



PERRY COUNTY, OHIO

SINGLE AUDIT

For the Year Ended December 31, 2024

J.L. UHRIG
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS





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County Commissioners
Perry County
P.O. Box 248
121 W. Brown Street
New Lexington, Ohio 43764

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

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

KEITH FABER
Ohio Auditor of State

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

January 14, 2026

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Independent Auditor's Report

County Commissioners
Perry County, Ohio
P.O. Box 248
121 W. Brown Street
New Lexington, Ohio 43764

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash-basis financial position of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2024, the respective changes in modified cash-basis financial position and where applicable cash flows thereof and the respective budgetary comparison for the General, Job and Family Services, Board of Developmental Disabilities, Auto License and Gasoline Tax, Children Services, and American Rescue Plan funds for the year then ended in accordance with the modified cash-basis of accounting described in Note 2.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Vinton County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Accounting Basis

Ohio Administrative Code § 117-2-03(B) requires the County to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity'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.

Supplementary Information

Our audit was conducted to opine on the financial statements as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis 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 and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied to 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, this schedule 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 22, 2025, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

September 22, 2025

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Perry County
Statement of Net Position - Modified Cash Basis
As of December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Perry County Land Reutilization Corporation
Assets				
Equity in Pooled Cash and Cash Equivalents	\$47,873,939	\$591,549	\$48,465,488	\$0
Cash and Cash Equivalents in Segregated Accounts	948,367	2,834	951,201	0
Cash and Cash Equivalents with Fiscal Agents	867,224	0	867,224	0
Cash and Cash Equivalents	0	0	0	71,621
<i>Total Assets</i>	<u>49,689,530</u>	<u>594,383</u>	<u>50,283,913</u>	<u>71,621</u>
Net Position				
Restricted for:				
Job and Family Services Operations	523,182	0	523,182	0
Auto License and Gasoline Tax Operations	3,973,428	0	3,973,428	0
Board of Developmental Disabilities Operations	3,169,274	0	3,169,274	0
County Home Operations	2,705,219	0	2,705,219	0
Mental Health Operations	171,383	0	171,383	0
Public Transportation	857,905	0	857,905	0
Child Support Enforcement	943,572	0	943,572	0
Children Services Operations	4,181,205	0	4,181,205	0
Senior Center Operations	663,094	0	663,094	0
Real Estate Assessment	712,451	0	712,451	0
Court Operations	1,506,155	0	1,506,155	0
Public Safety Operations	656,373	0	656,373	0
Community and Economic Development	178,603	0	178,603	0
Youth Service Subsidy	195,938	0	195,938	0
Deputy Registrar Operations	286,830	0	286,830	0
Multi-Co Juvenile Operations	230,477	0	230,477	0
Election Operations	117,517	0	117,517	0
Opioid Settlements	315,228	0	315,228	0
DD Reserve	1,500,000	0	1,500,000	0
Wireless 911	1,441,431	0	1,441,431	0
American Rescue Plan Act Grant	703,168	0	703,168	0
Unclaimed Monies	179,456	0	179,456	0
Debt Service	202,621	0	202,621	0
Capital Outlay	401,309	0	401,309	0
Other Purposes	1,168,704	0	1,168,704	0
Unrestricted	22,705,007	594,383	23,299,390	71,621
<i>Total Net Position</i>	<u>\$49,689,530</u>	<u>\$594,383</u>	<u>\$50,283,913</u>	<u>\$71,621</u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Activities - Modified Cash Basis
For the Year Ended December 31, 2024

	Program Receipts			
	Disbursements	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
Governmental Activities				
Current:				
General Government:				
Legislative and Executive	\$6,286,880	\$3,245,925	\$20,061	\$0
Judicial	2,208,015	673,646	436,297	0
Public Safety	8,155,938	357,504	2,804,709	0
Public Works	11,461,485	2,009,035	10,026,075	0
Health	6,628,206	415,925	2,115,493	0
Human Services	18,434,259	907,869	12,318,495	0
Conservation and Recreation	206,349	0	0	0
Community and Economic Development	1,135,314	0	1,128,382	0
Other	923,325	0	0	0
Capital Outlay	10,845,139	206,885	406,606	1,775,250
Intergovernmental	132,000	0	0	0
Debt Service:				
Principal	1,774,496	0	0	0
Interest	371,423	112,948	0	0
<i>Total Governmental Activities</i>	<u>68,562,829</u>	<u>7,929,737</u>	<u>29,256,118</u>	<u>1,775,250</u>
Business-Type Activities				
Northern Perry County Water	1,723,036	1,297,302	0	85,785
Northern Perry County Wastewater	2,014,954	905,848	0	415,430
<i>Total Business-Type Activities</i>	<u>3,737,990</u>	<u>2,203,150</u>	<u>0</u>	<u>501,215</u>
<i>Total Primary Government</i>	<u>\$72,300,819</u>	<u>\$10,132,887</u>	<u>\$29,256,118</u>	<u>\$2,276,465</u>
Component Unit				
Perry County Land Reutilization Corporation	\$6,428	\$20,782	\$0	\$0
<i>Total Component Unit</i>	<u>\$6,428</u>	<u>\$20,782</u>	<u>\$0</u>	<u>\$0</u>

General Receipts

Property Taxes Levied for:

 General Purposes
 Board of Developmental Disabilities
 Community Mental Health
 Children Services
 County Home
 Senior Center
 911 Wireless Services

Sales Taxes Levied for General Purposes

Other Local Taxes

Grants and Entitlements not Restricted to Specific Programs

Interest

Miscellaneous

Proceeds of OPWC Loans

Proceeds of OWDA Loans

Proceeds from Sale of Capital Assets

Insurance Recoveries

Total General Receipts

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements.

Net (Disbursements) Receipts and Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Perry County Land Reutilization Corporation
(\$3,020,894)	\$0	(\$3,020,894)	\$0
(1,098,072)	0	(1,098,072)	0
(4,993,725)	0	(4,993,725)	0
573,625	0	573,625	0
(4,096,788)	0	(4,096,788)	0
(5,207,895)	0	(5,207,895)	0
(206,349)	0	(206,349)	0
(6,932)	0	(6,932)	0
(923,325)	0	(923,325)	0
(8,456,398)	0	(8,456,398)	0
(132,000)	0	(132,000)	0
(1,774,496)	0	(1,774,496)	0
(258,475)	0	(258,475)	0
(29,601,724)	0	(29,601,724)	0
0	(339,949)	(339,949)	0
0	(693,676)	(693,676)	0
0	(1,033,625)	(1,033,625)	0
(29,601,724)	(1,033,625)	(30,635,349)	0
			14,354
			14,354
4,948,841	0	4,948,841	0
3,800,073	0	3,800,073	0
537,247	0	537,247	0
1,793,218	0	1,793,218	0
2,047,501	0	2,047,501	0
470,275	0	470,275	0
940,549	0	940,549	0
6,056,051	0	6,056,051	0
39,467	0	39,467	0
2,012,747	0	2,012,747	0
2,782,792	0	2,782,792	0
674,079	519	674,598	0
717,873	0	717,873	0
0	730,682	730,682	0
235	0	235	0
64,080	0	64,080	0
26,885,028	731,201	27,616,229	0
(2,716,696)	(302,424)	(3,019,120)	14,354
52,406,226	896,807	53,303,033	57,267
\$49,689,530	\$594,383	\$50,283,913	\$71,621

Perry County
Statement of Modified Cash Basis Assets and Fund Balances
Governmental Funds
As of December 31, 2024

	General	Job and Family Services	Board of Developmental Disabilities
Assets			
Equity in Pooled Cash and Cash Equivalents	\$9,895,114	\$523,182	\$2,302,050
Cash and Cash Equivalents in Segregated Accounts	34,300	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	867,224
Restricted Cash and Cash Equivalents	179,456	0	0
<i>Total Assets</i>	<u>\$10,108,870</u>	<u>\$523,182</u>	<u>\$3,169,274</u>
Fund Balances			
Nonspendable	\$179,456	\$0	\$0
Restricted	0	523,182	3,169,274
Committed	0	0	0
Assigned	638,814	0	0
Unassigned	9,290,600	0	0
<i>Total Fund Balances</i>	<u>\$10,108,870</u>	<u>\$523,182</u>	<u>\$3,169,274</u>

*Reconciliation of Total Governmental Fund Balances to Net Position of Governmental
Activities - Modified Cash Basis*

Total Governmental Fund Balances	\$48,901,266
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Amounts reported for governmental activities in the statement of net position are different because:

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets of the internal service fund are included in governmental activities in the statement of net position.

788,264

Net Position of Governmental Activities	<u>\$49,689,530</u>
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See accompanying notes to the basic financial statements.

Auto License and Gasoline Tax	Children Services	ARPA	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$3,973,074	\$4,181,205	\$703,168	\$10,369,852	\$15,736,740	\$47,684,385
354	0	0	0	135,547	170,201
0	0	0	0	0	867,224
0	0	0	0	0	179,456
<u>\$3,973,428</u>	<u>\$4,181,205</u>	<u>\$703,168</u>	<u>\$10,369,852</u>	<u>\$15,872,287</u>	<u>\$48,901,266</u>
\$0	\$0	\$0	\$0	\$0	\$179,456
3,973,428	4,181,205	703,168	0	14,254,810	26,805,067
0	0	0	10,369,852	1,617,477	11,987,329
0	0	0	0	0	638,814
0	0	0	0	0	9,290,600
<u>\$3,973,428</u>	<u>\$4,181,205</u>	<u>\$703,168</u>	<u>\$10,369,852</u>	<u>\$15,872,287</u>	<u>\$48,901,266</u>

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

	General	Job and Family Services	Board of Developmental Disabilities
Receipts			
Property Taxes	\$4,948,841	\$0	\$3,800,073
Sales Taxes	6,056,051	0	0
Other Local Taxes	0	0	0
Charges for Services	2,242,226	639,099	0
Licenses and Permits	1,939	0	0
Fines, Forfeitures, and Settlements	282,203	0	0
Intergovernmental	1,244,250	8,408,127	2,081,123
Interest	2,751,428	0	0
Contributions and Donations	20,768	0	0
Miscellaneous	71,101	2,747	41,507
<i>Total Receipts</i>	<u>17,618,807</u>	<u>9,049,973</u>	<u>5,922,703</u>
Disbursements			
Current:			
General Government:			
Legislative and Executive	5,126,298	0	0
Judicial	1,716,313	0	0
Public Safety	4,448,514	0	0
Public Works	4,806	0	0
Health	205,145	0	5,729,207
Human Services	667,599	9,144,955	0
Conservation and Recreation	206,349	0	0
Community and Economic Development	457	0	0
Other	0	0	0
Capital Outlay	0	0	45,000
Intergovernmental	132,000	0	0
Debt Service:			
Principal	0	0	0
Interest	0	0	0
<i>Total Disbursements</i>	<u>12,507,481</u>	<u>9,144,955</u>	<u>5,774,207</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	5,111,326	(94,982)	148,496
Other Financing Sources (Uses)			
Transfers In	0	0	0
Proceeds of OPWC Loans	0	0	0
Proceeds from Sale of Capital Assets	235	0	0
Insurance Recoveries	0	0	0
Advances In	40,627	0	0
Transfers Out	(440,653)	0	(307,400)
Advances Out	(222,231)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(622,022)</u>	<u>0</u>	<u>(307,400)</u>
<i>Net Change in Fund Balances</i>	4,489,304	(94,982)	(158,904)
<i>Fund Balances at Beginning of Year</i>	<u>5,619,566</u>	<u>618,164</u>	<u>3,328,178</u>
<i>Fund Balances at End of Year</i>	<u>\$10,108,870</u>	<u>\$523,182</u>	<u>\$3,169,274</u>

See accompanying notes to the basic financial statements.

Auto License and Gasoline Tax	Children Services	ARPA	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$1,793,218	\$0	\$0	\$3,995,572	\$14,537,704
0	0	0	0	0	6,056,051
0	0	0	0	39,467	39,467
497,586	0	0	0	3,230,629	6,609,540
0	0	0	0	407,260	409,199
10,429	0	0	0	618,366	910,998
8,768,085	2,677,090	0	0	9,384,037	32,562,712
189,522	0	217,838	0	44	3,158,832
0	4,355	0	0	48,876	73,999
36,777	208,249	0	5,000	308,698	674,079
9,502,399	4,682,912	217,838	5,000	18,032,949	65,032,581
0	0	0	0	1,164,926	6,291,224
0	0	0	0	493,536	2,209,849
0	0	0	0	3,713,126	8,161,640
7,601,589	0	0	0	3,859,371	11,465,766
0	0	0	0	698,685	6,633,037
0	4,904,261	0	0	3,727,963	18,444,778
0	0	0	0	0	206,349
0	0	0	0	1,134,857	1,135,314
0	0	0	0	923,325	923,325
2,622,382	0	6,539,424	942,453	695,880	10,845,139
0	0	0	0	0	132,000
529,496	0	0	0	1,245,000	1,774,496
0	0	0	0	371,423	371,423
10,753,467	4,904,261	6,539,424	942,453	18,028,092	68,594,340
(1,251,068)	(221,349)	(6,321,586)	(937,453)	4,857	(3,561,759)
0	0	0	0	1,712,991	1,712,991
717,873	0	0	0	0	717,873
0	0	0	0	0	235
64,080	0	0	0	0	64,080
0	0	0	0	222,231	262,858
0	(964,938)	0	0	0	(1,712,991)
0	0	0	0	(38,227)	(260,458)
781,953	(964,938)	0	0	1,896,995	784,588
(469,115)	(1,186,287)	(6,321,586)	(937,453)	1,901,852	(2,777,171)
4,442,543	5,367,492	7,024,754	11,307,305	13,970,435	51,678,437
\$3,973,428	\$4,181,205	\$703,168	\$10,369,852	\$15,872,287	\$48,901,266

Perry County
*Reconciliation of the Statement of Modified Cash Receipts, Disbursements and Changes in Fund
Balances - Governmental Funds to the Statement of Activities - Modified Cash Basis
For the Year Ended December 31, 2024*

Net Change in Fund Balances - Total Governmental Funds (\$2,777,171)

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

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund disbursements and the related internal service fund receipts are eliminated. The net receipt (disbursement) of the internal service fund is allocated among the governmental activities.

60,475

Net Change in Net Position of Governmental Activities (\$2,716,696)

See accompanying notes to the basic financial statements.

Perry County
Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property Taxes	\$4,475,000	\$4,475,000	\$4,659,636	\$184,636
Sales Taxes	5,750,000	5,750,000	6,056,051	306,051
Charges for Services	1,742,330	1,742,330	2,013,202	270,872
Licenses and Permits	1,450	1,450	1,939	489
Fines, Forfeitures, and Settlements	218,500	218,500	278,107	59,607
Intergovernmental	1,498,500	1,498,500	1,244,250	(254,250)
Interest	750,000	750,000	2,670,025	1,920,025
Miscellaneous	500	500	47,327	46,827
<i>Total Receipts</i>	<i>14,436,280</i>	<i>14,436,280</i>	<i>16,970,537</i>	<i>2,534,257</i>
Disbursements				
Current:				
General Government:				
Legislative and Executive	4,703,315	5,306,069	4,896,415	409,654
Judicial	1,623,896	1,832,006	1,727,378	104,628
Public Safety	4,337,179	4,893,010	4,708,701	184,309
Public Works	4,432	5,000	4,806	194
Health	195,848	220,947	214,064	6,883
Human Services	737,719	832,261	806,570	25,691
Conservation and Recreation	189,121	213,358	206,358	7,000
Intergovernmental	125,869	142,000	132,000	10,000
<i>Total Disbursements</i>	<i>11,917,379</i>	<i>13,444,651</i>	<i>12,696,292</i>	<i>748,359</i>
<i>Excess of Receipts Over Disbursements</i>	<i>2,518,901</i>	<i>991,629</i>	<i>4,274,245</i>	<i>3,282,616</i>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	5,000	5,000	235	(4,765)
Advances In	25,000	25,000	40,627	15,627
Transfers Out	(390,596)	(440,653)	(440,653)	0
Advances Out	(196,986)	(222,231)	(222,231)	0
<i>Total Other Financing Sources (Uses)</i>	<i>(557,582)</i>	<i>(632,884)</i>	<i>(622,022)</i>	<i>10,862</i>
<i>Net Change in Fund Balances</i>	<i>1,961,319</i>	<i>358,745</i>	<i>3,652,223</i>	<i>3,293,478</i>
<i>Fund Balances at Beginning of Year</i>	<i>3,962,669</i>	<i>3,962,669</i>	<i>3,962,669</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>306,714</i>	<i>306,714</i>	<i>306,714</i>	<i>0</i>
<i>Fund Balances at End of Year</i>	<i>\$6,230,702</i>	<i>\$4,628,128</i>	<i>\$7,921,606</i>	<i>\$3,293,478</i>

See accompanying notes to the basic financial statements.

Perry County
Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual (Budget Basis)
Job and Family Services Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Charges for Services	\$881,812	\$950,000	\$639,099	(\$310,901)
Intergovernmental	8,637,475	9,305,389	8,413,227	(892,162)
Miscellaneous	3,713	4,000	200	(3,800)
<i>Total Receipts</i>	<u>9,523,000</u>	<u>10,259,389</u>	<u>9,052,526</u>	<u>(1,206,863)</u>
Disbursements				
Current:				
Human Services	9,780,877	10,211,676	9,301,050	910,626
<i>Total Disbursements</i>	<u>9,780,877</u>	<u>10,211,676</u>	<u>9,301,050</u>	<u>910,626</u>
<i>Net Change in Fund Balances</i>	(257,877)	47,713	(248,524)	(296,237)
<i>Fund Balances at Beginning of Year</i>	28,236	28,236	28,236	0
<i>Prior Year Encumbrances Appropriated</i>	<u>286,350</u>	<u>286,350</u>	<u>286,350</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u>\$56,709</u>	<u>\$362,299</u>	<u>\$66,062</u>	<u>(\$296,237)</u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual (Budget Basis)
Board of Developmental Disabilities Funds
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property Taxes	\$3,513,000	\$3,513,000	\$3,578,758	\$65,758
Charges for Services	5,000	5,000	0	(5,000)
Intergovernmental	2,129,915	2,129,915	1,655,675	(474,240)
Miscellaneous	32,500	32,500	45,704	13,204
<i>Total Receipts</i>	<u>5,680,415</u>	<u>5,680,415</u>	<u>5,280,137</u>	<u>(400,278)</u>
Disbursements				
Current:				
Health	5,681,155	5,630,883	5,275,413	355,470
Capital Outlay	534,732	530,000	55,000	475,000
<i>Total Disbursements</i>	<u>6,215,887</u>	<u>6,160,883</u>	<u>5,330,413</u>	<u>830,470</u>
<i>Excess of Receipts Under Disbursements</i>	(535,472)	(480,468)	(50,276)	430,192
Other Financing Sources (Uses)				
Transfers In	200,000	200,000	200,000	0
Transfers Out	(507,400)	(507,400)	(507,400)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(307,400)</u>	<u>(307,400)</u>	<u>(307,400)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(842,872)	(787,868)	(357,676)	430,192
<i>Fund Balances at Beginning of Year</i>	2,093,575	2,093,575	2,093,575	0
<i>Prior Year Encumbrances Appropriated</i>	102,314	102,314	102,314	0
<i>Fund Balances at End of Year</i>	<u>\$1,353,017</u>	<u>\$1,408,021</u>	<u>\$1,838,213</u>	<u>\$430,192</u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual (Budget Basis)
Auto License and Gasoline Tax Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Charges for Services	\$335,907	\$432,600	\$497,586	\$64,986
Fines, Forfeitures, and Settlements	7,765	10,000	10,420	420
Intergovernmental	4,971,699	6,402,826	6,863,576	460,750
Interest	7,765	10,000	189,522	179,522
Miscellaneous	1,864	2,400	41,026	38,626
<i>Total Receipts</i>	<u>5,325,000</u>	<u>6,857,826</u>	<u>7,602,130</u>	<u>744,304</u>
Disbursements				
Current:				
Public Works	4,891,839	8,180,525	7,652,547	527,978
Debt Service:				
Principal	529,750	529,750	529,496	254
<i>Total Disbursements</i>	<u>5,421,589</u>	<u>8,710,275</u>	<u>8,182,043</u>	<u>528,232</u>
<i>Excess of Receipts Under Disbursements</i>	<u>(96,589)</u>	<u>(1,852,449)</u>	<u>(579,913)</u>	<u>1,272,536</u>
Other Financing Sources				
Insurance Recoveries	0	0	64,080	64,080
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>64,080</u>	<u>64,080</u>
<i>Net Change in Fund Balances</i>	<u>(96,589)</u>	<u>(1,852,449)</u>	<u>(515,833)</u>	<u>1,336,616</u>
<i>Fund Balances at Beginning of Year</i>	4,273,199	4,273,199	4,273,199	0
<i>Prior Year Encumbrances Appropriated</i>	<u>96,589</u>	<u>96,589</u>	<u>96,589</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u>\$4,273,199</u>	<u>\$2,517,339</u>	<u>\$3,853,955</u>	<u>\$1,336,616</u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual (Budget Basis)
Children Services Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property Taxes	\$1,615,221	\$1,615,221	\$1,689,373	\$74,152
Intergovernmental	2,500,633	2,500,633	2,677,090	176,457
Contributions and Donations	1,000	1,000	4,355	3,355
Miscellaneous	252,000	252,000	210,513	(41,487)
<i>Total Receipts</i>	<u>4,368,854</u>	<u>4,368,854</u>	<u>4,581,331</u>	<u>212,477</u>
Disbursements				
Current:				
Human Services	6,560,709	6,439,267	5,425,688	1,013,579
<i>Total Disbursements</i>	<u>6,560,709</u>	<u>6,439,267</u>	<u>5,425,688</u>	<u>1,013,579</u>
<i>Excess of Receipts Under Disbursements</i>	(2,191,855)	(2,070,413)	(844,357)	1,226,056
Other Financing Uses				
Transfers Out	(80,000)	(1,080,000)	(964,938)	115,062
<i>Total Other Financing Uses</i>	<u>(80,000)</u>	<u>(1,080,000)</u>	<u>(964,938)</u>	<u>115,062</u>
<i>Net Change in Fund Balances</i>	(2,271,855)	(3,150,413)	(1,809,295)	1,341,118
<i>Fund Balances at Beginning of Year</i>	4,987,597	4,987,597	4,987,597	0
<i>Prior Year Encumbrances Appropriated</i>	<u>276,135</u>	<u>276,135</u>	<u>276,135</u>	<u>0</u>
<i>Fund Balances at End of Year</i>	<u>\$2,991,877</u>	<u>\$2,113,319</u>	<u>\$3,454,437</u>	<u>\$1,341,118</u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Receipts, Disbursements and Change in Fund Balance - Budget and Actual (Budget Basis)
American Rescue Plan Act (ARPA) Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Interest	\$200,000	\$200,000	\$250,968	\$50,968
<i>Total Receipts</i>	200,000	200,000	250,968	50,968
Disbursements				
Capital Outlay	6,877,320	7,182,320	6,539,424	642,896
<i>Total Disbursements</i>	6,877,320	7,182,320	6,539,424	642,896
<i>Net Change in Fund Balances</i>	(6,677,320)	(6,982,320)	(6,288,456)	693,864
<i>Fund Balances at Beginning of Year</i>	6,991,624	6,991,624	6,991,624	0
<i>Fund Balances at End of Year</i>	\$314,304	\$9,304	\$703,168	\$693,864

See accompanying notes to the basic financial statements.

Perry County
Statement of Fund Net Position - Modified Cash Basis
Proprietary Funds
As of December 31, 2024

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service
Assets		
Equity in Pooled Cash and Cash Equivalents	\$591,549	\$10,098
Cash and Cash Equivalents in Segregated Accounts	2,834	778,166
<i>Total Assets</i>	594,383	788,264
Net Position		
Unrestricted	594,383	788,264
<i>Total Net Position</i>	<u>\$594,383</u>	<u>\$788,264</u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Modified Cash Receipts, Disbursements and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service
Operating Receipts		
Charges for Services	\$2,203,150	\$7,317,938
Miscellaneous	519	0
<i>Total Operating Receipts</i>	<u>2,203,669</u>	<u>7,317,938</u>
Operating Disbursements		
Personal Services	274,977	7,145,766
Contractual Services	104,718	140,661
Materials and Supplies	188,596	0
Capital Outlay	1,479,760	0
<i>Total Operating Disbursements</i>	<u>2,048,051</u>	<u>7,286,427</u>
<i>Operating Income</i>	155,618	31,511
Nonoperating Receipts (Disbursements)		
Interest	0	31,364
Capital Grants	501,215	0
Proceeds of OWDA Loans	730,682	0
Debt Service:		
Principal	(1,412,626)	0
Interest	(277,313)	0
<i>Total Nonoperating Receipts (Disbursements)</i>	<u>(458,042)</u>	<u>31,364</u>
<i>Income (Loss) Before Advances</i>	(302,424)	62,875
Advances Out	<u>0</u>	<u>(2,400)</u>
<i>Change in Net Position</i>	(302,424)	60,475
<i>Net Position Beginning of Year</i>	<u>896,807</u>	<u>727,789</u>
<i>Net Position End of Year</i>	<u><u>\$594,383</u></u>	<u><u>\$788,264</u></u>

See accompanying notes to the basic financial statements.

Perry County
Statement of Cash Flows - Modified Cash Basis
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service
<i>Increase (Decrease) in Cash and Cash Equivalents</i>		
Cash Flows from Operating Activities		
Cash Received from Customers	\$2,203,150	\$0
Cash Received from Transactions with Other Funds	0	7,317,938
Cash Payments for Employee Services and Benefits	(274,977)	(7,145,766)
Cash Payments to Suppliers for Goods and Services	(1,773,074)	(140,661)
Other Operating Receipts	519	0
<i>Net Cash Provided by Operating Activities</i>	155,618	31,511
Cash Flows from Noncapital Financing Activities		
Return of Advances from Other Funds	0	(2,400)
<i>Net Cash Used for Noncapital Financing Activities</i>	0	(2,400)
Cash Flows from Capital and Related Financing Activities		
Capital Grants	501,215	0
Proceeds from OWDA Loans	730,682	0
Principal Paid on Debt	(1,412,626)	0
Interest Paid on Debt	(277,313)	0
<i>Net Cash Used for Noncapital Financing Activities</i>	(458,042)	0
Cash Flows from Investing Activities		
Investment Earnings	0	31,364
<i>Net Cash Provided by Investing Activities</i>	0	31,364
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(302,424)	60,475
<i>Cash and Cash Equivalents Beginning of Year</i>	896,807	727,789
<i>Cash and Cash Equivalents End of Year</i>	\$594,383	\$788,264
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$155,618	\$31,511
Net Cash Provided by Operating Activities	\$155,618	\$31,511

See accompanying notes to the basic financial statements.

Perry County
Statement of Fiduciary Net Position - Modified Cash Basis
Custodial Funds
As of December 31, 2024

Assets

Equity in Pooled Cash and Cash Equivalents	\$12,043,499
Cash and Cash Equivalents in Segregated Accounts	<u>977,044</u>
<i>Total Assets</i>	<u>13,020,543</u>

Net Position

Restricted for Individuals, Organizations, and Other Governments	<u>13,020,543</u>
<i>Total Net Position</i>	<u><u>\$13,020,543</u></u>

See accompanying notes to the basic financial statements.

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

Additions

Intergovernmental	\$4,166,594
Amounts Received as Fiscal Agent	6,869,050
Licenses and Permits and Fees for Other Governments	3,321,926
Fines and Forfeitures for Other Governments	652,029
Property Tax Collections for Other Governments	39,824,586
Sheriff Sale Collections for Others	187,812
Earnings on Investments	93
<i>Total Additions</i>	<u>55,022,090</u>

Deductions

Distributions as Fiscal Agent	6,806,505
Distributions of State Funds to Other Governments	3,578,365
Distributions to the State of Ohio	152,438
Licenses and Permits Distributions to Other Governments	3,143,625
Fines and Forfeitures Distributions to Other Governments	626,474
Property Tax Distributions to Other Governments	38,224,720
Sheriff Sale Distributions to Others	203,777
<i>Total Deductions</i>	<u>52,735,904</u>

<i>Change in Net Position</i>	2,286,186
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<i>Net Position at Beginning of Year</i>	<u>10,734,357</u>
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<i>Net Position at End of Year</i>	<u><u>\$13,020,543</u></u>
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See accompanying notes to the basic financial statements.

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

Note 1 – Reporting Entity

Perry County, Ohio (the County) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The County is governed by a board of three County Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Auditor, Treasurer, Recorder, Clerk of Courts, Coroner, Engineer, Prosecuting Attorney, Sheriff, a Common Pleas Court Judge, and a Probate/Juvenile Court Judge.

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

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the County are not misleading.

Primary Government

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

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, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. In the past, the County has reported the Perry County Airport Authority as a component unit. With the implementation of Governmental Accounting Standard Board (GASB) Statement No. 61, "The Financial Reporting Entity: Omnibus", the County determined it is not misleading to exclude the Perry County Airport Authority as it does not have a measurable influence on the County's financial statements for the year.

The Perry County Land Reutilization Corporation (the Corporation) was created in 2016 for the purposes of facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property within Perry County; efficiently holding and managing vacant, abandoned, or tax-foreclosed real property pending its reclamation, rehabilitation, and reutilization; assisting governmental entities and other nonprofit or for-profit persons to assemble, clear, and clear the title of property described in division (B)(2) of Section 1724.01 of the Ohio Revised Code in a coordinated manner; and promoting economic and housing development in Perry County. In furtherance thereof, the Corporation shall have and may exercise all the powers of a "county land reutilization corporation," as defined in Section 1724.01 of the Ohio Revised Code, to the extent such powers are granted to a county land reutilization corporation and are set forth in Section 1724.02 of the Ohio Revised Code, Chapter 5722 of the Ohio Revised Code, or another section of the Ohio Revised Code expressly applicable to a county land reutilization corporation, now in effect and as may hereafter be amended (and to the corresponding provisions of any similar laws subsequently enacted). The Corporation is classified as a component unit of Perry County for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statements No. 39 and 61, and has incorporated the financial activity of the Corporation within its financial statements.

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

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

- Perry County Soil and Water Conservation District – The Soil and Water Conservation District is statutorily created as a separate and distinct political subdivision of the State. The five supervisors of the Soil and Water Conservation District are elected officials authorized to contract and sue on behalf of the District. The supervisors adopt their own budget, authorize District expenditures, hire and fire staff, and do not rely on the County to finance deficits.
- Perry County Health Department – The Department is governed by the Board of Health which oversees the operation of the Department and is elected by a regional advisory council comprising township trustees, mayors of participating municipalities, and one County Commissioner. The council adopts its own budget and operates autonomously from the County. Funding is based on a rate per taxable valuation, along with State and federal grants applied for by the District.
- Perry County Family and Children First Council – The Perry County Family and Children First Council is created under Ohio Revised Code Section 121.37. Permanent members of the Council are those individuals, public officials, and organizations that are mandated per Ohio Revised Code Section 121.37. The Council may include additional permanent or temporary members from any local public or private agency or group that funds, advocates, or provides services to children. Currently, the Council is made up of representatives from the Mental Health and Recovery Services Board, the County Children Services Board, the County Juvenile Court, the County Health Department, the County Board of Developmental Disabilities, each school district within the County, the County Department of Human Services, the Regional Office of Department of Youth Services, the City of New Lexington, the County Board of Commissioners, the County Head Start Agency, the County's Early Intervention Collaborative, and at least three individuals representing the interests of families in the County. When possible, the number of members representing families shall be equal to twenty percent of the Council's remaining membership. The Council's revenues will consist of operating grants along with pooled funding from other government sources. During 2024, the County paid \$11,448 to the Council. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting, and designating management.

The County participates in eight jointly governed organizations, one related organization, two joint ventures, and two insurance purchasing pools. These organizations are presented in notes 15 through 18 to the basic financial statements. These organizations are:

- Buckeye Hills Resource Conservation and Development Council (RC&D)
- Buckeye Hills Regional Council
- Coshocton-Fairfield-Licking-Perry Solid Waste District
- Mental Health and Recovery Services Board of Muskingum County
- Mid-East Ohio Regional Council (MEORC)
- Perry County Family and Children First Council
- Local Workforce Investment Board
- Mid-Ohio Regional Planning Commission (MORPC)
- Perry Metropolitan Housing Authority
- Corrections Commission of Southeastern Ohio
- Fairfield, Hocking, Licking, and Perry Multi-County Juvenile Detention System
- County Risk Sharing Authority, Inc. (CORS)
- County Employee Benefits Consortium of Ohio, Inc. (CEBCO)

The financial statements exclude the following entities which perform activities within the County's boundaries for the benefit of its residents because the County is not financially accountable for these entities nor are they fiscally dependent on the County:

- Muskingum Valley Educational Service Center

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

- Hocking Technical College (Perry County Branch)

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

Note 2 – Summary of Significant Accounting Policies

As discussed further in the Basis of Accounting section of this note, these financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. The following are the more significant of the County's accounting policies.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position-modified cash basis and the statement of activities-modified cash basis 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" receipts and cash disbursements. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts, or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services, if any.

The statement of net position-modified cash basis presents the cash balance of the governmental and business-type activities of the County at year-end. The statement of activities-modified cash basis compares disbursements and program receipts for each program or function of the County's governmental activities and business-type activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the County is responsible. Program receipts include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and receipts of interest earned on grants that are required to be used to support a particular program.

Receipts which are not classified as program receipts are presented as general receipts of the County, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental program or business activity is self-financing on a modified cash basis or draws from the general receipts of the County.

Fund Financial Statements

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

Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

Proprietary fund statements distinguish operating transactions from nonoperating transactions. Operating receipts generally result from exchange transactions such as charges for services directly relating to the funds' principal services. Operating

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

disbursements include costs of sales and services and administrative costs. The fund statements report all other receipts and disbursements as nonoperating.

Fund Accounting

The County uses funds to maintain its financial records during the year. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific receipts and disbursements. The transactions of each fund are reflected in self-balancing group of accounts. The County classifies each fund as either governmental, proprietary, or fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. The following are the County's major governmental funds:

- General – The general fund accounts for and reports all financial resources, except those required to be accounted for in another fund. The general fund balance is available to the County for any purpose, provided it is expended or transferred according to the general laws of Ohio.
- Job and Family Services – This fund accounts for various federal and state grants as well as transfers from the general fund restricted to provide public assistance to general relief recipients and to pay their providers of medical assistance and certain public social services.
- Board of Developmental Disabilities – This fund accounts for assistance for the mentally handicapped and developmentally disabled. A county-wide property tax levy, along with federal and state grants, provides the revenues for this fund.
- Auto License and Gasoline Tax – This fund accounts for State levied, shared monies derived from gasoline taxes and the sale of motor vehicle licenses. Disbursements are restricted by State law to County road and bridge repair/improvements programs.
- Children Services – This fund accounts for support programs and activities for children and families. A county-wide property tax levy, along with federal and state grants, provide the revenues for this fund.
- American Rescue Plan Act Fund (ARPA) – This fund accounts for resources received from the federal government under the American Rescue Plan Act restricted to expenditures to support the County during the Coronavirus public health emergency.
- Capital Projects Fund – This fund accounts for transfers and bond proceeds for the purpose of construction of capital assets.

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

Proprietary Funds

The County classifies funds financed primarily from user charges for goods or services as proprietary. Proprietary funds are classified as either enterprise funds or internal service funds.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County did not have any major enterprise funds.

The nonmajor enterprise funds are used to account for the revenues generated from the charges for distribution of water and sanitary sewer services to residential and commercial users within the County. The costs of providing these services are financed primarily through user charges.

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

Internal Service Fund – The internal service fund accounts 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 monies received for the activities of the insurance program for employee health benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County’s own programs. The County did not have any trust funds during the year. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The County’s custodial funds account for amounts collected and distributed on behalf of another government or organization, such as activity for which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

Basis of Accounting

The County’s financial statements are prepared using the modified cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the County’s financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the County are described in the appropriate section in this note.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the County Commissioners may appropriate. The appropriations resolution is the County Commissioners’ authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the County Commissioners. The legal level of control has been established by County Commissioners at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the County Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources in effect at the time final appropriations were passed by the County Commissioners.

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 appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the County Commissioners during the year, including all supplemental appropriations.

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

Cash and Cash Equivalents

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through the County's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

Cash and cash equivalents that are held separately within departments of the County are recorded as "cash and cash equivalents in segregated accounts".

Cash that is held by Mid-East Ohio Regional Council (MEORC) is recorded as "cash with fiscal agents." (See note 15)

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

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

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

Interest earnings are allocated to County funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the general fund during 2024 amounted to \$2,751,428, which includes \$2,361,180 assigned from other County funds.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of their use. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Unclaimed monies that are required to be held for five years before they may be utilized by the County are reported as restricted.

Inventory and Prepaid Items

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

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

Interfund Receivables/Payables

The County reports advances in and advances out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

Accumulated Leave

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

County employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the County’s modified cash basis of accounting.

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

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liabilities (assets), information about the fiduciary net position of the pension/OPEB plan and additions to/deductions from its fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB system. 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 system reports investments at fair value.

Interfund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general receipts. Transfers within governmental activities on the government-wide statements are eliminated. Internal allocations of overhead expenses from one program to another or within the same program are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

Long-Term Obligations

The County’s modified cash basis financial statements do not report liabilities for bonds and other long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a lease or financed purchase is not the result of a cash transaction, neither ‘other financing source’ or ‘capital outlay’ are reported at inception. Lease payments and financed purchase payments are reported when paid.

Leases and SBITAS

The County is the lessee (as defined by GASB 87) in various leases related to equipment under noncancelable leases. Lease payables are not reflected under the County's cash basis of accounting. Lease disbursements are recognized when they are paid.

The County 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 assets/liabilities are not reflected under the County's cash basis of accounting. Subscription disbursements are recognized when they are paid.

Settlement Monies

Ohio has reached settlement agreements with various distributors of opioids which are subject to the OneOhio memorandum of understanding. The original settlement was reached in 2021 with annual payments anticipated through 2038. Subsequently, settlements have been reached with other distributors. For 2024, distributions of \$201,904 are reflected as fines, forfeitures and settlements revenue in the Opioid Special Revenue Fund in the accompanying financial statements.

Fund Balance

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

- **Nonspendable** – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.
- **Restricted** – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions or enabling legislation (County resolutions). Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party, such as citizens, public interest groups, or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.
- **Committed** – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by formal action (resolution) of the County Commissioners. Those committed amounts cannot be used for any other purpose unless the County Commission removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the County Commissioners, separate from the authorization to raise the underlying revenue, therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- **Assigned** – Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the County Commissioners through resolutions or by State statute. State statute authorizes the County Auditor to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The County Commissioners assigned fund balance to cover a gap between estimated revenue and appropriations in 2025's appropriated budget.

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

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

The County applies restricted resources first when 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.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net position is reported as restricted 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 County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

New Accounting Pronouncements

For 2024, GASB Statement No. 100, “Accounting Changes and Error Corrections” was effective. This GASB pronouncement had no effect on beginning net position or fund balances as the County had no error corrections or changes in major funds for 2024. See the Accumulated Leave section of this note for discussion of the implementation of GASB Statement No. 101, “Compensated Absences”.

Note 3 – Accountability and Compliance

Compliance

Ohio Administrative Code, Section 117-2-03 (B), requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. However, the County prepared its financial statements on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, net position/fund balances, and disclosures that, while material, cannot be determined at this time. The County can be fined and various other administrative remedies may be taken against the County.

Note 4 – Fund Balances

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

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

	General	Job and Family Services	Board of DD	Auto License and Gas Tax	Children Services	ARPA	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<i>Nonspendable</i>									
Unclaimed Monies	\$179,456	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$179,456
<i>Restricted</i>									
County Home	0	0	0	0	0	0	0	2,705,219	2,705,219
Job & Family Serv.	0	523,182	0	0	0	0	0	0	523,182
Auto Lic. & Gas Tax	0	0	0	3,973,428	0	0	0	0	3,973,428
Public Transportation	0	0	0	0	0	0	0	857,905	857,905
Board of DD	0	0	3,169,274	0	0	0	0	1,500,000	4,669,274
Mental Health	0	0	0	0	0	0	0	171,383	171,383
Children Services	0	0	0	0	4,181,205	0	0	0	4,181,205
Senior Center	0	0	0	0	0	0	0	663,094	663,094
Capital Improvements	0	0	0	0	0	0	0	401,309	401,309
Debt Service	0	0	0	0	0	0	0	202,621	202,621
Public Safety	0	0	0	0	0	0	0	656,373	656,373
Child Support Enforce.	0	0	0	0	0	0	0	943,572	943,572
Courts	0	0	0	0	0	0	0	1,506,155	1,506,155
Comm. and Econ. Dev.	0	0	0	0	0	0	0	178,603	178,603
Youth Service Subsidy	0	0	0	0	0	0	0	195,938	195,938
Deputy Registrar	0	0	0	0	0	0	0	286,830	286,830
Multi-County Juv. Ops	0	0	0	0	0	0	0	230,477	230,477
Opioid Settlements	0	0	0	0	0	0	0	315,228	315,228
Wireless 911	0	0	0	0	0	0	0	1,441,431	1,441,431
ARPA	0	0	0	0	0	703,168	0	0	703,168
Real Estate Assessment	0	0	0	0	0	0	0	712,451	712,451
Elections Operations	0	0	0	0	0	0	0	117,517	117,517
Other Purposes	0	0	0	0	0	0	0	1,168,704	1,168,704
<i>Total Restricted</i>	0	523,182	3,169,274	3,973,428	4,181,205	703,168	0	14,254,810	26,805,067
<i>Committed</i>									
Capital Improvements	0	0	0	0	0	0	10,369,852	1,617,477	11,987,329
<i>Assigned</i>									
Purchases on Order	638,814	0	0	0	0	0	0	0	638,814
<i>Unassigned</i>	9,290,600	0	0	0	0	0	0	0	9,290,600
<i>Total</i>	<u>\$10,108,870</u>	<u>\$523,182</u>	<u>\$3,169,274</u>	<u>\$3,973,428</u>	<u>\$4,181,205</u>	<u>\$703,168</u>	<u>\$10,369,852</u>	<u>\$15,872,287</u>	<u>\$48,901,266</u>

Note 5 – Budgetary Basis of Accounting

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The statement of receipts, disbursements and changes in fund balance – budget and actual (budget basis) presented for the general and each major special revenue fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the modified cash basis is (are) outstanding year end encumbrances, unreported cash, segregated cash accounts, cash held with fiscal agents, and perspective differences. Encumbrances are treated as expenditures (budgetary basis) rather than as a restriction, commitment, or assignment of fund balance (modified cash basis). Unreported cash, including cash held in custodial funds on behalf of County funds, are reported on the statement of modified cash receipts, disbursements, and changes in fund balances

Perry County
Notes to the Basic Financial Statements
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(modified cash basis), but not on the budgetary basis. Cash is held in segregated accounts by certain departments within the County. These funds are reported on the modified cash basis but are not budgeted and therefore are not reported on the budgetary basis. Certain funds are included as part of the general fund for modified cash reporting purposes but are excluded for budgetary purposes. These funds include the unclaimed monies fund, records equipment needs fund, certificate of title fund, sheriff donation fund, reserve balance fund, and Medicaid transition fund.

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

	General	Job and Family Services	Board of Developmental Disabilities	Auto License and Gasoline Tax	Children Services	American Rescue Plan Act
Modified Cash Basis	\$4,489,304	(\$94,982)	(\$158,904)	(\$469,115)	(\$1,186,287)	(\$6,321,586)
Beginning of Year:						
Unrecorded Cash	204,506	0	9,949	0	0	33,130
Segregated Cash	18,450	0	0	345	0	0
Fiscal Agent Cash	0	0	914,210	0	0	0
Custodial Fund Distribution	416,837	303,578	208,130	72,410	103,759	0
End of Year:						
Unrecorded Cash	(286,378)	(15,694)	0	0	0	0
Segregated Cash	(22,546)	0	0	(354)	0	0
Fiscal Agent Cash	0	0	(867,224)	0	0	0
Custodial Fund Distribution	(584,307)	(269,078)	(349,937)	(68,183)	(170,738)	0
Encumbrances	(595,965)	(172,348)	(113,900)	(50,936)	(556,029)	0
Perspective Differences	12,322	0	0	0	0	0
Budget Basis	\$3,652,223	(\$248,524)	(\$357,676)	(\$515,833)	(\$1,809,295)	(\$6,288,456)

Note 6 – Deposits and Investments

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States, or any book entry, zero-coupon United States treasury security that is a direct obligation of the United States;
2. Bonds, notes, debentures, or any other obligation or security 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 the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of this state or the political subdivisions of this state, provided the bonds or other obligations of political subdivisions mature within ten years from the date of settlement;

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

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts, in eligible institutions pursuant to ORC sections 135.32;
6. No-load money market mutual funds rated in the highest category at the time of purchase by at least one nationally recognized standard rating service or consisting exclusively of obligations described in (1) or (2) above; commercial paper as described in ORC section 135.143 (6); and repurchase agreements secured by such obligations, provided these investments are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to simultaneously exchange either securities or cash, equal value for equal value, within certain limitations;
9. Up to forty percent of the County's average portfolio, if training requirements have been met in either of the following:
 - a. Commercial paper notes in entities incorporated under the laws of Ohio, or any other State, that have assets exceeding five hundred million dollars, which are rated in the highest classification established by two nationally recognized standard rating services, which do not exceed ten percent of the value of the outstanding commercial paper of the issuing corporation, which mature within 270 days after purchase, and the investment in commercial paper notes of a single issuer shall not exceed the aggregate five percent of interim monies available for investment at the time of purchase.
 - b. Bankers acceptances of banks that are insured by the federal deposit insurance corporation and that mature not later than 180 days after purchase.
10. Up to fifteen percent of the County's average portfolio in notes issued by U.S. corporations or by depository institutions doing business under authority granted by the U.S. or any state provided the notes are rated in the three highest categories by at least two nationally recognized standard rating services at the time of purchase and the notes mature not later than three years after purchase;
11. A current unpaid or delinquent tax line of credit, provided certain conditions are met related to a County land reutilization corporation organized under ORC Chapter 1724; and,
12. Up to two percent of the County's average portfolio in debt interests rated at the time of purchase in the three highest categories by two nationally recognized standard rating services and issued by foreign nations diplomatically recognized by the United States government, subject to certain limitations. All interest and principal shall be denominated and payable in United States funds.

Reverse repurchase agreements, investments in derivatives, and investments in stripped principal or interest obligations that are not issued or guaranteed by the United States are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand – At year end, the County had \$1,500 in undeposited cash on hand which is included in the financial statements of the County as part of “equity in pooled cash and cash equivalents.”

Cash with Fiscal Agents – At year end, the County's Board of Developmental Disabilities special revenue fund had “cash and cash equivalents with fiscal agents” held by MEORC in the amount of \$948,367.

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

Investments – The fair value of these investments is not materially different than measurement value. As of December 31, 2024, the County had the following investments:

Perry County
Notes to the Basic Financial Statements
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Measurement/Investment	Measurement Amount	Maturity	Credit Rating	Percent of Total Investments
<i>Net Asset Value Per Share:</i>				
STAR Ohio	\$20,132,578	<1 Year	AAAm	62.42%
<i>Fair Value:</i>				
Federated Hermes Government Obligations Money Market	1,514,255	<1 Year	AAAm	4.69%
Negotiable Certificates of Deposit	2,180,000	<1 Year	N/A	6.76%
Corporate Bonds	1,500,000	1-3 Years	N/A	4.65%
Corporate Bonds	500,000	3-5 Years	N/A	1.55%
US Treasury Notes	6,078,196	<1 Year	Aaa	18.84%
Federal Home Loan Bank	350,000	1-3 Years	AA+	1.09%
Total	<u>\$32,255,029</u>			<u>100.00%</u>

All credit ratings are issued by Standard and Poor's except US Treasury Notes, which are provided by Moody's. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above chart identifies the County's recurring fair value measurements as of December 31, 2024. Investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs). With the exception of STAR Ohio, which, as discussed in note 2, is reported at its share price, all of the County's investments measured at fair value are valued using other significant observable inputs (Level 2 inputs).

Interest Rate Risk – As a means of limiting its exposure to fair value losses caused by rising interest rates, the County's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the County's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The Treasurer cannot make investments which she does not reasonably believe can be held until the maturity date.

Credit Risk – The County has no investment policy that would further limit its investment choices other than what has been approved by State statute.

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. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The County has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk – Concentration of credit risk is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The County places no limit on the amount it may invest in any one issuer. The percentage that each investment represents of total investments is listed in the table above.

Discretely Presented Component Unit

The carrying balance of the Perry County Land Reutilization Corporation's deposits at year-end was \$71,621. There are no statutory guidelines regarding the deposit and investment of funds for this not-for-profit corporation.

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

Note 7 – Permissive Sales and Use Tax

The County Commissioners, by resolution, imposed a 1.50 percent tax on all retail sales made in the County, except sales of motor vehicles, and on the storage, use, or consumption of tangible personal property in the County, including motor vehicles not subject to the sales tax. Proceeds of the tax are credited to the general fund. Vendor collections of the permissive sales tax are paid into the State Treasury by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the Office of Budget 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 Tax Commissioner shall then, on or before the twentieth day of the month in which certification is made, provide for payment to the County.

Note 8 – Property Taxes

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

2024 real property taxes are levied after October 1, 2024, on the assessed value as of January 1, 2024, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2024 real property taxes are collected in and intended to finance 2025.

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

Public utility property tax revenues received in 2024 represent the collection of 2023 taxes. Public utility property taxes received in 2024 became a lien on December 31, 2023, were levied after October 1, 2024, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The full tax rate for all County operations for the year ended December 31, 2024 was \$18.10 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2024 property tax receipts were based are as follows:

Real Property	\$864,225,477
Public Utility Tangible Personal Property	<u>311,046,170</u>
Total Assessed Value	<u>\$1,175,271,647</u>

The County Treasurer collects property taxes on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portion of the taxes collected. The collection and distribution of taxes for all subdivisions within the County, excluding the County itself, is accounted for through custodial funds. The amount of the County's tax collections is accounted for within the applicable funds.

Note 9 – Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2024, the County contracted with the County Risk Sharing Authority, Inc. (CORSAs) for insurance coverage. Coverage provided by CORSAs is as follows:

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

	Coverage	Deductible
General Liability	\$1,000,000	\$5,000
Law Enforcement Liability	1,000,000	5,000
Automobile Liability	1,000,000	5,000
Errors and Omissions Liability	1,000,000	5,000
Excess Liability	5,000,000	0
Property	111,075,559	5,000
Equipment Breakdown	100,000,000	5,000
Crime	1,000,000	5,000
Uninsured Motorists Liability	250,000	0

With the exception of medical coverage and worker's compensation, all insurance is held with CORSA. There has been no significant reduction in insurance coverage from the prior year and settled claims have not exceeded this coverage in the past three years. The County pays all elected officials' bonds by statute.

For 2024, the County participated in the County Commissioners Association of Ohio Service Corporation, a worker's compensation group rating plan (Plan). 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 counties in the Plan. Each county pays its workers' compensation premium to the State based on the rate for the Plan rather than the County's individual rate.

In order to allocate the savings derived by the 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. Sedgwick 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 County is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any county leaving the Plan allows the representative of the Plan to access loss experience for three years following the last year of participation.

The County participates in the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), a risk-sharing pool, to provide health insurance benefits for employees. CEBCO charges a fixed premium per month per enrolled employee. The premiums, along with an administrative charge, are paid into the medical insurance internal service fund by participating funds and, in turn, the premiums are paid to CEBCO. Premiums charged by CEBCO are based upon the County's claims experience. An excess coverage policy covers annual individual claims in excess of \$100,000 with an unlimited maximum. CEBCO retains liability between \$100,000 and \$500,000. Any claim over \$500,000 is covered by stop loss with no maximum.

A comparison of medical insurance fund cash and investments to the actuarially-measured liability as of December 31 follows:

	2024	2023
Cash and Investments	\$778,166	\$723,156
Actuarial liabilities	15,300	14,500

Note 10 – Defined Benefit Pension Plans

The Statewide retirement system provides both pension benefits and other postemployment benefits (OPEB).

Net Pension/OPEB Liability (Asset)

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

The net pension/net OPEB liability (asset) are not reported on the face of the financial statements, but rather are disclosed in the notes because of the use of the cash basis framework.

The remainder of this note includes the pension disclosures. See note 11 for the OPEB disclosures.

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. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed. (The latest information available.) Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

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
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

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

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

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

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

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	<u>State and Local</u>		<u>Public</u>	<u>Law</u>
	<u>Traditional</u>	<u>Combined</u>	<u>Safety</u>	<u>Enforcement</u>
2024 Statutory Maximum Contribution Rates				
Employer	14.0 %	14.0 %	18.1 %	18.1 %
Employee *	10.0 %	10.0 %	**	***
2024 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	<u>14.0 %</u>	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</u>

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

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

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

Perry County
Notes to the Basic Financial Statements
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****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 at 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

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

For 2024, the County's contractually required contribution to OPERS was \$2,581,023.

Net Pension Liability (Asset)

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

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>Total</u>
Proportion of the Net Pension Liability (Asset):			
Current Measurement Date	0.108708%	0.090881%	
Prior Measurement Date	<u>0.106029%</u>	<u>0.086070%</u>	
Change in Proportionate Share	<u>0.002679%</u>	<u>0.004811%</u>	
Proportionate Share of the:			
Net Pension Liability	\$28,460,200	\$0	\$28,460,200
Net Pension Asset	0	(279,351)	(279,351)

Actuarial Assumptions – OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2023, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67:

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

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

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

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

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

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

Perry County
Notes to the Basic Financial Statements
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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future 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 County's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
County's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$44,804,002	\$28,460,200	\$14,866,906
OPERS Combined Plan	(169,039)	(279,351)	(366,250)

Note 11 – Defined Benefit OPEB Plans

Net OPEB Liability

See note 10 for a description of the net OPEB liability.

Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. The Ohio

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

Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program.

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

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

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

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

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

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

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

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

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

Group A 30 years of qualified health care service credit;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in

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the member-directed plan for 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The County's contractually required contribution was \$6,498 for 2024.

Net OPEB Liability (Asset)

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The County's proportion of the net OPEB liability was based on the County's share of contributions to the retirement system relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>
Proportion of the Net OPEB Asset:	
Current Measurement Date	0.1046260%
Prior Measurement Date	<u>0.1022090%</u>
Change in Proportionate Share	<u>0.0024170%</u>
Proportionate Share of the:	
Net OPEB Asset	(\$944,275)

Actuarial Assumptions - OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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

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

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

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

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. 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 portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

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

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent.

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(Fidelity Index's "20-Year Municipal GO AA Index") The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the County's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the County's proportionate share of the net OPEB liability calculated using the single discount rate of 5.70 percent, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
County's proportionate share of the net OPEB liability (asset)	\$518,945	(\$944,275)	(\$2,156,342)

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 or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
County's proportionate share of the net OPEB asset	(\$983,484)	(\$944,275)	(\$899,784)

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For the Year Ended December 31, 2024

Note 12 – Long-Term Obligations

Changes in the County's long-term obligations during the year consisted of the following:

	Principal Outstanding 12/31/23	Additions	Deductions	Principal Outstanding 12/31/24	Amount Due Within One Year
Governmental Activities:					
<i>General Obligation Bonds:</i>					
2019 Child. Serv. Cap. Facilities Bonds 2.98%	\$960,000	\$0	(\$960,000)	\$0	\$0
2021 Capital Facilities Bond 1.60%	1,400,000	0	(185,000)	1,215,000	190,000
2023 Capital Facilities Bond 4.25%-5.0%	7,615,000	0	(100,000)	7,515,000	75,000
<i>Total General Obligation Bonds</i>	<u>9,975,000</u>	<u>0</u>	<u>(1,245,000)</u>	<u>8,730,000</u>	<u>265,000</u>
<i>Ohio Public Works Commission Loans:</i>					
2021 County Road Paving Coop Paving 0%	126,323	0	(126,323)	0	0
2023 County Road Paving Project 0%	90,000	0	(10,000)	80,000	5,000
2023 County Road Paving Project 0%	360,000	0	(360,000)	0	0
2024 County/New Lex/Crooksville Paving 0%	0	196,734	(19,673)	177,061	9,837
2024 County Road Paving 0%	0	135,000	(13,500)	121,500	6,750
2024 County Road Co-Op Paving 0%	0	96,139	0	96,139	4,807
2024 County/New Lex. Co-Op Paving 0%	0	290,000	0	290,000	14,500
<i>Total Ohio Public Works Commission Loans</i>	<u>576,323</u>	<u>717,873</u>	<u>(529,496)</u>	<u>764,700</u>	<u>40,894</u>
Total Governmental Activities	<u>\$10,551,323</u>	<u>\$717,873</u>	<u>(\$1,774,496)</u>	<u>\$9,494,700</u>	<u>\$305,894</u>

General Obligation Bonds

On July 29, 2019, the County issued \$1,140,000 of Capital Facilities Bonds to retire \$1,100,000 of bond anticipation notes issued in 2018 for the purpose of paying the costs of renovating, reconstructing, and otherwise improving the existing Children Services building and to cover issuance costs of \$40,000. The bonds were issued for a twenty year period with a final maturity of December 1, 2039. These bonds were repaid from the debt service fund and were paid in full during the year.

On February 3, 2021, the County issued \$1,900,000 of Capital Facilities Bonds to retire \$1,900,000 of bond anticipation notes issued in 2020 for the purpose of paying the costs of constructing a building for use by the County Board of Developmental Disabilities. The bonds were issued for a ten year period with a final maturity of December 1, 2030. These bonds will be repaid from the debt service fund.

On December 28, 2023, the County issued \$7,615,000 of Capital Facilities Bonds for the purpose of constructing a new Job and Family Services facility. The bonds were issued for a thirty-eight year period with a final maturity of December 1, 2061. These bonds will be repaid from the debt service fund.

Annual debt service requirements to maturity for the Various Purpose Improvement and Capital Facilities Bonds are as follows:

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For the Year Ended December 31, 2024

Year Ended December 31,	Developmental Disabilities Capital Facilities		Job and Family Services Capital Facilities	
	Principal	Interest	Principal	Interest
2025	\$190,000	\$19,440	\$75,000	\$358,088
2026	195,000	16,400	80,000	354,338
2027	200,000	13,280	85,000	350,338
2028	205,000	10,080	90,000	346,088
2029	210,000	6,800	95,000	341,588
2030-2034	215,000	3,440	550,000	1,631,688
2035-2039	0	0	690,000	1,480,938
2040-2044	0	0	880,000	1,290,688
2045-2049	0	0	1,100,000	1,072,250
2050-2054	0	0	1,355,000	817,250
2055-2059	0	0	1,705,000	466,250
2060-2061	0	0	810,000	61,250
Total	<u>\$1,215,000</u>	<u>\$69,440</u>	<u>\$7,515,000</u>	<u>\$8,570,754</u>

Ohio Public Works Commission (OPWC) Loans – Governmental Funds

During 2021, the County issued an OPWC loan in the amount of \$157,903. The loan was issued for a County Road Cooperative Paving Project. The loan was issued at zero percent interest. The loan was paid in full during 2024.

During 2023, the County issued an OPWC Loan in the amount of \$100,000. The loan was issued for a County Road Paving Project. The loan was issued at zero percent interest and will mature in 2033.

During 2023, the County issued an OPWC Loan in the amount of \$400,000. The loan was issued for a County Road Paving Project. The loan was issued at zero percent interest and will mature in 2033. The loan was paid in full during 2024.

During 2024, the County issued an OPWC Loan in the amount of \$196,734. The loan was issued for a County Road Paving Project. The loan was issued at zero percent interest and will mature in 2034.

During 2024, the County issued an OPWC Loan in the amount of \$135,000. The loan was issued for a County Road Paving Project. The loan was issued at zero percent interest and will mature in 2034.

During 2024, the County issued an OPWC Loan in the amount of \$96,139. The loan was issued for a County Road Paving Project. The loan was issued at zero percent interest and will mature in 2035.

During 2024, the County issued an OPWC Loan in the amount of \$290,000. The loan was issued for a County Road Paving Project. The loan was issued at zero percent interest and will mature in 2035.

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Annual debt service requirements to maturity for these loans is as follows:

Year Ended December 31,	Principal
2025	\$40,894
2026	81,787
2027	81,787
2028	81,787
2029	81,787
2030-2034	377,352
2035	19,306
Total	<u>\$764,700</u>

	Principal Outstanding 12/31/23	Additions	Deductions	Principal Outstanding 12/31/24	Amount Due Within One Year
Business-Type Activities:					
<i>Ohio Public Works Commission Loans:</i>					
2002 Water Systems Improvement Project 2%	\$17,809	\$0	(\$5,506)	\$12,303	\$1,872
2002 Sanitary Sewer Improvements II Project 2%	61,030	0	(19,763)	41,267	6,720
2009 Thornport-Thornville Wastewater Improvements Project 0%	213,564	0	(16,860)	196,704	5,620
2011 Waterline Extension Phase II 0%	32,232	0	(2,302)	29,930	767
<i>Total Ohio Public Works Commission Loans</i>	<u>324,635</u>	<u>0</u>	<u>(44,431)</u>	<u>280,204</u>	<u>14,979</u>
<i>Ohio Water Development Authority Loans:</i>					
2000 Water Line Construction 6.41%	13,202	0	(13,202)	0	0
2000 Robinwood Estates Sewer Improvements 6.03%	10,940	0	(6,368)	4,572	2,252
2000 Crown Wehrle Sewer Improvements 6.03%	5,894	0	(3,431)	2,463	1,213
2001 Water Meter Installation 1.5%	97,618	0	(16,338)	81,280	5,528
2002 Ceramic Road Area Sewers 1%	273,855	0	(39,357)	234,498	13,250
2003 Northern Perry Sewers Phase I 1%	436,972	0	(59,658)	377,314	20,085
2004 Waterline Extension 1%	213,972	0	(25,367)	188,605	8,540
2004 Waterline Extension Phase 1B 1%	230,390	0	(25,084)	205,306	8,445
2005 Waterline Extension Phase 1C 1%	1,406,384	0	(147,077)	1,259,307	49,517
2007 Sewer Extension Phase II 1.5%	4,965,105	0	(363,193)	4,601,912	124,407
2007 BORWD Waterline Extension 1%	603,615	0	(52,586)	551,029	17,704
2012 Waterline Extension Phase II 0%-2%	523,140	0	(31,467)	491,673	10,700
2016 Scioto Youth Camp Waterline Extension 0%	23,185	0	(1,480)	21,705	493
2018 Northern Perry Water Phase III Waterline Extension 0%	940,820	0	(54,278)	886,542	18,093
2021 Water System Improvements Phase 4 9411 0%	553,900	0	(28,093)	525,807	9,389
Asset Management Plan 8304	0	8,689	(8,689)	0	0
Village of Crooksville Sanitary Sewer Ext 10984	0	415,430	(415,430)	0	0
2024 NPCW-Water System Phase V 10871	0	306,563	(77,097)	229,466	0
<i>Total Ohio Water Development Authority Loans</i>	<u>10,298,992</u>	<u>730,682</u>	<u>(1,368,195)</u>	<u>9,661,479</u>	<u>289,616</u>
Total Business-Type Activities	<u>\$10,623,627</u>	<u>\$730,682</u>	<u>(\$1,412,626)</u>	<u>\$9,941,683</u>	<u>\$304,595</u>

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Ohio Public Works Commission (OPWC) Loans – Water Enterprise Fund

The Ohio Public Works Commission (OPWC) Water Systems Improvement Project Loan was entered into in 2002 in the amount of \$65,903 for the purpose of financing improvements to the water system. Although the loan was entered into in 2002, the principal payments did not begin until 2007. The loan will be repaid in semiannual installments of \$2,007, including interest, over 20 years. This loan is collateralized by utility receipts. The County has agreed to set utility rates sufficient to cover OPWC debt service requirements.

The Ohio Public Works Commission (OPWC) Waterline Extension Phase II Project Loan was entered into in 2011 for the purpose of financing an extension to the County's waterlines. The loan will be repaid in semiannual installments of \$767 over 30 years. This loan is collateralized by utility receipts. The County has agreed to set utility rates sufficient to cover OPWC debt service requirements.

Annual debt service requirements to maturity for the remaining Ohio Public Works Commission Loans in the Water Fund are as follows:

Year Ended December 31,	Principal	Interest
2025	\$2,639	\$135
2026	5,335	214
2027	5,412	137
2028	4,289	59
2029	1,535	0
2030-2034	7,675	0
2035-2039	7,675	0
2040-2044	7,673	0
Total	<u>\$42,233</u>	<u>\$545</u>

Ohio Public Works Commission (OPWC) Loan – Sewer Enterprise Fund

The Ohio Public Works Commission (OPWC) Sanitary Sewer Improvements II Project Loan was entered into in 2002 in the amount of \$236,555 for the purpose of financing improvements to the sewer system. Although the loan was entered into in 2002, the principal payments did not begin until 2007. The loan will be repaid in semiannual installments of \$7,204, including interest, over 20 years. This loan is collateralized by utility receipts. The County has agreed to set utility rates sufficient to cover debt service requirements.

The Ohio Public Works Commission (OPWC) Thornport-Thornville Wastewater Improvements Project Loan was entered into in 2009 in the amount of \$337,206 for the purpose of financing improvements to the sewer system. This loan will be repaid in semiannual installments of \$5,620 over twenty years and the County has agreed to set utility rates sufficient to cover debt service requirements.

Annual debt service requirements to maturity for the Ohio Public Works Commission Loans in the Sewer Fund are as follows:

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Year Ended December 31,	Principal	Interest
2025	\$12,340	\$485
2026	24,882	767
2027	25,156	493
2028	18,229	213
2029	11,240	0
2030-2034	56,200	0
2035-2039	56,203	0
2040-2043	33,721	0
Total	<u>\$237,971</u>	<u>\$1,958</u>

The OPWC loans are subject to default stipulations. According to the OPWC loan agreements, if the County fails to make any payment due and is not corrected within thirty days, the amount in default shall bear interest thereafter at the default rate of 8 percent per annum from the date of default until the date of payment. In addition, the entire principal remaining unpaid, together with accrued interest and other charges shall, at OPWC's option, become immediately due and payment.

Ohio Water Development Authority (OWDA) Loans –Water Enterprise Fund

The Ohio Water Development Authority (OWDA) Water Line Construction Loan relates to the extension of water lines of the water system. This loan will be repaid in semiannual installments of \$4,686, including interest, over twenty five years. In 2004, OWDA lowered the principal amount of this loan by \$6,493. The County has agreed to set utility rates sufficient to cover debt service requirements. In 2005, late fees of \$79 were added to the total principal amount of this loan and subsequently paid within the year. The County repaid this loan in full in 2024.

The Ohio Water Development Authority (OWDA) Water Meter Installation Loan relates to a loan to install water meters in the Northern Perry County Water District. This loan will be paid in semiannual installments of \$6,138, including interest, over thirty years. The County has agreed to set utility rates sufficient to cover debt service requirements. In 2004, late fees of \$51 were added to the total principal amount of this loan and subsequently paid within the year.

The Ohio Water Development Authority (OWDA) Waterline Extension, Waterline Extension Phase 1B, Waterline Extension Phase 1C, and BORWD Waterline Extension Loans relate to planning loans for extending water lines. These loans will be paid in semiannual installments of \$9,483, \$9,472, \$55,813, and \$20,459 respectively, including interest, over thirty years. The County has agreed to set utility rates sufficient to cover the debt service requirements of these loans.

The Ohio Water Development Authority (OWDA) Waterline Extension Phase II Loan relates to the extension of waterlines. A portion of this loan was repaid through principal forgiveness. The remaining portion of the loan will be repaid in semiannual installments of \$15,616, including interest, over thirty years. The County has agreed to set utility rates sufficient to cover the debt service requirements of this loan.

The Ohio Water Development Authority (OWDA) Scioto Youth Camp Waterline Extension Loan relates to the extension of waterlines. A portion of this loan was repaid through principal forgiveness. The remaining portion of the loan will be repaid in semiannual installments of \$493 over thirty years. The County has agreed to set utility rates sufficient to cover the debt service requirements of this loan.

The Ohio Water Development Authority (OWDA) Northern Perry County Water Phase III Waterline Extension Loan relates to the extension of Waterlines. A portion of this loan was repaid through principal forgiveness. The remaining portion of the loan will be repaid in semiannual installments over thirty years. The County has agreed to set utility rates sufficient to cover the debt service requirements of this note. As of December 31, 2024, the County had drawn down \$1,085,561, net of loan forgiveness. The loan will be repaid in semiannual installments of \$18,093 over a thirty year period.

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The Ohio Water Development Authority (OWDA) Water Systems Improvements Phase 4 Loan relates to the improvements of water system. This loan will be repaid over thirty years. The County has agreed to set utility rates sufficient to cover debt service requirements. As of December 31, 2024, the County had drawn down \$563,365.

The Ohio Water Development Authority (OWDA) Asset Management Plan Loan relates to the improvements to the drinking water system. The County received proceeds of \$8,689 during 2024. This loan was repaid with principal forgiveness.

The Ohio Water Development Authority (OWDA) Water Systems Improvements Phase 5 Loan relates to the improvements of water system. This loan will be repaid over thirty years. The County has agreed to set utility rates sufficient to cover debt service requirements. As of December 31, 2024, the County had drawn down \$306,562. Of this amount \$77,096 was been forgiven through the principal forgiveness program. As of December 31, 2024, no amortization schedule has been established.

The County has pledged future water customer revenues, net of specified operating expenses, to repay \$4,736,598 in OWDA loans issued from 2000 to 2024. Proceeds from these loans provided financing for various water projects. The loans are payable solely from customer net revenues and are payable through 2057. Net revenues include all revenues received by the water utility less all operating expenses. Annual principal and interest payments on the loans are compared to net future revenues are not estimable but are expected to be less than net revenues in the years the loans are outstanding. The total principal and interest remaining to be paid on the loans, excluding loans for which amortizations have not yet been established, is \$4,463,234. Principal and interest payments for the current year were \$420,438, net revenues were \$289,172, and total revenues were \$1,468,906.

The OWDA loans listed above, except for the Water System Improvements Phase 5 Loan, are included in the following amortization schedule. The Water System Improvements Phase 5 Loan is not yet included as OWDA has not established a payment schedule.

Year Ended December 31,	Principal	Interest
2025	\$128,409	\$16,549
2026	258,531	31,383
2027	260,838	29,078
2028	263,171	26,742
2029	265,534	24,380
2030-2034	1,332,999	85,882
2035-2039	945,237	31,189
2040-2044	413,518	6,777
2045-2049	277,295	0
2050-2054	65,722	0
Total	<u>\$4,211,254</u>	<u>\$251,980</u>

Ohio Water Development Authority (OWDA) Loans – Sewer Enterprise Fund

The Ohio Water Development Authority (OWDA) Robinwood Estates Sewer Improvement Loan relates to a project to reline the sanitary sewers serving the Robinwood Estates Subdivision. This loan will be repaid in semiannual installments of \$2,390, including interest, over twenty five years. The County has agreed to set utility rates sufficient to cover debt service requirements. In 2004, late fees of \$37 were added to the total principal amount of this loan and subsequently paid within the year.

The Ohio Water Development Authority (OWDA) Crown Wehrle Sewer Improvements Loan is for improvements at the wastewater treatment plant mandated by the Ohio Environmental Protection Agency. This loan will be repaid in annual installments of \$1,287, including interest, over twenty five years. In 2004, OWDA lowered the principal amount of this loan by \$7,335. The County has agreed to set utility rates sufficient to cover debt service requirements.

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The Ohio Water Development Authority (OWDA) Ceramic Road Area Sewers Loan relates to a project to construct a conventional gravity collection system and sewage treatment plant in the Ceramic Road area. This loan will be repaid in semiannual installments of \$14,423, including interest, over thirty years. The County has agreed to set utility rates sufficient to cover debt service requirements. In 2005, late fees of \$66 were added to the total principal amount of this loan and subsequently paid within the year.

The Ohio Water Development Authority (OWDA) Northern Perry Sewers Phase I Loan relates to the construction of collection sewers to serve the northern part of the County surrounding Thornport. This loan will be repaid in semiannual installments of \$21,972, including interest, over the next twenty nine years. The County has agreed to set utility rates sufficient to cover debt service requirements. In 2005, late fees of \$101 were added to the total principal amount of this loan and subsequently paid within the year.

The Ohio Water Development Authority (OWDA) Sewer Extension Phase II Loan relates to a project for the installation of sewage lines located in the Buckeye Lake vicinity and the sewage will be sent to the Crown Wehrle Wastewater Treatment Plant. This loan will be repaid in semiannual installments of \$189,729, including interest, over the next thirty years. The County has agreed to set utility rates sufficient to cover debt service requirements.

The Ohio Water Development Authority (OWDA) Village of Crooksville Sanitary Sewer Extension Loan relates to a project for the extension of sewer lines located in the Village of Crooksville. A portion of this loan will be repaid with principal forgiveness. The remainder of this loan will be repaid in semiannual installments over the thirty years. The County has agreed to set utility rates sufficient to cover debt service requirements. As of December 31, 2024, the County was drawn \$415,430 of these loan proceeds, all of which have been forgiven.

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay \$5,220,759 in OWDA loans issued from 2000 to 2007. Proceeds from these loans provided financing for various sewer projects. The loans are payable solely from customer net revenues and are payable through 2040. Net revenues include all revenues received by the sewer utility less all operating expenses. Annual principal and interest payments on the loans are compared to net future revenues are not estimable but are expected to be less than net revenues in the years the loans are outstanding. The total principal and interest remaining to be paid on the loans is \$6,341,781. Principal and interest payments for the current year were \$688,988, net revenues were \$868,877, and total revenues were \$1,737,194.

The OWDA loans listed above are included in the following amortization schedule.

Year Ended December 31,	Principal	Interest	Subsidy
2025	\$161,207	\$70,507	\$71
2026	324,729	131,161	37
2027	328,913	123,335	0
2028	336,897	115,350	0
2029	345,123	107,124	0
2030-2034	1,807,094	403,322	0
2035-2039	1,729,785	167,505	0
2040	187,011	2,718	0
Total	<u>\$5,220,759</u>	<u>\$1,121,022</u>	<u>\$108</u>

Perry County
Notes to the Basic Financial Statements
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Debt Margin

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 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 \$6,000,000 plus two and one-half percent of the amount of the tax valuation in excess of \$300,000,000. The County's total debt margin was \$19,354,412 and the unvoted debt margin was \$3,225,337 at December 31, 2024.

Note 13 – Transfers and Advances

At December 31, 2024, the sewer and nonmajor governmental funds owed the general fund \$1,115,852 due to grant monies and OWDA loan proceeds not being received prior to disbursements being made.

Advances for the year ended December 31, 2024 consisted of the following:

	Advances In	Advances Out
<i>Major Governmental Fund:</i>		
General	\$40,627	\$222,231
Nonmajor Governmental Funds	222,231	38,227
Total Governmental Funds	262,858	260,458
Internal Service Fund	0	2,400
Total All Funds	<u>\$262,858</u>	<u>\$262,858</u>

Interfund transfers for the year ended December 31, 2024 consisted of the following:

	Transfers In	Transfers Out
<i>Major Governmental Funds:</i>		
General	\$0	\$440,653
Board of Developmental Disabilities	0	307,400
Children Services	0	964,938
Nonmajor Governmental Funds	1,712,991	0
Total All Funds	<u>\$1,712,991</u>	<u>\$1,712,991</u>

Transfers are used to move revenues from the fund that collects them in accordance with statute or budget to the fund that is required to expend them in accordance with statute or budget; to segregate money for anticipated capital projects; to provide resources for current operations; or to service debt. Transfers from the general fund to nonmajor governmental funds were to help support those funds.

Note 14 – Significant Commitments

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 amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

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General	\$600,300
Job and Family Services	172,348
Board of Developmental Disabilities	113,900
Auto License and Gasoline Tax	50,936
Children Services	556,030
Nonmajor Governmental Funds	2,856,696
Total	<u>\$4,350,210</u>

Note 15 – Jointly Governed Organizations

Buckeye Hills Resource Conservation and Development Council (RC&D)

The Buckeye Hills Resource Conservation and Development Council (RC&D) is a 501(c)(3) non-profit entity, serving a nine county region in southeastern Ohio including Athens, Belmont, Hocking, Meigs, Monroe, Morgan, Noble, Perry, and Washington Counties. The Council was created to identify and solve problems in rural communities including human, economic, natural resources and environmental issues. The RC&D is sponsored by the Boards of County Commissioners and the Soil and Water Conservation Districts in the nine counties, along with the Muskingum Watershed Conservancy District and the Rush Creek Conservancy District. The governing body of RC&D is the Executive Council, made up of 29 members that include three representatives from each county and one representative from each conservancy district. The Executive Council exercises total control over the operations of RC&D including budgetary, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Executive Council. The continued existence of the RC&D is not dependent on the County's continued participation and no equity interest exists. During 2024, the RC&D received \$0 in membership fees from Perry County. Financial information can be obtained by contacting RC&D at 344 Muskingum Drive, Suite A, Marietta, Ohio 45750.

Buckeye Hills Regional Council

The Buckeye Hills Regional Council (Council) serves as the Area Agency on Aging for Washington, Athens, Hocking, Meigs, Monroe, Morgan, Noble, and Perry Counties. The Council was created to foster a cooperative effort in regional planning, programming, and implementing plans and programs. The Council is governed by a fifteen member board of directors. The board has 15 members composed of four non-elected representatives, Mayors of the two largest cities in the Council, and eight county representatives appointed by the county commissioners. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. The Council administers Community Development Block Grants and Issue II monies. During 2024, the County contributed \$53,162 to the Council. The continued existence of the Council is not dependent on the County's continued participation and no equity interest exists. Financial information can be obtained by contacting the Buckeye Hills Regional Council office at 1400 Pike Street, Marietta, Ohio 45750.

Coshocton-Fairfield-Licking-Perry Solid Waste District

The County is a member of the Coshocton-Fairfield-Licking-Perry Solid Waste District (District). The purpose of the District is to make disposal of waste in the four-county area more comprehensive in terms of recycling, incinerating, and land filling. The District was created in 1989 as required by the Ohio Revised Code. The District is governed and operated through three groups. A twelve member board of directors, composed of the three commissioners from each county, is responsible for the District's financial matters. Financial records are maintained by the Licking County Auditor. The District's sole revenue source is a waste disposal fee for in-district and out-of-district waste. Although the County contributed amounts to the District at the time of its creation, no additional contributions from the County are anticipated. A twenty five member policy committee, composed of seven members from each county and one at-large member appointed by the policy committee, is responsible for preparing the solid waste management plan of the District in conjunction with a sixteen-member Technical Advisory Council, whose members are appointed by the policy committee. The continued existence of the District is not dependent upon the County's continued participation. Each participant's degree of control is limited to its representation on

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

the Board. During 2024, the County paid \$0 to the District. Financial information can be obtained by contacting the Coshocton-Fairfield-Licking-Perry Solid Waste District office at 675 Price Road, Newark, Ohio 43055.

Mental Health and Recovery Services Board of Muskingum County

The Mental Health and Recovery Services Board of Muskingum County (Board) provides alcohol, drug addiction and mental health services and programs, primarily through contracts with private and public agencies. The Board also provides forensic evaluation services to adult felony courts, and residential services to youth experiencing emotional problems which prevent them from living at home. The Board serves Coshocton, Guernsey, Morgan, Muskingum, Noble, and Perry Counties and operates under the direction of a fourteen member appointed Board. Each participating county has agreed to levy a tax within their county to assist in the operation of the Board. The Board also directly receives state and federal funding for its operations. Although the Muskingum County Auditor and Muskingum County Treasurer are responsible for fiscal control of the resources of the Board, the Board is responsible for budgeting and accounting for the resources at its disposal. Membership on the Board is based upon Ohio law. The Board exercises total control over the operations of the Program including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. During 2024, the County only contributed tax revenue money. Financial information can be obtained by contacting the Board at 1500 Coal Run Road, Zanesville, Ohio 43701.

Mid-East Ohio Regional Council (MEORC)

The Mid-East Ohio Regional Council (MEORC) is a jointly governed organization which serves eighteen counties in Ohio. MEORC provides services to the developmentally disabled residents in the participating counties. The Council is made up of the superintendents of each county's Board of Developmental Disabilities. Revenues are generated by fees and state grants. The Board exercises total control over the operations of MEORC including budgeting, contracting, appropriating, and designating management. Each participant's degree of control is limited to its representation on the Board. The County reports "cash and cash equivalents with fiscal agents" in the amount of \$914,210 for monies held by the organization. During 2024, the County paid \$450,366 to MEORC. Financial information can be obtained by contacting the Mid-East Ohio Regional Council at 1 Avalon Road, Mt. Vernon, Ohio 43050.

Perry County Family and Children First Council

The Perry County Family and Children First Council (Council) is a jointly governed organization created under Ohio Rev. Code Section 121.37. Permanent members of the Council are those individuals, public officials, and organizations that are mandated per Ohio Rev. Code Section 121.37. The Council may include additional permanent or temporary members from any local public or private agency or group that funds, advocates, or provides services to children. Currently, the Council is made up of representatives from the Mental Health and Recovery Services Board, the County Children Services Board, the County Juvenile Court, the County Health Department, the County Board of Developmental Disabilities, each school district within the County, the County Department of Humans Services, the Regional Office of Department of Youth Services, the City of New Lexington, the County Board of Commissioners, the County Head Start Agency, the County's Early Intervention Collaborative, and at least three individuals representing the interests of families in the County. The Perry County Auditor serves as the fiscal agent for the Council. The Perry County Board of Development Disabilities serves as the administrative agent for the Council. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. During 2024, the County paid \$11,448 to the Council. Financial information can be obtained by contacting the Council at P.O. Box 895, Logan, Ohio 43138.

Local Workforce Investment Board

The Area #14 Local Workforce Investment Board (LWIB) was established July 1, 2004 to aid in the integration of Ohio's workforce development, pursuant to House Bill 470 and the Federal Workforce Investment Act of 1998. This is accomplished by bringing together business, education, and labor leaders to access workforce needs of employers and training/education needs of job seekers. The LWIB is also charged with establishing fiscal control and fund account

Perry County
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For the Year Ended December 31, 2024

procedures to ensure the proper disbursement of an accounting for all funds received through the Workforce Investment Act. The LWIB Board consists of 19 members representing the following counties: Athens, Meigs, and Perry. Each county has a minimum of one Chief Elected Official (CEO) and his/her appointees to the Board. Appointees of the CEO are local business leaders and educators, as well as State mandated representatives from each respective county. The Board exercises total control over the operations of the Board including budgeting, appropriating, contracting, and designating management. Each participant's degree of control is limited to its representation on the Board. During 2024, the County made no payments to the Board. Financial information can be obtained by contacting the Board at 184 North Lancaster St., Records Center, Suite 209, Athens, Ohio 45701.

Mid-Ohio Regional Planning Commission (MORPC)

The County is a participant in the Mid-Ohio Regional Planning Commission (MORPC), a jointly governed organization. The organization is composed of 74 representatives appointed by member governments who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is an association of local governments in central and south central Ohio and a regional planning agency. The purpose of the organization is to improve the quality of life for member communities by improving housing conditions, to promote and support livability/sustainability measures as a means of addressing regional growth challenges, and to administer and facilitate the availability of regional environmental infrastructure program funding to the full advantage of MORPC's members. Each participant's degree of control is limited to its representation on the Board. During 2024, the County paid \$675 to MORPC. Financial information can be obtained by contacting the Board at 111 Liberty St, Suite 100, Columbus, Ohio 43215.

Note 16 – Related Organization

Perry Metropolitan Housing Authority

The Perry Metropolitan Housing Authority (Authority) currently operates pursuant to Ohio Revised Code Section 3735.27. The Authority is governed by a five member board. Perry County appoints three members, the Village of New Lexington appoints one member, and the Village of Crooksville appoints one member. The board adopts their own appropriations, is their own contracting authority, hires and fires their own staff, authorizes all expenditures, and does not rely on the County or the Villages to finance deficits. The Authority receives funding from the federal government in the form of grants. All monies are received directly by the Authority in the Authority's name. Financial information can be obtained by contacting the Authority at 26 Brown Circle Dr, Crooksville, Ohio 43731.

Note 17 – Joint Ventures

Corrections Commission of Southeastern Ohio

The Corrections Commission of Southeastern Ohio (Commission) is a joint venture of which Athens, Hocking, Morgan, Perry and Vinton Counties are members. The Commission is a body politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Commission was established to use the authority common to the members to develop, construct, operate, and administer a multi-county correctional center to augment county jail programs and facilities.

The Commission is directed by one commissioner from each participating county, along with the sheriff and the presiding judge of the court of common pleas of each participating county. Any of these may name other representatives to fulfill this duty. Each county is obligated to provide financial support to this entity through per diem charges and assessments that are based on the number of beds contractually assigned to each county in proportion to the total number of beds of all participating counties. Each member county is financially responsible for a portion of the capital and operating budget. During 2024, the financial responsibility was as follows: Athens County represents 28 percent, Hocking County represents 24 percent, Morgan County represents 9 percent, Perry County represents 26 percent, and Vinton County represents 13 percent. Complete financial statements can be obtained from the Corrections Commission of Southeastern Ohio, 16677 Riverside

Perry County
Notes to the Basic Financial Statements
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Drive, Nelsonville, Ohio 45764. Under the modified cash basis of accounting, the County does not report assets for equity interests in joint ventures.

Fairfield, Hocking, Licking, and Perry Multi-County Juvenile Detention System

The Fairfield, Hocking, Licking, and Perry Multi-County Juvenile Detention System (District) is a statutorily created political subdivision of the State. The District is a joint venture operated by Fairfield, Hocking, Licking and Perry Counties for the purpose of providing a detention home to treat juvenile offenders and their families in a community setting in such a manner as to reduce the probability of the youth reentering the juvenile justice system. Basic to the philosophy of the District is the idea that every young person is an individual who is unique and worthy of respect. The operation of the District is controlled by a joint board of commissioners consisting of the three commissioners from each participating county. The joint board of commissioners exercises total control over the operation of the District, including budgeting, appropriation, contracting, and designating management. The joint board of commissioners appoints a board of twelve trustees to operate the District. The District is not accumulating significant financial resources or experiencing fiscal stress that would cause additional financial benefit to, or burden on, the counties involved.

Each county will be contributing to the District in the form of a local share as a match for the grant revenues from the Ohio Department of Youth Services. The contribution will be based on the number of children from each county who are maintained in the home during the year. In addition to the initial contribution, there will be an annual contribution by each county for operational expenses. The counties are responsible for all major capital improvements based on population of each county. The District's continued existence is dependent upon the County's participation. The County has an ongoing financial responsibility and an equity interest exists. If the County would withdraw, upon the recommendation of the County Juvenile Court Judge, it may sell or lease their interest in the District to another participating county. Each member county made contributions as follows: Fairfield County contributed 43 percent, Licking County contributed 42 percent, Perry County contributed 7 percent, and Hocking County contributed 8 percent.

Complete financial information can be obtained from the Fairfield, Hocking, Licking, and Perry Multi-County Juvenile Detention District, 923 Liberty Drive, Lancaster, Ohio 43130. Under the modified cash basis of accounting, the County does not report assets for equity interests in joint ventures.

Note 18 – Insurance Purchasing Pools

County Risk Sharing Authority, Inc.

The County Risk Sharing Authority, Inc. (CORSA) is a shared risk pool among sixty-five counties in Ohio. CORSA was formed as an Ohio non-profit 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 coverage provided by CORSA. The coverage includes comprehensive general liability, automobile liability, certain property insurance, and public officials' errors and omissions liability insurance.

Each member County has one vote, on all matters requiring a vote, to be cast by a designated representative. The affairs of 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. The County does not have an equity interest in CORSA. Requests for financial information should be directed to the CORSA Managing Director, County Risk Sharing Authority, Inc., 209 East State Street, Columbus, Ohio, 43215.

County Employee Benefits Consortium of Ohio, Inc.

The County participates in the County Employee Benefits Consortium of Ohio, Inc. (CEBCO), an Ohio not-for-profit corporation with membership open to Ohio political subdivisions to collectively pool resources to purchase employee benefits. The County pays, on a monthly basis, the annual actuarially determined funding rate. Components of the funding rate include the claims fund contribution, incurred but not reported claims, a claims contingency reserve fund, as well as the fixed costs of the consortium.

The business and affairs of the consortium are managed by a board of not less than nine nor more than fifteen directors that exercise all powers of the consortium. Two-thirds of the directors are county commissioners of the member counties and one-third are employees of the member counties. Each member of the consortium is entitled to one vote. At all times, one director is required to be a member of the board of directors of the County Commissioners' Association of Ohio and another is required to be a board member of the County Risk Sharing Authority, Inc.

Note 19 – Contingencies

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 disallowances, if any, will be immaterial.

Litigation

The County is a defendant in several lawsuits. Although management cannot presently determine the outcome of these lawsuits, they believe the resolution of these matters will not materially adversely affect the County's financial condition.

Note 20 – Asset Retirement Obligations

Ohio Revised Code Section 6111.44 requires the County to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the County would be responsible to address any public safety issues associated with their waste water treatment facilities. Due to the County's application of the modified cash basis of accounting, this long-term obligation is not reported as a liability in the financial statements.

Note 21 – Component Unit Disclosures – Perry County Land Reutilization Corporation

Note 21.1 – Description of the Reporting Entity

The Perry County Land Reutilization Corporation (the Corporation) is a body corporate and politic authorized by the Board of County Commissioners of Perry County on August 18, 2016 and incorporated on August 31, 2016 under Chapter 1724 of the Ohio Revised Code.

The Corporation's governing body is a nine-member Board of Directors, consisting of the County Treasurer, County Auditor, two County Commissioners, one representative of the Village of New Lexington, one member representing the largest township located in Perry County, and three residents from Perry County appointed at-large.

The Corporation was established for the purposes of facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property within Perry County; efficiently holding and managing vacant, abandoned, or tax-foreclosed real property pending its reclamation, rehabilitation, and reutilization; assisting governmental entities and other nonprofit or for-profit persons to assemble, clear, and clear the title of property described in division (B)(2) of Section 1724.01 of the Ohio Revised Code in a coordinated manner; and promoting economic and housing development in Perry

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

County. In furtherance thereof, the Corporation shall have and may exercise all the powers of a “county land reutilization corporation,” as defined in Section 1724.01 of the Ohio Revised Code, to the extent such powers are granted to a county land reutilization corporation and are set forth in Section 1724.02 of the Ohio Revised Code, Chapter 5722 of the Ohio Revised Code, or another section of the Ohio Revised Code expressly applicable to a county land reutilization corporation, now in effect and as may hereafter be amended (and to the corresponding provisions of any similar laws subsequently enacted). The Corporation is classified as a component unit of Perry County for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statements No. 39 and 61.

The financial statements include all agencies, divisions, and operations for which the Corporation is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization’s governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefits to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organization other than the Corporation itself is included in the financial reporting entity.

Note 21.2 – Summary of Significant Accounting Policies

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. 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.

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 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 a governmental fund. However, as a component unit of Perry County, the Corporation only presents government-wide statements for its governmental activities.

Measurement Focus

Government-Wide Financial Statements

The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

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. However, adjustments to the accrual basis are made to conform to the County's cash basis of accounting for financial reporting purposes.

Budgetary Process

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

Federal Income Tax

The Corporation is exempt from federal income tax under Section 115(1) of the Internal Revenue Code.

Cash

All monies received by the Corporation are deposited in a demand deposit account. The Corporation had no investments during the year or at the end of the year.

Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or imposed by law through constitutional provisions or enabling legislation. The Corporation held no restricted assets at December 31, 2024.

Net Position

Net position represents cash assets of the Corporation. 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, 2024.

Note 21.3 – Deposits

At December 31, 2024, the entire amount of the Corporation's bank balance of \$71,621 was covered by Federal Deposit Insurance Corporation (FDIC).

Note 21.4 – Risk Management

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2024, the Corporation did not have liability or other insurance coverage.

Note 21.5 – Contingent Liabilities

Litigation

The Corporation is not currently a party to any legal proceedings.

Grants

The Corporation receives financial assistance from local agencies in the form of grants. The expenditure of funds received under these programs generally requires 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, the effect of any such disallowed claims on the overall financial position of the Corporation at December 31, 2024, if applicable, cannot be determined at this time.

Perry County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor			Federal Assistance Listing Number	Total Federal Expenditures	Provided Through to Subrecipients
<i>Pass-Through Grantor</i>	Pass-Through Entity Identifying Number				
Program Title					
United States Department of Agriculture					
<i>Passed Through Ohio Department of Education:</i>					
Child Nutrition Cluster:					
School Breakfast Program	N/A	10.553	\$10,502	\$0	
School Breakfast Program	N/A	10.553	9,985	0	
Total School Breakfast Program			20,487	0	
National School Lunch Program	N/A	10.555	20,771	0	
National School Lunch Program	N/A	10.555	16,051	0	
Total National School Lunch Program			36,822	0	
Total Child Nutrition Cluster			57,309	0	
<i>Passed Through Ohio Department of Job and Family Services:</i>					
SNAP Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	G-2425-11-6184	10.561	502,307	0	
Total SNAP Cluster			502,307	0	
Total United States Department of Agriculture			559,616	0	
United States Department of Housing and Urban Development					
<i>Passed Through Ohio Department of Development:</i>					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	B-X-22-1CG-1	14.228	469,268	0	
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	B-F-23-1CG-1	14.228	312,873	0	
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	B-C-21-1CG-1	14.228	63,125	0	
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			845,266	0	
Home Investment Partnerships Program	B-C-21-1CG-2	14.239	224,008		
Total United States Department of Housing and Urban Development			1,069,274	0	
United States Department of Labor					
<i>Passed Through Ohio Department of Job and Family Services:</i>					
WIOA Cluster:					
WIA Youth Activities	G-2425-15-0175	17.259	259,456	26,157	
WIOA Adult Program	G-2425-15-0175	17.258	417,803	0	
WIOA Dislocated Workers Formula Grants	G-2425-15-0175	17.278	135,086	0	
Total WIOA Cluster:			812,345	26,157	
Employment Service Cluster:					
Employment Service/Wagner-Peyser Funded Activities	G-2425-15-0175	17.207	34,240	0	
Total Employment Service Cluster:			34,240	0	
Unemployment Insurance	G-2425-15-0175	17.225	64,145	0	
Trade Adjustment Assistance	G-2425-15-0175	17.245	4,319	0	
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	G-2425-15-0175	17.277	325,592	112,649	
Registered Apprenticeship	G-2425-15-0175	17.285	1,001	0	
Total United States Department of Labor			1,241,642	138,806	
United States Department of Transportation					
<i>Direct from the Federal Government:</i>					
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs:					
Airport Improvement Program - 3-39-0059-020-2023	N	20.106	4,334	0	
Airport Improvement Program - 3-39-0059-022-2024	N	20.106	21,810	0	
Total Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs:			26,144	0	
<i>Passed Through Ohio Department of Transportation:</i>					
Formula Grants for Rural Areas and Tribal Transit Program:					
Formula Grants for Rural Areas and Tribal Transit Program - PER CR 25 2.00 Toll Gate DB	PID#117332	20.509	528,502	0	
Formula Grants for Rural Areas and Tribal Transit Program - PER 2024 CEO Sign Upgrade	PID#120860	20.509	28,000	0	
Formula Grant for Rural Areas and Tribal Transit Program - 115-RPFT-025-232/4415-RPFT-25-231/233/251	PID#112531	20.509	1,371,937	0	
Formula Grant for Rural Areas and Tribal Transit Program - 115 -RPFT-028-222	PID#117306	20.509	400	0	
Formula Grant for Rural Areas and Tribal Transit Program - 115 - OCPX-004-232/251/252	PID#117968	20.509	278,116	0	
Formula Grant for Rural Areas and Tribal Transit Program - 6115 - ADMN - 063-252	PID#121477	20.509	513	0	
Total Formula Grants for Rural Areas and Tribal Transit Program			2,207,468	0	
<i>Passed Through Ohio Emergency Management Agency:</i>					
Interagency Hazardous Materials Public Sector Training and Planning Grants	693JK32240034HMEP	20.703	3,600	0	
Total United States Department of Transportation			2,237,212	0	
United States Department of the Treasury					
<i>Direct from the Federal Government:</i>					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	N	21.027	6,579,456	0	
COVID-19 Airport Coronavirus Response Grant Program (ACRGP)	N	21.027	1,994	0	
COVID-19 Cares Act Grant	N	21.027	15,601	0	
<i>Passed through the Ohio Department of Job and Family Services:</i>					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	G-2425-11-6184	21.027	23,780	0	
Total Coronavirus Relief Fund			6,620,831	0	
Total United States Department of the Treasury			6,620,831	0	

(continued)

Perry County
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended December 31, 2024

Federal Grantor <i>Pass-Through Grantor</i> Program Title	Pass-Through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures	Provided Through to Subrecipients
United States Department of Education				
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Special Education-Grants for Infants and Families	H181A230024	84.181	\$19,289	\$0
Special Education-Grants for Infants and Families	H181A220024	84.181	31,679	0
Total Special Education-Grants for Infants and Families			<u>50,968</u>	<u>0</u>
Total United States Department of Education			50,968	0
United States Department of Health and Human Services				
<i>Passed through the Buckeye Hill Regional Council/Area Agency on Aging:</i>				
<i>Aging Cluster:</i>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	N/A	93.044	69,953	0
Special Programs for the Agent, Title III, Part C, Nutrition Services	N/A	93.045	112,196	0
Nutrition Services Incentive Program	N/A	93.053	12,955	0
Total Aging Cluster			<u>195,104</u>	<u>0</u>
<i>Passed Through Ohio Department of Job and Family Services:</i>				
COVID-19 Elder Abuse Prevention Interventions Program	G-2425-11-6185	93.747	25,331	0
Title IV-E Kinship Navigator Program	G-2425-11-6185	93.471	63,886	0
Title IV-E Prevention Program	G-2425-11-6185	93.472	19,966	0
<i>Temporary Assistance for Needy Families (TANF):</i>				
Temporary Assistance for Needy Families	G-2425-11-6184	93.558	2,514,087	1,472,906
Temporary Assistance for Needy Families	G-2425-11-6185	93.558	1,049	0
Total Temporary Assistance for Needy Families (TANF)			<u>2,515,136</u>	<u>1,472,906</u>
MaryLee Allen Promoting Safe and Stable Families Program	G-2425-11-6184	93.556	18,403	18,403
MaryLee Allen Promoting Safe and Stable Families Program	G-2425-11-6185	93.556	53,924	0
Total MaryLee Allen Promoting Safe and Stable Families Program			<u>72,327</u>	<u>18,403</u>
Child Support Services	G-2425-11-6184	93.563	521,283	0
Child Support Services Research	G-2425-11-6184	93.564	26,023	0
Stephanie Tubbs Jones Child Welfare Services Program	G-2425-11-6184	93.645	2,217	2,217
Stephanie Tubbs Jones Child Welfare Services Program	G-2425-11-6185	93.645	48,398	0
Total Stephanie Tubbs Jones Child Welfare Services Program			<u>50,615</u>	<u>2,217</u>
Foster Care Title IV-E	G-2425-11-6185	93.658	686,641	0
Adoption Assistance	G-2425-11-6185	93.659	488,856	0
John H. Chafee Foster Care Program for Successful Transition to Adulthood	G-2425-11-6185	93.674	33,247	0
<i>CCDF Cluster:</i>				
Child Care and Development Block Grant	G-2425-11-6184	93.575	67,046	0
Total CCDF Cluster			<u>67,046</u>	<u>0</u>
<i>Social Services Block Grant:</i>				
<i>Passed Through Ohio Department of Job and Family Services:</i>				
Social Services Block Grant	G-2425-11-6184	93.667	\$132,988	\$35,341
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Social Services Block Grant	2401OHSOSR	93.667	29,239	0
Total Social Services Block Grant			<u>162,227</u>	<u>35,341</u>
<i>Medicaid Cluster:</i>				
<i>Passed Through Ohio Department of Job and Family Services:</i>				
Medical Assistance Program	G-2425-11-6184	93.778	1,094,434	0
<i>Passed Through Ohio Department of Developmental Disabilities:</i>				
Medical Assistance Program	G-2425-11-6185	93.778	1,807	0
Total Medicaid Cluster			<u>1,096,241</u>	<u>0</u>
Total United States Department of Health and Human Services			6,023,929	1,528,867
Corporation for National and Community Service				
<i>Direct from Federal Government:</i>				
AmeriCorps Seniors Retired and Senior Volunteer (RSVP) Program	N	94.002	60,194	0
Total Corporation for National and Community Service			60,194	0
United States Department of Homeland Security				
<i>Passed Through Ohio Emergency Management Agency:</i>				
Emergency Management Performance Grants	EMC-2023-EP-00003	97.042	49,861	0
Emergency Management Performance Grants	EMC-2022-EP-00006	97.042	10,433	0
Total Emergency Management Performance Grants			<u>60,294</u>	<u>0</u>
Total United States Department of Homeland Security			60,294	0
Total Federal Awards Expenditures			\$17,923,960	\$1,667,673

N - direct from federal government.

N/A - pass-through entity number not available.

See the accompanying notes to the schedule of expenditures of federal awards.

Perry County
Notes to the Schedule of Federal Awards Expenditures
2 CFR 200.510(b)(6)
For the Year Ended December 31, 2024

Note 1 – Basis of Presentation

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

Note 2 – 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 Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

Note 3 – Indirect Cost Rate

The County has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 – Matching Requirements

Certain Federal programs require that the County contribute non-federal funds (matching funds) to support the federally-funded programs. The County has complied with applicable matching requirements. The expenditure on non-federal matching funds is not included in the schedule.

Note 5 – 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 2 describes, the County reports expenditures of federal awards to subrecipients when paid in cash.

As a pass-through entity, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

Note 6 – 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.

**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards***

Board of Commissioners
Perry County, Ohio
121 W Brown Street
New Lexington, OH 43764

We have audited, in accordance with 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, the financial statements of the governmental activities, business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of Perry County, Ohio, (the County) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 22, 2025, wherein we noted the County's financial statements have been prepared on the modified cash-basis of accounting rather than the generally accepted accounting principles.

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 purposes 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings as item 2024-002 that we consider to be a material weakness.

Board of Commissioners
Perry County, Ohio
Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Required by *Government Auditing Standards*

Report on Compliance and Other Matters

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

County's Response to Findings

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

Purpose of This Report

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

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.
Chillicothe, Ohio

September 22, 2025

**Independent Auditor's Report On Compliance With Requirements
Applicable To The Major Federal Programs And On Internal Control Over Compliance
And On The Schedule Of Expenditures Of Federal Awards
Required By The Uniform Guidance**

Board of County Commissioners
Perry County, Ohio
121 W Brown Street
New Lexington, OH 43764

Report on Compliance for the Major Federal Programs

Opinion on the Major Federal Programs

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

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

Basis for Opinion on the Major Federal Programs

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 the major federal programs. 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.

Board of County Commissioners

Perry County

Independent Auditor's Report on Compliance with Requirements

Applicable to the Major Federal Programs and on Internal Control Over Compliance

and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 the major federal programs 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.

Board of County Commissioners

Perry County

Independent Auditor's Report on Compliance with Requirements

Applicable to the Major Federal Programs and on Internal Control Over Compliance

and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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.

J. L. Uhrig and Associates, Inc.

J. L. UHRIG AND ASSOCIATES, INC.

Chillicothe, Ohio

September 22, 2025

PERRY COUNTY, OHIO
Schedule of Findings
For the Year Ended December 31, 2024

A. SUMMARY OF AUDITOR'S RESULTS

1. Type of Financial Statement Opinion	Unmodified
2. Were there any material internal control weaknesses reported at the financial statement level (GAGAS)?	Yes
3. Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
4. Was there any material noncompliance reported at the financial statement level (GAGAS)?	Yes
5. Were there any material internal control weaknesses reported for major federal programs?	No
6. Were there any other significant deficiencies in internal control reported for major federal programs?	No
7. Type of Major Programs' Compliance Opinion	Unmodified
8. Are there any reportable findings under 2 CFR§ 201 .516(a)?	No
9. Major Programs (list):	SNAP Cluster– AL# 10.561 COVID-19-Coronavirus Relief Fund – AL# 21.027 Medicaid Cluster – AL# 93.778 CDBG – AL# 14.228
10. Dollar Threshold: Type A/B Programs	Type A: >\$750,000 Type B: All Other Programs
11. Low Risk Auditee under 2 CFR§ 200 .520?	No

PERRY COUNTY, OHIO
Schedule of Findings
For the Year Ended December 31, 2024

**B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Finding Number 2024-001

Annual Financial Report - Noncompliance Citation

Ohio Rev. Code Section 117.38 provides that each public office shall file a financial report for each fiscal year. The Auditor of state may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Administrative Code Section 117-2-03 further clarifies the requirements of Ohio Rev. Code Section 117.38.

Ohio Admin. Code Section 117-2-03(B) requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. However, the County prepared its financial statements and notes omitting assets, liabilities, fund equities, and disclosures that, while material, cannot be determined at this time. Pursuant to Ohio Rev. Code Section 117.38 the County may be fined and subject to various other administrative remedies for its failure to file the required financial report.

The County should prepare its annual financial report in accordance with generally accepted accounting principles.

Officials Response

The County has no immediate plans to file its annual financial report in accordance with generally accepted accounting principles. This may be an option in the future if the County's financial conditions improve.

Finding Number 2024-002

Material Weakness

When designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls. The small size of the Perry County Land Reutilization Corporation (the Corporation), the County's component unit, did not allow for an adequate segregation of duties; the Corporation does employ an individual responsible for day-to-day financial activities. It is therefore important the Board of Directors be integrally involved and monitor financial activity closely.

The Board of Directors' review and approval of monthly financial reports would serve to mitigate risks for a lack of segregation of duties and inconsistency of a responsible individual.

Officials' Response: See Corrective Action Plan.

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

Derek Householder

Perry County Auditor

Auditor Office

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Schedule of Prior Audit Findings For the Year Ended December 31, 2024

Finding Number	Description	Status	Comments
<i>Government Auditing Standards:</i>			
2023-001	Ohio Admin Code Section 117-2-03(B) requires the County to prepare its annual financial report in accordance with generally accepted accounting principles. The County filed its report using the cash basis of accounting.	Not Corrected	Re-issued in current Schedule of Audit Findings as item 2024-001.
2023-002	Perry County Land Reutilization Corporation, the County's component unit, did not allow for an adequate segregation of duties.	Partially Corrected	Re-issued in current Schedule of Audit Findings as item 2024-002

Derek Householder

Perry County Auditor

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Corrective Action Plan
2 CFR § 200.511(c)
For the Year Ended December 31, 2024

Finding Number	Planned Corrective Action	Anticipated Completion Date	Contact Person
2024-001	The County does not report on the GAAP basis due to financial concerns. With the current economic conditions, which includes reductions in funding sources, and the County's current financial position, we have determined that the benefit of reporting on the GAAP basis does not outweigh the expense of having our consultant prepare a GAAP report instead of the cash report, as well as the additional audit expense that would exist with preparing a GAAP report. At this time, the County does not anticipate filing on a GAAP basis in the near future. If financial conditions improve the County will consider preparing GAAP basis financial reports in the future.	No estimated date	Derek Householder, Auditor County Commissioners: Dan Kinsel, Chaplain Ben Carpenter, President Scott Owen, Vice-President
2024-002	When designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls. The small size of the Perry County Land Reutilization Corporation (the Corporation), the County's component unit, did not allow for an adequate segregation of duties; the Corporation does employ an individual responsible for day-to-day financial activities. It is therefore important the Board of Directors be integrally involved and monitor financial activity closely.	No estimated date	Derek Householder, Auditor County Commissioners: Dan Kinsel, Chaplain Ben Carpenter, President Scott Owen, Vice-President

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OHIO AUDITOR OF STATE KEITH FABER



PERRY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/27/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov