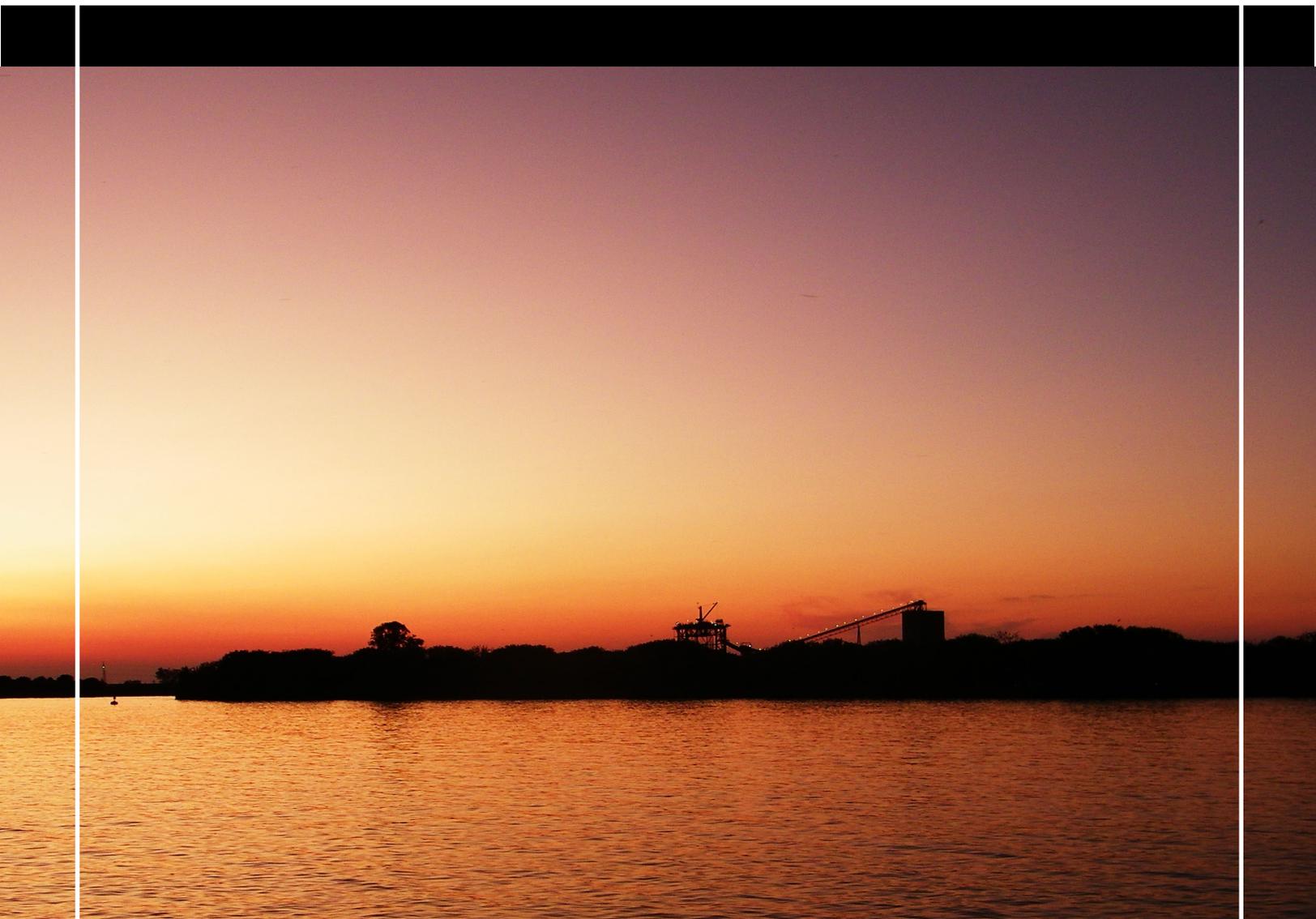


POPULAR ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019



Erie County, Ohio

Produced By: *Richard H. Jeffrey*, Erie County Auditor

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SANDUSKY BAY

Dear Erie County Residents,



The Erie County Auditor’s Office proudly presents the County’s 2019 Popular Annual Financial Report (PAFR). It was primarily created to provide transparency and to increase confidence in the County’s elected officials. It was also created to give the citizens of Erie County a better understanding of the County’s operations.

The information in this PAFR was taken from our Comprehensive Annual Financial Report (CAFR), which provides a more in depth look at the County’s finances. This PAFR is not presented in conformity with GAAP, (Generally Accepted Accounting Principles) nor is it audited by Auditor of State, Keith Faber. Its purpose is to provide readers a summary of the County’s financial activity in an easy to understand format.

The 2019 CAFR was audited by the office of Rea & Associates, Inc. and received an unmodified opinion.

For those seeking the more detailed information contained in the CAFR, a copy is available at the Erie County Auditor’s Office, or on our website at <http://erie.iviewauditor.com>.

Thank you for taking the opportunity to review our PAFR. I hope this publication will help you gain a better understanding of the County you live in.

Sincerely,

Richard H. Jeffrey
Erie County Auditor

The Government Finance Officers Association (GFOA) of the United States and Canada has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Erie County, Ohio for its Popular Annual Financial Report for the fiscal year ended December 31, 2018. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



Overview of Erie County Auditor's Office

CHIEF FISCAL OFFICER

As Chief Fiscal Officer of your county, the Auditor is the bookkeeper for all County elected officials and many of the County agencies. It is the Auditor's responsibility to account for all revenues the County receives and to issue warrants (checks) in payment of all County obligations. As part of that bookkeeping responsibility, the County Auditor serves as the paymaster for all County employees.



COUNTY FINANCIAL REPORTS

As the issuer of financial reports for the County, it is the Auditor's duty to make sure that financial records are kept properly and is required by law to prepare the County's Annual Financial Report. Erie County prepares a Comprehensive Annual Financial Report, which is then reviewed by the Auditor of State's Office or external independent audit firm to ensure the County's finances are in order and that proper internal controls are in place. They test these controls and make recommendations to the county offices and agencies to assure that your money is spent properly.

In 2016, the County's checkbook was uploaded to OhioCheckbook.com, a site launched by the former State Treasurer, Josh Mandel, in an effort to make government more transparent and accountable to the taxpayers. Users can easily navigate, search and compare County spending across multiple years. The direct link and a "how-to" guide for easy viewing of Erie County's checkbook can be found on the Auditor's website: www.erie.iviewauditor.com.



REAL ESTATE APPRAISAL & ASSESSMENT

Erie County has 45,866 parcels of real property. It is the duty of the Auditor to ensure that every parcel of land and the buildings on it are fairly and uniformly assessed for tax purposes. A general revaluation is mandated by Ohio law every six years with an update at the three year midpoint. The Auditor's Office Maintains appraisal records of each parcel in the County. These records are open for public inspection. The countywide revaluation was completed in 2018.

REAL ESTATE TAXES & RATES

The Erie County Auditor cannot raise or lower property taxes. Tax rates are determined by the budgetary requests of each government unit, as authorized by the vote of the people. Tax rates are computed in strict accordance with procedures required by the Ohio Department of Taxation, Division of Tax Equalization. Tax bills are based on the tax rate multiplied by your valuation found on this list. Property owners are assessed at 35% of the fair market value. Ohio law limits the amount of taxation without a vote of the people to 10 mills (\$10 per \$1,000 of assessed valuation). Any additional real estate taxes must be voted in by County residents.

MANUFACTURED HOMES

The Auditor's Office is also responsible for assessing taxes on manufactured housing. Under Ohio law, mobile home owners must register their homes with the Auditor's Office for tax purposes. The Auditor assesses each manufactured home annually and prepares a tax list. The manufactured home tax is distributed back to the local tax districts in the same manner as real estate taxes.

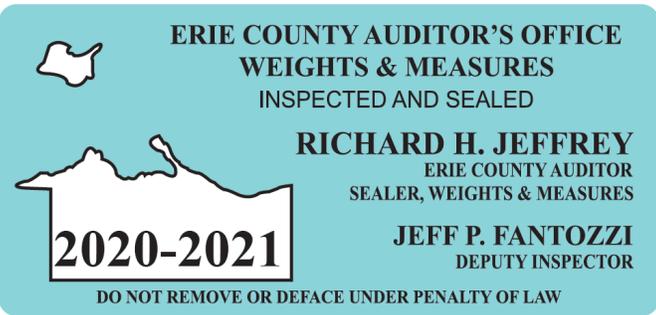
CRITICAL RESPONSIBILITIES FOR LOCAL GOVERNMENTS

Your County Auditor also helps watch over local governments within your County by:

- Estimating the tax a local government wants to put on the ballot according to what they define as their need
- Issuing a certificate when the local government wants to borrow money, assuring that the debt of that government does not exceed what is allowed by Ohio law
- Preparing a certificate of estimated resources on behalf of local governments to ensure that local governments do not spend more than they can expect to receive
- Distributing taxes to local governments including: real estate, cigarette, gasoline, motor vehicle, and other taxes
- Consulting, advising, and assisting local governments and county departments on proper governmental accounting procedures

WEIGHTS & MEASURES

The Auditor is the Sealer of Weights and Measures for the entire County, maintaining “Equity in the Marketplace,” thus protecting both buyer and seller from possible loss which may occur from faulty measuring devices. The Auditor is charged with the legal responsibility of ensuring that all State and National Laws relating to Weights and Measures are strictly enforced.



Sealers perform inspections and tests on both commercial and some non-commercial devices to ensure those devices meet the criteria of the National Institute of Standards and Technology and the National Type Evaluation Program. Audits and tests are performed on random packed items a store may weigh, such as: meats, cheeses, and produce. They are also performed on standard packed items. These tests are conducted to ensure the product meets or exceeds the requirements of Handbook 130, Checking the Net Contents of Packaged Goods. Price verification tests are also performed to make sure there is no misrepresentation of pricing.

The Sealer of Erie County is responsible for testing 4,052 devices across the County. These services are performed to maintain “Equity in the Marketplace.” If you believe a device is not performing properly, or for more information, please contact the Erie County Auditor’s Office, Weights & Measures Division at (419) 626-7746. For additional resources, visit the Weights and Measures page on the Ohio Department of Agriculture’s webpage: www.agri.ohio.gov.

LICENSES

The County Auditor’s Office is responsible for the issuance of licenses for dogs, vendors, and cigarette sales. Vendor licenses authorize businesses to sell tangible property to the public and collect sales tax, a part of which is returned for use on the local level.

ADDITIONAL DUTIES

- Secretary of the Budget Commission
- Secretary of the Board of Revision
- Secretary of the Fiscal Report Review Committee
- Chair of the Tax Incentive Review Council
- Member of the Records Commission



Your Erie County Government

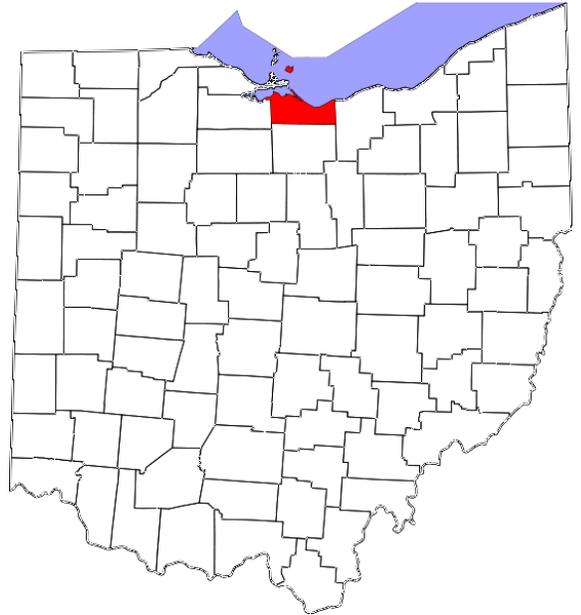
Erie County was formed by an Act of the Ohio General Assembly on March 16, 1838. The Ohio government decided to divide larger counties into smaller areas of land. Its name came from the Erie Indians, who inhabited the land before the Iroquois drove them out in the mid-1600s. It borders Lake Erie in north-central Ohio, extending 28 miles in an east-west direction and 11 miles in a north-south direction, with a total area of 264 square miles, including 8,560 acres of wetlands. The County seat is Sandusky, which is located halfway between Toledo and Cleveland.

Erie County is comprised of three cities (Huron, Sandusky and Vermilion), nine townships (Berlin, Florence, Groton, Huron, Margaretta, Milan, Oxford, Perkins and Vermilion) and five villages (Bay View, Berlin Heights, Castalia, Kelleys Island and Milan).

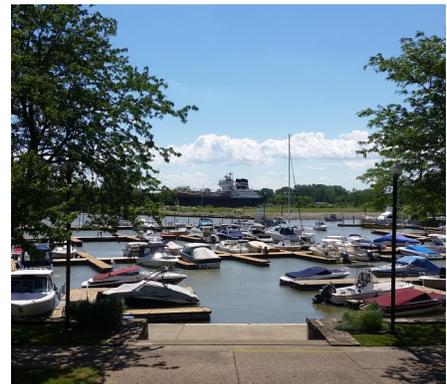
Erie County is governed by the Board of County Commissioners who are elected by the voters of Erie County. In addition to the three Commissioners, there are eight other elected officials who operate independently following legislation of the Ohio Revised Code. These elected officials also serve four year terms and include: Auditor, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Recorder, Sheriff and Treasurer. Erie County has five Judges, each elected to six year terms: Common Pleas Court (two), Probate Court, Juvenile Court and County Municipal Court.

The County employed 825 full time employees and 227 part time and seasonal employees in 2019 to provide services such as: capital improvements to roads/bridges/sewers, public safety, veterans services, tax collections, job and family services, emergency management services, economic development, animal control and health services just to name a few.

The following chart shows how Erie County departments are currently organized.

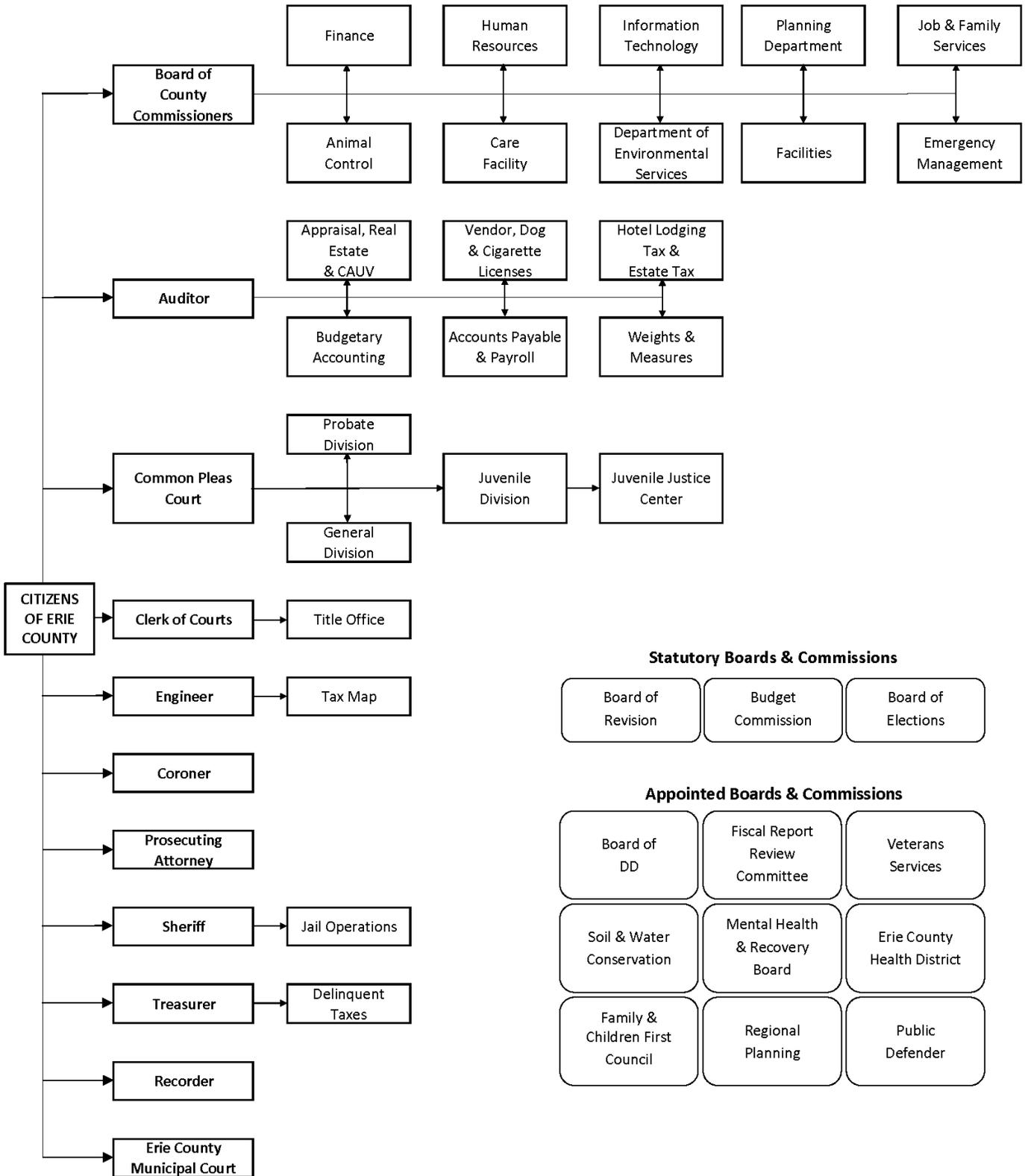


CASTALIA STATE FISH HATCHERY



HURON BOAT BASIN

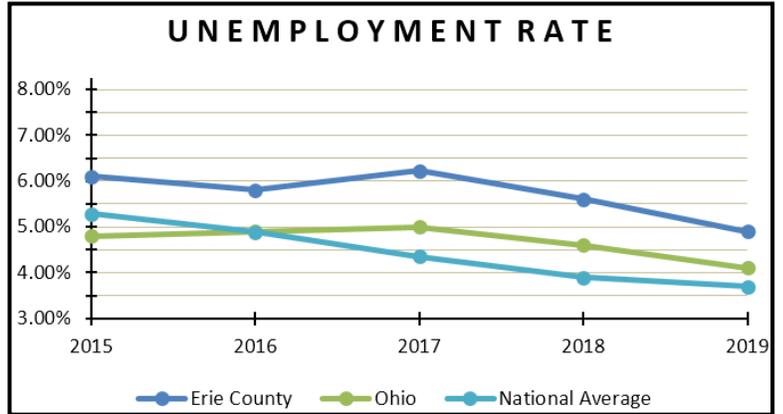
Organizational Chart



Erie County Demographics and Statistics

Erie County experienced more than a half percent reduction in the overall unemployment rate, decreasing from 5.6% in 2018 to 4.9% in 2019. The State of Ohio and the national average experienced similar declines.

Erie County had the median unemployment rate compared to the surrounding counties: Huron 5.7%, Ottawa 5.6%, and both Lorain and Sandusky Counties at 4.3% respectively.



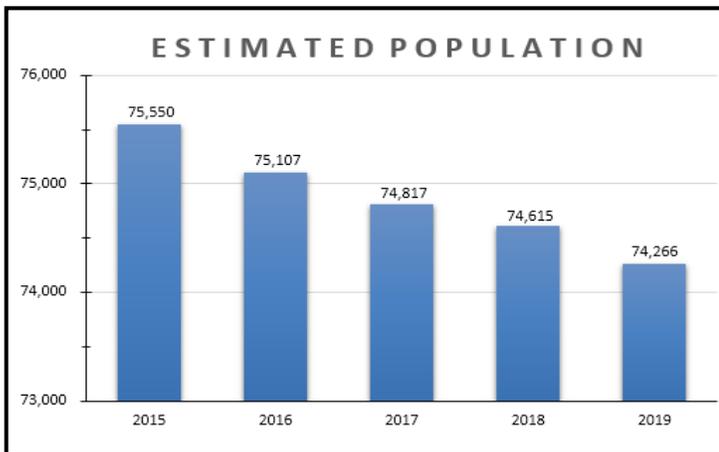
Source: Ohio Department of Job & Family Services and U.S. Bureau of Labor Statistics



KELLEYS ISLAND



MERRY-GO-ROUND MUSEUM

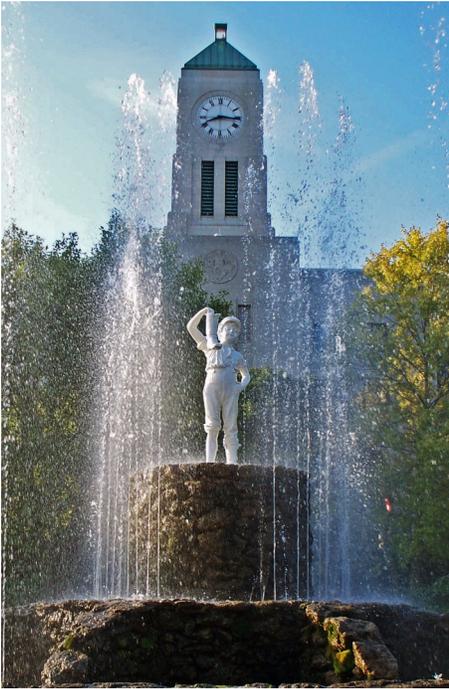


Source: U.S. Census Bureau

2019 POPULATION STATISTICS

- 48.8% Male / 51.2% Female
- 86.8% White / 8.8% African American / 4.4% Other
- 91.9% High School diploma or higher
- 22.7% Bachelor's degree or higher
- Poverty Level: 10.6%
- Median Household Income: \$52,270
- Mean Travel Time to Work: 21.1 minutes
- Median Value of a Single-Family Home: \$136,700
- Population Per Square Mile: 306.4

2019 TOP TEN TAXPAYERS



BOY WITH THE BOOT

TAXPAYER	TAXABLE ASSESSED VALUE	% OF TOTAL COUNTY TAXABLE ASSESSED VALUE
NEXUS GAS TRANSMISSION	159,619,270	7.40%
AMERICAN TRANSMISSION	55,630,430	2.58%
OHIO EDISON	43,985,490	2.04%
CEDAR POINT PARK LLC	42,387,780	1.96%
LMN DEVELOPMENT LLC	29,813,070	1.38%
COLUMBIA GAS OF OHIO, INC	15,883,870	0.74%
NORFOLK & WESTERN RAILWAY	12,277,630	0.57%
GWR SANDUSKY PROPERTY	6,407,000	0.30%
SANDUSKY MALL COMPANY	5,191,000	0.24%
SHAKER VILLAGE RENTAL COMMUNITIES LTD	5,188,660	0.24%
TOTAL	\$376,384,200	17.45%
TOTAL COUNTY ASSESSED VALUATION	\$2,157,988,030	



SANDUSKY YACHT CLUB

2019 TOP TEN EMPLOYERS

EMPLOYER	TYPE OF BUSINESS	# OF EMPLOYEES
CEDAR FAIR L.P./MAGNUM	ENTERTAINMENT	5,000
VENTRA	AUTOMOTIVE	1,935
FIRELANDS REGIONAL MEDICAL CENTER	HEALTHCARE	1,731
KALAHARI RESORT	ENTERTAINMENT	1,196
ERIE COUNTY	GOVERNMENT	1,052
INTERNATIONAL AUTOMOTIVE COMPONENTS	AUTOMOTIVE	684
OHIO VETERANS HOME	HEALTHCARE	598
SANDUSKY CITY SCHOOL DISTRICT	EDUCATION	480
JBT CORPORATION	FOOD EQUIPMENT	369
FREUDENBERG – NOK	MANUFACTURING	260
TOTAL		13,305
TOTAL EMPLOYMENT WITHIN ERIE COUNTY		35,400

The top 10 employers for Erie County employed 38% of the County's workforce in 2019.

The majority of these workplaces are located in the City of Sandusky and Perkins Township.

County's Financial Position

The County's financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). This report contains information related to the County's governmental and business-type activities. Please refer to the County's 2019 CAFR for more detailed information.

Assets provide financial benefits to the County. **Current and Other Assets** are mainly comprised of cash, investments and demand deposits (whether held in the pool managed by the County Treasurer or in outside bank accounts), property taxes receivable, sales tax receivable and monies due from other governments. **Capital assets** are land, buildings and improvements, roads, bridges, water/sewer lines, equipment and construction in progress, and are shown net of accumulated depreciation.

Liabilities place a financial burden on the County. **Current and Other Liabilities** include monies due to other governments, deferred revenues, accounts payable, compensated absences and accrued wages payable. **Long-term liabilities** represent bonds, notes and loans that are being repaid over a period of years as well as payments under capital leases.

Deferred Inflows/Outflows of Resources are inflows and outflows of resources related to pension liabilities resulting from the County's employer contributions to OPERS. Any part of pension expense or income not recognized in the County's financial statements in the year they occur will be recorded as **deferred inflows** or **outflows**, and amortized applicably.

Net Position represents the difference between assets and liabilities. **Investment in capital assets, net of related debt**, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used or the acquisition, construction or improvement of those assets. Net position is reported as **restricted** when there are limitations imposed on their use either through the enabling legislation adopted by the County, or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. **Unrestricted net position** may be used to meet the County's ongoing obligations to citizens, employees and creditors.

For more information on the County's assets and liabilities, please refer to the Statement of Net Position, found on page 17 in our 2019 Comprehensive Annual Financial Report.



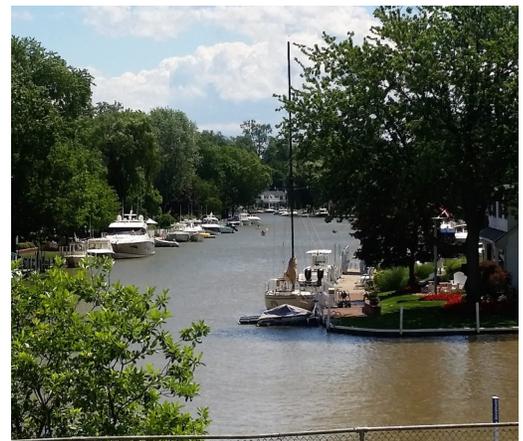
DOWNTOWN SANDUSKY

NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current & Other Assets	87,650,131	100,716,517	28,930,646	25,142,467	116,580,777	125,858,984
Capital Assets, Net	<u>83,923,683</u>	<u>63,629,779</u>	<u>111,637,525</u>	<u>115,111,036</u>	<u>195,561,208</u>	<u>178,740,815</u>
Total Assets	171,573,814	164,346,296	140,568,171	140,253,503	312,141,985	304,599,799
Deferred Outflows of Resources						
Deferred Charge on Refunding	-	-	519,476	617,155	519,476	617,155
Pension & Other Postemployment Benefits	<u>16,812,381</u>	<u>9,126,278</u>	<u>4,778,176</u>	<u>2,691,549</u>	<u>21,590,557</u>	<u>11,817,827</u>
Total Deferred Outflows of Resources	16,812,381	9,126,278	5,297,652	3,308,704	22,110,033	12,434,982
Liabilities						
Current & Other Liabilities	13,425,314	11,047,244	7,145,221	6,128,772	20,570,535	17,176,016
Long-Term Liabilities						
Net Pension & OPEB Liabilities	73,315,493	49,553,865	18,328,874	11,623,745	91,644,367	61,177,610
Other Amounts	<u>43,506,402</u>	<u>45,558,675</u>	<u>64,349,519</u>	<u>68,241,009</u>	<u>107,855,921</u>	<u>113,799,684</u>
Total Liabilities	130,247,209	106,159,784	89,823,614	85,993,526	220,070,823	192,153,310
Deferred Inflows of Resources						
Pension & Other Postemployment Benefits	1,819,705	8,438,224	255,292	2,082,329	2,074,997	10,520,553
Property Taxes & Payment in Lieu of Taxes	<u>13,499,475</u>	<u>13,841,814</u>	-	-	<u>13,499,475</u>	<u>13,841,814</u>
Total Deferred Inflows of Resources	15,319,180	22,280,038	255,292	2,082,329	15,574,472	24,362,367
Net Position						
Invested in capital assets, net of related debt	51,435,300	47,326,384	54,548,437	54,201,164	105,983,737	101,527,548
Restricted	34,261,595	30,551,433	-	-	34,261,595	30,551,433
Unrestricted	<u>(42,877,089)</u>	<u>(32,845,065)</u>	<u>1,238,480</u>	<u>1,285,188</u>	<u>(41,638,609)</u>	<u>(31,559,877)</u>
Total Net Position	<u>42,819,806</u>	<u>45,032,752</u>	<u>55,786,917</u>	<u>55,486,352</u>	<u>98,606,723</u>	<u>100,519,104</u>

The County's overall net position decreased \$1.9 million from 2018. Operating grants and contributions had an increase of nearly \$4.4 million in governmental activities due to increases in program grants and a statewide increase in the gasoline tax. A substantial decrease in capital grants and contributions is attributable to the end of an ODOT grant for the widening of Bogart Road in Huron Township and contributions received in 2018 for Phase II of the Cedar Point Sport Force Park project.

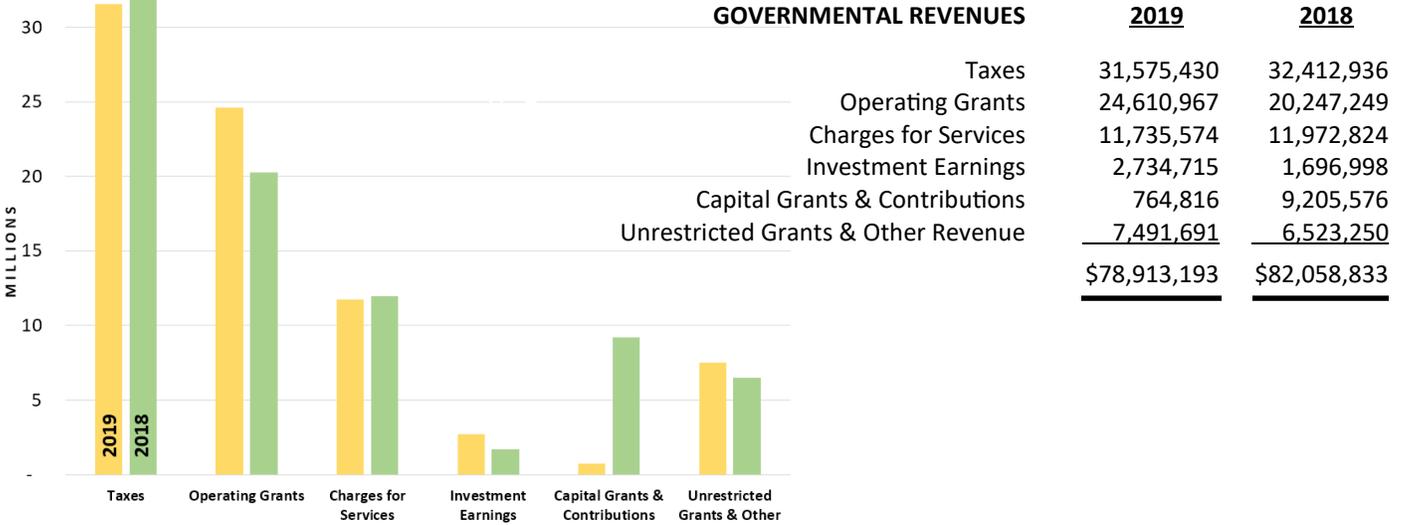
In 2018, the County adopted GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB) which significantly revises accounting for costs and liabilities related to postemployment benefits. Changes in benefits, contribution rates and return on investments affect the balance of these liabilities, but are outside the control of the County.



VERMILION

Governmental Revenues

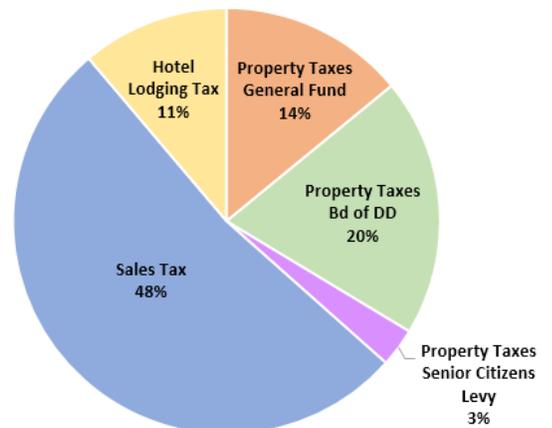
The dollars presented here are reported as governmental activities in the 2019 CAFR’s government-wide statement of activities. Revenues are typically recorded when the underlying event occurs, regardless of when the money will be received. Major sources of revenue for the County include sales tax, property tax, grants, charges for services and interest earned. Grants are further broken down between operating grants and capital grants. Operating grants are provided to the County to help run day-to-day operations. Capital grants are provided to the County for use in acquiring capital assets, such as purchase of land or equipment, as well as the purchase or construction of buildings.



Both the developmental and juvenile programs experienced increases in grant dollars in 2019 which accounts for the 21% increase over 2018 totals for the operating grant revenues. The County benefitted from higher earning on investments due to higher interest rates, market performance and over \$1 million more held in the County’s investment portfolio at 2019 year end versus 2018. As previously discussed, the large decrease in capital grants and contributions is attributable to an ODOT grant and contributions received for Phase II of the Cedar Point Sport Force complex in the prior year.

General revenues primarily consist of property and sales tax collections. The County uses 1% of the hotel tax revenue to repay the revenue bonds issued to finance the development of the Sports Force Park complex in partnership with Cedar Point. The bonds are solely payable from the one percent of taxes generated. The hotel lodging tax revenue is showing a decrease from the prior due due to the first debt payments made for the bonds that were issued for Phase II of the Sports Force complex. Excluding the debt payment, lodging tax receipts were up 5% over the prior year.

TAX REVENUE



TAX REVENUE	<u>2019</u>	<u>2018</u>
Property Taxes - General Fund	4,436,519	4,292,370
Property Taxes - Board of DD	6,189,540	6,285,155
Property Taxes - Senior Citizen Levy	925,076	910,341
Sales Taxes	16,497,483	16,103,049
Hotel Lodging Taxes	<u>3,526,812</u>	<u>4,822,021</u>
	<u>\$31,575,430</u>	<u>\$32,412,936</u>

Governmental Expenses

The expenses shown below are those of the County’s governmental activities. Expenses are recorded when the liability is incurred.

Legislative and Executive expenses are incurred by most elected officials offices including: Commissioners, Auditor, Treasurer, Prosecutor, Recorder, as well as the Facilities, Information Technology, Human Resources and Finance departments.

Human Services expenses are those incurred by the County’s Job and Family Services Department. Services provided include adoption assistance, child care subsidies, emergency assistance payments, food stamps and job training programs.

Public Safety expenses are those incurred by the Sheriff’s department to ensure the safety of persons and property.

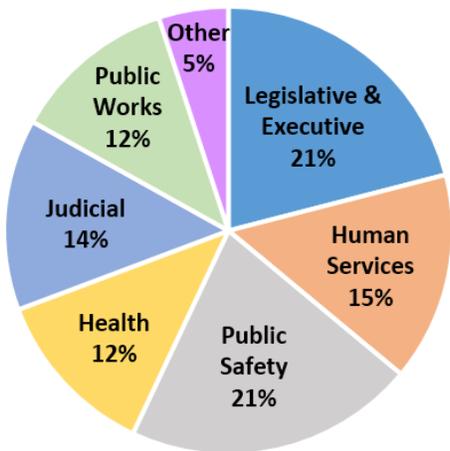
Health expenses are those incurred primarily by the County’s Board of Developmental Disabilities to provide services to developmentally disabled citizens of Erie County.

Judicial expenses are incurred by the County’s Courts: two Common Pleas Courts, Probate Court, Juvenile Court and County Municipal Court.

Public Works expenses are incurred by the Engineer’s department for maintenance of Erie County’s roads, bridges and ditches.

Other expenses represent economic development and assistance costs (CDBG programs) as well as interest charges and other miscellaneous expenses.

GOVERNMENTAL EXPENSES

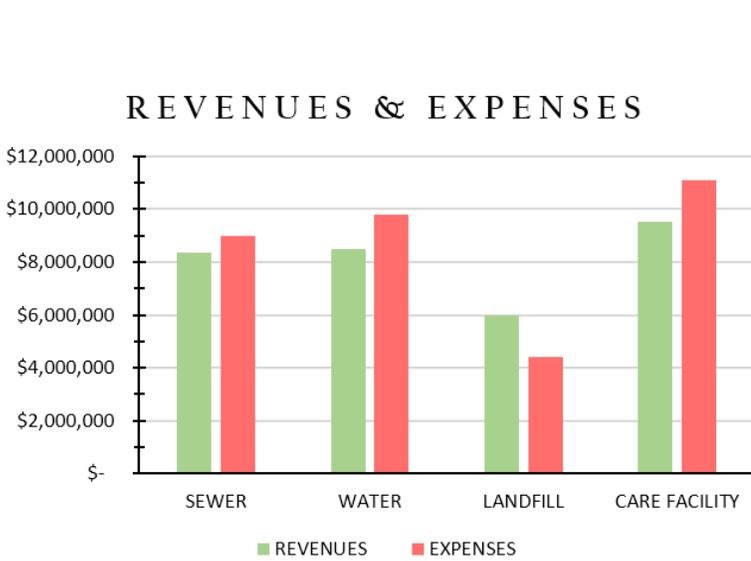


GOVERNMENTAL EXPENSES	<u>2019</u>	<u>2018</u>
Legislative & Executive	16,578,586	16,949,075
Human Services	11,906,866	10,599,234
Public Safety	16,565,002	14,402,764
Health	9,698,628	8,930,501
Judicial	10,913,259	9,506,557
Public Works	9,390,967	6,701,116
Other	<u>3,973,720</u>	<u>3,259,206</u>
	<u>\$79,027,028</u>	<u>\$70,348,453</u>

A substantial increase in pension obligation contributed to increases in nearly all the programs. The largest increase in governmental expenses was in the public works program mainly due to the pension obligation and road repair and maintenance projects.

Business-Type Activities

The dollars presented here are reported as business type activities in the 2019 CAFR’s government-wide statement of activities. Revenues typically are recorded when the underlying event occurs, regardless of when the money will be received. The major source of revenue for business type activities is charges for services, where fees are collected from customers for a service that is being provided. The County continues to deal with delinquent customers, which can positively or negatively affect collections for the year. The departments included in business-type activities are: Sewer, Water, Landfill and the Care Facility.



	<u>REVENUES</u>	<u>2019</u>	<u>2018</u>
Charges for Services			
Sewer		8,356,216	7,898,729
Water		8,485,753	8,468,477
Landfill		5,837,699	6,676,119
Care Facility		9,520,163	9,191,092
Capital Grants & Contributions		<u>122,795</u>	<u>191,543</u>
		<u>32,322,626</u>	<u>32,425,960</u>
	<u>EXPENSES</u>	<u>2019</u>	<u>2018</u>
Sewer		8,996,961	9,212,970
Water		9,798,185	9,020,317
Landfill		4,404,753	4,641,268
Care Facility		<u>11,075,014</u>	<u>9,264,567</u>
		<u>34,274,913</u>	<u>32,139,122</u>

In 2019, business-type revenues totaled over \$32.3 million, while expenses totaled just under \$34.3 million. The business-type activities had an overall decrease of \$1.8 million in net position from the prior year.

The sewer fund had an increase in revenues and a decrease in expenditures, mostly due to an increase in the number of customers. The water fund remained fairly consistent in revenues from the prior year, but had an increase of over 8% for expenses. A loss on the disposal of a water tower accounts for the majority of this increase. Revenues and expenses in the landfill fund showed slight decreases from 2018 however, revenues continue to outpace the expenses, resulting in an increase in net position. The net position of the County Care Facility, The Meadows, decreased from the prior year, due in part, to increases in payroll and benefits in addition to a substantial increase in the pension liabilities over the prior year.

State and federal laws require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. These closure/post-closure costs are driven by the total estimated remaining capacity. As of 2019 year end, the liability totals \$10,327.662 based on the use of 86% of the landfill’s capacity. Actual costs may be higher due to inflation, deflation, changes in technology or changes in regulations.

Long Term Debt

Moody’s Rating Service has assigned Erie County bond ratings an “AA2” rating, indicating that our bonds are a safe, reliable investment. This is due to the County’s below-average debt burden, strong general fund reserves and overall sound financial management. In 2019, the County paid down nearly \$7.0 million in principal payments and did not issue any new debt. The following table summarizes the outstanding long-term obligations at year-end.

LONG-TERM OBLIGATIONS, TREND ANALYSIS

*Includes Business-Type Activities (water, sewer & landfill debt)
& Governmental (all other debt)*

	2019	2018	2017	2016	2015
General Obligation Bonds	15,255,000	19,085,000	22,885,305	24,301,490	28,421,216
Special Assessment Bonds	-	-	19,696	498,510	624,480
OWDA Loans	44,171,490	46,075,452	47,901,914	49,654,051	51,370,044
OPWC Loans	-	-	-	4,561	10,968
Revenue Bonds	42,276,521	43,530,084	22,866,741	23,003,196	2,800,000
Capital Lease Obligation	-	5,918	11,195	16,104	94,383
Landfill Closure & Post Closure Liability	10,327,662	9,830,884	9,187,997	8,647,611	7,886,838
Net Pension Liability & Net OPEB Liability	91,644,367	61,177,610	51,759,931	38,786,551	26,492,847
Claims Payable	1,929,644	1,509,738	1,560,634	1,553,627	1,533,896
Unamortized Bond Premiums*	660,321	774,337	888,353	415,278	-
Compensated Absences	3,864,634	3,277,760	3,356,871	3,552,767	3,106,923
	<u>210,129,639</u>	<u>185,266,783</u>	<u>160,438,637</u>	<u>150,433,746</u>	<u>122,341,595</u>

General Obligation Bonds

These bonds are long-term debt instruments which are repaid from the County’s general revenue resources.

Special Assessment Bonds

These bonds are issued to pay for improvements benefitting property owners. The owners pay the County over a period of 20 years for the debt.

OWDA & OPWC Loans

These loans provide low-interest funding for infrastructure, primarily water and sewer projects.

Revenue Bonds

The County has pledged 1% of hotel tax revenue to pay off the revenue bonds purchased to finance the development of Phases I & II of the Cedar Point Sports Park.

Capital Lease Obligation

These obligations are payments to be made to the vendors for leases entered into by the County.

Landfill Closure & Post Closure Liability

This liability shows what amount is needed to perform all closure and post closure care as of 12/31/19.

Net Pension & OPEB Liabilities

Obligations related to employee compensation are paid from the fund benefiting from their service. GASB 75 was implemented in 2018 which significantly revises accounting for liabilities related to post employment benefits. Changes in benefits, and contribution rates affect the balance of these liabilities, but are outside the control of the County.

Unamortized Bond Premiums

These premiums are deferred and amortized over the term of the bond. *These were previously included in the bond totals.

Claims Payable

Insurance premiums are charged to the fund from which the employee is paid and claims are paid from the applicable internal service fund.

Compensated Absences

This liability is due to employees for services provided to the County, where leave was earned but not taken as of 12/31/19.



MILAN

Property Taxes

TAX RATES FOR ERIE COUNTY—TAX YEAR 2018, PAYABLE IN CALENDAR YEAR 2019

TAX DISTRICTS	Tax District	State Taxing District	County Levies	School Levies	Library Levies	Vocational School Levies	Township Levies	City or Village Levies	Full Tax Rate	Residential Agricultural Effective Tax Rate	Commercial Industrial Effective Tax Rate
BERLIN TOWNSHIP											
Edison Schools	01-04	22-0010	9.10	67.74	1.80	4.45	5.30	N/A	88.39	51.4751	59.2869
Berlin Heights Village	6	22-0020	9.10	67.74	1.80	4.45	3.50	15.50	102.09	65.1449	73.0570
Huron Schools	5	22-0030	9.10	73.43	1.50	4.45	5.30	N/A	93.78	48.8440	62.0140
FLORENCE TOWNSHIP											
Firelands Schools	07-08	22-0040	9.10	55.40	0.00	2.45	7.10	N/A	74.05	50.0910	50.4410
Edison Schools	9	22-0050	9.10	67.74	1.80	4.45	7.10	N/A	90.19	53.2184	62.0206
Vermilion Schools	10	22-0060	9.10	68.13	1.625	4.45	7.10	N/A	90.405	50.5337	72.9637
Western Reserve Schools	11	22-0070	9.10	33.55	0.00	4.45	7.10	N/A	54.20	40.8796	43.9267
GROTON TOWNSHIP											
Bellevue Schools	26	22-0080	9.10	42.40	1.00	4.45	5.75	N/A	62.70	52.3484	56.7283
Bellevue City	61	22-0085	9.10	42.40	1.00	4.45	5.75	6.60	69.30	57.7720	63.1224
Margaretta Schools	27	22-0090	9.10	63.00	0.00	4.45	5.75	N/A	82.30	47.9972	66.1450
Monroeville Schools	28	22-0100	9.10	38.30	0.00	4.45	5.75	N/A	57.60	47.3943	50.0753
Perkins Schools	29	22-0110	9.10	67.80	1.50	4.45	5.75	N/A	88.60	52.8055	61.2467
HURON TOWNSHIP											
Huron Schools	39	22-0120	9.10	73.43	1.50	4.45	5.30	N/A	93.78	48.7943	62.7963
Huron City	42-49	22-0130	9.10	73.43	1.50	4.45	0.40	4.90	93.78	48.8255	63.0517
Edison Schools	40	22-0140	9.10	67.74	1.80	4.45	5.30	N/A	88.39	51.4254	60.0691
Perkins Schools	41	22-0150	9.10	67.80	1.50	4.45	5.30	N/A	88.15	52.4707	60.5420
MARGARETTA TOWNSHIP											
Margaretta Schools	33-37	22-0160	9.10	63.00	0.00	4.45	12.20	N/A	88.75	54.2706	71.6335
Bay View Village	30	22-0170	9.10	63.00	0.00	4.45	0.00	20.00	96.55	58.8409	77.5009
Castalia Village	31	22-0180	9.10	63.00	0.00	4.45	9.70	8.66	94.91	60.4085	77.5596
Perkins Schools	38	22-0190	9.10	67.80	1.50	4.45	12.20	N/A	95.05	59.0788	66.7353
MILAN TOWNSHIP											
Edison Schools	50	22-0200	9.10	67.74	1.80	4.45	6.55	N/A	89.64	52.2654	61.0165
Milan Village	53	22-0210	9.10	67.74	1.80	4.45	5.55	8.80	97.44	58.4322	66.6805
Huron Schools	51	22-0220	9.10	73.43	1.50	4.45	6.55	N/A	95.03	49.6343	63.7437
Perkins Schools	52	22-0230	9.10	67.80	1.50	4.45	6.55	N/A	89.40	53.3108	61.4894
OXFORD TOWNSHIP											
Edison Schools	23	22-0240	9.10	67.74	1.80	4.45	6.50	N/A	89.59	52.4441	61.4149
Monroeville Schools	24	22-0250	9.10	38.30	0.00	4.45	6.50	N/A	58.35	48.0782	50.7164
Perkins Schools	25	22-0260	9.10	67.80	1.50	4.45	6.50	N/A	89.35	53.4894	61.8878
PERKINS TOWNSHIP											
Perkins Schools	32	22-0270	9.10	67.80	1.50	4.45	16.25	N/A	99.10	63.2841	71.8265
VERMILION TOWNSHIP											
Vermilion Schools	12-16	22-0280	9.10	68.13	1.625	4.45	4.75	N/A	88.06	48.4659	70.7903
Vermilion City	18-22	22-0290	9.10	68.13	1.625	4.45	0.00	11.75	95.055	55.5284	77.6922
Edison Schools	17	22-0300	9.10	67.74	1.80	4.45	4.75	N/A	87.84	51.1506	59.8471
KELLEYS ISLAND VILLAGE											
Kelleys Island Schools	54	22-0310	9.10	9.85	0.80	4.45	N/A	10.35	34.55	29.6190	30.3132
SANDUSKY CITY											
Sandusky Schools	55-60	22-0320	9.10	85.020	1.50	0.00	N/A	5.18	100.800	62.7405	72.3292
BELLEVUE CITY											
Bellevue Schools	62	22-0330	9.10	42.40	1.00	4.45	N/A	6.60	63.55	52.5394	57.4522

TAX RATES EXPRESSED IN MILLS

MILL = \$1 IN TAX FOR EVERY \$1,000 IN TAXABLE VALUE

How to Calculate Your Tax Bill

PROPERTY TAX CALCULATION

Market Value x 35%	=	Assessed Value
Assessed Value x Full Total Tax Rate / 1,000	=	Gross Tax Per Year
Assessed Value x Effective Tax Rate / 1,000	=	Adjusted Tax
Gross Tax—Adjusted Tax	=	H.B. 920 Credit
Gross Tax—H.B. 920 Credit	=	Net Taxes
Net Taxes x Non-Business Credit Percent	=	Non-Business Credit
Net Taxes x Owner Occupancy Credit Percent	=	Owner Occupancy Credit
Net Taxes—Non-Business and Owner Occ.	=	Taxes Charged
Tax Charged / 2	=	Half Year Tax
Half Year Tax + Special Assessments, Penalties, etc.	=	Total Half Year Tax

EXAMPLE: If a taxpayer lives in Milan Township, in Edison Local School District, Real Estate Taxes on a \$100,000 owner-occupied home with no special assessments would be:

$\$100,000 \times 35\%$	=	\$35,000.00	Assessed Value
$\$35,000 \times 89.64 / 1,000$	=	\$3,137.40	Gross Tax Per Year
$\$35,000 \times 52.2654 / 1,000$	=	\$1,829.29	Adjusted Tax
$\$3,137.40 - \$1,829.29$	=	\$1,308.11	H.B. 920 Credit
$\$3,137.40 - \$1,308.11$	=	\$1,829.29	Net Taxes
$\$1,829.29 \times 10\%$	=	\$182.93	Non-Business Credit
$\$1,829.29 \times 2.5\%$	=	\$45.73	Owner Occupancy Credit
$\$1,829.29 - \$182.93 - \$45.73$	=	\$1,600.63	Taxes Charged
$\$1,600.63 / 2$	=	\$800.32	Half Year Tax

The \$1,600.63 in Annual Taxes is distributed as follows:

Tax Recipient	Tax Rate	Taxes Paid
Edison Schools	39.4964	1,209.57
EHOVE Career Center	2.5946	79.46
Milan Township	3.8190	116.96
Berlin-Milan Library	1.0495	32.14
County General Fund	1.3410	41.07
Board of Developmental Disabilities	1.7492	53.57
General Health District	0.5831	17.86
Mental Health & Recovery Board	0.6997	21.43
Serving Our Seniors	0.2915	8.92
Erie Metroparks	<u>0.6414</u>	<u>19.64</u>
	52.2654	\$ 1,600.63



EDISON BIRTHPLACE MUSEUM
MILAN

2019 Erie County Projects

CEDAR POINT SPORTS CENTER - PHASE II



Ground breaking for of Phase II of Cedar Point Sports Center began in July 2018 and was completed in January 2020. The \$42 million, state-of-the-art indoor athletic facility is located directly beside the outdoor site of Sports Force Parks (Phase I) on US Route 6 in Sandusky. The indoor playing area totals approximately 145,000 square feet and includes nine basketball courts which can convert to 20 volleyball courts or a gymnastic arena, an indoor one-eighth mile walking track, a sports wellness center supervised by Firelands Regional Medical Center and a family entertainment center featuring climbing walls, a ninja warrior course and arcade. This will allow games to be played year-round. The public-private venture was funded through multiple parties: \$23 million from Erie County lodging taxes, \$11 million from Firelands Regional Medical Center, \$6 million from Cedar Fair and the remaining \$2 million from the City of Sandusky tax-financing agreement.

THE MEADOWS AT OSBORN PARK



Renovation began in 2019 to upgrade the County-owned nursing home. The Erie County Commissioners committed \$1 million for much needed upgrades including: expanding the lobby and foyer areas, building a new chapel, salon and library area with computers, replacing the common area furniture, replacing the greenhouse roof and dedicating one wing of rooms to long-term care. The renovation project will allow The Meadows to remain a competing force in the area's rehabilitation, skilled nursing and long-term care fields.

Construction is expected to be completed the second half of 2020.

BGSU DOWNTOWN SANDUSKY CAMPUS



Groundbreaking commenced in April 2019 for a \$14 million 5-story, 78,000 square foot tourism-focused academic center. Bowling Green State University and Cedar Fair Entertainment Company partnered together to create a one-of-a-kind resort and attraction management bachelors degree program. The downtown Sandusky campus building will feature a learning center, classrooms, upper floor apartments and street level retail space.

The curriculum will include four, ten-week semesters of classroom instruction and two full-time guaranteed, paid co-op experiences at one of Cedar Fair's parks in North America. Classes begin in Fall 2020.

Auditor of State Award

Erie County was awarded the Auditor of State Award with Distinction for the Fiscal Year 2018. The award is presented for excellence in financial reporting related to the Comprehensive Annual Financial Report and compliance with applicable laws for the fiscal year ended 2018. Eligible entities that receive the award must meet the following criteria of a clean audit report:

- The entity must file financial reports with the Auditor of State's office by the statutory due date, without extension, via the Hinkle System on a GAAP accounting basis, and
- The audit report does not contain any findings for recovery, material citations, material weaknesses, significant deficiencies, Uniform Guidance (Single Audit) findings or questioned costs, and
- The management letter contains no comments related to: ethics referrals, questioned costs less than the threshold per the Uniform Guidance, lack of timely annual financial report submission, bank reconciliation issues, failure to obtain a timely Single Audit in accordance with Uniform Guidance, findings for recovery less than \$500, public meetings or public records issues, and
- The entity has no other financial or other concerns.

Rick Jeffrey remarked "We as the County have set the bar for results going forward. Our accounting staff with the support of all the departments in the County, were partners in making this happen. The entire County should be very proud...this IS a BIG DEAL!"



Lori Brodie (center), the Northwest Regional Liaison for Keith Faber, Ohio Auditor of State presented the award to Rick Jeffrey . Also present for the award presentation were the three Commissioners, finance staff from the Auditor's Office, Finance Department, Job & Family Services, Regional Planning, Treasurer's Office and the Sheriff's Office.

2019

ERIE COUNTY ELECTED OFFICIALS

AUDITOR	RICHARD H. JEFFREY	419-627-7746
CLERK OF COURTS	LUVADA WILSON	419-627-7705
COMMISSIONER	MATHEW R. OLD	419-627-7672
COMMISSIONER	PATRICK J. SHENIGO	419-627-7672
COMMISSIONER	STEPHEN L. SHOFFNER	419-627-7672
CORONER	DR. BRIAN A. BAXTER	419-625-0654
ENGINEER	JOHN D. FARSCHMAN	419-627-7710
PROSECUTOR	KEVIN J. BAXTER	419-627-7697
RECORDER	BARBARA A. SESSLER	419-627-7686
SHERIFF	PAUL A. SIGSWORTH	419-627-7668
TREASURER	PAMELA FERRELL	419-627-7701
COMMON PLEAS JUDGE	ROGER E. BINETTE	419-627-7732
COMMON PLEAS JUDGE	TYGH M. TONE	419-627-7731
COUNTY COURT JUDGE	PAUL G. LUX	419-499-4689
JUVENILE COURT JUDGE	ROBERT C. DELAMATRE	419-627-7782
PROBATE COURT JUDGE	BEVERLY K. MCGOOKEY	419-627-7750