b><u>Deferred Inflows of Resources:</u></b>				
Property Taxes not Levied to Finance Current				
Year Operations	2,650,332	0	0	6,780,029
Unavailable Revenue	2,696,890	6,639	2,141,946	2,242,673
<b>Total Deferred Inflows of Resources</b>	<b>5,347,222</b>	<b>6,639</b>	<b>2,141,946</b>	<b>9,022,702</b>
<b><u>Fund Balances:</u></b>				
Nonspendable	1,791,336	93,159	1,014,620	61,141
Restricted	0	939,409	6,549,278	3,952,086
Committed	0	0	0	0
Assigned	561,753	0	0	0
Unassigned (Deficit)	8,839,238	0	0	0
<b>Total Fund Balances</b>	<b>11,192,327</b>	<b>1,032,568</b>	<b>7,563,898</b>	<b>4,013,227</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$17,481,198</b>	<b>\$1,701,695</b>	<b>\$9,897,590</b>	<b>\$13,857,880</b>

See Accompanying Notes to the Basic Financial Statements

Children Services Fund	Nonmajor Governmental Funds	Total
\$758,225	\$19,504,344	\$37,977,773
0	160,180	265,268
0	0	3,887,991
4,219,998	822,484	16,086,725
2,346	246,974	320,477
0	0	36,186
0	36,120	36,120
1,147,294	3,552,143	11,398,658
0	127,077	696,300
0	6,634	1,131,915
0	162,045	274,214
0	0	289,348
0	11,850	81,850
0	0	1,213,252
<u>\$6,127,863</u>	<u>\$24,629,851</u>	<u>\$73,696,077</u>
\$737,783	\$99,600	\$1,961,942
0	260,181	365,081
0	66,842	520,574
6,375	71,483	718,102
35,091	96,858	274,214
0	31,317	183,451
0	36,120	36,120
0	2,832,702	2,832,702
<u>779,249</u>	<u>3,495,103</u>	<u>6,892,186</u>
3,599,089	710,147	13,739,597
<u>1,507,591</u>	<u>3,252,056</u>	<u>11,847,795</u>
<u>5,106,680</u>	<u>3,962,203</u>	<u>25,587,392</u>
0	133,711	3,093,967
241,934	16,761,581	28,444,288
0	269,917	269,917
0	10,079	571,832
0	(2,743)	8,836,495
<u>241,934</u>	<u>17,172,545</u>	<u>41,216,499</u>
<u>\$6,127,863</u>	<u>\$24,629,851</u>	<u>\$73,696,077</u>

**SCIOTO COUNTY, OHIO**  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
December 31, 2024

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<b>Total Governmental Fund Balances</b>	\$41,216,499
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***Amounts reported for governmental activities in the  
Statement of Net Position are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	93,129,524
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The County has an equity interest in joint venture assets, which is part of the County's overall governmental activities.	499,250
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Other long-term assets will not be available to pay current-period expenditures and, therefore, are offset by deferred inflows of resources in the funds:

	Sales tax	1,420,270	
	Delinquent property taxes	2,347,128	
	Accounts	304,284	
	Intergovernmental	7,755,980	
	Interest	20,133	
Total			11,847,795

Deferred Outflows of Resources represent deferred charges on refundings which do not provide current year financial resources and, therefore, are not reported in the funds.	59,627
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In the Statement of Activities, interest is accrued on long-term debt, whereas in governmental funds, an interest expenditure is reported when due.	(19,794)
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The net pension and net OPEB liabilities (asset) are not due and payable in the current period; therefore, the liabilities (asset) and related deferred inflows/outflows are not reported in governmental funds.

	Net Pension Asset	131,767	
	Net OPEB Asset	1,414,849	
	Deferred Outflows - Pension	12,878,566	
	Deferred Outflows - OPEB	1,163,832	
	Net Pension Liability	(41,270,112)	
	Deferred Inflows - Pension	(300,239)	
	Deferred Inflows - OPEB	(827,685)	
Total			(26,809,022)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

	Bonds payable	(5,598,018)	
	Leases payable	(675,540)	
	Financed purchase payable	(69,803)	
	Compensated absences	(6,416,640)	
	Accrued compensatory time payable	(132,434)	
Total liabilities			(12,892,435)

<b>Net Position of Governmental Activities</b>	<u><u>\$107,031,444</u></u>
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See Accompanying Notes to the Basic Financial Statements



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**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2024

	General Fund	Public Assistance Fund	Motor Vehicle Gas Tax Fund	Board of Developmental Disabilities Fund
<b><u>Revenues:</u></b>				
Property Taxes	\$2,474,796	\$0	\$0	\$6,563,985
Other Local Taxes	680,392	0	0	0
Sales Tax	14,866,404	0	0	0
Revenue in Lieu of Taxes	0	0	0	0
Charges for Services	2,708,422	237,538	607,791	17,927
Licenses and Permits	4,969	0	0	0
Fines, Forfeitures, and Settlements	188,481	0	3,129	0
Intergovernmental	3,185,534	9,603,361	6,112,520	4,870,146
Investment Earnings/Interest	256,696	0	40,318	1,074
Rent	0	0	0	56,763
Contributions and Donations	0	0	0	14,900
Miscellaneous	1,460,771	89,116	8,759	564,729
<b>Total Revenues</b>	<b>25,826,465</b>	<b>9,930,015</b>	<b>6,772,517</b>	<b>12,089,524</b>
<b><u>Expenditures:</u></b>				
Current:				
General Government:				
Legislative and Executive	10,890,154	0	0	0
Judicial	3,091,188	0	0	0
Public Safety:				
Sheriff	6,514,684	0	0	0
Other	1,550,388	0	0	0
Public Works	0	0	4,987,479	0
Health	719,021	0	0	14,779,068
Human Services	593,768	10,290,675	0	0
Conservation and Recreation	505,185	0	0	0
Economic Development and Assistance	268,890	0	0	0
Transportation	0	0	0	0
Capital Outlay	26,939	59,223	0	12,337
Debt Service:				
Principal Retirement	146,817	15,362	0	26,952
Interest	30,572	3,187	0	8,310
Issuance Cost	0	0	0	0
<b>Total Expenditures</b>	<b>24,337,606</b>	<b>10,368,447</b>	<b>4,987,479</b>	<b>14,826,667</b>
Excess of Revenues Over (Under) Expenditures	<b>1,488,859</b>	<b>(438,432)</b>	<b>1,785,038</b>	<b>(2,737,143)</b>
<b><u>Other Financing Sources (Uses):</u></b>				
General Obligation Refunding Bonds Issued	0	0	0	0
Inception of Lease	26,939	59,223	0	12,337
Transfers In	0	171,591	172,542	0
Transfers Out	(1,300,325)	0	(2,254,998)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(1,273,386)</b>	<b>230,814</b>	<b>(2,082,456)</b>	<b>12,337</b>
<b>Net Change in Fund Balances</b>	<b>215,473</b>	<b>(207,618)</b>	<b>(297,418)</b>	<b>(2,724,806)</b>
<b>Fund Balances at Beginning of Year:</b>				
As Previously Reported	10,976,854	1,240,186	7,861,316	6,738,033
Adjustments - Change from major to nonmajor fund (See Note 3)	0	0	0	0
<b>Adjusted Fund Balances at Beginning of Year</b>	<b>10,976,854</b>	<b>1,240,186</b>	<b>7,861,316</b>	<b>6,738,033</b>
<b>Fund Balances at End of Year</b>	<b>\$11,192,327</b>	<b>\$1,032,568</b>	<b>\$7,563,898</b>	<b>\$4,013,227</b>

See Accompanying Notes to the Basic Financial Statements

<i>(Formerly Major)</i>			
Children Services Fund	Local Fiscal Recovery Fund	Nonmajor Governmental Funds	Total
\$3,693,311		\$737,175	\$13,469,267
0		0	680,392
0		0	14,866,404
872		1,800	2,672
0		4,249,680	7,821,358
0		74,597	79,566
0		998,447	1,190,057
4,538,044		14,778,061	43,087,666
0		28,385	326,473
0		0	56,763
4,430		15,111	34,441
18,181		297,453	2,439,009
<u>8,254,838</u>		<u>21,180,709</u>	<u>84,054,068</u>
0		1,524,041	12,414,195
0		818,258	3,909,446
0		3,047,447	9,562,131
0		2,480,987	4,031,375
0		5,930,582	10,918,061
0		382,158	15,880,247
8,365,649		2,862,865	22,112,957
0		346,725	851,910
0		844,727	1,113,617
0		837,147	837,147
0		5,292,958	5,391,457
0		583,616	772,747
0		172,621	214,690
<u>0</u>		<u>64,300</u>	<u>64,300</u>
<u>8,365,649</u>		<u>25,188,432</u>	<u>88,074,280</u>
<u>(110,811)</u>		<u>(4,007,723)</u>	<u>(4,020,212)</u>
0		3,580,000	3,580,000
0		8,052	106,551
0		3,436,347	3,780,480
<u>0</u>		<u>(210,157)</u>	<u>(3,765,480)</u>
<u>0</u>		<u>6,814,242</u>	<u>3,701,551</u>
(110,811)		2,806,519	(318,661)
352,745	0	14,366,026	41,535,160
0	0	0	0
<u>352,745</u>	<u>-</u>	<u>14,366,026</u>	<u>41,535,160</u>
<u>\$241,934</u>	<u></u>	<u>\$17,172,545</u>	<u>\$41,216,499</u>

**SCIOTO COUNTY, OHIO**  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2024

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**Net Change in Fund Balances - Total Governmental Funds** (\$318,661)

*Amounts reported for governmental activities in the  
Statement of Activities are different because:*

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital assets additions	5,602,874	
Construction in progress additions	1,327,345	
Depreciation expense	(4,982,054)	
Excess of capital outlay over depreciation expense		1,948,165

Governmental funds report only the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.

Loss on disposal of capital assets		(11,039)
------------------------------------	--	----------

Because some revenues will not be collected for several months after the County's year ends, they are not considered "available" revenues and are therefore recorded as deferred inflows of resources in the funds. Deferred inflows of resources related to the following items changed by the amounts shown below:

Delinquent property taxes	116,146	
Sales tax	(41,570)	
Fines and Forfeitures	(60,284)	
Investment Earnings	5,480	
Charges for services	(22,225)	
Rentals	(787)	
Intergovernmental	2,036,625	
Miscellaneous	(101,597)	
Total revenues		1,931,788

The increase in the County's equity interest of its joint venture is not reported in the governmental fund statements but is included in program expenses in the Statement of Activities.

52,460

Some capital assets were financed through leases. In governmental funds, a lease arrangement is considered a source of financing, but in the Statement of Net Position, the lease obligation is reported as a liability.

(106,551)

The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Position, the debt is reported as a liability.

Revenue Bonds		(3,580,000)
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Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

Pension	3,682,524	
OPEB	14,208	
Total		3,696,732

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability (asset) are reported as pension expense in the Statement of Activities.

Pension	(4,704,277)	
OPEB	163,029	
Total		(\$4,541,248)

*(continued)*

**SCIOTO COUNTY, OHIO**  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2024  
(Continued)

Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:		
Bond principal payments	\$530,000	
Financed purchase payments	14,593	
Lease payments	228,154	
Total long-term debt repayments		772,747
Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences payable	(1,656,168)	
Increase in accrued compensatory time payable	(865)	
Total		(1,657,033)
Amortization of bond premiums as well as accrued interest payable on the bonds are not reported in the funds, but are allocated as an expense over the life of the debt in the Statement of Activities.		
Increase in accrued interest	(11,735)	
Amortization of Deferred Charge on Refunding	(14,569)	
Amortization of premium on general obligation bonds	5,074	
Total		(21,230)
<b>Change in Net Position of Governmental Activities</b>		<b><u>(\$1,833,870)</u></b>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
General Fund  
For the Year Ended December 31, 2024

	Budgeted Amounts			
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Variance With Final Budget</i>
<b><u>Revenues:</u></b>				
Property Taxes	\$2,530,000	\$2,530,000	\$2,652,868	\$122,868
Other Local Taxes	555,600	555,600	680,392	124,792
Sales Tax	13,850,000	14,400,000	14,849,388	449,388
Charges for Services	1,625,050	1,625,050	2,204,165	579,115
Licenses and Permits	4,600	4,600	4,969	369
Fines, Forfeitures, and Settlements	180,000	180,000	153,064	(26,936)
Intergovernmental	2,681,050	2,756,050	3,005,317	249,267
Interest	147,500	222,500	365,364	142,864
Rent	0	0	83,600	83,600
Miscellaneous	81,500	381,500	748,307	366,807
<i>Total Revenues</i>	<u>21,655,300</u>	<u>22,655,300</u>	<u>24,747,434</u>	<u>2,092,134</u>
<b><u>Expenditures:</u></b>				
Current:				
General Government:				
Legislative and Executive	13,063,788	12,807,110	11,376,951	1,430,159
Judicial	2,281,169	2,901,298	2,821,393	79,905
Public Safety:				
Sheriff	5,098,363	6,771,458	6,739,010	32,448
Other	1,349,339	1,729,721	1,647,271	82,450
Health	421,000	727,399	532,905	194,494
Human Services	663,587	780,103	765,364	14,739
Conservation and Recreation	265,860	469,530	458,027	11,503
Economic Development and Assistance	207,444	300,595	289,101	11,494
Debt Service:				
Principal Retirement	146,817	146,817	146,817	0
Interest	30,572	30,572	30,572	0
<i>Total Expenditures</i>	<u>23,527,939</u>	<u>26,664,603</u>	<u>24,807,411</u>	<u>1,857,192</u>
Excess of Revenues Under Expenditures	<u>(1,872,639)</u>	<u>(4,009,303)</u>	<u>(59,977)</u>	<u>3,949,326</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Advances In	0	0	316,510	316,510
Transfers In	40,000	40,000	26,500	(13,500)
Transfers Out	(921,196)	(1,328,919)	(1,326,675)	2,244
<i>Total Other Financing Sources (Uses)</i>	<u>(881,196)</u>	<u>(1,288,919)</u>	<u>(983,665)</u>	<u>305,254</u>
<i>Net Change in Fund Balance</i>	<u>(2,753,835)</u>	<u>(5,298,222)</u>	<u>(1,043,642)</u>	<u>4,254,580</u>
<i>Fund Balance at Beginning of Year</i>	<u>2,598,528</u>	<u>2,598,528</u>	<u>2,598,528</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>2,750,436</u>	<u>2,750,436</u>	<u>2,750,436</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$2,595,129</u>	<u>\$50,742</u>	<u>\$4,305,322</u>	<u>\$4,254,580</u>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Public Assistance Special Revenue Fund  
For the Year Ended December 31, 2024

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	Budgeted Amounts			
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Variance With Final Budget</i>
<b><u>Revenues:</u></b>				
Charges for Services	\$173,000	\$173,000	\$186,688	\$13,688
Intergovernmental	9,750,000	9,750,000	9,810,675	60,675
Miscellaneous	80,000	80,000	89,116	9,116
<i>Total Revenues</i>	<u>10,003,000</u>	<u>10,003,000</u>	<u>10,086,479</u>	<u>83,479</u>
<b><u>Expenditures:</u></b>				
Current:				
Human Services	10,267,851	10,267,851	10,583,015	(315,164)
Debt Service:				
Principal Retirement	15,362	15,362	15,362	0
Interest and Fiscal Charges	3,187	3,187	3,187	0
<i>Total Expenditures</i>	<u>10,286,400</u>	<u>10,286,400</u>	<u>10,601,564</u>	<u>(315,164)</u>
Excess of Revenues Over (Under) Expenditures	(283,400)	(283,400)	(515,085)	(231,685)
<b><u>Other Financing Sources:</u></b>				
Transfers In	<u>0</u>	<u>0</u>	<u>171,591</u>	<u>171,591</u>
<i>Net Change in Fund Balance</i>	(283,400)	(283,400)	(343,494)	(60,094)
<i>Fund Balance at Beginning of Year</i>	239,507	239,507	239,507	0
<i>Prior Year Encumbrances Appropriated</i>	<u>308,950</u>	<u>308,950</u>	<u>308,950</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$265,057</u>	<u>\$265,057</u>	<u>\$204,963</u>	<u>(\$60,094)</u>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Motor Vehicle Gas Tax Special Revenue Fund  
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
<b><u>Revenues:</u></b>				
Charges for Services	\$0	\$10,000	\$112,652	\$102,652
Fines, Forfeitures, and Settlements	0	0	2,977	2,977
Intergovernmental	5,490,000	5,490,000	6,114,556	624,556
Interest	0	0	42,100	42,100
Miscellaneous	10,000	0	738,706	738,706
<i>Total Revenues</i>	5,500,000	5,500,000	7,010,991	1,510,991
<b><u>Expenditures:</u></b>				
Current:				
Public Works	6,096,196	6,442,734	5,971,429	471,305
Excess of Revenues Over (Under) Expenditures	(596,196)	(942,734)	1,039,562	1,982,296
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In	0	0	274,932	274,932
Transfers Out	(576,566)	(2,254,998)	(2,254,998)	0
<i>Total Other Financing Sources (Uses)</i>	(576,566)	(2,254,998)	(1,980,066)	274,932
<i>Net Change in Fund Balance</i>	(1,172,762)	(3,197,732)	(940,504)	2,257,228
<i>Fund Balance at Beginning of Year</i>	5,822,102	5,822,102	5,822,102	0
<i>Prior Year Encumbrances Appropriated</i>	672,762	672,762	672,762	0
<i>Fund Balance at End of Year</i>	<u>\$5,322,102</u>	<u>\$3,297,132</u>	<u>\$5,554,360</u>	<u>\$2,257,228</u>

See Accompanying Notes to the Basic Financial Statements



**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Board of Developmental Disabilities Special Revenue Fund  
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance With
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Final Budget</i>
<b><u>Revenues:</u></b>				
Property Taxes	\$7,075,000	\$7,075,000	\$6,879,718	(\$195,282)
Charges for Services	33,000	5,000	17,927	12,927
Intergovernmental	3,637,500	3,637,500	4,627,513	990,013
Rent	0	28,000	54,651	26,651
Contributions and Donations	15,000	15,000	14,900	(100)
Miscellaneous	526,500	526,500	570,416	43,916
<i>Total Revenues</i>	<u>11,287,000</u>	<u>11,287,000</u>	<u>12,165,125</u>	<u>878,125</u>
<b><u>Expenditures:</u></b>				
Current:				
Health	11,678,920	14,504,758	14,451,616	53,142
Debt Service:				
Principal Retirement	26,952	26,952	26,952	0
Interest and Fiscal Charges	8,310	8,310	8,310	0
<i>Total Expenditures</i>	<u>11,714,182</u>	<u>14,540,020</u>	<u>14,486,878</u>	<u>53,142</u>
Excess of Revenues Under Expenditures	<u>(427,182)</u>	<u>(3,253,020)</u>	<u>(2,321,753)</u>	<u>931,267</u>
<b><u>Other Financing Sources (Uses):</u></b>				
Transfers In	5,000	5,000	305,000	300,000
Transfers Out	(250,000)	(800,509)	(800,509)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(245,000)</u>	<u>(795,509)</u>	<u>(495,509)</u>	<u>300,000</u>
<i>Net Change in Fund Balance</i>	<u>(672,182)</u>	<u>(4,048,529)</u>	<u>(2,817,262)</u>	<u>1,231,267</u>
<i>Fund Balance at Beginning of Year</i>	<u>6,485,841</u>	<u>6,485,841</u>	<u>6,485,841</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>24,614</u>	<u>24,614</u>	<u>24,614</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$5,838,273</u>	<u>\$2,461,926</u>	<u>\$3,693,193</u>	<u>\$1,231,267</u>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual (Budget Basis)  
Children Services Special Revenue Fund  
For the Year Ended December 31, 2024

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	Budgeted Amounts			
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Variance With Final Budget</i>
<b><u>Revenues:</u></b>				
Property Taxes	\$3,747,000	\$3,747,000	\$3,763,958	\$16,958
Revenue in Lieu of Taxes	500	500	872	372
Intergovernmental	4,615,000	4,347,493	3,825,938	(521,555)
Contributions and Donations	7,500	7,500	4,430	(3,070)
Miscellaneous	8,417	8,417	15,835	7,418
<i>Total Revenues</i>	8,378,417	8,110,910	7,611,033	(499,877)
<b><u>Expenditures:</u></b>				
Current:				
Human Services	7,549,500	8,428,500	8,514,008	(85,508)
Excess of Revenues Over (Under) Expenditures	828,917	(317,590)	(902,975)	(585,385)
<b><u>Other Financing Sources:</u></b>				
Transfers In	0	0	500,000	500,000
<i>Net Change in Fund Balance</i>	828,917	(317,590)	(402,975)	(85,385)
<i>Fund Balance at Beginning of Year</i>	616,802	616,802	616,802	0
<i>Fund Balance at End of Year</i>	<u>\$1,445,719</u>	<u>\$299,212</u>	<u>\$213,827</u>	<u>(\$85,385)</u>

See Accompanying Notes to the Basic Financial Statements

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**SCIOTO COUNTY, OHIO**  
Statement of Fund Net Position  
Enterprise Fund  
December 31, 2024

	<i>Sewer Fund</i>
<b><u>Current Assets:</u></b>	
Equity in Pooled Cash and Cash Equivalents	\$8,292,591
Cash and Cash Equivalents in Segregated Accounts	316,221
Materials and Supplies Inventory	23,331
Accounts Receivable	2,528,041
Due from Other Governments	205,836
Prepaid Items	12,135
<i>Total Current Assets</i>	<u>11,378,155</u>
<b><u>Non Current Assets:</u></b>	
Net Pension Asset	5,344
Net OPEB Asset	53,475
Capital Assets:	
Nondepreciable Capital Assets	730,775
Depreciable Capital Assets, Net	<u>56,555,609</u>
<i>Total Non Current Assets</i>	<u>57,345,203</u>
<i>Total Assets</i>	<u>68,723,358</u>
<b><u>Deferred Outflows of Resources:</u></b>	
Deferred Charge on Refunding	778,729
Pension	514,460
OPEB	<u>46,461</u>
<i>Total Deferred Outflows of Resources</i>	<u>1,339,650</u>
<b><u>Current Liabilities:</u></b>	
Accounts Payable	191,893
Contracts Payable	19,705
Due to Other Governments	12,871
Payroll Withholdings	6,659
Accrued Interest Payable	275,684
Compensatory Time Payable	38,635
General Obligation Bonds Payable	175,000
Loans Payable	373,280
Ohio Public Works Commission Loans Payable	67,178
Ohio Water Development Authority Loans Payable	181,542
Compensated Absences Payable	<u>140,885</u>
<i>Total Current Liabilities</i>	<u>1,483,332</u>
<b><u>Long-Term Liabilities (Net of Current Portion):</u></b>	
General Obligation Bonds Payable	3,199,262
Loans Payable	15,915,710
Ohio Public Works Commission Loans Payable	561,622
Ohio Water Development Authority Loans Payable	2,153,177
Compensated Absences Payable	222,654
Net Pension Liability	<u>1,633,746</u>
<i>Total Long-Term Liabilities</i>	<u>23,686,171</u>
<i>Total Liabilities</i>	<u>\$25,169,503</u>

*(continued)*

**SCIOTO COUNTY, OHIO**  
Statement of Fund Net Position  
Enterprise Fund  
December 31, 2024  
*(Continued)*

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<b><u>Deferred Inflows of Resources:</u></b>	
Deferred Charge on Refunding	\$717,415
Pension	4,788
OPEB	<u>31,161</u>
<i>Total Deferred Inflows of Resources</i>	<u>753,364</u>
 <b><u>Net Position:</u></b>	
Net Investment in Capital Assets	34,790,037
Pension/OPEB Plans	58,819
Unrestricted	<u>9,291,285</u>
<i>Total Net Position</i>	<u><u>\$44,140,141</u></u>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Enterprise Fund  
For the Year Ended December 31, 2024

	<i>Sewer Fund</i>
<b><u>Operating Revenues:</u></b>	
Charges for Services	\$5,820,290
<b><u>Operating Expenses:</u></b>	
Personal Services	1,130,153
Fringe Benefits	660,930
Contractual Services	1,438,710
Materials and Supplies	275,892
Depreciation	1,326,291
Other	12,297
<i>Total Operating Expenses</i>	4,844,273
Operating Income	976,017
<b><u>Non-Operating Revenues (Expenses):</u></b>	
Other Non-Operating Revenues	74,460
Interest	(487,499)
<i>Total Non-Operating Revenues (Expenses)</i>	(413,039)
Income Before Transfers	562,978
Transfers Out	(15,000)
<i>Change in Net Position</i>	547,978
<i>Net Position at Beginning of Year as Previously Reported</i>	43,773,157
<i>Change in Accounting Principles - See Note 3</i>	(180,994)
<i>Restated Net Position at Beginning of Year</i>	43,592,163
<i>Net Position at End of Year</i>	\$44,140,141

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Cash Flows  
Enterprise Fund  
For the Year Ended December 31, 2024

	<u>Sewer Fund</u>
<b><u>Increase (Decrease) in Cash and Cash Equivalents:</u></b>	
<b><u>Cash Flows from Operating Activities:</u></b>	
Cash Received from Charges for Services	\$5,732,889
Cash Payments to Suppliers for Goods and Services	(1,889,601)
Cash Payments to Employees	(1,724,936)
Other Nonoperating Revenues	72,924
Cash Payments for Other Operating Expenses	(12,297)
	<hr/>
Net Cash Provided by Operating Activities	2,178,979
	<hr/>
<b><u>Cash Flows from Capital and Related Financing Activities:</u></b>	
Acquisition of Capital Assets	(640,341)
Principal Paid on Bonds and Loans	(791,287)
Interest Paid on Bonds and Loans	(485,288)
	<hr/>
Net Cash Used for Capital and Related Financing Activities	(1,916,916)
	<hr/>
<b><u>Cash Flows from Non-Capital Financing Activities:</u></b>	
Transfers Out	(15,000)
	<hr/>
Net Increase in Cash and Cash Equivalents	247,063
Cash and Cash Equivalents at Beginning of Year	8,361,749
	<hr/>
Cash and Cash Equivalents at End of Year	<u>\$8,608,812</u>
	<hr/>
<b><u>Reconciliation of Operating Income to Net</u></b>	
<b><u>Cash Provided by Operating Activities:</u></b>	
Operating Income	\$976,017
	<hr/>
<b><u>Adjustments to Reconcile Operating Income</u></b>	
<b><u>to Net Cash Provided by Operating Activities</u></b>	
Depreciation	1,326,291
Other Non-Operating Revenues	72,924
Decrease (Increase) in Assets:	
Materials and Supplies Inventory	3,583
Accounts Receivable	(129,964)
Due From Other Governments	42,563
Prepaid Items	35,213
Net Pension Asset	469
Deferred Outflows of Resources - Pension	197,538
Deferred Outflows of Resources - OPEB	59,597
Increase (Decrease) in Liabilities:	
Accounts Payable	(136,122)
Due to Other Governments	(102,967)
Payroll Withholdings	(4,248)
Compensatory Time Payable	1,387
Compensated Absences Payable	38,153
Contracts Payable	17,505
Net Pension Liability	152,701
Net OPEB Liability	9,013
Deferred Inflows of Resources - Pension	(305,474)
Deferred Inflows of Resources - OPEB	(75,200)
	<hr/>
Total Adjustments	1,202,962
	<hr/>
Net Cash Provided by Operating Activities	<u>\$2,178,979</u>
	<hr/>

See Accompanying Notes to the Basic Financial Statements

**SCIOTO COUNTY, OHIO**  
Statement of Fiduciary Net Position  
Custodial Funds  
December 31, 2024

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**Assets:**

Equity in Pooled Cash and Cash Equivalents	\$6,983,978
Cash and Cash Equivalents in Segregated Accounts	550,396
Receivables:	
Property Taxes	62,070,206
Accounts	616,215
Due from Other Governments	<u>3,650,844</u>
<i>Total Assets</i>	<u><u>\$73,871,639</u></u>

**Liabilities:**

Accounts Payable	\$593,782
Due to Other Governments	6,304,343
Intergovernmental Payable	159
Payroll Withholdings	<u>62,974</u>
<i>Total Liabilities</i>	<u>6,961,258</u>

**Deferred Inflows of Resources:**

Property Taxes not Levied to Finance Current Year Operations	<u>53,299,051</u>
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**Net Position:**

Restricted for Individuals, Organizations and Other Governments	<u><u>\$13,611,330</u></u>
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See Accompanying Notes to the Basic Financial Statements



**SCIOTO COUNTY, OHIO**  
Statement of Changes in Fiduciary Net Position  
Custodial Funds  
For the Year Ended December 31, 2024

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**Additions:**

Intergovernmental	\$7,672,792
Amounts Received as Fiscal Agent	23,353,109
Licenses and Permits and Fees for Other Governments	224,324
Fines and Forfeitures for Other Governments	11,236,990
Property Tax Collections for Other Governments	54,449,034
Special Assessment Collections for Other Governments	311,051
Sheriff Sale Collections for Other Governments	619,565
Payment in Lieu of Taxes Collections for Other Governments	189,620
Miscellaneous	52,696
	<hr/>
Total Additions	98,109,181
	<hr/>

**Deductions:**

Distributions as Fiscal Agent	22,794,159
Distributions of State Funds to Other Governments	7,302,477
Distributions to the State of Ohio	10,089,023
Property Tax Distributions to Other Governments	54,570,218
Special Assessment Distributions to Other Governments	308,042
Distributions to Other Governments	415,988
Distributions to Individuals	2,287,898
Payment in Lieu of Taxes Distributions for Other Governments	189,620
	<hr/>
Total Deductions	97,957,425
	<hr/>

<i>Change in Fiduciary Net Position</i>	151,756
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<i>Net Position Beginning of Year</i>	13,459,574
	<hr/>

<i>Net Position End of Year</i>	\$13,611,330
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See Accompanying Notes to the Basic Financial Statements

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**NOTE 1 - DESCRIPTION OF THE COUNTY AND REPORTING ENTITY**

Scioto County, Ohio (the County), is governed by a board of three Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, a Probate/Juvenile and Domestic Relations Court Judge, and a Municipal County Court Judge.

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

**REPORTING ENTITY**

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For Scioto County, this includes the Children Services Board, the Scioto County Board of Developmental Disabilities, and all departments and activities that are directly operated by the elected County officials.

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

**DISCRETELY PRESENTED COMPONENT UNITS**

The component unit column in the entity-wide financial statements identify the financial data of the County's discretely presented component units, the Scioto County Airport Authority, the Scioto County Land Reutilization Corporation and the Southern Ohio Port Authority. They are reported separately to emphasize that they are legally separate from the County.

**Scioto County Airport Authority**

The Scioto County Airport Authority (the Airport) operates under a separate board that consists of five members appointed by the County Commissioners. The airport authority generates revenue from sales of fuel and the leasing of equipment and rental space. Grants are applied for in the airport authority's name. The County provides payroll, fringe benefits, some utilities, and contract services. Separately issued financial statements can be obtained from the Scioto County Airport Authority, located at 138 Barklow Road, Portsmouth, Ohio 45662.

*Scioto County Land Reutilization Corporation*

The Scioto County Land Reutilization Corporation (the Corporation) is a body corporate and politic authorized by the Board of County Commissioners of Scioto County on March 24, 2016, and incorporated on March 29, 2016, under Chapter 1724 of the Ohio Revised Code. The Corporation's governing body is a five member Board of Directors, consisting of the County Treasurer, two County Commissioners, one representative of the City of Portsmouth, and one member representing a township located in Scioto County, selected by the County Treasurer and the two members of the Board of County Commissioners who serve on the Board.

The Corporation was established with the main purpose being 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. Based on two Commissioners serving on the Corporation's Board along with having the ability to appoint other members, the Corporation is presented as a component unit of Scioto County. The Corporation operates on a calendar year ending December 31. Separately issued financial statements can be obtained from Bryan Davis, Board Chair, or William Ogg, Treasurer, at 602 Seventh Street, Portsmouth, Ohio 45662.

*Southern Ohio Port Authority*

The Southern Ohio Port Authority (the Port Authority) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio pursuant to the authority of Section 4582.02 of the Ohio Revised Code. The Port Authority is statutorily created as a separate and distinct political subdivision of the State. The Port Authority is governed by a five member Board of Trustees appointed by the Scioto County Commissioners. Members of the Board are appointed by the Scioto County Commissioners. The purpose of the Port Authority is to be involved in the activities that enhance foster, aid, provide, or promote transportation, economic development, housing, recreation, education, governmental operations, culture, or research within Scioto County.

The information presented in Notes 2 through 22 relates to the primary government. Information related to the discretely presented component units is presented in Note 23 and 24.

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

*Scioto County Board of Health*  
*Soil and Water Conservation District*  
*STAR Community Justice Center*

The County is associated with certain organizations which are defined as jointly governed organizations, a joint venture, and a risk sharing pool. These organizations are presented in Notes 17 and 18 to the basic financial statements. These organizations are:

*Adams, Lawrence, Scioto Alcohol, Drug Addiction, and Mental Health Services Board*  
*Ohio Valley Resource Conservation and Development Area, Inc.*  
*Workforce Development Board/SO Consortium*  
*Ohio Valley Regional Development Commission*

*Scioto County Community Action Organization*  
*Southern Ohio Development Initiative*  
*Portsmouth Metropolitan Housing Authority*  
*Southern Ohio Council of Governments*  
*Joint Economic Development Initiative of Southern Ohio*  
*Joint Solid Waste District*  
*County Risk Sharing Authority, Inc. (CORSA)*

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

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

### **BASIS OF PRESENTATION**

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

### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

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

### **FUND FINANCIAL STATEMENTS**

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

## **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 utilized by the County: governmental, proprietary and fiduciary.

### **GOVERNMENTAL FUNDS**

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

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

*Public Assistance Fund* – To account for and report various federal and State resources which are restricted for the purpose of providing public assistance to general relief recipients, paying their providers for medical assistance, and for providing certain public social services.

*Motor Vehicle Gas Tax Fund* – To account for and report revenues derived from motor vehicle licenses and gasoline taxes. Ohio State law restricts these monies to be used for County road and bridge repairs and improvement programs. This fund also accounts for the financial activities of the Scioto County Engineering Department.

*Board of Developmental Disabilities Fund* – To account for and report monies received through a County-wide property tax levy, along with federal and State grants, which are restricted to the operation of a school and assistance to a workshop for the developmentally disabled.

*Children Services Fund* – To account for and report monies received from property tax, federal and State grants, the Social Security Administration, and various other resources restricted to the support of foster homes, medical treatment, school supplies, counseling, and parental assistance.

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

### **PROPRIETARY FUNDS**

Proprietary funds focus on the determination of operating income, changes in net position, financial position, and cash flows. The County's proprietary fund is an enterprise fund.

*Enterprise Fund* – An enterprise fund may be used to account for and report any activity for which a fee is charged to external users for goods or services. The following is the County's only enterprise fund:

*Sewer Fund* – To account for and report the provision of sanitary sewer services to the residents and businesses of the County.

## **FIDUCIARY FUNDS**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The County does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The County's custodial funds are primarily established to account for the collection and distribution to other governments of various taxes, receipts and fees and to account for funds of various agencies for which the County serves as fiscal agent.

## **MEASUREMENT FOCUS**

### **Government-Wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the County are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total Net Position.

### **Fund Financial Statements**

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

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

## **BASIS OF ACCOUNTING**

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

## **REVENUES – EXCHANGE AND NON-EXCHANGE TRANSACTIONS**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined and “available” means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales tax, revenue in lieu of taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes and revenue in lieu of taxes is recognized in the year for which the taxes are levied. (See Note 6.) Revenue from permissive sales tax is recognized in the period in which the sales occur. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: permissive sales tax, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), federal and State subsidies and grants, interest, and accounts (i.e., charges for services and licenses and permits).

## **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Note 11 and 12.



In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the County, deferred inflows of resources include deferred charge on refunding, property taxes, pension, OPEB, and unavailable revenue. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the County, unavailable revenue includes sales tax, delinquent property taxes, accounts, intergovernmental grants, and interest. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 11 and 12)

### **EXPENSES/EXPENDITURES**

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

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

### **BUDGETS AND BUDGETARY ACCOUNTING**

All funds, other than custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioner's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the object level within each department and fund. Budgetary modifications may only be made by resolution of the County Commissioners. The County reports unbudgeted activity on the financial statements due to the County's unclaimed monies fund being classified as a custodial fund on the County's books, but which is included with the General Fund for GAAP reporting purposes.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the County Commissioners. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as final budgeted amounts represent estimates from the amended certificate passed by the County Commissioners before year-end.

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

### **UNEARNED REVENUE**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The County recognizes unearned revenue for intergovernmental revenue received before the eligibility requirements are met.

### **CASH AND CASH EQUIVALENTS**

Cash balances of the County's funds, except cash in segregated accounts, are pooled in order to provide improved cash management. Individual fund integrity is maintained through County records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. Cash and cash equivalents that are held separately within departments of the County and not held with the County Treasurer are recorded on the financial statements as "Cash and Cash Equivalents in Segregated Accounts." "Restricted Assets: Equity in Pooled Cash and Cash Equivalents" on the balance sheet represents unclaimed monies held by the County to be reclaimed by its rightful owners.

During the year, the County's investments were limited to STAR Ohio and Negotiable Certificates of Deposit.

During 2024, the County invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The County measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

STAR Ohio reserves the right to limit participant transactions to \$250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of \$100 million or more. For fiscal year 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Investment Earnings/Interest revenue credited to the General Fund during 2024 amounted to \$256,696, of which \$208,750 was assigned from other funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are presented on the financial statements as cash equivalents.

### **MATERIALS AND SUPPLIES INVENTORY**

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

### **PREPAID ITEMS**

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

### **INTERFUND BALANCES**

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “Interfund Receivable” and “Interfund Payable” along with “Due from Other Funds” and “Due to Other Funds”. Interfund balances are eliminated on the government-wide Statement of Net Position.

### **CAPITAL ASSETS**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets (except for intangible right-to-use lease assets which are discussed below) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The County was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The County maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

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

<u>Descriptions</u>	<u>Estimated Lives</u>
Land Improvements	10-20 years
Buildings and Building Improvements	7-50 years
Furniture, Fixtures, and Equipment	5-30 years
Vehicles	3-15 years
Infrastructure	5-65 years

The County's governmental infrastructure system consists of roads and bridges, which includes box culverts and concrete pipes. The business-type infrastructure system is the sewer system, consisting of sewer lines, pump stations, and relay stations.

The County is reporting intangible right to use assets related to leased furniture, fixtures and equipment and vehicles. The lease assets represent nonfinancial assets which are being utilized for a period of time through leases from another entity. These intangible right to use assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

### **COMPENSATED ABSENCES**

For the County, compensated absences includes 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. The County uses a first-in first-out flow assumption for compensated absences.

Liabilities should be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates and is allowed to be carried over to subsequent years, and the leave is more likely than not to be used for time off or otherwise paid in cash. For the County, this leave includes sick, vacation, and compensatory time. However, the County also has certain compensated absences that are dependent upon the occurrence of a sporadic events that affects a relatively small proportion of employees. A liability for these types of leave is recognized when the leave commences. For the County this type of leave includes bereavement leave, military leave, personal leave, on-the-job injury leave, and court leave. The liability for compensated absences includes salary-related payments, where applicable.

The County records a liability for all accumulated unused compensatory time when earned for all employees who have earned compensatory time. Since historically, compensatory time is used within a year of being accrued, the outstanding liability is recorded as "compensatory time payable" on the statement of net position rather than as a long-term liability.

Liabilities for compensated absences are recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled.

### **ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary funds' financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences and compensatory time that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term bonds, financed purchases, and leases are recognized as liabilities on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

### **PENSIONS/OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

For purposes of measuring the net pension/OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/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.

### **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. The nonspendable fund balances for the County include materials and supplies inventory, prepaids, long-term receivable and unclaimed monies. Nonspendable fund balance in the general fund includes unclaimed monies legally required to be maintained until the end of a five-year holding period offset by any estimated liability for payments to claimants.

Restricted – The restricted fund balance category includes amounts that can be spent only for the specific purposes through enabling legislation. 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 or enabling legislation.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) of the Board of County Commissioners. Those committed amounts cannot be used for any other purpose unless the Board of County Commissioners removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board of County Commissioners, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned 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. State statute authorizes the County Auditor to assign fund balance for purchases on order provided amounts have been lawfully appropriated.

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 fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

### **RESTRICTED ASSETS**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets represent unclaimed monies held to be reclaimed by its rightful owners.

### **BOND PREMIUM**

On the government-wide financial statements and in the enterprise funds, bond premiums are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums are presented as additions to the face amount of bonds payable.

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

On the governmental fund financial statements, bond premiums are recognized in the period when the debt is issued.

### **DEFERRED CHARGE ON REFUNDING**

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflow of resources on the Statement of Net Position.

### **INTERNAL ACTIVITY**

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

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

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

### **ESTIMATES**

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

### **NET POSITION**

Net position represents the difference between all other elements in the statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted Net Position for Pension plans represent the corresponding restricted asset amounts held in trust by the pension and OPEB plans for future benefits.

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

### **EQUITY INTEREST IN JOINT VENTURE**

The County's Equity Interest in Joint Venture relates to the County's equity interest in the Joint Solid Waste District (see Note 17). The County's share in year-end net position is included on the Statement of Net Position as an "Equity Interest in Joint Venture."

### **OPERATING REVENUES AND EXPENSES**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the County, these revenues are charges for services for sewer utility charges. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

### **LEASES**

The County serves as lessee in various noncancellable leases which are accounted for as follows:

Lessee - At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is

amortized in a systematic and rational manner over the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES, CHANGES TO OR WITHIN THE FINANCIAL REPORTING ENTITY, AND RESTATEMENT OF FUND BALANCES AND NET POSITION**

**CHANGE IN ACCOUNTING PRINCIPLES**

For 2024, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, and related guidance from GASB Implementation Guide No. 2023-1, *Implementation Guidance Update — 2023*. The County also implemented Question 5.1 from GASB Implementation Guide No. 2021-1, *Implementation Guidance Update — 2021* and GASB Statement No. 101, *Compensated Absences*.

GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision-useful, understandable, and comprehensive information for users about accounting changes and error corrections.

Question 5.1 from Implementation Guide 2021-1 addresses the collective significance of applying the capitalization threshold to individual items in a group of assets. The County reviewed its capital asset groupings and determined there were no asset groups where individually the assets were under the capitalization threshold yet were significant collectively.

The implementation of GASB Statement No. 100 and GASB Implementation Guides 2021-1 and 2023-1 did not have any effect on beginning net position/fund balance.

GASB 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The effects of implementing the GASB pronouncement is shown on the table on the following page.

**CHANGES TO/WITHIN THE FINANCIAL REPORTING ENTITY**

For 2024, the Local Fiscal Recovery special revenue fund presentation was adjusted from major to nonmajor due to no longer meeting the quantitative threshold for a major fund.

**RESTATEMENT OF FUND BALANCES AND NET POSITION**

For the County, GASB Statement No. 101 increased the compensated absences liability and the cumulative effects of compensated absence related expense on beginning net position as shown on the following table.



**SCIOTO COUNTY, OHIO**  
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For the Year Ended December 31, 2024

	12/31/2023 As Previously Reported	Change to/within the Financial Reporting Entity Changes between Major and Nonmajor Funds	Change in Accounting Principles GASB 101	12/31/2023 As Restated
<b>Government-Wide</b>				
Governmental Activities	\$111,158,319	\$0	(\$2,293,005)	\$108,865,314
Business-Type Activities	43,773,157	0	(180,994)	43,592,163
<b>Total Primary Government</b>	<u>\$154,931,476</u>	<u>\$0</u>	<u>(\$2,473,999)</u>	<u>\$152,457,477</u>
<b>Governmental Funds</b>				
Major Funds:				
General	\$10,976,854	\$0	\$0	\$10,976,854
Public Assistance Fund	1,240,186	0	0	1,240,186
Motor Vehicle Gas Tax Fund	7,861,316	0	0	7,861,316
Board of Developmental Disabilities Fund	6,738,033	0	0	6,738,033
Children Services Fund	352,745	0	0	352,745
Local Fiscal Recovery Fund	0	0	0	-
All Other Governmental Funds	14,366,026	0	0	14,366,026
<b>Total Governmental Funds</b>	<u>\$41,535,160</u>	<u>\$0</u>	<u>\$0</u>	<u>\$41,535,160</u>
<b>Proprietary Fund</b>				
Enterprise Fund:				
Sewer	<u>\$43,773,157</u>	<u>\$0</u>	<u>(\$180,994)</u>	<u>\$43,592,163</u>
<b>Fiduciary Funds</b>				
Custodial Funds	<u>\$13,459,574</u>	<u>\$0</u>	<u>\$0</u>	<u>\$13,459,574</u>

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) is presented for the General Fund and the Public Assistance, Motor Vehicle Gas Tax, Board of Developmental Disabilities, and Children Services Major Special Revenue Funds to provide a meaningful comparison of actual results with the budget.

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

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

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
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2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statements.
5. Investments are recorded at fair value (GAAP basis) rather than cost (budgetary basis).
6. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
7. Certain funds are accounted for as separate funds internally with legally adopted budgets (budget basis) that do not meet the definition of special revenue funds under GASB Statement No. 54 and were reported with the General Fund (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the General Fund and all major special revenue funds are as follows:

	Net Change in Fund Balance				
	General	Public Assistance	Motor Vehicle Gas Tax	Board of Developmental Disabilities	Children Services
GAAP Basis	\$215,473	(\$207,618)	(\$297,418)	(\$2,724,806)	(\$110,811)
Increases (Decreases) Due to:					
Revenue Accruals	97,749	89,028	750,526	(25,995)	(718,786)
Expenditure Accruals	(949,318)	235,597	(1,498,451)	(623,206)	170,048
Encumbrances	(650,219)	(468,714)	(215,446)	0	(318,407)
Unrecorded Cash - 2024	(19,226)	0	(1,598)	0	(7,736)
Unrecorded Cash - 2023	93,859	0	3,380	0	12,070
Custodial Fund Cash					
Allocation - 2024	(232,759)	(27,848)	(9,982)	(235,788)	(218,255)
Custodial Fund Cash					
Allocation - 2023	470,874	36,061	11,719	559,182	288,902
Segregated Accounts					
From Cash Off Books - 2024	(105,088)	0	0	0	0
Segregated Accounts					
From Cash Off Books - 2023	65,337	0	0	0	0
Change in Fair Value of Investments - 2024	726,855	0	0	0	0
Change in Fair Value of Investments - 2023	(632,557)	0	0	0	0
Transfers	150	0	102,390	(495,509)	500,000
Advances	316,510	0	0	0	0
Perspective Differences	(441,282)	0	214,376	728,860	0
Budget Basis	<u>(\$1,043,642)</u>	<u>(\$343,494)</u>	<u>(\$940,504)</u>	<u>(\$2,817,262)</u>	<u>(\$402,975)</u>

**NOTE 5 - DEPOSITS AND INVESTMENTS**

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

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

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

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

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

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

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

## **INVESTMENTS**

Investments are reported at fair value. As of December 31, 2024, the County had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Moody's Rating	Percentage of Total Investments
Net Asset Value Per Share:				
STAROhio	\$2,501,143	Less than one year	AAAm	N/A
Fair Value - Level Two Inputs:				
Negotiable Certificates of Deposit	12,244,766	Less than five years	N/A	83.04%
Total	<u>\$14,745,909</u>			

The County categorizes its fair value measurements within the fair value hierarchy established by generally

accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2024. The County's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk – As a means of limiting its exposure to fair value losses caused by rising interest rates, the County's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. Diversification by maturity will ensure the County can meet the projected cash flow as needed. The County Treasurer shall be responsible for meeting the anticipated cash flow needs for the County.

Credit Risk – STAROhio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The County's investment policy limits investments to those authorized by State statute.

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

#### **NOTE 6 - PROPERTY TAXES**

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

2023 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 appraised market value. 2024 real property taxes are collected in and intended to finance 2025.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 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 full tax rate for all County operations for the year ended December 31, 2024, was \$12.93 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2024 property tax receipts were based are as follows:

**SCIOTO COUNTY, OHIO**  
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<u>Category</u>	<u>Assessed Value</u>
Real Property:	
Residential/Agricultural	\$987,321,470
Commercial/Industrial/Public Utility	195,150,610
Public Utility Real	19,307,680
Public Utility Personal	211,708,660
Total Assessed Value	<u><u>\$1,413,488,420</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various custodial funds of the County. Property taxes receivable represents real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2024, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2024 operations is offset to deferred inflows of resources – property taxes. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**NOTE 7 - PERMISSIVE SALES TAX**

In accordance with Sections 5739.021 and 5741.021 of the Revised Code, the County Commissioners, by resolution, imposed a one and one-half 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. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the Office of Budget and Management 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 each month. The Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

A receivable is recognized at year-end for amounts that will be received from sales which occurred during 2024.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2024, consisted of taxes, accounts (billings for user charged services), interest, interfund activity, revenue due from other governments arising from grants and shared revenues, notes, and loans. All receivables are considered fully collectible and will be received within one year with the exception of property taxes, notes, and loans. Sewer charges receivable, if delinquent, may be certified and collected as a special assessment, subject to foreclosure for nonpayment. Property taxes although ultimately collectible, include some portion of delinquents that will not be collected within one year.

The City of Portsmouth owes the County \$204,300 to be paid to the County as follows: a total of \$17,025 per year paid in two payments of \$8,513 as related to OPWC Loan C002N (Sanitary Improvements 2010) and OPWC Loan C002M (Sanitary Sewer Improvements 2009). In 2024, five payments of \$8,513 were paid to the County.

The County maintains a revolving loan program for local businesses to encourage business development in the County. The loans receivable balance at December 31, 2024, was \$11,850 of which \$6,000 is considered to be due within one year.

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

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The County made a non-interest bearing loan to the Scioto County Fair Board in November of 2017 for the amount of \$175,000 for the construction of a new poultry barn at the Scioto County Fairgrounds. The Scioto County Fair Board shall make a payment to the County in the amount of \$17,500 annually. The loans receivable balance at December 31, 2024, was \$70,000, of which \$17,500 is considered to be due within one year.

During 2022, the County entered into an agreement with the City of Portsmouth (the City) for the City to utilize a County owned building and parking lot. At the end of the agreement, the County will transfer the parcel deeds to the City. The County is reporting the outstanding balance (after payments to date and upfront payments) as a notes receivable.

At December 31, 2024, the County reported a receivable of \$289,348. A schedule of the future payments are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$40,989	\$811	\$41,800
2026	41,104	696	41,800
2027	41,219	581	41,800
2028	41,335	465	41,800
2029	41,451	349	41,800
2030-2031	83,250	350	83,600
Total	<u>\$289,348</u>	<u>\$3,252</u>	<u>\$292,600</u>

A summary of the principal amounts due from other governments is as follows:

**SCIOTO COUNTY, OHIO**  
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	<u>Amount</u>
<u>Governmental Activities Intergovernmental Receivables</u>	
Bureau of Workers Compensation	\$51,434
Casino Revenues	523,441
Homestead/Rollback	530,936
Indigent Defense	142,075
Local Government	360,057
Charges for Services to Other Governments	742,166
Children Services Grants/Reimbursements	914,990
MVGT Fines	330
MVL Tax	1,213,745
Gas Tax	1,874,981
Public Assistance Grant	828,036
Ohio Department of Development Grant	618,303
Ohio Department of Developmental Disabilities	916,953
Title XX Grant	14,078
Ohio Department of Transportation Grant	617,529
Community Corrections Grants	380,635
Felony Delinquent Care and Custody Grant	235,491
EBM Justice Assistance Grant	28,958
Ohio Department of Public Safety Grant	42,333
State Continued Professional Training	4,505
Community Development Block Grant	1,038,000
Target of Opportunity Program	250,000
State Victims Assistance and Victims of Crime Act Grants	62,877
High Intensity Drug Traff. Area Grant	6,805
Total Governmental Activities	<u>11,398,658</u>
 <u>Business-Type Activities Intergovernmental Receivables</u>	
City of Portsmouth	204,300
Bureau of Workers Compensation	1,536
Total Business-Type Activities	<u>205,836</u>
Total Intergovernmental Receivables	<u><u>\$11,604,494</u></u>

**ONEOHIO OPIOID 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. For 2024, distributions of \$641,322 are reflected as fines, forfeitures and settlements revenue in the OneOhio Special Revenue Fund in the accompanying financial statements.

**NOTE 9 - CAPITAL ASSETS**

Capital assets activity of the governmental activities for the year ended December 31, 2024, was as follows:



**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
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	Balance at 1/1/2024	Additions	Deletions	Transfers	Balance at 12/31/2024
<b>Governmental Activities</b>					
Capital Assets, Not Being Depreciated:					
Land	\$2,019,800	\$0	\$0	\$0	\$2,019,800
Construction in Progress	2,207,257	1,327,345	(2,887,148)	0	647,454
Total Capital Assets, Not Being Depreciated	4,227,057	1,327,345	(2,887,148)	0	2,667,254
Tangible Assets:					
Land Improvements	5,650,559	257,621	0	0	5,908,180
Buildings and Building Improvements	34,688,059	2,583,227	0	0	37,271,286
Furniture, Fixtures, and Equipment	12,299,995	370,199	0	9,358	12,679,552
Vehicles	4,715,351	181,715	(306,356)	0	4,590,710
Infrastructure	107,654,803	4,990,709	0	0	112,645,512
Total Tangible Assets	165,008,767	8,383,471	(306,356)	9,358	173,095,240
Intangible Right to Use:					
Lease Assets:					
Furniture, Fixtures, and Equipment	106,218	47,328	(8,360)	(9,358)	135,828
Vehicles	843,134	59,223	0	0	902,357
Total Intangible Right to Use Assets	949,352	106,551	(8,360)	(9,358)	1,038,185
Total Capital Assets Being Depreciated	165,958,119	8,490,022	(314,716)	0	174,133,425
Total Capital Assets At Historical Cost	170,185,176	9,817,367	(3,201,864)	0	176,800,679
Less Accumulated Depreciation:					
Land Improvements	(2,201,943)	(284,571)	0	0	(2,486,514)
Buildings and Building Improvements	(16,357,838)	(774,737)	0	0	(17,132,575)
Furniture, Fixtures, and Equipment	(7,117,738)	(781,480)	0	(9,358)	(7,908,576)
Vehicles	(3,272,490)	(85,497)	295,317	0	(3,062,670)
Infrastructure	(49,797,106)	(2,813,781)	0	0	(52,610,887)
Total Depreciation	(78,747,115)	(4,740,066) *	295,317	(9,358)	(83,201,222)
Intangible Right to Use:					
Furniture, Fixtures, and Equipment	(40,049)	(29,129)	8,360	9,358	(51,460)
Vehicles	(205,614)	(212,859)	0	0	(418,473)
Total Amortization	(245,663)	(241,988)	8,360	9,358	(469,933)
Total Accumulated Depreciation/Amortization	(78,992,778)	(4,982,054)	303,677	0	(83,671,155)
Depreciable Capital Assets, Net	86,965,341	3,507,968	(11,039)	0	90,462,270
Governmental Activities					
Capital Assets, Net	\$91,192,398	\$4,835,313	(\$2,898,187)	\$0	\$93,129,524

\*Depreciation/amortization expense was charged to governmental programs as follows:

	Depreciation	Amortization	Total
General Government:			
Legislative and Executive	\$510,523	\$5,031	\$515,554
Judicial	113,615	6,484	\$120,099
Public Safety:			
Sheriff	575,556	198,889	774,445
Other	51,326	0	51,326
Public Works	3,005,503	0	3,005,503
Health	242,639	12,360	254,999
Human Services	79,534	17,769	97,303
Conservation and Recreation	113,790	0	113,790
Community and Economic Development	1,374	1,455	2,829
Transportation	46,206	0	46,206
Total Depreciation Expense	\$4,740,066	\$241,988	\$4,982,054

**SCIOTO COUNTY, OHIO**  
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The County's capital assets reported above for Governmental Activities include \$9,858,972 in fully depreciated capital assets.

Capital assets activity of the business-type activities for the year ended December 31, 2024, was as follows:

	Balance at 1/1/2024	Additions	Deletions	Balance at 12/31/2024
<b>Business-Type Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$537,175	\$0	\$0	\$537,175
Construction in Progress	128,100	215,500	(150,000)	193,600
Total Capital Assets, Not Being Depreciated	665,275	215,500	(150,000)	730,775
Depreciable Capital Assets:				
Land Improvements	55,654	0	0	55,654
Buildings and Building Improvements	7,142,878	72,508	0	7,215,386
Furniture, Fixtures, and Equipment	3,427,427	341,933	0	3,769,360
Vehicles	498,684	10,400	(80,697)	428,387
Infrastructure	63,785,026	150,000	0	63,935,026
Total Depreciable Capital Assets	74,909,669	574,841	(80,697)	75,403,813
Less Accumulated Depreciation:				
Land Improvements	(13,789)	(2,783)	0	(16,572)
Buildings and Building Improvements	(4,452,907)	(144,388)	0	(4,597,295)
Furniture, Fixtures, and Equipment	(1,203,378)	(170,348)	0	(1,373,726)
Vehicles	(325,394)	(28,240)	80,697	(272,937)
Infrastructure	(11,607,142)	(980,532)	0	(12,587,674)
Total Accumulated Depreciation	(17,602,610)	(1,326,291)	80,697	(18,848,204)
Depreciable Capital Assets, Net	57,307,059	(751,450)	0	56,555,609
Business-Type Activities Capital Assets, Net	\$57,972,334	(\$535,950)	(\$150,000)	\$57,286,384

The County's capital assets reported above for Business-Type Activities include \$849,939 in fully depreciated capital assets.

**NOTE 10 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains comprehensive insurance coverage with the County Risk Sharing Authority, Inc. (CORSA) (See Note 18) for liability, property, auto, and crime insurance. The County also carries public officials liability insurance through various insurance agencies. Settlements have not exceeded coverage in any of the last three years. There has not been a significant change in coverage from the prior year.

The County participated in the Ohio Bureau of Workers' Compensation (the "Bureau") Individual Retrospective Rating Program until December 31, 2014. Under the individual retrospective rating program, the County assumes a portion of the risk in return for a reduction in current premiums. This program involves the payment of a minimum premium for administrative services and stop-loss coverage in addition to the actual claim costs for employees injured in the years in which the County participated in the program. The County began participating in the Group Retrospective Rating Program beginning January 1, 2015.

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

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The County provides health, dental and vision insurance for its employees through the County Employee Benefits Consortium of Ohio (CEBCO). This is a fully funded insurance program and is not considered limited risk health insurance.

The amounts reported in the government-wide financial statements at December 31, 2024, are based on the requirements of GASB Statement No. 10, *“Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,”* as amended by GASB Statement No. 30, *“Risk Management Omnibus,”* which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Estimates were calculated based upon an independent actuarial evaluation of claims payable. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for the Workers’ Compensation Retrospective Rating Program for the current year is as follows:

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2023	\$0	\$2,861	\$2,861	\$0
2024	0	0	0	0

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

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

**Net Pension Liability (Asset)/Net OPEB Liability (Asset)**

The net pension liability (asset) and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the

form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a net pension/OPEB asset or a long-term net pension/OPEB liability on the accrual basis of accounting. Any liability for the contractually required pension/OPEB contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

#### Ohio Public Employees Retirement System (OPERS)

Plan Description – County Employees, other than certified teachers, 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, 2024, the Combined Plan was consolidated into the Traditional Pension Plan, as approved by the legislature in House Bill 33. The Traditional Pension Plan includes members of the legacy Combined Plan, a hybrid defined benefit/defined contribution plan which was closed to new members effective January 1, 2022. New members are no longer able to select the Combined Plan and current members are no longer able to make a plan change to the Combined Plan. The Combined Plan was consolidated into the Traditional Pension Plan effective January 1, 2024, as a separate division. No changes were made to the benefit design features of the Combined Plan as part of this consolidation so that members in this plan will experience no changes. The County's 2024 net pension liability (asset) for OPERS is measured as of December 31, 2023, and reflects the Traditional Plan and the Combined Plan as two separate plans. The County's 2025 financial statements will reflect the effects of the Combined Plan being consolidated into the Traditional Pension Plan. 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):

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
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<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Traditional Plan Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Combined Plan Formula:</b> 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35
<b>Law Enforcement</b>	<b>Law Enforcement</b>	<b>Law Enforcement</b>
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 56 with 15 years of service credit
<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>	<b>Public Safety and Law Enforcement</b>
<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25	<b>Traditional Plan Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25

Traditional plan 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.

Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed

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participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options 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</u>	<u>Law</u>
	<u>Traditional</u>	<u>Combined</u>	<u>Safety</u>	<u>Enforcement</u>
<b>2024 Statutory Maximum Contribution Rates</b>				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
<b>2024 Actual Contribution Rates</b>				
Employer:				
Pension ****	14.0 %	12.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	0.0	2.0	0.0	0.0
Total Employer	<u>14.0 %</u>	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

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

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

\*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

For 2024, the County's contractually required contribution was \$3,748,433 for the traditional plan, \$26,001 for the combined plan and \$34,290 for the member-directed plan. Of these amounts, \$443,991 is reported as an intergovernmental payable for the traditional plan, \$1,946 for the combined plan, and \$3,759 for the member-directed plan.

#### State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 65. Effective on or after August 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a permanent 1 percent COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective August 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after August 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2024 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2024, the full employer contribution was allocated to pension.

The County's contractually required contribution to STRS was \$100,104 for 2024. Of this amount, \$4,101 is reported as an intergovernmental payable.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2023, and the net pension liability for STRS was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of the respective measurement dates. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the County's defined benefit pension plans:



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	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.16016847%	0.04460610%	0.005046840%	
Prior Measurement Date	0.15847524%	0.04249014%	0.005337560%	
Change in Proportionate Share	0.00169323%	0.00211596%	-0.000290720%	
Proportionate Share of the:				
Net Pension Asset	\$0	(\$137,111)	\$0	(\$137,111)
Net Pension Liability	\$41,932,764	\$0	\$971,094	\$42,903,858
Pension Expense	\$4,918,667	\$17,271	\$5,587	\$4,941,525

2024 pension expense for the member-directed defined contribution plan was \$34,290. The aggregate pension expense for all pension plans was \$4,975,815 for 2024.

At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
<b>Deferred Outflows of Resources:</b>				
Differences between expected and actual experience	\$685,355	\$5,557	\$61,154	\$752,066
Changes of assumptions	0	5,088	44,754	49,842
Net difference between projected and actual earnings on pension plan investments	8,463,819	22,300	0	8,486,119
Changes in proportion and differences between County contributions and proportionate share of contributions	197,879	51,357	26,183	275,419
County contributions subsequent to the measurement date	3,748,433	26,001	55,146	3,829,580
Total Deferred Outflows of Resources	\$13,095,486	\$110,303	\$187,237	\$13,393,026
<b>Deferred Inflows of Resources:</b>				
Differences between expected and actual experience	\$0	\$13,562	\$532	\$14,094
Changes of assumptions	0	0	33,687	33,687
Net difference between projected and actual earnings on pension plan investments	0	0	83,494	83,494
Changes in proportion and differences between County contributions and proportionate share of contributions	98,504	10,283	64,965	173,752
Total Deferred Inflows of Resources	\$98,504	\$23,845	\$182,678	\$305,027

\$3,829,580 reported as deferred outflows of resources related to pension resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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	OPERS Traditional Plan	OPERS Combined Plan	STRS	Total
Year Ending December 31:				
2025	\$2,154,302	\$10,737	(\$72,967)	\$2,092,072
2026	2,898,333	13,473	84,176	2,995,982
2027	5,401,132	19,883	(29,604)	5,391,411
2028	(1,205,218)	3,222	(32,192)	(1,234,188)
2029	0	7,439	0	7,439
Thereafter	0	5,703	0	5,703
Total	<u>\$9,248,549</u>	<u>\$60,457</u>	<u>(\$50,587)</u>	<u>\$9,258,419</u>

**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 periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees (Current Year)	2.3 percent, simple through 2024, then 2.05 percent, simple	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	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	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.

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

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

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

**Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** The following table presents the County's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

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	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
County's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$66,013,435	\$41,932,764	\$21,904,640
OPERS Combined Plan	(82,967)	(137,111)	(179,763)

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the June 30, 2024, actuarial valuation are presented below:

Inflation	2.50 percent
Salary increases	From 2.5 percent to 8.5 percent based on service
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2024, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

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<u>Asset Class</u>	<u>Target Allocation *</u>	<u>Long-Term Expected Rate of Return **</u>
Domestic Equity	26.00%	6.90%
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	<u>100.00%</u>	

\* Final target weights reflected at October 1, 2022.

\*\* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2024.

**Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the County's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the net pension liability	\$1,566,544	\$971,094	\$467,445

**NOTE 12 – DEFINED BENEFIT OPEB PLANS**

See Note 11 for a description of the net OPEB liability (asset).

**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.

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 credit 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:

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

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. In 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 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 contractually required contribution was \$14,784 for 2024. Of this amount, \$1,470 is reported as an intergovernmental payable.

#### State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the year ended December 31, 2024, STRS did not allocate any employer contributions to post-employment health care.



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**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

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. For STRS, the net OPEB liability (asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an independent actuarial valuation as of that date. The County's proportion of the net OPEB liability (asset) was based on the County's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS	STRS	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.15208424%	0.00504684%	
Prior Measurement Date	0.14990052%	0.00533756%	
Change in Proportionate Share	<u>0.00218372%</u>	<u>-0.000290720%</u>	
Proportionate Share of the Net:			
OPEB Asset	(\$1,372,596)	(\$95,728)	(\$1,468,324)
OPEB Expense	(\$154,414)	(\$14,629)	(\$169,043)

At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	STRS	Total
<b>Deferred Outflows of Resources:</b>			
Differences between expected and actual experience	\$0	\$4,162	\$4,162
Changes of assumptions	353,376	11,783	365,159
Net difference between projected and actual earnings on OPEB plan investments	824,323	0	824,323
Changes in proportion and differences between County contributions and proportionate share of contributions	0	1,865	1,865
County contributions subsequent to the measurement date	14,784	0	14,784
Total Deferred Outflows of Resources	<u>\$1,192,483</u>	<u>\$17,810</u>	<u>\$1,210,293</u>
<b>Deferred Inflows of Resources:</b>			
Differences between expected and actual experience	\$195,359	\$10,316	\$205,675
Changes of assumptions	590,039	43,174	633,213
Net difference between projected and actual earnings on OPEB plan investments	0	4,110	4,110
Changes in proportion and differences between County contributions and proportionate share of contributions	14,438	1,410	15,848
Total Deferred Inflows of Resources	<u>\$799,836</u>	<u>\$59,010</u>	<u>\$858,846</u>

\$14,784 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an

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increase of the net OPEB asset in the year December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	STRS	Total
Fiscal Year Ending June 30:			
2025	(\$44,378)	(\$14,574)	(\$58,952)
2026	58,923	(6,579)	52,344
2027	641,664	(8,200)	633,464
2028	(278,346)	(7,601)	(285,947)
2029	0	(6,141)	(6,141)
Thereafter	0	1,895	1,895
Total	<u>\$377,863</u>	<u>(\$41,200)</u>	<u>\$336,663</u>

**Actuarial Assumptions - OPERS**

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

Projections of 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.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
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.

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***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 or asset calculated using the single discount rate of 5.70 percent, as well as what the County's proportionate share of the net OPEB liability or 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

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
County's proportionate share of the net OPEB liability (asset)	\$754,338	(\$1,372,596)	(\$3,134,456)

***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 that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 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 plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB liability (asset)	(\$1,429,592)	(\$1,372,596)	(\$1,307,924)

***Actuarial Assumptions – STRS***

Key methods and assumptions used in the June 30, 2024, actuarial valuation are presented as follows:

	June 30, 2024	June 30, 2023
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
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	June 30, 2024	June 30, 2023
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 3.94 percent ultimate	7.50 percent initial 4.14 percent ultimate
Medicare	-112.22 percent initial 3.94 percent ultimate	-10.94 percent initial 4.14 percent ultimate
Prescription Drug		
Pre-Medicare	8.00 percent initial 3.94 percent ultimate	-11.95 percent initial 4.14 percent ultimate
Medicare	-15.14 percent initial 3.94 percent ultimate	1.33 percent initial 4.14 percent ultimate

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

Healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2024, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11.

**Discount Rate** The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2024.

**Sensitivity of the County's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate** The following table represents the net OPEB asset as of June 30, 2024, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

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	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
County's proportionate share of the net OPEB asset	(\$77,834)	(\$95,728)	(\$111,301)

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
County's proportionate share of the net OPEB asset	(\$112,353)	(\$95,728)	(\$75,736)

**NOTE 13 - OTHER EMPLOYEE BENEFITS**

**DEFERRED COMPENSATION**

County employees and elected officials may participate in one of two state-wide deferred compensation plans created in accordance with Internal Revenue Code Section 457, one offered by the State of Ohio and one by the County Commissioners Association of Ohio. Participation is on a voluntary payroll deduction basis. Each plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

**COMPENSATED ABSENCES**

County employees earn vacation and sick leave at varying rates depending on length of service and departmental policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County.

Accumulated, unused sick leave is paid up to a minimum of ten years of service, depending on length of service and departmental policy, to employees who retire and have a minimum of ten years of service.

The employees in the Department of Children Services receive three days of personal leave with eight hours effective on July 1, November 1, and March 1. They must use the leave by June 30 or forfeit it.

**INSURANCE BENEFITS**

Employee health and dental insurance coverage was provided by the County Employee Benefits Consortium of Ohio (CEBCO) for the year. Also, vision insurance and life insurance were provided by Anthem Vision Service Plan and Anthem Life, respectively.

Health insurance for employees of the Board of Developmental Disabilities was provided by Anthem Blue Cross and Blue Shield. Employee dental insurance for employees of the Board of Developmental Disabilities was provided by Delta Dental. Vision insurance and life insurance were provided by Vision Service Plan of Ohio and Sun Life Financial, respectively.

Health, dental, and vision insurance for employees of the Sanitary Engineer was provided by the Michigan Conference of Teamsters Welfare Fund. Life insurance was provided by Anthem Life.

**NOTE 14 – ASSET RETIREMENT OBLIGATION**

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

In 2020, the Scioto County Land Reutilization Corporation took ownership of a piece of property located on US-52 where a Coke Plant was once located. This piece of property is being evaluated by the EPA for environmental clean-up costs and possible remediation actions. Any ARO associated with this possible clean-up is not reasonably estimable at this time. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

The Scioto County Airport Authority owns and maintains underground storage tanks. The Airport Authority and State of Ohio follow federal financial responsibility rules for underground storage tanks. Any asset retirement obligation associated with the storage tanks is not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

**NOTE 15 – LONG-TERM OBLIGATIONS**

**BUSINESS-TYPE ACTIVITY**

**General Obligation Bonds**

The County has issued General Obligation Bonds supported by Sewer Fund revenues. The proceeds of the bonds were used to fund various improvement projects in the County's sewer system and to refund bonds previously issued for the same purpose.

The entire amount of the refunded bonds was repaid, leaving no balance still outstanding on the original debt.

The 2021 Various Purpose Refunding Bonds were issued on May 26, 2021. The County issued \$3,645,000 in refunding bonds in order to refund \$538,229 Franklin Furnace Sewer Improvement Bonds, \$922,600 in Wheelersburg Wastewater Treatment Plant Bonds, \$265,043 in Rigrish Sewer Bonds, \$451,500 FHA Bonds – West Portsmouth Improvement, \$361,000 in FHA Bonds – Lucasville Phase II, \$491,701 in FHA Bonds – Lucasville III Bonds, \$564,610 in FHA Bonds – West Portsmouth VII, and \$227,100 in FHA Bonds – Lucasville Phase IV in order to take advantage of lower interest rates. The bonds were issued for a 25 year period with final maturity in December 2046.

At December 31, 2021, all the refunded bonds were paid off. Total debt service payments decreased by \$1,017,818 as a result of the refunding. The County also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$897,436, but incurred a deferred inflow – deferred charge on refunding of \$880,173, and a deferred outflow – deferred charge on refunding of \$988,378. The amount amortized during 2024 on the deferred inflow – deferred charge on refunding was \$45,421. The amount amortized during 2024 on the deferred outflow – deferred charge on refunding was \$58,507. The bonds were sold at a premium of \$390,187.

**SCIOTO COUNTY, OHIO**  
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Ohio Public Works Commission (OPWC) Loans

The OPWC loans consist of money owed to the Ohio Public Works Commission for various sewer line and pump station renovation projects. These consist of 20 or 30 year general obligation loans payable. The liability for the Sewer Fund is recorded in the fund and government-wide financial statements. The loans will be repaid from the Sewer Fund. The loans are direct borrowings and in the event of default OPWC may (1) apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's Office for collection, and as provided by law, OPWC may require that such payments be taken from the County's share of the undivided local government fund, and the outstanding amounts shall, and (3) at OPWC's option, become immediately due and payable.

Ohio Water Development Authority (OWDA) Loans

The OWDA loans from direct borrowings consist of money owed to the Ohio Water Development Authority for various sewer line and pump station renovation projects. The liability for the Sewer Fund is recorded in the fund and government-wide financial statements. The loans will be repaid from the Sewer Fund. In the event of default, the lender may declare the full amount of the unpaid project participation principal amount immediately due and payable and require the County to pay any fines or penalties incurred with interest.

United States Department of Agriculture (USDA) Loans

The USDA loans are direct placements and consists of money owed to the United States Department of Agriculture for the Eden Park Sewer extension and Minford Sewer System projects. The liability for the Sewer Fund is recorded in the fund and government-wide financial statements. The loan will be repaid from the Sewer Fund. The County's outstanding USDA Sewer Revenue bonds from direct placement contain provisions that in the event of default the Government, at its option may (1) declare the entire principal amount can be declared outstanding and accrued interest shall be immediately due and payable, (2) incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and / or (3) take possession of the facility, repair, maintain, and operate or rent it.

The County pays obligations related to employee compensation from the fund benefitting from their service. For additional information related to the net pension liability (asset) see Note 11. For additional information related to the OPEB liability (asset) see Note 12.

The change in the County's Business-Type Activity's long-term obligations during the year consisted of the following:

	Restated Principal Outstanding at 1/1/2024	Additions	Deletions	Principal Outstanding at 12/31/2024	Due Within One Year
<u>Business-Type Activity</u>					
<u>General Obligation Bonds</u>					
Various Purpose Refunding Bonds					
2021 2.00 - 4.00% - \$3,645,000	\$3,210,000	\$0	\$170,000	\$3,040,000	\$175,000
Premium	349,869	0	15,607	334,262	0
Total Enterprise General Obligation Bonds	\$3,559,869	\$0	\$185,607	\$3,374,262	\$175,000

(Continued)



**SCIOTO COUNTY, OHIO**  
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	Restated Principal Outstanding at 1/1/2024	Additions	Deletions	Principal Outstanding at 12/31/2024	Due Within One Year
<u><i>Business-Type Activity</i></u>					
<u><i>OPWC Loans</i></u>					
<u><i>Direct Borrowings</i></u>					
2004 OPWC Sanitary Sewer System Renovations 0% - \$162,100	\$8,086	\$0	\$8,086	\$0	\$0
2006 OPWC Wheelersburg and West Portmsouth Pump Station 0% - \$235,543	41,206	0	11,778	29,428	11,778
2006 OPWC Sciotoville Area Sanitary Sewer Extensions 0% - \$9,482	1,661	0	474	1,187	474
2008 OPWC Pump Station Renovations 0% - \$201,860	55,512	0	10,093	45,419	10,093
2009 OPWC Sanitary Sewer Improvements 0% - \$165,000	53,625	0	8,250	45,375	8,250
2012 OPWC Sanitary Sewer Improvements UV Project 0% - \$181,000	74,012	0	6,435	67,577	6,435
2014 OPWC Sanitary Sewer Eden Park Extension 0% - \$247,872	342,152	0	25,344	316,808	25,344
2017 OPWC West Portsmouth Modification 0% - \$16,266	12,743	0	542	12,201	542
2021 OPWC Scioto County Porter Township Joint Improvement 0% - \$127,853	115,067	0	4,262	110,805	4,262
Total OPWC Loans	<u>\$704,064</u>	<u>\$0</u>	<u>\$75,264</u>	<u>\$628,800</u>	<u>\$67,178</u>
<u><i>OWDA and USDA Loans</i></u>					
<u><i>Direct Borrowings</i></u>					
Wastewater Treatment and Collection System for South Webster 2003 0%	921,695	0	102,411	819,284	102,411
Briarcliff WWTP Elimination New Pump Station 2018 0%	287,602	0	19,173	268,429	19,173
Lucasville Interceptor Project 2020 .87%	983,479	0	52,265	931,214	52,720
Eden Park Extension OWDA Loan 3.45%	322,786	0	6,994	315,792	7,238
<u><i>Direct Placements</i></u>					
Eden Park Extension USDA Loan 4.5%	827,600	0	21,000	806,600	21,300
Minford Sewer System Project USDA Loan 4.5%	12,855,470	0	285,280	12,570,190	292,080
West Portsmouth/Purtee Acres USDA Loan 1.50%	2,971,100	0	58,900	2,912,200	59,900
Total OWDA and USDA Loans	<u>19,169,732</u>	<u>0</u>	<u>546,023</u>	<u>18,623,709</u>	<u>554,822</u>
<u><i>Other Long-Term Obligations</i></u>					
Compensated Absences	325,386	38,153	0	363,539	140,885
Net Pension Liability - OPERS	1,823,909	0	190,163	1,633,746	0
Net OPEB Liability - OPERS	36,826	0	36,826	0	0
Total Other Long-Term Obligations	<u>2,186,121</u>	<u>38,153</u>	<u>226,989</u>	<u>1,997,285</u>	<u>140,885</u>
Total Business-Type Activities	<u>\$25,619,786</u>	<u>\$38,153</u>	<u>\$1,033,883</u>	<u>\$24,624,056</u>	<u>\$937,885</u>

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

**SCIOTO COUNTY, OHIO**  
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	From Direct Borrowings					From Direct Placements		Totals	
	General Obligation Bonds		OPWC Loans	OWDA Loans		USDA Loans			
	Principal	Interest	Principal	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$175,000	\$91,700	\$67,178	\$181,542	\$18,820	\$373,280	\$359,142	\$797,000	\$469,662
2026	175,000	84,700	67,178	182,254	18,109	381,600	350,852	\$806,032	\$453,661
2027	180,000	77,700	61,037	182,978	17,384	390,100	342,370	\$814,115	\$437,454
2028	195,000	70,500	54,927	183,716	16,647	398,580	333,697	\$832,223	\$420,844
2029	200,000	62,700	49,881	184,466	15,896	407,710	324,831	\$842,057	\$403,427
2030-2034	1,095,000	198,950	187,045	719,684	67,720	2,178,170	1,483,905	\$4,179,899	\$1,750,575
2035-2039	680,000	74,976	90,608	433,463	46,706	2,432,200	1,229,956	\$3,636,271	\$1,351,638
2040-2044	310,000	24,862	24,019	155,083	26,332	2,716,350	945,771	\$3,205,452	\$996,965
2045-2049	30,000	1,014	22,666	60,447	13,457	3,034,430	627,712	\$3,147,543	\$642,183
2050-2054	0	0	4,261	51,086	1,506	3,312,570	272,504	\$3,367,917	\$274,010
2055-2059	0	0	0	0	0	482,800	33,728	\$482,800	\$33,728
2060-2064	0	0	0	0	0	181,200	2,942	\$181,200	\$2,942
Totals	\$3,040,000	\$687,102	\$628,800	\$2,334,719	\$242,577	\$16,288,990	\$6,307,410	\$22,292,509	\$7,237,089

## **GOVERNMENTAL ACTIVITIES**

### **General Obligation Bonds**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and the refinancing of bond anticipation notes. General obligation bonds are direct obligations and pledge the full faith and credit of the County for repayment. These bonds are generally issued as 20 year serial bonds. The Economic Development Facilities Refunding Bonds are paid from general revenues of the County. The bonds are reported as part of unrestricted net position because the proceeds were used for the renovation of a building owned by the Southern Ohio Port Authority. Both Various Purpose Bonds are being paid with tax monies receipted into the General Fund and then transferred to the Debt Service Fund. The refunded bonds were retired on August 1, 2004.

The 2013 Economic Development Facilities Refunding Revenue Bonds were issued December 10, 2013, for the purpose of advance refunding \$1,815,000 of the 1999 Shelton Industries General Obligation Bonds. The bonds are serial bonds and were issued with an interest rate of 0.55 – 5.05 percent for a twelve year period. The bonds will mature on December 1, 2025, and will be retired from the Debt Service Fund.

The 2014 Various Purpose Refunding Bonds were issued April 16, 2014, for the purpose of advance refunding \$4,545,000 of the 2004 County Jail General Obligation Bonds. The bonds are serial bonds and were issued with an interest rate of 2.00 – 4.00 percent for a fifteen year period. The bonds will mature on December 1, 2029, and will be retired from the Debt Service Fund.

The 2021 Various Purpose Refunding Bonds were issued on May 26, 2021, the County issued \$230,000 in refunding bonds in order to refund \$250,000 of the 2006 Various Purpose Refunding Bonds in order to take advantage of lower interest rates. The bonds were issued for a 5 year period with final maturity in December 2026. At December 31, 2021, all the refunded bonds were paid off.

The 2024 Limited Tax General Obligation Bonds were issued on June 25, 2024, the County issued \$3,580,000 for the purpose of constructing a new waterline at the Scioto County Airport Authority. The bonds were issued for a ten year period with final maturity in December 2033, and will be retired from the Airport Waterline Project Fund. At December 31, 2024, \$3,445,890 of the debt proceeds were unexpended.

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

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Lease Payable

The County has outstanding agreements to lease copiers and vehicles. The future lease payments were discounted based on the interest rate implicit in the lease or using the County's incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease. A summary of the principal and interest amounts for the remaining leases is as follows:

Year	Principal	Interest
2025	\$239,288	\$31,438
2026	244,176	18,768
2027	150,326	6,516
2028	35,001	1,144
2029	6,749	68
	<u>\$675,540</u>	<u>\$57,934</u>

Financed Purchases

In prior years, the County entered into financed purchase agreement for the construction of a transportation garage associated with the Board of Developmental Disabilities. Financed purchase payments are reflected as debt service expenditures in the fund financial statements. Principal payments made in 2024 totaled \$14,593.

Net Pension/OPEB Liability

There is no repayment schedule for the net pension/OPEB liability (asset). However, employer pension contributions are made from the following funds:

General Fund

Real Estate Assessment Special Revenue Fund

Common Pleas Court Special Revenue Fund

Dog and Kennel Special Revenue Fund

Emergency Management Assistance Special Revenue Fund

Probation Supervision Services Special Revenue Fund

Engineer Special Revenue Fund

GIS Mapping Special Revenue Fund

Child Support Enforcement Agency Special Revenue Fund

Public Assistance Special Revenue Fund

Board of Developmental Disabilities Special Revenue Fund

Drug Enforcement Sheriff Special Revenue Fund

Sheriff Rotary Special Revenue Fund

TB Levy Special Revenue Fund

DRETAC Treasurer Special Revenue Fund

Multi-County Mediation Special Revenue Fund

Wireless 911 Special Revenue Fund

Professional Training Sheriff Special Revenue Fund

Law Library Special Revenue Fund

Coordinated Transportation Special Revenue Fund

Victims of Crime Special Revenue Fund

High Intensity Drug Trafficking Special Revenue Fund

Wheelersburg Sewer District Enterprise Fund

Common Pleas PSI Unit Special Revenue Fund

Probation Improvement and Incentive Grant Special Revenue Fund

**SCIOTO COUNTY, OHIO**  
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For the Year Ended December 31, 2024

For additional information related to the net pension/OPEB liability (asset), see Note 11 and 12.

The change in the County's Governmental Activities' long-term obligations during the year consisted of the following:

	Restated Principal Outstanding at 1/1/2024	Additions	Deletions	Principal Outstanding at 12/31/2024	Due Within One Year
<u>Governmental Activities</u>					
<u>General Obligation Bonds</u>					
Economic Development Facilities Refunding					
Revenue Bonds 2013 0.55 - 5.05% - \$1,815,000	\$360,000	\$0	\$175,000	\$185,000	\$185,000
Various Purpose Refunding Bonds					
2014 2.00 - 4.00% - \$4,880,000	2,065,000	0	320,000	1,745,000	325,000
Premium on Various Purpose Bonds	1,521	0	285	1,236	0
Various Purpose Refunding Bonds					
2021 2.00 - 2.00 - 4.00% - \$230,000	115,000	0	35,000	80,000	40,000
Premium	11,571	0	4,789	6,782	0
Limited Tax General Obligation Bonds					
2024 4.5% - \$3,580,000	0	3,580,000	0	3,580,000	331,000
Total General Obligation Bonds	2,553,092	3,580,000	535,074	5,598,018	881,000
<u>Net Pension Liability</u>					
OPERS	44,989,748	0	4,690,730	40,299,018	0
STRS	1,149,441	0	178,347	971,094	0
Total Net Pension Liability	46,139,189	0	4,869,077	41,270,112	0
<u>Net OPEB Liability</u>					
OPERS	908,325	0	908,325	0	0
<u>Other Long-Term Obligations</u>					
Lease Payable	797,143	106,551	228,154	675,540	239,288
Financed Purchase Payable	84,396	0	14,593	69,803	15,963
Compensated Absences	4,760,472	1,656,168	0	6,416,640	2,370,703
Total Other Long-Term Obligations	5,642,011	1,762,719	242,747	7,161,983	2,625,954
Total Governmental Activities	\$55,242,617	\$5,342,719	\$6,555,223	\$54,030,113	\$3,506,954

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

**SCIOTO COUNTY, OHIO**  
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	General Obligation		Financed Purchase Payable	
	Bonds			
	Principal	Interest	Principal	Interest
2025	\$881,000	\$237,525	\$15,963	\$5,637
2026	722,000	200,717	17,461	4,139
2027	712,000	171,778	19,100	2,500
2028	738,000	142,800	17,279	721
2029	770,000	112,290	0	0
2030-2034	1,767,000	203,130	0	0
Totals	\$5,590,000	\$1,068,240	\$69,803	\$12,997

The County's total legal debt margin was \$33,721,514 with an unvoted debt margin of \$14,019,187 at December 31, 2024.

### **CONDUIT DEBT OBLIGATION**

During 1985, the County, in conjunction with several other political subdivisions of Ohio, issued revenue bonds in the aggregate principal amount of \$72,000,000. The proceeds were used to fund the VHA Central Inc. Capital Asset Financing Program. The program provides financing for hospitals in Ohio to acquire equipment and other capital assets. The balance outstanding as of December 31, 2024, is \$1,800,000.

During 2016, the County issued Hospital Facilities Revenue Bonds, Series 2016, in the aggregate principal amount of \$122,215,000 for the Southern Ohio Medical Center (SOMC). The proceeds were used by SOMC to refund the prior Hospital Facilities Refunding Bonds issued in 2008. The balance outstanding as of December 31, 2024, is \$91,400,000.

During 2017, the County issued Health Care Facilities Revenue Refunding and Improvement Bonds, Series 2017, in the aggregate principal amount of \$10,349,535 for the Hill View Retirement Center. The proceeds were used for the acquisition, construction, installation and equipping of facilities and to refund the Adjustable Rate Demand Health Care Facilities Revenue Refunding and Improvement Bonds, Series 2004, issued by Pike County, which were used to renovate the facilities. The balance outstanding as of December 31, 2024, is \$7,906,124.

During 2019, the County issued Hospital Facilities Revenue Bonds, Series 2020, in the aggregate principal amount of \$22,380,000 for the Southern Ohio Medical Center (SOMC). Proceeds were to be used primarily for acquisition of an Electronic Health Record System (EHR) and related services, computer servers, nurse call light system and renovation projects. The balance outstanding as of December 31, 2024, is \$12,800,000.

Conduit debt bonds are to be repaid by the recipients of the proceeds and do not represent an obligation of the County. There has not been, and currently is not, any condition of default under the bonds or the related financing documents. The County is not obligated in any way to pay debt charges on the bonds from any of its funds, and therefore they have been excluded entirely from the County's debt presentation. Neither the full faith and credit or taxing power of the County is pledged to make repayment.

**SCIOTO COUNTY, OHIO**  
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For the Year Ended December 31, 2024

**NOTE 16 - INTERFUND ACTIVITY**

Interfund balances at December 31, 2024, consist of the following individual fund receivables and payables:

		Receivables			Total
		General	Public Assistance	Nonmajor Governmental Funds	
Payables	General	\$0	\$14,932	\$19,310	\$34,242
	Public Assistance	0	0	108,023	108,023
	Children Services	380	0	34,711	35,091
	Nonmajor Governmental Funds	42,143	54,714	36,121	132,978
	Total	\$42,523	\$69,646	\$198,165	\$310,334

The Nonmajor Governmental Funds has outstanding payables to and Nonmajor Governmental Funds for ARPA funds providing up front monies for expenses. The Public Assistance Fund has outstanding payables to Nonmajor Governmental Funds for services provided through various contracts existing with Public Assistance. The General Fund has an outstanding payable to the Public Assistance Fund for postage and to the Sheriff Policing Rotary fund for contract services. The Nonmajor Governmental Funds have outstanding payables to the General Fund for purchased services related to Child Support Enforcement Agency. The Nonmajor Governmental Funds has outstanding payables to and Nonmajor Governmental Funds for ARPA funds providing up front monies for expenses. The General Fund and Nonmajor Governmental Funds have outstanding payables to the Children Services Fund for contractual services. All payables will be reimbursed either when funds become available or when payments for services are rendered.

Transfers made during the year ended December 31, 2024, were as follows:

		Transfers To			Total
Transfers From		Public Assistance	Motor Vehicle Gas Tax	Nonmajor Governmental Funds	
	General	\$171,591	\$0	\$1,128,734	\$1,300,325
	Motor Vehicle Gas Tax	0	0	2,254,998	2,254,998
	Nonmajor Governmental Funds	0	172,542	37,615	210,157
	Sewer	0	0	15,000	15,000
	Total	\$171,591	\$172,542	\$3,436,347	\$3,780,480

Transfers were made to move unrestricted balances to support programs and projects accounted for in other funds. Monies were transferred from the General Fund to nonmajor debt service funds to make debt service payments.

Transfers were made from the Motor Vehicle and Gas Tax fund to a nonmajor capital projects fund in order to provide for the County's local share of the project. Once the projects are complete, transfers will be made to return any remaining unspent local share monies back to the Motor Vehicle and Gas Tax fund.

Transfers were made from the Sewer Enterprise fund to nonmajor special revenue funds to support GIS mapping operations.

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS / JOINT VENTURE**

**ADAMS, LAWRENCE, SCIOTO ALCOHOL, DRUG ADDICTION, AND MENTAL HEALTH SERVICES BOARD - JOINTLY GOVERNED ORGANIZATION**

Scioto County is a member of the three-county Alcohol, Drug Addiction, and Mental Health Services Board (ADAMHS Board), which is a jointly governed organization between Adams, Lawrence, and Scioto Counties. The purpose of the ADAMHS Board is to provide aid, support and education for alcohol and drug dependent citizens as well as those who are mentally handicapped.

The three-county ADAMHS Board is governed by a board consisting of 14 members. The breakdown is as follows: six members are appointed by the Ohio Director of Mental Health and Addiction Services and eight are appointed by Commissioners of Scioto, Lawrence and Adams Counties. The main sources of revenue for this Board are grants from the Ohio Department of Mental Health and Addiction Services. Outside agencies are contracted by the Board to provide service for the Board. Financial records are maintained by the Scioto County Auditor and Treasurer. Each county has a participation percentage based upon the number of board members appointed. Scioto County appoints four members, which represents 50 percent of the total members appointed by the three counties. The Board exercises total control over operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation on the Board. The Board of County Commissioners appoint members proportionate to the County's population of the whole district with at least one member being appointed from each County. The ADAMHS Board received a contribution from the County of \$2,000 during 2024.

**OHIO VALLEY RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC. - JOINTLY GOVERNED ORGANIZATION**

The Ohio Valley Resource Conservation and Development Area, Inc. is a jointly governed organization that is operated as a non-profit corporation. The Ohio Valley Resource Conservation and Development Area, Inc. was created to aid regional planning to participating counties. Scioto County, along with Ross, Vinton, Highland, Brown, Adams, Pike, Jackson, Gallia, and Lawrence Counties each appoint three members to the 30 member Council. The Council selects an administrator to oversee operations. The Council exercises total control over operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation on the Council. The Ohio Valley Resource Conservation and Development Area, Inc. received no contributions from the County during 2024; other revenues are from USDA grants. Scioto County does not have any ongoing financial interest or responsibilities nor can it significantly influence management.

**WORKFORCE DEVELOPMENT BOARD/SO CONSORTIUM - JOINTLY GOVERNED ORGANIZATION**

The Workforce Investment Act of 1998 (WIA) was reauthorized as the Workforce Innovation and Opportunity Act of 2014 (WIOA). On December 17, 2015 the Board of County Commissioners approved an intergovernmental agreement for Adams, Brown, Pike and Scioto County which established the terms, conditions, and requirements governing the administration of the Workforce Innovation and Opportunity Act of 2014 and Chief Elected Officials duties and created the SO Consortium for the purpose of implementing, governing, and administering any and all workforce and economic development programming. The Workforce Development Board is a jointly governed organization of representatives from the private and public sectors of Pike, Scioto, Adams, and Brown Counties appointed by the county commissioners from each county and consists of 22 members. The Board consists of a 51 percent business membership and the remaining membership from labor, education and training, disabilities, veterans, youth organizations, and Wagner-Peyser. The Workforce Development Board meets at least quarterly and is

responsible for the five-year plan, selecting one-stop operators, selecting youth providers and coordinating all activities in association with WIOA funds. This Board enables the participating counties to have more local control over the programs which they assist in overseeing. The Board exercises total control over operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation on the Board. The Workforce Development Board received no contributions from the County during 2024. The Workforce Development Board is responsible for advising the SO Consortium and is not an entity separate from the SO Consortium. The SO Consortium is a council of governments formed under Ohio Revised Code Section 167.03.

**OHIO VALLEY REGIONAL DEVELOPMENT COMMISSION - JOINTLY GOVERNED ORGANIZATION**

The Ohio Valley Regional Development Commission is a jointly governed organization that serves a 12 county economic development planning district in southern Ohio. The Commission was formed to favorably influence the future economic, physical and social development of Adams, Brown, Clermont, Fayette, Gallia, Highland, Jackson, Lawrence, Pike, Ross, Scioto, and Vinton Counties. Membership is comprised of elected and appointed county, municipal and township officials or their officially appointed designees, as well as members of the private sector, community action agencies and regional planning commissions. The Commission is not dependent upon Scioto County for its existence. The Commission exercises total control over operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation on the Commission. The County contributed \$14,439 to the Commission during the year.

**SCIOTO COUNTY COMMUNITY ACTION ORGANIZATION - JOINTLY GOVERNED ORGANIZATION**

The Scioto County Community Action Organization (CAO) is an IRS 502C3 non-profit organization established to plan, develop, and coordinate programs and services designed to combat problems of poverty and seek the elimination of the conditions of poverty that affect the residents of Scioto County. The CAO administers the Workforce Investment Act grant. The CAO Board is comprised of local public officials. The organization exercises total control over the operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation in the organization. In 2024, the County made payments to the CAO in the amount of \$1,293,679 for the provision of services to the Scioto County Department of Jobs and Family Services.

**SOUTHERN OHIO DEVELOPMENT INITIATIVE - JOINTLY GOVERNED ORGANIZATION**

The Southern Ohio Development Initiative was created with assistance from the U.S. Department of Energy to assist in the development of industrial areas to offset the potential downsizing and privatization of the Uranium Enrichment Plant in Piketon, Ohio. It is a legally separate, not-for-profit corporation with representatives from each of the counties impacted by the events at the Piketon Plant. The counties involved in this initiative are Pike, Ross, Scioto and Jackson Counties. The County has no authority to impose its will on the organization nor is a burden/benefit relationship in existence. The organization exercises total control over its operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation with the organization. During 2024, the County made no payments nor received any monies from the Southern Ohio Development Initiative.



**PORTSMOUTH METROPOLITAN HOUSING AUTHORITY - JOINTLY GOVERNED ORGANIZATION**

The Portsmouth Metropolitan Housing Authority (the Authority) is a political subdivision that consists of five members. One member is appointed by the probate court, one member by the court of common pleas, one member by the board of county commissioners, and two members by the chief executive officer of the City of Portsmouth. The County has no ability to impose its will on the organization nor is a burden/benefit relationship in existence. The Authority exercises total control over operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation in the Authority. The Authority received no contributions from the County during 2024.

**SOUTHERN OHIO COUNCIL OF GOVERNMENTS - JOINTLY GOVERNED ORGANIZATION**

The County is a member of the Southern Ohio Council of Governments, which is a jointly governed organization, created under the Ohio Revised code section 167.01. The governing body consists of a 15 member board with each participating County represented by the Director of its Board of Developmental Disabilities. Member counties include: Adams, Athens, Brown, Clinton, Fayette, Gallia, Highland, Jackson, Lawrence, Meigs, Pickaway, Pike, Ross, Scioto, and Vinton Counties. The Board exercises total control over operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation on the Board. The County paid the Council \$479,958 for services provided during the year. Financial statements can be obtained from the Southern Ohio Council of Governments, 17273 St. Rt. 104, Building 8, Chillicothe, Ohio, 45601.

**JOINT ECONOMIC DEVELOPMENT INITIATIVE OF SOUTHERN OHIO - JOINTLY GOVERNED ORGANIZATION**

The Joint Economic Development Initiative of Southern Ohio (JEDISO) is a nonprofit corporation that was formed on April 11, 2017. It was created as a result of the federal government engaging with Fluor-BWXT Company to decontaminate and decommission the Portsmouth Gaseous Diffusion Plant. Fluor's contract required it to invest five percent of its funding to economic development in the surrounding counties. As a result, JEDISO was formed to help facilitate this. It is a legally separate, not-for-profit corporation with representatives from each of the counties impacted by the events at the Portsmouth Plant. The counties involved in this initiative are Pike, Ross, Scioto and Jackson Counties. The County has no authority to impose its will on the organization nor is a burden/benefit relationship in existence. The organization exercises total control over its operations including budgeting, appropriating, contracting and designing management. Each participant's degree of control is limited to its representation with the organization. During 2024, the County made no payments nor received any monies from the JEDISO.

**JOINT SOLID WASTE DISTRICT - JOINT VENTURE**

The County participates in a joint venture with Lawrence County, the Joint Solid Waste District (the District). The purpose of the District is to make disposal of waste in the two-county area more comprehensive in terms of recycling, incinerating, and land filling. Each of the governments supports the District and shares in an equal percentage of equity. The degree of control exercised by each participating County is limited to its representation on the Board. The Board of Directors consists of six members, which is made up of three Scioto County Commissioners and three Lawrence County Commissioners. Maintenance of the financial records pertaining to the operation of the District had been maintained by Lawrence County. In November 2012, Scioto County became the permanent fiscal agent for the District.

The County has an investment that is explicit and measurable in that the joint venture agreement stipulates that the participants have a future claim to the net resources of the District upon its dissolution. The

agreement also sets forth the method to determine each members' proportionate share.

The District is not accumulating significant financial resources and is not experiencing fiscal stress that may cause an additional financial benefit or burden on the members in the future. The County's investment interest in the District was \$499,250 as of December 31, 2024. Complete financial statements can be obtained from the Scioto County Auditor's Office at 602 7<sup>th</sup> Street, Room 103, Portsmouth, OH 45662.

**NOTE 18 - RISK SHARING POOL**

**COUNTY RISK SHARING AUTHORITY, INC. (CORSА)**

The County Risk Sharing Authority, Inc. (CORSА) is a risk sharing pool among 66 counties in Ohio. CORSА was formed as an Ohio non-profit corporation for the purpose of establishing the CORSА Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by CORSА. The coverage includes 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 CORSА 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 budgetary and financing of CORSА is limited to its voting authority and any representative it may have on the board of trustees.

CORSА has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSА. The participating counties have no responsibility for the payments of the certificates. The County does not have an equity interest in CORSА. The County's payment for insurance to CORSА in 2024 was \$454,267. Financial statements may be obtained by contacting the County Commissioners' Association of Ohio at 209 East State Street, Columbus, Ohio 43215-4309.

**NOTE 19 – SIGNIFICANT COMMITMENTS**

**CONTRACTUAL COMMITMENTS**

As of December 31, 2024, the County had the following contractual purchase commitments for various projects:

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Project/Contractor	Balance at December 31, 2024
Euthenics - Birdge Analysis Load Ratings	\$24,990
Shelly Company - Ohio River Road	91,551
RoMar Metal Fabricating, Inc - Plexiglass in Jail Dorms	78,000
Tyler CLT - 2024 Reappraisal	46,161
Queen City Data - Scanning and Storage	14,010
Spectrum Mid America - Broadband	375,000
Verdantas LLC - Marcs Tower	17,329
Tri County Tower - Marcs Tower	1,044,834
Randall Mullins - Roof	2,400
Randall Mullins - Legal Dept Renovations	23,800
Snider Recreation, Inc - Franklin Furnace Park	229,121
Strand Associates - Pershing Ave Sanitary Sewer Extension	226,400
Total	<u>\$2,173,596</u>

On May 27, 2021 the Board of County Commissioners approved a resolution authorizing the County's pledge of non-tax revenues to support the issuance of special obligation revenue bonds of the Southern Ohio Port Authority to finance commercial facilities and public infrastructure improvements within the County. The resolution authorizes the pledge of County non-tax revenues in accordance with the terms of the Cooperative agreement to secure the payment of debt service charges on the Southern Ohio Port Authority's Taxable Special Obligation Revenue Bonds, Series 2021.

**ENCUMBRANCES**

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

Governmental Funds:	
General	\$703,069
Public Assistance	468,714
Motor Vehicle Gas Tax	215,446
Children Services	318,407
Nonmajor Governmental Funds	2,706,224
Total Governmental Funds	<u>4,411,860</u>
Proprietary Funds:	
Sanitary Sewer	495,822
Total	<u>\$4,907,682</u>

**NOTE 20 - CONTINGENT LIABILITIES**

**LITIGATION**

The County is party to legal proceedings. However, no liability has been accrued since the ultimate disposition of these claims and legal proceedings has yet to be determined and the amount of liability, if any, is not measurable.

**SCIOTO COUNTY, OHIO**  
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**FEDERAL AND STATE GRANTS**

For the period January 1, 2024, to December 31, 2024, the County received federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the County believes such disallowance, if any, would be immaterial.

**NOTE 21 - FUND BALANCES**

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

Fund Balances	General Fund	Public Assistance Fund	Motor Vehicle Gas Tax Fund	Board of Developmental Disabilities Fund	Children Services Fund	Nonmajor Governmental Funds	Total
<b><i>Nonspendable</i></b>							
Prepays	\$425,115	\$70,237	\$15,237	\$58,634	\$0	\$127,077	\$696,300
Materials and							
Supplies Inventory	100,469	22,922	999,383	2,507	0	6,634	1,131,915
Long-term Receivable	52,500	0	0	0	0	0	52,500
Unclaimed Monies	1,213,252	0	0	0	0	0	1,213,252
<b><i>Total Nonspendable</i></b>	<b>1,791,336</b>	<b>93,159</b>	<b>1,014,620</b>	<b>61,141</b>	<b>0</b>	<b>133,711</b>	<b>3,093,967</b>
<b><i>Restricted for</i></b>							
Debt Service	0	0	0	0	0	3,541,006	3,541,006
Capital Projects	0	0	0	0	0	507,628	507,628
Public Safety	0	0	0	0	0	2,812,980	2,812,980
Human Services	0	939,409	0	0	241,934	4,081,234	5,262,577
Public Works	0	0	6,549,278	0	0	3,646	6,552,924
Health	0	0	0	3,952,086	0	1,343,734	5,295,820
Community and							
Economic Development	0	0	0	0	0	443,194	443,194
Transportation	0	0	0	0	0	582,582	582,582
Judicial	0	0	0	0	0	970,152	970,152
Legislative and Executive	0	0	0	0	0	2,450,978	2,450,978
Conservation and Recreation	0	0	0	0	0	24,447	24,447
<b><i>Total Restricted</i></b>	<b>0</b>	<b>939,409</b>	<b>6,549,278</b>	<b>3,952,086</b>	<b>241,934</b>	<b>16,761,581</b>	<b>28,444,288</b>
<b><i>Committed to</i></b>							
Judicial Programs	0	0	0	0	0	269,917	269,917
<b><i>Assigned to</i></b>							
Debt Service	0	0	0	0	0	10,079	10,079
Purchases on Order	484,567	0	0	0	0	0	484,567
Public Safety Programs	65,549	0	0	0	0	0	65,549
Judicial Programs	503	0	0	0	0	0	503
Legislative and Executive	11,134	0	0	0	0	0	11,134
<b><i>Total Assigned</i></b>	<b>561,753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,079</b>	<b>571,832</b>
<b><i>Unassigned (Deficit)</i></b>	<b>8,839,238</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,743)</b>	<b>8,836,495</b>
<b><i>Total Fund Balances</i></b>	<b>\$11,192,327</b>	<b>\$1,032,568</b>	<b>\$7,563,898</b>	<b>\$4,013,227</b>	<b>\$241,934</b>	<b>\$17,172,545</b>	<b>\$41,216,499</b>

**NOTE 22 – ACCOUNTABILITY AND COMPLIANCE**

***Accountability***

At December 31, 2024, the following funds had deficit fund balances:

<u>Funds</u>	<u>Amounts</u>
ARPA Hiring Grant Fund	\$37
ARPA Wellness Grant Fund	45
Total	<u>\$82</u>

The General Fund provides transfers to cover deficit balances in other funds, this is done when cash is needed rather than when accruals occur.

***Compliance***

Contrary to Ohio law, the County did not properly certify funds according to Ohio Rev. Code Section 5705.41(D) in the amount of \$477,426.

**NOTE 23 - DISCRETELY PRESENTED COMPONENT UNITS**

**SCIOTO COUNTY AIRPORT AUTHORITY**

As indicated in Note 1 to the Basic Financial Statements, the following disclosures are made on behalf of the Scioto County Airport Authority:

Measurement Focus and Basis of Accounting - The Airport is accounted for like proprietary funds using the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Budgetary Basis of Accounting - Budgetary information for the discretely presented component unit is not presented because it is not included in the entity for which the “appropriated budget” is adopted and does not maintain separate budgetary financial records.

Deposits - Protection of the Airport’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.

Lease Receivable - The Airport is reporting leases receivable of \$110,099 at December 31, 2024. This amount represents the discounted future lease payments. This amount is being amortized using the interest method. For 2024, the Airport recognized lease revenue of \$16,059 and interest revenue of \$1,941 related to lease payments received.

Capital Assets - A summary of the Airport’s capital assets at December 31, 2024, follows:

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
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Land	\$365,737
Construction in Progress	109,889
Land Improvements	4,167,928
Buildings	1,871,654
Machinery and Equipment	363,811
Vehicles	174,170
Less: Accumulated Depreciation	<u>(2,773,920)</u>
Total Capital Assets (Net)	<u><u>\$4,279,269</u></u>

As of December 31, 2024, the Airport had the following contractual purchase commitments for:

<u>Project/Contractor</u>	<u>Balance at December 31, 2024</u>
Stantec New PAPIs	\$33,468
ODOT 24 - New AWOS	
Stantec Consulting Services Inc.	<u>23,863</u>
Total	<u><u>\$57,331</u></u>

Related Party - The Scioto County Airport Authority, a discretely presented component unit of Scioto County, received contributions from the County for facilities, salaries, and fringe benefits. These contributions are reflected as operating revenues and expenses at cost or fair value as applicable, in the financial statements of the Airport. In 2024, these contributions were \$111,295.

### **SCIOTO COUNTY LAND REUTILIZATION CORPORATION**

As indicated in Note 1 to the Basic Financial Statements, the following disclosures are made on behalf of the Scioto County Land Reutilization Corporation:

Summary of Significant Accounting Policies - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of the revenues, expenses, gains, losses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Budgetary Basis of Accounting - The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities. However, the Board of Directors of the Corporation adopted an annual budget for the fiscal year.

Deposits - At December 31, 2024, the Corporation's bank balance of \$56,252 balances was covered by Federal Deposit Insurance Corporation (FDIC) or by the Ohio Pooled Collateral System (OPCS), as discussed below.

Protection of the Corporation's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) or by the financial institution's 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.

Transactions with Scioto County - The Corporation has an agreement with Scioto County which states Scioto County employees will operate the daily activities of the Corporation and, in return, Scioto County will receive the amount when the Corporation receives funds from property sales.

### **SOUTHERN OHIO PORT AUTHORITY**

As indicated in Note 1 to the Basic Financial Statements, the following disclosures are made on behalf of the Southern Ohio Port Authority:

Summary of Significant Accounting Policies - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of the revenues, expenses, gains, losses and other changes in net position during the reporting period. All transactions have been accounted for in a single enterprise fund.

Measurement Focus and Basis of Accounting - The Port Authority is accounted for like proprietary funds using the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Budgetary Basis of Accounting - Ohio Revised Code Section 4582.13 requires the Port Authority to annually prepare a budget. No further approvals or actions are required under Section 4582 of the Ohio Revised Code.

Cash, Cash Equivalents and Investments - The Ohio Revised Code prescribes allowable deposits and investments. For purposes of the statement of cash flows, the Port Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Port Authority invests in a nonnegotiable certificate of deposits with a local financial institute. This investment is reported at cost.

At December 31, 2024, the bank balance of the Port Authority's deposits was \$414,986, of which \$414,986 was covered by federal depository insurance.

The Port Authority 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:

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

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

Investments - At December 31, 2024, the Port Authority had the following investments and maturities:

Investment Type	Fair Value	Maturity	% of Portfolio
Money Market Funds	\$85,829	Less Than 1 Year	100.00%

**SCIOTO COUNTY, OHIO**  
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*Interest Rate Risk* – As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the Port Authority does not have an investment policy but limits investment portfolio maturities to five years or less.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Port Authority limits its investments to those authorized by state statute. The Port Authority's money market funds are rated AAAM by Standard and Poor's.

*Custodial Credit Risk* – For investments, custodial credit risk is the risk that, in the event of the failure of the counter party, the Port Authority will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The Port Authority does not have a policy to address this risk. All of the Port Authority's securities are either insured and registered in the name of the Port Authority or at least registered in the name of the Port Authority.

The Port Authority has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above chart identifies the Port Authority's recurring fair value measurements as of December 31, 2024. The Port Authority's investments are Level 1 inputs.

*Capital Assets:* - A summary of the Port Authority's capital assets at December 31, 2024, follows:

	12/31/2024
Land	\$1,055,570
Buildings and Improvements	9,227,913
Less Accumulated Depreciation	<u>(216,737)</u>
Total Capital Assets, net	<u><u>\$10,066,746</u></u>

*Long Term Obligations* – During 2021, the Port Authority issued special obligation revenue bonds in the amount of \$6,100,000 for the purpose of funding the construction of a 44,000 square-foot logistics building, certain roadway and public infrastructure improvements, and certain related costs including design, engineering, construction, equipping, improving, installation, and inspection. The bonds final maturity is in 2041. The balance outstanding as of December 31, 2024, is \$3,775,000.

During 2024, the Port Authority paid \$3,000,000 towards the balance of these bonds by using proceeds from a loan obtained through the Ohio Director of Development's Rural Industrial Park. The balance outstanding as of December 31, 2024 of \$2,760,000.

On February 21, 2024, the Port Authority entered into a loan agreement for \$2,500,000 with the Ohio Department of Development's Rural Industrial Park. This loan carries an interest rate of 3% through March 1, 2044 and requires monthly payments of \$7,132 beginning on April 1, 2029 . During 2024, \$1,485,000 of the principal amount was forgiven under the Rural Industrial Park's loan program. The balance outstanding as of December 31, 2024 of \$1,015,000.

*Deferred Inflows of Resources* - In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For the Port Authority, deferred inflows of resources included leases. The deferred inflow for leases is related to the lease receivable and is



being recognized as lease revenue in a systematic and rational manner over the term of the lease.

*Risk Management* - The Port Authority is included in Scioto County's County Risk Sharing Authority Joint Self Insurance Pool formed under Ohio Revised Code Section 2744. It provided for the following: comprehensive property and general liability coverage; vehicles; and errors and omissions. During 2024, the Port Authority had no settlements that exceeded insurance coverage in any of the past three years. There were also no significant changes in coverage from the prior year.

*Conduit Debt Obligations* - In order to provide financial assistance to private sector entities for the acquisition and construction of commercial and industrial facilities deemed to be in the public interest, the Port Authority, has from time to time, issued conduit debt. This debt is secured by the property financed and is payable solely from payments received on the underlying mortgage loans.

Ownership of the acquired facilities transfers to the private sector entity served by the bond issuance upon repayment of the bonds. The Port Authority, the State, nor any other political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the conduit debt is not reported as liabilities in the accompanying financial statements.

As of December 31, 2024, there is one conduit debt outstanding, that was originally filed for \$10,000,000. The Educational Facilities Development Revenue Bond is still outstanding but is currently being paid by the Clark Foundation. As of December 31, 2024, the outstanding balance of this debt was \$5,653,757.

There was a second conduit debt outstanding that was issued in 2013 on behalf of Scioto County. The original issuance was for Economic Development Facilities Refunding Revenue Bonds in the amount of \$1,815,000. As of December 31, 2024, the outstanding balance of this debt reported by Scioto County was \$185,000.

There was a third conduit debt outstanding that was issued in 2020 on behalf of PureCycle Technologies. The original issuance was for Exempt Facility Revenue Bonds in the amount of \$249,550,000. As of December 31, 2024, the outstanding balance of this debt was \$242,575,000.

Leases Receivable—The Port Authority is reporting a lease receivable of \$5,651,310 at December 31, 2024. This amount represents discounted future lease payments. This discount is being amortized using the interest method. For 2024, the Port Authority reported lease and interest revenues of \$117,601 and \$229,577, respectively. A description of the Port Authority's leasing arrangement is as follows:

The Port Authority entered into a lease agreement with Evans Food Group, Ltd. (Tenant) for a ten-year term beginning when the Tenant receives a certificate of occupancy, expected in July 2023. This lease is subject to four 5-year renewal periods and also contains an option to purchase clause. The Tenant will remit monthly lease installments ranging from \$26,600 to \$30,836 to the Port Authority for the term of the lease, including renewal periods.

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

**NOTE 24 - CONDENSED COMPONENT UNIT STATEMENTS**

**CONDENSED COMPONENT UNIT STATEMENT OF NET POSITION**

	Scioto County Airport Authority	Scioto County Land Reutilization Corporation	Southern Ohio Port Authority	Total
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$255,161	\$56,252	\$335,535	\$646,948
Cash and Cash Equivalents with Fiscal Agent	0	11,561	0	11,561
<b>Restricted Assets:</b>				
Cash and Cash Equivalents Held by Trustee	0	0	85,829	85,829
Cash and Cash Equivalents	0	0	63,684	63,684
Accounts Receivable	11,859	0	0	11,859
Prepays	781	53,525	0	54,306
Due from Other Governments	60,321	0	0	60,321
Leases Receivable	110,099	0	5,651,310	5,761,409
Unamortized Bond Discount	0	0	64,820	64,820
Assets Held for Resale	0	1,475,348	0	1,475,348
<b>Capital Assets:</b>				
Non Depreciable Capital Assets	475,626	0	1,055,570	1,531,196
Depreciable Capital Assets, Net	3,803,643	0	9,011,176	12,814,819
<b>Total Assets</b>	<b>4,717,490</b>	<b>1,596,686</b>	<b>16,267,924</b>	<b>22,582,100</b>
<b>Liabilities:</b>				
Accounts Payable	\$14,059	\$0	\$15,767	\$29,826
Contracts Payable	59,167	6,143	0	65,310
Accrued Interest Payable	0	0	8,257	8,257
Accrued Liabilities	0	46,673	0	46,673
Due to Grantors	0	39,264	0	39,264
Unearned Revenue	0	26,881	0	26,881
<b>Long Term Liabilities:</b>				
Due Within One Year	0	0	120,000	120,000
Due in More Than One Year:				
Other Amounts	0	0	3,655,000	3,655,000
<b>Total Liabilities</b>	<b>73,226</b>	<b>118,961</b>	<b>3,799,024</b>	<b>3,991,211</b>
<b>Deferred Inflows of Resources:</b>				
Leases	110,099	0	5,651,310	5,761,409
<b>Net Position:</b>				
Net Investment in Capital Assets	4,265,174	0	6,442,395	10,707,569
Restricted	0	0	60,100	60,100
Unrestricted	268,991	1,477,725	315,095	2,061,811
<b>Total Net Position</b>	<b>\$4,534,165</b>	<b>\$1,477,725</b>	<b>\$6,817,590</b>	<b>\$12,829,480</b>

**SCIOTO COUNTY, OHIO**  
Notes to the Basic Financial Statements  
For the Year Ended December 31, 2024

**CONDENSED COMPONENT UNIT STATEMENT OF ACTIVITIES**

	Scioto County Airport Authority	Scioto County Land Reutilization Corporation	Southern Ohio Port Authority	Total
Operating Revenues:				
Charges for Sales and Services	\$308,217	\$0	\$0	\$308,217
Rental and Lease Income	16,059	0	117,601	133,660
Governmental Grants and Contributions	0	2,204,550	171,713	2,376,263
Contributions and Donations	111,295	244,370	0	355,665
Investment Earnings/Interest	0	0	229,577	229,577
Miscellaneous	0	0	58,901	58,901
Total Operating Revenues	435,571	2,448,920	577,792	3,462,283
Operating Expenses:				
Contractual Services	212,299	2,722,754	0	2,935,053
Professional Fees	0	0	68,065	68,065
Registration Fees and Dues	0	0	100	100
Service Fees-Bank	0	0	180	180
Materials and Supplies	111,031	0	5,175	116,206
Depreciation	266,232	0	184,864	451,096
Administration	0	206	0	206
Economic Development Land Reutilization	0	101,488	0	101,488
Total Operating Expenses	589,562	2,824,448	258,384	3,672,394
Operating Income (Loss)	(153,991)	(375,528)	319,408	(210,111)
Non-Operating Revenues (Expenses):				
Investment Earnings and Other Interest	2,081	0	8,268	10,349
Intergovernmental	138,020	0	1,485,000	1,623,020
Interest	0	0	(151,672)	(151,672)
Other Non-Operating Revenues	189	0	0	189
Total Non-Operating Revenues (Expenses)	140,290	0	1,341,596	1,481,886
Change in Net Position	(13,701)	(375,528)	1,661,004	1,271,775
Net Position at Beginning of Year	4,547,866	1,853,253	5,156,586	11,557,705
Net Position at End of Year	\$4,534,165	\$1,477,725	\$6,817,590	\$12,829,480

**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of the County's Proportionate Share of the Net Pension Liability  
Ohio Public Employees Retirement System - Traditional Plan  
Last Ten Years

	2024	2023	2022	2021
County's Proportion of the Net Pension Liability	0.16016847%	0.15847524%	0.16136428%	0.15368507%
County's Proportionate Share of the Net Pension Liability	\$41,932,764	\$46,813,657	\$14,039,348	\$22,757,416
County's Covered Payroll	\$25,518,247	\$23,829,803	\$22,743,278	\$21,061,645
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	164.32%	196.45%	61.73%	108.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.14430031%	0.14956893%	0.15102596%	0.15310712%	0.15238630%	0.15310760%
\$28,521,937	\$40,963,900	\$23,693,048	\$34,768,024	\$26,395,228	\$18,466,488
\$20,804,986	\$19,636,845	\$19,458,971	\$19,884,376	\$18,474,210	\$18,192,968
137.09%	208.61%	121.76%	174.85%	142.88%	101.50%
82.17%	74.70%	84.66%	77.25%	81.08%	86.45%

**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)  
Ohio Public Employees Retirement System - Combined Plan  
Last Seven Years (1)

	2024	2023	2022
County's Proportion of the Net Pension Liability (Asset)	0.04460610%	0.04249014%	0.05600595%
County's Proportionate Share of the Net Pension Liability (Asset)	(\$137,111)	(\$100,144)	(\$220,667)
County's Covered Payroll	\$204,825	\$198,271	\$255,329
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(66.94)%	(50.51)%	(86.42)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	144.55%	137.14%	169.88%

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

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

See accompanying notes to the required supplementary information.

2021	2020	2019	2018
0.07064134%	0.06570641%	0.06829029%	0.06715062%
(\$203,916)	(\$137,011)	(\$76,366)	(\$91,414)
\$311,314	\$307,693	\$292,071	\$275,015
(65.50)%	(44.53)%	(26.15)%	(33.42)%
157.67%	145.28%	126.64%	137.28%

**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of the County's Proportionate Share of the  
Net OPEB Liability (Asset)  
Ohio Public Employees Retirement System - OPEB Plan  
Last Eight Years (1)

	2024	2023	2022	2021
County's Proportion of the Net OPEB Liability (Asset)	0.15208424%	0.14990052%	0.15301132%	0.14589575%
County's Proportionate Share of the Net OPEB Liability (Asset)	(\$1,372,596)	\$945,151	(\$4,792,549)	(\$2,599,248)
County's Covered Payroll	\$26,009,372	\$24,256,849	\$23,190,232	\$21,485,059
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	(5.28)%	3.90%	(20.67)%	(12.10)%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	107.76%	94.79%	128.23%	115.57%

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

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

See accompanying notes to the required supplementary information.



2020	2019	2018	2017
0.13696067%	0.14207400%	0.14345900%	0.14614860%
\$18,917,824	\$18,523,094	\$15,578,589	\$14,221,450
\$21,224,104	\$20,048,166	\$19,855,111	\$20,336,027
89.13%	92.39%	78.46%	69.93%
47.80%	46.33%	54.14%	54.04%

**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of the County's Proportionate Share of the Net Pension Liability  
State Teachers Retirement System of Ohio  
Last Ten Years

	2024	2023	2022	2021
County's Proportion of the Net Pension Liability	0.00504684%	0.00533756%	0.00511022%	0.00506260%
County's Proportionate Share of the Net Pension Liability	\$971,094	\$1,149,441	\$1,136,011	\$647,300
County's Covered Payroll	\$700,479	\$720,935	\$664,350	\$624,693
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	138.63%	159.44%	171.00%	103.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.50%	80.00%	78.90%	87.80%

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.00535728%	0.00613029%	0.00593058%	0.00489094%	0.00604072%	0.00591745%
\$1,296,271	\$1,355,677	\$1,304,002	\$1,161,853	\$2,022,011	\$1,635,410
\$646,536	\$719,721	\$674,207	\$537,700	\$635,600	\$617,386
200.49%	188.36%	193.41%	216.08%	318.13%	264.89%
75.50%	77.40%	77.30%	75.30%	66.80%	72.10%

**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of the County's Proportionate Share of the Net OPEB Liability (Asset)  
State Teachers Retirement System of Ohio  
Last Eight Fiscal Years (1)

	2024	2023	2022	2021
County's Proportion of the Net OPEB Liability (Asset)	0.00504684%	0.00533756%	0.00511022%	0.00506260%
County's Proportionate Share of the Net: OPEB Liability (Asset)	(\$95,728)	(\$103,809)	(\$132,320)	(\$106,740)
County's Covered Payroll	\$700,479	\$720,935	\$664,350	\$624,693
County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	(13.67)%	(14.40)%	(19.92)%	(17.09)%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	158.00%	168.50%	230.70%	174.70%

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

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017
0.00535728%	0.00613029%	0.00593058%	0.00489094%
(\$94,153)	(\$101,532)	(\$95,298)	\$190,827
\$646,536	\$719,721	\$674,207	\$537,700
(14.56)%	(14.11)%	(14.13)%	0.00%
182.10%	174.70%	176.00%	47.10%

**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of County Contributions  
Ohio Public Employees Retirement System  
Last Ten Years (1)(2)

	2024	2023	2022	2021
<b>Net Pension Liability - Traditional Plan</b>				
Contractually Required Contribution	\$3,748,433	\$3,687,736	\$3,436,990	\$3,279,001
Contributions in Relation to the Contractually Required Contribution	<u>(3,748,433)</u>	<u>(3,687,736)</u>	<u>(3,436,990)</u>	<u>(3,279,001)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered Payroll	\$25,940,996	\$25,518,247	\$23,829,803	\$22,743,278
Contributions as a Percentage of Covered Payroll	14.45%	14.45%	14.42%	14.42%
<b>Net Pension Liability - Combined Plan</b>				
Contractually Required Contribution	\$26,001	\$24,579	\$27,758	\$35,746
Contributions in Relation to the Contractually Required Contribution	<u>(26,001)</u>	<u>(24,579)</u>	<u>(27,758)</u>	<u>(35,746)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered Payroll	\$216,675	\$204,825	\$198,271	\$255,329
Contributions as a Percentage of Covered Payroll	12.00%	12.00%	14.00%	14.00%
<b>Net OPEB Liability - OPEB Plan</b>				
Contractually Required Contribution	\$14,784	\$13,459	\$9,151	\$7,665
Contributions in Relation to the Contractually Required Contribution	<u>(14,784)</u>	<u>(13,459)</u>	<u>(9,151)</u>	<u>(7,665)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered Payroll	\$26,477,243	\$26,009,372	\$24,256,849	\$23,190,232
Contributions as a Percentage of Covered Payroll	0.06%	94.79%	0.04%	0.03%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2016 is not available for the combined plan. An additional column will be added each year.

(2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented for the OPEB plan.

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
\$3,029,577	\$2,994,927	\$2,828,190	\$2,606,685	\$2,465,706	\$2,288,853
<u>(3,029,577)</u>	<u>(2,994,927)</u>	<u>(2,828,190)</u>	<u>(2,606,685)</u>	<u>(2,465,706)</u>	<u>(2,288,853)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$21,061,645	\$20,804,986	\$19,636,845	\$19,458,971	\$19,884,376	\$18,474,210
14.38%	14.40%	14.40%	13.40%	12.40%	12.39%
\$43,584	\$43,077	\$40,890	\$35,752	\$34,935	
<u>(43,584)</u>	<u>(43,077)</u>	<u>(40,890)</u>	<u>(35,752)</u>	<u>(34,935)</u>	
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
\$311,314	\$307,693	\$292,071	\$275,015	\$291,125	
14.00%	14.00%	14.00%	13.00%	12.00%	
\$4,484	\$4,457	\$4,770	\$202,185	\$409,931	
<u>(4,484)</u>	<u>(4,457)</u>	<u>(4,770)</u>	<u>(202,185)</u>	<u>(409,931)</u>	
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
\$21,485,059	\$21,224,104	\$20,048,166	\$19,855,111	\$20,336,027	
0.02%	0.02%	0.02%	1.02%	2.02%	





**SCIOTO COUNTY, OHIO**  
Required Supplementary Information  
Schedule of County Contributions  
State Teachers Retirement System of Ohio  
Last Ten Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$100,104	\$97,725	\$95,537	\$91,003
Contributions in Relation to the Contractually Required Contribution	<u>(100,104)</u>	<u>(97,725)</u>	<u>(95,537)</u>	<u>(91,003)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
County Covered Payroll	\$715,029	\$698,036	\$682,407	\$650,021
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<b>Net OPEB Asset / Liability</b>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
Total Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$89,412	\$98,887	\$102,663	\$82,322	\$83,684	\$85,682
<u>(89,412)</u>	<u>(98,887)</u>	<u>(102,663)</u>	<u>(82,322)</u>	<u>(83,684)</u>	<u>(85,682)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$638,657	\$706,336	\$733,307	\$588,014	\$597,743	\$612,014
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
\$0	\$0	\$0	\$0	\$0	\$0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

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**SCIOTO COUNTY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2024

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**CHANGES IN ASSUMPTIONS – OPERS PENSION – TRADITIONAL PLAN**

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	<u>2022</u>	<u>2019 through 2021</u>	<u>2018 and 2017</u>	<u>2016 and prior</u>
Wage Inflation	2.75 percent	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases	2.75 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees:	see below	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:	
2024	2.3 percent, simple through 2024, then 2.05 percent, simple
2023	3.0 percent, simple through 2023 then 2.05 percent, simple
2022	3.0 percent, simple through 2022 then 2.05 percent, simple
2021	0.5 percent, simple through 2021 then 2.15 percent, simple
2020	1.4 percent, simple through 2020 then 2.15 percent, simple
2017 through 2019	3.0 percent, simple through 2018 then 2.15 percent, simple
2016 and prior	3.0 percent, simple through 2018 then 2.80 percent, simple 7.50 to 5.00 percent

Amounts reported beginning in 2022 use pre-retirement mortality rates 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 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 these tables.

**SCIOTO COUNTY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2024

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Amounts reported for 2017 through 2021 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

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

**CHANGES IN ASSUMPTIONS – OPERS PENSION – COMBINED PLAN**

Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	<u>2022</u>	<u>2019 through 2021</u>	<u>2018</u>
Wage Inflation	2.75 percent	3.25 percent	3.25 percent
Future Salary Increases	2.75 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	see below	see below	see below
Investment Rate of Return	6.9 percent	7.2 percent	7.5 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

For 2022, 2021, and 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013, retirees as the Traditional Plan.

**CHANGES IN ASSUMPTIONS – STRS PENSION**

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

**SCIOTO COUNTY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2024

	2022	2017	2016 and Prior
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	Varies by Service from 2.5 percent to 8.5 percent	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	See Below	See Below	See Below
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustment (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring after August 1, 2013, or later, COLA commences on fifth anniversary of retirement date.

Investment rate of return:

2021 through 2023	7.00 percent, net of investment expenses, including inflation
2017 through 2020	7.45 percent, net of investment expenses, including inflation
2016 and prior	7.75 percent, net of investment expenses, including inflation

Beginning in 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Beginning in 2017, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For 2016 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above

**SCIOTO COUNTY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2024

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**CHANGES IN ASSUMPTIONS – OPERS OPEB**

Wage Inflation:	
Beginning in 2022	2.75 percent
2021 and prior	3.25 percent
Projected Salary Increases (including wage inflation):	
Beginning in 2022	2.75 to 10.75 percent
2021 and prior	3.25 to 10.75 percent
Investment Return Assumption:	
Beginning in 2019	6.00 percent
2018	6.50 percent
Municipal Bond Rate:	
2024	3.77 percent
2023	4.05 percent
2022	1.84 percent
2021	2.00 percent
2020	2.75 percent
2019	3.71 percent
2018	3.31 percent
Single Discount Rate:	
2024	5.70 percent
2023	5.22 percent
2022	6.00 percent
2021	6.00 percent
2020	3.16 percent
2019	3.96 percent
2018	3.85 percent
Health Care Cost Trend Rate:	
2024	5.50 percent, initial 3.5 percent, ultimate in 2038
2023	5.5 percent, initial 3.5 percent, ultimate in 2036
2022	5.5 percent, initial 3.5 percent, ultimate in 2034
2021	8.5 percent, initial 3.5 percent, ultimate in 2035
2020	10.5 percent, initial 3.5 percent, ultimate in 2030
2019	10.0 percent, initial 3.25 percent, ultimate in 2029
2018	7.5 percent, initial 3.25 percent, ultimate in 2028

**SCIOTO COUNTY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2024

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For 2021, 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 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 these tables.

For 2020, pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all the above-described tables.

**CHANGES IN BENEFIT TERMS – STRS PENSION**

For 2023 and 2024, Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

For 2022, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient's retirement date for those eligible during Fiscal Year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

**CHANGES IN BENEFIT TERMS – OPERS OPEB**

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

**CHANGES IN ASSUMPTIONS – STRS OPEB**

For 2022, healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For 2021, healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled



**SCIOTO COUNTY, OHIO**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2024

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Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale.

For 2022, salary increase rates were updated based on the actuarial experience study for the period July 1, 2015, through June 30, 2021, and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

For 2021, the discount rate was decreased from 7.45 percent to 7.00 percent.

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

**CHANGES IN BENEFIT TERMS – STRS OPEB**

For 2024, healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

For 2023, healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024.

For 2022, healthcare trends were updated to reflect emerging claims and recoveries experience.

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

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

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

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

<div> <div>SCIOTO COUNTY</div> <div>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2024</div> </div>				
<u>FEDERAL GRANTOR/Pass Through Grantor/Program/Cluster Title</u>	<u>Federal AL Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>				
<b><i>Passed through Ohio Department of Job and Family Services</i></b>				
Supplemental Nutrition Assistance Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2425-11-6196	N/A	585,340
<b><i>Passed through Ohio Department of Natural Resources</i></b>				
Forest Service Schools and Roads Cluster:				
Schools and Roads - Grants to States	10.665	N/A	N/A	13,537
Total U.S. Department of Agriculture				598,877
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>				
<b><i>Passed through Ohio Development Services Agency:</i></b>				
Community Development Block Grants/State's Program	14.228	B-X-23-1CP-1	N/A	296,860
Community Development Block Grants/State's Program	14.228	B-F-20-1CP-0	N/A	0
Community Development Program	14.228	B-F-22-1CP-1	N/A	71,000
Community Housing Impact and Preservation Program	14.228	B-C-23-1CP-1	N/A	118,362
Community Housing Impact and Preservation Program	14.228	B-C-21-1CP-1	N/A	13,335
Total Community Development Block Grants/State's Program				499,557
Home Investment Partnerships Program	14.239	B-C-21-1CP-2	N/A	6,670
Total U.S. Department of Housing and Urban Development				506,227
<b><u>U.S. DEPARTMENT OF THE INTERIOR</u></b>				
<b><i>Direct Program</i></b>				
Payments in Lieu of Taxes	15.226	N/A	N/A	16,294
<b><i>Passed through Ohio Department of Natural Resources</i></b>				
National Forest Acquired Lands	15.438	N/A	N/A	3,349
Total U.S. Department of the Interior				19,643
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>				
<b><i>Direct from the United States Marshals Service</i></b>				
Equitable Sharing Program	16.922	N/A	N/A	15,673
<b><i>Passed through Ohio Attorney General Crime Victims Section</i></b>				
Crime Victim Assistance	16.575	2024-VOCA-135500581	N/A	11,793
		2024-VOCA-135500554	N/A	19,940
Total Crime Victim Assistance				31,733
<b><i>Passed through the Ohio Department of Public Safety, Office of Criminal Justice Services</i></b>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2023-JG-A03-6220E	N/A	28,958
Total U.S. Department of Justice				76,364
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>				
<b><i>Direct from the United States Federal Aviation Administration</i></b>				
Airport Improvement Program	20.106	3-39-0069-026-2024	N/A	17,707
COVID-19 Airport Improvement Program	20.106	3-39-0069-027-2024	N/A	26,595
Total Airport Improvement Program				44,302
<b><i>Passed Through Ohio Department of Transportation</i></b>				
Highway and Planning Construction	20.205			
SCI CR 377 0.70		115821	N/A	186,127
SCI CR 39-7.61 Bridge Replacement		117352	N/A	1,093,500
SCI CR 45 -0.11 Bridge Replacement		117354	N/A	11,625
SCI TR 100-1.63		117356	N/A	50,000
SCI CR 370.0.070 Rosemount-Selby Road Raised Pavement Marker Safety Project		118737	N/A	64,827
SCI CR 503.0.00 Ohio River Road-Phase I		120345	N/A	347,588
Total Highway Planning and Construction				1,753,667
Formula Grants for Rural Areas	20.509	RPTF(PID 112531)	N/A	380,607
Total Formula Grants for Rural Areas				380,607
Total Passed Through Ohio Department of Transportation				2,134,274
<b><i>Passed Through Ohio Department of Public Safety - Office of Criminal Justice Services</i></b>				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	STEP-2024-Scioto Co. Sheriff's Offi-00039	N/A	14,564
	20.600	STEP-2025-Scioto Co. Sheriff's Offi-00055	N/A	2,183
Total State and Community Highway Safety				16,747
Total Highway Safety Cluster				16,747
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2024-Scioto Co. Sheriff's Offi-00039	N/A	11,332
	20.608	IDEP-2025-Scioto Co. Sheriff's Offi-00055	N/A	2,468
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated				13,800
Total Passed Through Ohio Department of Public Safety - Office of Criminal Justice Services				30,547
Total U.S. Department of Transportation				2,209,123
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>				
<b><i>Direct from the United States Department of the Treasury</i></b>				
COVID-19 Coronavirus Local Fiscal Recovery Fund	21.027	N/A	973,725	3,541,783
	21.027	2022-AR-LEP-1056	N/A	222,037
<b><i>Passed through the Ohio Emergency Management Agency</i></b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	AFRR-464-WELL/DPSFE270	N/A	129,069
<b><i>Passed through Ohio Department of Public Safety - Office of Criminal Justice Services</i></b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	2022-AR-CCB-1144	N/A	167,419

(Continued)

SCIOTO COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(Continued)

<u>FEDERAL GRANTOR/Pass Through Grantor/Program/Cluster Title</u>	<u>Federal AL Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b><i>Passed through Ohio Department of Job and Family Services</i></b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	G-2425-11-6196	N/A	96,784
Total U.S. Department of the Treasury				<u>4,157,092</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>				
<b><i>Passed through Ohio Department of Education and Workforce:</i></b>				
Special Education Cluster:				
Special Education- Grants to States	84.027A	N/A	N/A	35,494
Special Education- Preschool Grants	84.173A	N/A	N/A	<u>388</u>
Total Special Education Cluster				35,882
<b><i>Passed through Ohio Department of Developmental Disabilities</i></b>				
Special Education- Grants for Infants and Families	84.181	N/A	N/A	84,046
Special Education- Grants for Infants and Families	84.181	H181A230024	N/A	<u>191,205</u>
Total Special Education- Grants for Infants and Families				275,251
Total U.S. Department of Education				<u>311,133</u>
<b><u>U.S. ELECTION ASSISTANCE COMMISSION</u></b>				
<b><i>Passed through the Ohio Secretary of State</i></b>				
HAVA Election Security Grants	90.404	N/A	N/A	7,257
Total U.S. Election Assistance Commission				<u>7,257</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>				
<b><i>Passed through the Ohio Department of Children and Youth</i></b>				
Title IV-E Prevention Program	93.472	G-2425-11-6196	N/A	2,438
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G2425-11-6196	N/A	46,163
Child Support Services	93.563	G2425-11-6196	N/A	666,299
Foster Care Title IV-E	93.658	G2425-11-6196	N/A	1,519,118
Adoption Assistance	93.659	G2425-11-6196	N/A	324,735
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G2425-11-6196	N/A	48,440
Social Services Block Grant	93.667	G-2425-11-6196	115,836	843,765
Elder Abuse Prevention Interventions Program	93.747	G-2425-11-6196	N/A	2,998
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2425-11-6196	N/A	65,862
Temporary Assistance for Needy Families (TANF)	93.558	G-2425-11-6196	1,097,158	2,961,997
CCDF Cluster: Child Care and Development Block Grant	93.575	G-2425-11-6196	N/A	126,745
Children's Health Insurance Program	93.767	G-2425-11-6196	N/A	58,321
Medicaid Cluster: Grants to States for Medicaid	93.778	G-2425-11-6196	N/A	1,434,868
Total Passed through the Ohio Department of Children and Youth				<u>8,101,749</u>
<b><i>Passed through The Educational Service Center of Northeast Ohio</i></b>				
Maternal and Child Health Federal Consolidated Programs	93.110	6 U2ZMC46637-01-01	N/A	85,685
Total Maternal and Child Health Federal Consolidated Programs				<u>85,685</u>
<b><i>Passed through Ohio Department of Developmental Disabilities</i></b>				
Social Services Block Grant	93.667	K8MWUV7D8HZ4	N/A	68,627
Total U.S. Department of Health and Human Services				<u>8,256,061</u>
<b><u>U.S. EXECUTIVE OFFICE OF THE PRESIDENT</u></b>				
<b><i>Passed through the City of Independence, Ohio</i></b>				
High Intensity Drug Trafficking Areas Program	95.001	G023OH0003A	N/A	290
	95.001	G024OH0003A	N/A	<u>13,674</u>
Total High Intensity Drug Trafficking Areas Program				<u>13,964</u>
Total U.S. Executive Office of the President				<u>13,964</u>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>				
<b><i>Passed through the Ohio Department of Natural Resources</i></b>				
Boating Safety Financial Assistance	97.012	2024-0808	N/A	17,446
<b><i>Passed through the Ohio Emergency Management Agency</i></b>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4424-PA-OH	N/A	2,248
Emergency Management Performance Grants	97.042	EMC-2022-EP-00006	N/A	8,645
Emergency Management Performance Grants		EMC-2023-EP-00003	N/A	<u>41,312</u>
Total Emergency Management Performance Grants				<u>49,957</u>
Total U.S. Department of Homeland Security				<u>69,651</u>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>				<u>\$ 16,225,392</u>

The accompanying notes are an integral part of this schedule.

## SCIOTO 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 Scioto County (the County) 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.

#### 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 Ohio Department of Job and Family Services and the Ohio Office of Budget and Management 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 pass-through entity, 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 County has an Economic Development Community Development Block Grant (CDBG) Program Income Account. The current cash balance on the County's local program income account as of December 31, 2024 is \$73,207.

In addition, the County has an Ohio Small Cities Community Development Block Grant (CDBG) Housing Program Income Account. The current cash balance on the County's local program income account as of December 31, 2024 is \$6,759.

#### NOTE F – UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) LOANS OUTSTANDING – EDEN PARK SEWER PROJECT

The County was previously awarded a grant and a loan through the Water and Waste Disposal Systems for Rural Communities program, A # 10.760. Both grant and loan proceeds were previously reported on the Schedule when expended. The project was completed in 2014, and all funds from both the grant and loan proceeds had been expended as of December 31, 2014. USDA loan proceeds extended over the life of the project totaled \$1,388,000. The balance of USDA loans outstanding relating to the Eden Park Project totaled \$1,189,100 as of December 31, 2021.

On February 10, 2022, the County approved a resolution to enter into a cooperative agreement with the Ohio Water Development Authority for refinancing of a USDA Rural Development Loan with a principal balance of \$331,000 and an existing rate of 4.5% for the construction of sanitary sewers in the Eden Park Area. The application was approved on April 28, 2022 with the new loan amount of \$332,369 at a rate of 3.45% for 29.5 years starting on January 1, 2023. On June 16, 2022 payment of proceeds in the amount of \$331,210 was made to USDA Rural Development.

The balance of the remaining USDA loan outstanding related to the Eden Park Project totaled \$806,600 as of December 31, 2024.

**NOTE G – UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) LOANS OUTSTANDING – MINFORD SEWER PROJECT**

The County was previously awarded a grant and a loan through the ARRA-Water and Waste Disposal Systems for Rural Communities program, AL # 10.781. Both grant and loan proceeds have been reported on the Schedule when expended. The remaining grant and loan proceeds were drawn down in 2015 and the remaining proceeds were expended in 2017. USDA loan proceeds drawn down over the life of the project total \$14,912,000. Repayment of the loan began in 2016, and the balance of USDA loans outstanding relating to the Minford Sewer Project totaled \$12,570,190 as of December 31, 2024.

**NOTE H – UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) LOANS OUTSTANDING – PURTEE ACRES PROJECT**

The County was awarded a grant and a loan through the Water and Waste Disposal Systems for Rural Communities program, AL # 10.760. Both grant and loan proceeds are reported on the Schedule when expended. USDA loan proceeds drawn down in 2021 totaled \$670,364. An additional \$2,219,651 was drawn down in 2022, leaving a total outstanding balance of \$2,890,015 as of December 31, 2022. An additional \$109,985 was drawn down in 2023. Repayment of the loan began in 2023, leaving a total outstanding balance of \$2,912,200 as of December 31, 2024.

**NOTE I- 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.

# OHIO AUDITOR OF STATE KEITH FABER

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

Scioto County  
602 Seventh Street  
Portsmouth, Ohio 45662

To the Board of County Commissioners:

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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Scioto 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 December 2, 2025, wherein we noted the County adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statements No.100, *Accounting Changes and Error Corrections* and No. 101, *Compensated Absences*, which resulted in a restatement of beginning balance.

### ***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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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.

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

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

***Purpose of This Report***

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

KEITH FABER  
Ohio Auditor of State



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

December 2, 2025



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

Scioto County  
602 Seventh Street  
Portsmouth, Ohio 45662

To the Board of County Commissioners:

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

***Opinion on Each Major Federal Program***

We have audited Scioto County's, (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Scioto County's major federal programs for the year ended December 31, 2024. Scioto County's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

In our opinion, Scioto 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 *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

***Responsibilities of Management for Compliance***

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



### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs and corrective action plan. The County's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

## Report on Internal Control Over Compliance

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

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

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

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

KEITH FABER  
Ohio Auditor of State



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

December 2, 2025

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**SCIOTO COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
2 CFR § 200.515  
DECEMBER 31, 2024**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<p>COVID-19 Coronavirus State and Local Fiscal Recovery Funds – AL # 21.027</p> <p>Temporary Assistance for Needy Families (TANF) – AL # 93.558</p> <p>Child Support – AL # 93.563</p> <p>Social Services Block Grant – AL #93.667</p> <p>Foster Care Title IV-E – AL # 93.658</p> <p>Medicaid Cluster– AL # 93.778</p>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	<p>Type A: &gt; \$ 750,000</p> <p>Type B: all others</p>
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	No

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2024-001**

**Noncompliance**

**Ohio Rev. Code § 5705.41(D)(1)** provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required to meet the obligation or, in the case of a continuing contract to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the contract is made has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that treasurer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in Ohio Rev. Code §§ 5705.41(D)(1) and 5705.41(D)(3), respectively.

1. "Then and Now" certificate – If the chief fiscal officer can certify both at the time the contract or order was made ("then"), and at the time the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collections, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Governing Board can authorize the drawing of a warrant for the payment of the amount due. The Governing Board has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts less than \$100 in counties and less than \$3,000 in all other subdivisions or taxing units may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the County.

2. Blanket Certificate – The auditor or fiscal officer may prepare "blanket" certificates for a certain sum of money, not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority, against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.

3. Super Blanket Certificate – The Governing Board may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel oil, gasoline, food items, roadway materials, utilities, and any other specific recurring and reasonably predictable operating expense. This certification may, but need not, be limited to a specific vendor. This certification is not to extend beyond the current fiscal year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Due to deficiencies in internal controls, 4 of 21 (or 19 percent) of the transactions tested at year-end (totaling \$477,426) were not certified by the County Auditor at the time the commitment was incurred, and there was no evidence the County followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to help ensure purchase commitments receive prior approval.

**FINDING NUMBER 2024-001**  
**(Continued)**

To improve controls over disbursements and to help reduce the possibility of the County's funds exceeding budgetary spending limitations, the County Auditor should certify the funds are or will be available prior to obligation by the County. When prior certification is not possible, "then and now" certification should be used.

**Officials' Response:**

See Corrective Action Plan.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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**Foster Care Title IV-E**

<b>Finding Number:</b>	<b>2024-002</b>
<b>Assistance Listing Number and Title:</b>	<b>AL # 93.658 – Foster Care Title IV-E</b>
<b>Federal Award Identification Number / Year:</b>	<b>2024</b>
<b>Federal Agency:</b>	<b>U.S. Department of Health and Human Services</b>
<b>Compliance Requirement:</b>	<b>Activities Allowed or Unallowed and Allowable Costs/Cost Principles</b>
<b>Pass-Through Entity:</b>	<b>Ohio Department of Job and Family Services</b>
<b>Repeat Finding from Prior Audit?</b>	<b>No</b>

**Questioned Cost / Noncompliance**

**2 CFR § 300.1** gives regulatory effect to the Office of Management and Budget Guidance in **2 CFR part 200** for the Department of Health and Human Services and has codified the text with HHS-specific amendments in 45 CFR part 75. **45 CFR § 75.403** states, in part, that costs be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles and be adequately documented.

Due to the lack of adequate controls over the documentation of federal spending and adjustments related thereto, testing over the Foster Care Program at the County's Department of Job and Family Services identified a manual adjustment that was submitted which duplicated an actual expenditure, totaling \$37,807 that was improperly charged to this grant. This led to actual questioned costs of \$37,807. These types of errors could result in a loss of funding.

The County Department of Job and Family Services should establish control procedures to ensure data entered for reimbursement is accurate and that if these are adjustments being made, that they are not duplicating any already submitted expenditures.

**Officials' Response:**

See Corrective Action Plan.

**Adoption Assistance**

<b>Finding Number:</b>	<b>2024-003</b>
<b>Assistance Listing Number and Title:</b>	<b>AL # 93.659 – Adoption Assistance</b>
<b>Federal Award Identification Number / Year:</b>	<b>2024</b>
<b>Federal Agency:</b>	<b>U.S. Department of Health and Human Services</b>
<b>Compliance Requirement:</b>	<b>Activities Allowed or Unallowed and Allowable Costs/Cost Principles</b>
<b>Pass-Through Entity:</b>	<b>Ohio Department of Job and Family Services</b>
<b>Repeat Finding from Prior Audit?</b>	<b>No</b>

**Questioned Cost / Noncompliance**

**2 CFR § 300.1** gives regulatory effect to the Office of Management and Budget Guidance in **2 CFR part 200** for the Department of Health and Human Services and has codified the text with HHS-specific amendments in 45 CFR part 75. **45 CFR § 75.403** states, in part, that costs be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles and be adequately documented.

Due to the lack of adequate controls over the documentation of federal spending and adjustments related thereto, testing at the County's Department of Job and Family Services identified a manual adjustment that was submitted which duplicated an actual expenditure, totaling \$32,815 that was improperly charged to the Adoption Assistance Federal Program (AL # 93.659). This led to actual questioned costs of \$32,815. These types of errors could result in a loss of funding.

The County Department of Job and Family Services should establish control procedures to ensure data entered for reimbursement is accurate and that if these are adjustments being made, that they are not duplicating any already submitted expenditures.

**Officials' Response:**

See Corrective Action Plan.

# Scioto County

OFFICE OF  
COUNTY COMMISSIONERS

SCOTTIE POWELL, Chairman  
MERIT SMITH

Room 310, Courthouse  
602 Seventh Street  
PORTSMOUTH, OH 45662



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## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS 2 CFR § 200.511(b) DECEMBER 31, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	Sound Financial Reporting	Partially Corrected	Reissued in Management Letter



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# Scioto County

OFFICE OF  
COUNTY COMMISSIONERS

SCOTTIE POWELL, Chairman  
MERIT SMITH

Room 310, Courthouse  
602 Seventh Street  
PORTSMOUTH, OH 45662



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## **CORRECTIVE ACTION PLAN** **2 CFR § 200.511(c)** **December 31, 2024**

**Finding Number:** 2024-001  
**Planned Corrective Action:** The County will emphasize to management that all purchase orders must be certified before good/services are ordered to ensure that overspending and negative cash fund balances do not occur.  
**Anticipated Completion Date:** December 31, 2025  
**Responsible Contact Person:** David Green

**Finding Number:** 2024-002  
**Planned Corrective Action:** The County Department of Job and Family Services have established control procedures to ensure data entered for reimbursement is accurate and that if adjustments are being made that they are not duplicated expenditures.  
**Anticipated Completion Date:** December 31, 2025  
**Responsible Contact Person:** David Green

**Finding Number:** 2024-003  
**Planned Corrective Action:** The County Department of Job and Family Services have established control procedures to ensure data entered for reimbursement is accurate and that if adjustments are being made that they are not duplicated expenditures.  
**Anticipated Completion Date:** December 31, 2025  
**Responsible Contact Person:** David Green



# OHIO AUDITOR OF STATE KEITH FABER



## SCIOTO 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 12/16/2025

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](http://www.ohioauditor.gov)