PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER 10, 2024

NEW ISSUE; BOOK-ENTRY ONLY

Rating: Moody's: Aa2
See **Rating**

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Series 2025 Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Interest on the Series 2025 Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see ***Tax Matters*** *herein.*

COUNTY OF SANDUSKY, OHIO
SPECIAL OBLIGATION
$6,400,000* SALES TAX SUPPORTED BONDS, SERIES 2025
(COUNTY BUILDING IMPROVEMENT PROJECT)

The Series 2025 Bonds. The Series 2025 Bonds are special obligations of the County, issued to finance certain permanent improvements, all as described under **Authorization and Purpose**. Principal of and interest on the Series 2025 Bonds are to be paid solely from the County's receipts from its 1979 County Sales Tax (the 1979 County Sales Tax Receipts) and its 2013 County Sales Tax (the 2013 County Sales Tax Receipts and, together with the 1979 County Sales Tax Receipts, collectively, the Pledged County Sales Tax Receipts) and money in the County's Sales Tax Bond Retirement Fund, as described herein. **The Series 2025 Bonds do not constitute a debt or obligation of the State of Ohio or a general obligation debt, or a pledge of the full faith and credit, of the State, the County or any other political subdivision of the State. The owners of the Series 2025 Bonds have no right to have taxes levied by the State General Assembly, or property taxes levied by the taxing authority of the County or any other political subdivision of the State, for the payment of principal of and interest on the Series 2025 Bonds**. The Series 2025 Bonds, the outstanding Series 2012 Bonds and Series 2016 Bonds and any additional bonds that may hereafter be issued on a parity therewith, will be issued under and secured by the provisions of the Trust Agreement dated as of July 1, 2012 (the Original Trust Agreement), as supplemented and amended, including by a Second Supplemental Trust Agreement dated as of January 1, 2025 (the Second Supplemental Trust Agreement and, together with the Original Trust Agreement, as previously supplemented and amended, collectively, the Trust Agreement), between the County and The Huntington National Bank, Columbus, Ohio, as trustee (the Trustee), pledging the Pledged County Sales Tax Receipts and assigning and creating a security interest in the Pledged Funds as security for the payment of the Series 2025 Bonds, the Series 2012 Bonds, the Series 2016 Bonds and any such additional bonds to the extent and with the exceptions provided in the Trust Agreement. See **Security and Sources of Payment**.

Book-Entry Only. The Series 2025 Bonds will be initially issued only as fully-registered bonds, one for each maturity, issuable under a book-entry system, registered initially in the name of The Depository Trust Company or its nominee (DTC). There will be no distribution of Series 2025 Bonds to the ultimate purchasers. The Series 2025 Bonds in certificated form as such will not be transferable or exchangeable, except for transfer to another nominee of DTC or as otherwise described in this Official Statement. See **Appendix E**.

Prior Redemption*. The Series 2025 Bonds maturing on or after December 1, 2030 are subject to optional redemption by the County prior to maturity, beginning December 1, 2029, and any Series 2025 Term Bonds requested by the successful bidder are subject to mandatory prior redemption, as described in this Official Statement. See **Certain Terms of the Series 2025 Bonds – Prior Redemption**.

Sale Procedure. Electronic bids (received via BiDCOMP/PARITY®) must be submitted in accordance with the Official Notice of Sale. See **Appendix G**. Bids will be received until 11:00 a.m. (Ohio time), on Thursday, December 19, 2024. This Official Statement is "deemed final" by the County as of its date for purposes of, and except for certain omissions as permitted by, SEC Rule 15c2-12(b)(1), and is subject to completion, amendment or supplementation in the final Official Statement.

The Series 2025 Bonds are offered when, as and if issued, subject to the opinion on certain legal matters relating to their issuance of Squire Patton Boggs (US) LLP, Bond Counsel to the County. Squire Patton Boggs (US) LLP will also pass upon certain legal matters for the County as its disclosure counsel. Municipal advisory services are being provided to the County by Sudsina & Associates, LLC. The Series 2025 Bonds are expected to be available for delivery to DTC or its agent on January 7, 2025.

This Official Statement has been prepared by the County in connection with its original offering for sale of the Series 2025 Bonds. The Cover includes certain information for quick reference only. *It is not a summary of the Series 2025 Bond issue.* Investors should read the entire Official Statement to obtain information as a basis for making informed investment judgments.

The date of this Official Statement is ________, 2024, and the information herein speaks only as of that date.

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* Preliminary, subject to change; see the Official Notice of Sale attached as **Appendix G**.

**PRINCIPAL MATURITY SCHEDULE*
ON DECEMBER 1**

Year	Amount	Interest Rate	Price	CUSIP©(a) No. 80014P
2025	$ 5,000	%	%	
2026	5,000			
2027	5,000			
2028	135,000			
2029	145,000			
2030	155,000			
2031	160,000			
2032	160,000			
2033	170,000			
2034	175,000			
2035	180,000			
2036	185,000			
2037	190,000			
2038	200,000			
2039	205,000			
2040	215,000			
2041	220,000			
2042	230,000			
2043	240,000			
2044	250,000			
2045	260,000			
2046	270,000			
2047	285,000			
2048	295,000			
2049	310,000			
2050	320,000			
2051	335,000			
2052	350,000			
2053	365,000			
2054	380,000			

* Preliminary, subject to change; see the Official Notice of Sale attached as **Appendix G**.

COUNTY OF SANDUSKY, OHIO

COUNTY OFFICIALS

Commissioners:	Scott Miller Charles F. Schwochow Russ Zimmerman
County Administrator:	Theresa A. Garcia
County Auditor:	Jerri A. Miller
County Treasurer:	Kimberley Foreman
Prosecuting Attorney:	Beth Tischler
Assistant Prosecuting Attorney:	Laura Alkire

PROFESSIONAL SERVICES

Bond and Disclosure Counsel:	Squire Patton Boggs (US) LLP
Municipal Advisor:	Sudsina & Associates, LLC
Trustee:	The Huntington National Bank

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REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2025 Bonds identified on the Cover (as defined herein). No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representation other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Series 2025 Bonds by any person, in any jurisdiction in which it is unlawful to make that offer, solicitation or sale.

The information in this Official Statement is provided by the County in connection with the original offering of the Series 2025 Bonds. Reliance should not be placed on any other information publicly provided, in any format including electronic, by the County for other purposes, including general information provided to the public or to portions of the public. The information in this Official Statement is subject to change without notice. Neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the County since its date.

This Official Statement contains statements that the County believes may be "forward-looking statements." Words such as "plan," "estimate," "project," "budget," "anticipate," "expect," "intend," "believe" and similar terms are intended to identify forward-looking statements. The achievement of results or other expectations expressed or implied by such forward-looking statements involves known and unknown risks, uncertainties and other factors that are difficult to predict, may be beyond the County's control and could cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. The County undertakes no obligation, and does not plan, to issue any updates or revisions to such forward-looking statements.

UPON ISSUANCE, THE SERIES 2025 BONDS WILL NOT BE REGISTERED BY THE COUNTY UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE AT THE REQUEST OF THE COUNTY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR DISAPPROVED THE SERIES 2025 BONDS FOR SALE.

 CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the County, Bond Counsel, Disclosure Counsel, Municipal Advisor or Underwriter, assume responsibility for the accuracy of such numbers and no representation is made as to their correctness on the applicable Series 2025 Bonds or the Cover or as indicated herein. The CUSIP number for a specific maturity and interest rate within a maturity, if applicable, is subject to being changed after the issuance of the Series 2025 Bonds as a result of various subsequent actions and events.

The Ohio Municipal Advisory Council (OMAC) has requested that this paragraph be included in this Official Statement. Certain information contained in the Official Statement is attributed to OMAC. OMAC compiles information from official and other sources. OMAC believes the information it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guaranty its accuracy. OMAC has not reviewed this Official Statement to confirm that the information attributed to it is information provided by OMAC or for any other purpose.

The County may, and the successful bidder is authorized to, complete the Cover or add a separate page on the front of this Official Statement to indicate the offering prices or yields, interest rate(s) and the identity of the Underwriter(s).

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INTRODUCTORY STATEMENT

This Official Statement has been prepared by the County of Sandusky, Ohio (the County) in connection with its original issuance and sale of the Bonds identified on the Cover (the Series 2025 Bonds). Certain information concerning the Series 2025 Bonds, including their authorization, purpose, terms and security and sources of payment, and the County is provided in this Official Statement.

This Introductory Statement briefly describes certain information relating to the Series 2025 Bonds and supplements certain information on the Cover. It is not intended as a substitute for the more detailed discussions in this Official Statement. Investors should read the entire Official Statement to obtain information as a basis for making informed investment judgments.

All financial and other information in this Official Statement has been provided by the County from its records, except for information expressly attributed to other sources and except for certain information on the Cover and in **Appendix E**. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historical information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the County. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or otherwise be predictive of future experience. See also **Regarding This Official Statement**.

This Official Statement should be considered in its entirety and no one subject should be considered less important than another by reason of location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents. References to provisions of Ohio law, including the Revised Code and the Ohio Constitution, are references to those current provisions. Those provisions may be amended, repealed or supplemented.

As used in this Official Statement:

- **"1979 County Sales Tax"** means the County's companion additional 0.50% continuing sales and use taxes levied pursuant to Sections 5739.021 and 5741.021 of the Revised Code and a resolution adopted by the Board on May 25, 1979, for the purpose of providing additional general revenues of the County.

- **"1979 County Sales Tax Receipts"** means amounts received by the County from its 1979 County Sales Tax.

- **"1979 County Sales Tax Revenue Fund"** means the County of Sandusky 1979 County Sales Tax Revenue Fund created by the Original Bond Resolutions and the Trust Agreement and held by the County.

- **"2013 County Sales Tax"** means the County's companion additional 0.25% continuing sales and use taxes levied pursuant to Sections 5739.026(A)(3) and 5741.023 of the Revised Code and a resolution adopted by the Board on May 30, 2013, for the purpose of providing additional general revenue for the County's General Fund.

- **"2013 County Sales Tax Receipts"** means amounts received by the County from its 2013 County Sales Tax.

- **“2013 County Sales Tax Revenue Fund”** means the County of Sandusky 2013 County Sales Tax Revenue Fund created by the Series 2016 Bond Resolution and the Trust Agreement and held by the County.

- **“Act”** means Chapter 133 of the Revised Code and Section 133.081 and divisions (B) through (E) of Section 133.25 thereof.

- **“Additional Bonds”** means any additional bonds or bond anticipation notes, payable solely from the Pledged County Sales Tax Receipts, issued on a parity with the Series 2012 Bonds, the Series 2016 Bonds and the Series 2025 Bonds under the Trust Agreement.

- **“Beneficial Owner”** means the owner of a book-entry interest in a Series 2025 Bond, as defined in **Appendix E**.

- **“Board”** means the Board of County Commissioners of the County.

- **“Bond Legislation”** means (a) when used with reference to the Series 2025 Bonds, the Prior Bond Resolutions, to the extent applicable, and the Series 2025 Bond Legislation; and (b) when used with reference to Series 2012 Bonds, Series 2016 Bonds or to Additional Bonds, the Prior Bond Resolutions and the Series 2025 Bond Resolution, to the extent applicable, and the applicable Series Bond Resolution and Certificate of Award.

- **“Bonds”** means, collectively, the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds and any Additional Bonds outstanding from time to time under the Trust Agreement.

- **“City”** means City of Fremont, Ohio.

- **“County”** means the County of Sandusky, Ohio.

- **“County Administrator”** means the County’s County Administrator.

- **“County Auditor”** means the County Auditor of the County.

- **“Cover”** means the cover page and the inside cover of this Official Statement.

- **“Debt charges”** or **“debt service”** means the principal (including any mandatory sinking fund deposits and mandatory redemption payments), interest and any redemption premium payable on the obligations referred to as those payments come due and are payable.

- **“First Supplemental Trust Agreement”** means the First Supplemental Trust Agreement between the County and the Trustee, dated as of August 1, 2016, amending and supplementing the Original Trust Agreement, and securing the Series 2016 Bonds.

- **“Fiscal Year”** means the 12-month period ending December 31, and reference to a particular Fiscal Year (such as “Fiscal Year 2024”) means the Fiscal Year ending on December 31 in that year.

- **"Fiscal Year 2023 Financial Statements"** means the audited Basic Financial Statements from the County's Financial Report for Fiscal Year 2023 attached as **Appendix C**.

- **"Interim Indebtedness"** means Additional Bonds with a maximum maturity of not more than five years issued in anticipation of being funded or refunded by Long Term Bonds.

- **"Long Term Bonds"** means Additional Bonds with a maximum maturity of more than five years.

- **"Original Bond Resolutions"** means, collectively, Resolution No. 2012-183, adopted by the Board on June 12, 2012, to authorize the issuance and sale of the Series 2012B Bonds, and Resolution No. 2012-184, adopted by the Board on June 12, 2012, to authorize the issuance and sale of the Series 2012C Bonds. **"Original Purchaser"** means, as to the Series 2025 Bonds, the original purchaser specified in the Certificate of Award.

- **"Original Trust Agreement"** means the Trust Agreement between the County and the Trustee, dated as of July 1, 2012, securing the Series 2012 Bonds and Additional Bonds.

- **"Pledged County Sales Taxes"** means, collectively, the 1979 County Sales Tax and the 2013 County Sales Tax.

- **"Pledged County Sales Tax Receipts"** means, collectively, the 1979 County Sales Tax Receipts and the 2013 County Sales Tax Receipts.

- **"Pledged Funds"** means the Sales Tax Bond Retirement Fund and any other funds established and assigned to the Trustee as security for the Bonds pursuant to the Trust Agreement, and all money in the Pledged Funds and all income and profit from the investment of that money.

- **"Prior Bond Resolutions"** means, collectively, the Original Bond Resolutions and the Series 2016 Bond Resolution.

- **"Revenue Bond Index"** means the arithmetic average, rounded to the next highest 1/10 of 1%, of the Revenue Bond Index published by The Bond Buyer each week between 30 and 60 days immediately prior to the date of issuance of a proposed issue of Additional Bonds or, if such Index is no longer published or if the interest on the Bonds is not to be excluded from gross income for federal income tax purposes, the interest rate on Long Term Bonds of the County determined pursuant to a written statement obtained from an investment banker experienced in the underwriting of municipal bonds, setting forth, in the opinion of such investment banker (which opinion shall be based upon the best estimates and recent experience of such investment banker under the then-prevailing market conditions but shall not in any event be deemed to constitute an offer to purchase any such Long Term Bonds or otherwise to create or give rise to any liability or obligation on the part of said investment banker with respect thereto), the fixed rate or rates that the investment banker believes are the lowest rates that would permit such Long Term Bonds to be marketed at par on reasonable and customary terms.

- **"Revised Code"** means the Ohio Revised Code.

- **"Sales Tax Bond Retirement Fund"** means the County of Sandusky Sales Tax Supported Bond Retirement Fund created by the Bond Legislation and the Trust Agreement, held by the Trustee and to be applied as provided in the Trust Agreement.

- **"Second Supplemental Trust Agreement"** means the Second Supplemental Trust Agreement between the County and the Trustee, dated as of January 1, 2025, amending and supplementing the Original Trust Agreement as previously amended and supplemented, and securing the Series 2025 Bonds.

- **"Series 2012 Bonds"** means, collectively, the Series 2012B Bonds and the Series 2012C Bonds.

- **"Series 2012B Bonds"** means the County's $565,000 Sales Tax Supported Bonds, Series 2012B (Juvenile Detention Center Improvement Project), dated July 25, 2012, issued and delivered pursuant to the Original Trust Agreement and the Series 2012B Bond Resolution, $130,000 of which are currently outstanding.

- **"Series 2012C Bonds"** means the County's $1,660,000 Federally Taxable Sales Tax Supported Bonds, Series 2012C (Airport Facilities and Equipment Acquisition Project), dated July 25, 2012, issued and delivered pursuant to the Original Trust Agreement and the Series 2012C Bond Resolution, $390,000 of which are currently outstanding.

- **"Series 2016 Bond Resolution"** means Resolution No. 2016-143, adopted by the Board on June 16, 2016, to authorize the issuance and sale of the Series 2016 Bonds, as amended by Resolution No. 2016-185, adopted by the Board on July 28, 2016.

- **"Series 2016 Bonds"** means the County's $5,500,000 Sales Tax Supported Bonds, Series 2016 (County Building Improvement Project), dated August 11, 2016, issued and delivered pursuant to the Original Trust Agreement, as supplemented and amended by the First Supplemental Trust Agreement, and the Series 2016 Bond Resolution, $3,300,000 of which are currently outstanding.

- **"Series 2025 Bond Legislation"** means, collectively the Series 2025 Bond Resolution and the certificate of award signed by the County Administrator the County Auditor pursuant thereto.

- **"Series 2025 Bond Resolution"** means Resolution No. 2024-316, adopted by the Board on November 19, 2024, to authorize the issuance and sale of the Series 2025 Bonds.

- **"Series 2025 Bonds"** means the County's $6,400,000[*] Sales Tax Supported Bonds, Series 2025, (County Building Improvement Project), issued pursuant to the Series 2025 Bond Legislation and the Trust Agreement.

- **"State"** or **"Ohio"** means the State of Ohio.

- **"Term Bonds"** means, as to the Series 2025 Bonds, those Series 2025 Bonds, if any, designated as such in the Certificate of Award, maturing on the Principal Payment Date or Dates set forth therein, bearing interest payable on each Interest

[*] Preliminary, subject to change.

Payment Date and subject to Mandatory Sinking Fund Redemption Requirements and Mandatory Redemption.

- **"Trust Agreement"** means the Original Trust Agreement, as amended and supplemented by the First Supplemental Trust Agreement and the Second Supplemental Trust Agreement, each between the County and the Trustee, securing the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds and any Additional Bonds.

- **"Variable Rate Additional Bonds"** means Additional Bonds that do not have a fixed interest rate or rates.

- **"Variable Rate Debt Interest Rate"** means, with respect to any Variable Rate Additional Bonds, a fixed interest rate equal to the higher of (a) 7% or (b) the highest interest rate borne at any time during the 24 months prior to the date of determination by any outstanding Variable Rate Additional Bonds or, if there are not any such Variable Rate Additional Bonds outstanding on the date of determination, the interest rate determined pursuant to a written statement obtained from an investment banker experienced in the underwriting of variable rate debt obligations setting forth, in the opinion of such investment banker, the highest interest rate borne at any time during the preceding 24 months by debt obligations (i) the interest on which is treated for federal income tax purposes in the same manner as interest on the Variable Rate Additional Bonds, (ii) that are assigned ratings by a rating service comparable to the ratings assigned or to be assigned to the Variable Rate Additional Bonds, and (iii) the interest rate on which is adjusted on the same periodic basis as the interest rate on the Variable Rate Additional Bonds.

The Series 2025 Bonds are being issued by the County of Sandusky, Ohio. They are authorized by and issued pursuant to the Act, the Trust Agreement and the Bond Legislation to provide funds to pay costs of constructing, adding to, remodeling, renovating, rehabilitating, furnishing, equipping and otherwise improving buildings, facilities and structures for County offices and functions, and improving and equipping sites for such buildings, facilities and structures, in each case together with all necessary appurtenances and work incidental thereto. See **Authorization and Purpose**.

The Series 2025 Bonds will be special obligations of the County. Principal and interest shall be payable solely from the Pledged County Sales Tax Receipts and money in the Sales Tax Bond Retirement Fund as described herein. The Series 2025 Bonds do not constitute a debt or obligation of the State or a general obligation debt, or a pledge of the full faith and credit, of the State, the County, or any other political subdivision of the State. The holders, registered owners and Beneficial Owners of the Series 2025 Bonds have no right to have taxes levied by the General Assembly of the State, or property taxes levied by the taxing authority of the County or any other political subdivision of the State, for the payment of principal of and interest on the Series 2025 Bonds. See **Security and Sources of Payment**.

The Series 2025 Bond Legislation (see **Authorization and Purposes**) provides that the Series 2025 Bonds will be issued in the denomination of $5,000 or in whole multiples of $5,000. The Series 2025 Bonds will be initially issued only as fully-registered bonds, one for each maturity, issuable under a book-entry system and registered initially in the name of The Depository Trust Company, New York, New York, or its nominee (DTC). See **General; Book-Entry System** and **Appendix E**.

Principal and interest will be payable to the registered owner (DTC). Principal will be payable on presentation and surrender at the principal corporate trust office of the Trustee. See **Trustee**. Interest will be transmitted by the Trustee on each interest payment date (June 1 and December 1, beginning June 1, 2025*) to the registered owner as of the 15th day of the calendar month preceding that interest payment date.

The Series 2025 Bonds maturing on or after December 1, 2030* are subject to prior redemption, by and at the sole option of the County, in whole or in part as selected by the County (in whole multiples of $5,000), on any date on or after December 1, 2029*, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date. Series 2025 Term Bonds subject to mandatory prior redemption may be created as described in this Official Statement, if so requested by the successful bidder. See **Prior Redemption**.

The opinion as to the validity of the Series 2025 Bonds and the tax-exempt status of the interest on the Series 2025 Bonds will be rendered by Squire Patton Boggs (US) LLP (Bond Counsel). See **Legal Matters**, **Tax Matters** and **Appendix D**.

THE SERIES 2025 BONDS

AUTHORIZATION AND PURPOSE

The Series 2025 Bonds are to be issued pursuant to the Act, the Series 2025 Bond Legislation and the Trust Agreement.

The Series 2025 Bonds are being issued to provide funds to pay costs of constructing, adding to, remodeling, renovating, rehabilitating, furnishing, equipping and otherwise improving buildings, facilities and structures for County offices and functions, and improving and equipping sites for such buildings, facilities and structures, in each case together with all necessary appurtenances and work incidental thereto.

The Series 2025 Bonds will be issued and secured on a parity with the Series 2012 Bonds, the Series 2016 Bonds and any Additional Bonds as to the pledge of and lien on the Pledged County Sales Tax Receipts under the Trust Agreement.

Any premium received by the County on the sale of the Series 2025 Bonds and any interest accrued on the Series 2025 Bonds will be deposited in the Sales Tax Bond Retirement Fund. Moneys in that Fund are used to pay debt charges on County debt obligations secured by a pledge of the Pledged County Sales Tax Receipts.

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* Preliminary, subject to change.

CERTAIN TERMS OF THE SERIES 2025 BONDS

General; Book-Entry System

The Series 2025 Bonds will be dated their date of original issuance, will be payable in the principal amounts and on the dates and will bear interest (computed on the basis of a 360-day year and twelve 30-day months) at the rates and be payable on the dates, at the place and in the manner, all as described on the Cover.

The Trustee will act as the paying agent for the Series 2025 Bonds and will keep all books and records necessary for registration, exchange and transfer of the Series 2025 Bonds. See **Trustee**.

The Series 2025 Bonds will be delivered in book-entry-only form and, when issued, registered in the name of The Depository Trust Company (DTC), New York, New York, or its nominee Cede & Co., which will act as securities depository for the Series 2025 Bonds. For discussion of the book-entry system and DTC and the replacement of Series 2025 Bonds in the event that the book-entry system is discontinued, see **Appendix E**.

Prior Redemption*

The Series 2025 Bonds are subject to optional redemption and may be subject to mandatory redemption prior to maturity as follows.

Optional Redemption

The Series 2025 Bonds maturing on or after December 1, 2030 are subject to prior redemption, by and at the sole option of the County, in whole or in part as selected by the County (in whole multiples of $5,000), on any date on or after December 1, 2029, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.

Mandatory Redemption

Any bidder may, at its option, specify that particular maturities of the Series 2025 Bonds for which the same rate of interest is specified in its bid shall be issued as a term bond or bonds subject to mandatory sinking fund redemption by the County in consecutive years immediately preceding the maturity thereof (each, a Series 2025 Term Bond). In the event that the successful bidder specifies that any maturity of the Series 2025 Bonds shall be issued as a Series 2025 Term Bond, that Series 2025 Term Bond shall be subject to mandatory sinking fund redemption on December 1 in each applicable year, in the principal amount for such year as set forth on the Cover, at a redemption price equal to the principal amount to be redeemed, plus interest accrued thereon to the redemption date, without premium. If no such designation is made, all Series 2025 Bonds will mature serially. See the **Official Notice of Sale** attached hereto as **Appendix G** for more information. Series 2025 Term Bonds redeemed by other than mandatory redemption, or purchased for cancellation, may be credited against the applicable mandatory redemption requirement for the Series 2025 Term Bonds of the corresponding maturity.

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* Preliminary, subject to change.

Selection of Series 2025 Bonds and Book-Entry Interests to be Redeemed

If fewer than all outstanding Series 2025 Bonds are called for optional redemption at one time, the Series 2025 Bonds to be called will be called as selected by, and selected in a manner as determined by, the County.

If less than all of an outstanding Series 2025 Bond of one maturity under a book-entry system is to be called for redemption (in the amount of $5,000 or any whole multiple), the Trustee will give notice of redemption only to DTC as registered owner. The selection of the book-entry interests in that Bond to be redeemed is discussed below under **Notice of Call for Redemption; Effect**.

If bond certificates are issued to the ultimate owners, and if fewer than all of the Series 2025 Bonds of a single maturity are to be redeemed, the selection of Bonds (or portions of Bonds in the amount of $5,000 or any whole multiple) to be redeemed will be made by lot in a manner determined by the Trustee.

In the case of a partial redemption by lot when Series 2025 Bonds of denominations greater than $5,000 are then outstanding, each $5,000 unit of principal will be treated as if it were a separate Bond of the denomination of $5,000.

Notice of Call for Redemption; Effect

The Trustee is to cause notice of the call for redemption, identifying the Series 2025 Bonds or portions of Series 2025 Bonds to be redeemed, to be sent by first-class mail, at least 30 days prior to the redemption date, to the registered owner (initially, DTC) of each Series 2025 Bond to be redeemed at the address shown on the Register on the 15th day preceding that mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any Series 2025 Bonds.

On the date designated for redemption, Series 2025 Bonds or portions of Series 2025 Bonds called for redemption shall become due and payable. If the Trustee then holds sufficient money for payment of debt charges payable on that redemption date, interest on each Series 2025 Bond (or portion of a Series 2025 Bond) so called for redemption will cease to accrue on that date.

So long as all Series 2025 Bonds are held under a book-entry system by a securities depository (such as DTC), a call notice is to be sent by the Trustee only to the depository or its nominee. Selection of book-entry interests in the Series 2025 Bonds called, and giving notice of the call to the owners of those interests called, is the sole responsibility of the depository and of its Direct Participants and Indirect Participants. Any failure of the depository to advise any Direct Participant, or of any Direct Participant or any Indirect Participant to notify the Beneficial Owners, of any such notice and in its content or effect will not affect the validity of any proceedings for the redemption of any Series 2025 Bonds or portions of Series 2025 Bonds. See **Appendix E**.

SECURITY AND SOURCES OF PAYMENT

The Series 2025 Bonds, the Series 2016 Bonds, the Series 2012 Bonds and any parity Additional Bonds as may hereafter be issued under the Trust Agreement (collectively, the Bonds) are special obligations of the County payable solely from the sources described under **Basic Security**, subject to bankruptcy, insolvency, arrangement, fraudulent conveyance or transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion, and to limitations on legal remedies against public entities.

The Series 2025 Bonds do not constitute a debt or obligation of the State or a general obligation debt, or a pledge of the full faith and credit, of the State, the County, or any other political subdivision of the State. The registered owners, Beneficial Owners and holders of the Series 2025 Bonds have no right to have taxes levied by the General Assembly of the State, or property taxes levied by the taxing authority of the County or any other political subdivision of the State, for the payment of debt charges on the Series 2025 Bonds.

Nothing in the Authorizing Legislation or the Trust Agreement requires the County to use or apply to the payment of debt charges on the Series 2025 Bonds any funds or revenues from any source other than the Pledged County Sales Taxes levied and received by the County. However, nothing in the Act, the Bond Legislation or the Trust Agreement shall be deemed to prohibit the County, of its own volition, from using, to the extent that it is authorized to do so, any other resources for the fulfillment of any of the terms, conditions or obligations of the Bond Legislation, the Trust Agreement or the Series 2025 Bonds.

Basic Security

On May 25, 1979, the Board adopted resolutions authorizing the continuing levy and collection of the 1979 County Sales Tax, and on May 30, 2013, the Board adopted a resolution authorizing the continuing levy and collection of the 2013 County Sales Tax. The basic security for payment of debt charges on the Bonds is a pledge of the County's receipts from the 1979 County Sales Tax and the 2013 County Sales Tax. That pledge is made by the Board in the Bond Legislation and the Trust Agreement, and the Bond Legislation and the Trust Agreement create a lien on the Pledged County Sales Tax Receipts received by the County. The Bond Legislation and the Trust Agreement also create the Sales Tax Bond Retirement Fund (and a Principal Payment Account and an Interest Payment Account therein) in the custody of the Trustee and assign to the Trustee and, to the extent permitted by law, grant a security interest in that Sales Tax Bond Retirement Fund and the moneys therein solely to the payment of debt charges on the Bonds.

The Act provides that the Pledged County Sales Tax Receipts immediately become subject to the lien of the pledge without physical delivery of the pledged funds or any further act and that the lien of the pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County, whether or not those parties have notice of the lien. The lien is subject, however, to bankruptcy, insolvency, arrangement, fraudulent conveyance or transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion, and to limitations on legal remedies against public entities.

The 1979 County Sales Tax and the 2013 County Sales tax are in effect for a continuing period of time. Under the Act, the Board may not repeal, rescind or reduce any portion of the 1979 County Sales Tax or the 2013 County Sales Tax, and no portion of the 1979 County Sales Tax or the 2013 County Sales Tax is subject to repeal or reduction by the electorate of the County, while the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds or any Additional Bonds remain outstanding.

The Board and the County have covenanted in the Bond Legislation, subject and pursuant to the Constitution and laws of the State, to appropriate, in each year while any Bonds are outstanding, Pledged County Sales Tax Receipts sufficient to pay the debt charges on the Bonds in that year and to limit the other appropriations of Pledged County Sales Tax Receipts in that year to the amount available after deducting the amount required to pay debt charges on the Bonds in that year. Subject to those covenants, the Board may appropriate and use Pledged County Sales Tax Receipts for any proper County purpose.

For information concerning actual Pledged County Sales Tax Receipts in recent years and projected Pledged County Sales Tax Receipts in 2025, debt charges requirements on the outstanding Series 2012 Bonds, Series 2016 Bonds and the Series 2025 Bonds and estimated debt charges coverage, see **County Debt and Other Long-Term Obligations – Sales Tax Supported Bonds** and **Debt Table A**.

The 1979 County Sales Tax and the 2013 County Sales Tax are two of four distinct sets of companion sales and use taxes levied by the County. The other sales and use taxes include (i) one-half percent (0.50%) emergency sales and use taxes levied for the purpose of providing additional revenues for the County pursuant to a resolution adopted by the Board on September 29, 1989, that are in effect for a continuing period of time, but subject to repeal by initiative (the 1989 Sales Tax) and (ii) one-quarter percent (0.25%) sales and use taxes levied for the purpose of providing revenues for the provision of ambulance, paramedic, or other emergency medical services pursuant to a resolution adopted by the Board on August 16, 2005 and a vote of the electors of the County on November 8, 2005 that are in effect for a continuing period of time (the 2005 Sales Tax). **Only receipts from the County's 1979 County Sales Tax and the 2013 County Sales Tax are pledged as security for the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds and Additional Bonds. Receipts from the 1989 Sales Tax and the 2005 Sales Tax are <u>not</u> pledged and cannot be pledged as security for the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds or any Additional Bonds.**

For recent historical information concerning the County's aggregate sales and use tax receipts in recent Fiscal Years and projected aggregate sales and use tax receipts in Fiscal Year 2024, see **County Sales Taxes - Historical and Projected Collections of Sales Taxes**.

Sales Tax Bond Retirement Fund

Pursuant to the Bond Legislation and the Trust Agreement, the County has (i) established the Sales Tax Bond Retirement Fund in the custody of the Trustee, into which Pledged County Sales Tax Receipts are to be deposited in monthly installments sufficient to provide for the timely payment of interest on the Bonds when due on each interest payment date and principal of the Bonds when due on each principal payment date and (ii) assigned to the Trustee and, to the extent permitted by law, granted a security interest in the Sales Tax Bond Retirement Fund and money therein solely to payment of debt charges on the Bonds. See **The Trust Agreement – Covenants of the County – Appropriation and Deposit of Pledged County Sales Tax Receipts**.

Additional Bonds – Coverage Tests

The County may in the future issue Additional Bonds as provided in the Act, the Bond Legislation and the Trust Agreement. Under the provisions of the Act and the Trust Agreement, Additional Bonds may be issued only if the maximum annual debt service required to be paid in the current or any future Fiscal Year on all Bonds that will be outstanding after their issuance does not exceed the estimated annual 1979 County Sales Tax Receipts. For purposes of that test, the County Auditor must estimate the annual 1979 County Sales Tax Receipts based on the average 1979 County Sales Tax Receipts for the two Fiscal Years prior to the Fiscal Year in which the Additional Bonds are to be issued. The County has further covenanted in the Bond Legislation and the Trust Agreement that so long as the Series 2012 Bonds, the Series 2016 Bonds, and the Series 2025 Bonds are outstanding it will issue no Additional Bonds unless the aggregate amount of the 1979 County Sales Tax Receipts received during the Fiscal Year immediately preceding the year of issuance of those Additional Bonds is at least equal to one hundred twenty-five percent (125%) of the maximum annual debt service required to be paid in the current or any succeeding calendar year on all of the Bonds to be outstanding immediately after the issuance of those Additional Bonds. However, this second coverage test need not be met with respect to Additional

Bonds issued for the purpose of funding or refunding outstanding Bonds where such funding or refunding does not result in an increase in the maximum annual debt service requirement.

In calculating the maximum annual debt service requirement for purposes of the coverage tests set forth above, (i) debt service requirements on Additional Bonds constituting Interim Indebtedness will be deemed to be the amount equal to the principal and interest requirements for an issue of Long Term Bonds in the same principal amount bearing interest at a rate equal to 90% of the then current Revenue Bond Index, having a maximum maturity determined in accordance with the requirements of Section 133.081 of the Revised Code and maturing in equal annual principal installments, and (ii) debt service requirements on Variable Rate Additional Bonds will be deemed to be an amount equal to the principal and interest requirements that for an issue of Long Term Bonds in the same principal amount bearing interest at a rate equal to the Variable Rate Debt Interest Rate, having a maximum maturity determined in accordance with the requirements of Section 133.081 of the Revised Code and maturing in equal annual principal installments.

Enforcement of Rights and Remedies

The State has pledged to and agreed with holders of securities such as the Bonds that:

> "…the state will not, by enacting any law or adopting any rule, repeal, revoke, repudiate, limit, alter, stay, suspend, or otherwise reduce, rescind, or impair the power or duty of a subdivision to exercise, perform, carry out, and fulfill its responsibilities or covenants under this chapter [Chapter 133, the State's Uniform Public Securities Law] or legislation or agreements as to its Chapter 133. securities, including a credit enhancement facility, passed or entered into pursuant to this chapter, or repeal, revoke, repudiate, limit, alter, stay, suspend, or otherwise reduce, rescind, or impair the rights and remedies of any such holders fully to enforce such responsibilities, covenants, and agreements or to enforce the pledge and agreement of the State contained in this division, or otherwise exercise any sovereign power materially impairing or materially inconsistent with the provisions of such legislation, covenants, and agreements." (Section 133.25(D) of the Revised Code.)

Bankruptcy

Federal and State laws provide procedures for the adjustment of indebtedness of political subdivisions, such as the County. Chapter 9 of the U.S. Bankruptcy Code would permit the County to make such an adjustment if (i) it were "insolvent" (i.e., the County was not paying its debt charges as they came due or it was unable to pay those debt charges as they became due), (ii) it met certain other criteria (e.g., having negotiated in good faith with its creditors and failed to reach agreement or such negotiation was impractical because of time restrictions, the number of creditors or other reasons) and (iii) it were authorized under State law (by legislation or by a governmental officer) to seek relief under Chapter 9. The State's Uniform Public Securities Law provides that the County or any other subdivision must obtain the approval of the State Tax Commissioner in order to file a bankruptcy petition stating that it is insolvent and "that it desires to effect a plan for the composition or adjustment of its debts and to take such further proceedings" under the Bankruptcy Code. That law also states:

> "No taxing subdivision shall be permitted, in availing itself of such acts of congress **[**the Bankruptcy Code**]**, to scale down, cut down, or reduce the

principal sum of its securities, except that interest thereon may be reduced in whole or in part." (Section 133.36 of the Revised Code.)

Refunding

State law and the Trust Agreement authorize the refunding and advance refunding of all or a portion of the Bonds. As provided in Chapter 133 of the Revised Code and the Trust Agreement, if the County places in escrow either money or direct obligations of, or obligations guaranteed as to payment by, the United States, or a combination of both, that with investment income thereon will be sufficient for the payment of debt charges on the refunded Bonds, those refunded Bonds will no longer be considered to be outstanding. They will also not be considered in determining any limitation on County indebtedness payable from the 1979 County Sales Tax Receipts or compliance with the County's covenants to limit the issuance of Additional Bonds, and they will not be payable from or secured by a pledge of Pledged County Sales Tax Receipts or the Sales Tax Bond Retirement Fund. For this purpose, direct obligations of or obligations guaranteed by the United States include rights to receive payments or portions of payments of the principal of or interest or other investment income on (i) those U.S. obligations and (ii) other obligations fully secured as to payment by those U.S. obligations and the interest or other investment income on those obligations.

THE TRUST AGREEMENT

There follow descriptions of certain provisions of the Trust Agreement. These descriptions do not purport to completely summarize those provisions or to describe all of the provisions of the Trust Agreement. Reference is made to the Trust Agreement for its complete terms. Copies of the Trust Agreement are available from the office of the County Auditor of the County or the Municipal Advisor, or may be inspected at the Cleveland, Ohio corporate trust office of the Trustee.

General Provisions

The Series 2025 Bonds are issued pursuant to the Bond Legislation and the Trust Agreement. The Trust Agreement provides, among other things, for the form of fully registered bonds, the manner of signing, authenticating and delivery of the Series 2025 Bonds, the transfer and exchange of the Series 2025 Bonds, and procedures for redemption and payment of the Series 2025 Bonds. The Trust Agreement also sets forth the duties and responsibilities of the Trustee, its fees, succession on merger or resignation, and the manner of defeasance of the Trust Agreement.

Covenants of the County

In addition to the covenants described below, the County has covenanted, among other things, to use the proceeds of the Series 2025 Bonds for the purpose stated in the Bond Legislation and to perform its obligations under the Trust Agreement, the Bond Legislation and the Bonds.

Additional Bonds

The County has the right under the Act, the Bond Legislation and the Trust Agreement to issue Additional Bonds secured by a parity pledge of the Pledged County Sales Tax Receipts and by the Pledged Funds. As a condition precedent to issuing Additional Bonds, the County Auditor must certify to the Trustee that the 1979 County Sales Tax Receipts met certain coverage tests as described under **Security and Sources of Payment - Coverage Tests**.

Pledged County Sales Tax Receipts

The County has covenanted not to assign the Pledged County Sales Tax Receipts or create or authorize to be created any debt, lien, security interest or charge thereon, other than the assignment thereof and security interest therein under the Trust Agreement.

Appropriation and Deposit of Pledged County Sales Tax Receipts

The Board and the County have covenanted in the Bond Legislation and the Trust Agreement to appropriate annually, in or for each Fiscal Year, Pledged County Sales Tax Receipts in an amount sufficient to pay all debt charges due and payable on the Bonds during that Fiscal Year, less any amounts remaining in the Sales Tax Bond Retirement Fund after all debt charges for the prior Fiscal Year have been paid, and to deposit into the Sales Tax Bond Retirement Fund held by the Trustee on or before the twenty-fifth (25^{th}) day of each month the following amounts:

- an amount to be deposited in the Interest Payment Account in the Sales Tax Bond Retirement Fund that, after giving effect to any amounts then on deposit in that Account, including any investment earnings retained in that Account, and assuming the same amount were deposited into that Account in each of the remaining months prior to the next Interest Payment Date, would result in an amount sufficient to pay the interest due on all outstanding Bonds on that next Interest Payment Date; and

- an amount to be deposited in a Principal Payment Account in the Sales Tax Bond Retirement Fund that, after giving effect to any amounts then on deposit in that Account, including any investment earnings retained in that Account, and assuming the same amount were deposited into that Account in each of the remaining months prior to the next Principal Payment Date, would result in an amount sufficient to pay the principal of all outstanding Bonds due on that next Principal Payment Date.

To the extent that the amounts of deposits required to be made as provided above are to be determined on the basis of the principal of Interim Indebtedness payable on the next Principal Payment Date, the principal amount to be paid from the proceeds of the anticipated Bonds or of renewal Interim Indebtedness, as certified by an authorized officer of the County, is to be disregarded, and to the extent that the amounts of deposits required to be made as provided above are to be determined on the basis of the interest requirements of Variable Rate Additional Bonds, those interest requirements are to be determined on the basis of the Variable Rate Debt Interest Rate as of the first day of the applicable interest period.

The County has further covenanted that, in the event that the amount in the Sales Tax Bond Retirement Fund is not sufficient to pay debt charges due and payable on the outstanding Bonds five days prior to any Interest Payment Date, the County immediately will make a supplemental appropriation for, and will transfer to the Trustee for deposit in the Sales Tax Bond Retirement Fund, first, from any amount in the 1979 Sales Tax Revenue Fund and the 2013 Sales Tax Revenue Fund maintained by the County, and, second, if necessary, from Pledged County Sales Tax Receipts, an amount sufficient to make up any such deficiency.

The County has also covenanted that, so long as any Bonds are outstanding, it will not suffer the repeal, amendment or any other change in the Bond Legislation, or the proceedings authorizing the 1979 County Sales Tax or the 2013 County Sales Tax that in any way materially and adversely affects or impairs (i) the sufficiency of the Pledged County Sales Tax Receipts levied and collected or otherwise available for the payment of the Bonds or (ii) the appropriation, pledge or the application of the Pledged County Sales Tax Receipts to the payment of the Bonds as shall be necessary in order to meet the requirements stated in the Trust Agreement.

Federal Income Tax Matters

The County has covenanted that it will use, and will restrict the use and investment of, the proceeds of the Series 2025 Bonds in such manner and to such extent as may be necessary so that (a) the Series 2025 Bonds will not (i) constitute private activity bonds or arbitrage bonds under Sections 141 or 148 of the Code, or (ii) be treated other than as bonds the interest on which is excluded from gross income under Section 103 of the Code, and (b) the interest thereon will not be an item of tax preference under Section 57 of the Code.

The County has further covenanted that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Series 2025 Bonds to be and to remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Series 2025 Bonds to the governmental purposes of the borrowings, (ii) restrict the amount of “private security” and “private payments” within the meaning of Section 141(b) of the Code with respect to the Series 2025 Bonds, (iii) restrict the yield on investment property acquired with those proceeds, (iv) make timely and adequate payments to the federal government, (v) maintain books and records and make calculations and reports, and (vi) refrain from certain uses or dispositions of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

Under the provisions of the Trust Agreement, all such covenants are established as duties of the County specifically enjoined by law and resulting from an office, trust or station within the meaning of Section 2731.01 of the Revised Code providing for enforcement by writ of mandamus.

Funds

1979 County Sales Tax Revenue Fund and 2013 County Sales Tax Revenue Fund

The Trust Agreement and the Bond Legislation establish the 1979 County Sales Tax Revenue Fund and the 2013 County Sales Tax Revenue Fund into which the 1979 County Sales Tax Receipts and the 2013 County Sales Tax Receipts, respectively, are to be deposited immediately upon their receipt by the County. The money in the 1979 County Sales Tax Revenue Fund and the 2013 County Sales Tax Revenue Fund may be used for any lawful County purpose; however, the Board and the County have covenanted to make monthly transfers from those Funds to the Sales Tax Bond Retirement Fund and to limit appropriations of 1979 County Sales Tax Receipts and 2013 County Sales Tax Receipts for other purposes to amounts not needed for Bond Service Charges. See **Appropriation and Deposit of Pledged County Sales Tax Receipts**.

Sales Tax Bond Retirement Fund

The Trust Agreement and the Bond Legislation also establish the Pledged Funds, currently consisting of the Sales Tax Bond Retirement Fund and the Interest Payment Account and Principal Payment Account therein. The Pledged Funds will be maintained in the custody of the Trustee as trust funds and used solely for the payment of debt charges on the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds and any Additional Bonds and, to the extent provided in the Trust Agreement, for the purchase for cancellation or redemption of Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds or Additional Bonds. If the Trustee shall at any time have money and investments on deposit in the Pledged Funds in an amount sufficient to permit the purchase for cancellation or call for redemption on the next redemption date of any outstanding Bonds, without thereby reducing the balance thereafter remaining in the Pledged Funds below the amount that on such purchase or redemption date would be required to be on deposit with respect to Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds and any Additional Bonds not so purchased or redeemed, then, at the request of the County, the Trustee shall use that money in the Pledged Funds, and any other money provided by the County, to accomplish that purchase or redemption.

The County will transfer from the 1979 County Sales Tax Revenue Fund and the 2013 County Sales Tax Fund to the Sales Tax Bond Retirement Fund each year, in equal monthly installments, Pledged County Sales Tax Receipts in an amount sufficient to pay debt charges due and payable on the Bonds for the then current year, as described above in the **Trust Agreement – General Provisions – Appropriation and Deposit of Pledged County Sales Tax Receipts**, less any amounts remaining in the Sales Tax Bond Retirement Fund after all debt charges for the prior year have been paid. In the event that, five days prior to any Interest Payment Date, the amount in the Sales Tax Bond Retirement Fund is not sufficient to pay debt charges due and payable on the Bonds, the Board, on behalf of the County, is to immediately make a supplemental appropriation for, and shall deposit in, the Sales Tax Bond Retirement Fund an amount sufficient to make up any such deficiency.

County Building Project Fund

The Trust Agreement establishes the County of Sandusky County 2025 Building Project Fund. The proceeds of the Series 2025 Bonds are to be deposited in the County of Sandusky 2025 County Building Project Fund and disbursed to pay costs of issuance of the Series 2025 Bonds, costs of the County Building Project and, if required, Bond Service Charges on the Series 2025 Bonds. See **Use of Proceeds – Series 2025 Bonds**.

Fund Investments and Income

Money in the Pledged Funds is to be deposited or invested by the Trustee as the County Treasurer may direct, subject to the limitations set forth in the Trust Agreement, in the deposits or investments listed in Section 135.35 of the Revised Code. Investment income is to be credited to the Fund from which the investment was made, and for the purpose of determining the amount on deposit to the credit of any Fund or account, the value of obligations in which money in that Fund or account is invested is to be computed at the market value thereof that is to be determined in the manner provided in the Trust Agreement.

Events of Default and Remedies

General

Under the Trust Agreement, each of the following constitutes an "Event of Default":

(a) Failure by the County to pay interest on any Bond when and as that interest becomes due and payable;

(b) Failure by the County to pay the principal of or any premium on any Bond when and as that principal or premium becomes due and payable, whether at stated maturity, by redemption, pursuant to any mandatory sinking fund redemption requirements, or otherwise;

(c) Failure by the County to observe or perform any other covenant, agreement or obligation of the County contained in the Trust Agreement or in the Bonds and the continuation of that failure for a period of 60 days after written notice of that failure is given to the County, which notice may be given by the Trustee in its discretion and will be given by the Trustee at the written request of the owners of not less than 25% in aggregate principal amount of Bonds then outstanding; provided that if the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, then, the failure shall not constitute an Event of Default so long as the County institutes curative action within the applicable period and diligently pursues that action to completion; or

(d) The County will: (i) commence a proceeding under any federal bankruptcy, insolvency, reorganization or similar law or (ii) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

Any declaration of an Event of Default and the exercise of remedies upon any such declaration will be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any insolvency, bankruptcy, liquidation or reorganization proceedings.

If by reason of "Force Majeure" (being, generally, any cause, circumstance or event not reasonably within the control of the County), the County is unable to observe or perform any covenant, agreement or obligation that would give rise to an Event of Default under clause (c) of the paragraph above, then the County will not be deemed in default during the continuance of such inability. The County will promptly give notice to the Trustee of the existence of an event of Force Majeure.

Upon the occurrence and continuance of an Event of Default, the Trustee may, and if the Trustee is requested so to do by the Owners of at least 25% in the aggregate principal amount of Bonds outstanding, shall exercise all rights and powers conferred to protect the rights of the owners of the Bonds, including the institution of appropriate judicial proceedings, subject to receiving adequate indemnity pursuant to the Trust Agreement.

The owners of the Bonds have no right, and the Trustee is not authorized under the Trust Agreement, to appoint a receiver upon the occurrence and continuance of an Event of Default.

Right of Owners to Direct Proceedings

The owners of a majority in aggregate principal amount of the Bonds then outstanding will have the right at any time to direct, by an instrument or document or instruments or documents in writing signed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Trust Agreement; provided that (i) such direction will not be otherwise than in accordance with the provisions of law and the Trust Agreement, (ii) that the Trustee will be indemnified and (iii) that the Trustee may take any other action that it deems to be proper and that is not inconsistent with the direction.

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Waivers of Events of Default

The Trustee will waive any Event of Default hereunder and its consequences upon the written request of the owners of at least a majority in aggregate principal amount of all Bonds then outstanding in respect of which an Event of Default in the payment of debt service charges exists, or at least 25% in aggregate principal amount of all Bonds then outstanding, in the case of any other Event of Default. Such written request will take priority over other actions requested or authorized by the owners.

There will not be so waived, however, any Event of Default described in clauses (a) or (b) under **Events of Default and Remedies – General** unless at the time of that waiver all amounts payable, including overdue interest, shall have been duly paid or provision shall have been duly made therefor. If such a waiver occurs, or any suit, action or proceedings taken by the Trustee on account of any Event of Default will have been discontinued, abandoned or determined adversely to it, then the County, the Trustee and the owners will be restored to their former positions and rights under the Trust Agreement, respectively. No waiver or rescission will extend to any subsequent or other Event of Default or impair any right consequent thereon.

Limitations on Enforcement of Remedies

Enforcement of the Trust Agreement generally may be limited or delayed in the event of application of bankruptcy, insolvency, arrangement, fraudulent conveyance or transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights, by the application of equitable principles, by the exercise of judicial discretion, and by limitations on legal remedies against public entities in the event of litigation or the required use of statutory remedial procedures, and the pledge of the Pledged County Sales Tax Receipts and assignment of and security interest in the Pledged Funds may be subject to subordination or prior claims in addition to those arising from bankruptcy proceedings. Examples of cases of possible limitations on enforceability, and of possible subordination or prior claims, are (i) statutory liens, (ii) rights arising in favor of the United States or its agencies, (iii) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction, (iv) rights of third parties in Pledged County Sales Tax Receipts and Pledged Funds converted to cash or securities and not in the custody of the Trustee, and (v) federal bankruptcy laws affecting assignments of Pledged County Sales Tax Receipts earned after any institution of bankruptcy proceedings by the County.

All rights and remedies provided for in the Trust Agreement may be exercised only to the extent that the exercise does not violate any applicable law, and are limited to the extent necessary so that they will not render the Trust Agreement invalid or unenforceable.

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Applications of Money Received Pursuant to Remedial Action

All money received from remedial action taken is to be paid to the Trustee and applied to the payment, in the following order, of: (i) any fees of and all costs, expenses, liabilities and advances paid, incurred or made by the Trustee in taking the remedial action; (ii) to the payment to the owners entitled thereto of all installments of interest then due on the Bonds; (iii) to the payment to the owners entitled thereto of the unpaid principal of any Bonds that have become due (other than Bonds previously called for redemption for the payment of which money is held pursuant to the provisions of the Trust Agreement); provided that (as provided in the Trust Agreement) if the principal of all the Bonds is due and payable, then the debt service will be paid equally and ratably among all outstanding Bonds and without preference or priority for principal or interest.

Supplemental Trust Agreements

The County and the Trustee may enter into Supplemental Trust Agreements, without the consent of or notice to any of the owners for various purposes including, among others: to cure any ambiguity, inconsistency or formal defect or omission in the Trust Agreement; to grant to the Trustee additional rights, remedies, powers or authority for the benefit of the owners; to issue Additional Bonds; to permit the transfer of Bonds from a securities depository to a successor depository or the withdrawal of Bonds issued to a securities depository or a successor depository for use in a book entry system and the issuance of Replacement Bonds in fully registered form to others than a depository; and to make any other amendment that, in the judgment of the Trustee, is not to the material prejudice of the Trustee or the owners.

Exclusive of Supplemental Trust Agreements for the purposes stated above, the consent of the owners of not less than a majority in aggregate principal amount of then outstanding Bonds, the County and the Trustee will be required to approve any Supplemental Trust Agreement. No Supplemental Trust Agreement, however, will permit: (i) an extension of the maturity of the principal of or the interest on any Bond, or a reduction in the principal amount of any Bond or the rate of interest or premium on any Bond, or creation of a right in the County to call any Bond for redemption prior to its maturity or advance the time of or reduce the redemption price for redemption, or a reduction in the amount or extension of the time of payment required by any mandatory sinking fund requirements, without the consent of the owner of each Bond affected; or (ii) the creation of a privilege or priority of any Bond over any other Bond, or a reduction in the aggregate principal amount of Bonds required for consent to such Supplemental Trust Agreement, without the consent of the owners of all Bonds then outstanding.

Release of Trust Agreement

The Trust Agreement will be released if the County pays or makes provision for the payment of debt charges due or to become due on all outstanding Bonds, and provision has been made for paying all other amounts payable under the Trust Agreement by the County.

All outstanding Bonds will be deemed to have been paid within the meaning of the Trust Agreement if the Trustee holds in trust for such payment either money in an amount that will be sufficient, or irrevocable Defeasance Obligations that are verified or certified by an independent firm experienced in the preparation of verification reports and acceptable to bond counsel to be of such maturities or redemption dates and interest payment dates and bearing such interest as will be sufficient together with money so held, for the payment of the debt service on the Bonds through and at their maturity or redemption dates. For this purpose, Defeasance Obligations means direct obligations of or obligations guaranteed by the United States and include rights to receive payments or portions of payments of the principal of or interest or other investment income on (i) those U.S. obligations and (ii) other obligations fully secured as to payment by those U.S. obligations and the interest or other investment income on those obligations.

THE TRUSTEE

The Trustee, The Huntington National Bank, is a national bank with its principal corporate trust office in Columbus, Ohio. The Trustee regularly acts as trustee for revenue bond issues of Ohio local governments. The Trustee will also serve as registrar, paying agent and authenticating agent for the Series 2025 Bonds.

The Trustee will, prior to the occurrence of an Event of Default and after the cure of any Events of Default that may have occurred, undertake to perform only such duties as are specifically set forth in the Trust Agreement. At the time of an Event of Default and during its continuation, the Trustee will exercise such of the rights and powers vested in the Trustee by the Trust Agreement and is to use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee is entitled to act upon opinions of counsel as provided in the Trust Agreement and is not responsible for any loss or damage resulting from good faith reliance on those opinions of counsel. The Trustee is also entitled to rely on certain instruments and is not liable for any action reasonably taken or omitted to be taken by it in good faith and reasonably believed by it to be within the discretion conferred upon the Trustee by the Trust Agreement. The Trustee may require adequate indemnity against risk or liability prior to the exercise of its rights or powers under the Trust Agreement.

LITIGATION

To the knowledge of the appropriate County officials, no litigation or administrative action or proceeding is pending restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Series 2025 Bonds, or the levy and collection of the 1979 County Sales Tax or the 2013 County Sales Tax to pay the debt charges on the Series 2025 Bonds, or contesting or questioning the proceedings and authority under which the Series 2025 Bonds have been authorized and are to be issued, sold, signed or delivered, or the validity of the Series 2025 Bonds. No petitions for referendum with respect to the Bond Legislation, the resolutions authorizing the levy and collection of the 1979 County Sales Tax or the 2013 County Sales Tax or any other measure authorizing the payment of or security for the Series 2025 Bonds, or the carrying out of the government purposes to which the Series 2025 Bond proceeds are to be applied, and no petitions seeking to initiate any measure affecting the same or the proceedings therefor, have been filed. The County will deliver to the Underwriter a certificate to that effect at the time of original delivery of the Series 2025 Bonds to the Underwriter.

The County is a party to various legal proceedings seeking damages or injunctive or other relief and generally incidental to its operations. These proceedings are unrelated to the Series 2025 Bonds or the security for the Series 2025 Bonds, or the permanent improvements being financed. The ultimate disposition of these proceedings is not now determinable, but will not, in the opinion of the Prosecuting Attorney, have a material adverse effect on the Series 2025 Bonds, the security for the Series 2025 Bonds, or those improvements or the County's operating revenues.

Under current Ohio law, County money, accounts and investments are not subject to attachment to satisfy tort judgments in State courts against the County.

See also **Capital Facilities; Insurance**.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2025 Bonds and with regard to the tax-exempt status of the interest on the Series 2025 Bonds (see **Tax Matters**) are subject to the opinion of Squire Patton Boggs (US) LLP, Bond Counsel to the County. The signed legal opinion of Bond Counsel, substantially in the form attached hereto as **Appendix D**, dated and premised on law in effect on the date of issuance of the Series 2025 Bonds, will be delivered on the date of issuance of the Series 2025 Bonds. The text of the opinion to be delivered may vary from the text as set forth in **Appendix D** if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to its date.

The opinion of Bond Counsel and any other legal opinions and letters of counsel to be delivered concurrently with the delivery of the Series 2025 Bonds express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that opinion, or the transaction on which the opinion or advice is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Bond Counsel has drafted those portions of this Official Statement under the captions **The Series 2025 Bonds**, **Authorization and Purpose**, **Certain Terms of the Series 2025 Bonds** (excluding certain information concerning the book-entry system there and in **Appendix E**), **Security and Sources of Payment**, **The Trust Agreement** and **Tax Matters**. Bond Counsel and others, including the Municipal Advisor, have assisted the County with its preparation of certain other portions of this Official Statement. Bond Counsel and the Municipal Advisor, however, have not been engaged to, and will not, independently confirm or verify that information or any other information provided by the County or others, and will not express an opinion as to the accuracy, completeness or fairness of any such information or any other reports, financial information, offering or disclosure documents or other information pertaining to the Series 2025 Bonds that may be prepared or made available by the County or others to potential or actual purchasers of the Series 2025 Bonds, to owners of the Series 2025 Bonds, including Beneficial Owners, or to others.

In addition to rendering its opinion, Bond Counsel will assist in the preparation of and advise the County concerning documents for the bond transcript. The County has also retained the legal services of that law firm from time to time as special counsel in connection with matters that do not relate to County financings. Squire Patton Boggs (US) LLP also serves and has served as bond counsel for one or more of the political subdivisions that the County territorially overlaps.

TAX MATTERS

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law: (i) interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the Code), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Series 2025 Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2025 Bonds.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the County contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2025 Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the County's certifications and representations or the continuing compliance with the County's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Series 2025 Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service (IRS) or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the County may cause loss of such status and result in the interest on the Series 2025 Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds. The County has covenanted to take the actions required of it for the interest on the Series 2025 Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Series 2025 Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2025 Bonds or the market value of the Series 2025 Bonds.

Interest on the Series 2025 Bonds may be subject: (1) to a federal branch profits tax imposed on certain foreign corporations doing business in the United States; (2) to a federal tax imposed on excess net passive income of certain S corporations; and (3) to the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2025 Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Series 2025 Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Series 2025 Bonds ends with the issuance of the Series 2025 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the owners of the Series 2025 Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2025 Bonds, under current IRS procedures, the IRS will treat the County as the taxpayer and the beneficial owners of the Series 2025 Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Series 2025 Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Series 2025 Bonds.

Prospective purchasers of the Series 2025 Bonds upon their original issuance at prices other than the respective prices indicated on the Cover, and prospective purchasers of the Series 2025 Bonds at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Series 2025 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2025 Bonds will not have an adverse effect on the tax status of interest or other income on the Series 2025 Bonds or the market value or marketability of the Series 2025 Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Series 2025 Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax that was in effect at that time, and eliminated the tax-exempt advance refunding of tax-exempt bonds and tax-advantaged bonds, among other things. Additionally, investors in the Series 2025 Bonds should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Series 2025 Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Series 2025 Bonds may be affected and the ability of holders to sell their Series 2025 Bonds in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Series 2025 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount (OID). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2025 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, sale or other disposition of that Discount Bond. A purchaser of a Discount Bond in the initial public offering at the issue price (described above) for that Discount Bond who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Series 2025 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

Owners of Discount and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Bonds, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

ELIGIBILITY FOR INVESTMENT AND AS PUBLIC MONEY SECURITY

To the extent that the matter as to the particular investor is governed by Ohio law, and subject to any applicable limitations under other provisions of Ohio law, the Series 2025 Bonds are lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies (including domestic for life and domestic not for life), trustees or other officers having charge of sinking and bond retirement or other funds of the State and State subdivisions and taxing districts, the Commissioners of the Sinking Fund, the Administrator of Workers' Compensation, and State retirement systems (Teachers, Public Employees, Public School Employees, and Police and Fire), notwithstanding any other provisions of the Revised Code or rules adopted pursuant to those provisions by any State agency with respect to investments by them.

The Series 2025 Bonds are acceptable under Ohio law as security for the repayment of the deposit of public money.

Beneficial Owners of the Series 2025 Bonds should make their own determination as to such matters as legality of investment in or pledgability of book-entry interests.

RATING

The Series 2025 Bonds have been rated "Aa2" by Moody's Investors Service. No application for a rating has been made by the County to any other rating service. No application was made to any other rating service for the purpose of obtaining an additional rating on the Series 2025 Bonds.

The rating reflects only the view of the rating service, and any explanation of the meaning or significance of the rating may only be obtained from the rating service. The County furnished to the rating service certain information and materials, some of which may not have been included in this Official Statement, relating to the Series 2025 Bonds and the County. Generally, rating services base their ratings on such information and materials and on their own investigation, studies and assumptions.

There can be no assurance that a rating when assigned will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating service if in its judgment circumstances so warrant. Any lowering or withdrawal of a rating may have an adverse effect on the marketability or market value of the Series 2025 Bonds.

The County expects to furnish the rating service with information and materials that may be requested. The County, however, assumes no obligation to furnish requested information and materials, and may issue debt for which a rating is not requested. Failure to furnish requested information and materials, or the issuance of debt for which a rating is not requested, may result in the suspension or withdrawal of a rating on the Series 2025 Bonds.

TRANSCRIPT AND CLOSING CERTIFICATES

A complete transcript of proceedings and a certificate (described under **Litigation**) relating to litigation will be delivered by the County when the Series 2025 Bonds are delivered by the County to the Underwriter. The County at that time will also provide to the Underwriter a certificate, signed by the County officials who sign this Official Statement and addressed to the Underwriter, relating to the accuracy and completeness of this Official Statement and to its being a "final official statement" in the judgment of the County for purposes of SEC Rule 15c2-12(b)(3).

CONTINUING DISCLOSURE AGREEMENT

The County has agreed, for the benefit of the holders and Beneficial Owners from time to time of the Series 2025 Bonds, in accordance with SEC Rule 15c2-12 (the Rule), to provide or cause to be provided to the Municipal Securities Rulemaking Board such annual financial information and operating data, audited financial statements and notices of the occurrence of certain events in such manner as may be required for purposes of the Rule (the Continuing Disclosure Agreement). See **Appendix F** for the proposed form of the Continuing Disclosure Agreement. The foregoing information, data and notices can be obtained from:

Jerri A. Miller
County Auditor
County of Sandusky, Ohio
100 North Park Avenue, Suite 228,
Fremont, Ohio 43420
Telephone 419-334-6123
Email Miller_Jerri@co.sandusky.oh.us

The performance by the County of the Continuing Disclosure Agreement will be subject to the annual appropriation by the County of any funds that may be necessary to perform it. The Continuing Disclosure Agreement will remain in effect only for such period that the Series 2025 Bonds are outstanding in accordance with their terms and the County remains an obligated person with respect to the Series 2025 Bonds within the meaning of the Rule.

In accordance with the Rule, the County entered into continuing disclosure agreements in connection with certain of its prior financings. The County believes that, during the last five years, it has complied in all material respects with those prior continuing disclosure agreements.

MUNICIPAL ADVISOR

The County has retained Sudsina & Associates, LLC (the Municipal Advisor), to provide financial advice in connection with the County's issuance of the Series 2025 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

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THE COUNTY

GENERAL INFORMATION

The County, established in 1820, is located in north central Ohio approximately 30 miles southeast of the City of Toledo and 90 miles west of the City of Cleveland. The County is bordered on the north by Ottawa County and Lake Erie's Sandusky Bay, on the east by Huron and Erie Counties, on the south by Seneca County and on the west by Wood County. The County's 2010 population of 60,944 placed it as the 42nd most populous of the State's 88 counties.

The City of Fremont, the County seat, had a population of 16,005 in 2020. In addition to the City of Fremont, there are the cities of Clyde (2020 population of 6,175) and Bellevue (2020 population of 7,928), six villages and twelve townships located in the County. For a more detailed discussion of the economic and demographic characteristics of the County. See **Economic and Demographic Information**.

The County's area is approximately 416 square miles. Land use, as measured by the assessed value of real property, is presented in the following table.

	Percent of Assessed Valuation of Real Property
Residential	69.57%
Commercial/Industrial	17.91
Public Utility	0.05
Agricultural	12.47
Undeveloped	(a)

(a) Included in above categories.
Source: County Auditor.

Cities and villages in the County provide various services pursuant to charter or statutory authorizations and the constitutional grant to municipal corporations of "all powers of local self-government." Among the services provided and powers generally exercised by cities and villages (and to some extent by townships) are the following: public safety, including police and fire; construction, maintenance and repair of streets and sidewalks; certain sanitation and health activities; recreation, including parks, playgrounds and swimming pools; certain public service enterprises such as water and sewer systems, and hospitals; and certain planning and zoning functions. Some of the services and powers may also be provided and exercised by the County.

The County is in the central portion of a triangle formed by the cities of Chicago, Detroit and Cleveland. Other major metropolitan centers located within 250 miles of the County include the cities of Akron, Cincinnati, Columbus, Dayton and Toledo, Ohio, Pittsburgh, Pennsylvania, Indianapolis, Indiana and Windsor, Ontario.

The County is served by diversified transportation facilities including U.S. Interstate Highways 80 and 90 (the Ohio Turnpike), U.S. Highways 6 and 20, and several State routes. Rail service is furnished by the CSX System and the Norfolk Southern Railroad.

The County is provided general aviation service by the Sandusky County Regional Airport that (i) is located in the County near the City of Clyde and operated by the Sandusky County Regional Airport Authority and (ii) features a 5,500-foot runway. The County is provided commercial airline service by Cleveland Hopkins International Airport, located approximately 80 miles east of the County, Toledo Express Airport, located approximately 45 miles northwest of the County, and Detroit Metropolitan Airport, located approximately 85 miles northwest of the County.

The County is provided with banking and financial services by a number of commercial banks and savings and loan associations; one of those commercial banks has its principal office in the County.

Three daily newspapers and several weekly newspapers are available in the County. The County is within the broadcast area of four television stations and fifteen AM and FM radio stations. Cable television and internet service, including educational, governmental and public access channels, is available throughout the County from major providers.

Within commuting distance are several public and private two-year and four-year colleges and universities, including Terra State Community College which is located in the County, Tiffin University, Heidelberg University, Bowling Green State University and the University of Toledo.

Health care services in the County are provided by ProMedica's Memorial Hospital in Fremont, Community Health Services in Fremont, Bellevue Hospital in Bellevue, and Eden Springs Nursing and Rehabilitation Center in Green Springs, as well as several hospitals in the Toledo metropolitan area.

There are numerous recreational facilities in the County, including Wolf Creek Park along the Sandusky River which offers nature trails and picnic areas, and major recreation centers operated by the Sandusky County YMCA, the City of Fremont and the City of Bellevue. The Fremont Community Theater and Bellevue Society for the Arts present stage productions year-round and concerts are offered by the Green Springs Community Band.

Also located in the County is the Rutherford B. Hayes Presidential Center, a wooded, 25-acre estate containing the Victorian style mansion of the 19th President of the United States, a museum, and the first presidential library in the United States. That library holds 75,000 volumes and over 3,000 linear feet of manuscripts and photographic material.

The Birchard Public Library of Sandusky County, founded in 1873 by Sardis Birchard and Rutherford B. Hayes, owns and operates a main library in the City and three branches in other locations in the County. The library currently holds over 156,000 volumes.

County Government

The County has only those powers, and powers incidental thereto, conferred upon it by the State Constitution and statutes. The three-member Board is elected at large in even numbered years for four-year overlapping terms and is the primary legislative and executive body of the County.

In addition to the three Commissioners, there are eight other elected administrative officials of the County, each of whom is independent within the limits of the State statutes affecting the particular office. These officials, elected to four-year terms, are the County Auditor, County Treasurer, Clerk of Courts, County Recorder, County Engineer, Sheriff, Prosecuting Attorney and Coroner. Common Pleas Judges, Court of Appeals Judges and the Probate Judge are also elected on a countywide basis and serve six-year terms.

The general responsibilities of the Board are centered in the areas of financial management, management of most County facilities, and administration (see also **County**

Services and Responsibilities). A County Administrator, appointed by the Board, assists in the administration, enforcement and execution of the policies and resolutions of the Board; supervises and directs the activities of the affairs of the divisions of the County government under the Board's jurisdiction; advises the Board on financial conditions of the County and prepares and submits fiscal year budgets; and performs other duties determined by the Board.

Financial Management and Permissive Taxes. The Board is responsible for providing and managing the funds used to support the various County activities. In providing this financial management, the Board exercises its legislative powers in budgeting, appropriating moneys, levying taxes, issuing bonds and notes, and letting contracts for public works and services. In addition to ad valorem taxes, four local revenue sources, commonly known as the "permissive" taxes, are available to the County. State law authorizes counties to levy permissive taxes without a vote of the people, subject, however, to repeal by referendum (if the resolution levying the tax is not enacted as an emergency measure) and also subject to repeal by initiative (if the resolution is adopted as an emergency measure), provided that in each case a required petition is filed in appropriate form. The County currently levies three types of permissive taxes, County sales and use taxes at an aggregate rate of 1.50%; a motor vehicle license tax in the amount of $5 per vehicle; and a real property transfer tax at the rate of $3 per $1,000 of value of the property transferred. County offices and agencies also collect fees and fines, which comprise a significant source of revenue for the County; see **OTHER MAJOR COUNTY LOCAL REVENUE SOURCES - Charges for Services and Other Nontax Revenues**.

Management of County Facilities. The Board has certain responsibilities for the management of most County facilities, including various court, correctional and administrative facilities, public assistance and social services facilities and general County government facilities.

Administration. Administration costs account for the largest share of the County's general fund expenditures. There are a number of independent boards and commissions which administer a large variety of services within the County, including, among others, the Veterans Service Commission, the Board of Developmental Disabilities, the Children Services Board and the Community Mental Health Board.

Some of these boards and commissions are appointed entirely by the Board and are subject to complete fiscal control by the Board. Others have no members appointed by the Board and may, to varying extents, be independent of fiscal control by the Board. There are also instances in which the Board does not have appointment powers but does have extensive fiscal responsibilities. For example, the Board has extensive financing, funding, budgeting and accounting responsibilities for the Board of Elections and for various courts, but does not appoint the members of the Board of Elections or of the courts.

County Officials

The current elected County officials, and some of the major officials who are appointed by and serve at the pleasure of the Board, are as follows.

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ELECTED

Office	Name	Years in Office
Commissioners	Scott Miller	7
	Charles F. Schwochow	3
	Russ Zimmerman	6
Auditor	Jerri A. Miller	9
Treasurer	Kimberley Foreman	6
Prosecuting Attorney	Beth Tischler	3
Engineer	Carlos A. Baez Sr.	6
Coroner	Dr. James Williams	4
Clerk of Courts	Christie Schneider	3
Recorder	Colleen Carmack	21
Sheriff	Christopher Hilton	7

APPOINTED

	Name	Years in Position
County Administrator	Theresa A. Garcia	9
Clerk of the Board	Theresa A. Garcia	9
Job and Family Services Director	Melanie Allen	6
Sanitary Engineer	Steven F. Shiets	23

In addition to the Board and the County Administrator, three of the offices that can be grouped under the category of general government are of particular pertinence to the financial affairs of the County. See also **Financial Matters**.

The County Auditor is elected to a four-year term. One of the most important functions of the County Auditor is the task of assessing real property for taxing purposes. A complete reappraisal must be conducted every six years (as was last completed in 2021 for collection year 2022), and a triennial update between reappraisals. The Auditor is the fiscal officer of the County, and in general no County contract or obligation may be made without the Auditor's certification that funds are appropriated and available for payment, and no account may be paid except by the Auditor's warrant drawn upon the Treasurer. The Auditor is responsible for the County payroll and also has statutory accounting responsibilities. The Auditor is a member and secretary of the Board of Revision and the Budget Commission and is the administrator and supervisor of the County Data Processing Center.

The County Treasurer is required to collect certain taxes and to distribute them to various governmental units. The Treasurer is the disbursing agent for expenditures authorized by the Board and has charge of the Bond Retirement Fund and, generally, of County investments. The Treasurer is to make daily reports to the Auditor showing receipts, payments and balances, and the Treasurer's books of account are to balance with those of the Auditor. The Treasurer is a member of the Board of Revision and the County Budget Commission.

The Treasurer, Auditor and Prosecuting Attorney form the County Budget Commission which plays an important part in certain aspects of the financial administration of the County and local governments.

The County Engineer, required by law to be a registered professional engineer and surveyor, serves as the civil engineer for the County. His primary responsibilities relate to the construction, maintenance and repair of the 295,786 miles of County roads, and of bridges and storm and surface water runoff and other drainage systems. The Board takes bids and awards contracts for projects recommended and approved by the Engineer.

Employees

The County has 496 full-time employees in various job classifications, and 98 permanent part-time employees. Due to seasonal requirements, the County also employs temporary part-time employees the number of which ranges from a high of 35 to a low of 10. The number of full-time employees decreased by 16 since December 31, 2019. A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

Full-time employees are represented by the following bargaining units:

Board or Department	Bargaining Unit	Agreement Duration	Number of Employees
Sheriff	Northern Ohio Police Benevolent Association (Sheriff's Department – Deputies, Corrections Officers and Communications Officers)	06/01/2025	36
DJFS	American Federation of State, County and Municipal Employees (Human Services)	12/31/2026	11
EMS	International Brotherhood of Teamsters (Emergency Medical Services)	12/31/2022*	6
Sheriff	Northern Ohio Police Benevolent Association (Sheriff's Department Captains and Sergeants)	06/01/2025	9

* Contract negotiations were unsuccessful, and members have filed to drop the union. SERB is still reviewing.

The remaining full-time County employees have not elected to join a bargaining unit or are not eligible or authorized to form or join a collective bargaining unit (such as holders of elective office or confidential or management level personnel).

Generally, the terms of the salaries, wages and other economic benefits for County employees have been the products of negotiations with representatives of the employees or their bargaining units. Increases in economic benefits have generally been provided on an annual basis pursuant to bargaining unit contracts and otherwise.

The County's budget for Fiscal Year 2019 provided for an overall increase of 2.5% in wages and salaries for employees who were not members of a collective bargaining unit, and in

Fiscal Year 2020 wages were adjusted to reverse the PERS pick up of 8.5% that had been given in lieu of increases. In each instance, individual increases were determined by the employing County board or officer. The County's budgets for Fiscal Years 2021 and 2022 provided for a 2.5% increase in wages and salaries for those. The County's budget for Fiscal Year 2023 provided a 2.5% increase, however, some departments gave various raises, and in Fiscal Year 2024 most non-bargaining unit employees have received 3% increases.

In their latest three-year contracts with the County, the collective bargaining units representing Sheriff's Department employees agreed to annual wage increases of 3.5% all three years covered by the contract, the unit representing County Human Service employees agreed to annual wage increases of 1.75%, 1% and 2% and the unit representing County emergency medical service employees were unable to negotiate their last contract. The members have filed to decertify from the Teamsters. SERB is currently reviewing the request.

Full-time employees are offered health insurance coverage under a plan that requires the employees to pay 13% of the cost of the coverage and the County to pay 87% of that cost if they participate in the wellness program. Those that do not participate in the wellness program pay 15% of the cost of the coverage and the County pays 85% of the cost.

In the judgment of the County Commissioners, their employee relations have been and are excellent.

Retirement Expenses

Present and retired employees of the County, other than the teachers for the Board of Developmental Disabilities, are covered by the Ohio Public Employees Retirement System (OPERS), a statewide public retirement (including disability retirement) system. The teachers for the Board of Developmental Disabilities (the DD Teachers) are covered by the State Teachers Retirement System (STRS).

OPERS and STRS are two of five statewide public employee retirement systems created by and operating pursuant to Ohio law, all of which currently have unfunded actuarial accrued liabilities. The General Assembly has the power to amend the format of those systems and to revise rates and methods of contributions to be made by public employers and their employees and eligibility criteria, benefits or benefit levels for employee members. In 2012, the General Assembly passed five separate pension reform measures intended to assist each of the five retirement systems in addressing its unfunded actuarial accrued liabilities.

Employer contributions were not increased by any of those bills. The reform legislation passed with respect to OPERS and STRS provided for (i) no change in the County contribution rates with respect to its employees' earnable salaries, (ii) no change in the OPERS employee contribution rate, and (iii) an increase in the STRS employees' contribution rate from 10% to 14% in annual increments of 1% (that began on July 2, 2013). With certain transition provisions applicable to certain current employees, the reform legislation has, among other changes, increased minimum age and service requirements for retirement and disability benefits, revised the calculation of an employee's final average salary on which pension benefits are based to include the five highest years (rather than the three highest years), provided for pension benefits to be calculated on a lower, fixed formula, change provisions to limit future cost-of-living adjustments. The reform legislation with respect to STRS also provided the STRS board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and cost–of-living adjustments as the need or opportunity arises, and depending on the funding progress.

Generally, employees covered by OPERS continue to contribute at a statutory rate of 10.0% of earnable salary, and as the employer, the County's contribution rate for those employees is 14% (actuarially established for OPERS) of the same base, except for uniformed employees of the Sheriff's Department who contribute at a rate of 13% of earnable salary, and for whom the County contributes at a rate of 18.1% of the same base. In each case, those employee and employer contribution rates have been and are the maximums permitted under State law.

Generally, employees covered by STRS now contribute at a statutory rate of 14.0% of earnable compensation. As the employer, the County contribution rate for those employees continues to be 14% of the same base. In each case, those employee and employer contribution rates are the maximums now permitted under State law.

For further information on these pension plans and for Fiscal Year 2023 reporting with respect to employee pensions, see the Notes to the Fiscal Year 2023 Financial Statements. Financial and other information for OPERS and STRS can also be found on the respective web site for each retirement system including its Annual Comprehensive Financial Report.

As of December 31, 2023, the County had the net pension and OPEB liabilities reported and explained in the Notes to the Fiscal Year 2023 Financial Statements.

The County's contributions to OPERS and STRS have been and are treated as current expenses and included in the County's operating expenditures.

Federal law requires County employees hired after March 31, 1986 to participate in the federal Medicare program, which requires matching employer and employee contributions, each being 1.45% of the wage base. Otherwise, County employees who are covered by a State retirement system are not currently covered under the federal Social Security Act. OPERS and STRS are not subject to the funding and vesting requirements of the federal Employee Retirement Income Security Act of 1974.

Capital Facilities; Insurance

The Board has certain responsibilities for the management of most County facilities, including the jail and various court, correctional and administrative facilities, and general County government facilities. The Facilities Management Director, employed by the Board, oversees the maintenance and management of more than twenty County buildings and the leasing of space for various County agencies.

The County's major building facilities include the County Jail/Sheriff's Office, the Juvenile Justice Center, the County Courthouse, the Commissioners' Office, the Sanitary Engineer/EMS building, County Court facilities in the City of Clyde and Village of Woodville, the County Service Center, the Health/Agriculture building and the Dog Kennel.

The County currently carries real property and contents casualty insurance in the amount of $190,010,209 with a deductible of $2,500.

The County also maintains liability insurance coverages with $2,500 deductibles. The liability insurance on County vehicles has a combined single-limit bodily injury and property damage coverage in the amount of $8,000,000 per occurrence with no aggregate. Other liability coverages include premises and operations, public officials, law enforcement, employees and cyber liability. Additionally, the County carries statutorily required public official bonds for the elected officials. There is no record of policy terminations/cancellations nor have there been any issues at the times of renewal.

County Services and Responsibilities

The following descriptions are of selected County services and responsibilities.

Public Assistance and Health. The County Department of Job and Family Services (the Department) administers the public assistance, child welfare, child support enforcement and workforce development functions within the County. The Department is headed by a Job and Family Services Director who is appointed by and is responsible to the Board. The Job and Family Services Director is advised by a County Job and Family Services Planning Committee; the Committee's membership, appointed by the Board, represents groups of individuals and public and private entities that have an interest in the social services provided in the County.

The Department administers certain federal and State assisted programs for County residents including: Medicaid, food stamps, Temporary Assistance for Needy Families (TANF), child support enforcement, child and adult protection and Workforce Investment and Opportunity Act (WIOA).

The Department is one of the largest departments in County government, with 91 full time employees on its payroll as of December 31, 2023.

The Family and Individual Services Division, which processes applications for Cash Assistance, Food Assistance, Medicaid, and Child Care programs, is administered by the Department. The Department projects that in 2025 $8,029,444 will be expended for its various programs, with approximately $7,849,444 coming from grant assistance provided by the State and Federal governments. Most of that funding flows directly from the State and Federal governments to medical providers and recipients in programs in which the County performs various administrative tasks such as eligibility determination. The remaining $180,000 is projected to come from the County's General Fund.

The County's Child Welfare Program, which provides child protection, foster care, adoption, and institutional care, as well as other social services to families and children in the County, is administered by the Department. Total Children Services expenditures in 2025 are projected to be $5,184,000, with $3,934,000 coming from grant assistance provided by the State and Federal governments and the balance of $1,250,000 coming from the County's General Fund.

The Child Support Enforcement Division, which provides a variety of services ranging from paternity establishment to enforcement of financial and medical obligations, is administered by the Department. Total Child Support expenditures in 2025 are projected to be $1,353,121, with $957,847 coming from grant assistance provided by the State and Federal governments, $395,274 coming from child support collections from parents.

The Workforce Development Division, which provides assistance to job seekers and businesses as well as operating the Workforce Investment and Opportunity Act (WIOA) program, is administered by the Department. This division does not receive any General Fund moneys.

The Veterans Service Commission and the Board of Developmental Disabilities also operate within the County offering services in the areas of welfare and social services. The Veterans Service Commission assists veterans and their dependents by providing emergency assistance and securing the materials and information needed to apply for and receive assistance under the various programs administered by the United States Veterans Administration and by providing transportation to a Veterans Administration Hospital. The five members of the Veterans Commission are appointed by the Common Pleas Court and serve five-year terms. The activities of the Veterans Commission are financed from County General Fund moneys. County officials estimate that approximately $590,000 will be paid to the Veterans Commission from the County's General Fund in 2025.

The County's Board of Developmental Disabilities (DD Board) provides a lifetime of services to individuals with developmental disabilities and supports to their families. Some of those services include early intervention, educational services and support, employment assistance, day programming, transportation, residential, and case management. The board consists of seven appointed members, five are appointed by the County Commissioners and two by the County Probate Judge for three-year terms. In addition to receiving reimbursement from the Ohio Department of Education and local boards of education in the County and other various sources of revenue, the DD Board has four voted tax levies: a 0.50-mill levy approved by voters in 1979 for a continuing period of time; a 2.00-mill levy first collected in 2002 and renewed by the voters in 2006, 2011, 2015, and 2021, which will expire with final collections in 2026; a 2.20-mill levy approved in 2002 for a continuing period of time; and a 2.00-mill levy approved in 2012 for a continuing period of time. Those levies currently generate a total of approximately $8,835,177 annually.

Park District. The Sandusky County Metropolitan Park District was created on December 7, 1973 under the authority of Chapter 1545 of the Revised Code for the purpose of conserving the natural resources of the County. The District is administered by a Board of Park Commissioners comprised of three members appointed to three-year rotating terms by the County's Probate Judge. The District is funded by a 10-year, 1.0-mill levy approved by voters in 2016.

Health District. The County General Health District, which is a separate political subdivision, is governed by a Board of Health which consists of seven members, five of whom are appointed by the chairmen of the township trustees within the County and the mayors of the villages within the County, one by the mayor of the City of Fremont and one by the mayor of the City of Clyde. The Board of Health is charged with performing health services in the County and is administered by the health commissioner who is employed by the Board of Health. The Board of Health is responsible for the inspection of public and private water supply systems, septic systems, plumbing, bathing areas and food service operations and receives moneys from the townships and municipalities it serves and federal and state grants. The County appropriates funds for the costs of the salary of one sanitarian. The County owns the health clinic facility of the Board of Health.

Administration of Justice. As a part of the administration of the justice system in the County, the County maintains facilities for the Court of Appeals and the Common Pleas Court (the court of general jurisdiction), including the Juvenile and the Probate Divisions.

In Ohio, a court of general jurisdiction may mandamus (compel) the appropriation of moneys which the court, in its discretion, deems appropriate for the orderly and efficient exercise of its jurisdiction. The Ohio Supreme Court has held that laws that empower any other branch of government to determine the level of funding necessary to administer the courts generally constitute an impermissible legislative encroachment upon the judiciary's inherent powers.

The County Prosecuting Attorney's office and the County Jail are also maintained by the County. In addition to his responsibilities as a prosecutor of criminal cases, the County Prosecuting Attorney is designated by Ohio law as the chief legal counsel for all County officers, boards and agencies, including the Board, the County Auditor and the County Treasurer, and all townships and local school districts. The County Prosecuting Attorney is also a member of the County Budget Commission.

The Clerk of Courts keeps all official records of the Common Pleas Court and, when the Court of Appeals holds sessions within the County, she also serves as Clerk of Court of the Court of Appeals. The office of Clerk of Courts operates on a system of fees charged for services and is essentially self supporting.

The County Sheriff is the chief law enforcement officer of the County and provides certain specialized services, which include maintaining a special staff of deputies whose duties are to assist local law enforcement officers upon their request and to enforce the law in unincorporated areas of the County. The Sheriff also operates and maintains the County Jail and is responsible for its inmates, including persons detained for trial or transfer to other institutions. As an officer of the County courts, the Sheriff is in charge of the preparation and service of documents.

At an election on November 2, 2021, County voters approved an additional 0.55-mill ad valorem property tax for support of criminal justice services for a five-year period commencing with tax year 2022 (collection year 2023). That levy generates approximately $800,000 annually to supplement other available sources of revenue for that purpose, including costs of a drug task force.

Sanitation and Water Supply. The County Sanitary Engineering Department (the Sanitary Engineer's office), created by the Board and managed by the County Sanitary Engineer, owns and operates facilities in two County sewer districts and a County water district. The sewer districts' sanitary facilities include sixty miles of sanitary sewers and related facilities, including 13 lift stations and three wastewater treatment plants. The water district's water supply facilities include two miles of lines for potable water, two water wells and a water treatment plant.

<u>Sewer District No. 1</u>. This District is located in the southern portion of Sandusky Township and the northern portion of Ballville Township partially surrounding the City of Fremont. The Sanitary Engineer's office is responsible for the operation and maintenance of a system which transports wastewater to facilities of the City for treatment under a cooperative agreement between the County and the City. Most of the sanitary facilities in this District were constructed in the 1970s, with more than forty different sewer improvement projects having been undertaken as development occurred. Portions of the cost of those facilities have been financed by bonds issued by the County and loans obtained by the County from the Ohio Water Development Authority and Ohio Public Works Commission. Those original bonds and loans have been retired with proceeds of special assessments, monthly user charges and connection charges. More recent projects have been and are being financed with Community Development Block Grant funds, Ohio Water Development Authority loans, and Ohio Public Works Commission grants and loans obtained by the County. The loans have been and are expected to be repaid from revenues generated from user charges and connection charges for these particular wastewater systems in Sewer District #1. See **Long Term Obligations Other Than Bonds and Notes**.

<u>General Sewer District</u>. The County's General Sewer District encompasses the balance of the County outside of municipal corporations, Sewer District No. 1, and the Sandusky Township Regional Sewer District (which is governed by the Sandusky Township Regional Sewer Board). This District currently provides sanitary sewer service to one subdivision in Ballville Township, one subdivision in Jackson Township, one in Riley Township and portions of Rice and Sandusky Townships. The sanitary facilities serving areas in Ballville, Jackson and Riley Townships include a collection system and a small wastewater treatment plant. The sanitary facilities serving areas in Rice and Sandusky Townships transport wastewater to facilities of the City for treatment under a cooperative agreement between the County and the City.

Most of the County's sanitary facilities in the General Sewer District have been constructed within the last twenty-five years. The construction costs of the projects have been and are being financed with Community Development Block Grant funds, American Recovery &

Reinvestment Act grants, Ohio Water Development Authority loans, and Ohio Public Works Commission grants and loans obtained by the County. The loans have been and are expected to be repaid from revenues generated from user charges and connection charges for these particular wastewater systems in the General Sewer District. See **Long-Term Financial Obligations Other Than Bonds and Notes**.

Pursuant to a cooperative agreement between the County and the Sandusky Township Regional Sewer District, portions of the wastewater facilities of the General Sewer District also serve users in the Sandusky Township Regional Sewer District, and the Sanitary Engineer's office operates and maintains facilities of the Sandusky Township Regional Sewer District.

General Water District. This District provides water service to a subdivision in Rice Township. The water system is served by two wells, with the water produced being treated only with chlorination and an iron inhibitor. The water supply facilities in the original system were constructed by the subdivision developer for approximately $60,000. Multiple improvements costing over $120,000 have been made to the plant to maintain compliance with the Ohio EPA requirements. There is currently no debt outstanding on the water facilities.

Solid Waste. The County participated with the Counties of Ottawa and Seneca in forming the Ottawa, Sandusky, Seneca Joint Solid Waste Management District (the District). The District is a separate political subdivision of the State. The services of GT Environmental were retained by the District to prepare a Solid Waste Management Plan in accordance with State law. The District has received approval of its final plan from the Ohio EPA and various local political subdivisions. The District has hired a Solid Waste Director to direct the contemplated planning and waste reduction activities, recycling efforts, District wide solid waste disposal system and related activities and has also enacted a range of per ton disposal fees for the disposal of solid waste as permitted by law to fund those activities. The County Auditor is the current fiscal agent for the District and has established a fund to account for the receipt of those fees and any other revenues of the District and to disburse the same as directed by the District. The District's most recent Management Plan was approved in 2023.

Regional Airport Authority. The Sandusky County Regional Airport Authority was created by the Board to operate the Sandusky County Regional Airport. The Airport Authority is governed by a five-member board of trustees appointed by the Board. The Board of Trustees has powers that include the ability to sue or be sued in its corporate name; the power to establish and collect rates, rentals, and other charges; the authority to acquire, construct, operate, manage, and maintain airport facilities; the authority to buy and sell real and personal property; and the authority to issue debt for acquiring or constructing any facility or permanent improvement. The Airport Authority serves as custodian of its own funds and maintains all records and accounts independent of the County. However, the County has authority to provide support to the Authority and, in 2012, entered into an agreement with the Authority pursuant to which it provided $1,550,000 to the Authority to pay the County's share of the cost of acquiring airport facilities and furniture, furnishings and refueling and other related equipment for the Sandusky County Regional Airport. The Series 2012C Bonds were issued to provide funds to reimburse the County for amounts advanced to the Authority for that purpose.

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Economic and Demographic Information

Population

Recent Census population has been:

Year	City	County
1970	18,490	60,983
1980	17,834	63,267
1990	17,648	61,963
2000	17,375	61,792
2010	16,734	60,944
2020	16,005	58,801
2022	15,900	58,885

2022 Census figures show the following breakdown by age groups of the population of the City and the County:

	Under 5	5-19	20-34	35-44	45-54	55-64	65+	Total
City	1,008	3,665	3,088	2,160	1,678	1,840	2,461	15,900
County	3,172	10,961	10,274	6,982	7,500	8,578	11,418	58,885

Educational attainment for the City's and County's population (25 years or older) is set forth in the following table.

	City		County	
Less than 9th Grade	220	2.1%	715	1.7%
9th to 12th Grade (no diploma)	609	5.9	2,127	5.1
High School graduate (includes GED)	4,428	43.1	17,626	42.4
Some college, no degree	2,438	23.7	8,570	20.6
Associate degree	930	9.1	4,911	11.8
Bachelor degree	1,235	12.0	5,219	12.6
Graduate or professional degree	406	4.0	2,398	5.8

Source: U.S. Census Bureau Selected Source Characteristics in the United States 2018-2022.

Agricultural, Industrial and Commercial Activity

The County has retained a strong and diversified economic base with significant agricultural, manufacturing and commercial components.

Whirlpool Corporation, Clyde Division, is the world's largest producer of automatic washing machine equipment and is located in the City of Clyde. The Clyde Division currently employs approximately 3,200 people in Sandusky County. Along with being the County's largest employer, there are many local companies that are suppliers to Whirlpool, Clyde Division.

There are several companies in the plastics industry with facilities in the County that have contributed to continuing employment stability and growth. Some of those plastic industry manufacturers in the County include Inoac Exterior Systems, Evergreen Plastics, ABC Technologies, Style Crest Products, Amcor, Revere Plastics, Grahm Packaging, and First Choice Packaging. See **Employment and Income**.

Agriculture and food processing have also been major components of economic activity in the County. According to the 2023-2024 Ohio Agricultural Statistics Annual Bulletin, as reported in the 2022 Census, there were approximately 261,414 acres of agricultural land in the County; the number of farms recorded was 752 and the average size of a farm was 347 acres. In that Census, the total annual cash receipts from crops and livestock for farms in the County were reported to be in $141,266,000, and the major crops as a percent of annual cash receipts from crops were: corn (39%), soybeans (41%%) and fresh market/ processed vegetables (7%).

The Kraft Heinz Company employees approximately 358 employees and operates the world's largest ketchup production facility in the City of Fremont. Barbeque and cocktail sauces and vinegar are also produced at that facility. Crown Battery employees 509 people at their Sandusky County manufacturing facility where the City of Fremont also serves as their corporate headquarters. Autokiniton, a major tier 1 automotive supplier and employer in Sandusky County, is located in the City of Bellevue. Autokiniton employees approximately 440 people.

The three cities in the County (the cities of Bellevue, Clyde, and Fremont) each have downtown areas with a mix businesses and locally owned shops that includes banks, boutiques, restaurants, and coffee shops. A major shopping and commercial corridor is located on the northern side of the City of Fremont. Big box stores, and hotels connected with major chains are located within this area, generating sales and hotel/motel tax revenues. In addition, the Ohio Turnpike service plazas in the County generate significant sales tax revenues.

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Employment and Income

The following table shows comparative employment and unemployment statistics for the indicated periods.

	Employed in	Unemployment Rate		
Year(a)	County	County	State	U.S.
2019	29,500	4.3%	4.2%	3.7%
2020	27,600	8.1	8.2	8.1
2021	28,500	5.3	5.1	5.3
2022	28,500	4.7	4.0	3.6
2023	28,900	3.5	3.5	3.6
2024				
Jan.	28,400	4.5	4.2	4.1
Feb.	28,600	4.5	4.4	4.2
Mar.	28,700	4.8	4.5	3.9
Apr.	29,000	4.5	4.2	3.5
May	29,100	4.3	4.6	3.7
June	29,700	4.6	5.1	4.3
July	29,100	5.1	4.9	4.5
Aug.	29,200	3.9	4.2	4.4
Sept.	28,900	4.1	4.2	3.9
Oct.	29,100	3.7	3.5	3.9

(a) Not seasonally adjusted.
Source: Ohio Department of Job and Family Services – Bureau of Labor Market Information.

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The following table lists the employers (private and public) having the largest work forces within the County (as of September 30, 2024).

Employer	Nature of Activity or Business	Approximate Number of Employees
Whirlpool Corporation	Household laundry equipment	3,200
Crown Battery Manufacturing	Manufacturer of batteries	509
The County	County government	496(a)
Inoac Exterior Systems	Plastic injection molding	478
Autokiniton	Metal automotive components	440
The Bellevue Hospital	Health care	375
ProMedica Memorial Hospital	Health care	370
Auria	Automotive acoustics	360
The Kraft Heinz Company	Tomato processing	358
Revere Plastics, Inc.	Injection molded plastic	330
Amcor	Plastic packaging products	273
Terra Community College	Community college	260(b)
City of Fremont	Municipal government	245(c)
Style Crest Products	Fiberglass steps, vinyl siding	233
Martin Marietta Magnesia Specialties	Refractory products, lime	207
ABC Technology	Plastic automotive components	176
Woodbridge	Foam solutions products	170
Quality Steel	Steel tanks	170
Amcor	Plastic packaging manufacturer	165
Alkon Corporation	Tubing attachments manufacturer	159
Evergreen Plastics	Recycle plastics products	148
Green Bay Packaging	Corrugated boxes	147
Alkon	Fittings	120
Croghan Colonial Bank	Financial	118
Graham Packaging	Plastic packaging products	115
First Choice Packaging	Thermoformed packaging	110

(a) Full-time employees. The County also has approximately 98 permanent part-time employees and a varying number of seasonal and other temporary employees. See **Employees**.
(b) Includes 338 full-time and 165 part-time employees.
(c) Formerly Curwood.

Sources: Sandusky County Economic Development Corporation and individual employers.

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The 2022 median family and household incomes, as reported by the Census Bureau, in its "2018-2022 American Community Survey 5-Year Estimates," are set forth in the following table.

	2022 Median Income	
	Family	**Household**
City	$63,766	$48,252
County	80,692	60,814
State	86,508	66,990
United States	92,646	75,149

According to the Ohio Department of Taxation, the average federal adjusted gross income for residents of school districts in the County filing Ohio personal income tax returns for calendar year 2022 was $60,180, compared to the averages of $112,498 for all Ohio school districts (for all tax returns filed, the 2022 State average for tax returns that indicated school districts was $78,768).

The income per household in the City and the County is estimated to be distributed as set forth in the following table.

	Households			
Income and Benefits(a)	**City**		**County**	
Less than $10,000	613	9.3%	1,288	5.4%
$10,000 to $14,999	517	7.9	1,034	4.3
$15,000 to $24,999	527	8.0	1,986	8.3
$25,000 to $34,999	761	11.6	1,856	7.7
$35,000 to $49,999	1,013	15.4	3,676	15.3
$50,000 to $74,999	1,263	19.2	4,276	17.8
$75,000 to $99,999	716	10.9	3,505	14.6
$100,000 to $149,999	797	12.1	3,947	16.4
$150,000 to $199,999	261	4.0	1,512	6.3
$200,000 or more	99	1.5	958	4.0

(a) In 2022 inflation-adjusted dollars.
Source: U.S. Census Bureau Selected Source Characteristics in the United States 2018-2022.

The U.S. Census Bureau also estimates that 13.0% of people in the County and 18.5% of people in the City have incomes that fall below the poverty level.

Economic Development

In 1984 the Board and representatives from the Sandusky County business community became partners in facilitating economic development by creating the Sandusky County Economic Development Corporation (SCEDC). The primary mission of SCEDC, a private, nonprofit corporation, is to improve the economic well-being of Sandusky County. The SCEDC is able to accomplish this mission by attracting new businesses to Sandusky County and assisting existing businesses with impediments to growth or to assist with expansion of their business. Economic development coordination, assistance, and service delivery are accomplished through the SCEDC and a network of community representatives and the following Countywide and regional organizations:

- **The Job Store** works with businesses to save time, money and energy in the hiring of new employees by providing various services at no cost to the employer, including recruitment; assessment and testing of applicants; customized training and on the job training with wage reimbursement to the employer for training new employees.

- **The Sandusky County Regional Planning Commission** provides short- and long-range planning and implementation services for the County and its communities. It provides demographic and marketing data, information regarding zoning, technical assistance in the subdivision of land, information regarding physical characteristics of sites, maps, and descriptions of community characteristics. Another primary responsibility is floodplain planning.

- **The Seneca, Sandusky, Tiffin Port Authority** has the primary purpose of maintaining the short rail connector between CSX lines traveling northwest and southeast. The Port also can be a conduit for bond projects in both Sandusky and Seneca Counties.

- **The Toledo-Lucas County Port Authority** has developed a national reputation for innovative business financing, assisting with nearly 340 economic development projects representing a total investment of more than $1.9 billion while helping to create and retain more than 18,500 jobs since 1988. The Toledo-Lucas County Port Authority operates the Northwest Ohio Bond Fund.

- **The Chamber of Commerce of Sandusky County** was organized, funded and directed by, and is operated by and accountable to its business investors (members). From its beginning, the Chamber has focused on developing and conducting a program of work that meets the responsibility it holds to members and to the community which it serves. Some of its programs include providing cost-effective health insurance plans, cost-effective group workers' compensation rates and networking, and educational opportunities for its members.

The County has also encouraged expansion of its economic base as evidenced by its selective issuance of industrial development revenue bonds to assist private companies in financing of projects that create jobs and economic opportunities in the County. In addition, the County has undertaken and supported numerous programs to further area economic development, including arranging for State and local loans and grants to supplement private financing for industrial and commercial facilities through the SCEDC.

Having incentives available to attract new businesses and encourage existing company growth is important to economic development. Ohio law authorizes certain tax incentives by way of property tax abatement to certain business enterprises to locate or expand in areas. The cities of Fremont, Bellevue, and Clyde have each created a Community Reinvestment Area (CRA) and the County has an Enterprise Zone Tax Abatement (EZ). It is the Board's opinion that the provision for and creation of such areas has had and will have no significant adverse impact on the County's financial condition.

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Housing and Building Permits

The following is U.S. Census Bureau information concerning housing in the City, with comparative County and State statistics.

	2022 Median Value of Owner-Occupied Homes(a)	% Constructed Prior to 1940(a)	Number of Housing Units 2010(b)	2022(a)	% Change
City	$111,700	38.8%	7,541	7,599	+0.8
County	142,300	29.7	26,390	26,500	+0.4
State	183,300	19.3	5,127,508	5,251,209	+2.4

(a) Source: U.S. Census Bureau Selected Source Characteristics in the United States 2018-2022.
(b) Source: U.S. Census Bureau American Fact-Finder 2010 Census Redistricting Data (Public Law 94-171) Summary File.

County Auditor figures for average sale prices of residential property in the County are shown in the following table.

Year	County
2019	$106,486
2020	122,767
2021	131,615
2022	146,118
2023	153,361

The number and value of all building permits (including commercial, industrial, residential and public, and both remodeling and new construction) issued in the County (including those issued by municipal corporations) are shown in the following table.

Year	Number	Value
2019	1,139	$6,332,360
2020	2,111	8,609,250
2021	1,262	8,939,750
2022	1,917	7,125,510
2023	1,142	7,449,600

FINANCIAL MATTERS

Introduction

The County's Fiscal Year corresponds with the calendar year.

The main sources of County revenue have been and are property taxes, sales and use taxes, charges for services, and federal and State distributions, as described under **Ad Valorem Property Taxes, County Sales Taxes, Other Major County Local Revenue Resources** and **Certain Revenues from State Sources** and in **Appendices A, B,** and **C**.

The Auditor, the Treasurer and the Board are responsible for the major financial functions of the County.

Other important financial functions include general financial recommendations and planning by the County Administrator and the County Auditor; budget preparation by the Board with the assistance of the County Administrator; and express approval of appropriations by the Board.

The Auditor is the principal fiscal officer of the County and has statutory responsibilities that include keeping and supervising all accounts showing the County's financial transactions; the assessment of real property, subject to supervision by the State Tax Commissioner; issuing licenses and collecting license fees; and maintaining records of and paying County debt. The Auditor also prepares an annual financial report filed with the office of the Ohio Auditor of State (the State Auditor).

Under Ohio law, the Auditor is not permitted to allow the amount of appropriations to be overdrawn, or to allow the expenditure of money for purposes other than those for which they were appropriated. No County contract, agreement or other obligation involving the expenditure of money may be entered into unless the Auditor first certifies that the money required is in the County's treasury or in the process of collection to the credit of the fund from which it is to be paid and not appropriated for any other purpose.

The Treasurer acts as the custodian, investment authority and disbursing agent for County funds and also keeps books of account that are to balance with those kept by the Auditor. For a further description of the Treasurer's responsibilities, see **County Government – County Officials**.

The Board is responsible for general policy decisions with respect to most of the financial affairs of and borrowing by the County, as well as for overall fiscal planning. The Board must approve the annual budget and make appropriations for most County activities.

Billing and collecting of property taxes and special assessments are by the County Auditor and County Treasurer, respectively.

For more detailed discussions of the County's accounting procedures and the auditing of the County's accounts see **Financial Reports and Audits**, and of the assessment of real and public utility property see **Ad Valorem Property Taxes**.

For property taxation purposes, assessment of real property is by the County Auditor subject to supervision by the State Tax Commissioner, and assessment of public utility property is by the State Tax Commissioner. Property taxes and assessments are billed and collected by County officials.

Budgeting, Property Tax Levy and Appropriations Procedures

Detailed provisions for budgeting, property tax levies and appropriations are made in the Revised Code, including a requirement that the County levy a property tax in a sufficient amount, with any other money available for the purpose, to pay the debt charges on securities payable from property taxes.

The law requires generally that a subdivision prepare, and then adopt after a public hearing, a tax budget approximately six months before the start of the next fiscal year. The tax budget is then presented for review by the county budget commission, which is comprised of the county auditor, treasurer and prosecuting attorney. A county budget commission may, however, waive the requirement for a tax budget and require an alternative form of more limited information required by the commission to perform its duties. The Sandusky County Budget Commission has waived the requirement of a tax budget from the County and requires that more limited information be provided.

After receiving that information, the County Budget Commission determines and approves levies for debt charges outside and inside the ten-mill limitation. The Revised Code provides that "if any debt charge is omitted from the budget, the commission shall include it therein."

The County Budget Commission then certifies to each subdivision its action on the tax budget together with the estimate by the County Auditor of the tax rates outside and inside the ten-mill limitation. Thereafter, and before the end of the then Fiscal Year, the taxing authority (the Board) approves the tax levies and certifies them to the County Auditor. The approved and certified tax rates are then reflected in the tax bills sent to property owners. Real property taxes are payable in two equal installments, the first usually by February and the second in July.

The Board adopts a permanent appropriation measure in December for the following Fiscal Year. Although called "permanent," the annual appropriation measure may be, and often is, amended during the Fiscal Year. Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and the County Auditor must certify that the County's appropriation measures do not appropriate money in excess of the amounts set forth in those estimates.

Financial Reports and Audits

The County maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the Ohio Auditor of State (the State Auditor). The State Auditor is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions.

County receipts and expenditures are compiled on a cash basis, pursuant to accounting procedures prescribed by the State Auditor that are generally applicable to all Ohio political subdivisions. The records of these cash receipts and expenditures are converted annually for reporting purposes to a modified accrual basis of accounting for governmental funds and an accrual basis for proprietary funds. These accounting procedures conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). Those principles, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds and the debt service (bond retirement) fund and for a full accrual basis of accounting for all other funds, and for the preparation for each fund of balance sheets, statements of revenues and expenditures, and statements showing changes in fund balances.

Annual financial reports are prepared by the County and are filed as required by law with the State Auditor after the close of each Fiscal Year. Audits are made by the State Auditor, pursuant to Ohio law and under certain federal program requirements. No other independent examination or audit of the County's financial records is made.

The most recent audit (including compliance audit) of the County's accounts was completed through Fiscal Year 2023. The Basic Financial Statements of the County for Fiscal Year 2023 are set forth as **Appendix C**, they have been audited by the State Auditor. No material findings, citations or items for adjustment, or material weaknesses in internal controls, were noted as part of the audit.

See **Appendix A** for an unaudited comparative cash basis summary, prepared by the County Auditor, of General Operating Funds receipts and expenditures for the last five Fiscal

Years and projected for Fiscal Year 2024. Cash basis all funds receipts and expenditures for Fiscal Years 2022 and 2023 are set forth in **Appendix B**. See **Appendix C** for the audited Basic Financial Statements of the County for Fiscal Year 2023, including the audit letter/independent accountant's report.

The audited financial statements are public records, no consent to their inclusion is required, and no bring-down procedures have been undertaken by the State Auditor since their date.

Investments

Investments and deposits of County funds are governed by the Uniform Depository Law (Chapter 135 of the Revised Code) applicable to all subdivisions. The County Treasurer is responsible for those investments and deposits. Under current practices, and the County's adopted investment policy, in addition to demand deposits and deposits evidenced by interest-bearing certificates of deposit, investments are made in the State Treasurer's subdivision investment pool (STAR Ohio), federal or federal agency securities, repurchase agreements (with the underlying federal or agency securities held on the County's behalf by the financial institution (one of the County's depository banks)) and certain of the County's own bonds and notes. See also the Notes to the Fiscal Year 2023 Financial Statements.

The County does not invest in any securities that would be characterized as derivatives or in reverse repurchase agreements and purchases all investments with the intent to hold to maturity.

GENERAL OPERATING FUNDS

The General Fund is the County's main operating fund, from which most expenditures for County administrative, justice system and public safety purposes and certain expenditures for County human services and public works purposes are paid and into which most revenues received by the County for those purposes are deposited or transferred. The General Fund receives money from many sources, but primarily from sales and use taxes and ad valorem property taxes levied by the County, certain nontax revenues and local government funds and casino tax revenues from the State. See **Ad Valorem Property Taxes**, **County Sales Taxes**, **Other Major County Local Revenue Sources**, **Certain Revenues Received from State Sources** and **Appendices A**, **B,** and **C** for recent historical information regarding receipts from these sources in the General Fund and other County funds, and General Operating Funds expenditures and balances.

In Fiscal Year 2011, the Board established a Budget Reserve Fund, initially transferring $1,000,000 into that Fund. That Fund is considered to be a General Operating Fund of the County; however, County officials intend to build the balance in that Fund to an amount equal to approximately ten percent of the prior year's General Fund expenditures and to maintain it as a reserve available to address unforeseen needs or adverse fluctuations in revenues. As set forth in **Appendix A**, in Fiscal Year 2019 the Board used $200,000 of the moneys in the Fund, transferring $200,000 to the General Fund to cover additional General Fund expenses, resulting in a Fiscal Year-end balance of $1,284,105. In Fiscal Year 2020 the Year-end balance was $1,284,105. In Fiscal Year 2021 the Board transferred $500,000 to the Budget Reserve Fund from the General Fund, resulting in a Fiscal Year-end balance of $1,784,105. In Fiscal Year 2022 the Year-end balance was $1,784,105. In Fiscal Year 2023 the Year-end balance was $1,784,105.

As set forth in the Bond Legislation and the Trust Agreement, the Board has established two separate funds – the 1979 County Sales Tax Revenue Fund and the 2013 County Sales Tax Revenue Fund – into which its 1979 County Sales Tax Receipts and 2013 County Sales Tax

Receipts, respectively, are to be deposited as they are received. The moneys in the 1979 County Sales Tax Revenue Fund and the 2013 County Sales Tax Revenue Fund will be available to be appropriated and used for any County public purpose, but only to the extent they exceed the amount necessary to be appropriated and used to pay debt charges on the Series 2012 Bonds, the Series 2016 Bonds, the Series 2025 Bonds and any Additional Bonds issued and outstanding from time to time.

Financial Outlook

The County is conservative in budgeting its annual receipts and expenditures. The County Auditor monitors actual receipts and expenditures closely and prepares and submits to the Board detailed monthly cash basis fund reports each showing the prior month and year-to-date receipts, expenditures and encumbrances and comparisons to budgeted and prior year amounts (both in value and percentage) for each County fund.

The County's General Fund cash balance as of December 31 for each of the years 2019 through 2023 and projected for 2024 are shown in **Appendix A**.

COUNTY SALES TAXES

General

County sales and use taxes are one of four types of "permissive taxes" that counties are authorized by State law to levy, without a vote of their electors. The other such permissive taxes are real property transfer, motor vehicle license, and utilities service taxes. The County currently levies four separate sales and use taxes (including the 1979 County Sales Tax and the 2013 County Sales Tax) and a real property transfer tax that provide revenues for its general operating funds and a motor vehicle license tax that provides revenues for road and bridge purposes. See **OTHER MAJOR COUNTY LOCAL REVENUE SOURCES – Real Property Transfer Tax** and **Appendices A**, **B-1**, **B-2** and **C**. The County has not yet imposed a utilities service tax.

Under State law, counties may impose a sales (and companion use) tax at a maximum combined rate of 1.50%. Such sales and use taxes are subject to repeal by referendum if the resolution levying the tax is not enacted as an emergency measure, and to repeal by initiative if the resolution is adopted as an emergency measure. Any referendum or initiative is held only if requested by proper petition. A board of county commissioners may at its option submit the question of levying these taxes to a vote of the electors and, if approved, they are not thereafter subject to repeal by voter-initiated action.

Pursuant to a resolution adopted by the Board, the County in 1979 imposed the 1979 County Sales Tax, being companion unvoted, continuing one half percent (1/2%) sales and use taxes, for the purpose of providing additional general revenues for the County. In September 1989, the Board adopted legislation as an emergency measure imposing additional companion continuing one-half percent (1/2%) sales and use taxes for the purpose of providing additional general revenues for the County (the 1989 Sales Tax). After the adoption of that legislation, initiative petitions were filed by certain taxpayers seeking a repeal of that additional tax. The question of the continuation of that additional tax was therefore before the electors of the County at the November, 1990 general election at which County voters approved the continuation of that tax. In 2005, with the approval of the electors, the County imposed additional continuing one-quarter percent (1/4%) companion sales and use taxes for ambulance, paramedic and other emergency services (the 2005 Sales Tax). In 2010, the Board imposed additional one quarter percent (1/4%) companion sales and use taxes for the purpose of providing additional revenue for the County's General Fund for a period of three years ending September 30, 2013 (the 2010 Sales Tax). On

May 30, 2013, the Board adopted a resolution providing for the levying of the 2013 Sales Tax, additional one quarter percent (1/4%) companion sales and use taxes for the purpose of providing additional revenue for the County's General Fund for a continuing period of time commencing upon the expiration of the 2010 Sales Tax.

The only portion of the County's sales and use taxes now subject to repeal by voter referendum or initiative is the one-half percent 1989 Sales Tax which was enacted under legislation adopted as an emergency measure and is subject to repeal by initiative.

Under current law, the Board does not have authority to further increase County sales and use taxes.

Historical and Projected Collections of Sales Taxes

The County's sales and use taxes are collected by the State and distributed monthly to the County approximately 90 days in arrears. The County's aggregate sales and use tax receipts for the past five years and 2024 (projected) are shown below.

Year	Receipts	Rate
2019	$11,398,208	1.50%
2020	11,825,909	1.50
2021	13,169,900	1.50
2022	13,759,622	1.50
2023	14,521,712	1.50
2024(a)	14,700,000	1.50

(a) Projected.

Receipts for the first nine months of 2023 were $10,818,051, and for the same months of 2024 have been $11,019,157.

OTHER MAJOR COUNTY LOCAL REVENUE SOURCES

Major local sources of County revenues, in addition to sales and use tax receipts, have included ad valorem property taxes, certain other "permissive" taxes, a hotel/motel tax and charges for services and certain other nontax revenues. The Appendices provide further information regarding other revenue sources for the General Fund and other funds.

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Ad Valorem Property Taxes

Assessed Valuation

The following table shows the recent assessed valuations of property subject to ad valorem taxes levied by the County.

Collection Year	Real(a)	Public Utility(b)	Total Assessed Valuation
2020	$1,213,632,960	$358,494,280(c)	$1,572,127,240
2021	1,221,040,080	396,256,350(c)	1,617,296,430
2022(d)	1,317,272,230	372,159,020(c)	1,689,431,250
2023	1,325,202,300	366,815,090(c)	1,692,017,390
2024	1,334,416,650	401,133,760(c)	1,735,550,410

(a) Other than real property of railroads. The real property of public utilities, other than railroads, is assessed by the County Auditor. Real property of railroads is assessed, together with tangible personal property of all public utilities, by the State Tax Commissioner.
(b) Tangible personal property of all public utilities and real property of railroads.
(c) See discussion below pertaining to the Nexus pipeline valuation.
(d) Reflects sexennial reappraisal.

Source: County Auditor

Taxes collected on "Real" in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. "Public Utility" (real and tangible personal) taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.

A portion of Nexus Gas Transmission's valuation for Collection Year 2020 and 2021 was contested. Specifically, Nexus filed four tax valuation appeals with the State Tax Commissioner regarding the tax valuation of its property in many areas, including the County, where the natural gas pipeline spans 32 miles across the County. Nexus "tender paid" property taxes for Collection Years 2020 and 2021 at the rate of 47.12%. In Collection Year 2022, they paid at a rate of 58.15% of the original assessed value. This was based on the settlement value between the State and Nexus (see below).

On July 10, 2020, the State Tax Commissioner, for the Ohio Department of Taxation, issued a "Final Determination" with respect to the Nexus appeals, rejecting Nexus' proposed alternative valuation computations. Thereafter, Nexus appealed this decision to the State Board of Tax Appeals. In June 2022, a settlement was reached with the Ohio Tax Commissioner resulting in a tax valuation at 59% of the original valuation, with collections to begin in tax year 2023. Additionally, the settlement included a one-time lump payment of uncollected taxes and accrued interest. As a result of the settlement, the State Board of Tax Appeal dismissed the appeal. Subsequently, the Lorain County Auditor filed an appeal with the Ohio Supreme Court challenging the settlement agreement. The Ohio Supreme Court accepted the appeal, and on August 20,2024, the Ohio Supreme Court issued a decision affirming the Board of Tax Appeal's dismissal of the case and upholding the settlement agreement. While this decision by the Ohio Supreme Court resolves the litigation discussed above, there can be no assurance that the valuation of the Nexus pipeline for any future tax years that are not subject to the settlement agreement will not be contested.

Based on County Auditor records of assessed valuations for the 2024 collection year, the largest County ad valorem property taxpayers are:

Name of Taxpayer	Nature of Business	Total Assessed Valuation	% of Total Assessed Valuation
Nexus Gas Transmission LLC(a)	Natural gas	$231,500,970	13.34%
American Municipal Power, Inc.	Electric utility	45,582,810	2.63
Ohio Power Company	Electric utility	26,060,760	1.50
Toledo Edison Company(b)	Electric utility	22,861,820	1.32
Columbia Gas Transmission Corporation	Natural gas utility	22,349,250	1.29
American Transmission System Inc.(b)	Electric utility	22,272,240	1.28
Columbia Gas of Ohio Inc.	Natural gas utility	13,234,970	0.76
AEP Ohio Transmission Company Inc.	Natural gas utility	6,930,660	0.40
CDSF LTD	Real estate	5,943,910	0.34
Ohio Edison Company(a)	Electric utility	5,033,870	0.29
American Municipal Power Inc. & Michigan Public Power	Electric utility	4,912,970	0.28
Heinz, HJ Company LP	Manufacturer	4,704,870	0.27
Whirlpool Corp.	Laundry equipment manufacturer	4,432,030	0.26
Kroger NMTC Fremont LLC	Grocery store	3,610,470	0.21
East Ohio Gas Company	Natural gas utility	3,577,210	0.21
RD Norwest LLC	Industrial warehouses	3,148,600	0.18
Sunrise Hospitality Inc.	Hotels	3,080,160	0.18
ARCP ID Bellevue OH LLC	Real estate investment trust subsidiary	3,075,110	0.18
Wal-Mart Real Estate Business Trust	Retail	3,005,110	0.17
RD Fremont LLC	Industrial warehouses	2,956,290	0.17

(a) See discussion above pertaining to the Nexus pipeline valuation.
(b) A subsidiary of First Energy Corp.

Pursuant to statutory requirements for sexennial reappraisals, the County Auditor is required to adjust the true value of taxable real property to reflect current fair market values. The County Auditor adjusted the true value of taxable real property to reflect current fair market values. These adjustments were first reflected in the 2021 duplicate (collection year 2022) and in the ad valorem taxes distributed to the County in 2022 and thereafter. The County Auditor is also required to adjust (but without individual appraisal of properties except in the sexennial reappraisal), and has adjusted, taxable real property value triennially to reflect true values. The County Auditor is conducting such a triennial adjustment in 2024. The adjustments made will be first reflected in the 2024 duplicate (for collection year 2025) and in the ad valorem taxes distributed to the County in 2025.

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the State Tax Commissioner. An exception is that real property devoted exclusively to agricultural use is to be assessed at not more than 35% of its current agricultural use value. Real property devoted exclusively to forestry or timber growing is taxed at 50% of the local tax rate upon its assessed value.

The General Assembly has from time to time exercised its power to revise the laws applicable to the determination of assessed valuation of taxable property and the amount of receipts to be produced by ad valorem taxes levied on that property and may continue to make similar revisions.

Ohio law grants tax credits to offset increases in taxes resulting from increases in the true value of real property. Legislation classifies real property as between residential and agricultural property and all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These tax credits apply only to certain voted levies on real property, and they do not apply to unvoted levies or to voted levies to provide a specified dollar amount or to pay debt charges on general obligation debt. These credits are discussed further following **Tax Table A**.

Ohio law authorizes certain tax incentives by way of property tax abatement to certain business enterprises to locate or expand in areas of chronic unemployment, and to hire individuals previously unemployed or on welfare and handicapped individuals. The cities of Fremont and Bellevue have created such areas within the County. It is the Board's opinion that the provision for and creation of such areas has had and will have no significant adverse impact on the County's financial condition.

Tax Rates

All references to tax rates under this caption are in terms of stated rates in mills per $1.00 of assessed valuation.

Only cities, villages, school districts, townships and regional transit authorities may, as may the County, levy ad valorem property taxes within the ten-mill limitation (subject to available statutory allocation of the 10 mills) described under **Indirect Debt and Unvoted Property Tax Limitations**).

The following are the rates at which the County and the taxing subdivisions it overlaps levied ad valorem property taxes for tax year 2023 (collection year 2024):

TAX TABLE A
Tax Rates Within the County

Taxing District	County	911	Lib Dist	Health Dist	Mental Health	Town-ship	Voc. Schl	School Dist	City/ Village	Total Rate	Effective Rates Res/Ag	Com/Ind
Ballville Twp. Fremont S.D.	11.85	0.30	1.00	0.50	0.65	6.75	1.60	39.75		62.40	47.223860	50.588111
Ballville Twp. Old Fort S.D.	11.85	0.30	1.00	0.50	0.65	6.75	1.60	46.30		68.95	40.674325	65.321809
Ballville Twp. Clyde S.D.	11.85	0.30	1.50	0.50	0.65	6.75	1.60	49.05		72.20	48.042991	61.234071
Green Creek Twp. Clyde S.D.	11.85	0.30	1.50	0.50	0.65	4.85	1.60	49.05		70.30	46.319382	59.586564
Green Creek Twp. Fremont S.D.	11.85	0.30	1.00	0.50	0.65	4.85	1.60	39.75		60.50	45.500251	48.940604
Clyde City	11.85	0.30	1.50	0.50	0.65		1.60	49.05	3.20	68.65	45.043880	58.069594
Green Springs Village	11.85	2.50	1.00	0.50	0.65		1.60	49.05	15.90	83.05	55.426963	71.094645
Jackson Twp. Lakota S.D.	11.85	0.30	1.00	0.50	0.65	6.30	1.60	39.70		61.90	42.829495	46.117320
Jackson Twp. Gibsonburg S.D.	11.85	0.30	1.00	0.50	0.65	6.30	1.60	46.20		68.40	39.886940	51.190859
Burgoon Village	11.85	0.30	1.00	0.50	0.65	4.30	1.60	39.70	12.00	71.90	52.053165	54.780690
Helena Village (Jackson)	11.85	0.30	1.00	0.50	0.65	4.30	1.60	46.20	6.00	72.40	43.562646	54.762951
Madison Twp. Gibsonburg S.D.	11.85	0.30	1.00	0.50	0.65	8.40	1.60	46.20		70.50	41.256106	53.200948
Madison Twp. Woodmore S.D.	11.85	0.30	1.00	0.50	0.65	8.40	3.20	50.90		76.80	55.451077	64.497931
Gibsonburg Village (Madison)	11.85	0.30	1.00	0.50	0.65	5.50	1.60	46.20	3.30	70.90	41.656106	53.600948
Rice Twp. Fremont S.D.	11.85	0.30	1.00	0.50	0.65	5.20	1.60	39.75		60.85	46.146927	49.422070
Riley Twp. Fremont S.D.	11.85	0.30	1.00	0.50	0.65	4.65	1.60	39.75		60.30	45.315469	48.742217
Riley Twp. Clyde S.D.	11.85	0.30	1.50	0.50	0.65	4.65	1.60	49.05		70.10	46.134600	59.388177
Sandusky Twp. Fremont S.D.	11.85	0.30	1.00	0.50	0.65	4.70	1.60	39.75		60.35	45.394280	48.817349
Fremont City	11.85	0.30	1.00	0.50	0.65	0.00	1.60	39.75	3.20	58.85	44.224749	47.423634
Scott Twp. Lakota S.D.	11.85	0.30	1.00	0.50	0.65	7.30	1.60	39.70		62.90	42.903403	46.553078
Scott Twp. Gibsonburg S.D.	11.85	0.30	1.00	0.50	0.65	7.30	1.60	46.20		69.40	39.960848	51.626617
Townsend Twp. Margaretta S.D.	11.85	0.30	1.00	0.50	0.65	6.70	4.45	60.25		85.70	47.378827	65.362719
Townsend Twp. Clyde S.D.	11.85	0.30	1.50	0.50	0.65	6.70	1.60	49.05		72.15	48.256819	61.261394
Washington Twp. Fremont S.D.	11.85	0.30	1.00	0.50	0.65	5.65	1.60	39.75		61.30	46.422672	49.693898
Washington Twp. Gibsonburg S.D.	11.85	0.30	1.00	0.50	0.65	5.65	1.60	46.20		67.75	39.329233	50.640273
Washington Twp. Woodmore S.D.	11.85	0.30	1.00	0.50	0.65	5.65	3.20	50.90		74.05	53.524204	61.937256
Lindsey Village	11.85	0.30	1.00	0.50	0.65	2.85	1.60	39.75	6.80	65.30	50.061384	53.444154
Helena Village (Washington)	11.85	0.30	1.00	0.50	0.65	2.85	1.60	46.20	6.00	70.95	42.204939	53.412365
Gibsonburg Village (Washington)	11.85	0.30	1.00	0.50	0.65	2.85	1.60	46.20	3.30	68.25	39.829233	51.140273
Woodville Twp. Woodmore S.D.	11.85	0.30	1.00	0.50	0.65	10.80	3.20	50.90		79.20	57.228535	66.491254
Gibsonburg Village (Woodville)	11.85	0.30	1.00	0.50	0.65	10.80	3.20	50.90		79.20	57.228535	66.491254
Woodville Twp. Gibsonburg S.D.	11.85	0.30	1.00	0.50	0.65	10.80	1.60	46.20		72.90	43.033564	55.194271
Woodville Village	11.85	0.30	1.00	0.50	0.65	8.10	3.20	50.90	12.10	88.60	64.846172	75.403967
York Twp. Bellevue S.D.	11.85	0.30	1.00	0.50	0.65	6.60	4.45	40.90		66.25	52.504922	58.657419
York Twp. Clyde S.D.	11.85	0.30	1.50	0.50	0.65	6.60	1.60	49.05		72.05	47.349874	60.842162
Bellevue City	11.85		1.00		0.65		4.45	40.90	6.60	65.45	51.384470	58.249449

Source: County Auditor.

Statutory procedures limit, by the application of tax credits, the amount realized by each taxing subdivision from real property taxation to the amount realized from those taxes in the preceding year plus both:

- the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year; and

- amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

As noted above, the County's property tax levies inside the ten-mill limitation are exempt from those tax credit provisions. The tax credit provisions do not apply to amounts realized from taxes levied at whatever rate is required to produce a specified amount or an amount to pay debt charges, or from taxes levied inside the ten-mill limitation or any applicable municipal charter tax rate limitation. To calculate the limited amount to be realized, a reduction factor is applied to the stated rates of the levies subject to these tax credits. A resulting "effective tax rate" reflects the aggregate of those reductions and is the rate based on which real property taxes are in fact collected. As an example, the total overlapping tax rate for the 2024 tax collection year of 58.85 mills within the City (in the portion overlapping Fremont City School District) was reduced by reduction factors of 0.248518 for residential/agricultural property and 0.194161 for all other real property, which resulted in "effective tax rates" of 44.224749 mills for residential and agricultural property and 47.423634 mills for all other real property. See **Tax Table A**.

Residential and agricultural real property tax amounts paid by taxpayers generally have been further reduced by an additional 10% (12.5% in the case of owner-occupied residential property); however, legislation passed by the State's General Assembly in 2013 eliminated such reductions for additional and replacement levies approved at elections after September 29, 2013, and for other taxes (or increases in taxes) not levied for tax year 2013. See **Collections** for a discussion of reimbursements by the State to taxing subdivisions for these reductions and related changes made by that State legislation.

The following are the rates at which the County levied property taxes for the general categories of purposes for the years shown, both inside and outside the ten-mill limitation.

TAX TABLE B
County Wide Property Tax Levies – Voted and Unvoted(a)

	Unvoted Levies Within 10-Mill Limitation	Voted Levies Outside 10-Mill Limitation				
Collection Year	**General Fund**	**Board of Developmental Disabilities**	**Park District**	**Senior Citizens Levy**	**Criminal Justice Levy**	**Total**
2020	2.60	6.70	1.00	1.00	0.55	11.85
2021	2.60	6.70	1.00	1.00	0.55	11.85
2022	2.60	6.70	1.00	1.00	0.55	11.85
2023	2.60	6.70	1.00	1.00	0.55	11.85
2024	2.60	6.70	1.00	1.00	0.55	11.85

Source: County Auditor.

See the discussion of the ten-mill limitation, and the priority of claim on that millage for debt charges on unvoted general obligation debt, under **Indirect Debt and Unvoted Property Tax Limitations**.

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The following table presents certain information concerning the County's voted ad valorem property tax levies:

Year First Voter Authorized	Millage Rate Levied for Collection Year 2024	Purpose	First Collection Year	Last Collection Year
1979	0.50	Board of Developmental Disabilities	1980	Continuing
1987(a)	1.00	Senior Citizens	1988	2026
1989(a)	1.00	Park District	1990	2027
2001(a)	2.00	Board of Developmental Disabilities	2002	2026
2002	2.20	Board of Developmental Disabilities	2003	Continuing
2012	2.00	Board of Developmental Disabilities	2013	Continuing
2017	0.55	Criminal Justice	2018	2027

(a) This levy has been renewed by voters to remain in effect through the currently stated Last Collection Year.

Source: County Auditor.

Collections

The following are the amounts billed and collected for County ad valorem property taxes on real and public utility tangible personal property for the tax collection years shown. The figures shown include amounts for County property tax levies only, and do not include any countywide property taxes levied on behalf of other political subdivisions or governmental entities.

Collection Year	Current Billed	Current Collected	Current % Collected	Delinquent	
				Current	Accumulated
2019	$14,142,955	$13,729,326	97.08%	$ 452,670	$ 827,059
2020	17,303,384	15,245,608	88.11	2,270,651	2,683,960
2021	17,503,516	15,190,717	86.79	2,454,856	4,793,437
2022	17,826,437	16,196,620	90.86	1,785,738	6,007,474
2023	17,902,437	15,713,819	87.77	2,393,486	8,229,536

Source: County Auditor.

Included in the "Current Billed" and "Current Collected" figures above are payments made from State revenue sources under two Statewide real property tax relief programs – the Homestead Exemption and the Property Tax Rollback Exemption. Homestead Exemptions have been available for (i) persons 65 years of age or older, (ii) persons who are totally or permanently disabled and (iii) surviving spouses of persons who were totally or permanently disabled or 65 years of age or older, and had applied and qualified for a reduction of property taxes in the year of death, so long as the surviving spouses were not younger than 59 or older than 65 years of age on the date of their deceased spouses' deaths. The Homestead Exemption exempts $25,000 of the homestead's market value from taxation, thereby reducing the property owner's ad valorem property tax liability. The Property Tax Rollback Exemption applies to all non-business properties, and reduces each property owner's ad valorem property tax liability by either 12.5% (for owner-occupied non-business properties) or 10% (for non-owner non-business occupied properties). Payments to taxing subdivisions have been made in amounts approximately equal to the Homestead and Property Tax Rollback Exemptions granted. This State assistance reflected in the County's tax collections for 2023 was $328,447 for the elderly/disabled homestead payment and $1,068,142 for the rollback payment.

State legislation made the Homestead Exemption subject to means testing beginning in 2014, and eliminated the Property Tax Rollback Exemption and related reimbursements with respect to new or replacement tax levies approved at elections after September 29, 2013, and for other taxes (or increases in taxes) not levied for tax year 2013. See **Tax Rates**.

Real property taxes are payable in two installments, the first usually by February and the second in July.

Delinquencies

The following is a general description of delinquency procedures under Ohio law, the implementation of which may vary in practice among the counties. Under the Revised Code, taxes become a lien of the State on the first day of January, annually, and continue until the taxes, including any penalties, interest or other charges, are paid. *[Section 323.11]* Real estate taxes that are not paid in the year they are due are to be certified by the county auditor's office as delinquent. Any amount of a previous tax bill not paid before new tax bills are mailed for the next half of the year is considered delinquent and becomes subject to a 10% penalty. A list of delinquent properties is compiled by the county auditor (the "delinquent land duplicate"). If delinquent taxes are not paid within 60 days after a copy of the county auditor's delinquent land duplicate is delivered to the county treasurer, then the county treasurer is to enforce the lien of the State that attached on January 1 of the year the taxes first became payable. Under State law (Section 323.25 of the Revised Code), the county treasurer is to enforce the lien "in the same way mortgage liens are enforced," that is, by an action in the court of common pleas for foreclosure and sale of the property in satisfaction of the delinquency. If the county treasurer fails to bring an action to enforce the lien, then the State Tax Commissioner is to do so. *[Section 323.251]* In addition, one year after certification of a delinquent land list, the county prosecuting attorney is authorized to institute foreclosure proceedings in the name of the county treasurer to foreclose the lien.

The property owner may arrange a payment plan with the county treasurer providing for payments over a period not to exceed five years. If payments are made when due under the plan, no further interest will be assessed against delinquent balances covered by the plan; a default in any payment under the plan or in the payment of current taxes will invalidate the taxpayer's participation in the plan. If a payment plan is not adhered to or if none is arranged, foreclosure proceedings may be initiated by the county. Mass foreclosure proceedings and sales are permitted after three years' delinquency. Proceeds from delinquent property foreclosure sales become part of and are distributed as current collections to the taxing subdivisions.

As required by law, the County deposits 5% of all collections of certified delinquent taxes and assessments into the delinquent real estate tax and assessment collection fund. Money in that fund is divided equally between the County Treasurer and Prosecuting Attorney and is used solely in connection with the collection of delinquent taxes and assessments.

In recent years, the State legislature has enacted several programs with respect to forestalling the foreclosure process or the forfeiture of property due to tax delinquency that may have the effect of delaying or eliminating the collection of certain property taxes. Notwithstanding the delay or loss of the tax revenues from those properties, an issuer of general obligation notes or bonds (which are secured primarily by property taxes), such as the County, remains obligated to pay the debt charges on those notes or bonds from the available revenues.

Of the 32,993 nonexempt parcels in the County for collection year 2023, the number of delinquent parcels was 2,180 against 16 of which were foreclosure proceedings commenced by County officials.

There was no one taxpayer that accounted for more than 5% of any of the accumulated delinquencies, shown in the table above for tax collection year 2023.

Charges for Services and Certain Other Nontax Revenues

The County's General Fund also receives significant revenues from nontax sources (Nontax Revenues). The County's Nontax Revenues include: (a) charges for services; (b) certain fines and forfeitures; (d) certain investment earnings; (e) refunds and payments received in reimbursement for services; and (f) certain other miscellaneous revenues including, among others, fees imposed for licenses and permits, proceeds from sale of certain assets, certain rental income and certain gifts and donations.

The following table summarizes historical collections for the past five years of the revenues identified by the County from its General Fund as Nontax Revenues. No assurance can be given that the collection of such Nontax Revenues will remain at the levels historically collected by the County.

Historical Collections – General Fund Nontax Revenues

Fiscal Year	Charges for Services	Fines & Forfeitures	Investment Earnings	Refunds & Reimbursements	Other	Total
2019	$1,866,188	$468,121	$671,746	$2,339,998(a)	$108,202	$5,454,255
2020	2,403,086	348,482	452,055	1,783,669	108,645	5,095,937
2021	2,251,424	457,214	330,751	1,846,563	104,297	4,990,249
2022	2,428,126	373,301	888,581	8,957,756(c)	105,613	12,753,377
2023	2,378,591	335,967	1,480,176	5,422,568	512,463	10,129,765
(b)	29.48%	5.16%	9.95%	52.96%	2.45%	100%

(a) Increase reflects $270,000 from the City of Fremont for combined emergency dispatch (expected to provide $225,000 annually in subsequent years), a one-time refund of $157,185 from the Ohio Bureau of Workers Compensation and one-time reimbursements of $219,405 for bed taxes paid during the sale of the County's nursing home and $21,250 for start-up costs for the County Land Bank.

(b) Approximate percentage of the total General Fund Nontax Revenues averaged over the years shown.

(c) A portion ($6,474,219) reflects American Rescue Plan (ARP) replacement income.

Charges for Services. These revenues are derived from real property transfer fees and charges for services provided to other subdivisions and to certain County agencies and operations.

Fines and Forfeitures. These revenues are derived from County fines, parking violations, court costs, sheriff and highway patrol fines and civil filing fees.

Investment Earnings. The County Treasurer invests County funds pursuant to the Revised Code and the County's Investment Policy. See **Financial Matters – Investments**.

Refunds and Reimbursements. Revenue in this category is derived principally from indirect cost allocations, refunds and reimbursements to the General Fund for costs and expenses it has incurred on behalf of other funds and County operations.

Other. This category includes a wide variety of types of revenue collected by County divisions. Due to the nature of these revenues, which sometimes includes one-time receipt of revenues, the total may fluctuate significantly from year to year. Included in these totals are fees derived from the sale of licenses and permits, proceeds from the sale of assets that are deposited in the General Fund, rental income that is deposited in the General Fund and gifts and donations.

Real Property Transfer Tax

The County currently levies $3 per $1,000 of the cost of the real property transferred; this was enacted in 1989 by Board resolution. That tax is in addition to the $1 per $1,000 of the cost of the real property transferred; imposed by State law and is not subject to repeal or reduction by referendum or initiative. Receipts for recent years were and for 2024 are projected to be as shown in the following table.

Year	**Receipts**
2019	$536,571
2020	811,580
2021	680,848
2022	820,751
2023	613,241
2024(a)	631,187

(a) Projected.

Hotel/Motel Tax

The County has a hotel/motel tax that is in effect for a continuing period of time. It could be reduced or terminated by action of the Board or by vote of the electors initiated by petition of 10% of the number of electors of the County who voted for governor at the last preceding election for governor, following initiated resolution procedures. Historical hotel/motel tax receipts were and for 2024 are projected to be as shown in the following table.

Year	**Amount**
2019	$295,051
2020	197,876
2021	317,416
2022	354,845
2023	355,483
2024(a)	356,300

(a) Projected.

CERTAIN REVENUES RECEIVED FROM STATE SOURCES

Local Government Funds

Statutory state-level local government funds, comprised of designated State revenues, are another source of revenue to the General Fund. Most are distributed to each county and then allocated on a formula basis, or in some cases on an agreement basis, among the county and cities, villages and townships, and in some cases park districts, in the county. County receipts from those funds after distribution to the various subdivisions in recent years were and for 2024 are projected to be as shown in the following table.

Year	Receipts
2019	$ 895,017
2020	893,492
2021	1,009,460
2022	1,085,596
2023	1,111,613
2024(a)	1,055,456

(a) Projected.

The amounts of and formula for distribution of these funds have been and may be revised from time to time.

Casino Tax Revenues

In Fiscal Year 2012, the County began receiving revenues from a tax on casino revenues imposed by the State pursuant to the vote of the electors of the State authorizing the constitutional amendment permitting four casinos to be constructed and operated in the City and the cities of Cleveland, Columbus and Cincinnati. The first two casinos in the State opened in the City of Cleveland and in the City of Toledo in May 2012, followed by a third casino opened in the City of Columbus in October 2012, and the final casino in the City of Cincinnati in March 2013.

The County's shares of the proceeds of that tax, established by the constitutional amendment, were in Fiscal Years 2019 through 2023, and its share in Fiscal Year 2024 is projected to be, as follows:

Year	Receipts
2019	$720,855
2020	558,279
2021	791,350
2022	841,288
2023	844,017
2024(a)	840,200

(a) Projected.

COUNTY DEBT AND OTHER LONG-TERM OBLIGATIONS

As used in the discussions that follow, the term "BANs" refers to notes issued in anticipation of the issuance of general obligation bonds.

The County has issued a number of issues of industrial development revenue bonds for facilities used by private corporations or other entities, and one issue of hospital facility revenue bonds for hospital facilities used by private nonprofit corporations. The County is not obligated in any way to pay debt charges on those bonds from any of its funds, and therefore those bonds have been ***excluded*** entirely from the following debt discussion and tables.

The County is not, and to the knowledge of current County officials, has not ever been in default in the payment of debt service on any of the bonds or notes on which the County is obligor. The County makes no representation as to the existence of a condition of default resulting from a default by any private entity under any financing documents relating to industrial development or health care revenue bonds of which the County was the issuer.

Sales Tax Supported Bonds

The Series 2012 Bonds, the Series 2016 Bonds, and the Series 2025 Bonds will be the County's only parity sales tax supported bonds outstanding on the Closing Date. Thus, as of the Closing Date, the County will have outstanding an aggregate of $28,820,000* of sales tax supported bonds issued under the Trust Agreement.

Sales Tax Supported Bonds Outstanding

The following table shows the principal amount of County's Sales Tax Supported Bonds outstanding as of December 31 in the years shown.

Year	Total
2019	$6,280,000
2020	5,750,000
2021	5,205,000
2022	4,640,000
2023	4,235,000

Pledged County Sales Tax Receipts

The County's Pledged County Sales Tax Receipts for the past five years and 2024 (projected) are shown below.

Year	1979 County Sales Tax Receipts	2013 County Sales Tax Receipts	Total Pledged County Sales Tax Receipts
2019	$3,799,644	$1,899,460	$5,699,104
2020	5,913,308	1,970,749	7,884,057
2021	6,585,444	2,195,148	8,780,592
2022	6,893,050	2,297,684	9,190,734
2023	7,273,310	2,424,437	9,697,747
2024(a)	7,359,225	2,453,075	9,812,300

(a) Projected.

The Total Pledged County Sales Tax Receipts for the nine months of 2023 were $7,231,421, and for the same months of 2024 have been $7,346,342.

Debt Table A provides information concerning projected debt charges requirements on the Series 2012 Bonds, the Series 2016 Bonds, and the Series 2025 Bonds and the table below provides information concerning estimated coverage of those debt charges based on Pledged County Sales Tax Receipts in 2024.

* Preliminary, subject to change.

Estimated Sales Tax Supported Bonds Debt Charges Coverage

	Total Debt Charges On						
Year	Series 2012B Bonds	Series 2012C Bonds	Series 2016 Bonds	Series 2025 Bonds(a)	Total Debt Charges on Series 2012, Series 2016 Bonds and Series 2025 Bonds	Estimated Annual Pledged County Sales Tax Receipts(a)(b)	Estimated Debt Charges Coverage Ratio(a)
2025	$44,225.00	$140,600.00	$338,125.00	$501,273.35	$1,024,223.35	$7,359,225.00	7.19
2026	47,925.00	140,600.00	337,925.00	265,896.50	792,346.50	7,359,225.00	9.29
2027	46,462.50	140,400.00	342,625.00	265,596.50	795,084.00	7,359,225.00	9.26
2028	0.00	0.00	342,125.00	395,296.50	737,421.50	7,359,225.00	9.98
2029	0.00	0.00	346,525.00	397,196.50	743,721.50	7,359,225.00	9.90
2030	0.00	0.00	350,000.00	398,496.50	748,496.50	7,359,225.00	9.83
2031	0.00	0.00	353,250.00	398,707.00	751,957.00	7,359,225.00	9.79
2032	0.00	0.00	355,500.00	393,667.00	749,167.00	7,359,225.00	9.82
2033	0.00	0.00	352,500.00	398,531.00	751,031.00	7,359,225.00	9.80
2034	0.00	0.00	353,562.50	397,921.00	751,483.50	7,359,225.00	9.79
2035	0.00	0.00	349,350.00	396,971.00	746,321.00	7,359,225.00	9.86
2036	0.00	0.00	0.00	395,671.00	395,671.00	7,359,225.00	18.60
2037	0.00	0.00	0.00	394,140.50	394,140.50	7,359,225.00	18.67
2038	0.00	0.00	0.00	397,319.50	397,319.50	7,359,225.00	18.52
2039	0.00	0.00	0.00	395,059.50	395,059.50	7,359,225.00	18.63
2040	0.00	0.00	0.00	397,495.00	397,495.00	7,359,225.00	18.51
2041	0.00	0.00	0.00	394,389.50	394,389.50	7,359,225.00	18.66
2042	0.00	0.00	0.00	395,545.50	395,545.50	7,359,225.00	18.61
2043	0.00	0.00	0.00	396,161.50	396,161.50	7,359,225.00	18.58
2044	0.00	0.00	0.00	396,321.50	396,321.50	7,359,225.00	18.57
2045	0.00	0.00	0.00	396,021.50	396,021.50	7,359,225.00	18.58
2046	0.00	0.00	0.00	395,023.50	395,023.50	7,359,225.00	18.63
2047	0.00	0.00	0.00	398,521.50	398,521.50	7,359,225.00	18.47
2048	0.00	0.00	0.00	396,266.50	396,266.50	7,359,225.00	18.57
2049	0.00	0.00	0.00	398,581.50	398,581.50	7,359,225.00	18.46
2050	0.00	0.00	0.00	395,251.50	395,251.50	7,359,225.00	18.62
2051	0.00	0.00	0.00	396,459.50	396,459.50	7,359,225.00	18.56
2052	0.00	0.00	0.00	397,121.50	397,121.50	7,359,225.00	18.53
2053	0.00	0.00	0.00	397,071.50	397,071.50	7,359,225.00	18.53
2054	0.00	0.00	0.00	396,340.00	396,340.00	7,359,225.00	18.57

(a) Estimated. Assumes that the Series 2025 Bonds are issued at rates ranging from 3.09% per year to 6.00% per year. See **Debt Table A**.
(b) Based on the County's projected Pledged County Sales Tax Receipts in Fiscal Year 2024 ($7,359,225). See the discussion of anticipated State legislation under **County Sales Taxes - Historical and Projected Collections of Sales Taxes.**

For additional information concerning the security for the County's sales tax supported debt, see **Security and Sources of Payment** and **The Trust Agreement**.

General Obligation Debt

The following describes the security for general obligation debt, applicable debt and ad valorem property tax limitations, and outstanding and projected bond and note indebtedness and certain other long-term financial obligations of the County.

Security for General Obligation Debt; Bonds and BANs

The following describes the security for County general obligation debt: bonds and bond anticipation notes (BANs).

Voted Bonds. The basic security for voted County general obligation bonds is the authorization by the electors for the County to levy, and its levy pursuant to constitutional and statutory requirements of, ad valorem taxes, without limitation as to rate or amount, on all real and tangible personal property subject to ad valorem taxation by the County. These taxes are outside of the ten-mill limitation and are to be sufficient in amount to pay (to the extent not paid from other sources) as they come due the debt charges on the voted bonds (subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities).

The County has no voted general obligation bonds or notes outstanding.

Unvoted Bonds. The basic security for unvoted County general obligation bonds is the County's ability to levy, and its levy pursuant to constitutional and statutory requirements of, ad valorem taxes on all real and tangible personal property subject to ad valorem taxation by the County, within the ten-mill limitation described below. These taxes are to be sufficient in amount to pay (to the extent not paid from other sources) as they come due the debt charges on unvoted general obligation bonds. The law provides that the levy necessary for debt charges has priority over any levy for other purposes within that tax limitation; that priority may be subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities. See the discussion under **Indirect Debt and Unvoted Property Tax Limitations** of the ten-mill limitation, and the priority of claim on it for debt charges on unvoted general obligation debt of the County and all overlapping taxing subdivisions.

The County has $15,600,000 of outstanding unvoted general obligation bonds (including the Series 2024 Bonds, which priced on December 3, 2024, and are anticipated to be issued on December 17, 2024.) See **Debt Table E**.

BANs. BANs may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the BANs, or available funds of the City, or a combination of these sources. Ohio law requires, while BANs are outstanding, the levy of an ad valorem property tax in an amount not less than what would have been levied if bonds had been issued without the prior issuance of the BANs. That levy need not actually be collected if payment in fact is to be provided from other sources, such as the proceeds of the bonds anticipated or of renewal BANs. BANs, including renewal BANs, may be issued and outstanding from time to time up to a maximum period of 240 months (20 years) from the date of issuance of the original notes. Any period in excess of five years must be deducted from the permitted maximum maturity of the Bonds anticipated, and portions of the principal amount of BANs outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, those principal maturities that would have been required if the Bonds had been issued at the expiration of the initial five-year period.

The County has no outstanding general obligation BANs.

Statutory Direct Debt Limitations

The Revised Code provides two debt limitations on general obligation debt that are directly based on assessed valuation, applicable to all Ohio counties, including the County.

- The net principal amount of unvoted general obligation debt of the County, excluding "exempt debt" (discussed below), may not exceed 1% of the total assessed valuation of all property in the County as listed and assessed for taxation. The County's unvoted general obligation debt for its share of the costs of State highway improvements may not exceed 0.5% of that valuation.

- The principal amount of both voted and unvoted general obligation debt of the County, excluding exempt debt, may not exceed a sum equal to 3% of the first $100,000,000 of tax valuation plus 1½% of the next $200,000,000 of tax valuation plus 2½% of the tax valuation in excess of $300,000,000.

These two limitations, which are referred to as the "direct debt limitations," may be amended from time to time by the General Assembly.

The County's ability to incur unvoted debt (whether or not exempt from the direct debt limitations) is also restricted by the indirect debt limitation discussed under **Indirect Debt and Unvoted Property Tax Limitations**.

Certain debt that the County may issue is exempt from the direct debt limitations ("exempt debt"). Exempt debt includes, among others, the following categories:

- Sales tax supported bonds or bond anticipation notes issued for permanent improvements, including the Series 2025 Bonds;

- Revenue debt issued for water systems or facilities, sanitary sewerage systems or facilities, surface and storm water drainage and sewerage systems or facilities, county or joint county scrap tire collection, storage, monocell, monofill, or recovery facilities, off-street parking lots, facilities, or buildings, or on-street parking facilities, Facilities for the care or treatment of the sick or infirm, and for housing the persons providing that care or treatment and their families, recreational, sports, convention, auditorium, museum, trade show, and other public attraction facilities, facilities for natural resources exploration, development, recovery, use, and sale, correctional and detention facilities and related rehabilitation facilities, hospital facilities, an arena, a convention center, or county or joint county solid waste or hazardous waste collection, transfer, or disposal facilities, or resource recovery and solid or hazardous waste recycling facilities;

- General obligation debt:

  - For county, multicounty or multicounty-municipal jail, workhouse, juvenile detention or correctional facilities, or county or joint county solid or hazardous waste collection, transfer or disposal facilities, or resource recovery or recycling facilities, or sport facilities, or educational service center facilities.

  - That is "self-supporting" debt (i.e., nontax revenues from the facility or category of facilities are sufficient to pay operating and maintenance expenses and related debt charges and other requirements) issued for facilities for county utility systems or facilities, airports, railroads, mass transit systems, parking, health care, solid waste, urban development, recreation, sports, convention, museum and other public attractions, natural resource exploration, development, recovery, use or sale, correctional and other related rehabilitation.

  - To the extent debt charges are expected to be paid from tax increment financing payments in lieu of taxes pledged to the payment of those debt charges (subject to certain limitations). ***[Section 133.04(B)(8)]***

  - For buildings to house county or municipal agencies, departments, boards and commissions, to the extent that revenues (other than revenues from unvoted county property taxes) derived from leases between the county and such agencies, departments, boards, commissions or municipal corporations are sufficient to cover all operating expenses paid by the county and debt charges.

  - For highway improvements if the county has covenanted to pay debt charges and financing costs from distributions of motor vehicle license and fuel taxes.

  - Issued in anticipation of the levy or collection of special assessments.

  - Issued for certain permanent improvements if the county has covenanted to pay debt charges from certain dedicated sales tax revenues.

  - To pay final judgments or court-approved settlements, or to fund joint self-insurance pools.

- Securities issued to improve water or sanitary or storm water sewerage facilities to the extent that another subdivision has agreed to pay to the County amounts equal to debt charges on those securities.

- For water or sanitary or storm water sewerage facilities to the extent that another subdivision has agreed to pay to the county amounts equal to debt charges.

- Notes issued for certain energy conservation improvements or certain emergency purposes, or to acquire voting machines and vote tabulation equipment.

- Debt issued in anticipation of the receipt of federal or State grants for permanent improvements, or to evidence loans from the State capital improvements fund or State infrastructure bank.

- Delinquent tax bonds.

- Notes issued in anticipation of the collection of current revenues or in anticipation of the proceeds of a specific tax levy.

- Debt issued for a port authority or certain educational and cultural facilities and sports facilities.

BANs issued in anticipation of exempt general obligation bonds also are exempt debt.

The County may incur debt for operating purposes, such as current tax revenue anticipation notes or tax anticipation notes, only under certain limited statutory authority.

In the calculation of debt subject to the direct debt limitations, the amount in a county's bond retirement fund allocable to the principal amount of nonexempt debt is deducted from gross nonexempt debt. Without consideration of amounts in the Bond Retirement Fund, and based on outstanding debt (including the Series 2024 Bonds anticipated to be issued on December 17, 2024); Seand the current assessed valuation, the County's voted and unvoted nonexempt debt capacities are:

Limitation		Nonexempt Debt Outstanding	Additional Debt Capacity within Limitation
3%, 1½%, 2½%	= $41,888,760	$15,600,000	$26,288,760
1%	= $17,355,504	$15,600,000	$1,755,504

This is further detailed in **Debt Table B**.

Indirect Debt and Unvoted Property Tax Limitations

Voted general obligation debt may be issued by the County if authorized by vote of the electors. Ad valorem taxes, without limitation as to amount or rate, to pay debt charges on voted bonds are authorized by the electors at the same time they authorize the issuance of the bonds. Voted obligations may also be issued by certain subdivisions in the County.

General obligation debt also may be issued by the County without a vote of the electors. This unvoted debt may not be issued unless the ad valorem property tax for the payment of debt charges on those bonds (or the bonds in anticipation of which BANs are issued) and all outstanding unvoted general obligation bonds (including bonds in anticipation of which BANs are issued) of the combination of overlapping taxing subdivisions including the County resulting in the highest tax required for such debt charges, in any year is 10 mills or less per $1.00 of assessed valuation. This indirect debt limitation, the product of what is commonly referred to as the "ten-mill limitation," is imposed by a combination of provisions of the Ohio Constitution and the Revised Code.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. This 10 mills is allocated pursuant to a statutory formula among certain overlapping taxing subdivisions in the County, including the County. For collection year 2024, the entire 10 mills was being levied by the combination of the County and certain taxing subdivisions it overlaps. For collection year 2024, the allocation of the 10 mills (sometimes referred to as the "inside millage") in the City, the most populous municipality in the County, was as follows: 2.60 mills for the County, 3.20 mills for the City and 4.20 mills for the Fremont City School District; that allocation has remained constant for at least the last five years.

Present Ohio law requires the inside millage allocated to a taxing subdivision to be used first for the payment of debt charges on its unvoted general obligation debt, unless provision has been made for that payment from other sources, with the balance usable for other purposes. To the extent this inside millage is required for debt charges of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision for general fund purposes is reduced. Because the inside millage that may actually be required to pay debt charges on a subdivision's unvoted general obligation debt may exceed the formula allocation of that millage to the subdivision, the excess reduces the amount of inside millage available to overlapping subdivisions. A law applicable to all Ohio cities and villages, however, requires that any lawfully available receipts from a municipal income tax or from voted property tax levies be allocated to pay debt charges on the municipality's unvoted debt before the formula allocations of the inside millage to overlapping subdivisions can be invaded for that purpose.

In the case of BANs issued in anticipation of unvoted general obligation bonds, the highest annual debt charges estimated for the anticipated bonds is used to calculate the millage required.

Sales tax supported bonds (such as the Bonds), revenue bonds and notes and mortgage revenue bonds are not included in debt subject to the indirect limitation since they are not general obligations of the County, and the full faith and credit and property taxing power of the County is not pledged for their payment.

The indirect debt limitation applies to all unvoted general obligation debt even if debt charges on some of it is expected to be paid in fact from special assessments, utility earnings or other sources.

In calculating whether unvoted debt proposed to be issued by the County is within the ten-mill limitation, it is necessary to determine which combination of overlapping political subdivisions (including the County) has the highest outstanding debt service requirements within the ten-mill limitation. There are in the County nine municipalities, twelve townships and eight school districts. Thus, to determine the highest overlapping debt service requirements for unvoted debt, it is necessary to examine the requirements for combinations of those subdivisions that overlap, including municipal corporations, townships and school districts.

The estimated highest debt service requirement in any year for all then outstanding County debt subject to the ten-mill limitation was $1,076,587 for Fiscal Year 2028. Based on the County's then current tax (assessed) valuation, the payment of that annual debt service would have required a levy of 0.6203 of a mill. That debt service requirement could have been met from the amounts produced by the millage currently levied for all purposes by the County within the ten-mill limitation.

The total millage theoretically required by the County and the Lakota Local School District the highest overlapping taxing subdivisions that have issued unvoted debt) for debt charges on their outstanding unvoted general obligation debt is estimated to be 2.7232 mills for the year of the highest potential debt charges. There thus remains 7.2768 mills within the ten-mill limitation that has yet to be allocated to debt charges and that is available to the County and overlapping subdivisions in connection with the issuance of additional unvoted general obligation debt.

The ten-mill limitation is such that a relatively small issue by a taxing subdivision with a small tax duplicate can encumber a significant amount of millage, thereby dramatically reducing the amount of unvoted general obligation debt that the County, as an overlapping subdivision, could issue.

General Obligation Debt Outstanding

The Debt Tables B, C, D and E attached provide information concerning the County's outstanding general obligation bonds and notes, County and overlapping subdivisions general obligation debt allocations and projected debt charges on the County's outstanding general obligation debt. See **Debt Tables**.

The following table shows the principal amount of County general obligation debt (bonds and notes) outstanding as of December 31 in the years shown.

Year	Total, all Unvoted
2019	$7,660,000
2020	7,350,000
2021	7,015,000
2022	6,675,000
2023	6,330,000

General Obligation Bond Retirement Funds

The Bond Retirement Fund is the fund from which the County pays debt charges on its general obligation debt and into which money required to be applied to those payments is deposited. The following table is an unaudited summary of Bond Retirement Fund receipts and disbursements for prior Fiscal Years and projected for the current Fiscal Year.

Year	Receipts	Disbursements	December 31 Balance
2019	$285,958	$145,551	$219,471
2020	510,664	708,623	21,512
2021	650,086	617,733	53,865
2022	543,310	523,788	73,387
2023	548,020	515,266	106,141
2024(a)	552,800	505,400	153,541

(a) Projected.

Future Financings

The Board plans to issue approximately $18 million of Sales Tax Supported Bonds within the next 12 months to complete the County Building Improvement Project. At this time, the Board has no plans to undertake or participate in any new major capital improvement projects for which it plans to borrow additional money or enter into long-term financial undertakings, or to issue any current revenue or tax anticipation notes. The County does not plan to issue additional general obligation bonds or BANs during the next 12 months, except the Series 2024 Bonds, in the principal amount of $9,620,000, which priced on December 3, 2024 and are anticipated to be issued on December 17, 2024.

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Long-Term Financial Obligations Other Than Bonds and Notes

OWDA and OPWC Loans

The County has entered into loan agreements with the Ohio Water Development Authority (OWDA) (through the Ohio Water Pollution Control Loan Fund) and the Ohio Public Works Commission (OPWC) for its sewer system. Those loan agreements are summarized in the following table.

Type of Agreement	Project Purpose	Outstanding Amount as of December 31, 2023	Aggregate Annual Principal and Interest Payment	Final Payment Year
OWDA	50110 S.R 6 Sanitary Sewer Construction	$159,565.70	$24,548.60	2030
OPWC	50120 Grandview Lift Station	298,237.68	39,773.28	2032
OWDA	50130 Ireland Improvement	161,050.55	17,876.00	2034
OPWC	50140 Ireland Lift Station	116,166.53	5,666.66	2044
OPWC	50150 Hayes Phase I	780,262.22	82,132.76	2035
OPWC	50160 Hayes/Phase II & Timpe OWDA	1,122,671.85	109,125.40	2036
OPWC	50170 Timpe Improvement OPWC	165,000.00	13,750.00	2036
OPWC	Supersturctures & Precast Box	79,588.22	3,789.92	2044
OWDA	50180 GSD Rehab Project	759,480.25	44,044.16	2048
OPWC	50190 GSD Rehab Project	90,000.00	4,500.00	2044
OWDA	50210 White Star Project	942,150.74	74,050.86	2039
OWDA	50230 Wightman's Grove	1,695,093.80	29,738.48	1953
OPWC	10000 CR 198 Improvements	165,601.04	22,080.14	2024

The payments under all of those loan agreements are made from revenues of the County sewer system after payment of operation and maintenance expenses of the system. The loan agreements grant no security or property interest to the OWDA or the OPWC in any property of the County, and do not pledge the general credit of the County, or create a debt subject to the direct or indirect debt limitations, or require the application of the general resources of the County for repayment.

Other Obligations

County employees are also entitled to certain payments in respect of unused compensated absences (for vacation and sick leave) upon retirement. For information concerning the County's long-term obligation for compensated absences as of December 31, 2023, see the Notes to the Fiscal Year 2023 Financial Statements.

The County has no other long-term obligations, other than the bonds and obligations described above and in the Debt Tables and the required annual payments to the statewide employee pension funds and net pension and other post-employment benefit (OPEB) liabilities described under **Retirement Expenses**.

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CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of those statements have been or will be realized. Information in this Official Statement has been derived by the County from official and other sources and is believed by the County to be accurate and reliable. Information other than that obtained from official records of the County has not been independently confirmed or verified by the County and its accuracy is not guaranteed.

Neither this Official Statement nor any statement that may have been or that may be made orally or in writing is to be construed as or as part of a contract with the original purchasers or subsequent holders or Beneficial Owners of the Bonds.

This Official Statement has been prepared and delivered by the County and signed for and on behalf of the County by its officials identified below.

COUNTY OF SANDUSKY, OHIO

By: Scott Miller
County Commissioner

Charles F. Schwochow
County Commissioner

Russ Zimmerman
County Commissioner

Jerri A. Miller
County Auditor

Theresa A. Garcia
County Administrator

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DEBT TABLE A

Projected Debt Charges Requirements on Outstanding Series 2012 Bonds, Series 2016 Bonds and Series 2025 Bonds

	Debt Charges on				
Year	**Series 2012B Bonds**	**Series 2012C Bonds**	**Series 2016 Bonds**	**Series 2025 Bonds(a)**	**Total**
2025	$44,225.00	$140,600.00	$338,125.00	$501,273.35	$1,024,223.35
2026	47,925.00	140,600.00	337,925.00	265,896.50	792,346.50
2027	46,462.50	140,400.00	342,625.00	265,596.50	795,084.00
2028	0.00	0.00	342,125.00	395,296.50	737,421.50
2029	0.00	0.00	346,525.00	397,196.50	743,721.50
2030	0.00	0.00	350,000.00	398,496.50	748,496.50
2031	0.00	0.00	353,250.00	398,707.00	751,957.00
2032	0.00	0.00	355,500.00	393,667.00	749,167.00
2033	0.00	0.00	352,500.00	398,531.00	751,031.00
2034	0.00	0.00	353,562.50	397,921.00	751,483.50
2035	0.00	0.00	349,350.00	396,971.00	746,321.00
2036	0.00	0.00	0.00	395,671.00	395,671.00
2037	0.00	0.00	0.00	394,140.50	394,140.50
2038	0.00	0.00	0.00	397,319.50	397,319.50
2039	0.00	0.00	0.00	395,059.50	395,059.50
2040	0.00	0.00	0.00	397,495.00	397,495.00
2041	0.00	0.00	0.00	394,389.50	394,389.50
2042	0.00	0.00	0.00	395,545.50	395,545.50
2043	0.00	0.00	0.00	396,161.50	396,161.50
2044	0.00	0.00	0.00	396,321.50	396,321.50
2045	0.00	0.00	0.00	396,021.50	396,021.50
2046	0.00	0.00	0.00	395,023.50	395,023.50
2047	0.00	0.00	0.00	398,521.50	398,521.50
2048	0.00	0.00	0.00	396,266.50	396,266.50
2049	0.00	0.00	0.00	398,581.50	398,581.50
2050	0.00	0.00	0.00	395,251.50	395,251.50
2051	0.00	0.00	0.00	396,459.50	396,459.50
2052	0.00	0.00	0.00	397,121.50	397,121.50
2053	0.00	0.00	0.00	397,071.50	397,071.50
2054	0.00	0.00	0.00	396,340.00	396,340.00

(a) Preliminary, subject to change. Assumes that the Series 2025 Bonds are issued at rates ranging from 3.27% per year to 4.96% per year.

DEBT TABLE B

Principal Amounts of Outstanding General Obligation (GO) Debt; Leeway for Additional Debt within Direct Debt Limitations(a)

A.	Total debt:			$	15,600,000
B.	Exempt debt:				
	Category	Outstanding Principal Amount			
	Special Assessment:	$	0		
	Total exempt debt:		0	$	0
C.	Total nonexempt debt **[**A minus B**]**:			$	15,600,000
D.	1% of tax (assessed) valuation (unvoted nonexempt debt limitation):			$	17,355,504
E.	Total nonexempt limited tax bonds and notes outstanding:				
	Bonds	$	15,600,000		
	Notes		0	$	15,600,000
F.	Debt leeway within 1% unvoted debt limitation (but subject to indirect debt limitation **[**D minus E**]**:			$	1,755,504(b)
G.	3% of first $100,000,000 of tax (assessed) valuation, plus 1½% of next $200,000,000, and 2½% of amount in excess of $300,000,000 (voted and unvoted nonexempt debt limitation):			$	41,888,760
H.	Total nonexempt bonds and notes outstanding:				
	Bonds	$	15,600,000		
	Notes		0	$	15,600,000
I.	Debt leeway within debt limitation **[**G minus H**]**:			$	26,288,760(b)

(a) Assumes issuance of the Series 2024 Bonds. See **Future Financings and Debt Table E**.

(b) Debt leeway in this table determined without considering money in the Bond Retirement Fund.

DEBT TABLE C

Various County and Overlapping GO Debt Allocations (Principal Amounts)(a)

Subdivision	Amount(b)	Percentage Allocable to County(c)	Portion of Debt Borne by Properties within the County
County GO Bond (exempt and nonexempt)	$15,600,000	100.00%	$15,600,000
All cities wholly within the County	545,000	100.00	545,000
All school districts (S.D.) wholly within the County	65,950,000	100.00	65,950,000
Bellevue City S.D.	17,959,991	38.67	6,945,129
Clyde-Green Springs Exempted Village S.D.	1,065,000	84.49	899,819
Lakota Local S.D	9,895,000	34.46	3,409,817
Margaretta Local S.D.	405,000	37.98	153,819
Woodmore Local S.D.	13,700,000	62.20	8,521,400
EHOVE Career Center	120,000	6.46	7,752

(a) Current GO debt of the County, and GO debt as of December 17, 2024, and November 15, 2024, for all other political subdivisions; Assumes issuance of County's Series 2024 Bonds (See **Debt Table E**).
(b) Determined by dividing the amount of the tax valuation of the territory of the subdivision that is within the County by the total tax valuation of that subdivision.

Subdivision	Amount(a)	Per Capita(b)	% of County's Current Assessed Valuation(c)
Total County GO Debt (exempt and nonexempt)	$ 15,600,000	$ 264.92	0.90%
Other subdivisions wholly within the County	86,432,735	1,467.82	4.98
Total Debt Borne By Properties within County	102,032,735	1,732.74	5.88

(a) Assumes issuance of County's Series 2024 Bonds (See **Debt Table E**).
(b) Based on 2022 (estimated for County) population of 58,885.
(c) The County's current assessed valuation is $1,735,550,410.

Source of tax valuation and confirmation of GO debt figures for overlapping subdivisions: OMAC.

DEBT TABLE D

Projected Debt Charges Requirements on County GO Debt(a)

Year	Total, all Limited
2025	$ 879,756.39
2026	891,687.50
2027	889,187.50
2028	1,076,587.50
2029	1,073,987.50
2030	1,070,087.50
2031	1,073,687.50
2032	1,069,737.50
2033	1,070,262.50
2034	1,065,137.50
2035	1,064,487.50
2036	1,063,187.50
2037	1,061,237.50
2038	1,054,077.50
2039	1,056,175.00
2040	587,200.00
2041	589,200.00
2042	590,600.00
2043	591,400.00
2044	586,600.00
2045	591,400.00
2046	590,400.00
2047	588,800.00
2048	591,600.00
2049	588,600.00
2050	590,000.00
2051	590,600.00
2052	590,400.00
2053	589,400.00
2054	587,600.00

(a) Assumes issuance of County's Series 2024 Bonds (See **Debt Table E**).

DEBT TABLE E
Outstanding GO Bonds

The following debt is reflected in **Debt Tables B**, **C** and **D**.

Bonds

Issue	Date of Issuance	Final Maturity	Original Principal Amount	Outstanding Principal Amount
County Building and Facilities Improvement Bonds, Series 2019	September 30, 2019	2039	$7,660,000	$5,980,000
County Building Improvement Bonds, Series 2024(a) (the "Series 2024 Bonds")	December 17, 2024	2054	9,620,000	9,620,000

(a) Assumes issuance of the Series 2024 Bonds which are anticipated to be issued on December 17, 2024. See **Future Financings**.

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APPENDIX A

Comparative Cash-Basis Summary of General Operating Fund Receipts, Expenditures and Balances for Fiscal Years 2019 through 2023 and Projected Fiscal Year2024

GENERAL FUND

	2019	2020	2021	2022	2023	Projected 2024
BEGINNING BALANCE	$ 2,109,432.49	$ 2,228,291.83	$ 3,397,795.76	$ 1,927,631.55	$ 6,916,460.19	$ 7,231,046.96
RECEIPTS						
Property Taxes	$ 3,424,415.70	$ 3,626,965.48	$ 3,588,983.19	$ 4,173,601.77	$ 4,291,891.47	$ 4,147,337.00
Sales and Use Taxes	8,558,814.69	9,196,101.90	9,159,763.07	4,657,480.00	5,144,178.99	5,174,660.00
Fines & Forfeitures	468,121.10	348,481.61	457,213.40	373,301.04	335,966.85	394,165.00
Licenses and Permits	2,875.00	3,580.00	3,725.00	3,035.00	3,160.00	3,835.00
Investment Income	671,746.17	452,005.02	330,751.38	888,580.65	1,480,176.11	2,337,640.00
Local Government	895,016.82	893,491.84	1,009,460.03	1,085,595.79	1,111,612.55	1,067,270.00
Casino Tax	720,855.09	558,279.13	791,350.30	841,287.57	844,017.19	840,218.00
Charges for Services	1,866,117.64	2,403,085.70	2,251,424.15	2,428,126.25	2,378,590.63	2,248,639.00
Refunds, Reimbursements	2,346,997.67(a)	1,851,769.24	1,901,563.11	9,017,756.03	5,442,567.63	1,814,630.00
Miscellaneous	759,722.70	429,631.69	192,206.80	6,469,372.16(b)	6,134,539.55	5,774,216.00
TOTAL RECEIPTS	$19,714,682.58	$19,763,391.61	$19,686,440.43	$29,938,136.26	$27,166,700.97	$23,802,610.00
EXPENDITURES						
Legislative & Executive	$ 2,131,439.30	$ 2,285,875.37	$2,454,572.36	$ 5,150,351.99	$ 5,921,472.72	$ 6,996,400.00
Judicial	3,946,227.58	3,808,658.93	4,040,914.54	4,287,756.31	4,557,668.62	4,840,500.00
Public Safety	6,918,566.15	5,796,188.72	7,713,050.21	8,107,719.51	8,595,890.88	9,079,919.00
Human Services	1,568,323.00	1,649,119.98	1,544,568.60	1,459,667.27	1,549,046.68	1,823,000.00
Public Works	1,874,959.83	1,808,856.08	2,036,331.69	2,313,698.63	2,282,331.30	2,723,000.00
Taxes & Insurances	285,976.45	299,617.96	285,075.51	351,568.48	566,654.63	390,200.00
Misc. Expenditures	2,870,330.93	2,945,570.64	3,082,091.73	3,278,545.43	3,379,049.37	3,794,920.00
TOTAL EXPENDITURES	$19,595,823.24	$18,593,887.68	$21,156,604.64	$24,949,307.62	$26,852,114.20	$29,647,939.00
ENDING BALANCE	$ 2,228,291.83	$ 3,397,795.76	$ 1,927,631.55	$ 6,916,460.19	$ 7,231,046.96	$ 1,385,717.96

BUDGET RESERVE FUND

	2019	2020	2021	2022	2023	Projected 2024
Transfers In	$ 0.00	$ 0.00	$ 500,000.00	$ 0.00	$ 0.00	$ 100,000.00
Transfers Out	200,000.00	0.00	0.00	0.00	0.00	0.00
RESERVE BALANCE	1,284,104.72	1,284,104.72	1,784,104.72	1,784,104.72	1,784,104.72	1,884,104.72
TOTAL GENERAL OPERATING FUNDS ENDING BALANCE	$ 3,512,396.55	$ 4,681,900.48	$ 3,711,736.27	$ 8,700,564.91	$ 9,015,151.68	$3,269,822.68

(a) Increase reflects $270,000 from the City of Fremont for combined emergency dispatch (expected to provide $225,000 annually in subsequent years), a one-time refund of $157,185 from the Ohio Bureau of Workers Compensation and one-time reimbursements of $219,405 for bed taxes paid during the sale of the County's nursing home and $21,250 for start-up costs for the County Land Bank.

(b) A portion ($6,474,219.44) is ARP money.

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APPENDIX B-1

All-Funds Summary 2022
(Cash Basis)(a)

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
1000	General Fund	$1,927,631.55	$29,938,136.26	$24,949,307.62	$6,916,460.19
1001	Accum. Sick Leave General	1,651.79	25,651.60	27,163.76	139.63
1003	Sales Tax General 1979	560,428.95	7,022,497.30	7,417,998.42	164,927.83
1009	Budget Reserve	1,784,104.72	0.00	0.00	1,784,104.72
1011	Unclaimed Monies	494,334.27	79,516.00	24,633.41	549,216.86
2000	Real Estate Assessment	1,204,561.92	931,480.66	709,185.02	1,426,857.56
20016	American Rescue Plan	5,274,289.80	5,683,217.50	6,875,961.86	4,081,545.44
20017	Opioid Litigation Fund	0.00	26,699.35	0.00	26,699.35
2005	Title Administration	777,086.62	523,364.87	447,527.53	852,923.96
2006	Clerk of Court Computerization	214,548.10	47,662.87	81,722.85	180,488.12
2007	BOE Cyber Security Fund	1,442.42	202,521.90	199,289.96	4,674.36
2010	Comm Pleas Special Project	113,128.84	66,310.03	15,455.38	163,983.49
2011	Indigent Driver Alcohol	227,230.78	15,504.10	40,000.00	202,734.88
2012	Indigent Driver Interlock	23,137.03	48,701.43	19,352.00	52,486.46
2013	IDATF Surplus Fund	12,555.41	0.00	0.00	12,555.41
2014	County Court Spec. Docket Fund	103,847.27	141,785.00	60,445.67	185,186.60
2017	Prosecutor Tax Foreclosure Rotary	3,618.32	479.61	0.00	4,097.93
2020	Domestic Violence	5,079.50	11,046.50	10,222.00	5,904.00
2021	Annexations / Road Vacations	4,626.02	200.00	0.00	4,826.02
2022	Senior Citizens Levy	0.00	1,515,915.00	854,915.90	660,999.10
2023	Housing Program Income	201,045.35	16,603.00	3,307.00	214,341.35
2024	CDBG & CHIP	20,231.30	538,058.00	552,339.00	5,950.30
2025	CDBG Formula	781.25	78,850.00	79,631.25	0.00
2031	Revolving Business Loan	115,787.33	845.48	0.00	116,632.81
2032	Housing Program Income CDBG Fund	9,419.07	0.00	738.00	8,681.07
2033	Co. Hotel/Motel tax	21,135.71	353,045.98	354,845.72	19,335.97
2034	Sandusky Group Medical Benefit	257,290.84	4,262,074.07	4,223,084.02	296,280.89
2035	Worker Comp. Retro Premium	161,136.24	176,330.03	328,453.00	9,013.27
20355	Building Code Office	17,753.99	162,671.31	153,562.21	26,863.09
2042	Indigent Guardianship	76,982.81	9,107.76	38,012.00	48,078.57
2049	Specialized Docket Payroll Subsidy	40,847.86	0.00	0.00	40,847.86
2050	Comm Pleas Special Proj Mediation	380,175.94	111,437.30	17,250.00	474,363.24
2052	Pilot Probation	8,346.14	168,936.00	122,934.18	54,347.96
2053	Comm Pleas Comp Legal Research	8,841.21	3,984.36	1,600.00	11,225.57
2054	County Probation Service	290,545.34	65,036.20	29,006.22	326,575.32
2055	CPC IV-D	19,828.78	18,903.78	3,000.00	35,732.56
2059	Smart Ohio Grant	687.87	0.00	0.00	687.87
2060	MV & GT	3,477,936.74	6,469,111.40	6,548,867.56	3,398,180.58
2066	JRIT Grant	14,580.66	67,968.00	64,994.28	17,554.38
2067	JJC Behavioral Health Services	163,877.51	109,116.00	87,310.93	185,682.58
2068	Adult Probation – T-CAP Fund	119,096.81	242,929.00	232,601.34	129,424.47

(a) Receipts include transfers in and expenditures include transfers out and advances out.

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
2069	Probate Special Projects	215,440.72	21,386.30	0.00	236,827.02
2070	Juvenile Special Projects	107,203.79	2,832.50	21,296.71	88,739.58
2071	Juvenile Probation Services	43,967.30	1,138.00	0.00	45,105.30
2072	Probate/Juv. Comp Legal Research	82,375.28	5,782.28	0.00	88,157.56
20725	Juvenile Mediation Fund	0.00	5,679.00	0.00	5,679.00
2073	Probate/Juvenile Computer	234,679.39	29,171.69	6,780.00	257,071.08
2075	Juvenile Driver Alcohol	9,977.14	241.20	0.00	10,218.34
2076	Felony Delq. Care/Cust	232,400.03	212,034.38	59,030.73	385,403.68
2086	Juvenile Court F.R.O.	188,208.75	745.83	1,070.44	187,884.14
2087	Juvenile Court IV-D	115,062.94	25,254.34	31,952.96	108,364.32
2089	Juvenile Court Technology Grant	3,305.22	13,522.50	16,827.72	0.00
2090	County Court Facilities	241,316.16	65,477.08	61,543.36	245,249.88
2091	County Court Computer	350,392.10	81,430.84	85,880.68	345,942.26
2092	County Court Comp Legal Research	143,918.88	24,266.50	9,284.78	158,900.60
2093	County Court Special Projects	62,710.22	106,569.01	100,665.52	68,613.71
2094	County Court Probation Services	121,458.46	7,361.45	5,447.97	123,371.94
2096	MHRSB-Non-Behav. Health Grant	5,000.00	0.00	250.00	4,750.00
2100	Drug Law Enforcement Pros. Atty	609.84	1,804.00	0.00	2,413.84
2101	Law Enforcement Forfeitures-Pros	44.89	0.00	0.00	44.89
2102	Drug Task Force	520,491.67	834,802.49	638,710.76	716,583.40
2103	VOCA Grant	3,470.14	27,919.00	29,397.59	1,991.55
2104	Pros. Atty DRETAC	29,442.23	72,136.78	54,140.75	47,438.26
2105	County Court Victim Assistance	13,687.10	3,567.50	0.00	17,254.60
2106	Pros Atty Victim Assistance	2,895.21	11,170.00	235.28	13,829.93
2107	Jag Trust Fund Grant	6,849.44	0.00	0.00	6,849.44
2108	LEF Fund/Pros	2,213.42	0.00	0.00	2,213.42
2110	Recorder’s Technology Fund	86,622.36	55,188.00	90,220.37	51,589.99
2120	Sheriff/Mandatory Drug Law Enfor	15,536.79	5,666.00	0.00	21,202.79
2121	Concealed Handgun License	59,126.84	46,713.00	66,034.07	39,805.77
2122	Law Enforcement Forfeitures/Sher	5,652.27	55.85	1,096.79	4,611.33
2123	DUI Enforcement & Education	5,794.68	1,231.00	0.00	7,025.68
2124	NBI Grant Sheriff	13,381.82	12,749.93	16,536.13	9,595.62
2126	Sheriff Donation	9,418.39	3,524.77	2,192.03	10,751.13
2127	Jail Commissary Rotary Fund	69,230.78	145,955.76	137,970.79	77,215.75
2128	Federal Equitable Sharing	68.50	0.00	0.00	68.50
2129	Sheriff - Professional Training	14,772.73	12,757.32	0.00	27,530.05
2130	Sheriff - Prevention Partnership	6,758.57	0.00	4,945.05	1,813.52
2131	MPA Grant	729.50	54,249.55	54,979.05	0.00
2132	Sheriff K9 Unit	9,345.29	0.00	2,175.63	7,169.66
2133	Selective Traffic Enforcement Prog	6,372.31	18,970.01	21,094.62	4,247.70
2134	Impaired Driving Enforcement Prog	7,177.25	17,649.06	18,333.09	6,493.22
2135	Sher Special Detail Assignment	14,152.56	76,822.50	75,810.41	15,164.65
2136	School Resource Officer Fund	43,020.42	185,615.07	194,873.37	33,762.12
2137	Drugged Driving Enforcement Prog	2,785.03	0.00	0.00	2,785.03
2138	IGNITE Program	0.00	90,000.00	0.00	90,000.00
2140	Treas. DRETAC	56,056.88	216,633.27	202,694.22	69,995.93
2141	Tax Certificate Admin Fund	50,053.82	0.00	2,248.00	47,805.82

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
2150	Emergency Management Fund	12,320.64	229,113.86	206,302.55	35,131.95
2153	Citizens Corp Grant	25.25	0.00	0.00	25.25
2160	Hazardous Waste Disposal	190,537.63	100,381.50	31,970.73	258,948.40
2161	Emergency Planning	9,733.20	180.63	180.63	9,733.20
2162	HMEP Grant	697.53	0.00	0.00	697.53
2163	SERC Grant	33,508.38	22,784.00	26,616.59	29,675.79
2170	Dog & Kennel	136,609.63	307,672.34	351,655.22	92,626.75
2171	D&K Permanent Improvement	56,735.08	50,000.00	6,083.76	100,651.32
2172	Dog Kennel Sick Animal Fund	34,044.17	16,540.51	10,113.17	40,471.51
2179	Veterans Donation Fund	0.00	3,175.00	3,175.00	0.00
2180	EMS	3,026,635.40	4,265,407.26	4,621,245.52	2,670,797.14
2181	EMS Sick Leave	18,974.51	0.00	0.00	18,974.51
2183	EMS Donations	8,000.00	50.00	0.00	8,050.00
2184	EMS Permanent Improvement	482,200.75	620,000.00	42,042.22	1,060,158.53
2190	Dept. of Job & Family Services	896,493.65	6,793,572.84	6,499,653.97	1,190,412.52
2191	Children Services	1,278,577.42	3,087,043.48	2,862,049.70	1,503,571.20
2192	W I A	365,495.62	687,815.36	703,607.39	349,703.59
2193	Child Support Enforcement	302,694.53	1,188,034.89	1,075,065.13	415,664.29
2194	Welfare Donations	72,951.87	33,319.00	20,221.68	86,049.19
2200	911	1,002,985.64	535,131.45	367,750.41	1,170,366.68
2201	911 Sick Leave	0.00	0.00	0.00	0.00
2210	TASC Lab Testing	41,478.43	62,010.44	45,234.34	58,254.53
2212	TASC	286,544.07	321,374.56	305,988.79	301,929.84
2220	Electronic Monitoring	50,452.53	96,110.50	62,560.18	84,002.85
2230	Work Release Earning	11,485.60	76,250.25	85,810.12	1,925.73
2236	Reentry Employment Readiness Prog	185,880.14	11,250.00	79.57	197,050.57
2239	Soil & Water Sick Leave	3,675.84	0.00	0.00	3,675.84
2240	Soil & Water	131,418.02	332,967.68	249,135.86	215,249.84
2241	Ditch Maintenance	478,225.42	480,412.73	362,371.26	596,266.89
2251	Board of DD	8,223,744.77	10,315,930.07	10,590,627.99	7,949,046.85
22511	Board of DD-Reserve Balance Fund	2,562,000.00	702,572.00	1,000,000.00	2,264,572.00
2252	Board of DD Sick Leave	5,042.49	3,000.00	2,380.21	5,662.28
2254	Residential Fund	425,193.06	3,830,657.25	3,645,897.65	609,952.66
2255	Board of DD/Family	168,114.69	35,391.00	89,597.89	113,907.80
2256	ECES Grant	539.81	5,186.18	5,244.74	481.25
2257	IDEA-B Grant	238.23	17,818.69	17,807.56	249.36
2259	School of Hope Donations	7,559.47	7,509.03	6,473.15	8,595.35
2260	Board of DD Capital Fund	1,708,415.41	541,584.59	411,070.07	1,838,929.93
2300	Law Library Board	542,160.41	187,223.72	447,872.23	281,511.90
3003	Juvenile Detention Center Bond Retirement	21,567.89	197,700.00	205,047.92	14,219.97
3004	OPWC CE44Q Debt Retirement	10.40	3,790.00	3,789.92	10.48
3005	SCRA Assets Bond Retirement	11,612.54	146,137.46	145,216.67	12,533.33
3006	Courthouse Renovation Bond Retirement	29,363.10	339,000.00	340,133.33	28,229.77
3008	Better Building Project Bond Retirement	14,459.97	509,721.26	523,787.50	393.73
3027	Toussaint Ditch Bond Retirement	682.63	3,332.79	61.88	3,953.54
3030	Alley Ditch Bond Retirement	180.84	6,924.84	0.00	7,105.68
3032	Schwochow Ditch Bond Retirement	38,541.42	0.00	0.00	38,541.42

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
3033	Michaels Ditch Bond Retirement	0.00	23,393.11	0.00	23,393.11
4000	Permanent Improvement	407,339.55	316,791.75	603,148.19	120,983.11
4003	Issue 2	0.00	436,608.94	436,608.94	0.00
4008	Better Building Project	765,839.09	77,902.71	191,462.48	652,279.32
4025	Wolf Creek Ditch Construction #143	8,283.47	116,817.03	356.40	124,744.10
4026	Michaels Ditch Construction #151	10,887.42	0.00	0.00	10,887.42
4028	Henry Kiser Ditch Construction #161	9,500.00	0.00	0.00	9,500.00
4029	Sugar Creek Ditch Construction #162	24,075.67	0.00	0.00	24,075.67
4030	Winters Ditch Construction #181	196.47	0.00	0.00	196.47
5000	Sanitary Sewer	774,770.68	1,789,228.47	1,822,455.24	741,543.91
5001	Sanitary Water	61,502.94	40,879.30	46,860.95	55,521.29
5002	Sanitary Equipment	16,517.56	0.00	364.72	16,152.84
5009	State Route 53 Imp OWDA #3629	0.00	3,834.98	3,834.98	0.00
5010	Joint Sewer Imp OWDA #CE20B	0.00	9,404.80	9,404.80	0.00
5011	State Route 6 Imp OWDA #5460	0.00	24,548.60	24,548.60	0.00
5012	Grandview Imp OWDA #6265	0.00	39,773.28	39,773.28	0.00
5013	Ireland Imp OWDA #6640	0.00	17,876.00	17,876.00	0.00
5014	Ireland Imp OPWC #CE34O	0.00	5,666.66	5,666.66	0.00
5015	Hayes Phase 1 Imp OWDA #6785	0.00	82,132.76	82,132.76	0.00
5016	Hayes II & Timpe Impr OWDA #7093	0.00	109,125.40	109,125.40	0.00
5017	Timpe Improvement OPWC #CE36R	0.00	13,750.00	13,750.00	0.00
5018	General Sewer Rehab OWDA #7732	0.00	44,044.16	44,044.16	0.00
5019	General Sewer Rehab OPWC #CE34T	0.00	4,500.00	4,500.00	0.00
5021	White Star Design OWDA*	0.00	74,050.86	74,050.86	0.00
5023	Wightman’s Grove – OWDA #9151	0.00	38,824.01	38,824.01	0.00
6000	Ditch Rotary Fund	264,144.99	20,417.52	80,000.00	204,562.51
	Grand Total:	**$46,573,675.09**	**$101,097,418.91**	**$95,611,147.89**	**$52,059,946.11**

APPENDIX B-2

All-Funds Summary 2023

(Cash Basis)(a)

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
10000	General Fund	6,916,460.19	27,166,700.97	26,852,114.20	7,231,046.96
10010	Accum. Sick Leave General	139.63	7,800.00	29.00	7,910.63
10020	Sandusky Health Ins Benefit	0.00	0.00	0.00	0.00
10030	Sales Tax General 1979	164,927.83	7,214,276.24	7,366,065.27	13,138.80
10040	Land Reutilization Corporation	0.00	0.00	0.00	0.00
10090	Budget Reserve	1,784,104.72	0.00	0.00	1,784,104.72
10100	Surplus	0.00	0.00	0.00	0.00
10110	Unclaimed Monies	549,216.86	18,034.61	120.00	567,131.47
20000	Real Estate Assessment	1,426,859.56	891,055.74	775,410.84	1,542,504.46
20010	Medicaid Sales Tax Transition	0.00	0.00	0.00	0.00
20015	Coronavirus Relief Distr. Fund	0.00	0.00	0.00	0.00
20016	American Rescue Plan	4,081,545.44	0.00	4,081,545.44	0.00
20017	Opioid Litigation Fund	26,699.35	120,730.01	0.00	147,429.36
20018	Commissioner's Grant Funds	0.00	0.00	0.00	0.00
20050	Title Administration	852,923.96	523,134.61	522,750.23	853,308.34
20060	Clerk of Court Computerization	180,488.12	53,895.49	89,755.90	144,627.71
20070	BOE Cyber Security Fund	4,674.36	81,507.64	83,328.10	2,853.90
20100	Comm Pleas Special Project	163,983.49	83,534.89	63,211.21	184,307.17
20110	Indigent Driver Alcohol	202,734.88	12,382.06	40,000.00	175,116.94
20120	Indigent Driver Interlock	52,486.46	47,329.44	32,233.00	67,582.90
20130	IDATF Surplus Fund	12,555.41	0.00	0.00	12,555.41
20140	County Court Spec. Docket Fund	185,186.60	61,257.00	80,245.09	166,198.51
20170	Prosecutor Tax Forclosure Rotary	4,097.93	235.00	190.00	4,142.93
20200	Domestic Violence	5,904.00	10,753.00	10,768.00	5,889.00
20210	Annexations / Road Vacations	4,826.02	0.00	0.00	4,826.02
20220	Senior Citizens Levy	660,999.10	1,470,570.14	2,130,855.22	714.02
20230	Housing Program Income	214,341.35	13,158.00	121,113.00	106,386.35
20240	CDBG CHIP B-C-07-1CO-1	0.00	0.00	0.00	0.00
20245	CDBG & CHIP	5,950.30	976,519.00	673,890.30	308,579.00
20250	CDBG Formula B-F-09-067-1	0.00	0.00	0.00	0.00
20255	CDBG Formula	0.00	80,650.00	75,150.00	5,500.00
20310	Revolving Business Loan	116,632.81	2,901.04	170.00	119,363.85
20320	Housing Program Income CDBG Fund	8,681.07	0.00	1,562.00	7,119.07
20330	Co. Hotel/Motel tax	19,335.97	359,573.60	355,483.54	23,426.03
20340	Sandusky Group Medical Benefit	296,280.89	4,006,011.41	3,982,462.62	319,829.68
20350	Worker Comp. Retro Premiuim	9,013.27	201,368.56	175,236.00	35,145.83
20355	Building Code Office	26,863.09	204,242.66	214,303.39	16,802.36
20420	Indigent Guardianship	48,078.57	8,316.72	0.00	56,395.29
20490	Specalized Dockt Payroll Subsidy	40,847.86	687.87	0.00	41,535.73
20500	Comm Pleas Special Proj Mediatio	474,363.24	122,790.65	12,750.00	584,403.89
20510	JRPIIG Grant	0.00	0.00	0.00	0.00

(a) Receipts include transfers in and expenditures include transfers out and advances out.

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
20520	Pilot Probation-DO NOT USE	0.00	0.00	0.00	0.00
20521	Pilot Probation	54,347.96	207,579.61	200,277.10	61,650.47
20530	Comm Pleas Comp Legal Research	11,225.57	5,014.59	0.00	16,240.16
20540	County Probation Service	326,575.32	111,529.30	71,615.98	366,488.64
20550	CPC IV-D	35,732.56	25,154.22	15,510.88	45,375.90
20560	JRPITT Grant	0.00	0.00	0.00	0.00
20570	Adult Probation Drug Forfeiture	0.00	0.00	0.00	0.00
20580	JRPIIG Incentive Award	0.00	0.00	0.00	0.00
20590	Smart Ohio Grant	687.87	0.00	687.87	0.00
20600	MV & GT	3,398,180.58	6,770,222.61	6,733,342.82	3,435,060.37
20660	JRIT Grant	17,554.38	33,984.00	51,538.38	0.00
20670	JJC Behavioral Health Services	185,682.58	104,558.00	102,836.15	187,404.43
20680	Adult Probation - T-CAP Fund	129,424.47	242,998.50	239,457.76	132,965.21
20690	Probate Special Projects	236,827.02	19,399.54	0.00	256,226.56
20700	Juvenile Special Projects	88,739.58	3,100.00	0.00	91,839.58
20710	Juvenile Probation Services	45,105.30	975.00	0.00	46,080.30
20720	Probate/Juv. Comp Legal Research	88,157.56	5,453.22	0.00	93,610.78
20725	Juvenile Mediation Fund	5,679.00	12,530.25	0.00	18,209.25
20730	Probate/Juvenile Computer	257,071.08	18,262.65	0.00	275,333.73
20740	Ohio Youth Commission	0.00	0.00	0.00	0.00
20750	Juvenile Driver Alcohol	10,218.34	299.82	0.00	10,518.16
20760	Felony Delq. Care/Cust	385,403.68	317,577.12	120,328.97	582,651.83
20860	Juvenile Court F.R.O.	187,884.14	5,044.37	2,108.20	190,820.31
20870	Juvenile Court IV-D	108,364.32	38,747.36	41,171.78	105,939.90
20880	Juvenile Crt Programs Renovation	0.00	0.00	0.00	0.00
20890	Juvenile Court Technology Grant	0.00	118,015.00	0.00	118,015.00
20900	County Court Facilities	245,249.88	51,182.50	45,799.91	250,632.47
20910	County Court Computer	345,942.26	71,482.89	116,434.63	300,990.52
20920	County Court Comp Legal Research	158,900.60	20,682.90	52,884.89	126,698.61
20930	County Court Special Projects	68,613.71	99,056.16	91,050.34	76,619.53
20940	County Court Probation Services	123,371.94	36,801.27	5,810.98	154,362.23
20950	E-Ticket Project	0.00	0.00	0.00	0.00
20960	MHRSB-Non-Behav. Health Grant	4,750.00	0.00	0.00	4,750.00
20970	Co. Crt#2 - OCJS Grant Fund	0.00	0.00	0.00	0.00
21000	Drug Law Enforcement Pros. Atty	2,413.84	3,063.59	0.00	5,477.43
21010	Law Enforcement Forfeitures-Pros	44.89	0.00	0.00	44.89
21020	Drug Task Force	716,583.40	1,035,412.33	713,714.01	1,038,281.72
21030	VOCA Grant-DO NOT USE	0.00	0.00	0.00	0.00
21031	VOCA Grant	1,991.55	34,817.17	31,355.19	5,453.53
21040	Pros. Atty DRETAC	47,438.26	54,962.75	58,440.16	43,960.85
21050	County Court Victim Assistance	17,254.60	3,030.00	0.00	20,284.60
21060	Pros Atty Victim Assistance	13,829.93	0.00	701.22	13,128.71
21070	Jag Trust Fund Grant	6,849.44	12,325.85	0.00	19,175.29
21080	LEF Fund / Pros	2,213.42	9,159.24	0.00	11,372.66
21100	Recorder's Technology Fund	51,589.99	45,367.00	65,806.97	31,150.02
21200	Sheriff/Mandatory Drug Law Enfor	21,202.79	364.20	6,209.12	15,357.87

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
21210	Concealed Handgun License	39,805.77	41,491.00	42,565.05	38,731.72
21220	Law Enforcement Forfeitures/Sher	4,611.33	0.00	0.00	4,611.33
21230	DUI Enforcement & Education	7,025.68	489.50	0.00	7,515.18
21240	NBI Grant Sheriff	9,595.62	33,168.95	28,032.21	14,732.36
21250	HVEO Grant	0.00	0.00	0.00	0.00
21260	Sheriff Donation	10,751.13	15,231.58	8,280.15	17,702.56
21270	Jail Commissary Rotary Fund	77,215.75	113,399.85	115,158.12	75,457.48
21280	Federal Equitable Sharing	68.50	0.00	0.00	68.50
21290	Sheriff - Professional Training	27,530.05	0.00	12,757.32	14,772.73
21300	Sheriff - Prevention Partnership	1,813.52	2,500.00	2,825.60	1,487.92
21310	MPA Grant	0.00	33,087.75	32,439.86	647.89
21320	Sheriff K9 Unit	7,169.66	5,944.00	3,392.77	9,720.89
21330	Selective Traffic Enforcmnt Prog	4,247.70	24,842.24	22,829.79	6,260.15
21340	Impaired Driving Enforcemnt Prog	6,493.22	11,319.26	10,206.12	7,606.36
21350	Sher Special Detail Assignment	15,164.65	49,987.50	40,681.82	24,470.33
21360	School Resource Officer Fund	33,762.12	192,392.84	199,550.58	26,604.38
21370	Drugged Driving Enforcement Prog	2,785.03	0.00	0.00	2,785.03
21380	IGNITE Program	90,000.00	0.00	70,642.89	19,357.11
21400	Treas. DRETAC	69,995.93	163,244.19	172,637.55	60,602.57
21410	Tax Certificate Admin Fund	47,805.82	0.00	430.00	47,375.82
21500	Emergency Management Fund	35,131.95	195,290.56	173,489.94	56,932.57
21510	Emergency Management Sick Leave	0.00	0.00	0.00	0.00
21520	Homeland Security Grant	0.00	0.00	0.00	0.00
21530	Citizens Corp Grant	25.25	0.00	0.00	25.25
21600	Hazardous Waste Disposal	258,948.40	5,146.00	47,154.54	216,939.86
21610	Emergency Planning	9,733.20	4,175.49	0.00	13,908.69
21620	HMEP Grant	697.53	0.00	0.00	697.53
21630	SERC Grant	29,675.79	0.00	17,200.00	12,475.79
21700	Dog & Kennel	92,626.75	304,038.81	268,449.88	128,215.68
21710	D&K Permanent Improvement	100,651.32	0.00	4,254.99	96,396.33
21720	Dog Kennel Sick Animal Fund	40,471.51	13,525.24	1,190.27	52,806.48
21790	VETERANS DONATION FUND	0.00	0.00	0.00	0.00
21800	EMS	2,670,797.14	4,960,625.68	4,993,611.75	2,637,811.07
21810	EMS Sick Leave	18,974.51	9,080.78	8,166.65	19,888.64
21820	EMS Grant	0.00	0.00	0.00	0.00
21830	EMS Donations	8,050.00	0.00	0.00	8,050.00
21840	EMS Permanent Improvement	1,060,158.53	425,000.00	592,007.63	893,150.90
21900	Dept. of Job & Family Services	1,190,412.52	6,706,378.13	6,719,531.20	1,177,259.45
21910	Children Services	1,503,571.20	3,591,424.18	3,310,090.16	1,784,905.22
21920	W I A	349,703.59	640,022.92	679,889.93	309,836.58
21930	Child Support Enforcement	415,664.29	1,246,824.12	1,118,003.96	544,484.45
21940	Welfare Donations	86,049.19	25,299.91	21,347.97	90,001.13
21950	Casey Family Foundation Grant	0.00	0.00	0.00	0.00
21960	Communities Foundation Grant	0.00	0.00	0.00	0.00
21970	Healthy Buckeye Grant	0.00	0.00	0.00	0.00
22000	911	1,170,366.68	515,911.01	512,600.21	1,173,677.48
22010	911 Sick Leave	0.00	0.00	0.00	0.00
22100	TASC Lab Testing	58,254.53	50,349.16	40,923.05	67,680.64

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
22110	TASC	0.00	0.00	0.00	0.00
22120	TASC	301,929.84	248,826.88	300,561.44	250,195.28
22200	Electronic Monitoring	84,002.85	97,915.50	74,455.04	107,463.31
22300	Work Release Earning	1,925.73	72,405.50	73,621.66	709.57
22360	Reentry Emplymnt Readiness Prog	197,050.57	0.00	0.00	197,050.57
22390	Soil & Water Sick Leave	3,675.84	0.00	0.00	3,675.84
22400	Soil & Water	215,249.84	318,496.00	264,896.86	268,848.98
22410	Ditch Maintenance	596,266.89	515,151.04	648,093.02	463,324.91
22500	Medicare Risk	0.00	0.00	0.00	0.00
22510	Board of DD	7,949,046.85	10,476,241.13	10,130,702.80	8,294,585.18
22511	Board of DD-Reserve Balance Fund	2,264,572.00	0.00	0.00	2,264,572.00
22520	Board of DD Sick Leave	5,662.28	12,000.00	14,961.12	2,701.16
22525	Ohio HCBD ARPA Grant Fund	0.00	0.00	0.00	0.00
22530	OBRA Diversion/Emergency	0.00	0.00	0.00	0.00
22540	Residential Fund	609,952.66	4,278,691.84	3,394,073.05	1,494,571.45
22550	Board of DD/Family	113,907.80	50,055.00	116,352.51	47,610.29
22560	ECSE-DO NOT USE	0.00	0.00	0.00	0.00
22561	ECSE	481.25	6,752.18	6,685.37	548.06
22570	IDEA-B Grant-DO NOT USE	0.00	0.00	0.00	0.00
22571	IDEA-B Grant	249.36	19,202.20	19,415.82	35.74
22580	Return Chap Funds MRDD	0.00	0.00	0.00	0.00
22590	Board of DD Donations	8,595.35	7,950.54	13,917.40	2,628.49
22600	BOARD OF DD CAPITAL FUND	1,838,929.93	461,672.57	235,207.34	2,065,395.16
23000	Law Library Board	281,511.90	145,204.33	182,660.55	244,055.68
30030	Juvenile Detention Center Bond R	14,219.97	37,715.00	47,716.67	4,218.30
30040	OPWC CE44Q Debt Retirement	10.48	3,790.00	3,789.92	10.56
30050	SCRA Assets Bond Retirement	12,533.33	141,200.00	141,033.33	12,700.00
30060	Courthouse Renovation Bond Ret.	28,229.77	341,000.00	340,225.00	29,004.77
30080	Better Building Project Bond Ret	393.73	520,000.00	514,187.50	6,206.23
30270	Toussaint Ditch Bond Retirement	3,953.54	3,632.50	58.59	7,527.45
30280	Miller Tile Ditch Bond Retire.	0.00	0.00	0.00	0.00
30290	F Hoeflich Ditch Bond Retire.	0.00	197.73	19.77	177.96
30300	Alley Ditch Bond Retirement	7,105.68	0.00	0.00	7,105.68
30310	Guy Fisher Ditch Bond Retirement	0.00	0.00	0.00	0.00
30320	Schwochow Ditch Bond Retirement	38,541.42	2,583.00	258.30	40,866.12
30330	Michaels Ditch Bond Retirement	23,393.11	20,865.20	0.00	44,258.31
30340	Wolf Creek Ditch Bond Retirement	0.00	0.00	0.00	0.00
40000	Permanent Improvement	120,983.11	545,575.99	439,547.48	227,011.62
40080	Better Building Project	652,279.32	48,792.52	0.00	701,071.84
40250	Wolf Creek Dt Construction #143	124,744.10	5,206.00	124,784.82	5,165.28
40260	Michaels Ditch Construction #151	10,887.42	510.35	0.00	11,397.77
40270	Guy Fisher Ditch #152 Construc	0.00	0.00	0.00	0.00
40280	Henry Kiser Ditch #161 Construct	9,500.00	0.00	0.00	9,500.00
40290	Sugar Creek Dt Construction #162	24,075.67	0.00	0.00	24,075.67
40300	Winters Ditch Construction #181	196.47	0.00	0.00	196.47

Fund	Description	Beginning Balance	Total Receipts	Total Expenditures	Ending Balance
40310	Racoon Creek Ditch Project #231	0.00	1,630.00	0.00	1,630.00
40320	Wolf Creek Ditch Project #232	0.00	6,085.00	0.00	6,085.00
50000	Sanitary Sewer	741,543.91	1,903,631.83	1,805,600.97	839,574.77
50010	Sanitary Water	55,521.29	38,494.70	43,227.30	50,788.69
50020	Sanitary Equipment	16,152.84	0.00	16,152.84	0.00
50100	Joint Sewer Imp OPWC #CE20B	0.00	0.03	0.03	0.00
50110	State Route 6 Imp OWDA #5460	0.00	24,548.60	24,548.60	0.00
50120	Grandview Imp OWDA #6265	0.00	39,773.28	39,773.28	0.00
50130	Ireland Imp OWDA #6640	0.00	17,876.00	17,876.00	0.00
50140	Ireland Imp OPWC #CE34O	0.00	5,666.66	5,666.66	0.00
50150	Hayes Phase 1 Imp OWDA #6785	0.00	82,132.76	82,132.76	0.00
50160	Hayes II & Timpe Impr OWDA #7093	0.00	109,125.40	109,125.40	0.00
50170	Timpe Imp. OPWC #CE36R	0.00	13,750.00	13,750.00	0.00
50180	General Sewer Rehab OWDA#7732	0.00	44,044.16	44,044.16	0.00
50190	General Sewer Rehab OPWC #CE34T	0.00	4,500.00	4,500.00	0.00
50200	Wightman's Grove OWDA	0.00	0.00	0.00	0.00
50210	White Star Design OWDA*	0.00	74,050.86	74,050.86	0.00
50220	White Star Construction OWDA	0.00	0.00	0.00	0.00
50230	Wightman's Grove-OWDA#9151	0.00	50,391.43	50,391.43	0.00
60000	Ditch Rotary Fund	204,562.51	65.64	0.00	204,628.15
	Grand Total:	$52,059,948.11	$93,435,159.36	$95,196,233.27	$50,298,874.20

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APPENDIX C

Basic Financial Statements from the County's Financial Report for Fiscal Year 2023 (Audited)

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OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

Sandusky County
100 North Park Avenue
Fremont, Ohio 43420-2472

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 Sandusky County, Ohio (the County), as of and for the year ended December 31, 2023, 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 Sandusky County, Ohio as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and County Board of Developmental Disabilities 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.

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 September 19, 2024, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Keith Faber

Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2024

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SANDUSKY COUNTY

STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Sandusky County Land Reutilization Corporation	Sandusky County Airport Authority
Assets:					
Equity in pooled cash and investments	$ 48,742,976	$ 890,364	$ 49,633,340	$ 494,127	$ 73,671
Cash and cash equivalents with fiscal agents	5,689,351	-	5,689,351	-	-
Cash in segregated accounts	19,467	-	19,467	-	-
Receivables (net of allowance for uncollectibles):					
Sales taxes	3,836,770	-	3,836,770	-	-
Real estate and other taxes	23,422,739	-	23,422,739	-	-
Accounts	1,001,351	257,710	1,259,061	-	12,497
Special assessments	411,241	19,584	430,825	-	-
Accrued interest	328,025	-	328,025	-	-
Due from other governments	6,723,655	-	6,723,655	113,492	-
Loans	30,014	-	30,014	-	-
Economic development	1,214,750	-	1,214,750	-	-
Leases	669,223	-	669,223	-	-
Prepayments	447,452	2,260	449,712	747	10,436
Materials and supplies inventory	652,424	-	652,424	-	42,441
Net pension asset	241,286	2,959	244,245	-	-
Net OPEB asset	64,466	-	64,466	-	-
Assets held for resale	-	-	-	27,200	-
Investment in joint ventures	6,765,149	-	6,765,149	-	-
Capital assets:					
Non-depreciable/amortized capital assets	2,874,072	71,465	2,945,537	-	863,291
Depreciable/amortized capital assets, net	51,381,534	11,393,775	62,775,309	11,191	3,809,689
Total capital assets, net	54,255,606	11,465,240	65,720,846	11,191	4,672,980
Total assets	154,515,945	12,638,117	167,154,062	646,757	4,812,025
Deferred outflows of resources:					
Pension	19,087,189	228,303	19,315,492	-	238,467
OPEB	2,708,831	33,366	2,742,197	-	14,528
Total deferred outflows of resources	21,796,020	261,669	22,057,689	-	252,995
Liabilities:					
Accounts payable	1,930,254	18,082	1,948,336	115,162	44,004
Contracts payable	419,799	-	419,799	-	-
Accrued wages and benefits payable	545,910	6,829	552,739	-	6,898
Due to other governments	821,556	52,556	874,112	-	3,221
Accrued interest payable	48,943	-	48,943	26	-
Payroll withholding payable	528,412	-	528,412	-	-
Long-term liabilities:					
Due within one year	2,826,340	388,002	3,214,342	10,952	-
Due in more than one year:					
Net pension liability	43,903,009	529,630	44,432,639	-	240,456
Net OPEB liability	893,060	10,951	904,011	-	4,786
Other long-term liabilities	12,154,756	5,901,127	18,055,883	547	-
Total liabilities	64,072,039	6,907,177	70,979,216	126,687	299,365
Deferred inflows of resources:					
Property taxes levied for the next year	14,482,201	-	14,482,201	-	-
Leases	649,536	-	649,536	-	-
Pension	163,335	21,985	185,320	-	-
OPEB	362,649	3,876	366,525	-	1,579
Total deferred inflows of resources	15,657,721	25,861	15,683,582	-	1,579
Net position:					
Net investment in capital assets	42,166,360	5,211,471	47,377,831	(308)	4,672,980
Restricted for:					
Debt service	298,976	-	298,976	-	-
Capital projects	-	-	-	-	36
Public works projects	5,752,594	-	5,752,594	-	-
Public safety programs	6,457,853	-	6,457,853	-	-
Human services programs	25,159,769	-	25,159,769	-	-
Health programs	475,428	-	475,428	-	-
Other purposes	5,054,911	-	5,054,911	-	-
Pension & OPEB	305,752	2,959	308,711	-	-
Unrestricted	10,910,562	752,318	11,662,880	520,378	91,060
Total net position	$ 96,582,205	$ 5,966,748	$ 102,548,953	$ 520,070	$ 4,764,076

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

		Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Current:				
General government:				
Legislative and executive	$ 15,435,038	$ 3,251,520	$ 817,700	$ 47,463
Judicial	5,985,935	1,453,657	1,070,728	-
Public safety	17,564,475	5,112,550	3,345,609	-
Public works	6,750,262	760,002	6,801,288	220,466
Health	607,266	302,478	127,614	-
Human services	25,273,302	306,126	14,163,727	-
Economic development and assistance	1,662,029	-	1,073,228	-
Intergovernmental	201,000	-	-	-
Other	5,337	-	-	-
Interest and fiscal charges	292,971	41,850	-	-
Total governmental activities	73,777,615	11,228,183	27,399,894	267,929
Business-type activities:				
Sanitary sewer	1,931,656	1,916,909	13,752	-
Totals primary government	$ 75,709,271	$ 13,145,092	$ 27,413,646	$ 267,929
Component unit:				
Sandusky County Land Reutilization Corporation	$ 841,368	$ -	$ 884,448	$ -
Sandusky County Airport Authority	981,941	421,782	347,966	-
	$ 1,823,309	$ 421,782	$ 1,232,414	$ -

General revenues:
Property taxes levied for:
General fund
Human services - County Board of DD
Human services - Senior Citizens
Public safety 911 systems
Public safety - Drug Task Force
Sales taxes levied for:
General fund
Public safety - EMS
Grants and entitlements not restricted to specific programs
Investment earnings
Change in fair value of investments
Sale of assets
Land Rent
Reimbursements
Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

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			Component Units	
Governmental Activities	Business-type Activities	Total	Sandusky County Land Reutilization Corporation	Sandusky County Airport Authority
$ (11,318,355)	$ -	$ (11,318,355)	$ -	$ -
(3,461,550)	-	(3,461,550)	-	-
(9,106,316)	-	(9,106,316)	-	-
1,031,494	-	1,031,494	-	-
(177,174)	-	(177,174)	-	-
(10,803,449)	-	(10,803,449)	-	-
(588,801)	-	(588,801)	-	-
(201,000)	-	(201,000)	-	-
(5,337)	-	(5,337)	-	-
(251,121)	-	(251,121)	-	-
(34,881,609)	-	(34,881,609)	-	-
-	(995)	(995)	-	-
(34,881,609)	(995)	(34,882,604)	-	-
-	-	-	43,080	-
-	-	-	-	(212,193)
-	-	-	43,080	(212,193)
4,648,867	-	4,648,867	-	-
9,082,260	-	9,082,260	-	-
1,694,184	-	1,694,184	-	-
424,223	-	424,223	-	-
927,950	-	927,950	-	-
12,552,374	-	12,552,374	-	-
2,498,623	-	2,498,623	-	-
3,491,377	-	3,491,377	108,743	-
1,593,064	11,023	1,604,087	-	1,611
988,339	-	988,339	-	-
1,239,750	-	1,239,750	104,109	-
-	-	-	-	93,397
-	-	-	-	32,781
2,605,517	5,228	2,610,745	1,294	25,018
41,746,528	16,251	41,762,779	214,146	152,807
(36,228)	36,228	-	-	-
41,710,300	52,479	41,762,779	214,146	152,807
6,828,691	51,484	6,880,175	257,226	(59,386)
89,753,514	5,915,264	95,668,778	262,844	4,823,462
$ 96,582,205	$ 5,966,748	$ 102,548,953	$ 520,070	$ 4,764,076

SANDUSKY COUNTY

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	County Board of DD	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and investments	$ 10,158,225	$ 14,406,434	$ 24,143,171	$ 48,707,830
Cash and cash equivalents with fiscal agents	-	5,554,469	134,882	5,689,351
Cash in segregated accounts	10,970	-	8,497	19,467
Receivables (net of allowance for uncollectibles):				
Sales taxes	3,197,339	-	639,431	3,836,770
Real estate and other taxes	6,124,598	12,979,733	4,318,408	23,422,739
Accounts	221,357	-	779,994	1,001,351
Special assessments	-	-	411,241	411,241
Accrued interest	292,165	30,859	5,001	328,025
Due from other governments	1,368,659	644,333	4,704,258	6,717,250
Loans	-	-	30,014	30,014
Economic development	-	-	1,214,750	1,214,750
Leases	10,061	-	659,162	669,223
Interfund loans	10,000	-	-	10,000
Prepayments	149,565	691	121,960	272,216
Materials and supplies inventory	155,496	11,643	485,285	652,424
Total assets	$ 21,698,435	$ 33,628,162	$ 37,656,054	$ 92,982,651
Liabilities:				
Accounts payable	$ 501,380	$ 115,554	$ 1,313,320	$ 1,930,254
Contracts payable	159,562	-	260,237	419,799
Accrued wages and benefits payable	242,009	80,722	223,179	545,910
Compensated absences payable	7,685	-	-	7,685
Due to other governments	272,162	118,243	430,627	821,032
Interfund loans payable	-	-	10,000	10,000
Payroll withholding payable	513,579	7,660	7,173	528,412
Total liabilities	1,696,377	322,179	2,244,536	4,263,092
Deferred inflows of resources:				
Property taxes levied for the next year	3,777,034	8,032,667	2,672,500	14,482,201
Delinquent property tax revenue not available	2,326,156	4,947,066	1,645,908	8,919,130
Accrued interest not available	85,551	1,401	-	86,952
Sales tax revenue not available	1,169,536	-	233,895	1,403,431
Special assessments revenue not available	-	-	411,241	411,241
Other nonexchange transactions	785,308	401,255	1,893,455	3,080,018
Unavailable grant revenue	-	-	771,243	771,243
Miscellaneous revenue not available	-	-	1,353,321	1,353,321
Leases	9,830	-	639,706	649,536
Total deferred inflows of resources	8,153,415	13,382,389	9,621,269	31,157,073
Fund balances:				
Nonspendable	875,700	12,334	607,245	1,495,279
Restricted	40,026	19,911,260	24,076,462	44,027,748
Committed	331,890	-	1,107,095	1,438,985
Assigned	1,439,320	-	-	1,439,320
Unassigned (deficit)	9,161,707	-	(553)	9,161,154
Total fund balances	11,848,643	19,923,594	25,790,249	57,562,486
Total liabilities, deferred inflows of resources and fund balances	$ 21,698,435	$ 33,628,162	$ 37,656,054	$ 92,982,651

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2023

Total governmental fund balances		$ 57,562,486
Amounts reported for governmental activities on 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.		54,255,606
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflows in the funds.		
Real and other taxes receivable	$ 8,919,130	
Sales taxes receivable	1,403,431	
Special assessments receivable	411,241	
Accrued interest receivable	86,952	
Accounts receivable	138,571	
Economic development receivable	1,214,750	
Due from other governments	3,851,261	
Total		16,025,336
The investments in joint ventures by governmental activities are not financial resources and therefore are not reported in fund balance at year end.		6,765,149
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		216,263
On the statement of net position interest is accrued on outstanding bonds payable, whereas in the governmental funds, interest is accrued when due.		(48,943)
Unamortized premiums are amortized over the life of the bonds on the statement of net position.		(284,056)
Unamortized discounts are amortized over the life of the bonds on the statement of net position.		2,349
The net pension asset is not available to pay for the current period expenditures and the net pension liability does not require the use of current period net resources; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources - pension	19,087,189	
Deferred inflows of resources - pension	(163,335)	
Net pension asset	241,286	
Net pension liability	(43,903,009)	
Total		(24,737,869)
The net OPEB asset is not available to pay for the current period expenditures and the net OPEB liability does not require the use of current period net resources; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows of resources - OPEB	2,708,831	
Deferred inflows of resources - OPEB	(362,649)	
Net OPEB asset	64,466	
Net OPEB liability	(893,060)	
Total		1,517,588
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Special obligation bonds	(4,235,000)	
General obligation bonds	(6,330,000)	
Lease payables	(1,639,232)	
SBITA payables	(73,188)	
Loans payable	(261,318)	
Compensated absences	(2,152,966)	
Total		(14,691,704)
Net position of governmental activities		$ 96,582,205

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	County Board of DD	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real estate and other taxes	$ 3,990,582	$ 7,650,612	$ 2,566,907	$ 14,208,101
Sales taxes	12,522,279	-	2,492,600	15,014,879
Charges for services	2,913,713	202,056	5,835,502	8,951,271
Licenses and permits	3,160	-	454,788	457,948
Fines and forfeitures	332,032	-	347,190	679,222
Intergovernmental	2,603,977	3,644,272	24,324,851	30,573,100
Special assessments	-	-	410,817	410,817
Investment income	1,591,281	65,292	155,960	1,812,533
Rental income	270,328	45,600	141,316	457,244
Contributions and donations	21,176	7,951	48,784	77,911
Refunds and reimbursements	2,025,092	-	709,091	2,734,183
Change in fair value of investments	988,339	-	-	988,339
Other	47,507	-	2,844	50,351
Total revenues	27,309,466	11,615,783	37,490,650	76,415,899
Expenditures:				
Current:				
General government:				
Legislative and executive	12,113,922	-	1,986,052	14,099,974
Judicial	3,281,842	-	2,070,773	5,352,615
Public safety	6,742,246	-	9,357,434	16,099,680
Public works	-	-	7,492,841	7,492,841
Health	85,344	-	431,024	516,368
Human services	570,754	9,473,308	14,102,413	24,146,475
Economic development and assistance	400,318	-	1,246,793	1,647,111
Other	-	-	5,337	5,337
Intergovernmental	201,000	-	-	201,000
Capital outlay	117,958	238,009	3,279,110	3,635,077
Debt service:				
Principal retirement	92,562	31,883	960,614	1,085,059
Interest and fiscal charges	5,487	3,829	278,507	287,823
Total expenditures	23,611,433	9,747,029	41,210,898	74,569,360
Excess (deficiency) of revenues over (under) expenditures	3,698,033	1,868,754	(3,720,248)	1,846,539
Other financing sources (uses):				
Sale of assets	-	-	25,000	25,000
Lease transaction	53,704	-	1,641,576	1,695,280
SBITA transaction	64,254	-	32,459	96,713
Transfers in	-	-	2,320,637	2,320,637
Transfers (out)	(2,276,865)	-	(80,000)	(2,356,865)
Total other financing sources (uses)	(2,158,907)	-	3,939,672	1,780,765
Net change in fund balances	1,539,126	1,868,754	219,424	3,627,304
Fund balances at beginning of year	10,309,517	18,054,840	25,570,825	53,935,182
Fund balances at end of year	$ 11,848,643	$ 19,923,594	$ 25,790,249	$ 57,562,486

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

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, 2023

Net change in fund balances - total governmental funds		$ 3,627,304
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeds depreciation/amortization expense in the current period.		
Capital asset additions	$ 7,016,802	
Current year depreciation/amortization	(4,380,023)	
Total		2,636,779
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		(521,537)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Real estate and other taxes	2,569,383	
Sales taxes	36,118	
Special assessments	18,454	
Interest	(1,316)	
Charges for services	251,071	
Sale of assets	1,214,750	
Intergovernmental	(419,743)	
Total		3,668,717
Increase in the value of investment in joint ventures that do not provide current financial resources are not reported in the funds.		532,918
Proceeds of leases and SBITA transactions are recorded as other financing sources in the governmental funds, however, in the statement of activities, they are not reported as revenues as they increase the liabilities on the statement of net position.		(1,791,993)
Repayment of bond, loans and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		1,085,059
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
Increase in accrued interest payable	(24,840)	
Amortization of bond premiums	20,291	
Amortization of bond discounts	(599)	
Total		(5,148)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(67,551)
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension		3,735,512
OPEB		26,980
Except for amounts reported as deferred inflows/outflows, changes in the net pension asset/liability and net OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension		(7,602,800)
OPEB		1,521,675
The internal service fund used by management to charge the costs of workers compensation to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net expenditure of the internal service fund is allocated among the governmental activities.		(17,224)
Change in net position of governmental activities		$ 6,828,691

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Real estate and other taxes	$ 4,021,188	$ 3,622,188	$ 3,640,880	$ 18,692
Sales taxes	4,100,000	4,250,000	5,144,179	894,179
Charges for services	2,100,000	2,281,000	2,391,169	110,169
Licenses and permits	3,500	3,500	3,160	(340)
Fines and forfeitures	450,000	450,000	335,967	(114,033)
Intergovernmental	2,218,500	2,117,500	2,606,641	489,141
Investment income	-	650,000	1,480,176	830,176
Rental income	100,300	268,500	270,697	2,197
Refunds and reimbursements	2,100,000	2,446,976	1,909,544	(537,432)
Total revenues	15,093,488	16,089,664	17,782,413	1,692,749
Expenditures:				
Current:				
General government:				
Legislative and executive	8,732,438	17,126,675	12,758,623	4,368,052
Judicial	3,853,806	4,194,360	3,992,670	201,690
Public safety	7,911,186	8,840,816	8,752,463	88,353
Health	201,563	201,563	89,420	112,143
Human services	713,928	714,379	654,947	59,432
Intergovernmental	201,500	201,500	201,000	500
Total expenditures	21,614,421	31,279,293	26,449,123	4,830,170
Excess of expenditures over revenues	(6,520,933)	(15,189,629)	(8,666,710)	6,522,919
Other financing sources (uses):				
Reimbursements	-	3,525,781	3,525,781	-
Transfers in	5,110,762	8,623,005	5,851,085	(2,771,920)
Transfers (out)	(727,790)	(926,451)	(919,750)	6,701
Advances in	30,000	30,000	20,000	(10,000)
Advances (out)	(10,000)	(10,000)	(10,000)	-
Total other financing sources (uses)	4,402,972	11,242,335	8,467,116	(2,775,219)
Net change in fund balance	(2,117,961)	(3,947,294)	(199,594)	3,747,700
Unencumbered fund balance at beginning of year	6,322,100	6,322,100	6,322,100	-
Prior year encumbrances appropriated	581,782	581,782	581,782	-
Unencumbered fund balance at end of year	$ 4,785,921	$ 2,956,588	$ 6,704,288	$ 3,747,700

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COUNTY BOARD OF DEVELOPMENTAL DISABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Real estate and other taxes	$ 8,399,407	$ 8,399,407	$ 7,674,784	$ (724,623)
Charges for services.	15,000	15,000	216,557	201,557
Intergovernmental.	1,917,927	2,844,639	3,540,151	695,512
Rental income	29,230	29,230	42,950	13,720
Contributions and donations.	9,500	9,500	7,951	(1,549)
Total revenues	10,371,064	11,297,776	11,482,393	184,617
Expenditures:				
Current:				
Human services.	11,590,070	11,842,758	10,204,773	1,637,985
Capital outlay	308,250	308,250	252,112	56,138
Total expenditures	11,898,320	12,151,008	10,456,885	1,694,123
Excess (deficiency) of revenues over (under) expenditures	(1,527,256)	(853,232)	1,025,508	1,878,740
Other financing sources (uses):				
Transfers in	3,704,000	-	-	-
Transfers (out).	-	(118,173)	-	118,173
Total other financing sources (uses).	3,704,000	(118,173)	-	118,173
Net change in fund balance	2,176,744	(971,405)	1,025,508	1,996,913
Unencumbered fund balance at beginning of year.	12,339,165	12,339,165	12,339,165	-
Prior year encumbrances appropriated . . .	452,232	452,232	452,232	-
Unencumbered fund balance at end of year.	$ 14,968,141	$ 11,819,992	$ 13,816,905	$ 1,996,913

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Business-Type Activities - Sanitary Sewer	Governmental Activities - Internal Service Fund
Assets:		
Current assets:		
Equity in pooled cash and investments	$ 890,364	$ 35,146
Receivables (net of allowance for uncollectables):		
Accounts	257,710	-
Special assessments	19,584	-
Due from other governments	-	6,405
Prepayments	2,260	175,236
Total current assets	1,169,918	216,787
Noncurrent assets:		
Net pension asset	2,959	-
Capital assets:		
Non-depreciable/amortized capital assets	71,465	-
Depreciable/amortized capital assets, net	11,393,775	-
Total capital assets, net	11,465,240	-
Total noncurrent assets	11,468,199	-
Total assets	12,638,117	216,787
Deferred outflows of resources:		
Pension	228,303	-
OPEB	33,366	-
Total deferred outflows of resources	261,669	-
Total assets and deferred outflows of resources	12,899,786	216,787
Liabilities:		
Current liabilities:		
Accounts payable	18,082	-
Accrued wages and benefits payable	6,829	-
Compensated absences payable	25,291	-
Due to other governments	52,556	524
OPWC loans payable	23,917	-
OWPC loans payable	338,248	-
Leases payable	546	-
Total current liabilities	465,469	524
Long-term liabilities:		
Compensated absences payable	10,069	-
OPWC loans payable	345,000	-
OWPC loans payable	5,546,058	-
Net pension liability	529,630	-
Net OPEB liability	10,951	-
Total long-term liabilities	6,441,708	-
Total liabilities	6,907,177	524
Deferred inflows of resources:		
Pension	21,985	-
OPEB	3,876	-
Total deferred inflows of resources	25,861	-
Total liabilities and deferred inflows of resources	6,933,038	524
Net position:		
Net investment in capital assets	5,211,471	-
Restricted for pension	2,959	-
Unrestricted	752,318	216,263
Total net position	$ 5,966,748	$ 216,263

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities - Sanitary Sewer	Governmental Activities - Internal Service Fund
Operating revenues:		
Charges for services	$ 1,916,909	$ 180,679
Other	5,228	-
Total operating revenues	1,922,137	180,679
Operating expenses:		
Personal services	468,666	197,903
Contract services	706,067	-
Materials and supplies	44,977	-
Utilities	78,844	-
Depreciation/amortization	455,831	-
Other	57,325	-
Total operating expenses	1,811,710	197,903
Operating income (loss)	110,427	(17,224)
Nonoperating revenues (expenses):		
Interest and fiscal charges	(119,946)	-
Interest income	11,023	-
Intergovernmental	13,752	-
Total nonoperating revenues (expenses)	(95,171)	-
Income (loss) before transfers	15,256	(17,224)
Transfer in	36,228	-
Change in net position	51,484	(17,224)
Net position at beginning of year	5,915,264	233,487
Net position at end of year	$ 5,966,748	$ 216,263

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities - Sanitary Sewer	Governmental Activities - Internal Service Fund
Cash flows from operating activities:		
Cash received from charges for services	$ 1,858,464	$ 201,369
Cash received from other operating revenue	6,507	-
Cash payments for personal services	(429,629)	(175,236)
Cash payments for contractual services	(721,137)	-
Cash payments for materials and supplies	(41,542)	-
Cash payments for utilities	(76,337)	-
Cash payments for other expenses	(57,584)	-
Net cash provided by operating activities	538,742	26,133
Cash flows from noncapital financing activities:		
Cash received from transfers in	36,228	-
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(55,189)	-
Principal payments on loans	(345,983)	-
Principal retirement on leases payable	(1,586)	-
Interest and fiscal charges	(119,946)	-
Intergovernmental	13,752	-
Net cash used in capital and related financing activities	(508,952)	-
Cash flows from investing activities:		
Interest received	11,023	-
Net increase in cash and cash equivalents	77,041	26,133
Cash and cash equivalents at beginning of year	813,323	9,013
Cash and cash equivalents at end of year	$ 890,364	$ 35,146
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	$ 110,427	$ (17,224)
Adjustments:		
Depreciation/amortization	455,831	-
Changes in assets and liabilities:		
Accounts receivable	(50,679)	-
Special assessments receivable	(6,487)	-
Intergovernmental receivable	-	20,690
Prepayments	(364)	22,143
Net pension asset	3,027	-
Net OPEB asset	61,125	-
Deferred outflows - pension	(117,833)	-
Deferred outflows - OPEB	(25,669)	-
Accounts payable	(7,436)	-
Accrued wages and benefits	520	-
Intergovernmental payable	(1,373)	524
Compensated absences payable	2,304	-
Net pension liability	355,079	-
Net OPEB liability	10,951	-
Deferred inflows - pension	(191,400)	-
Deferred inflows - OPEB	(59,281)	-
Net cash provided by operating activities	$ 538,742	$ 26,133

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2023

	Investment Trust	Custodial
Assets:		
Equity in pooled cash and cash equivalents.	$ 4,098,781	$ 12,382,268
Cash in segregated accounts	-	570,274
Receivables (net of allowances for uncollectibles):		
Taxes - current	-	114,244,703
Special assessments	-	823,885
Accounts	365,785	108,601
Due from other governments	1,659	3,019,358
Total assets	4,466,225	131,149,089
Liabilities:		
Accounts payable	106,911	73,799
Accrued wages and benefits	6,134	48,787
Compensated absences payable	-	7,925
Payroll withholding payable	-	2,598
Due to other governments	70,498	60,223
Total liabilities	183,543	193,332
Deferred inflows of resources:		
Property taxes levied for the next fiscal year.	-	70,701,736
Net position:		
Restricted for individuals, organizations and other governments .	$ 4,282,682	$ 60,254,021

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

SANDUSKY COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Investment Trust	Custodial
Additions:		
Intergovernmental	$ -	$ 3,571,768
Amounts received as fiscal agent	-	8,869,008
Licenses, permits and fees for other governments, organizations and individuals.	-	15,863,775
Fines and forfeitures for other governments, organizations and individuals.	-	2,073,237
Property tax collection for other governments	-	123,276,493
Special assessments collections for other governments	-	310,338
Earnings on investments	96,055	-
Other custodial fund collections	-	124,506
Share transactions:		
Purchase of units	2,281,663	-
Redemption of units	(1,993,005)	-
Net decrease in net position and shares resulting from share transactions	288,658	-
Total additions	384,713	154,089,125
Deductions:		
Distributions to the State of Ohio	-	13,745
Distributions of state and federal funds to other governments	-	3,582,881
Distributions as fiscal agent	173,565	6,892,297
Distributions to individuals	-	116,680
Licenses, permits and fees distributions to other governments, organizations and individuals.	-	15,877,514
Fines and forfeitures distributions to other governments, organizations and individuals.	-	2,041,100
Property tax distributions to other governments	-	111,773,483
Special assessment distributions to other governments	-	383,949
Total deductions	173,565	140,681,649
Net change in fiduciary net position	211,148	13,407,476
Net position beginning of year	4,071,534	46,846,545
Net position end of year	$ 4,282,682	$ 60,254,021

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE COUNTY

Sandusky County, Ohio (the County), was created in 1820. 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, and who manage various segments of the County's operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, two Common Pleas Court Judges and a Probate/Juvenile Court Judge.

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

The primary government consists of all funds, component units, departments, boards and agencies that are not legally separate from the County. For Sandusky County, this includes the Sandusky County Board of Developmental Disabilities (DD); the Children Services Board; and other departments and activities that are directly operated by the elected County officials.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The most significant of the County's accounting policies are described below.

A. Reporting Entity

The County's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The basic financial statements include all funds, agencies, boards, commissions, and component units for which the County and the County Commissioners are "accountable". Accountability as defined in GASB Statement No. 14, GASB Statement No. 39 and GASB Statement No. 61 was evaluated based on financial accountability, the nature and significance of the potential component unit's (PCU) relationship with the County and whether exclusion would cause the County's basic financial statements to be misleading or incomplete. Among the factors considered were separate legal standing; appointment of a voting majority of the PCU's Board; fiscal dependency and whether a benefit or burden relationship exists; imposition of will; and the nature and significance of the PCU's relationship with the County.

Based on the foregoing criteria, the financial activities of the following PCU's have been reflected in the accompanying basic financial statements as follows:

COMPONENT UNITS

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

DISCRETELY PRESENTED COMPONENT UNITS

The component unit columns in the financial statements present the financial data of the County's discretely presented component units, the Sandusky Regional Airport Authority, the Sandusky County Transportation Improvement District, and Sandusky County Land Reutilization Corporation. They are reported separately to emphasize that they are legally separate from the County.

Sandusky Regional Airport Authority - The constitution and laws of the State of Ohio establish the rights and privileges of the Sandusky Regional Airport Authority, Sandusky County, Ohio (the Authority), as a body corporate and politic. The Sandusky County Commissioners appoint five Board members to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of the Authority. The County Commissioners are responsible for the debt issued on behalf of the Authority. Due to the imposition of will exerted by the County Commissioners as well as the financial burden for the Authority, the Authority is presented separately as a component unit of the County. The Authority operates on a year ending December 31 and is presented on a cash basis of accounting. Separately issued financial statements can be obtained from Sandusky Regional Airport Authority, 1500 County Road 220, Clyde, Ohio 43410.

Sandusky County Transportation Improvement District - The Sandusky County Transportation Improvement District is a body corporate and politic established to plan, construct and improve highways, roads, bridges, interchanges and accompanying capital improvements and developments throughout Sandusky County. The District was formed under the Ohio Revised Code Chapter 5544.02, by action of the Board of Sandusky County Commissioners on May 22, 2012. The resolution to create the District states the Board shall consist of seven members. The members shall be appointed as follows: five (5) members shall be appointed by the County Commissioners; one (1) nonvoting member appointed by the Speaker of the Ohio House of Representatives of the general assembly; and one (1) nonvoting member appointed by the President of the Senate of the general assembly. Separately issued financial statements can be obtained from the Sandusky County Transportation Improvement District, 622 Croghan Street, Fremont Ohio 43420.

Sandusky County Land Reutilization Corporation - The Sandusky County Land Reutilization Corporation (the Corporation) is a county land reutilization corporation that was formed on June 29, 2015 when the Sandusky County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout Sandusky County (the County). The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and also return properties to productive use. The Corporation has been designated as the County’s agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on the population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. Separately issued financial statements can be obtained from the Sandusky County Land Reutilization Corporation, 100 North Park Avenue, Suite 227, Fremont, Ohio 43420. The Corporation is a component unit of Sandusky County, Ohio.

POTENTIAL COMPONENT UNITS REPORTED AS CUSTODIAL FUNDS

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

Sandusky County Regional Planning Commission
Family and Children First Council
Sandusky County Park District
Sandusky County General Health District
Sandusky County Soil and Water Conservation District

The County is associated with certain organizations which are defined as joint ventures with equity interest, a shared risk pool, and an insurance purchasing pool and a related organization as follows:

JOINT VENTURES WITH EQUITY INTEREST

Ottawa, Sandusky, and Seneca County Solid Waste District

The Solid Waste District (the District) is a joint venture of Sandusky, Ottawa and Seneca Counties and is established under the authority of Section 3734.54 of the Ohio Revised Code. The cost of operations and expenses is to be funded by fees collected by the District. In the event that fees are not sufficient for the purpose, the counties shall share all operating costs and expenses incurred in the same proportions as the populations of the respective counties bear to the total population of all the counties.

Upon the withdrawal of a county from the District, the Board of Directors shall ascertain, apportion, and order a division of the funds on hand, credits and real and personal property of the District, either in money or in kind, on any equitable basis between the District and the withdrawing county. Should the District be dissolved, the Boards of County Commissioners shall continue to levy and collect taxes for the payment of any outstanding indebtedness. The District is governed by the three commissioners of each county involved.

The counties share in the equity of the District is based on relative percentages of population within the three counties. Based upon this calculation, Sandusky County's equity interest in the District is $1,572,379 at December 31, 2023. Financial information can be obtained from the Sandusky County Auditor, 100 North Park Avenue, Fremont, Ohio 43420-2472.

Sandusky County - Seneca County - City of Tiffin Port Authority

The Port Authority, a joint venture between Sandusky and Seneca Counties and the City of Tiffin, is established under the authority of Sections 4582.21 et. seq., of the Ohio Revised Code, with territorial limits co-terminus with the boundaries of the counties, with Tiffin being within the boundaries of Seneca County. The Port Authority is governed by a seven member Board of Directors, consisting of two members from each of the counties and the city, with the seventh member being rotated between the three entities every four years. The members are appointed by the County Commissioners in the counties, and by the Mayor of Tiffin in the city. Appointed members may hold no other public office or public employment except Notary Public, member of the State Militia, or member of a reserve component of the United States Armed Forces. Initial funding for organizational expenses, including purchase of real or personal property by the Port Authority, were contributed by each subdivision with no obligation of future contributions or financial support. The contributions were equal and simultaneous. The Port Authority may be dissolved at any time upon the enactment of an ordinance by the city and resolutions by the counties. Any real or personal property will be returned to the subdivision from which it was received.

Upon dissolution of the Port Authority, any balance remaining in the Port Authority's funds or any real or personal property belonging to the Port Authority will be distributed equally to the city and the counties after paying all expenses and debts. Sandusky County's equity interest in the Port Authority is $972,001 at December 31, 2023. Financial information can be obtained from the Sandusky County - Seneca County - City of Tiffin Port Authority, James Supance, Chairman, P.O. Box 767, Tiffin, Ohio 44883.

Mental Health and Recovery Services Board of Seneca, Ottawa, Sandusky, and Wyandot Counties

The Mental Health and Recovery Services Board (MHRS) is a joint venture between Seneca, Ottawa, Sandusky, and Wyandot Counties. The headquarters for MHRS is in Seneca County. MHRS provides community services to mentally ill and emotionally disturbed persons. Statutorily created, the MHRS Board is made of 17 members; 9 of the members are appointed by the county commissioners of each respective county, 8 are appointed by the State Department of Mental Health and Addiction Services. Revenues to provide mental health services are generated through State and Federal grants. The MHRS Board adopts its own budget, hires and fires staff and does not rely on the County to finance deficits.

The counties share in the equity of the MHRS Board based on the percentages of population within the four counties. Sandusky County's equity interest in this joint venture at December 31, 2023 is $4,220,769.

Financial information can be obtained from the Seneca County Auditor, RTA Building, Tiffin, Ohio 44883.

JOINTLY GOVERNED ORGANIZATION

West Central Ohio Network

The West Central Ohio Network (WestCon) is a jointly governed organization among Auglaize, Champaign, Darke, Hardin, Logan, Mercer, Miami, Preble, Sandusky, Shelby, and Union counties. WestCon was created to serve as an administrator and fiscal agent of Supported Living funds for the Boards of Developmental Disabilities (DODD Boards) of each of the participating counties. The degree of control exercised by any participating government is limited to its representation on the Board of Directors (the Board) of WestCon. The Board consists of one delegate, who is the Superintendent, from each of the participating DODD Boards. Payments to WestCon are limited to the supported living funds of each participating county. During 2023, the County contributed $5,418,765 to WestCon.

Financial information can be obtained from Renee Place, Executive Director, 315 East Court Street, Sidney, Ohio 45365.

SHARED RISK POOL

County Risk Sharing Authority, Inc. (CORSA)

The County Risk Sharing Authority, Inc., is a jointly governed organization among sixty-three counties and eighteen county facilities in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance. The County paid $279,789 to CORSA during 2023.

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

CORSA 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 CORSA. The participating counties have no responsibility for the payment of the certificates.

Financial statements may be obtained by contacting the County Commissioners Association of Ohio in Columbus, Ohio.

INSURANCE PURCHASING POOL

<u>County Commissioners Association of Ohio Workers' Compensation Group Rating Plan</u>

The County is participating in a group retro rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member of the group executive committee in any year, and each elected member shall be a county commissioner.

B. Basis of Presentation

***Government-Wide Financial Statements* -** The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the enterprise fund financial statements, but differs from the manner in which governmental fund 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.

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

Fund Financial Statements - Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All enterprise funds and proprietary funds are accounted for on a flow of economic resources measurement focus. With this 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 net position.

The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its enterprise activities.

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

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the County's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activity. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

C. Fund Accounting

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

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

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

Other governmental funds of the County are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

PROPRIETARY FUNDS

Proprietary funds are used to account for the County's ongoing activities, which are similar to those found in the private sector. Proprietary funds are classified as either enterprise or internal service.

Enterprise funds - The enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises. The intent of the County is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The County has presented the following major enterprise fund:

Sanitary Sewer - This fund accounts for sanitary sewer services provided to individual and commercial users in the majority of the unincorporated areas of the County. The costs of providing these services are primarily financed through user charges. The sanitary sewer district has its own facilities and rate structure.

Internal Service fund - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis. The County's Internal Service fund accounts for a workers' compensation program for employees 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 arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. Currently, the County does not have any pension trust funds or private-purpose trust funds. The County's custodial funds account for assets held by the County for political subdivisions for which the County acts as fiscal agent and for taxes, COVID-19 grants, State-levied shared revenues, fines and forfeitures collected for and distributed to other political subdivisions, licenses, permits and fees collected and distributed to other political subdivisions and other amounts collected for and distributed to organizations or individuals. The County's investment trust fund accounts for monies held for Ottawa, Sandusky, and Seneca County Solid Waste District.

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the full accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal 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 sixty days of year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On a full accrual basis, revenue from sales taxes is recognized in the year in which the sales are made. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal 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 all other nonexchange 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: sales tax (See Note 7), interest, federal and State grants and subsidies, State-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 16 and 17 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance 2024 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, income taxes, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 16 and 17 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expense/Expenditures - On the full 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.

E. Budgetary Data

All funds, other than custodial funds, are required to be budgeted and appropriated. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The County Auditor has waived the tax budget requirement. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners' authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by the County Commissioners at the fund, program, department and object level.

The certificate of estimated resources may be amended during the year if projected increases or the County Auditor identifies decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts are on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2023.

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

F. Cash and Investments

To improve cash management, cash received by the County is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the basic financial statements.

During 2023, investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), federal agency securities, U.S. government money markets, U.S. treasury bills, U.S. treasury notes, negotiable and nonnegotiable certificates of deposit. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

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 its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of $100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the General fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the General fund during 2023 amounted to $1,590,909 which includes $1,219,520 assigned from other County funds. The General fund also received $372 in interest revenue from lessor lease agreements.

The County has segregated bank accounts for monies held separately from the County's central bank account. These interest-bearing depository accounts are presented on the combined balance sheet as "cash in segregated accounts" since they are not required to be deposited into the County treasury.

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 considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, to the extent the investments were purchased from a specific fund rather than the pool.

G. External Investment Pool

By statute, the County serves as fiscal agent for various legally separate entities. The County pools the monies of these entities with the County's for investment purposes. The County cannot allocate its investments between the internal and external investment pools. The external investment pool is not registered with the SEC as an investment company. The fair value of investments is determined annually. The pool does not issue shares. Each participant is allocated a pro rata share of each investment at fair value along with a pro rata share of interest that it earns. The fair value of investments for both the internal and external investment pools is disclosed in Note 4, "Deposits and Investments".

Condensed financial information for the investment pool is as follows:

Statement of Net Position
December 31, 2023

Assets:	
Equity in pooled cash and cash equivalents	$ 66,114,389
Accrued interest receivable	327,855
Total	$ 66,442,244
Net position held in trust for participants:	
Internal portion	$ 62,343,463
External portion	4,098,781
Total	$ 66,442,244

Statement of Changes in Net Position
For the Year Ended December 31, 2023

Revenue:	
Operating revenues	$ 96,055
Net increase in assets resulting from operations	96,055
Distribution to pool participants	363,666
Capital transactions:	
Proceeds of investments sold	(65,297,834)
Purchase of investments	66,114,389
Total increase in net position	1,276,276
Net position, beginning of year	65,165,968
Net position, end of year	$ 66,442,244

H. Inventories of Materials and Supplies

On the government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

I. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are valued at acquisition cost. The County maintains a capitalization threshold of $5,000.

The County's infrastructure consists of roads, bridges, culverts and sanitary sewers. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated/amortized except for land and construction in progress. Improvements are depreciated/amortized 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 replacements. Depreciation/amortization is computed using the straight-line method utilizing the half-year convention over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	15 - 30 years	15 - 30 years
Buildings and improvements	8 - 50 years	20 - 40 years
Furniture and equipment	5 - 15 years	10 - 20 years
Vehicles	8 - 15 years	8 - 15 years
Infrastructure	20 - 50 years	50 years
Intangible right to use:		
Leased building	8 years	-
Leased equipment	5 - 10 years	5 years
Subscription software	3 - 5 years	-
Leased vehicles	3 - 10 years	-

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The County's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of the debt proceeds over the same period.

Capitalized interest is amortized on the straight-line method over the estimated useful life of the asset. For 2023, the net interest expense incurred on proprietary fund construction projects was not material.

The County is reporting intangible right to use assets related to leased assets and subscription software. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

J. Compensated Absences

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

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at December 31, 2023, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. Sick leave benefits are accrued using the vesting method. The County records a liability for accumulated unused sick leave after fifteen years of service with the County or over fifty years of age.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at December 31, 2023 and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments.

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the accounts "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

On the fund financial statements, reported prepayments are equally offset by a nonspendable fund balance classification in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

L. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payable". These amounts are eliminated in the governmental column on the statement of net position. Loans between governmental funds and custodial funds are reported as "loans due from/to other funds" on the financial statements.

M. Loans Receivable

Loans receivable represent the right to receive repayment for certain loans made by the County. These loans are based upon written agreements between the County and the various loan recipients. Reported loans receivable is offset by a restricted for loans fund balance in the governmental special revenue fund types.

N. Accrued Liabilities and Long-term Obligations

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

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

O. Interfund Transactions

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

During the normal course of operations, the County has numerous transactions between funds. Transfers represent movement of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in governmental funds and as transfers in proprietary funds. Interfund transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the County are treated similarly when involving other funds of the County.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivable/interfund payable" for the current portion of interfund loans. These amounts are eliminated in the statement of net position, except for any residual balances outstanding between the governmental activities and business-type activities, which are reported in the government-wide financial statements as "internal balances."

P. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended uses established by policies of the Board of Commissioners.

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

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

Q. Operating Revenues and Expenses

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

R. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and less deferred inflows of resources. 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. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

S. Bond Issuance Costs, Bond Premium/Discount and Accounting Loss

On government-wide financial statements and in the enterprise funds, issuance costs are expensed during the year in which they incurred.

Bond premiums/discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond discounts are presented as a reduction to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt reported in the government-wide financial statements and enterprise funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as deferred outflows of resources on the statement of net position in the government-wide financial statements and enterprise funds.

The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 14.

T. Estimates

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

U. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net pension/OPEB asset, deferred outflows of resources and deferred inflows of resources related 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.

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County administration and that are either unusual in nature or infrequent in occurrence. The County had no extraordinary or special items during 2023.

W. Fair Value Measurements

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.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2023, the County has implemented GASB Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*", GASB Statement No. 96, "*Subscription Based Information Technology Arrangements*", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*".

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the County.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. These changes were incorporated in the County's 2023 financial statements.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the County.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the County.

B. Deficit Fund Balances

Fund balances at December 31, 2023 included the following individual fund deficit:

Nonmajor governmental fund	Deficit
Work Release Earning	$ 553

The General fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur. The deficit fund balance resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

1. United States Treasury Notes, Bills, Bonds, 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;

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;

6. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);

8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in items (1) or (2) above or cash or both securities and cash, equal value for equal value; and,

9. Certain bankers' acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

A. Cash on Hand

At year end, the County had $2,100 in undeposited cash on hand which is included on the financial statements of the County as part of "equity in pooled cash and investments".

B. Cash in Segregated Accounts

At year end, $966,224 was on deposit in segregated accounts used by various County departments and included in the total amount of deposits reported below; however, this amount is not part of the internal cash pool reported on the financial statements as "equity in pooled cash and investments". The carrying value of these deposits was $589,741 at December 31, 2023.

C. Cash and Cash Equivalents with Fiscal Agents

At year end, the County had $5,689,351 in monies held by a fiscal agent. $134,882 was set aside for future debt service and $5,554,469 was held by WestCon for the County's Board of Developmental Disabilities. These amounts have been excluded from the total deposits and investments below as they are not part of the County's internal investment pool.

These amounts have been included on the financial statements of the County as "cash and cash equivalents with fiscal agents.

D. Deposits with Financial Institutions

At December 31, 2023, the carrying amount of all County deposits, including nonnegotiable certificates of deposit and cash in segregated accounts, was $24,535,214. The County's bank balance of all County deposits was $25,223,659. Of the bank balance, $561,062 was covered by the FDIC and $24,662,597 was covered by the Ohio Pooled Collateral System (OPCS).

Custodial credit risk is the risk that, in the event of bank failure, the County will not be able to recover deposits or collateral securities that are in the possession of an outside party. The County has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the County's 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 (2) participation in the 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. For 2023, the County's financial institutions had a 102 percent collateral rate through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the County to a successful claim by the FDIC.

E. Investments

As of December 31, 2023, the County had the following investments and maturities:

		Investment Maturities				
Measurement/ Investment type	Measurement Value	6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair value:						
Negotiable CD's	$ 4,590,737	$ 1,213,334	$ 1,211,891	$ 474,802	$ 230,880	$ 1,459,830
U.S. Government money market	23,870	23,870	-	-	-	-
U.S. Treasury bills	1,510,478	1,510,478	-	-	-	-
U.S. Treasury notes	10,247,740	5,331,753	488,810	2,426,460	232,228	1,768,489
FHLB	12,071,646	495,500	3,142,945	481,815	1,875,970	6,075,416
FNMA	2,567,720	-	-	-	1,626,975	940,745
FHLMC	4,447,760	-	970,540	-	466,760	3,010,460
FFCB	4,245,928	489,010	240,740	-	1,876,135	1,640,043
Amortized cost:						
STAR Ohio	2,460,937	2,460,937	-	-	-	-
Total	$ 42,166,816	$ 11,524,882	$ 6,054,926	$ 3,383,077	$ 6,308,948	$ 14,894,983

The weighted average maturity of investments is 1.52 years.

The County investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The County's investments in U.S. Treasury bills, U.S. Treasury notes, negotiable CD's and federal agency securities (FHLB, FNMA, FHLMC, FFCB) are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

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 County's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The County's investments, except for negotiable certificates of deposit and U.S. Government money market, were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The negotiable certificates of deposit and the U.S. Government money market are covered by FDIC and are not rated.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the County's name. The County has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the County Treasurer or qualified trustee.

Concentration of Credit Risk: The County places no limit on the amount that may be invested in any one issuer.

The following table includes the percentage of each investment type held by the County at December 31, 2023:

Measurement/ Investment type	Measurement Value	% to Total
Fair value:		
Negotiable CD's	$ 4,590,737	10.89
U.S. Government money market	23,870	0.06
U.S. Treasury bills	1,510,478	3.58
U.S. Treasury notes	10,247,740	24.30
FHLB	12,071,646	28.63
FNMA	2,567,720	6.09
FHLMC	4,447,760	10.55
FFCB	4,245,928	10.07
Amortized cost:		
STAR Ohio	2,460,937	5.83
Total	$ 42,166,816	100.00

F. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2023:

Cash and investments per note	
Carrying amount of deposits	$ 23,945,473
Investments	42,166,816
Cash in segregated accounts	589,741
Cash and investments with fiscal agent	5,689,351
Cash on hand	2,100
Total	$ 72,393,481

Cash and investments per statement of net position	
Governmental activities	$ 54,451,794
Business-type activities	890,364
Investment trust	4,098,781
Custodial funds	12,952,542
Total	$ 72,393,481

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund transfers for the year ended December 31, 2023, consisted of the following, as reported on the fund financial statements:

Transfer from the General fund to:	Amount
Nonmajor governmental funds	$ 2,240,637
Sanitary Sewer fund	36,228
Transfer from nonmajor governmental fund to:	
Nonmajor governmental fund	80,000
Total	$ 2,356,865

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers between governmental funds are eliminated for reporting on the statement of activities. Transfers between governmental activities and business-type activities are reported as transfers on the statement of activities.

All other transfers complied with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

B. Interfund loans payable/receivable consisted of the following at December 31, 2023:

Receivable funds	Payable funds	Amount
General fund	Nonmajor governmental funds	$ 10,000

The interfund loan balances result from resources provided by the receivable fund to the payable fund to provide cash flow resources until anticipated revenues are received. Interfund loans payable/receivable between governmental funds are eliminated on the government-wide financial statements. Interfund loans payable/receivable between governmental and enterprise funds are shown as an internal balance on the statement of net position.

NOTE 6 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the County. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. 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 real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes became a lien December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by a deferred inflow of resources since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes has been offset by deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is considered a deferred inflow of resources.

The full tax rate for all County operations, excluding 911 operations, for the year ended December 31, 2023 was $9.80 per $1,000 of assessed value. The full tax rate for the County 911 operations, excluding the City of Bellevue and the Village of Green Springs, for the year ended December 31, 2023 was $0.30 per $1,000 of assessed value. The assessed values of real and tangible personal property upon which 2023 property tax receipts were based are as follows:

Real property	
Residential/agricultural	$ 1,089,440,570
Commercial/industrial/mineral	235,094,400
Public utility	
Real	667,330
Personal	366,815,090
Total assessed value	$ 1,692,017,390

NOTE 7 - PERMISSIVE SALES AND USE TAX

In 1979, the County Commissioners, by resolution, imposed a 0.5 percent tax on all retail sales made in the County, except sales of motor vehicles. In 1989, the percentage increased to 1 percent. In 2005, an additional 0.25 percent tax was levied and earmarked solely for emergency medical services. In 2010, an additional 0.25 percent tax was levied for general operations. The tax included the storage, use, or consumption of tangible personal property in the County, including motor vehicles not subject to the sales tax. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies 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 forty-five days after the end of each month. The Office of Budget and Management then has five days in which to draw the warrant payable to the County.

Proceeds of the tax are credited entirely to the General fund and emergency management system fund, a nonmajor governmental fund. Amounts that are measurable and available at year end are accrued as revenue on the fund financial statements. Permissive sales and use tax revenue totaled $15,014,879 in 2023.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2023, consisted of taxes, accounts (billings for user charged services), interfund transactions related to charges for goods and services rendered, intergovernmental receivables arising from grants, entitlements and shared revenue, special assessments, accrued interest, economic development agreements, loans and leases. All intergovernmental receivables have been classified as “due from other governments” on the financial statements. Receivables have been recorded as described in Note 2.D. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:	
Sales taxes	$ 3,836,770
Real estate and other taxes	23,422,739
Accounts	1,001,351
Special assessments	411,241
Accrued interest	328,025
Due from other governments	6,723,655
Loans	30,014
Economic development	1,214,750
Leases	669,223
Business-type activities:	
Accounts	257,710
Special assessments	19,584

Receivables have been disaggregated on the financial statements. The only receivables not expected to be collected within the subsequent year are the special assessments, loans, economic development and leases, which are collected over the life of the assessment or duration of the agreements.

NOTE 9 - LOANS RECEIVABLE

The County, through the community development block grant program, makes low-interest or interest-free loans to small businesses in the County. The activity for these loans is accounted for in the revolving loan fund, a nonmajor governmental fund. The following is a summary of the changes in the loans receivable during 2023.

Loans receivable at 12/31/22	$ 30,014
Principal payments received in 2023	-
Loans receivable at 12/31/23	$ 30,014

NOTE 10 - ECONOMIC DEVELOPMENT RECEIVABLE

On August 4, 2022, the County entered into an agreement with the City of Fremont and the Fremont Development Corporation to transfer property to a developer for the purpose of constructing the project sites into an industrial park. During 2023, the County transferred the agreed upon 67.65 acres to the Fremont Development Corporation for the purchase price of $1,014,750 or $15,000 per acre. The purchase price is not due to be paid to the County until the project site has been developed and sold.

In addition, during 2023, there was an addendum to the agreement to transfer an additional 17 acres. The County transferred the additional 17 acres to the Fremont Development Corporation during 2023 for the purchase price of $225,000, of which $25,000 was paid at closing. The remaining $200,000 is not due to be paid to the County until the project site has been developed and sold.

NOTE 11 - LEASES RECEIVABLE

The County is reporting leases receivable of $669,223 in the General fund and the permanent improvement fund (a nonmajor governmental fund). For 2023, the County recognized lease revenue of $72,112, which is reported in rental income, and interest revenue of $17,691.

The County has entered into the following lease agreements as the lessor at varying years and terms as follows:

Lease Type	Commencement Date	Years	Lease End Date	Payment Method
Cell Tower Land Lease	2016	30	2046	Monthly
Office Space - 2000 Countyside Dr.	2018	10	2028	Monthly
Office Space - 2511 Countyside Dr.	2020	4	2024	Monthly
Building Rental - 1499 N River Rd.	2001	30	2031	Monthly
Farm Land Lease	2023	2	2025	Annual

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2024	$ 73,509	$ 16,295	$ 89,804
2025	65,093	14,511	79,604
2026	62,182	12,809	74,991
2027	63,911	11,201	75,112
2028	41,506	9,706	51,212
2029 - 2033	107,921	38,759	146,680
2034 - 2038	90,363	27,113	117,476
2039 - 2043	112,012	14,275	126,287
2044 - 2047	52,726	1,469	54,195
Total	$ 669,223	$ 146,138	$ 815,361

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NOTE 12 - CAPITAL ASSETS

The capital asset activity for the year ended December 31, 2023 was as follows:

Governmental activities:	Balance 1/1/2023	Additions	Deductions	Balance 12/31/2023
Capital asset not being depreciated/amortized:				
Land	$ 2,348,604	$ -	$ -	$ 2,348,604
Construction in progress	305,701	219,767	-	525,468
Total capital assets not being depreciated/amortized	2,654,305	219,767	-	2,874,072
Capital assets, being depreciated/amortized:				
Land improvements	1,108,620	33,300	-	1,141,920
Buildings and improvements	35,153,425	195,281	-	35,348,706
Furniture and equipment	5,132,267	754,553	(104,634)	5,782,186
Vehicles	7,483,995	1,534,884	(968,097)	8,050,782
Infrastructure	50,692,182	2,472,677	(876,704)	52,288,155
Intangible right to use:				
Leased building	-	129,720	-	129,720
Leased equipment	512,260	1,227,156	(154,930)	1,584,486
Subscription software	-	96,713	-	96,713
Leased vehicles	-	352,751	-	352,751
Total capital assets, being depreciated/amortized	100,082,749	6,797,035	(2,104,365)	104,775,419
Less: accumulated depreciation/amortization:				
Land improvements	(1,003,720)	(12,971)	-	(1,016,691)
Buildings and improvements	(17,943,003)	(1,154,802)	-	(19,097,805)
Furniture and equipment	(2,492,990)	(296,305)	65,709	(2,723,586)
Vehicles	(4,253,754)	(870,396)	814,714	(4,309,436)
Infrastructure	(24,560,628)	(1,792,058)	547,475	(25,805,211)
Intangible right to use:				
Leased building	-	(14,864)	-	(14,864)
Leased equipment	(342,595)	(184,633)	154,930	(372,298)
Subscription software	-	(22,975)	-	(22,975)
Leased vehicles	-	(31,019)	-	(31,019)
Total accumulated depreciation/amortization	(50,596,690)	(4,380,023)	1,582,828	(53,393,885)
Total capital assets, being depreciated/amortized net	49,486,059	2,417,012	(521,537)	51,381,534
Governmental activities capital assets, net	$ 52,140,364	$ 2,636,779	$ (521,537)	$ 54,255,606

Business-type activities:	Balance 1/1/2023	Additions	Deductions	Balance 12/31/2023
Capital asset not being depreciated/amortized:				
Land	$ 71,465	$ -	$ -	$ 71,465
Capital assets, being depreciated/amortized:				
Land improvements	25,549	-	-	25,549
Buildings and improvements	1,415,847	-	-	1,415,847
Furniture and equipment	1,015,275	-	-	1,015,275
Vehicles	171,109	55,189	-	226,298
Infrastructure	18,401,794	-	-	18,401,794
Intangible right to use:				
Leased equipment	7,313	-	-	7,313
Total capital assets, being depreciated/amortized	21,036,887	55,189	-	21,092,076
Less: accumulated depreciation/amortization:				
Land improvements	(13,834)	(1,278)	-	(15,112)
Buildings and improvements	(467,770)	(56,656)	-	(524,426)
Furniture and equipment	(792,194)	(22,372)	-	(814,566)
Vehicles	(141,392)	(9,707)	-	(151,099)
Infrastructure	(7,822,160)	(364,355)	-	(8,186,515)
Intangible right to use:				
Leased equipment	(5,120)	(1,463)	-	(6,583)
Total accumulated depreciation/amortization	(9,242,470)	(455,831)	-	(9,698,301)
Total capital assets, being depreciated/amortized net	11,794,417	(400,642)	-	11,393,775
Business-type activities capital assets, net	$ 11,865,882	$ (400,642)	$ -	$ 11,465,240

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Legislative and executive	$ 1,112,984
Judicial	375,823
Public safety	596,549
Public works	1,982,036
Health	77,040
Human services	235,591
Total depreciation/amortization expense - governmental	$ 4,380,023
Business-type activities:	
Sanitary sewer	$ 455,831

NOTE 13 - COMPENSATED ABSENCES

County employees earn vacation leave at varying rates ranging from two to five weeks per year. Accumulated vacation cannot exceed three times the annual accumulation rate for an employee. All accumulated, unused vacation time is paid upon separation from the County. Sick leave is accumulated at the rate of three weeks per year. Upon retirement, employees hired before August 12, 1982, are entitled to 100 percent of their accumulated sick leave up to a maximum of 260 days. Employees hired after August 12, 1982, are 55 years or older and have seven years of service are entitled to 25 percent of their accumulated sick leave up to a maximum of 30 days.

NOTE 14 - LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended December 31, 2023 consisted of the following:

Governmental activities:	Interest Rate	Balance 1/1/2023	Additions	Reductions	Balance 12/31/23	Amount Due in One Year
Special obligation bonds:						
Series B - 2012	1.375 - 3.25%	$ 210,000	$ -	$ (40,000)	$ 170,000	$ 40,000
Series C - 2012	0.90 - 4.00%	625,000	-	(115,000)	510,000	120,000
Series - 2016	2.00 - 4.00%	3,805,000	-	(250,000)	3,555,000	255,000
Toal special obligation bonds		4,640,000	-	(405,000)	4,235,000	415,000
General obligation bonds:						
Building facilities improvement bonds, series 2019	2.00-4.00%	6,675,000	-	(345,000)	6,330,000	350,000
Ohio Public Works Commission loans (direct borrowing):						
Bridge project		81,483	-	(3,790)	77,693	3,790
CR 185 & TR 220 road improvement		47,396	-	(7,292)	40,104	7,291
County road 198 improvements		165,601	-	(22,080)	143,521	22,080
		294,480	-	(33,162)	261,318	33,161
Other long-term obligations:						
Compensated absences payable		2,085,415	1,776,427	(1,701,191)	2,160,651	1,719,491
Leases payable		222,324	1,695,280	(278,372)	1,639,232	280,468
SBITA payable		-	96,713	(23,525)	73,188	28,220
Net pension liability		12,985,337	30,917,672	-	43,903,009	-
Net OPEB liability		-	893,060	-	893,060	-
Total other long-term obligations		15,293,076	35,379,152	(2,003,088)	48,669,140	2,028,179
Total governmental obligations		$ 26,902,556	$ 35,379,152	$ (2,786,250)	59,495,458	$ 2,826,340
		Add: Unamortized premium on bond issue:			284,056	
		Less: Unamortized discount on bond issue:			(2,349)	
					$ 59,777,165	

Business-type activities:	Balance 1/1/2023	Additions	Reductions	Balance 12/31/23	Amount Due in One Year
Ohio Water Pollution Control loan (direct borrowing):					
State Route 6 Sanitary Sewer	$ 184,114	$ -	$ (24,548)	$ 159,566	$ 24,549
Grandview Lift Station	328,824	-	(30,586)	298,238	31,467
Pump Station Improvements	166,937	-	(11,940)	154,997	12,376
Hayes Ave Sewer Replacement	807,957	-	(55,848)	752,109	57,711
Hayes Ave Sewer Phase 2	1,201,771	-	(79,099)	1,122,672	81,122
Lift Station and WWTP	780,195	-	(20,715)	759,480	21,343
White Star Park Sewer and Water Infrastructure	991,090	-	(48,939)	942,151	50,203
Wightman's Grove Sanitary Sewer and Treatment	1,745,485	-	(50,392)	1,695,093	59,477
Total OWPCLF loans	6,206,373	-	(322,067)	5,884,306	338,248
Ohio Public Works Commission loans (direct borrowing):					
Ireland Lift Station	121,833	-	(5,666)	116,167	5,667
E. State Street Sanitary Sewer Phase II - Timple Road	178,750	-	(13,750)	165,000	13,750
General Sewer District Rehabilitation	92,250	-	(4,500)	87,750	4,500
Total OPWC loans	392,833	-	(23,916)	368,917	23,917
Other long-term obligations:					
Leases payable	2,132	-	(1,586)	546	546
Net pension liability	174,551	355,079	-	529,630	-
Net OPEB liability	-	10,951	-	10,951	-
Compensated absences payable	33,056	27,697	(25,393)	35,360	25,291
Total other long-term obligations	209,739	393,727	(26,979)	576,487	25,837
Total business-type obligations	$ 6,808,945	$ 393,727	$ (372,962)	$ 6,829,710	$ 388,002

On September 17, 2019, the County issued $7,660,000 in series 2019 general obligation County building and facilities improvement bonds to provide funds to pay costs of the construction, adding to, remodeling, renovating, rehabilitating, furnishing, equipping and otherwise improving buildings, facilities and structures for County offices and functions and improving and equipping sites for such buildings, facilities and structures.

The series 2019 general obligation bonds are comprised of $7,660,000 in serial bonds. The interest rate on the current interest bonds range from 2.000% to 4.000%. The bonds were issued for a twenty year period, with a final stated maturity date of December 1, 2039. The bonds are retired through the debt service fund (a nonmajor governmental fund). There were $628,319 in unspent bond proceeds as of December 31, 2023.

On August 11, 2016, the County issued $5,500,000 in series 2016 special obligation sales tax supported bonds to provide funds to pay costs of constructing, renovating, remodeling, furnishing, equipping, and otherwise improving County buildings, primarily the County Courthouse.

The series 2016 special obligation sales tax supported bonds are comprised of $5,500,000 in serial bonds. The interest rate on the current interest bonds range from 2.000% to 4.000%. The bonds were issued for a twenty year period, with a final stated maturity date of December 1, 2035. The bonds are retired through the debt service fund (a nonmajor governmental fund).

On June 27, 2012, the County issued $5,700,000 in series 2012 special obligation sales tax supported bonds. These bonds consisted of $3,475,000 in series 2012A special obligation sales tax supported refunding bonds to refund the series 2002 various purpose improvement and refunding bonds, $565,000 in series 2012B special obligation sales tax supported bonds for the juvenile detention center improvement project and $1,660,000 in series 2012C special obligation federally taxable sales tax supported bonds for the airport facilities and equipment acquisition project.

The series 2012B special obligation sales tax supported bonds for the juvenile detention center improvement project is comprised of term bonds in the amounts of $105,000, $210,000 and $250,000. The interest rates on the term bonds are 1.375%, 2.600% and 3.250%, respectively. The bonds have final stated maturity dates of December 1, 2015, December 1, 2021 and December 1, 2027, respectively. The bonds are retired through the debt service fund (a nonmajor governmental fund).

The series 2012C special obligation federally taxable sales tax supported bonds for the airport facilities and equipment acquisition project issue is comprised of $810,000 in serial bonds and $850,000 in term bonds. Any capital related purchases made from the proceeds of these bonds belong to the Sandusky Regional Airport Authority, a component unit of the County. The interest rate on the current interest bonds range from 0.900% to 2.950%. The bonds were issued for an eight year period, with a final stated maturity date of December 1, 2020 for the serial bonds. The interest rate on the term bond is 4.00% with a final stated maturity date of December 1, 2027. The bonds are retired through the debt service fund (a nonmajor governmental fund).

In current and prior years, the County entered into lease payable agreements for postage meters, copier equipment, building space, EMS equipment, and vehicles for the intangible right to use. The lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as function expenditures in the budgetary statements.

Intangible right to use – equipment with an outstanding lease payable balance of $12,679 at December 31, 2023 was acquired under the lease payable agreements have not been capitalized due to each item being under the capitalization threshold. During 2023, principal and interest payments relating to leases payable totaled $279,958 and $12,938, respectively, paid by the General fund, the EMS fund (a nonmajor governmental fund), the county board of DD fund, the Dog and Kennel fund (a nonmajor governmental fund), the drug task force fund (a nonmajor governmental fund) and the sewer fund. As of December 31, 2023, the liability for leases payable included in the long-term liabilities of governmental activities and business-type activities totaled $1,639,232 ($12,679 of which did not pertain to capital assets) and $546, respectively.

In current year, the County entered into SBITA payable agreements for subscription software for the intangible right to use. The SBITA payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reported as function expenditures in the budgetary statements.

During 2023, principal and interest payments relating to SBITA payable totaled $23,525 and $908, respectively, paid by the General fund and the EMS fund (a nonmajor governmental fund). As of December 31, 2023, the liability for SBITA payable included in the long-term liabilities of governmental activities totaled $73,188.

The County has entered into debt financing arrangements through the Ohio Public Works Commission (OPWC) to fund sewer improvements and bridge/road improvements. The amounts due to the OPWC for the sewer loans are payable solely from operating revenues and the loans in the governmental activities are paid from the debt service fund (a nonmajor governmental fund). The loan agreements function similar to a line-of-credit agreement. At December 31, 2023, the County has outstanding borrowings of $630,235. The loan agreements require semi-annual payments based on the actual amount loaned. The OPWC loans are interest free.

OPWC loans are direct borrowings that have terms negotiated directly between the County and the OPWC and are not offered for public sale. In the event of default, the OPWC may (1) charge an 8% default interest rate from the date of the default to the date of the payment and charge the County for all costs incurred by the OPWC in curing the default, (2) in accordance with Ohio Revised Code 164.05, direct the county treasurer of the county in which the County is located to pay the amount of the default from funds that would otherwise be appropriated to the County from such county's undivided local government fund pursuant to ORC 5747.51-5747.53, or (3) at its discretion, declare the entire principal amount of loan then remaining unpaid, together with all accrued interest and other charges, become immediately due and payable.

The County entered into debt financing arrangements through the Ohio Water Pollution Control Loan Fund (OWPCLF) to fund sewer improvements. The amounts due to the OWPCLF are payable solely from operating revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2023, the County has outstanding borrowings of $5,884,306. The loan agreements require semi-annual payments based on the actual amount loaned. The loans are payable from the sanitary sewer fund.

OWPCLF loans are direct borrowings that have terms negotiated directly between the City and the OWPCLF and are not offered for public sale. In the event of default, the OWPCLF may declare the full amount of the then unpaid original loan amount to be immediately due and payable and/or require the City to pay any fines, penalties, interest, or late charges associated with the default.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid, which, for the County, is primarily the General fund, county board of DD fund, the motor vehicle and gas tax fund (a nonmajor governmental fund), the human services fund (a nonmajor governmental fund), and the sanitary sewer fund.

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

The Code further provides that the total voted and unvoted net debt of the County, less the same exempt debt, shall never exceed a sum equal to three percent of the first $100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of $100,000,000 and not in excess of $300,000,000, plus two and one-half percent of such valuation in excess of $300,000,000. The assessed valuation used in determining the County's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the County's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. Based on this calculation, the County's voted legal debt margin was $34,757,392 at December 31, 2023 and the unvoted legal debt margin was $10,877,131 at December 31, 2023.

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

	Special Obligations Bonds			General Obligations Bonds		
Year Ended	Principal	Interest	Total	Principal	Interest	Total
2024	$ 415,000	$ 109,150	$ 524,150	$ 350,000	$ 155,388	$ 505,388
2025	425,000	97,950	522,950	350,000	141,387	491,387
2026	440,000	86,450	526,450	355,000	130,888	485,888
2027	455,000	74,488	529,488	360,000	123,788	483,788
2028	280,000	62,125	342,125	370,000	116,587	486,587
2029 - 2033	1,545,000	212,775	1,757,775	1,945,000	463,762	2,408,762
2034 - 2038	675,000	27,913	702,913	2,145,000	217,128	2,362,128
2039	-	-	-	455,000	11,375	466,375
Total	$ 4,235,000	$ 670,851	$ 4,905,851	$ 6,330,000	$ 1,360,303	$ 7,690,303

	OPWC Loans			Leases Payable		
Year Ended	Principal	Interest	Total	Principal	Interest	Total
2024	$ 33,161	$ -	$ 33,161	$ 280,468	$ 42,634	$ 323,102
2025	33,162	-	33,162	250,550	36,951	287,501
2026	33,162	-	33,162	200,137	30,133	230,270
2027	33,162	-	33,162	188,687	24,749	213,436
2028	33,161	-	33,161	187,576	19,393	206,969
2029 - 2033	55,716	-	55,716	531,814	35,253	567,067
2034 - 2038	18,950	-	18,950	-	-	-
2039 - 2043	18,949	-	18,949	-	-	-
2044	1,895	-	1,895	-	-	-
Total	$ 261,318	$ -	$ 261,318	$ 1,639,232	$ 189,113	$ 1,828,345

	SBITA Payable		
Year Ended	Principal	Interest	Total
2024	$ 28,220	$ 1,576	$ 29,796
2025	30,476	1,024	31,500
2026	5,680	320	6,000
2027	5,835	165	6,000
2028	2,977	23	3,000
Total	$ 73,188	$ 3,108	$ 76,296

The following is a summary of the County's future annual debt service requirements for business-type activities obligations:

	Leases Payable		
Year Ended	Principal	Interest	Total
2024	$ 546	$ 6	$ 552

	OPWC Loans			OWPCLF Loans		
Year Ended	Principal	Interest	Total	Principal	Interest	Total
2024	$ 23,917	$ -	$ 23,917	$ 338,248	$ 112,780	$ 451,028
2025	23,917	-	23,917	345,549	105,479	451,028
2026	23,916	-	23,916	353,063	97,965	451,028
2027	23,917	-	23,917	360,797	90,231	451,028
2028	23,917	-	23,917	368,756	82,272	451,028
2029 - 2033	119,583	-	119,583	1,825,121	284,439	2,109,560
2034 - 2038	78,333	-	78,333	1,091,709	105,473	1,197,182
2039 - 2043	48,583	-	48,583	511,438	43,193	554,631
2044 - 2048	2,834	-	2,834	481,456	14,127	495,583
2049 - 2052	-	-	-	208,169	-	208,169
Total	$ 368,917	$ -	$ 368,917	$ 5,884,306	$ 935,959	$ 6,820,265

NOTE 15 - RISK MANAGEMENT

A. General Insurance

The County is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During 2023, the County contracted with County Risk Sharing Authority (CORSA) for liability, property and crime insurance. The CORSA program has a $2,500 deductible. Coverages provided by CORSA are as follows:

Type of Coverage	Amount
General Liability (per occurrence)	$ 1,000,000
Law Enforcement Liability (per occurrence)	1,000,000
Automobile Liability and Physical Damage	
Liability (per occurrence)	1,000,000
Medical payments	
Per Person	5,000
Per Occurrence	50,000
Uninsured Motorist (per person)	250,000
Errors and Omissions	1,000,000
Excess Liability	7,000,000
Property	180,674,874
Equipment Breakdown	100,000,000
Crime Insurance:	
Faithful Performance	1,000,000

With the exceptions of health insurance, life insurance, and workers' compensation, all insurance is held with CORSA (See Note 2). There has been no significant reduction in coverage from prior year and settled claims have not exceeded limits of coverage in the past three years. The County pays all elected officials' bonds in accordance with statute.

B. Health and Vision Insurance

The County provides comprehensive health and vision insurance coverage to its employees through a traditionally funded plan. The County purchases commercial health insurance coverage. The County pays 87% of the monthly premium while the employee pays 13%. The entire risk of loss transfers to the commercial insurance carrier. The County's monthly premium requirement is as follows:

	Family Coverage	Single Coverage
CEBCO	$ 1,430.07	$ 542.51

C. Insurance Purchasing Pool

For 2023, the County participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool (See Note 2). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate. In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings which accrued to the Plan through its formation. This savings is then compared to the overall savings percentage of the Plan.

The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows representatives of the Plan to access loss experience for three years following the last year of participation.

D. Natural Gas

The County participates in the County Commissioners Association of Ohio Service Corporation National Gas Program (the Program), a natural gas cost savings pool. There are currently over 50 counties participating. The program allows additional counties and/or additional county facilities to join at any time. Approximate savings range from $.20 to $1.52 per thousand cubic foot and this savings has been maintained since the inception of the program. The program is administered through Palmer Energy.

NOTE 16 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Asset and Net OPEB Liability/Asset

The net pension liability/asset and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions and OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The 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 liability/asset and the net 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 calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

The remainder of this note includes the pension disclosures. See Note 17 for the OPEB disclosures.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - County employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS 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. 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):

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

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 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 3.00%. 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 3.00%.

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

Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% 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:

	State and Local			
	Traditional	Combined	Public Safety	Law Enforcement
2023 Statutory Maximum Contribution Rates				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
2023 Actual Contribution Rates				
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	14.0 %	14.0 %	18.1 %	18.1 %
Employee	10.0 %	10.0 %	12.0 %	13.0 %

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

** This rate is determined by OPERS' Board and has no maximum rate established by 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 and are expressed as a percentage of covered payroll.

The County's contractually required contribution for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan was $3,761,494 for 2023. Of this amount, $328,590 is reported as due to other governments.

Plan Description - 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 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 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

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

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective Aug. 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until Aug. 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until Aug. 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all of their member contributions and 11.09% of the 14.00% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. The remaining 2.91% of the 14.00% 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, 12.00% of the 14.00% percent member rate is deposited into the member's DC account and the remaining 2.00% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that 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 2023 employer and employee contribution rate of 14.00% was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The County's contractually required contribution to STRS was $49,687 for 2023. Of this amount, $18,162 is reported as due to other governments.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. STRS's total pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability or asset was based on the County's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Proportion of the net pension liability/asset prior measurement date	0.161323%	0.118280%	0.084112%	0.002780%	
Proportion of the net pension liability/asset current measurement date	0.164394%	0.112637%	0.074532%	0.003315%	
Change in proportionate share	0.003071%	-0.005643%	-0.009580%	0.000535%	
Proportionate share of the net pension liability	$ 43,718,825	$ -	$ -	$ 713,814	$ 44,432,639
Proportionate share of the net pension asset	-	(238,997)	(5,248)	-	(244,245)
Pension expense	7,652,898	30,642	(509)	14,211	7,697,242

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At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS - Traditional	OPERS - Combined	Member-Directed	STRS	Total
Deferred outflows of resources					
Differences between expected and actual experience	$ 1,452,157	$ 14,693	$ 15,077	$ 26,024	$ 1,507,951
Net difference between projected and actual earnings on pension plan investments	12,461,238	87,103	2,458	-	12,550,799
Changes of assumptions	461,859	15,822	335	58,787	536,803
Changes in employer's proportionate percentage/ difference between employer contributions	851,180	-	-	87,678	938,858
Contributions subsequent to the measurement date	3,660,474	56,136	44,884	19,587	3,781,081
Total deferred outflows of resources	$ 18,886,908	$ 173,754	$ 62,754	$ 192,076	$ 19,315,492

	OPERS - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Deferred inflows of resources					
Differences between expected and actual experience	$ -	$ 34,150	$ -	$ 1,586	$ 35,736
Net difference between projected and actual earnings on pension plan investments	-	-	-	2,137	2,137
Changes of assumptions	-	-	-	44,249	44,249
Changes in employer's proportionate percentage/ difference between employer contributions	21,571	-	-	81,627	103,198
Total deferred inflows of resources	$ 21,571	$ 34,150	$ -	$ 129,599	$ 185,320

$3,781,081 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/increase to the net pension liability/asset in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS - Traditional	OPERS - Combined	OPERS - Member-Directed	STRS	Total
Year Ending December 31:					
2024	$ 2,350,104	$ 3,540	$ 2,499	$ (25,573)	$ 2,330,570
2025	3,082,428	16,026	2,685	(42,444)	3,058,695
2026	3,667,948	22,235	2,725	92,818	3,785,726
2027	6,104,383	37,498	3,093	18,089	6,163,063
2028	-	(104)	1,779	-	1,675
Thereafter	-	4,273	5,089	-	9,362
Total	$ 15,204,863	$ 83,468	$ 17,870	$ 42,890	$ 15,349,091

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

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

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for 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 proportionate share of the net pension liability/asset calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	$ 65,489,339	$ 43,718,825	$ 25,609,662
Combined Plan	(124,726)	(238,997)	(329,561)
Member-Directed Plan	(3,355)	(5,248)	(6,710)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023 actuarial valuation compared with June 30, 2022 are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	8.50% at age 20 to 2.50% at age 65
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

For the June 30, 2023, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% 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% 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.

For the June 30, 2022, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% 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% 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.

The actuarial assumptions used in the June 30, 2023, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2015, through June 30, 2021. The actuarial assumptions used in the June 30, 2022, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016. An actuarial study is done on a quinquennial basis.

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

Asset Class	Target Allocation *	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00 %	

* Final target weights reflected at October 1, 2022.

** 10-year annualized geometric nominal returns include the real rate of return and inflation of 2.25% and is net of investment expenses. Over a 30-year period, STRS Ohio's 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% as of June 30, 2023. 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 the rates. 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 Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

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%, 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%) or one-percentage-point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability	$ 1,097,688	$ 713,814	$ 389,162

NOTE 17 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 16 for a description of the net OPEB liability/asset.

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional 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. Medicare-enrolled 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 selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

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 traditional pension plan and combined plan 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:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't 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.

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.

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 50.00% 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.

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority 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 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was $27,310 for 2023. Of this amount, $2,386 is reported as due to other governments.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14.00% of covered payroll. For 2023, STRS did not allocate any employer contributions to post-employment health care.

Net OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. STRS's total OPEB asset was measured as of June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability was based on the County's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	OPERS	STRS	Total
Proportion of the net OPEB liability/asset prior measurement date	0.156926%	0.002780%	
Proportion of the net OPEB liability current measurement date	0.159259%	0.003315%	
Change in proportionate share	0.002333%	0.000534%	
Proportionate share of the net OPEB liability	$ 904,011	$ -	$ 904,011
Proportionate share of the net OPEB asset	-	(64,466)	(64,466)
OPEB expense	(1,531,726)	(2,492)	(1,534,218)

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At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ -	$ 103	$ 103
Net difference between projected and actual earnings on OPEB plan investments	1,795,398	115	1,795,513
Changes of assumptions	882,968	9,498	892,466
Changes in employer's proportionate percentage/ difference between employer contributions	25,207	1,598	26,805
Contributions subsequent to the measurement date	27,310	-	27,310
Total deferred outflows of resources	$ 2,730,883	$ 11,314	$ 2,742,197

	OPERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 225,496	$ 9,838	$ 235,334
Changes of assumptions	72,654	42,534	115,188
Changes in employer's proportionate percentage/ difference between employer contributions	13,008	2,995	16,003
Total deferred inflows of resources	$ 311,158	$ 55,367	$ 366,525

$27,310 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/increase to the net OPEB liability in the year ending December 31, 2024.

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
Year Ending December 31:			
2024	$ 313,519	$ (18,046)	$ 295,473
2025	651,709	(9,078)	642,631
2026	559,863	(3,757)	556,106
2027	867,324	(4,872)	862,452
2028	-	(4,450)	(4,450)
Thereafter	-	(3,850)	(3,850)
Total	$ 2,392,415	$ (44,053)	$ 2,348,362

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

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The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75% including wage inflation
Prior Measurement date	2.75 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, 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 loss of 15.6% for 2022.

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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

Discount Rate - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. 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% and a municipal bond rate of 4.05%. 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 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net OPEB liability/(asset)	$ 3,076,837	$ 904,011	$ (888,928)

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB liability	$ 847,349	$ 904,011	$ 967,784

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023, actuarial valuation, compared with June 30, 2022, are presented below:

	June 30, 2023		June 30, 2022	
Inflation	2.50%		2.50%	
Projected salary increases	Varies by service from 2.50% to 8.50%		8.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.00%, net of investment expenses, including inflation		7.00%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.00%		7.00%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	7.50%	4.14%	7.50%	3.94%
Medicare	-10.94%	4.14%	-68.78%	3.94%
Prescription Drug				
Pre-Medicare	-11.95%	4.14%	9.00%	3.94%
Medicare	1.33%	4.14%	-5.47%	3.94%

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

For the actuarial valuation as of June 30, 2023, healthy mortality rates are based on Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the actuarial valuation as of June 30, 2022, healthy mortality rates are based on Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

The actuarial assumptions used in the June 30, 2023, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2015, through June 30, 2021. The actuarial assumptions used in the June 30, 2022, valuation were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016. 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:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00 %	

* Final target weights reflected at October 1, 2022.
**10-year annualized geometric nominal returns include the real rate of return and inflation of 2.25% and is net of investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

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, 2023, calculated using the current period discount rate assumption of 7.00%, 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%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net OPEB asset	$ 54,562	$ 64,466	$ 73,091

	1% Decrease	Current Trend Rate	1% Increase
County's proportionate share of the net OPEB asset	$ 73,491	$ 64,466	$ 53,595

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the General fund and the County Board of DD fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);

(e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,

(f) Some funds are included in the General fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

Net Change in Fund Balance

	General	County Board of DD
Budget basis	$ (199,594)	$ 1,025,508
Net adjustment for revenue accruals	1,317,637	133,390
Net adjustment for expenditure accruals	3,480,745	354,115
Net adjustment for other sources/uses	(3,417,823)	-
Funds budgeted elsewhere	(168,598)	-
Adjustment for encumbrances	526,759	355,741
GAAP basis	$ 1,539,126	$ 1,868,754

Certain funds that are legally budgeted in separate special revenue funds are considered part of the General fund on a GAAP basis. This includes the land reutilization corporation fund, accumulated sick leave fund, budget reserve fund, surplus fund, unclaimed monies fund, title administration fund, property tax foreclosure rotary fund, annexations fund, Sandusky County group medical benefit plan fund, detention center donations fund, family drug court donation fund, truancy supervision program donation fund, recorder equipment fund, sheriff donations fund, sheriff K9 unit donations fund, the Medicaid sales tax transition fund, County hotel lodging tax fund, fire insurance escrow fund, nexus escrow fund and the cash in segregated accounts fund to account for monies held in cash in segregated accounts with the Prosecutor, Sheriff and Engineer's departments.

NOTE 19 - FUND BALANCE

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

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Fund balance	General	County Board of DD	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Materials and supplies inventory	$ 155,496	$ 11,643	$ 485,285	$ 652,424
Prepaids	149,565	691	121,960	272,216
Unclaimed monies	570,639	-	-	570,639
Total nonspendable	875,700	12,334	607,245	1,495,279
Restricted:				
Legislative and executive operations	-	-	1,721,917	1,721,917
Judicial	-	-	3,983,070	3,983,070
Public safety programs	40,026	-	7,997,064	8,037,090
Public works projects	-	-	4,598,167	4,598,167
Health programs	-	-	669,881	669,881
Human services programs	-	19,911,260	3,989,033	23,900,293
Economic development and assistance	-	-	172,040	172,040
Debt service	-	-	286,957	286,957
Loans	-	-	30,014	30,014
Capital projects	-	-	628,319	628,319
Total restricted	40,026	19,911,260	24,076,462	44,027,748
Committed:				
Legislative and executive operations	4,143	-	624	4,767
Judicial	-	-	595,851	595,851
Capital projects	-	-	510,620	510,620
Termination benefits	226	-	-	226
Medical benefits	327,521	-	-	327,521
Total committed	331,890	-	1,107,095	1,438,985
Assigned:				
Legislative and executive operations	151,453	-	-	151,453
Judicial	13,139	-	-	13,139
Public safety programs	16,647	-	-	16,647
Human services programs	439	-	-	439
Subsequent year appropriations	1,257,642	-	-	1,257,642
Total assigned	1,439,320	-	-	1,439,320
Unassigned (deficit)	9,161,707	-	(553)	9,161,154
Total fund balances	$ 11,848,643	$ 19,923,594	$ 25,790,249	$ 57,562,486

NOTE 20 - OTHER COMMITMENTS

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

Fund	Year-End Encumbrances
General fund	$ 182,438
County Board of DD	180,927
Other governmental	1,265,699
Total	$ 1,629,064

NOTE 21 - CONTINGENT LIABILITIES

A. Grants

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

B. Litigation

Several claims and lawsuits are pending against the County. In the opinion of the County Prosecutor, no liability is anticipated in excess of insurance coverage.

Nexus Gas Transmission is in the process of appealing the generation pipeline public utility property tax valuation. As of the date of this report, the ruling had not been finalized. As a result, the impact of appeal on the fiscal year 2023 financial statements is not determinable, at this time.

NOTE 22 - TAX ABATEMENTS

As of December 31, 2023, the County provides tax abatements through two programs – Community Reinvestment Area (CRA) and Enterprise Zone (Ezone). These programs relate to the abatement of property taxes.

CRA - Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

Ezone - Under the authority of ORC Sections 5709.62 and 5709.63, the Ezone program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in Ohio. An Ezone is a designated area of land in which businesses can receive tax incentives in the form of tax exemptions on qualifying new investment. An Ezone's geographic area is identified by the local government involved in the creation of the zone. Once the zone is defined, the local legislative authority participating in the creation must petition the OSDA. The OSDA must then certify the area for it to become an active Enterprise Zone. The local legislative authority negotiates the terms of the Enterprise Zone Agreement (the "Agreement") with the business, which may include tax sharing with the Board of Education. Legislation must then be passed to approve the Agreement. All Agreements must be finalized before the project begins and may contain provisions for the recoupment of taxes should the individual or entity fail to perform. The amount of the abatement is deducted from the business's property tax bill.

The County has entered into the following Economic Zone (EZ) tax abatement agreements for the abatement of real property taxes:

- Agreement between the County, the City of Ballville and the City of Fremont
- Agreement between the County, the City of Sandusky and the City of Fremont
- Agreement between the County, Madison Township, the Village of Gibsonburg and Gibsonburg EVSD
- Agreement between the County, the City of Clyde, and Clyde EVSD

The EZ agreements were entered into by Commissioner Resolution between 2005-2020. The County's property taxes collections were reduced by $85,970 during 2023.

The County also incurs a reduction in property taxes by agreements entered into by other governments that reduce the County's taxes. The County's property taxes were reduced by the same programs mentioned above that were entered into by other governments. During 2023, the County's property tax revenues were reduced under agreements entered into by other governments as follows:

Government Entering	Tax Abatement Program		County
Into Agreement	CRA	Ezone	Taxes Abated
City of Bellevue	$ 112,518	$ -	$ 112,518
City of Fremont	60,038	38,129	98,167
Total	$ 172,556	$ 38,129	$ 210,685

NOTE 23 - SANDUSKY REGIONAL AIRPORT AUTHORITY

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of Sandusky County Regional Airport Authority, Sandusky County, Ohio (the Authority) as a body corporate and politic. The Sandusky County Commissioners appoint five Board members to direct the Authority. The Authority is responsible for the safe and efficient operation and maintenance of Sandusky County Regional Airport. The County Commissioners are responsible for debt issued on behalf of the Authority. Due to the imposition of will exerted by the County as well as the financial burden of the Authority, the Authority is reflected as a component unit of Sandusky County. The Authority operates on a year ending December 31.

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

B. Reporting Entity

Sandusky County (the County) is a political subdivision of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organization are Component Units, and GASB Statement No. 61, The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34, in defining the financial reporting entity. The County's primary government and basic financial statement include component units, which are defined as legally separate organization for which the County if 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 impose its will over the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; or (3) the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the County is obligated for the debt of the organization. The Authority is a legally separate entity and is reported by the County as a discretely presented component unit in the County's basic financial statements. The Authority does not have any component units and does not include any organizations in its presentation.

C. Basis of Accounting

The financial statements of the Authority have been prepared in conformity with GAAP as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the Authority's accounting policies are described below.

The Authority's basis financial statements consist of government-wide financial statement, including a Statement of Net Position and a Statement of Activities, and the fund financial statements which provide a more detail level of financial information.

D. Measurement Focus

Government-Wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. The statement of net position and the statement of activities display information about the Authority as a whole. The statements include the financial activities of the primary government, except for the fiduciary funds. These statements usually distinguish between those activities of the Authority that are governmental and those that are business-type. The Authority, however, does not have any business-type activities.

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

Fund Financial Statements – All government funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and 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 used (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

E. Fund Accounting

The Authority uses fund accounting to segregate cash and investments that are restricted to use. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together will all related liabilities and residual equities or balances, and attaining certain objectives in accordance with special regulations, restrictions or limitations. For financial statement purposes, the Authority's funds are classified as governmental.

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be repaid. The difference between governmental fund assets plus deferred outflows less liabilities plus deferred inflows is reported as fund balance. The following is the Authority's major governmental fund:

General Fund – The General Fund reports all financial resources except those required to be accounted for in another fund.

Special Revenue Fund – This fund accounts for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Authority had the following significant special revenue fund:

Airport Improvement Program Grant Fund – This fund received federal money for design services for the runway rehabilitation project.

F. Cash and Cash Equivalents

The Authority maintains depository accounts. All funds of the Authority are maintained in these accounts. These interest-bearing deposits accounts are presented in the balance sheet as "Cash and Cash Equivalents." The Authority has no investments.

G. Capital Assets

General capital assets are associated with and generally arise from governmental activities. These assets generally result from expenditures in the General funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets are stated at cost at the approximate fair value at the date of purchase. All capital assets in excess of $5,000 and all expenditures for repairs, maintenance, renewal and betterments that materially prolong the useful lives of assets are capitalized. Depreciation is computed using the straight line basis. Expenditures for maintenance and repairs are expensed as incurred.

H. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported on the government-wide 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.

I. Net Position

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Authority applies restricted resources when an expense is incurred for purposes for with both restricted and unrestricted components of net position are available.

J. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Authority must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The Authority classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

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

Committed - Trustees can commit amounts via formal action (resolution). The Authority must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the General fund report all fund balances as assigned unless they are restricted or committed. In the General fund, assigned amounts represent intended uses established by the Board or an Authority official delegated that authority by resolution, or by State Statute.

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

The Authority 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.

K. Income Tax Status

The Authority is a not-for-profit organization, exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Authority is not a private foundation within the meaning of Section 509 (a). Contributions to the Authority are deductible per Section 170(b)(1)(A)(v1). Management is unaware of any actions or events that would jeopardize the Authority's tax status.

L. Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, entitlements and donations. 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 Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the authority on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, intergovernmental revenue sources are considered to be both measurable and available at year-end.

M. Deferred Outflows of Resources

In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to the future period and will not be recognized as an outflow of resources (expenses/expenditures) until then. See Note 7 and 8 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively.

N. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net pension/OPEB asset, deferred outflows of resources and deferred inflows of resources related 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.

O. Expense/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. Allocation of cost, such as depreciation and amortization, are not recognized in the government funds.

P. Estimates

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

Q. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

R. Inventory

On the government-wide financial statements, inventories are presented at the lower of cost of market on a first-in, first-out basis and are expensed when used.

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased.

S. Accountability and Compliance

Change in Accounting Principles

For 2023, the Authority has implemented GASB Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”, GASB Statement No. 96, “Subscription Based Information Technology Arrangements”, certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, “Omnibus 2022”.

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the Authority.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the Authority.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the Authority.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Authority.

Restatement of Capital Assets Beginning Balances

During 2022, the Authority understated construction in progress and accounts payable due to amounts paid in 2023 for work performed prior to December 31, 2022. Both amounts were understated by $704,897. Therefore, this had no effect on beginning net position. Opening balances for capital assets have been restated in Note V.

T. Equity in Pooled Deposits

At December 31, 2023, the carrying amount of all Authority deposits was $73,671. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2023, all of the Authority's bank balance of $99,974 was covered by the Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk is the risk that, in the event of bank failure, the Authority will not be able to recover deposit or collateral securities that are in the possession of an outside party. The Authority has no deposit policy for custodial credit risk beyond the requirements of State statute.

Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the 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 (2) participation in the OPCS, 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 to a reduced rate by the Treasurer of State.

U. Receivables

Receivables at December 31, 2023 consisted of the amounts from accounts receivable. All receivables are considered collectible in full. A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:	
Accounts receivable	$ 12,497

Receivables have been disaggregated on the face of the basis financial statements. All receivables are expected to be collected within the subsequent year.

V. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Restated Balance 12/31/2022	Additions	Deductions	Balance 12/31/2023
Capital asset not being depreciated:				
Land	$ 863,291	$ -	$ -	$ 863,291
Construction in progress	1,578,261	34,424	(1,612,685)	-
Total capital assets not being depreciated:	2,441,552	34,424	(1,612,685)	863,291
Capital assets, being depreciated:				
Buildings	1,743,215	50,000	-	1,793,215
Improvements	4,959,104	1,445,946	-	6,405,050
Equipment	208,304	194,900	-	403,204
Total capital assets, being depreciated:	6,910,623	1,690,846	-	8,601,469
Less: accumulated depreciation:				
Buildings	(945,615)	(54,140)	-	(999,755)
Improvements	(3,394,231)	(229,217)	-	(3,623,448)
Equipment	(153,424)	(15,153)	-	(168,577)
Total accumulated depreciation	(4,493,270)	(298,510)	-	(4,791,780)
Total capital assets, being depreciated net	2,417,353	1,392,336	-	3,809,689
Capital assets, net	$ 4,858,905	$ 1,426,760	$ (1,612,685)	$ 4,672,980

W. Defined Benefit Pension Plan

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

Net Pension Liability and Net OPEB Liability

The net pension liability and the net OPEB liability reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions and OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The 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 liability and the net OPEB liability represent the Authority's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost-of-living adjustments and others.

While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

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

Plan Description - Ohio Public Employees Retirement System (OPERS)

Plan Description - Authority employees, 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. 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):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	**Group B** 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	**Group C** Members not in other Groups and members hired on or after January 7, 2013
State and Local	**State and Local**	**State and Local**
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	**Age and Service Requirements:** Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	**Combined Plan Formula:** 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

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 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 3.00%. 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 3.00%.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20.00% 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:

	State and Local	
	Traditional	Combined
2023 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2023 Actual Contribution Rates		
Employer:		
Pension **	14.0 %	12.0 %
Post-employment Health Care Benefits **	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

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

** 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 and are expressed as a percentage of covered payroll.

The Authority's contractually required contribution for the Traditional Pension Plan was $17,551 for 2023. Of this amount, $1,882 is reported as due to other governments.

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

The net pension liability and net pension asset for OPERS was measured as of December 31, 2022, and the total pension liability or asset used to calculate the net pension liability or asset was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	OPERS - Traditional
Proportion of the net pension liability/asset prior measurement date	0.000000%
Proportion of the net pension liability/asset current measurement date	0.000814%
Change in proportionate share	0.000814%
Proportionate share of the net pension liability	$ 240,456
Pension expense	130,981

At December 31, 2023, the Authority reported deferred outflows of resources of resources related to pensions from the following sources:

	OPERS - Traditional
Deferred outflows of resources	
Differences between expected and actual experience	$ 7,986
Net difference between projected and actual earnings on pension plan investments	68,542
Changes of assumptions	2,540
Changes in employer's proportionate percentage/ difference between employer contributions	141,848
Contributions subsequent to the measurement date	17,551
Total deferred outflows of resources	$ 238,467

$17,551 reported as deferred outflows of resources related to pension resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of/increase to the net pension liability in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS - Traditional
2024	$ 105,349
2025	61,815
2026	20,175
2027	33,577
Total	$ 220,916

Actuarial Assumptions - OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2022, compared to the December 31, 2021 actuarial valuation, are presented below.

Wage inflation	
Current measurement date	2.75%
Prior measurement date	2.75%
Future salary increases, including inflation	
Current measurement date	2.75% to 10.75% including wage inflation
Prior measurement date	2.75% to 10.75% including wage inflation
COLA or ad hoc COLA	
Current measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2023, then 2.05% simple
Prior measurement date	Pre 1/7/2013 retirees: 3.00%, simple Post 1/7/2013 retirees: 3.00%, simple through 2022, then 2.05% simple
Investment rate of return	
Current measurement date	6.90%
Prior measurement date	6.90%
Actuarial cost method	Individual entry age

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 12.1% for 2022.

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

For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	22.00 %	2.62 %
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risk Parity	2.00	4.37
Other investments	5.00	3.27
Total	100.00 %	

Discount Rate - The discount rate used to measure the total pension liability/asset was 6.90%, post-experience study results, for the Traditional Pension Plan, the Combined Plan and Member-Directed Plan. The discount rate used to measure total pension liability prior to December 31, 2022 was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for 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 Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.90%, as well as what the proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.90%) or one-percentage-point higher (7.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Authority's proportionate share of the net pension liability (asset):			
Traditional Pension Plan	$ 360,195	$ 240,456	$ 140,855

X. Defined Benefit OPEB Plan

Net OPEB Liability

See above for a description of the net OPEB liability.

Plan Description - 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. Medicare-enrolled 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 selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees and are no longer participating in OPERS provided self-insured group plans.

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 traditional pension plan and combined plan 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:

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

Retirees who don't 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.

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.

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 50.00% 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.

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

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

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

Funding Policy - The Ohio Revised Code provides the statutory authority 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 2023, state and local employers contributed at a rate of 14.00% of earnable salary and public safety and law enforcement employers contributed at 18.10%. 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 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a 2.00% allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2023 was 4.00%; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Authority's contractually required contribution was zero for 2023.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The Authority's proportion of the net OPEB liability was based on the Authority's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	OPERS
Proportion of the net OPEB liability/asset prior measurement date	0.000000%
Proportion of the net OPEB liability current measurement date	0.000759%
Change in proportionate share	0.000759%
Proportionate share of the net OPEB liability	$ 4,786
OPEB expense	(8,163)

At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred outflows of resources	
Net difference between projected and actual earnings on OPEB plan investments	$ 9,508
Changes of assumptions	4,674
Changes in employer's proportionate percentage/ difference between employer contributions	346
Total deferred outflows of resources	$ 14,528

	OPERS
Deferred inflows of resources	
Differences between expected and actual experience	$ 1,194
Changes of assumptions	385
Total deferred inflows of resources	$ 1,579

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
Year Ending December 31:	
2024	$ 1,786
2025	3,605
2026	2,965
2027	4,593
Total	$ 12,949

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

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The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	
Current measurement date	2.75%
Prior Measurement date	2.75%
Projected Salary Increases, including inflation	
Current measurement date	2.75 to 10.75% including wage inflation
Prior Measurement date	2.75 to 10.75% including wage inflation
Single Discount Rate:	
Current measurement date	5.22%
Prior Measurement date	6.00%
Investment Rate of Return	
Current measurement date	6.00%
Prior Measurement date	6.00%
Municipal Bond Rate	
Current measurement date	4.05%
Prior Measurement date	1.84%
Health Care Cost Trend Rate	
Current measurement date	5.50% initial, 3.50% ultimate in 2036
Prior Measurement date	5.50% initial, 3.50% ultimate in 2034
Actuarial Cost Method	Individual Entry Age Normal

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

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

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, 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 loss of 15.6% for 2022.

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. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	2.56 %
Domestic equities	26.00	4.60
Real Estate Investment Trusts (REITs)	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00 %	

Discount Rate - A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. 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% and a municipal bond rate of 4.05%. 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 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following table presents the proportionate share of the net OPEB liability calculated using the single discount rate of 5.22%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22%) or one-percentage-point higher (6.22%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Authority's proportionate share of the net OPEB liability/(asset)	$ 16,288	$ 4,786	$ (4,706)

Sensitivity of the Authority's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate - Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.00% lower or 1.00% higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

	1% Decrease	Current Health Care Trend Rate Assumption	1% Increase
Authority's proportionate share of the net OPEB liability	$ 4,486	$ 4,786	$ 5,123

Y. Risk Management

Commercial Insurance

The Authority has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Vehicles; and
- Errors and omissions

The Authority has had no significant reductions in any of its insurance coverage from that maintained in prior years. Additionally, there have been no insurance settlements that have exceeded insurance coverage in any of the past three years.

Worker's Compensation

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

Z. Contingent Liability

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

AA. Related Party Transactions

Certain businesses whose employees are members of the Board of Directors receive some benefit from the Authority. Transactions between the Authority and the business happen at an arms-length transaction. These transactions are disclosed as related party transactions.

One member of the Board of Directors works for an institution that holds funds for the Authority which amounted to $99,973.

NOTE 24 - SANDUSKY COUNTY TRANSPORTATION IMPROVEMENT DISTRICT

A. Description of the Entity

The Sandusky County Transportation Improvement District, Sandusky County, Ohio (the District) is a body corporate and politic established to plan, construct and improve highways, roads, bridges, interchanges and accompanying capital improvements and developments throughout Sandusky County.

The District was formed under the Ohio Revised Code Chapter 5544.02, by action of the Board of Sandusky County Commissioners on May 22, 2012. The resolution to create the District states the Board shall consist of seven members. The members shall be appointed as follows: five (5) members shall be appointed by the County Commissioners; one (1) nonvoting member appointed by the Speaker of the Ohio House of Representatives of the general assembly; and one (1) nonvoting member appointed by the President of the Senate of the general assembly.

The Sandusky County Auditor acts as fiscal agent for the District and the Sandusky County Treasurer acts as custodian of all funds. The District's management believes these financial statements present all activities for which the District is financial accountable.

B. Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2- 03(D). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2- 03(D) permit.

C. Deposits and Investments

The Sandusky County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the Treasurer's reported carrying amount.

D. Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District classifies all funds into the General Fund type, which accounts for and reports all financial resources not accounted for and reported in another fund.

E. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable - The District classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

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

Committed - Trustees can commit amounts via formal action (resolution). The District must adhere to these commitments unless the Trustees amend the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the General fund report all fund balances as assigned unless they are restricted or committed. In the General fund, assigned amounts represent intended uses established by District Trustees or a District official delegated that authority by resolution, or by State Statute.

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

The District 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.

F. Property, Plant and Equipment

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Risk Management

The District has not obtained insurance and is uninsured for general liability insurance coverage.

H. Contingent Liabilities

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

NOTE 25 - SANDUSKY COUNTY LAND REUTILIZATION CORPORATION

A. Description of the Entity

Sandusky County Land Reutilization Corporation (the Corporation) is a county land reutilization corporation that was formed on June 29, 2015 when the Sandusky County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout Sandusky County (the County). The Corporation can potentially address parcels where the fair market value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon.

By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and also return properties to productive use. The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on the population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. The term of office of each ex officio director runs concurrently with the term of office of that elected official. The term of office of each appointed director is two years.

The Corporation is a political subdivision of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organization Are Component Units" and GASB Statement No.61, "The Financial Reporting Entity: Omnibus", the Corporation's primary government and basic financial statements include components units which are defined as legally separate organizations for which the Corporation is financially accountable. The Corporation is financially accountable for an organization if the Corporation appoints a voting majority of the organization's governing board and (1) the Corporation is able to significantly influence the programs or services performed or provided by the organization; or impose its will over the organization; or (2) the Corporation is legally entitled to or can otherwise access the organization's resources; or (3) the Corporation is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Corporation is obligated for the debt of organization. The Corporation does not have any component units and does not include any organizations in its presentation. The Corporation's management believes these basic financial statements present all activities for which the Corporation is financially accountable. The Corporation is a component unit of Sandusky County, Ohio.

The basic financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Corporation's significant accounting policies are described below.

B. Basis of Presentation

The Corporation'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 Corporation as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds.

These statements usually distinguish between those activities of the Corporation that are governmental and those that are business-type. The Corporation, however, does not have any business-type activities or fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Corporation at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Corporation's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, 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 Corporation, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Corporation.

Fund Financial Statements

During the year, the Corporation segregates transactions related to certain Corporation 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 Corporation at this more detailed level. The Corporation's General fund is its only governmental fund.

C. Fund Accounting

The Corporation uses fund accounting to segregate cash and investments that are restricted as to use. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and attaining certain objectives in accordance with special regulations, restrictions or limitations. For financial statement presentation purposes, the Corporation's fund is classified as governmental.

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be repaid. The difference between governmental fund assets plus deferred outflows less liabilities plus deferred inflows is reported as fund balance. The following is the Corporation's only governmental fund:

General Fund - The General fund accounts for all financial resources that are received from the County Treasurer from penalties collected on delinquent property taxes and interest on those delinquencies.

The General fund receives 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Real Estate Tax Assessment and Collection (DRETAC) fund. The General fund balance is available to the Corporation for any purpose provided it is expended or transferred according to the general laws of Ohio.

D. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus.

All assets, all deferred outflows, all liabilities and all deferred inflows associated with the operation of the Corporation are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

The General fund is accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows, current liabilities and current deferred inflows generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance 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 the General fund.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded on the financial records and reported on the financial statements. Government-wide statements are prepared using the accrual basis of accounting. The General fund uses 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 inflow of resources and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the Corporation receives value without directly giving equal value in return, include grants, entitlements and donations. 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 Corporation must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Corporation on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, intergovernmental revenue sources are considered to be both measurable and available at year-end.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide statement of net position will 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. At year-end, there were no deferred outflows of resources.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements 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 Corporation, deferred inflows of resources include unavailable revenue. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period.

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.

F. Budget Process

The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities. The Board of Directors of the Corporation adopts an annual budget prior to the beginning of the fiscal year. Appropriations and subsequent amendments are approved by the Board of Directors during the year as required.

G. Federal Income Tax

The Corporation is exempt from federal income tax under Section 115(1) of the Internal Revenue Code.

H. Cash and Cash Equivalents

All monies received by the Corporation are deposited in demand deposit accounts. The Corporation had no investments during the year or at the end of the year.

Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

I. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

J. Capital Assets

The Corporation is reporting intangible right to use assets related to leased equipment and buidings. The intangible assets are being amortized in a systemic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

K. Accrued Liabilities and Long-Term Obligations

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

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 fund.

L. Net Position

Net position represents the difference between assets, deferred outflows, liabilities and deferred inflows. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation had no restricted net position at December 31, 2023.

M. Assets Held for Resale

Assets held for resale represent properties purchased by or donated to the Corporation. These properties are valued based upon the purchase price plus any costs of maintenance, rehabilitation, or demolition of homes on the properties. For donated properties, the asset is reported at fair value which is based on the taxable land value as determined by the County Auditor.

The Corporation holds the properties until the home is either sold to a new homeowner, sold to an individual who will rehabilitate the home, or the home on the property is demolished. Properties with demolished homes could be transferred to the city or township they are in after demolition; parcels may be merged with adjacent parcels for development or green space projects; or the Corporation may sell other lots to the owners of adjacent parcels for a nominal cost. The Corporation had $27,200 of assets held for resale at December 31, 2023.

N. Intergovernmental Revenue

The Corporation receives operating income through Sandusky County. This money represents the penalties and interest on current unpaid and delinquent property taxes once these taxes are paid. Pursuant to ORC 321.263, these penalty and interest monies are collected by the County when taxes are paid and then are paid to the Corporation upon the Corporation's written request.

O. Fund Balance

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

Nonspendable Fund Balance - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted Fund Balance - The restricted classification is used 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 imposed by law through constitutional provisions or enabling legislation.

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

Assigned Fund Balance - Assigned fund balance includes amounts that are constrained by the Corporation's intent to be used for specific purposes, but are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by policies of the Board of Directors. The Board of Directors has by resolution authorized the Treasurer to assign fund balance. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the General fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General fund.

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

P. Estimates

The preparation of the basic financial statements in conformity with GAAP requirements management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Corporation Administration and that are either unusual in nature or infrequent in occurrence. The Corporation had no extraordinary or special items during 2022.

R. Accountability and Compliance / Change in Accounting Principles

For 2023, the Corporation has implemented GASB Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*", GASB Statement No. 96, "*Subscription Based Information Technology Arrangements*", certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*".

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the Corporation.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The implementation of GASB Statement No. 96 did not have an effect on the financial statements of the Corporation.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the Corporation.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the Corporation.

S. Deposits

At December 31, 2023, the carrying amount of all Corporation deposits was $494,127. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2023, $250,000 of the Corporation's bank balance of $495,197 was covered by the Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk is the risk that, in the event of bank failure, the Corporation will not be able to recover deposits or collateral securities that are in the possession of an outside party. The Corporation has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the Corporation's 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 (2) 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. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the Corporation to a successful claim by the FDIC.

T. Risk Management

Commercial General Liability and Products/ Completed Operations Liability

The Corporation is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2023, the Corporation contracted with Huntington Insurance for General and Nonprofit Organization Directors and Officers Liability Insurance.

The limitations of coverages are as follows:

General Aggregate	$2,000,000
Products and Completed Operations Aggregate	$2,000,000
Personal and Advertising Liability	$1,000,000
Each Occurrence Limit	$1,000,000
Damage to Rented Premises – each occurrence	$100,000
Medical Expense – any one person	$5,000
Bodily Injury Liability and/or Property Damage	
Liability Deductible per claim	None
Nonprofit Organization D&O	$1,000,000
Investigative Costs Sublimit	$100,000
Excess Benefits Transaction Sublimit	$20,000

There has been no reduction in coverage from the prior year and settled claims have not exceeded the Corporation's coverage in any of the past three years and there was no significant change in insurance coverage from the prior year.

U. Capital Assets

A summary of the Corporation's capital assets at December 31, 2023, follows.

	Balance 12/31/2022	Additions	Deductions	Balance 12/31/2023
Capital assets, being amortized				
Intangible right to use:				
Leased building	$ 29,302	$ -	$ -	$ 29,302
Leased equipment	3,220	-	-	3,220
Total capital assets, being amortized	32,522	-	-	32,522
Less: accumulated amortization				
Intangible right to use:				
Leased building	(9,767)	(9,767)	-	(19,534)
Leased equipment	(899)	(898)	-	(1,797)
Total accumulated amortization	(10,666)	(10,665)	-	(21,331)
Net capital assets	$ 21,856	$ (10,665)	$ -	$ 11,191

Amortization expense was charged to governmental functions as follows:

Office costs	$ 10,665

V. Long-term Obligations

Changes in the Corporation's long-term obligations during 2023 were as follows.

	Balance 12/31/2022	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Leases payable	$ 22,127	$ -	$ (10,628)	$ 11,499	$ 10,952

Lease payable - The Corporation has entered into a lease agreement for the use of right to use equipment and a building. Due to the implementation of GASB Statement No. 87, the Corporation will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases.

The Council has entered into a lease agreement for copier equipment as follows:

Leases	Lease Commencement Date	Years	Lease End Date	Payment Method
Office space	2020	4	2024	Monthly
Copier	2020	5	2025	Monthly

The following is a schedule of future lease payments under the lease agreement:

Fiscal Year	Principal	Interest	Total
2024	$ 10,952	$ 195	$ 11,147
2025	547	5	552
Total	$ 11,499	$ 200	$ 11,699

W. Transactions with Sandusky County

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Sandusky County Board of Commissioners to receive 5% of all collections of delinquent real property, personal property, and manufactured and mobile home taxes that are deposited into the County's Delinquent Real Estate Tax Assessment and Collection (DRETAC) fund and will be available for appropriation by the Corporation to fund operations.

At December 31, 2023, the Corporation recognized revenues of $108,743 for these fees that were collected by the County in 2023.

X. Contingencies

The Corporation received financial assistance from State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General fund. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Corporation.

Y. Social Security

The Corporation's employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants. Employees contributed 6.2 percent of their gross salaries. The Corporation contributed an amount equal to 6.2 percent of participants' gross salaries. The Corporation has paid all contributions required through December 31, 2023.

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SANDUSKY COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
UNITED STATES DEPARTMENT OF AGRICULTURE				
Passed Through Ohio Department of Job and Family Services				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	G-2223-11-6986/G-2425-11-6195	-	$ 394,568
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - COVID-19	10.561	G-2223-11-6986	-	34,531
Total SNAP Cluster			-	429,099
Passed Through Ohio Department of Education				
Child Nutrition Cluster:				
National School Lunch Program				
Cash Assistance - School of Hope	10.555	FY 2023	-	7,714
Total U.S. Department of Agriculture			**-**	**436,813**
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed Through Ohio Development Services Agency				
Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii				
Community Development Program	14.228	B-F-21-1CO-1	-	75,150
Community Housing Impact and Preservation Program	14.228	B-C-21-1CO-1	-	302,065
Total AL #14.228			-	377,215
Home Investment Partnerships Program	14.239	B-C-19-1CO-2	-	202
Home Investment Partnerships Program	14.239	B-C-21-1CO-2	-	370,786
Total AL #14.239			-	370,988
Total U.S. Department of Housing and Urban Development			**-**	**748,203**
UNITED STATES DEPARTMENT OF JUSTICE				
Passed Through the Ohio Attorney General				
Crime Victim Assistance	16.575	2023-VOCA-135109535	-	23,071
Crime Victim Assistance	16.575	2024-VOCA-135504847	-	10,130
Total AL # 16.575			-	33,201
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2022-JG-A01-6087	-	31,080
Total U.S. Department of Justice			**-**	**64,281**
UNITED STATES DEPARTMENT OF LABOR				
Passed Through the Montgomery County Workforce Investment Act (WIA) Area 7				
Employment Service Cluster:				
Employment Service/Wagner-Peyser Funded Activities	17.207	2020/21-7172-1	-	17,665
Unemployment Insurance	17.225	2020/21-7172-1	-	51,648
Trade Adjustment Assistance	17.245	2020/21-7172-1	-	2,816
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	2020/21-7172-1	-	49,772
WIOA Cluster:				
WIOA Adult Programs	17.258	2020/21-7172-1	-	268,768
WIOA Youth Activities	17.259	2020/21-7172-1	-	119,373
WIOA Dislocated Worker Formula Grants	17.278	2020/21-7172-1	-	154,191
Total WIOA Cluster			-	542,332
Total U.S. Department of Labor			**-**	**664,233**
UNITED STATES DEPARTMENT OF TRANSPORTATION				
Passed Through County Engineers Association of Ohio				
Highway Planning and Construction	20.205	117342	-	173,637
Passed Through Ohio Department of Public Safety				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	STEP-2023-00050	-	16,692
State and Community Highway Safety	20.600	STEP-2024-00078	-	6,261
Total Highway Safety Cluster			-	22,953
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2023-00050	-	6,719
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP-2024-00078	-	2,652
Total AL # 20.608			-	9,371
Total U.S. Department of Transportation			**-**	**205,961**

- - (Continued)

The accompanying notes are an integral part of this schedule.

SANDUSKY COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
UNITED STATES DEPARTMENT OF TREASURY				
Passed through the Ohio Office of Budget and Management				
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	21.027	SLFRP2185	-	4,081,545
Passed Through Ohio Department of Job and Family Services				
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	21.027	G-2223-11-6986/G-2425-11-6195		103,163
Passed Through Ohio Department of Public Safety				
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	21.027	AFRR-462-HIR		615,339
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	21.027	AFRR-462-RET	-	58,225
Total U.S. Department of Treasury			**-**	**4,858,272**
UNITED STATES DEPARTMENT OF EDUCATION				
Passed Through Ohio Department of Education				
Special Education Cluster (IDEA):				
Special Education Grants to States	84.027	2023	-	19,418
Special Education Preschool Grants	84.173	2023	-	6,755
Total Special Education Cluster			-	26,173
Passed Through Ohio Department of Developmental Disabilities				
Special Education-Grants for Infants and Families	84.181	H181A210024	-	133,706
Special Education-Grants for Infants and Families - COVID-19	84.181X	H181X210024	-	16,281
Total U.S. Department of Education			**-**	**176,160**
UNITED STATES ELECTION ASSISTANCE COMMISSION				
Passed Through Ohio Secretary of State				
HAVA Election Security Grants	90.404	HAVA ESG FY23	-	2,146
Total U.S. Election Assistance Commission			**-**	**2,146**
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through Ohio Department of Job and Family Services				
Title IV-E Prevention Program	93.472	G-2425-11-6195		44,830
MaryLee Allen Promoting Safe and Stable Families Program	93.556	G-2223-11-6986/G-2425-11-6195	-	14,904
Temporary Assistance for Needy Families	93.558	G-2223-11-6986/G-2425-11-6195	$ 26,330	1,148,414
Child Support Enforcement	93.563	G-2223-11-6986/G-2425-11-6195	-	693,614
CCDF Cluster:				
Child Care and Development Block Grant	93.575	G-2223-11-6986/G-2425-11-6195	-	105,482
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G-2223-11-6986/G-2425-11-6195		51,937
Foster Care Title IV-E	93.658	G-2223-11-6986/G-2425-11-6195	-	522,402
Adoption Assistance	93.659	G-2223-11-6986/G-2425-11-6195	-	712,237
Social Services Block Grant	93.667	G-223-11-6986/G-2425-11-6195	-	362,251
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	G-223-11-6986/G-2425-11-6195	-	8,710
Elder Abuse Prevention Interventions Program - COVID-19	93.747	G-223-11-6986/G-2425-11-6195	6,593	22,116
Children's Health Insurance Program	93.767	G-2223-11-6986/G-2425-11-6195	-	6,870
Medicaid Cluster:				
Medical Assistance Program	93.778	G-2223-11-6986/G-2425-11-6195	-	694,304
Passed Through Ohio Department of Developmental Disabilities				
Social Services Block Grant	93.667	2301OHSOSR	-	36,426
Total AL # 93.667			-	398,677
Passed Through Mental Health and Recovery Services Board of Seneca, Ottawa, Sandusky and Wyandot Counties				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2300044	-	103,277
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2400052	-	128,836
Total AL # 93.959			-	232,113
Total U.S. Department of Health and Human Services			**32,923**	**4,656,610**

- - (Continued)

The accompanying notes are an integral part of this schedule.

SANDUSKY COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Federal AL Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
UNITED STATES DEPARTMENT OF HOMELAND SECURITY				
Passed Through Ohio Department of Emergency Management				
Emergency Management Performance Grants	97.042	EMC-2021-EP-00007	-	17,591
Emergency Management Performance Grants-COVID-19	97.042	EMC-2022-EP-00006	-	71,000
Total AL # 97.042			-	88,591
Homeland Security Grant Program	97.067	EMW-2020-SS-00037-S01	-	243
Homeland Security Grant Program	97.067	EMW-2021-SS-00004	-	18,829
Total AL # 97.067			-	19,072
Total U.S. Department of Homeland Security			**-**	**107,663**
Total Expenditures of Federal Awards			**$ 32,923**	**$ 11,920,342**

The accompanying notes are an integral part of this schedule.

SANDUSKY COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditure of Federal Awards (the Schedule) includes that federal award activity of Sandusky County, Ohio (the County) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D – SUBRECIPIENTS

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

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

NOTE E – CHILD NUTRITION CLUSTER

The County commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the County assumes it expends federal monies first.

NOTE F – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) GRANT PROGRAMS with REVOLVING LOAN CASH BALANCE

The current cash balance on the County's local revolving business loan, down payment or rehabilitation assistance, and owner occupied rehabilitation assistance local program income accounts as of December 31, 2023 is $119,364, $106,386, and $7,119, respectively.

NOTE G – MATCHING REQUIREMENTS

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

NOTE H – TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2023, the County made allowable transfers of $223,460 from the Temporary Assistance for Needy Families (TANF) (AL #93.558) program to the Social Services Block Grant (SSBG) (AL #93.667) program. The Schedule shows the County spent approximately $1,148,414 on the TANF program. The amount reported for the TANF program on the Schedule excludes the amount transferred to the SSBG program. The amount transferred to the SSBG program is included as SSBG expenditures when disbursed. The following table shows the gross amount drawn for the TANF program during fiscal year 2023 and the amount transferred to the Social Services Block Grant program.

Temporary Assistance for Needy Families	$ 1,371,874
Transfer to Social Services Block Grant	(223,460)
Total Temporary Assistance for Needy Families	$ 1,148,414

NOTE I – PRIOR FEDERAL EXPENDITURES

The County signed a grant agreement with the Ohio Emergency Management Agency (OEMA) (AL #97.042) on November 1, 2022 to address the problem of disasters and emergencies by supporting and improvement emergency management capabilities. The OEMA approved previous expenditures, including $17,591 from 2022 that were not included on the 2022 Schedule. The amounts on the 2023 Schedule are the amounts reimbursed in 2023 of $17,591.

The County signed a grant agreement with the OEMA (AL #97.067) on October 21, 2020 to assist efforts in preventing, protecting against, mitigating, responding to and recovering from acts of terrorism and other threats. The OEMA approved previous expenditures, including $243 from 2022 that were not included on the 2022 Schedule. The amounts on the 2023 Schedule are the amounts reimbursed in 2023 of $24.

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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*

Sandusky County
100 North Park Avenue
Fremont, Ohio 43420-2472

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 Sandusky County, Ohio, (the County) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 19, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber

Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2024

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Sandusky County
100 North Park Avenue
Fremont, Ohio 43420-2472

To the Board of County Commissioners:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Sandusky County, Ohio'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 Sandusky County's major federal programs for the year ended December 31, 2023. Sandusky County's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Sandusky 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, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2024

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SANDUSKY COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Adoption Assistance – AL #93.659 Coronavirus State and Local Fiscal Recovery Funds – AL #21.027
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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APPENDIX D

Proposed Text of Opinion of Bond Counsel

We have served as bond counsel to our client the County of Sandusky, Ohio (the "County") in connection with the issuance by the County of its $6,400,000* Sales Tax Supported Bonds, Series 2025 (County Building Improvement Project) (the "Bonds"), dated the date of this letter. The Bonds are being issued to provide funds to pay costs of constructing, adding to, remodeling, renovating, rehabilitating, furnishing, equipping and otherwise improving buildings, facilities and structures for County offices and functions, and improving and equipping sites for such buildings, facilities and structures, in each case together with all necessary appurtenances and work incidental thereto.

The Bonds are issued pursuant to Chapter 133 of the Ohio Revised Code, including Section 133.081 and divisions (B) through (E) of Section 133.25 thereof, Resolution No. 2024-316, adopted by the Board of County Commissioners of the County on November 19, 2024 (the "Resolution") and a certificate of award provided for by that Resolution (collectively, the "Authorizing Legislation"), and the Trust Agreement dated as of July 1, 2012, as amended and supplemented, including by the Second Supplemental Trust Agreement dated as of January 1, 2025* (collectively, the "Trust Agreement"), each between the County and The Huntington National Bank, as trustee. Capitalized terms not otherwise defined in this letter are used as defined in the Trust Agreement.

In our capacity as bond counsel, we have examined the transcript of proceedings relating to the issuance of the Bonds, a copy of the signed and authenticated Bond of the first maturity, the Authorizing Legislation, the Trust Agreement and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that under existing law:

1. The Bonds and the Trust Agreement are valid and binding obligations of the County, enforceable in accordance with their respective terms.

2. The Bonds are special obligations of the County, and the principal of and interest and any premium on (collectively, "debt service") the Bonds together with debt charges on any other obligations issued and outstanding on a parity with the Bonds as provided in the Trust Agreement, are payable from and secured solely by the Pledged County Sales Tax Receipts. The Bonds do not constitute a debt or obligation of the State or a general obligation debt, or a pledge of the full faith and credit, of the State, the County, or any other political subdivision of the State. The owners of the Bonds have no right to have taxes levied by the General Assembly of the State, or property taxes levied by the taxing authority of the County or any other political subdivision of the State, for the payment of debt charges on the Bonds.

The Trust Agreement creates a valid pledge and assignment to secure payment of debt charges on the Bonds, and on any other obligations issued and outstanding on a parity with the Bonds as provided in the Trust Agreement, of amounts held by the Trustee in the Pledged Funds created pursuant to the Trust Agreement, subject to the provisions of the Trust Agreement permitting application thereof for the purposes and on the terms set forth therein.

* Preliminary, subject to change.

3. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on, and any profit made on the sale, exchange or other disposition of, the Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. We express no opinion as to any other tax consequences regarding the Bonds.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined and (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the County.

We express no opinion herein regarding the priority of the lien on Pledged County Sales Tax Receipts and the Pledged Funds or other funds created by the Trust Agreement.

In rendering those opinions with respect to treatment of the interest on the Bonds under the federal tax laws, we further assume and rely upon compliance with the covenants in the proceedings and documents we have examined, including those of the County. Failure to comply with certain of those covenants subsequent to issuance of the Bonds may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Trust Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities.

No opinions other than those expressly stated herein are implied or shall be inferred as a result of anything contained in or omitted from this letter. The opinions expressed in this letter are stated only as of the time of its delivery, and we disclaim any obligation to revise or supplement this letter thereafter. Our engagement as bond counsel in connection with the original issuance and delivery of the Bonds is concluded upon delivery of this letter.

Respectfully submitted,

APPENDIX E

Book-Entry System; DTC

Book-Entry System

The information set forth in the following numbered paragraphs is based on information provided by The Depository Trust Company in its "Sample Offering Document Language Describing DTC and Book-Entry-Only Issuance" (September 2024). As such, the County believes it to be reliable, but the County takes no responsibility for the accuracy or completeness of that information. It has been adapted to the County's Series 2025 Bond issue by substituting "Series 2025 Bonds" for "Securities," "County" for "Issuer" and "Trustee" for "registrar" and by the addition of the italicized language set forth in the text. See also the additional information following those numbered paragraphs.

1. The Depository Trust Company ("DTC"), will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each (*maturity*) of the Series 2025 Bonds (*and interest rate within a maturity*), each in the aggregate principal amount of such (*maturity*), and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly- owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. (*This internet site is included for reference only, and the information in this internet site is not incorporated by reference in this Official Statement.*)

3. Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished

by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults and proposed amendments to the Series 2025 Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividends (*debt charges payments*) on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends (*debt charges*) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. (*Not Applicable to the Series 2025 Bonds.*)

10. DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2025 Bond certificates are required to be printed (*or otherwise produced*) and delivered.

11. The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2025 Bond certificates will be printed (*or otherwise produced*) and delivered to DTC. (*See also* **Revision of Book-Entry System; Replacement Series 2025 Bonds**.)

12. The information (*above*) in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Direct Participants and Indirect Participants may impose service charges on Beneficial Owners in certain cases. Purchasers of book-entry interests should discuss that possibility with their brokers.

The County and the Trustee have no role in the purchases, transfers or sales of book-entry interests. The rights of Beneficial Owners to transfer or pledge their interests, and the manner of transferring or pledging those interests, may be subject to applicable state law. Beneficial Owners may want to discuss with their legal advisors the manner of transferring or pledging their book-entry interests.

The County and the Trustee have no responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, beneficial ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The County and the Trustee cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute to the Beneficial Owners payments of debt charges on the Series 2025 Bonds made to DTC as the registered owner, or redemption, if any, or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve or act in a manner described in this Official Statement.

For all purposes under the Series 2025 Bond proceedings (except the Continuing Disclosure Agreement under which others as well as DTC may be considered an owner or holder of the Series 2025 Bonds, see **Continuing Disclosure Agreement**), DTC will be and will be considered by the County and the Trustee to be the owner or holder of the Series 2025 Bonds.

Beneficial Owners will not receive or have the right to receive physical delivery of Series 2025 Bonds, and, except to the extent they may have rights as Beneficial Owners or holders under the Continuing Disclosure Agreement, will not be or be considered by the County and the Trustee to be, and will not have any rights as, owners or holders of Series 2025 Bonds under the Series 2025 Bond proceedings.

Reference herein to "DTC" includes when applicable any successor securities depository and the nominee of the depository.

Revision of Book-Entry System; Replacement Series 2025 Bonds

The Series 2025 Bond proceedings provide for issuance of fully-registered Series 2025 Bonds (Replacement Series 2025 Bonds) directly to owners of Series 2025 Bonds other than DTC only in the event that DTC (or a successor securities depository) determines not to continue to act as securities depository for the Series 2025 Bonds. Upon occurrence of this event, the County may in its discretion attempt to have established a securities depository book-entry relationship with another securities depository. If the County does not do so, or is unable to do so, and after the Trustee has made provision for notification of the Beneficial Owners of the Series 2025 Bonds by appropriate notice to DTC, the County and the Trustee will authenticate and deliver Replacement Series 2025 Bonds of any one maturity and interest rate within a maturity, in authorized denominations, to or at the direction of any persons requesting such issuance, and, if the event is not the result of County action or inaction, at the expense (including legal and other costs) of those requesting.

Debt charges on Replacement Series 2025 Bonds will be payable when due without deduction for the services of the Trustee as paying agent. Principal of and any premium on Replacement Series 2025 Bonds, will be payable when due to the registered owner upon presentation and surrender at the principal corporate trust office of the Trustee. Interest on Replacement Series 2025 Bonds will be payable on the interest payment date by the Trustee by transmittal to the registered owner of record on the Bond Register as of the 15th day of the calendar month preceding the interest payment date. Replacement Series 2025 Bonds will be exchangeable for other Replacement Series 2025 Bonds of authorized denominations, and transferable, at the principal corporate trust office of the Trustee without charge (except taxes or governmental fees). Exchange or transfer of then-redeemable Replacement Series 2025 Bonds is not required to be made: (i) between the 15th day preceding the mailing of notice of redemption of Replacement Series 2025 Bonds and the date of that mailing, or (ii) of a particular Replacement Series 2025 Bond selected for redemption (in whole or part).

APPENDIX F
PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

$6,400,000*
County of Sandusky, Ohio
Sales Tax Supported Bonds, Series 2025
(County Building Improvement Project)

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT, dated as of [January __], 2025 (the **Agreement**), is made, signed and delivered by the **COUNTY OF SANDUSKY, OHIO**, a political subdivision duly organized and existing under the laws of the State of Ohio (the County), for the benefit of the Holders and Beneficial Owners (as defined herein) from time to time of the County's $6,400,000* Sales Tax Supported Bonds, Series 2025 (County Building Improvement Project) (the **Bonds**), authorized by Resolution No. 2024-316, adopted by the County's Board of County Commissioners on November 19, 2024 (the **Bond Resolution**).

RECITAL

The County, by adoption of the Bond Resolution, has determined to issue the Bonds to provide funds for County purposes, and [_____________] (the **Participating Underwriter**) has agreed to provide those funds to the County by purchasing the Bonds. As a condition to the purchase of the Bonds from the County and the sale of Bonds to Holders and Beneficial Owners, the Participating Underwriter is required to reasonably determine that the County has undertaken, in a written agreement for the benefit of Holders and Beneficial Owners of the Bonds, to provide certain information in accordance with the Rule (as defined herein).

NOW, THEREFORE, in accordance with the Bond Resolution, the County covenants and agrees as set forth in this Continuing Disclosure Agreement.

Section 1. Purpose of Continuing Disclosure Agreement. This Agreement is being entered into, signed and delivered for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter of the Bonds in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (**SEC**) pursuant to the Securities Exchange Act of 1934, as may be amended from time to time (the **Rule**).

Section 2. Definitions. In addition to the definitions set forth above, the following capitalized terms shall have the following meanings in this Agreement, unless the context clearly otherwise requires. Reference to "Sections" shall mean sections of this Agreement.

"Annual Filing" means any Annual Information Filing provided by the County pursuant to, and as described in, Sections 3 and 4.

"Audited Financial Statements" means the audited basic financial statements of the County, prepared in conformity with generally accepted accounting principles.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons

* Preliminary, subject to change.

holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"EMMA" means the Electronic Municipal Market Access system of the MSRB; information regarding submissions to EMMA is available at http://emma.msrb.org.

"Filing Date" means the last day of the ninth month following the end of each Fiscal Year (or the next succeeding business day if that day is not a business day), beginning September 30, 20[25].

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the 12-month period beginning on January 1 of each year or such other 12-month period as the County shall adopt as its fiscal year.

"Holder" means, with respect to the Bonds, the person in whose name a Bond is registered in accordance with the Bond Resolution.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person" means, any person, including the issuer of municipal securities (such as the Bonds), who is generally committed by contract or other arrangement to support payment of all or part of the obligations on the municipal securities being sold in an offering document (such as the Official Statement); the County is the only Obligated Person for the Bonds.

"Official Statement" means the Official Statement for the Bonds dated [________], 2024.

"Participating Underwriter" means [_____________] and any other original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Specified Events" means any of the events with respect to the Bonds as set forth in Section 5(a).

"State" means the State of Ohio.

Section 3. <u>Provision of Annual Information</u>.

(a) The County shall provide (or cause to be provided) not later than the Filing Date to the MSRB an Annual Filing, which is consistent with the requirements of Section 4. The Annual Filing shall be submitted in an electronic format through EMMA, or as otherwise prescribed by the MSRB, and contain such identifying information as is prescribed by the MSRB, and may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4; provided that the Audited Financial Statements of the County may be submitted separately from the balance of the Annual Filing and later than the Filing Date if they are not available by that date. If the County's Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) If the County is unable to provide to the MSRB an Annual Filing by the Filing Date, the County shall, in a timely manner, send a notice to the MSRB in an electronic format through EMMA, or as otherwise as prescribed by the MSRB.

Section 4. Content of Annual Filing. The County's Annual Filing shall contain or include by reference the following:

(a) Financial information and operating data of the type included in the Official Statement under the captions: [**General Information – Retirement Expenses**; **Financial Matters – Financial Reports and Audits**; **General Operating Funds**; **County Sales Tax**; **Other Major County Local Revenue Sources - Ad Valorem Property Taxes - Collections** and **- Delinquencies**, together with information as to aggregate assessed valuation of the County and overlapping and County tax rates, **- Charges for Services and Other Nontax Revenues**, **- Real Property Transfer Tax**, and **– Hotel/Motel Tax**; **Certain Revenues Received from State Sources - Local Government Funds** and **– Casino Tax Revenues**; **County Debt and Other Long-Term Obligations**, including the **Debt Tables** referenced therein; and **Appendices A**, **B-1**, **B-2**, and **C** thereto.]

(b) The Audited Financial Statements of the County utilizing generally accepted accounting principles applicable to governmental units as described in the Official Statement, except as may be modified from time to time and described in such financial statements.

The foregoing shall not obligate the County to prepare or update projections of any financial information or operating data.

Any or all of the items listed above may be included by specific reference to other documents, including annual informational statements of the County or official statements of debt issues of the County or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. The County shall clearly identify each such other document so included by reference.

Section 5. Reporting Specified Events.

(a) The County shall provide (or cause to be provided) to the MSRB, in an electronic format through EMMA, or as otherwise prescribed by the MSRB, and containing such identifying information as is prescribed by the MSRB and in a timely manner but not later than ten business days after the occurrence of the event, notice of any of the following events with respect to the Bonds, as specified by the Rule:

(1) Principal and interest payment delinquencies;

(2) Non-payment-related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties; (a)

(4) Unscheduled draws on credit enhancements reflecting financial difficulties; (a)

(5) Substitution of credit or liquidity providers, or their failure to perform; (a)

(6) (Issuance of) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security (i.e., the Bonds), or other material events affecting the tax status of the security;

(7) Modifications to rights of security holders, if material;

(8) Bond calls, if material, and tender offers; (b)

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the securities, if material; (c)

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the Obligated Person; Note: For the purposes of the event identified in this subparagraph, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

(13) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

Note:
(a) The County has not obtained or provided, and does not expect to obtain or provide, any debt service reserves, credit enhancements or credit or liquidity providers for the Bonds.
(b) Any scheduled redemption of Bonds pursuant to mandatory sinking fund redemption requirements does not constitute a specified event within the meaning of the Rule.
(c) Repayment of the Bonds is not secured by a lien on any property capable of release or sale or for which other property may be substituted.

For the Specified Events described in Section 5(a) (2), (6, as applicable), (7), (8, as applicable), (10), (13), (14) and (15), the County acknowledges that it must make a determination whether such Specified Event is material under applicable federal securities laws in order to determine whether a filing is required.

Section 6. Amendments. The County reserves the right to amend this Agreement, and noncompliance with any provision of this Agreement may be waived, as may be necessary or appropriate to (a) achieve its compliance with any applicable federal securities law or rule, (b) cure any ambiguity, inconsistency or formal defect or omission, and (c) address any change in circumstances arising from a change in legal requirements, change in law or change in the identity, nature, or status of the County or type of business conducted by the County. Any such amendment or waiver shall not be effective unless this Agreement (as amended or taking into account such waiver) would have materially complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until the County shall have received either (i) a written opinion of bond counsel or other qualified independent special counsel selected by the County that the amendment or waiver would not materially impair the interests of Holders or Beneficial Owners or (ii) the written consent to the amendment or waiver of the Holders of at least a majority of the principal amount of the Bonds then outstanding. An Annual Filing containing any revised operating data or financial information shall explain, in narrative form, the reasons for any such amendment or waiver and the impact of the change on the type of operating data or financial information being provided. If the amendment relates to the accounting principles to be followed in preparing Audited Financial Statements, (A) the County shall provide notice of such change in the same manner as for a Specified Event under Section 5 and (B) the Annual Filing for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements or information as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Agreement or providing any other means of communication, or including any other information in any Annual Filing or providing notice of the occurrence of an event, in addition to that which is required by this Agreement. If the County chooses to include any information in any document or notice of occurrence of an event in addition to that which is specifically required by this Agreement, the County shall have no obligation under this Agreement to update such information or include it in any future Annual Filing or notice of occurrence of a Specified Event.

Section 8. Remedy for Breach. This Agreement shall be solely for the benefit of the Holders and Beneficial Owners from time to time of the Bonds. The exclusive remedy for any breach of the Agreement by the County shall be limited, to the extent permitted by law, to a right of Holders and Beneficial Owners to institute and maintain, or to cause to be instituted and maintained, such proceedings as may be authorized at law or in equity to obtain the specific performance by the County of its obligations under this Agreement in a court in the County of Sandusky, Ohio. Any such proceedings shall be instituted and maintained only in accordance with Section 133.25(B)(4)(b) or (C)(1) of the Revised Code (or any like or comparable successor provisions); provided that any Holder or Beneficial Owner may exercise individually any such right to require the County to specifically perform its obligation to provide or cause to be provided a pertinent filing if such a filing is due and has not been made. Any Beneficial Owner seeking to require the County to comply with this Agreement shall first provide at least 30 days' prior written notice to the County of the County's failure, giving reasonable detail of such failure, following which notice the County shall have 30 days to comply. A default under this Agreement shall not be deemed an event of default under the Bond Resolution, and the sole remedy under this Agreement in the event of any failure of the County to comply with this Agreement shall be an action to compel performance. No person or entity shall be entitled to recover monetary damages under this Agreement.

Section 9. Appropriation. The performance by the County of its obligations under this Agreement shall be subject to the availability of funds and their annual appropriation to meet costs that the County would be required to incur to perform those obligations. The County shall provide notice to the MSRB in the same manner as for a Specified Event under Section 5 of the failure to appropriate funds to meet costs to perform the obligations under this Agreement.

Section 10. Termination. The obligations of the County under this Agreement shall remain in effect only for such period that the Bonds are outstanding in accordance with their terms and the County remains an Obligated Person with respect to the Bonds within the meaning of the Rule. The obligation of the County to provide the information and notices of the events described above shall terminate, if and when the County no longer remains such an Obligated Person. If any person, other than the County, becomes an Obligated Person relating to the Bonds, the County shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Section 11. Dissemination Agent. The County may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 12. Beneficiaries. This Agreement shall inure solely to the benefit of the County, any dissemination agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Recordkeeping. The County shall maintain records of all Annual Filings and notices of Specified Events and other events including the content of such disclosure, the names of the entities with whom such disclosures were filed and the date of filing such disclosure.

Section 14. Governing Law. This Agreement shall be governed by the laws of the State.

IN WITNESS WHEREOF, the County has caused this Continuing Disclosure Agreement to be duly signed and delivered to the Participating Underwriter, as part of the Bond proceedings and in connection with the original delivery of the Bonds to the Participating Underwriter, on its behalf by its officials signing below, all as of the date set forth above, and the Holders and Beneficial Owners from time to time of the Bonds shall be deemed to have accepted this Agreement made in accordance with the Rule.

COUNTY OF SANDUSKY, OHIO

By: ______________________________
County Administrator

By: ______________________________
County Auditor

The form and correctness of the foregoing Agreement
are hereby approved.

____
Assistant Prosecuting Attorney,
County of Sandusky, Ohio

CERTIFICATE – CONTINUING DISCLOSURE AGREEMENT

As fiscal officer of the County of Sandusky, Ohio, I certify that the money required to meet the obligations of the County under the Agreement made by the County in accordance with the Rule, as set forth in the Bond Resolution and the attached Continuing Disclosure Agreement, during Fiscal Year 2025, has been lawfully appropriated by the County for those purposes and is in the County treasury or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Revised Code.

Dated: January [__], 2025

____
County Auditor
County of Sandusky, Ohio

APPENDIX G

OFFICIAL NOTICE OF SALE

COUNTY OF SANDUSKY, OHIO

SPECIAL OBLIGATION
$6,400,000* SALES TAX SUPPORTED BONDS, SERIES 2025
(COUNTY BUILDING IMPROVEMENT PROJECT)

Notice is given that the above-captioned bonds (the Series 2025 Bonds) are being offered for sale in accordance with this Official Notice of Sale. The County of Sandusky, Ohio (the County), will accept electronic bids, as described below, for the purchase of all, but not less than all, of the principal amount of the Series 2025 Bonds until 11:00 a.m., Ohio time, on Thursday, December 19, 2024. No other form of bid or provider of electronic bidding services will be accepted or used.

INITIAL DISCLOSURE; OFFICIAL STATEMENT

This Official Notice of Sale is not intended as a disclosure document and bidders are required to obtain and carefully review the Preliminary Official Statement relating to the Bonds, dated December 10, 2024 (the Preliminary Official Statement), before submitting a bid. The inclusion of this Official Notice of Sale as an Appendix to the Preliminary Official Statement is for purposes of convenience only. Copies of the Preliminary Official Statement, "deemed final" by the County as of its date for purposes of, and except for certain omissions as permitted by, SEC Rule 15c2-12 (the Rule), may be obtained in electronic format at www.newissuehome.i-deal.com or www.i-dealprospectus.com/public.

Following the award of the Series 2025 Bonds, the County Auditor and the County Administrator, in cooperation with the successful bidder, will complete the Official Statement to indicate the principal amounts and dates of maturity, serial bonds and term bonds (if any), mandatory sinking fund redemption requirements (if any), offering prices or yields and CUSIP numbers (the accuracy of which the County will not take responsibility for), and interest rates, and the identity of the successful bidder, and provide any other information required for a final Official Statement for the purposes of the successful bidder's compliance with SEC Rule 15c2-12(b)(3) and (4). The successful bidder will, within seven business days after the date of award, be furnished with up to 25 copies of the final Official Statement for purposes of the successful bidder's compliance with the Rule and will be authorized by the County to reproduce and circulate at the successful bidder's expense additional copies of the Preliminary Official Statement (until the final Official Statement is available) and final Official Statement for use by the successful bidder in its marketing efforts and in providing copies thereof to its customers. The County contemplates that the final Official Statement, among other changes, will not include this Official Notice of Sale. At the delivery of the Bonds, the successful bidder will be furnished with a certificate signed by the County officials who sign the Official Statement relating to the accuracy and completeness of the Preliminary Official Statement and final Official Statement.

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* Preliminary, subject to change; see **Bidding Procedures – Potential for Change in Principal Amount of Bonds**.

CONTINUING DISCLOSURE

The County is the only "obligated person" under the Rule. In order to assist bidders in complying with the Rule, the County will undertake to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain events, if material. Such information and notices of material events will be filed with the Municipal Securities Rulemaking Board (MSRB). A summary of such undertaking is contained in the Preliminary Official Statement. A copy of the undertaking is attached to the Preliminary Official Statement as **Appendix F** and will be included in the transcript of proceedings relating to the issuance of the Series 2025 Bonds.

AUTHORITY AND PURPOSE OF THE SERIES 2025 BONDS

The Series 2025 Bonds are special obligations of the County to provide funds to pay costs of constructing, adding to, remodeling, renovating, rehabilitating, furnishing, equipping and otherwise improving buildings, facilities and structures for County offices and functions, and improving and equipping sites for such buildings, facilities and structures, in each case together with all necessary appurtenances and work incidental thereto (the Project), pursuant to Chapter 133 of the Revised Code and Section 133.081 and divisions (B) through (E) of Section 133.25 thereof and a resolution adopted by the County's Board of County Commissioners (the Board) and a certificate of award provided for by that resolution (collectively, the Authorizing Legislation), and the Trust Agreement (defined below).

SECURITY AND SOURCES OF PAYMENT

The Series 2025 Bonds, the parity bonds that have been and the additional parity bonds that may be issued from time to time and outstanding (collectively, the Bonds) under the Trust Agreement dated as of July 1, 2012, as amended and supplemented by the First Supplemental Trust Agreement dated as of August 1, 2016, and by the Second Supplemental Trust Agreement dated as of January 1, 2025 (collectively, as each may be amended and supplemented from time to time in accordance with its terms, the Trust Agreement), each between the County and The Huntington National Bank, as trustee (the Trustee), are special obligations of the County payable solely from the sources described in the following paragraph and under **Security and Sources of Payment - Basic Security** in the Preliminary Official Statement, subject to bankruptcy, insolvency, arrangement, fraudulent conveyance or transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion, and to limitations on legal remedies against public entities.

The basic security for payment of debt charges on the Bonds is a pledge of the County's receipts from its 1979 County Sales Tax and its 2013 County Sales Tax (the Pledged County Sales Tax Receipts). That pledge is made by the Board in the Bond Legislation (as defined in the Preliminary Official Statement) and the Trust Agreement, and the Bond Legislation and the Trust Agreement have created a lien on the 1979 County Sales Tax Receipts received by the County after July 25, 2012 and the 2013 County Sales Tax Receipts received by the County after August 11, 2016. The Bond Legislation and the Trust Agreement also create the Sales Tax Bond Retirement Fund (and a Principal Payment Account and an Interest Payment Account therein) in the custody of the Trustee and assign to the Trustee and, to the extent permitted by law, grant a security interest in that Sales Tax Bond Retirement Fund and the moneys therein solely to the payment of debt charges on the Bonds.

The Act provides that the Pledged County Sales Tax Receipts immediately become subject to the lien of the pledge without physical delivery of the pledged funds or any further act and that the lien of the pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County, whether or not those parties have notice of the lien. The lien is subject, however, to bankruptcy, insolvency, arrangement, fraudulent conveyance or transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion, and to limitations on legal remedies against public entities.

The Bonds, including the Series 2025 Bonds, do not constitute a debt or obligation of the State or a general obligation debt, or a pledge of the full faith and credit, of the State, the County, or any other political subdivision of the State. The registered owners, Beneficial Owners and holders of the Bonds have no right to have taxes levied by the General Assembly of the State, or property taxes levied by the taxing authority of the County or any other political subdivision of the State, for the payment of debt charges on the Bonds.

Nothing in the Bond Legislation, including the Authorizing Resolution, or the Trust Agreement requires the County to use or apply to the payment of debt charges on the Bonds any funds or revenues from any source other than the 1979 County Sales Tax and the 2013 County Sales Tax levied by the County. However, nothing in the Bond Legislation, including the Authorizing Resolution, or the Trust Agreement shall be deemed to prohibit the County, of its own volition, from using, to the extent that it is authorized to do so, any other resources for the fulfillment of any of the terms, conditions or obligations of the Bond Legislation, the Trust Agreement or the Bonds.

ELECTRONIC BIDDING PROCEDURES

Electronic bids must be submitted via BiDCOMP/Parity and in accordance with the provisions of this Official Notice of Sale. No other form of electronic bid or provider of electronic bidding services will be accepted. For purposes of the electronic bidding process, the time as maintained by BiDCOMP/Parity shall constitute the official time with respect to all bids submitted electronically. To the extent any instructions or directions set forth in BiDCOMP/Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. Each bidder submitting an electronic bid agrees that: (i) it is solely responsible for all arrangements with BiDCOMP/Parity; (ii) BiDCOMP/Parity is not acting as the agent of the County; and (iii) the County is not responsible for ensuring or verifying bidder compliance with any of the procedures of BiDCOMP/Parity. The County assumes no responsibility for, and each bidder expressly assumes the risks of and responsibility for, any incomplete, inaccurate or untimely bid submitted by the bidder through BiDCOMP/Parity. Each bidder shall be solely responsible for making necessary arrangements to access the BiDCOMP/Parity system for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. The County shall not: (i) have any duty or obligation to provide or assure such access to BiDCOMP/Parity to any bidder; or (ii) be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, BiDCOMP/Parity.

Prospective bidders who intend to submit their bid electronically must be contracted customers of Ipreo's BiDCOMP/Parity system. If a bidder does not have a contract with Ipreo, call (212) 849-5021. By submitting a bid for the Series 2025 Bonds, a prospective bidder represents and warrants to the County that such bidder's bid for the purchase of the Series 2025 Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid, binding and enforceable contract for the purchase of the Series 2025 Bonds. By contracting with Ipreo, a prospective bidder is not obligated to submit a bid in connection with the sale.

Potential for Change in Principal Amount of Series 2025 Bonds

The County may find it necessary to adjust the aggregate principal payment schedule of the issue as described below.

After the winning bidder has been determined, the County reserves the right, in its sole discretion, to change the maturity schedule set forth below under **Form, Maturity and Payment of Series 2025 Bonds** by increasing or decreasing the principal amount of Series 2025 Bonds of any maturity as may be necessary, in its judgment, to provide most effectively and efficiently for the purposes for which the Series 2025 Bonds are being issued. In that event, no change will be made which will change the principal amount of the Series 2025 Bonds by more than 10%; provided, however, if such adjustments are made, the purchase price for each maturity (as a percent of each principal amount) paid by the successful bidder shall be exactly the same as shown on the successful bid.

Should the County deem a change in the principal amount of the Series 2025 Bonds to be necessary, the winning bidder will be notified of the change by 2:00 p.m., Ohio time, on the date bids are taken. The dollar amount bid by the successful bidder will then be adjusted to reflect the actual principal amount of Series 2025 Bonds to be issued. Any change to the bid price will reflect adjustments to the dollar amount of original issue premium/discount and underwriter's discount, as applicable and appropriate. There will be no change to the underwriter's discount on a "per bond" basis. A change in the principal amount of Series 2025 Bonds within the parameters described above will ***not*** permit the winning bidder to withdraw or change its bid.

ALL-OR-NONE BIDS ONLY

Bidders may bid only to purchase all Bond maturities. A bid that does not offer to purchase all of the Series 2025 Bonds will not be considered. Each bid must specify an annual rate of interest for each maturity of the Series 2025 Bonds and a dollar purchase price for the entire issue of the Series 2025 Bonds.

GOOD FAITH DEPOSIT

A good faith deposit is **not** required.

INTEREST RATES

The Series 2025 Bonds will bear interest (computed on the basis of a 360-day year consisting of twelve 30-day months) payable on June 1 and December 1 of each year (the Interest Payment Dates), commencing June 1, 2025. Bids shall specify the rate or rates of interest (multiples of 1/8 or 1/20 or 1/100 of 1%) that the Series 2025 Bonds are to bear, provided that no interest rate for any stated maturity shall exceed 10% per year.

FORM, MATURITY AND PAYMENT OF SERIES 2025 BONDS*

The Series 2025 Bonds shall be issued in fully registered form in the denominations of $5,000 or any whole multiple thereof; shall be dated the date of issuance (January 7, 2025); will bear interest from their dated date, payable on June 1 and December 1 of each year, commencing June 1, 2025, and shall mature on December 1 in each of the years from 2025 through 2054) in the following principal amounts:

Year	Principal Amount	Year	Principal Amount
2025	$ 5,000	2040	$215,000
2026	5,000	2041	220,000
2027	5,000	2042	230,000
2028	135,000	2043	240,000
2029	145,000	2044	250,000
2030	155,000	2045	260,000
2031	160,000	2046	270,000
2032	160,000	2047	285,000
2033	170,000	2048	295,000
2034	175,000	2049	310,000
2035	180,000	2050	320,000
2036	185,000	2051	335,000
2037	190,000	2052	350,000
2038	200,000	2053	365,000
2039	205,000	2054	380,000

TERM BONDS OPTIONS

Any bidder may, at its option, specify that particular maturities of the Series 2025 Bonds for which the same rate of interest is specified in its bid shall be issued as term bonds subject to mandatory sinking fund redemption by the County in consecutive years immediately preceding the maturity thereof (a Term Bond). In the event that the successful bidder specifies that any maturity of the Series 2025 Bonds shall be issued as a Term Bond, that Term Bond shall be subject to mandatory sinking fund redemption on December 1, in each applicable year, in the principal amount for such year as set forth above under **Form, Maturity and Payment of Series 2025 Bonds**, at a redemption price equal to the principal amount to be redeemed, plus interest accrued thereon to the redemption date, without premium.

OPTIONAL REDEMPTION PROVISIONS

The Series 2025 Bonds maturing on or after December 1, 2030, are subject to prior redemption, by and at the sole option of the County, in whole or in part as selected by the County (in whole multiples of $5,000), on any date on or after December 1, 2029, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.

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* See **Bidding Procedures – Potential for Change in Principal Amount of Bonds** in this Official Notice of Sale.

BASIS OF AWARD

Bidders must specify **a purchase price of** **not less than 102.50% of the aggregate principal amount, which calculates to $6,560,000.00** (i.e., the par amount of $6,400,000 plus (net) original issue premium in the amount of no more than $160,000). No interest rate for any stated maturity shall exceed 10% per year. Purchasers must pay any accrued interest, computed on a 30/360-day basis, from the date of the Series 2025 Bonds to their date of delivery.

The Series 2025 Bonds will be awarded by the County Auditor and the County Administrator to the best bidder whose bid produces the lowest overall true interest cost (TIC) for the County.

TIC for the Series 2025 Bonds (expressed as an annual interest rate) will be that annual interest rate equal to twice the discount rate, compounded semiannually, that when applied to the aggregate semiannual debt service payment (interest, or principal and interest, as due) for the Series 2025 Bonds will cause the sum of those discounted semiannual payments to equal the aggregate bid price (exclusive of accrued interest). Semiannual debt service payments will begin on June 1, 2025. The TIC shall be calculated from the proposed dated date of the Series 2025 Bonds (January 7, 2025) and shall be based upon the aggregate principal amount of Series 2025 Bonds and maturities thereof set forth above in this Official Notice of Sale, and the interest rates for the Series 2025 Bonds and bid price submitted in accordance with this Official Notice of Sale. If two (2) or more bids offer the same TIC, the Series 2025 Bonds will be awarded to the bidder whose bid was first received.

Any informality or failure to conform to the instructions contained in this Official Notice of Sale may be waived by the County Auditor and the County Administrator, and the County Auditor or the County Administrator may reject any or all of the bids submitted. All determinations and the award by the County Auditor shall be final.

RATING

The Series 2025 Bonds have been rated “Aa2” by Moody’s Investors Service. No application for a rating has been made by the County to any other rating service.

BOND REGISTRAR/PAYING AGENT

The Paying Agent and Registrar for the Series 2025 Bonds will be The Huntington National Bank.

BOOK-ENTRY ONLY SYSTEM

The Series 2025 Bonds will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (DTC) under DTC’s Book-Entry Only system of registration. Purchasers of interests in the Series 2025 Bonds (the Beneficial Owners) will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Series 2025 Bonds will be evidenced by book-entry-only. As long as Cede & Co. is the registered owner of the Series 2025 Bonds as nominee of DTC, payments of principal and interest will be made directly to such registered owner which in turn will remit, according to DTC’s rules and regulations, such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

CUSIP NUMBERS AND DTC ELIGIBILITY

It is anticipated that CUSIP identification numbers will be printed on the Series 2025 Bonds, but neither the failure to print such number on any Series 2025 Bonds nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Series 2025 Bonds in accordance with its agreement to purchase the Series 2025 Bonds. It shall be the responsibility of the successful bidder to timely obtain and pay for the assignment of such CUSIP numbers. The successful bidder will be responsible for the costs of obtaining such CUSIP numbers, as described below under **Costs of Issuance**.

It is anticipated that the Series 2025 Bonds will be issued in book-entry only form and eligible for custodial deposit with The Depository Trust Company (DTC), New York, New York; however, it will be the responsibility of the successful bidder to obtain such eligibility. Failure of the successful bidder to obtain DTC eligibility shall not constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Series 2025 Bonds in accordance with its agreement to purchase the Series 2025 Bonds.

ESTABLISHMENT OF ISSUE PRICE

(a) The winning bidder shall assist the County in establishing the issue price of the Series 2025 Bonds and shall execute and deliver to the County on the issuance date of the Series 2025 Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Series 2025 Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A**, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the County and Squire Patton Boggs (US) LLP ("Bond Counsel"). All actions to be taken by the County under this Notice of Sale to establish the issue price of the Series 2025 Bonds may be taken on behalf of the County by the County's Municipal Advisor identified herein and any notice or report to be provided to the County may be provided to the County's Municipal Advisor.

(b) The County intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Series 2025 Bonds) will apply to the initial sale of the Series 2025 Bonds (the "competitive sale requirements") because:

(1) the County shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
(2) all bidders shall have an equal opportunity to bid;
(3) the County anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the County anticipates awarding the sale of the Series 2025 Bonds to the bidder who submits a firm offer to purchase the Series 2025 Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Each entity making a bid pursuant to this Official Notice of Sale, represents to the County, Bond Counsel and the Municipal Advisor that it has an established industry reputation for underwriting new issuances of municipal bonds.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2025 Bonds, as specified in the bid. **As described in more detail in the following paragraphs, if the competitive sale requirements are not satisfied, all bids shall be cancelled and deemed withdrawn, UNLESS the prospective winning bidder affirmatively confirms its bid and agrees to comply with the hold-the-offering-price rule, in the manner described below. The prospective winning bidder must provide that confirmation to the County no later than ninety (90) minutes after receiving notification that the competitive sale requirements were not satisfied. Such confirmation may be provided orally, but must be promptly confirmed in writing.**

If the prospective winning bidder does not provide its confirmation within the required time period, the prospective winning bidder's bid shall be cancelled and deemed to be withdrawn. The County thereupon may award the Series 2025 Bonds to another bidder, provided that the new prospective winning bidder confirms its bid and agrees to comply with the hold-the-offering-price rule, or the County may cancel the sale of the Series 2025 Bonds, as set forth in this Official Notice of Sale.

Bidders should prepare their bids on the assumption that the County will determine the issue price of the Series 2025 Bonds either based on the reasonably expected initial offering price to the public or by application of the 10% test. No bidder will be required to comply with the hold-the-offering-price rule in connection with the initial sale of the Series 2025 Bonds to the public unless the bidder has confirmed its bid and agreed to comply with the hold-the-offering-price rule, as described below.

Paragraphs (c) through (g) below shall apply only in the event that the competitive sale requirements are not satisfied.

(c) Except as otherwise set forth in *Schedule A* to **Exhibit A**, the County will treat the first price at which 10% of each maturity of the Series 2025 Bonds (the "*10% test*") is sold to the public as the issue price of that maturity. The winning bidder (the "*Underwriter*") shall advise the County if any maturity of the Series 2025 Bonds satisfies the 10% test as of the date and time of the award of the Series 2025 Bonds (*i.e.*, the "*sale date*"). For purposes of this section, if Series 2025 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2025 Bonds.

(d) If **Exhibit A** includes *Schedule A*, the Underwriter confirms that it has offered the Series 2025 Bonds to the public on or before the sale date at the offering price or prices (the "*initial offering price*"), or at the corresponding yield or yields, set forth in Schedule A, except as otherwise set forth therein. Such *Schedule A*, should it exist, also sets forth, as of the date of the award, the maturities, if any, of the Series 2025 Bonds for which the 10% test has not been satisfied and for which the County and Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the County to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "*hold-the-offering-price rule*"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2025 Bonds, the Underwriter will neither offer nor sell unsold Series 2025 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2025 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the County when the Underwriter has sold 10% of a maturity of the Series 2025 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) The Underwriter confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Series 2025 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2025 Bonds of each maturity allocated to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Series 2025 Bonds of that maturity or all Series 2025 Bonds of that maturity allocated to it have been sold to the public, (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter, (C) to promptly notify the Underwriter of any sales of Series 2025 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2025 Bonds to the public (each such term being used as defined below), and (D) to acknowledge that, unless otherwise advised by an underwriter, dealer or broker-dealer, the Underwriter shall assume that each order submitted by an underwriter, dealer or broker-dealer is a sale to the public; and (ii) any agreement among underwriters or any selling group agreement relating to the initial sale of the Series 2025 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each broker-dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2025 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2025 Bonds of each maturity allocated to it until it is notified by the underwriter or dealer that either the 10% test has been satisfied as to the Series 2025 Bonds of that maturity or all Series 2025 Bonds of that maturity allocated to it have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the underwriter or dealer and as set forth in the related pricing wires.

(f) The County acknowledges that, in making the representation set forth in (c) through (e) above, the Underwriter will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2025 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2025 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2025 Bonds.

(g) Sales of any Series 2025 Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale.

(1) "*public*" means any person other than an underwriter or a related party,

(2) "*underwriter*" means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2025 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2025 Bonds to the public),

(3) a purchaser of any of the Series 2025 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(4) "*sale date*" means the date that the Series 2025 Bonds are awarded by the County to the winning bidder.

COSTS OF ISSUANCE

Responsibility for payment of the costs of issuance of the Series 2025 Bonds will be as follows:

Responsibility of the successful bidder: Payment of the fees of CUSIP, DTC, and any other industry assessments pertaining to the Series 2025 Bonds. The successful bidder will be responsible for any legal expenses incurred as a result of legal counsel retained by the successful bidder. The County will not be responsible for such costs and expenses. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via BiDCOMP/Parity are the sole responsibility of the bidders, and the County is not responsible, directly or indirectly, for any of such costs or expenses.

Responsibility of the County: Payment of all other costs of issuance, including the fees and expenses of the Municipal Advisor, Bond Counsel, Trustee and Paying Agent, the fees of Moody's Investors Service and the Ohio Municipal Advisory Council, the fee for use of the electronic bidding system, and printing costs of the Preliminary Official Statement and final Official Statement.

DELIVERY OF SERIES 2025 BONDS; LEGAL OPINION

The County will pay the cost of preparing the Series 2025 Bonds. The Series 2025 Bonds will be delivered to DTC or its agent (which may be the Bond Registrar) on January 7, 2025, or at such other time and to such other place as may be mutually acceptable to the successful bidder and the County. Payment of the full purchase price, plus accrued interest, shall be made to the County or at its direction on the date of delivery, in Federal Reserve funds of the United States of America, by wire transfer or transfers not later than 10:00 a.m., Ohio time, to a bank account or accounts to be designated by the County, without cost to the County. ***By submitting a bid, the bidder acknowledges that the County may request payment of the purchase price in multiple wire transfers***.

The opinion of Squire Patton Boggs (US) LLP, Bond Counsel to the County, will be furnished to the successful bidder at the time of delivery of the Series 2025 Bonds. The text of the proposed form of that opinion is attached as **Appendix D** to the Preliminary Official Statement. See also the Preliminary Official Statement's discussion of **Legal Matters** and **Tax Matters**.

A complete transcript of proceedings and a certificate (described in the Preliminary Official Statement under **Litigation**) relating to litigation will be delivered by the County when the Series 2025 Bonds are delivered by the County to the successful bidder. The County at that time will also provide to the successful bidder a certificate, signed by the County officials who sign the Official Statement and addressed to the successful bidder, relating to the accuracy and completeness of the Official Statement and to its being a "final official statement" in the judgment of the County for purposes of SEC Rule 15c2-12(b)(3).

The successful bidder, by submitting its bid, agrees to furnish to the County and Bond Counsel, a certificate in the form attached as **Exhibit A** to this Official Notice of Sale, verifying information as to the bona fide initial offering prices of the Series 2025 Bonds to the public and sales of the Series 2025 Bonds appropriate for determination of the issue price of, and the yield on, the Series 2025 Bonds under the Internal Revenue Code of 1986, as amended, and such other documentation as and at the time requested by Bond Counsel.

LIMITED ROLE OF MUNICIPAL ADVISOR

The County has retained Sudsina & Associates, LLC (the Municipal Advisor), to provide financial advice in connection with the County's issuance of the Series 2025 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

QUESTIONS

Any questions concerning the Series 2025 Bonds should be addressed to the County Auditor or the County Administrator, whose contact information is listed below, or to the County's Municipal Advisor, Sudsina & Associates, LLC (Greg Van Wagnen (440) 230-7656) or the County's Bond Counsel, Squire Patton Boggs (US) LLP (Catie Romanchek – (216) 479-8393, e-mail catie.romanchek@squirepb.com).

Dated: December 10, 2024

COUNTY OF SANDUSKY, OHIO

By: Jerri A. Miller
County Auditor
Telephone: (419) 334-6123
Email: Miller_Jerri@co.sandusky.oh.us

By: Theresa A. Garcia
County Administrator
Telephone: (419) 334-6111
Email: Garcia_Theresa@co.sandusky.oh.us

EXHIBIT A

UNDERWRITER'S CERTIFICATE

$6,400,000*
County of Sandusky, Ohio
Sales Tax Supported Bonds, Series 2025
(County Building Improvement Project)

Dated January 7, 2025

UNDERWRITER'S CERTIFICATE

__________ ("[name of underwriter]"), as Underwriter for the bonds identified above (the "Issue"), issued by the County of Sandusky, Ohio (the "Issuer"), based on its knowledge regarding the sale of the Issue, certifies as of this date as follows:

[If the competitive sale meets the definition in Regulations § 1.148-1(f)(3) by attracting at least three bids from underwriters that have established industry reputations for underwriting new issuances of tax-exempt obligations and as reflected in the representations below):

(1) **Issue Price**.

(A) As of the Sale Date, the reasonably expected initial offering prices of the Issue to the Public by [name of underwriter] are the prices listed in the final Official Statement, dated December 19, 2024, for the Issue (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Issue used by [name of underwriter] in formulating its bid to purchase the Issue. Attached as **Schedule A** is a true and correct copy of the bid provided by [name of underwriter] to purchase the Issue.

(B) [name of underwriter] was not given the opportunity to review other bids prior to submitting its bid.

(C) The bid submitted by [name of underwriter] constituted a firm offer to purchase the Issue.

(D) The aggregate of the Expected Offering Prices of each Maturity is $__________ (the "Issue Price").

(E) Definitions.

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* Preliminary, subject to change; see the Official Notice of Sale attached as **Appendix G**.

"Maturity" means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Sale Date" means the first day on which there is a binding contract in writing for the sale of the Issue. The Sale Date of the Issue is December 19, 2024.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Issue to the Public).]

[If the competitive sale fails to attract at least three bids from underwriters that have established industry reputations for underwriting new issuances of tax-exempt obligations and the issue price is determined using the general rule (actual sales of at least 10%) in Regulations § 1.148-1(f)(2)(i):

(1) **Issue Price**.

(A) As of the date of this Underwriter's Certificate (the "Certificate"), for each Maturity of the Issue, the first price at which at least 10% of such Maturity of the Issue was sold to the Public is the respective price listed in the final Official Statement, dated December 19, 2024, for the Issue (the "Sale Price" as applicable to respective Maturities). The aggregate of the Sale Prices of each Maturity is $________________ (the "Issue Price").

(B) Definitions.

"Maturity" means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Issue to the Public).]

[**If the competitive sale fails to attract at least three bids from underwriters that have established industry reputations for underwriting new issuances of tax-exempt obligations and the issue price is determined using a combination of actual sales (Regulations § 1.148-1(f)(2)(i)) and hold-the-offering-price (Regulations § 1.148-1(f)(2)(ii)):**

(1) **Issue Price**.

(A) As of the date of this Underwriter's Certificate (the "Certificate"), for each Maturity listed on Schedule A as the "General Rule Maturities," the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A (the "Sale Price" as applicable to each Maturity of the General Rule Maturities).

(B) On or before the Sale Date, [name of underwriter] offered the Maturities listed on Schedule A as the "Hold-the-Offering-Price Maturities" to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices" as applicable to each Maturity of the Hold-the-Offering-Price Maturities). A copy of the pricing wire or equivalent communication for the Issue is attached to this Certificate as Schedule B.

(C) As set forth in the Official Notice of Sale and bid award, [name of underwriter] has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any portion of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.

(D) The aggregate of the Sale Prices of the General Rule Maturities and the Initial Offering Prices of the Hold-the-Offering-Price Maturities is $______ (the "Issue Price").

(E) Definitions.

"Holding Period" means, for each Hold-the-Offering-Price Maturity of the Issue, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (December 27, 2024), or (ii) the date on which [name of underwriter] has sold at least 10% of such Maturity of the Issue to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

"Maturity" means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Issue. The Sale Date of the Issue is December 19, 2024.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Issue to the Public).]

[**If the competitive sale fails to attract at least three bids from underwriters that have established industry reputations for underwriting new issuances of tax-exempt obligations and the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):**

(1) **Issue Price**.

(A) On or before the Sale Date, [name of underwriter] offered each Maturity of the Issue to the Public for purchase at the respective initial offering prices listed in the final Official Statement, dated December 19, 2024, for the Issue (the "Initial Offering Prices"). A copy of the pricing wire or equivalent communication for the Issue is attached to this Underwriter's Certificate (the "Certificate") as Schedule A. The aggregate of the Initial Offering Prices of each Maturity is $_______ (the "Issue Price").

(B) As set forth in the Official Notice of Sale and bid award, [name of underwriter] has agreed in writing that, (i) for each Maturity of the Issue, it would neither offer nor sell any portion of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter has offered or sold any Maturity of the Issue at a price that is higher than the respective Initial Offering Price for that Maturity of the Issue during the Holding Period.

(C) Definitions.

"Holding Period" means, for each Hold-the-Offering-Price Maturity of the Issue, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (December 27, 2024), or (ii) the date on which [name of underwriter] has sold at least

10% of such Maturity of the Issue to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

"Maturity" means bonds of the Issue with the same credit and payment terms. Bonds of the Issue with different maturity dates, or bonds of the Issue with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Issue. The Sale Date of the Issue is December 19, 2024.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Issue to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Issue to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Issue to the Public).

All capitalized terms not defined in this Certificate have the meaning set forth in the Issuer's Tax Compliance Certificate for the Issue (the "Tax Certificate") or in Attachment A to the Tax Certificate.

(2) **Yield.** The Yield on the Issue is **______**%, being the discount rate that, when used in computing the present worth of all payments of principal and interest to be paid on the Issue, computed on the basis of a 360-day year and semiannual compounding, produces an amount equal to the Issue Price of the Issue as stated in paragraph (1) [and computed with the adjustments stated in paragraph[s] [(5) and] (6)].

(3) **Weighted Average Maturity.** The weighted average maturity (defined below) of the Issue is **_________** years. The weighted average maturity of an issue is equal to the sum of the products of the issue price of each maturity of the issue and the number of years to the maturity date of the respective maturity (taking into account mandatory but not optional redemptions), divided by the issue price of the entire issue.

(4) **[name of underwriter]'s Discount**. [name of underwriter]'s discount is $____________, being the amount by which the aggregate Issue Price (as set forth in paragraph (1)) exceeds the price paid by [name of underwriter] to the Issuer for the Issue.

[(5) **Discount Maturities Subject to Mandatory Early Redemption**. No Maturity that is subject to mandatory early redemption has a stated redemption price that exceeds the **[**Sale Price**] or [**Initial Offering Price**] or [**Expected Offering Price**] or [**Sale Price or Initial Offering Price, as applicable**]** of such Maturity by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of years to its weighted average maturity date.**]**

[Or]

[(5) **Discount Maturities Subject to Mandatory Early Redemption**. The stated redemption price at maturity of the Maturities that mature in the year**[**s**]** 20__, which Maturities are the only Maturities of the Issue that are subject to mandatory early redemption, exceeds the **[**Sale Price**] or [**Initial Offering Price**] or [**Expected Offering Price**] or [**Sale Price or Initial Offering Price, as applicable**]** of such Maturities by more than one-fourth of 1% multiplied by the product of the stated redemption price at maturity and the number of years to the weighted average maturity date of such Maturities Accordingly, in computing the Yield on the Issue stated in paragraph (2), those Maturities were treated as redeemed on each mandatory early redemption date at their present value rather than at their stated principal amount.**]**

[(6) **Premium Maturities Subject to Optional Redemption**. No Maturity of the Issue:

- Is subject to optional redemption within five years of the Issuance Date of the Issue.
- That is subject to optional redemption has **[**a Sale Price**] or [**an Initial Offering Price**] or [**Expected Offering Price**] or [**a Sale Price or an Initial Offering Price, as applicable**]** that exceeds its stated redemption price at maturity by more than one-fourth of 1% multiplied by the product of its stated redemption price at maturity and the number of complete years to its first optional redemption date.**]**

[Or]

[(6) **Premium Maturities Subject to Optional Redemption**. The Maturities that mature in the year[s] 20__ are the only Maturities of the Issue that are subject to optional redemption before maturity and have **[**a Sale Price**] or [**an Initial Offering Price**] or [**Expected Offering Price**] or [**a Sale Price or an Initial Offering Price, as applicable**]** that exceeds their stated redemption price at maturity by more than one fourth of 1% multiplied by the product of their stated redemption price at maturity and the number of complete years to their first optional redemption date. Accordingly, in computing the Yield on the Issue stated in paragraph (2), each such Maturity was treated as retired on its optional redemption date or at maturity to result in the lowest yield on that Maturity. No Maturity of the Issue is subject to optional redemption within five years of the Issuance Date of the Issue.]

[Or]

[(7) **No Discount or Premium Maturities**. No Maturity was sold at an original issue discount or premium.]

[(6 or 8) **No Stepped Coupon Maturities**. No Maturity bears interest at an increasing interest rate.]

The signer is an officer of [name of underwriter] and duly authorized to execute and deliver this Certificate of [name of underwriter]. The representations set forth in this Certificate are limited to factual matters only. Nothing in this Certificate represents [name of underwriter]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Issue, and by Squire Patton Boggs (US) LLP, as bond counsel, in connection with rendering its opinion that the interest on the Issue is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Issue.

Dated: January 7, 2025

[NAME OF UNDERWRITER]

By:____

Title:______________________________________

If the competitive sale requirements are met:

SCHEDULE A
COPY OF [NAME OF UNDERWRITER]'S BID

(*Attached*)

If the issue price is determined using a combination of the general rule (actual sales) and hold-the-offering-price rule:

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(*Attached*)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(*Attached*)

If the issue price is determined using only the hold-the-offering-price rule in Regulations § 1.148-1(f)(2)(ii):

SCHEDULE A
PRICING WIRE OR EQUIVALENT COMMUNICATION
(*Attached*)

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COUNTY OF SANDUSKY, OHIO
SPECIAL OBLIGATION
$6,400,000* SALES TAX SUPPORTED BONDS, SERIES 2025
(COUNTY BUILDING IMPROVEMENT PROJECT)

Sudsina & Associates, LLC
Registered Municipal Advisors

* Preliminary, subject to change.