**Regional Planning Commission**

**AOS Regulatory Basis Footnote Shell**

**Revised December 2023**

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| **Note: This shell is a guide for preparing your annual footnotes to the financial statements when filed on the AOS Regulatory Basis. These footnotes are not all inclusive and might include disclosures not applicable to your particular Commission. Modify, delete, or add additional disclosures as necessary. As an example: If your entity has joint ventures, related organizations, or jointly governed organizations pull in the applicable footnotes from the AOS Regulatory Basis Generic Special Purpose Government Notes Shell.**  **Items highlighted in yellow are provided for guidance purposes only and should be deleted prior to submission.**  **See GASB Codification 2300 – Notes to the Financial Statements. As communicated in paragraph .102, the notes to the financial statements should communicate information essential for fair presentation of the basic financial statements that is not displayed on the face of the financial statements. As such, the notes form an integral part of the basic financial statements. Notes should focus on the primary government—specifically, its governmental activities, business-type activities, major funds, and nonmajor funds in the aggregate. Information about the government's discretely presented component units should be presented as discussed in paragraph .105.**  **Items highlighted in green are items that are generic, and should be reviewed for entity specific information and modified to report specifics for your Regional Planning Commission.**  **In this sample 20CY means current year and 20PY means prior year and would be replaced with the four digit current year (for example 2023) or four digit prior year (for example 2022).** |

***Aqua Highlights are 2023 updates.***

* ***Where these highlights are included within yellow highlighted areas, this information is for reference only and should be deleted prior to submission.***
* ***Where these highlights are included within green highlighted areas, this information should be reviewed and modified to report specifics for your entity.***
* ***Where these highlights are not within another color, you will need to review to determine if this applies to your specific entity and modify or delete.***
* ***Updates have been made related to GASB 96, Subscription-Based Information Technology Arrangements, please see AOS Bulletin 2023-005 for additional information.***  [Bulletin\_2023-005.pdf (ohioauditor.gov)](https://ohioauditor.gov/publications/bulletins/2023/Bulletin_2023-005.pdf)
* ***Although uncommon for smaller governments, GASB 94, Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA) disclosures can be added with leases and SBITAs and with debt, if applicable***
* ***Please note, Note 13 related to COVID-19 has been updated.***
* ***If you are a participant in the OneOhio or Monsanto Legal Settlements, see the generic special purpose government notes for sample disclosure.***

**Note 1 – Reporting Entity**

*(Modify as needed.)*

The Entity Name Regional Planning Commission (the Commission), ABC County, is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A [NUMBER]*-*member Board governs the Commission. *[Briefly describe the make-up of the board. The following is an example:]* The Board consists of representatives from participating political subdivisions, the county commissioners, and appointed citizens. The Commission formulates and reviews plans affecting long and short term social, economic, and governmental development within the region. The participating subdivisions are:

|  |  |  |
| --- | --- | --- |
| Fill in | Fill in | Fill in |
| Fill in | Fill in | Fill in |
| Fill in | Fill in | Fill in |

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

***Should your Commission participate in jointly governed organizations, joint ventures and/or public entity risk pools or is associated with related organizations, you should identify the specific types of organizations. A description of the organizations should be included later in the notes. The Generic Special Purpose Government report shell Note 1 can be used as an example for wording. See Also Notes 14, 15, 16 and 17 for assistance with the descriptions of the organizations. You can cut and paste into this example.***

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

*(Delete all unnecessary / inapplicable fund types)*

The Commission’s financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

***Fund Accounting***

*[Review GASB Codification 1300, Fund Accounting, paragraphs .104-.116 for guidance.]*

The Commission uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Commission are presented below:

*(Delete all unnecessary / inapplicable fund types)*

***Should your Commission establish any proprietary or fiduciary fund, including custodial funds, you should insert the appropriate fund type descriptions and make any other necessary footnote and financial statement modifications. The Generic Special Purpose District note shell is an example that can be used and you can cut and paste into this example.***

***General*** ***Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Commission for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Commission had the following significant Special Revenue Funds: *(Include a one or two sentence description of any special revenue fund constituting at least 20 percent of combined special revenue disbursements or deemed significant by the Commission.)*

***Debt Service Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Commission had the following significant Debt Service Funds: *[Include a one or two sentence description of any debt service funds constituting at least 20 percent of combined debt service fund disbursements or deemed significant by the District.]*

***Capital Project Funds*** These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Commission had the following significant capital project funds: *[Include a one or two sentence description of any capital project funds constituting at least 20 percent of combined capital project disbursements or deemed significant by the District.]*

***Permanent Funds*** These funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the government or its citizenry). The Commission had the following significant permanent fund: *[Include a one or two sentence description of any permanent funds constituting at least 20% of combined permanent fund disbursements or other funds deemed significant by the District.]*

***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 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Commission recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

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 (C) permit.

***Deposits and Investments***

*[Include the following paragraph if the County Auditor and Treasurer act as fiscal officer and custodian for your Commission.]*

As the Ohio Revised Code permits, the County Name County Treasurer holds the Commission’s deposits as the Commission’s custodian. The County holds the Commission’s assets in its investment pool, valued at the Treasurer’s reported carrying amount.

*[or]*

*[Include the following 2 paragraphs if the County Auditor and Treasurer are not the fiscal officer and custodian for your Commission.]*

The Commission’s accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Commission values U.S. Treasury Notes and common stock at cost (or fair value when donated). *[<<DELETE IF NO DONATED INVESTMENTS.]*. Money market mutual funds are recorded at share values the mutual funds report. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.  [*Modify this note as needed. Only describe investments actually held during the fiscal year. Equity securities (stock) are normally illegal, unless donated. Consult with your Legal Counsel if in doubt about an investment’s legality. Also, if equity securities have an impaired value deemed “other than temporary,” write them down to fair value.]*

***Capital Assets***

The Commission records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets. [*Delete this footnote if the Entity does not own any P, P, & E.*]

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave. *(Delete this note if no employees are entitled to these benefits)*

***Leases and SBITAs***

The Commission is the lessor/lessee in various leases (as defined by GASB 87) related to buildings, vehicles, and other equipment under noncancelable leases. Lease revenue/disbursements are recognized when they are received/paid. *(Edit as needed. This note can be deleted if the Commission has no GASB 87 leases)*

The Commission has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems and various other software. Subscription disbursements are recognized when they are paid. (Edit as needed. This paragraph can be deleted along with the reference to SBITAs in the note heading, if the Commission has no GASB 96 SBITAs.)

The following is instructional. If the Commission has any PPPs or APAs under GASB 94, add explanation. See sample language in the generic special purpose government notes.

***Fund Balance***

*[Although regulatory filers follow a simplified approach, review GASB 54, Fund Balance Disclosures, paragraphs 5-23 and GASB Codification 1800, Classification and Terminology, paragraph .183, for guidance.]*

Fund balance is divided into five classifications based primarily on the extent to which the Commission must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

***Nonspendable*** The Commission classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Commission and the nonspendable portion of the corpus in permanent funds.

***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*** The Board can *commit* amounts via formal action (resolution). The Commission must adhere to these commitments unless the Board amends 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*.For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***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 Commission 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.

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.  (update note number as needed)

**Note 3 – Deposits and Investments**

*[Include the following footnote if the County Auditor and Treasurer do not act as fiscal officer and custodian for your Commission.]*

The Commission maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:



*(Note: The above is an embedded Excel Spreadsheet. Double-click to edit. Do not enter $ signs. Delete any rows that are not applicable to the Commission.)*

*[Insert amounts from Year End Reconciliation. (i.e. Demand deposits are checking balance less reconciling items such as outstanding checks and deposits in transit.) Total Deposits and Investments should agree to total Financial Statement Year End Balance.]*

*If the Commission also has segregated accounts, such as clearing accounts (including a payroll clearing account) and amounts with fiscal and escrow agents that are not part of this pool, please see the Generic Special Purpose Government note shell for additional required disclosures at the following link:* [*http://www.ohioauditor.gov/references/shells/regulatory.html*](http://www.ohioauditor.gov/references/shells/regulatory.html)*.*

At December 31, 20CY, the Commission held $XXX in equity securities. Equity securities are not eligible investments for the Commission under Ohio law*. [Insert other time period if other than 12/31/XX these investments were held during the fiscal year. Also include any other ineligible investments. Note that entities may be allowed to hold equity securities if required under a trust agreement. Check with your Commission Legal Counsel.]*

*(Include the paragraph if utilizing the County Auditor/Treasurer as fiscal agent)* The fiscal agent is responsible for maintaining adequate depository collateral for all funds in the fiscal agent’s pooled and deposit accounts. All risks associated with the above deposits are the responsibility of the fiscal agent.

***Deposits*** *(Do not include this section if utilizing a fiscal agent)*

*Effective July 1, 2017, the Ohio Pooled Collateral System (OPCS) was implemented by the Office of the Ohio Treasurer of State. Financial institutions have the option of participating in OPCS or collateralizing utilizing the specific pledge method. The following note will need to be customized to fit the Commission’s specific situation: 1) Participating in OPCS or 2) Financial institution utilizing specific securities to collateralize deposits.*

Deposits are insured by the Federal Deposit Insurance Corporation; [or] collateralized by securities specifically pledged by the financial institution to the Commission; *(delete if there is no specific pledging)* or collateralized through 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. *(Delete if no pool is used)*

At December 31, 20CY, *(Insert other time period if applicable during the fiscal year.)* $XXX of deposits were not insured or collateralized, contrary to Ohio law. (Modify as needed. If deposits are not collateralized due to reduced collateral through OPCS, describe the collateral, and delete “contrary to Ohio law.”)

***Investments***

*[Delete if your Commission does not invest.] [The following MUST be modified, based on the Commission’s circumstances. It may be best to discuss the arrangement with a knowledgeable officer of the financial institution.]* The Federal Reserve holds the Commission’s U.S. Treasury Notes in book-entry form, in the name of the Commission’s financial institution. The financial institution maintains records identifying the Commission as owner of these securities.

*[The following sentences describe some repurchase agreements / sweep accounts. However, circumstances may require modification to this disclosure. Also, not all sweep accounts are repurchase agreements.]* The Commission’s financial institution transfers securities to the Commission’s agent to collateralize repurchase agreements. The securities are not in the Commission’s name.

*[The following may describe some equity securities, but you should check with the broker-dealer or financial institution.]* A financial institution’s trust department holds the Commission’s equity securities in book-entry form in the Commission’s name.

Investments in STAR Ohio and mutual funds are not evidenced by securities that exist in physical or book-entry form.

**Note 4 – Interfund Balances**

*Disclose any material outstanding advance not repaid by the end of the year.*

Outstanding advances at December 31, 20CY, consisted of $XXX,XXX advanced to XYZ funds to provide working capital for operations or projects.  *(Modify as needed.)*

**Note 5 – Risk Management**

*[Note: Use only the paragraphs that apply. Some of the descriptions below are mutually exclusive, so you must make appropriate modification.] [If your Commission belongs to Ohio Plan Healthcare Consortium, Inc. (OPHC), Ohio Plan Risk Management, Inc. (OPRM), or Public Entities Pool (PEP) see* [*http://www.ohioauditor.gov/references/shells/footnotes.html*](http://www.ohioauditor.gov/references/shells/footnotes.html) *for applicable risk management footnote. Replace the applicable parts of the footnote below with the specialized footnote.]*

*[If the footnote at the link above is not for the fiscal year you are reporting, please obtain the necessary information from these risk management agencies, as applicable. If the footnote information is not available for your fiscal year from these agencies, use the most recent information available and add a note in your footnote referencing the time period of the information reported and indicate it is the most recent information available at the time the footnotes were prepared.]*

***Workers’ Compensation***

*The specialized footnote can be inserted here.*

*OR, if not included in a risk pool or group rating for WC, use the paragraph below:*

Workers’ Compensation coverage is provided by the State of Ohio. The Commission pays the State Workers’ Compensation System a premium based on a rate per $100 of salaries. This rate is calculated based on accident history and administrative costs. *(If material; can be deleted if immaterial.)*

***Commercial Insurance***

The Commission has obtained commercial insurance for the following risks:

* Comprehensive property and general liability;
* Vehicles; and
* Errors and omissions.

The Commission is uninsured for the following risks:

* Comprehensive property and general liability;
* Vehicles; and
* Errors and omissions.

*[Insert the following sentence if uninsured losses were material.]* During 20CY, the Commission paid $XXX for losses that exceeded insurance coverage.

*[Also disclose any significant changes in coverage from the prior year.*]

***Risk Pool Membership***

The Commission is a member of the XYZ Joint Self Insurance Pool (the Pool). The Pool assumes the risk of loss up to the limits of the [Name of subdivision’s] policy. The Pool may make supplemental assessments if the experience of the overall pool is unfavorable. *[Modify the preceding sentence as needed.]* The Pool covers the following risks:

* General liability and casualty;
* Public official’s liability; and
* Vehicle.

The Pool reported the following summary of actuarially-measured liabilities and the assets available to pay those liabilities as of December 31:



***Self-Insurance***

The Commission is also self-insured for *[describe type of coverage, such as employee health or liability insurance].* The Self-Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on an actuarially determined cost per employee. *[OR]* Interfund rates are charged based on claims approved by the claims administrator. *[OR]* *[describe other method of cost recovery]*. A comparison of Self-Insurance Fund cash and investments to the actuarially-measured liability as of December 31 follows:



***Self-Insurance Footnote Comments:***

*As stated above, this example footnote will always require considerable modification. For example, the illustration describes an entity that simultaneously has obtained commercial liability insurance, has no liability insurance, and has pooled its liability risk. Usually only one of these three conditions will apply.*

*The example also describes an entity that has joined a pool to insure liability risks and is self-insured for health insurance. The opposite may apply, or some other combination may apply.*

*As illustrated in the second commercial insurance paragraph, we request you disclose if you have elected to forego liability insurance. You would be considered uninsured when you have none of the following:*

*1. Commercial insurance coverage*

*2. A self-insurance fund*

*3. Fund equity reserved for self-insurance under 5705.13 (A) (2)*

*4. Participates in a self-insurance pool*

*5. Annual appropriations for claims costs reasonably sufficient to cover those costs.*

*There is no requirement to disclose a lack of health insurance coverage. Health insurance coverage is an employee benefit; failing to insure health coverage is a risk for employees, not a direct risk to a subdivision. Conversely, you should disclose if you have contractually agreed to cover employee health costs. Such costs are often significant and therefore of interest to financial statement readers.*

*The two-year comparison of cash and investments vs. actuarial-liabilities is a useful measurement of the adequacy of your funding methods / formulas. A significant excess of liabilities over assets or a trend showing a deteriorating excess of assets should warn management and financial statement users that current funding methods / formulas may require modification. In such instances, management must disclose plans to address the issue.*

*If the notes do not address management’s plans regarding a material deficiency of actuarial liabilities greater than related assets, your auditors will consider whether the disclosure is sufficient and whether a going concern contingency exists (See Auditing Standards Section AU-C 705). For going concern considerations see GASB Codification Section 2250 Starting at Paragraph .117.*

*While the Auditor of State believes all subdivisions with significant self-insurance commitments should have an actuary measure the liability annually, the Revised Code does not require this for all subdivisions or all types of insurance (see Appendix 2 in Bulletin 2001-05). If the Revised Code requires the measurement, but you elect not to comply, you would be unable to prepare the comparison of assets with actuarial liabilities, and auditors would need to consider (1) qualifying their financial statement opinions for an inadequate disclosure and (2) reporting a material noncompliance finding in the report on compliance and internal controls required by Government Auditing Standards.*

*However, if the Revised Code does not require you to actuarially measure your liabilities, the lack of an actuarial disclosure would not affect auditors’ reports. The disclosure could still describe the funding methods. You should also disclose if you were unable to pay claims in a timely manner.*

**Note 6 – Defined Benefit Pension Plans**

*[Modify to meet your Commission’s situation. In general, all Commission employees participate in OPERS. Employees exempt from OPERS in accordance with Ohio Revised Code 145.01(B) or Ohio Administrate Code Section 145-1-26 may be subject to Social Security Tax. Only include retirement systems applicable to your Commission.]*

***Ohio Public Employees Retirement System*** *(Delete note if no employees are entitled to these benefits)*

The/Several/Some) *[Modify reference to number of employees participating in OPERS.]* Commission employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement health care and survivor and disability benefits.

*(Note: You must modify the contribution rates as applicable. See chart below. The chart is only for reference and can be deleted.)* The Ohio Revised Code also prescribes contribution rates. OPERS members contributed XX percent of their gross salaries, and the Commission contributed an amount equaling XX percent of participants’ gross salaries. The Commission has paid all contributions required through December 31, 20CY.

|  |  |  |  |
| --- | --- | --- | --- |
| *Retirement Rates* | *Year* | *Member Rate* | *Employer Rate* |
| *OPERS – Local* | *2012-2023* | *10%* | *14%* |

***Social Security*** *(Delete this note if no employees are entitled to these benefits)*

Other/Some/Several *[Modify reference to number of employees participating in Social Security.]* Commission 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 Commission contributed an amount equal to 6.2 percent of participants’ gross salaries. The Commission has paid all contributions required through December 31, 20CY.

**Note 7 – Postemployment Benefits**

*[Modify for your Commission.]*

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves. *(Edit to include only your reporting period.* *This paragraph replaces prior note.)*

**Note 8 – Construction and Contractual Commitments**

*Identify any potentially significant outstanding construction or other contractual commitments.*

**Note 9 – Contingent Liabilities**

*[Modify as needed. Review GASB Codification 1500, Reporting Liabilities, paragraph .125 for guidance. Briefly describe potentially material suits. Include the range of potential loss. However, avoid naming plaintiffs. Allow your legal counsel to review your draft language before finalizing this report the footnotes.]*

*(Example note disclosure)* The Commission is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the Commission’s financial condition.

*[Include the following paragraph only if grants were received.]* Amounts grantor agencies pay to the Commission are subject to audit and adjustment by the grantor, *[If significant federal grants were received continue this sentence with the following.]* 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.

**Note 10 – Related Party Transactions**

*[See GASB Codification Section 2250 Starting at Paragraph .102.]*

*Related party transactions are transactions that an informed observer might reasonably believe reflects considerations other than economic self interest based upon the relationship that exists between the parties to the transactions. The term is often used in contrast to an arm’s length transaction. The notes should disclose the terms of material related party transactions. See GASB 56 for further guidance.*

*(Example note disclosure)* A Commission Board Member is part owner of a company from which the Commission acquired *[Described acquisition briefly.]* during the year. The Commission paid $XXX for this acquisition. The Commission also uses storage space a Board Member donated.

*[Significant\* related party transactions must be disclosed. They may be indicative of ethics or other violations, but that is not the purpose of disclosing related party transactions. Related party transactions require disclosure because the reported amount of a transaction not conducted at arms-length may not be indicative of its true value, and may mislead readers about the Commission’s ongoing ability to obtain or provide these goods or services if it must repay (or receive) fair value for them in future years.*

*\*A transaction may be “significant” when the dollar amount is immaterial, if it does not represent the fair value of the transaction. For example, a government may rent a facility to a related party for $1 per year.]*

**Note 11 – Fund Balances**

Included in fund balance are amounts the Commission cannot spend, including the balance of unclaimed monies, which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds and capital projects funds are restricted, committed, or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed, and assigned amounts in the special revenue, debt service, capital projects, and permanent funds would including the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

**Note 12 – Subsequent Events**

*A Subsequent Event is an event or transaction that affects the financial statement that is subsequent to the date of the financial statements (i.e. Year End December 31, 20CY) but before financial statement are issued. See GASB Codification 2250 starting at paragraph .109.*

*(Describe material debt issuances, uninsured losses, new tax levies, material federal or state grant awards or other material revenues or expenditures incurred subsequent to the financial statement date.)*

**Note 13 – COVID-19**

*These disclosures are optional and should be removed when substantially all COVID-19 funding has been spent. As described below, this note can also help explain any unique COVID situations.*

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 while the national state of emergency ended in April 2023. During 2023, the Commission received COVID-19 funding. (Edit or delete as needed) The Commission will continue to spend available COVID-19 funding consistent with the applicable program guidelines. *(Specific material impacts from the pandemic may be addressed such as decreases in revenues, personnel impacts, and the Commission’s specific responses to mitigating the negative impacts of the pandemic as well as awards of federal and state COVID relief programs may be addressed at the discretion of the fiscal officer.)*

This paragraph is instructional. The following disclosures may help explain some of the unique COVID situations and can be used as appropriate. Also, the paragraph about investment volatility can be removed.

(If the entity used the billing method to charge prior year expenditures to an applicable COVID fund, the following disclosure should be made.) During 2023, the Commission charged prior year expenditures to the XXX Fund (identify specific COVID Fund).  The XXX Fund (identify the fund that made the original expenditure) billed the XXX Fund (identify specific COVID fund) for these costs.  The XXX Fund (identify the fund that made the original expenditure) is reflecting this receipt of $XXX,XXX as a XXXXX Revenue (identify revenue classification) in the accompanying financial statements.

*If the Commission has sub-granted any COVID-19 funding to another government or organization, spent any funding on behalf of another government, received any funding or assets that were purchased on behalf of the Commission by another government, or was required to return any funding to the granting agency, please see the Generic Special Purpose Government note shell for additional required disclosures at the following link:* [*http://www.ohioauditor.gov/references/shells/regulatory.html*](http://www.ohioauditor.gov/references/shells/regulatory.html)

*Customizing the above disclosures of COVID-19 federal funding by program (American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund, and other similar COVID-19 related programs) is at the discretion of management.*