

VILLAGE OF PERRYSVILLE

ASHLAND COUNTY, OHIO

REGULAR AUDIT

**FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019**

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPARepor@ohioauditor.gov
(800) 282-0370

Village Council
Village of Perrysville
131 North Bridge Street
Perrysville, Ohio 44864

We have reviewed the *Independent Auditor's Report* of the Village of Perrysville, Ashland County, prepared by Julian & Grube, Inc., for the audit period January 1, 2019 through December 31, 2020. 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. The Village of Perrysville is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

May 28, 2021

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**VILLAGE OF PERRYSVILLE
ASHLAND COUNTY, OHIO**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor’s Report	1 - 2
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types For the Year Ended December 31, 2020.....	3
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - Proprietary Fund Type For the Year Ended December 31, 2020.....	4
Notes to the Financial Statements for the Year Ended December 31, 2020	5 - 13
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types For the Year Ended December 31, 2019.....	14
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) - All Proprietary and Similar Fiduciary Fund Types For the Year Ended December 31, 2019.....	15
Notes to the Financial Statements for the Year Ended December 31, 2019	16 - 24
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25 - 26
Summary Schedule of Prior Audit Findings.....	27

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Independent Auditor's Report

Village of Perrysville
Ashland County
131 North Bridge Street
Perrysville, Ohio 44864

To Village Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type as of and for the year ended December 31, 2020 and for each governmental, proprietary and fiduciary fund type as of and for the year ended December 31, 2019, and related notes of the Village of Perrysville, Ashland County, Ohio.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), as described in Note 2. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Perrysville's preparation and fair presentation of the financial statements 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 Village of Perrysville's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2, the financial statements are prepared by the Village of Perrysville, on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D).

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Though the Village of Perrysville does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village of Perrysville, as of December 31, 2020 and 2019, or changes in net position, or cash flows thereof for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the year ended December 31, 2020 and for each governmental, proprietary and fiduciary fund type as of and for the year ended December 31, 2019, and related notes of the Village of Perrysville, in accordance with the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) as described in Note 2.

Emphasis of Matters

As described in Note 12 to the financial statements, for the year ended December 31, 2020, the Village of Perrysville adopted a change in accounting principle and removed the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types. As described in Note 14 to the financial statements, for the year ended December 31, 2020, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the the Village of Perrysville. We did not modify our opinions regarding these matters.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2021, on our consideration of the Village of Perrysville's internal control over financial reporting and on 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 Village of Perrysville'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 Village of Perrysville's internal control over financial reporting and compliance.



Julian & Grube, Inc.
May 7, 2021

Village of Perrysville
Ashland County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2020

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$22,328	\$0	\$22,328
Municipal Income Tax	190,051	0	190,051
Intergovernmental	28,733	54,914	83,647
Fines, Licenses and Permits	1,936	9	1,945
Earnings on Investments	3,307	551	3,858
Miscellaneous	70,273	2,000	72,273
<i>Total Cash Receipts</i>	<u>316,628</u>	<u>57,474</u>	<u>374,102</u>
Cash Disbursements			
Current:			
Security of Persons and Property	100,895	0	100,895
Leisure Time Activities	25,602	0	25,602
Transportation	262	47,527	47,789
General Government	206,965	0	206,965
<i>Total Cash Disbursements</i>	<u>333,724</u>	<u>47,527</u>	<u>381,251</u>
<i>Net Change in Fund Cash Balances</i>	(17,096)	9,947	(7,149)
<i>Fund Cash Balances, January 1</i>	<u>392,144</u>	<u>126,998</u>	<u>519,142</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$375,048</u></u>	<u><u>\$136,945</u></u>	<u><u>\$511,993</u></u>

See accompanying notes to the basic financial statements

Village of Perrysville
Ashland County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
Proprietary Fund Type
For the Year Ended December 31, 2020

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts	
Charges for Services	\$265,152
<i>Total Operating Cash Receipts</i>	<i>265,152</i>
Operating Cash Disbursements	
Personal Services	75,077
Employee Fringe Benefits	13,144
Contractual Services	44,397
Supplies and Materials	92,922
<i>Total Operating Cash Disbursements</i>	<i>225,540</i>
<i>Operating Income (Loss)</i>	<i>39,612</i>
Non-Operating Receipts (Disbursements)	
Intergovernmental	230,537
Loans Issued	528,928
Miscellaneous Receipts	29,144
Capital Outlay	(667,582)
Principal Retirement	(128,499)
Interest and Other Fiscal Charges	(3,648)
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(11,120)</i>
<i>Net Change in Fund Cash Balances</i>	<i>28,492</i>
<i>Fund Cash Balances, January 1</i>	<i>277,009</i>
<i>Fund Cash Balances, December 31</i>	<i>\$305,501</i>

See accompanying notes to the basic financial statements

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 1 - Reporting Entity

The Village of Perrysville, Ashland County, Ohio (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly elected six-member Council directs the Village. The Village provides general governmental services, street repair and maintenance, park operations and water and sewer utilities to the residents of the Village. The Green-Perrysville Joint Fire District provides fire protection services to the Village residents. The Village contracts with the Ashland County Sheriff's Department to provide security of persons and property.

Public Entity Risk Pool

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM), a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for the proprietary fund type which are organized on a fund type basis.

Fund Accounting

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

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

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Fund:

Street Construction, Maintenance and Repair Fund The street construction, maintenance and repair fund accounts for and reports the portion of the state gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of Village streets.

Enterprise Funds These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (continued)

Water Fund The water fund accounts for the provision of water treatment and distribution to the residents and commercial users within the Village.

Sewer Fund The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary disbursements when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the object legal level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year-end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year-end are canceled, and reappropriated in the subsequent year.

A summary of 2020 budgetary activity appears in Note 3.

Deposits and Investments

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

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 2 - Summary of Significant Accounting Policies (continued)

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

Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Nonspendable the Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

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

Committed Council can commit amounts via formal action (ordinance or resolution). The Village must adhere to these commitments unless Council amends the ordinance or resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. For regulatory purposes, assigned fund balance in the General Fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when disbursements 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 disbursements are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. For regulatory purposes, limited disclosure related to fund balance is included in Note 13.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 3 - Budgetary Activity

Budgetary activity for the year ended December 31, 2020 follows:

2020 Budgeted vs. Actual Receipts

Fund Type	<u>Budgeted Receipts</u>	<u>Actual receipts</u>	<u>Variance</u>
General	\$290,103	\$316,628	\$26,525
Special Revenue	\$46,700	\$57,465	\$10,765
Enterprise	\$1,900,905	\$1,053,761	(\$847,144)

2020 Budgeted vs. Actual Budgetary Basis Disbursements

Fund Type	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General	\$450,472	\$333,724	\$116,748
Special Revenue	\$121,782	\$47,527	\$74,255
Enterprise	\$1,989,955	\$1,025,269	\$964,686

Note 4 - Deposits and Investments

The Village maintains a deposit and investments pool all funds use. The Ohio revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments as of December 31 were as follows:

Demand Deposits	<u>\$574,205</u>
Total Deposits	<u>\$574,205</u>

Investments	
Star Ohio	<u>\$243,289</u>
Total Investments	<u>\$243,289</u>

Total	<u>\$817,494</u>
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Deposits

Deposits are insured by the Federal Depository Insurance Corporation, or collateralized by securities specifically pledged by the financial institution to the Village, or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

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

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 5 - Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

Income Taxes

The Village levies a municipal income tax of 1% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 6 - Risk Management

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 776 members as of December 31, 2019.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 6 - Risk Management (continued)

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2019 (latest information available).

Assets	\$15,920,504
Liabilities	<u>(11,329,011)</u>
Members' Equity	<u>\$ 4,591,493</u>

You can read the completed audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Workers Compensation

Workers Compensation premium is paid on an annual basis by the Village of Perrysville. A true-up report is submitted to the Bureau of Workers Compensation annually to verify premiums paid. The annual premium is based on the gross payroll of all Village of Perrysville employees times the rate given to the Village of Perrysville by the Ohio Bureau of Workers Compensation.

Note 7 - Defined Benefit Pension Plans

Some employees of the Village belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

Social Security

Those Village employees not contributing to OPERS contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 % of their gross salaries. The Village contributed an amount equal to 6.2 % of participants' gross salaries. The Village has paid all contributions required through December 31, 2020.

Note 8 - Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan or Combined Plan was 0% during calendar year 2020. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2020.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 9 - Debt

Debt outstanding at December 31, 2020 was as follows:

	Principal	Interest Rate
OWDA # 3931	\$24,493	0.00%
OWDA # 6305	44,230	2.00%
OWDA # 6932	192,732	0.57%
OWDA # 7508	0	0.00%
OWDA # 8308	0	3.64%
OWDA # 8975	517,004	0.00%
Total	\$778,459	

The Village borrowed \$139,959 at 0% interest in 2003 from the Ohio Water Development Authority (OWDA) project loan number 3931, to be repaid in semi-annual installments of \$3,499 out of the Water Fund with the maturity date of January 1, 2024.

The Village borrowed \$63,182 at 2% interest in 2012 from the Ohio Water Development Authority (OWDA) project loan number 6305, to be repaid in semi-annual installments of \$1,941 out of the Water Fund with the maturity date of July 1, 2033.

The Village borrowed \$245,148 at 0.57% interest in 2015 from the Ohio Water Development Authority (OWDA) project loan number 6932, to be repaid in semi-annual installments of \$6,504 out of the Water Fund with the maturity date of January 1, 2036.

The Village borrowed \$9,999 at 0% interest in 2017 from the Ohio Water Development Authority (OWDA) project loan number 7508; to be repaid in semi-annual installments of \$1,000 out of the Sewer Fund with a maturity date of July 2022. This loan was absorbed into loan 8975 construction loan from OWDA to do the WWTP upgrade Phase 1 project so the loan was closed in 2020.

The Village was issued \$96,400 at 3.64% interest in 2019 from the Ohio Water Development Authority (OWDA) project loan number 8308; to be repaid in estimated semi-annual installments of \$2,410 out of the Sewer Fund with a maturity date to be determined. This loan was absorbed into loan 8975 construction loan from OWDA to do the WWTP upgrade Phase 1 project so the loan was closed in 2020.

The Village was issued \$1,124,000 at 0% interest in 2020 from Ohio Water Development Authority (OWDA) project loan number 8975. No payment has been made and there is not an amortization schedule on the loan yet.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 9 - Debt (continued)

Amortization

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	<u>OWDA Loans</u>
2021	\$23,888
2022	23,888
2023	23,888
2024	20,389
2025	16,890
2026-2030	84,450
2031-2035	76,693
2036	6,505
Total	<u>\$ 276,591</u>

Note 10 - Contingent Liabilities

The Village may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Village's financial condition.

Note 11 - Jointly Governed Organization

The Green-Perrysville Joint Fire District (the "District") is a jointly governed organization of two government entities, created as a fire district under State statute. A five member Board of Trustees governs the District. Each political subdivision within the District appoints two members, and in addition, on a rotating basis, an at large member is appointed. The District provides fire protection and rescue services within the District and by contract to areas outside the District.

Note 12 - Changes in Accounting Principle

For 2020, the Village made a change to their cash basis reporting model. This change includes removing the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2020

Note 13 - Fund Balances

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. The Village had no outstanding encumbrances at December 31, 2020.

The fund balance of special revenue funds is either restricted or committed. These restricted, committed and assigned amounts in the special revenue funds would include the outstanding encumbrances, if applicable. In the general fund, outstanding encumbrances are considered assigned, if applicable.

Note 14 - COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village. The Village's investment portfolio and the investments of the pension and other employee benefit plans are subject to increased market volatility, which could result in a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Village's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 15 - Miscellaneous Receipts

Miscellaneous receipts for the General Fund consist primarily of reimbursements.

Village of Perrysville
Ashland County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Governmental Fund Types
For the Year Ended December 31, 2019

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Local Taxes	\$20,259	\$0	\$20,259
Municipal Income Tax	195,633	0	195,633
Intergovernmental	27,650	45,913	73,563
Fines, Licenses and Permits	3,285	0	3,285
Earnings on Investments	18,942	3,342	22,284
Miscellaneous	56,951	0	56,951
<i>Total Cash Receipts</i>	<u>322,720</u>	<u>49,255</u>	<u>371,975</u>
Cash Disbursements			
Current:			
Security of Persons and Property	100,197	0	100,197
Leisure Time Activities	3,450	0	3,450
Transportation	33,337	28,709	62,046
General Government	151,851	0	151,851
<i>Total Cash Disbursements</i>	<u>288,835</u>	<u>28,709</u>	<u>317,544</u>
<i>Net Change in Fund Cash Balances</i>	33,885	20,546	54,431
<i>Fund Cash Balances, January 1</i>	<u>358,259</u>	<u>106,452</u>	<u>464,711</u>
Restricted	0	126,998	126,998
Assigned	161,259	0	161,259
Unassigned	230,885	0	230,885
<i>Fund Cash Balances, December 31</i>	<u><u>\$392,144</u></u>	<u><u>\$126,998</u></u>	<u><u>\$519,142</u></u>

See accompanying notes to the basic financial statements

Village of Perrysville
Ashland County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary and Similar Fiduciary Fund Types
For the Year Ended December 31, 2019

	Proprietary Fund Type	Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Custodial	
Operating Cash Receipts			
Charges for Services	\$249,227	\$0	\$249,227
Fines, Licenses and Permits	0	985	985
<i>Total Operating Cash Receipts</i>	<u>249,227</u>	<u>985</u>	<u>250,212</u>
Operating Cash Disbursements			
Personal Services	96,733	0	96,733
Employee Fringe Benefits	14,128	0	14,128
Contractual Services	122,620	0	122,620
Supplies and Materials	97,541	0	97,541
Other	0	3,116	3,116
<i>Total Operating Cash Disbursements</i>	<u>331,022</u>	<u>3,116</u>	<u>334,138</u>
<i>Operating Income (Loss)</i>	<u>(81,795)</u>	<u>(2,131)</u>	<u>(83,926)</u>
Non-Operating Receipts (Disbursements)			
Loans Issued	88,766	0	88,766
Principal Retirement	(27,036)	0	(27,036)
Interest and Other Fiscal Charges	(4,945)	0	(4,945)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>56,785</u>	<u>0</u>	<u>56,785</u>
<i>Net Change in Fund Cash Balances</i>	(25,010)	(2,131)	(27,141)
<i>Fund Cash Balances, January 1</i>	<u>302,019</u>	<u>2,131</u>	<u>304,150</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$277,009</u></u>	<u><u>\$0</u></u>	<u><u>\$277,009</u></u>

See accompanying notes to the basic financial statements

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 1 - Reporting Entity

The Village of Perrysville, Ashland County, Ohio (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly elected six-member Council directs the Village. The Village provides general governmental services, street repair and maintenance, park operations and water and sewer utilities to the residents of the Village. The Green-Perrysville Joint Fire District provides fire protection services to the Village residents. The Village contracts with the Ashland County Sheriff's Department to provide security of persons and property.

Public Entity Risk Pool

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM), a public entity risk pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary and fiduciary fund types which are organized on a fund type basis.

Fund Accounting

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

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

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Fund:

Street Construction, Maintenance and Repair Fund The street construction, maintenance and repair fund accounts for and reports the portion of the state gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of Village streets.

Enterprise Funds These funds account for operations that are similar to private business enterprises, where management intends to recover the significant costs of providing certain goods or services through user charges. The Village had the following significant Enterprise Funds:

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 2 - Summary of Significant Accounting Policies (continued)

Water Fund The water fund accounts for the provision of water treatment and distribution to the residents and commercial users within the Village.

Sewer Fund The sewer fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Fiduciary Funds Fiduciary Funds include custodial funds. Custodial Funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial fund accounts for Mayors Court activities. The fund ceased operation during 2019 and was closed out.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary disbursements when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund (except certain custodial funds) be budgeted annually.

Appropriations Budgetary disbursements (that is, disbursements and encumbrances) may not exceed appropriations at the fund, department, personal services, other legal level of control and appropriations may not exceed estimated resources. The Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year-end.

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year-end are carried over, and need not be reappropriated.

A summary of 2019 budgetary activity appears in Note 3.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 2 - Summary of Significant Accounting Policies (continued)

Deposits and Investments

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

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

Capital Assets

The Village records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Fund Balance

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

Nonspendable the Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact.

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

Committed Council can commit amounts via formal action (ordinance or resolution). The Village must adhere to these commitments unless Council amends the ordinance or resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by Council or a Village official delegated that authority by resolution, or by State Statute. Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget in the General Fund.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 2 - Summary of Significant Accounting Policies (continued)

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Village applies restricted resources first when disbursements 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 disbursements are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Note 3 - Budgetary Activity

Budgetary activity for the year ended December 31, 2019 follows:

2019 Budgeted vs. Actual Receipts

Fund Type	<u>Budgeted Receipts</u>	<u>Actual receipts</u>	<u>Variance</u>
General	\$253,824	\$322,720	\$68,896
Special Revenue	\$81,400	\$49,256	(\$32,144)
Enterprise	\$385,211	\$337,993	(\$47,218)

2019 Budgeted vs. Actual Budgetary Basis Disbursements

Fund Type	<u>Appropriation Authority</u>	<u>Budgetary Disbursements</u>	<u>Variance</u>
General	\$350,284	\$289,069	\$61,215
Special Revenue	\$71,160	\$28,710	\$42,450
Enterprise	\$499,063	\$363,832	\$135,231

Note 4 - Deposits and Investments

The Village maintains a deposit and investments pool all funds use. The Ohio revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments as of December 31 were as follows:

Demand Deposits	<u>\$554,580</u>
Total Deposits	<u>\$554,580</u>
Investments	
Star Ohio	<u>\$241,571</u>
Total Investments	<u>\$241,571</u>
Total	<u>\$796,151</u>

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 4 - Deposits and Investments (continued)

Deposits

Deposits are insured by the Federal Depository Insurance Corporation, or collateralized by securities specifically pledged by the financial institution to the Village, or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form. The Village liquidated its common stock during the year 2019.

Note 5 - Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include these credits and/or deduction amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

Income Taxes

The Village levies a municipal income tax of 1% on substantially all earned income arising from employment, residency, or business activities within the Village as well as certain income of residents earned outside of the Village.

Employers within the Village withhold income tax on employee compensation and remit the tax to the Village of Loudonville, the agent that collected the Village's income tax, either monthly or quarterly, as required. Corporations and other individual taxpayers pay estimated taxes quarterly and file a declaration annually.

Note 6 - Risk Management

The Village belongs to the Ohio Plan Risk Management, Inc. (OPRM) (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio governments ("Members"). The Plan is legally separate from its member governments.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 6 - Risk Management (continued)

Pursuant to Section 2744.081 of the Ohio Revised Code, the plan provides property, liability, errors and omissions, law enforcement, automobile, excess liability, crime, surety and bond, inland marine and other coverages to its members sold through fourteen appointed independent agents in the State of Ohio.

OPRM coverage programs are developed specific to each member's risk management needs and the related premiums for coverage are determined through the application of uniform underwriting criteria addressing the member's exposure to loss. Effective November 1, 2017, the OPRM retained 47% of the premium and losses on the first \$250,000 casualty treaty and 30% of the first \$1,000,000 property treaty. The OPRM is also participated in a property primary excess of loss treaty. This treaty reimbursed the OPRM 30% for losses between \$200,000 and \$1,000,000. The reimbursement is based on the amount of loss between \$200,000 and \$1,000,000. Effective November 1, 2018, the OPRM the property retention remained unchanged, however, the Plan assumed 100% of the first \$250,000 casualty treaty. Members are only responsible for their self-retention (deductible) amounts, which vary from member to member. Effective November 1, 2019, the OPRM's property retention increased from 30% to 33%, while the casualty treaty remains unchanged and still assumes 100% of the first \$250,000 casualty treaty. OPRM had 776 members as of December 31, 2019.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2019.

Assets	\$15,920,504
Liabilities	<u>(11,329,011)</u>
Members' Equity	<u>\$ 4,591,493</u>

You can read the completed audited financial statements for OPRM at the Plan's website, www.ohioplan.org.

Workers Compensation

Workers Compensation premium is paid on an annual basis by the Village of Perrysville. A true-up report is submitted to the Bureau of Workers Compensation annually to verify premiums paid. The annual premium is based on the gross payroll of all Village of Perrysville employees times the rate given to the Village of Perrysville by the Ohio Bureau of Workers Compensation.

Note 7 - Defined Benefit Pension Plans

Some employees of the Village belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 7 - Defined Benefit Pension Plans (continued)

Social Security

Those Village employees not contributing to OPERS contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 % of their gross salaries. The Village contributed an amount equal to 6.2 % of participants' gross salaries. The Village has paid all contributions required through December 31, 2019.

Note 8 - Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan or Combined Plan was 0% during calendar year 2019. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2019.

Note 9 - Debt

Debt outstanding at December 31, 2019 was as follows:

	Principal	Interest Rate
Anticipation Notes	\$ 0	3.75%
OWDA # 3931	31,491	0.00%
OWDA # 6305	47,182	2.00%
OWDA # 6932	204,592	0.57%
OWDA # 7508	5,999	0.00%
OWDA # 8308	88,765	3.64%
Total	\$ 378,029	

The Village obtained Revenue and Bond anticipation notes from Farmers & Savings Bank for improving the Village's water system, sewer system, and streets as needed for a major employer of the Village. The street improvement and sewer system notes were originally issued in 1995 in the amounts of \$200,000 and \$115,000, respectively, and the water system note was originally issued in 1996 in the amount of \$635,000. The renewal of this note was on March 3, 2014 in the amount of \$61,310 at 3.75% interest rate. The balance of \$3,350 was paid off in 2019. The Note is closed.

The Village borrowed \$139,959 at 0% interest in 2003 from the Ohio Water Development Authority (OWDA) project loan number 3931, to be repaid in semi-annual installments of \$3,499 out of the Water Fund with the maturity date of January 1, 2024.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 9 - Debt (continued)

The Village borrowed \$63,182 at 2% interest in 2012 from the Ohio Water Development Authority (OWDA) project loan number 6305, to be repaid in semi-annual installments of \$1,941 out of the Water Fund with the maturity date of July 1, 2033.

The Village borrowed \$245,148 at 0.57% interest in 2015 from the Ohio Water Development Authority (OWDA) project loan number 6932, to be repaid in semi-annual installments of \$6,504 out of the Water Fund with the maturity date of January 1, 2036.

The Village borrowed \$9,999 at 0% interest in 2017 from the Ohio Water Development Authority (OWDA) project loan number 7508; to be repaid in semi-annual installments of \$1,000 out of the Sewer Fund with a maturity date of July 2022. This loan was absorbed into loan 8975 construction loan from OWDA to do the WWTP upgrade Phase 1 project so the loan was closed in 2020.

The Village was issued \$96,400 at 3.64% interest in 2019 from the Ohio Water Development Authority (OWDA) project loan number 8308; to be repaid in estimated semi-annual installments of \$2,410 out of the Sewer Fund with a maturity date to be determined. There is not an amortization schedule on the loan yet. This loan was absorbed into loan 8975 construction loan from OWDA to do the WWTP upgrade Phase 1 project so the loan was closed in 2020.

Amortization

Amortization of the above debt, including interest, is scheduled as follows:

Year ending December 31:	<u>OWDA Loans</u>
2020	\$25,888
2021	25,888
2022	25,888
2023	23,888
2024	20,389
2025-2029	84,450
2030-2034	80,574
2035-2036	19,514
Total	<u>\$306,479</u>

Note 10 - Contingent Liabilities

The Village may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, management believes that the resolution of any matter will not materially adversely affect the Village's financial condition.

Village of Perrysville
Ashland County
Notes to the Financial Statements
for the Year Ended December 31, 2019

Note 11 - Jointly Governed Organization

The Green-Perrysville Joint Fire District (The “District”) is a jointly governed organization of two government entities, created as a fire district under State statute. A five member Board of Trustees governs the District. Each political subdivision within the District appoints two members, and in addition, on a rotating basis, an at large member is appointed. The District provides fire protection and rescue services within the District and by contract to areas outside the District.

Note 12 - Miscellaneous Receipts

Miscellaneous receipts for the General Fund consist primarily of reimbursements.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Village of Perrysville
Ashland County
131 North Bridge Street
Perrysville, Ohio 44864

To Village Council:

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 cash balances, receipts, and disbursements for each governmental and proprietary fund type of the Village of Perrysville, Ashland County, Ohio, as of and for the year ended December 31, 2020, and for each governmental, proprietary, and fiduciary fund type as of and the year ended December 31, 2019, and the related notes to the financial statements, and have issued our report thereon dated May 7, 2021, wherein we noted as described in Note 2 to the financial statements, the Village of Perrysville followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Furthermore, as discussed in Note 12 to the financial statements for the year ended December 31, 2020, the Village of Perrysville adopted a change in accounting principle and removed the fund balance classifications from the Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) - All Governmental Fund Types. Additionally, as described in Note 14 to the financial statements for the year ended December 31, 2020, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Village of Perrysville.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Perrysville's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Perrysville's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Perrysville'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 Village of Perrysville's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Perrysville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Perrysville'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 Village of Perrysville's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
May 7, 2021

**VILLAGE OF PERRYSVILLE
ASHLAND COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2020 and DECEMBER 31, 2019**

Finding Number	Year Initially Occurred	Finding Summary	Status	Additional Information
2018-001	2018	<u>Financial Statement Presentation – Material Weakness</u> - The Village did not always accurately post receipts and disbursements to the Village’s accounting system and financial statements.	Fully Corrected	N/A
2018-002	2014	<u>Revenue Posting – Noncompliance and Material Weakness</u> - The Village did not comply with ORC 5705.10(D) due to recording revenue into the wrong fund.	Fully Corrected	N/A
2018-003	2016	<u>Cash Reconciliation – Material Weakness</u> - The Village did not have complete and accurate monthly reconciliations.	Fully Corrected	N/A

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF PERRYSVILLE

ASHLAND 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 6/10/2021

88 East Broad 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