PERRY
& Associates CPAs
PASSION Beyond the Numbers

FAIRFIELD, HOCKING, LICKING, AND PERRY MULTI-COUNTY DETENTION DISTRICT
FAIRFIELD COUNTY
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2024 - 2023

OHIO AUDITOR OF STATE
KEITH FABER

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

District Board
Multi-County Detention District
923 Liberty Center Drive
Lancaster, Ohio 43130

We have reviewed the *Independent Auditor's Report* of the Multi-County Detention District, Fairfield County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2023 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. The Multi-County Detention District is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

September 18, 2025

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FAIRFIELD COUNTY

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PERRY
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INDEPENDENT AUDITOR'S REPORT

Multi-County Detention District
Fairfield County
923 Liberty Center Drive
Lancaster, Ohio 43130

To the District Board:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities and each major fund of the Multi-County Detention District, Fairfield County, Ohio (the District), as of and for the year ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District'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 cash-basis financial position of the governmental activities and each major fund of the District, as of December 31, 2024 and 2023, and the respective changes in cash-basis financial position thereof and the budgetary comparison for the General fund for the year then ended in accordance with the 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 the District, 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

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 District'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 District'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 District'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.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the management's discussion & analysis but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2025, on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

Perry & Associates
Certified Public Accountants, A.C.
Marietta, Ohio

June 13, 2025

This discussion and analysis of Fairfield, Hocking, Licking, and Perry Multi-County Detention District (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2024, within the limitations of the District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2024 were as follows:

- Net position of governmental activities decreased by $196,205 compared to 2023.
- The District's general receipts are primarily member county contributions and other miscellaneous revenue. These receipts represent over half of the total cash received for governmental activities during the year.

Using this Annual Report

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

Report Components

The statement of net position and the statement of activities provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District to segregate money whose use is restricted to a particular specified purpose. These statements present the District's two funds in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets, and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the District as a Whole

The statement of net position and the statement of activities reflect how the District did financially during 2024, within the limitations of cash basis accounting. The statement of net position presents the cash balances of the governmental activities of the District at year end. The statement of activities compares cash disbursements with program receipts for each governmental program activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Within the limitations of the cash basis of accounting, these changes are one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, other non-financial factors should be considered as well, including the condition of the District's capital assets and infrastructure, the extent of the District's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources.

The statement of net position and the statement of activities present governmental activities, which includes all the District's services. State and capital grants and tuition receipts finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them. The District has no business-type activities.

Reporting the District's Funds

Fund financial statements provide detailed information about the District's major funds - not the District as a whole. The District establishes separate funds to better manage its many activities. This helps demonstrate that money that is restricted as to how it may be used, is being spent for the intended purpose. All the District's funds are governmental.

Governmental Funds - The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the District's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The District has two funds which are both presented as major, the General and Capital Expense funds.

Because the District reports on a cash basis, the total of the governmental funds matches governmental activities, and no reconciliation is required.

The District as a Whole

Table 1 provides a summary of the District's net position for 2024 compared to 2023 on a cash basis:

(Table 1)
Net Position

	Governmental Activities		
	2024	2023	Change
Assets			
Cash	$ 2,430,355	$ 2,626,560	$ (196,205)
Total Assets	2,430,355	2,626,560	(196,205)
Net Position			
Unrestricted	2,430,355	2,626,560	(196,205)
Total Net Position	$ 2,430,355	$ 2,626,560	$ (196,205)

As mentioned previously, net position of governmental activities decreased during 2024. The primary reason for the decrease in cash balances was due to disbursements exceeding receipts with nearly all disbursements increasing and all receipts decreasing over prior year.

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Table 2 reflects the changes in net position in 2024 and 2023.

(Table 2)
Changes in Net Position

	Governmental Activities		
	2024	2023	Change
Receipts:			
Program Receipts:			
Charges for Services and Sales	$ 1,317,246	$ 1,383,956	$ (66,710)
Operating Grants and Contributions	111,326	342,964	(231,638)
Total Program Receipts	1,428,572	1,726,920	(298,348)
General Receipts:			
Member County Contributions	2,237,393	2,363,629	(126,236)
Miscellaneous	25,476	27,590	(2,114)
Total General Receipts	2,262,869	2,391,219	(128,350)
Total Receipts	3,691,441	4,118,139	(426,698)
Disbursements:			
General Government:			
Personal Services	2,211,970	2,065,452	146,518
Fringe Benefits	899,390	793,020	106,370
Materials and Supplies	195,791	179,279	16,512
Contractual Services	557,719	528,800	28,919
Capital Outlay	22,776	51,558	(28,782)
Total Disbursements	3,887,646	3,618,109	269,537
Increase (Decrease) in Net Position	(196,205)	500,030	(696,235)
Net Position Beginning of Year	2,626,560	2,126,530	500,030
Net Position End of Year	$2,430,355	$2,626,560	($196,205)

In 2024, program receipts are primarily comprised of charges for services, including tuition reimbursements, rental income, and intergovernmental revenue. There was a decrease in operating grants and contributions, that resulted from a decrease in Title 1 grant funds received in the fiscal year.

The District's remaining receipts are comprised of general receipts, most of which are member County contributions. Miscellaneous receipts are usually minimal compared to total receipts and vary each year.

Disbursements for general government represent the overhead costs of running the District and the support services provided for the governmental activities and account for the majority of the disbursements of the District.

Governmental Activities

The first column on the Statement of Activities for 2024 lists the major disbursement categories of the District. The next column identifies the amount of these disbursements. In 2024, the major program disbursements for governmental activities were general government. The next two columns entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants and contributions received by the District that must be used to provide a specific service. The Net (Disbursements) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by member county contributions. These net costs are paid from the general receipts which are presented at the bottom of the Statement.

The District's Funds

In 2024, general fund had an decrease in fund balance over 2023 due to disbursements exceeding receipts. Personal services and fringe benefits mainly contributed to this decrease.

Intergovernmental receipts with no correlating disbursements contributed to the increase in fund balance in the capital expense fund in 2024.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law which requires the District estimate receipts, approve appropriations, and encumber funds. The most significant budgeted fund is the General Fund.

The District amended budgeted appropriations during 2024. Actual receipts were more than anticipated primarily due to an increase in rent and charges for services receipts. Actual disbursements were less than the final budget.

Debt

On December 31, 2024, the District had long term obligations in the form of copier leases in the amount of $39,984. See Note 9 for more detailed information.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Superintendent, 923 Liberty Center Drive, Lancaster, Ohio 43130.

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Net Position - Cash Basis
December 31, 2024

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	$ 2,430,355
Total Assets	$ 2,430,355
Net Position	
Unrestricted	$ 2,430,355
Total Net Position	$ 2,430,355

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Activities - Cash Basis
For the Year Ended December 31, 2024

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government:				
Personal Services	$ 2,211,970	$ 749,479	$ 63,341	$ (1,399,150)
Fringe Benefits	899,390	304,739	25,755	(568,896)
Materials and Supplies	195,791	66,340	5,607	(123,844)
Contractual Services	557,719	188,971	15,971	(352,777)
Capital Outlay	22,776	7,717	652	(14,407)
Total Governmental Activities	$ 3,887,646	$ 1,317,246	$ 111,326	(2,459,074)
		General Receipts:		
		Member County Contributions		2,237,393
		Miscellaneous		25,476
		Total General Receipts		2,262,869
		Change in Net Position		(196,205)
		Net Position Beginning of Year		2,626,560
		Net Position End of Year		$ 2,430,355

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2024

	General Fund	Capital Expense Fund	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	$ 1,731,616	$ 698,739	$ 2,430,355
Total Assets	$ 1,731,616	$ 698,739	$ 2,430,355
Fund Balances			
Assigned	$ 901,269	$ 698,739	$ 1,600,008
Unassigned (Deficit)	830,347	-	830,347
Total Fund Balances	$ 1,731,616	$ 698,739	$ 2,430,355

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Capital Expense Fund	Total Governmental Funds
Receipts			
Intergovernmental	$ 111,326	$ 6,493	$ 117,819
Member County Contributions	2,237,393	-	2,237,393
Charges for Services	812,391	-	812,391
Rent	504,855	-	504,855
Other	18,983	-	18,983
Total Receipts	3,684,948	6,493	3,691,441
Disbursements			
Current:			
General Government:			
Personal Services	2,211,970	-	2,211,970
Fringe Benefits	899,390	-	899,390
Contractual Services	557,719	-	557,719
Materials and Supplies	195,791	-	195,791
Capital Outlay	22,776	-	22,776
Total Disbursements	3,887,646	-	3,887,646
Net Change in Fund Balances	(202,698)	6,493	(196,205)
Fund Balances January 1	1,934,314	692,246	2,626,560
Fund Balances End of Year	$ 1,731,616	$ 698,739	$ 2,430,355

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Receipts				
Intergovernmental	$ 200,000	$ 200,000	$ 111,326	$ (88,674)
Member County Contributions	2,237,393	2,237,393	2,237,393	-
Charges for Services	675,710	675,710	812,391	136,681
Rent	394,200	394,200	504,855	110,655
Other	7,000	7,000	18,983	11,983
Total Receipts	3,514,303	3,514,303	3,684,948	170,645
Disbursements				
Current:				
General Government:				
Personal Services	2,257,361	2,260,665	2,211,970	48,695
Fringe Benefits	1,123,523	1,119,923	899,390	220,533
Contractual Services	673,067	671,793	561,769	110,024
Materials and Supplies	258,641	280,632	228,900	51,732
Total General Government	4,312,592	4,333,013	3,902,029	430,984
Capital Outlay	49,100	50,479	22,776	27,703
Total Disbursements	4,361,692	4,383,492	3,924,805	458,687
Net Change in Fund Balance	(847,389)	(869,189)	(239,857)	629,332
Unencumbered Fund Balance Beginning of Year	1,876,177	1,876,177	1,876,177	-
Prior Year Encumbrances Appropriated	58,137	58,137	58,137	-
Unencumbered Fund Balance End of Year	$ 1,086,925	$ 1,065,125	$ 1,694,457	$ 629,332

See accompanying notes to the basic financial statements

NOTE 1 - REPORTING ENTITY

The Fairfield, Hocking, Licking, and Perry Multi-County Detention District, Fairfield County, Ohio (the District) was created on September 22, 2000, in accordance with 2151.343 of the Ohio Revised Code. The District 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 District is a joint venture operated by Fairfield, Hocking, Licking, and Perry Counties for the purpose of providing short-term care in a secure facility for juveniles who are accused, pending court action, adjudicated, or awaiting transfer to another facility.

The District is operated by a twelve-member Joint Board of Commissioners and a twelve-member Board of Trustees. The Joint Board of Commissioners consists of all of the Commissioners from the four counties in the District. 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 the Board of Trustees to operate the District.

The District's purpose is to not accumulate significant financial resources or experience fiscal stress that would cause additional financial benefit to, or burden on, the counties involved.

Public Entity Risk Pool

The District participates in the County Risk Sharing Authority (CORSA), a public entity risk pool. Note 11 to the financial statements provides additional information for this entity.

The District's management believes these financial statements present all activities for which the District 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 cash basis of accounting. This 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 cash basis of accounting. Following are the more significant of the District's accounting policies.

Basis of Presentation

The District's basic financial statements consist of government-wide financial 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 District as a whole. These statements include the financial activities of the District. All of the District's activities are considered governmental. Governmental activities generally are financed through charges for services, member county contributions, intergovernmental revenues or other non-exchange transactions.

The statement of net position presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements with program receipts for each function or program of the District's governmental 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 District is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions 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. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the District's general receipts.

Fund Financial Statements During the year, the District segregates transactions related to certain District 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 District at this more detailed level. The focus of governmental 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.

Fund Accounting

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

Governmental Funds The District classifies funds financed primarily from intergovernmental receipts (e.g., grants), charges for services, and other nonexchange transactions as governmental funds. The following are the District's only funds:

> ***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 District for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> ***Capital Expense Fund*** The Capital Expense Fund accounts for member county contributions and intergovernmental revenues whose use is assigned for general capital outlay.

Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District'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.

As a result of the use of this 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 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 District's Joint Board of Commissioners may appropriate.

The appropriations resolution is the Joint Board of Commissioners' authorization to spend resources and set annual limits on cash disbursements plus encumbrances at the level of control selected by the Joint Board of Commissioners. The legal level of control has been established by the Joint Board of Commissioners fund, function, and object level for all funds.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in receipts are identified by the District's Fiscal Officer. 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 amended certificate of estimated resources in effect at the time final appropriations were passed by the Joint Board of Commissioners.

The appropriation 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 fiscal year, including amounts automatically carried forward from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Joint Board of Commissioners during the year.

Cash and Investments

As required by the Ohio Revised Code, the Fairfield County Treasurer is the custodian for the District's cash and investments. The County's cash and investment pool holds the District's cash and investments, which are reported at the County Treasurer's carrying amount.

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Accumulated Leave

District employees earn sick and vacation time that can be used for time off. In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for post-retirement health care benefits.

Long-Term Obligations

The District's 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 (including the intangible right to use) when entering into a lease, subscription-based information technology arrangements (SBITA), or financed purchase transaction is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure is reported at inception. Lease payments, SBITA payments, and financed purchase payments are reported when paid.

Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The District's policy is to first apply restricted resources when a cash disbursement is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District 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. It also includes the long-term amount of interfund loans.
>
> ***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.
>
> ***Committed -*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Joint Board of Commissioners. Those committed amounts cannot be used for any other purpose unless the Joint Board of Commissioners removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District 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. These amounts are assigned by the District's Joint Board of Commissioners. Assigned amounts represent intended uses established by policies of the Joint Board of Commissioners by resolution or by State Statute.

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

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

NOTE 3 - 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 – Budgetary Basis presented for the general 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 cash basis is that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis). The encumbrances outstanding at year-end (budgetary basis) for 2024 for the General Fund is $37,159.

NOTE 4 - FUNDING

The Joint Board of Commissioners has the responsibility for funding the District in accordance with one of the following methods:

1. In proportion to the number of children from such county who are maintained in the home during the year;
2. By a levy submitted to the Joint Board of Commissioners under Division (A) of Section 5705.19 of the Ohio Revised Code and approved by the electors of the District;
3. In proportion to the taxable property of each county, as shown on the tax duplicate; and
4. In any combination of the above.

NOTE 5 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; employee injuries, and natural disaster. By contracting with County Risk Sharing Authority (CORSA) contract for liability, property, and crime insurance to address these various types of risk.

The CORSA program has a $2,500 deductible which is applicable to all insured coverages, including property, automobile, including general and professional liability, except for employee dishonesty/faithful performance which has no deductible. General liability insurance is maintained in the amount of $1,000,000 for each occurrence, no annual aggregate. Other liability insurance includes $1,000,000 for Ohio Stop Gap, which provides additional coverage beyond the State Workers' Compensation program, $1,000,000 for law enforcement liability, $1,000,000 for the jail facility doctor, $1,000,000 for errors and omissions liability wrongful acts, $1,000,000 for automobile liability, $1,000,000 for employee benefit liability, $250,000 for uninsured/under insured motorist liability. Crime insurance in the amount of $1,000,000 on each of its loss inside or outside of the premises, money orders and counterfeit paper currency, and depositor's forgery. Crime insurance for potential employee dishonesty/faithful performance is held in the amount of $1,000,000.

Privacy and Security liability coverage is $750,000 per occurrence with an annual aggregate of $750,000. Coverage does contain some sub limits. In addition, replacement cost insurance on property owned by the District of $100,000,000 real and personal property loss and equipment breakdown and $125,000,000 for flood or earthquake.

All insurance is held with CORSA with the exception of worker's compensation, health insurance, life insurance and long-term disability. There has been no significant reduction in coverage from last year; however, the total property value is subject to change each year due to the purchasing and selling of county assets.

Self-Insurance

The County has a limited risk health insurance and prescription insurance program for employees. Premiums for the County plan are paid into the Self-Funded Health Insurance Internal Service Fund by other funds that are available to pay claims, claim reserves, and administrative costs. The County's Self-Funded Health Insurance Internal Service Fund makes monthly payments directly to the third-party administrator. Health is provided by United Health Care and drug is provided by OptumRX.

NOTE 6 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System (OPERS)

Plan Description – District 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. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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.

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 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. 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. 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:

	State and Local
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2024, the District's contractually required contribution was $306,301.

NOTE 7 – POSTEMPLOYMENT BENEFITS

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 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;
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 heath care service credit and at least age 52;
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	**Age and Service Requirements**	**Age and Service Requirements**
December 1, 2014 or Prior	***December 1, 2014 or Prior***	***December 1, 2014 or Prior***
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
January 1, 2015 through December 31, 2021	***January 1, 2015 through December 31, 2021***	***January 1, 2015 through December 31, 2021***
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

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 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 District's contractually required contribution was $0 for 2024.

NOTE 8 – OTHER EMPLOYER BENEFITS

The District also provides dental, vision, and Employee Assistance Program (EAP) for all eligible employees. Dental is provided by Delta Dental vision is provided by Vision Service Plan, and EAP is provided by United Behavioral Health.

The District provides life insurance and accidental death and dismemberment insurance to most employees through the Guardian Insurance Company.

NOTE 9 – LEASES

The District leases copiers under a non-cancelable lease. The District disbursed $13,328 to pay lease costs for the year ended December 31, 2024. Future lease payments, including interest, are as follows:

Year	Amount
2025	13,328
2026	13,328
2027	13,328
Total	$ 39,984

NOTE 10 – CONTINGENT LIABILITIES

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

NOTE 11 – PUBLIC ENTITY RISK POOL

The County Risk Sharing Authority, Inc. (CORSA) is a shared risk pool among sixty-six counties in Ohio. CORSA was formed as an Ohio non-profit corporation for 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 has one vote on all matters requiring a vote, which will be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. 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'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 to provide adequate cash reserves. The certificates are secured by the members' obligations to make coverage payments to CORSA. The participating members have no responsibility for the payment of the certificates. The Commission does not have an equity interest in CORSA.

NOTE 12 – FUND BALANCES

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

Fund Balances	General Fund	Capital Expense	Total
Assigned to			
Purchases on Order	$ 37,159	$ -	$ 37,159
Subsequent Year's Appropriations	864,110	-	864,110
Capital Expenses	-	698,739	698,739
Total Assigned	901,269	698,739	1,600,008
Unassigned (deficits):	830,347	-	830,347
Total Fund Balances	$ 1,731,616	$ 698,739	$ 2,430,355

NOTE 13 – OTHER COMMITMENTS

The District utilizes encumbrances accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At fiscal year ended December 31, 2024, the District's commitments for encumbrances in the General governmental fund was $37,159.

This discussion and analysis of Fairfield, Hocking, Licking, and Perry Multi-County Detention District (the District) financial performance provides an overall review of the District's financial activities for the year ended December 31, 2023, within the limitations of the District's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2023 were as follows:

- Net position of governmental activities increased by $500,030 compared to 2022.

- The District's general receipts are primarily member county contributions and other miscellaneous revenue. These receipts represent over half of the total cash received for governmental activities during the year. Member county contributions increased compared to 2022 to fund the operations of the facility.

Using this Annual Report

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the District's cash basis of accounting.

Report Components

The statement of net position and the statement of activities provide information about the cash activities of the District as a whole.

Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the District to segregate money whose use is restricted to a particular specified purpose. These statements present the District's two funds in separate columns.

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

Basis of Accounting

The basis of accounting is a set of guidelines that determine when financial events are recorded. The District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the District's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets, and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

Reporting the District as a Whole

The statement of net position and the statement of activities reflect how the District did financially during 2023, within the limitations of cash basis accounting. The statement of net position presents the cash balances of the governmental activities of the District at year end. The statement of activities compares cash disbursements with program receipts for each governmental program activity. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the District's general receipts.

These statements report the District's cash position and the changes in cash position. Within the limitations of the cash basis of accounting, these changes are one way to measure the District's financial health. Over time, increases or decreases in the District's cash position is one indicator of whether the District's financial health is improving or deteriorating. When evaluating the District's financial condition, other non-financial factors should be considered as well, including the condition of the District's capital assets and infrastructure, the extent of the District's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources.

The statement of net position and the statement of activities present governmental activities, which includes all the District's services. State and capital grants and tuition receipts finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them. The District has no business-type activities.

Reporting the District's Funds

Fund financial statements provide detailed information about the District's major funds - not the District as a whole. The District establishes separate funds to better manage its many activities. This helps demonstrate that money that is restricted as to how it may be used, is being spent for the intended purpose. All the District's funds are governmental.

Governmental Funds - The District's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the District's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are financial resources that can be spent to finance the District's programs. The District's significant governmental funds are presented on the financial statements in separate columns. The District has two funds which are both presented as major, the General and Capital Expense funds.

Because the District reports on a cash basis, the total of the governmental funds matches governmental activities, and no reconciliation is required.

The District as a Whole

Table 1 provides a summary of the District's net position for 2023 compared to 2022 on a cash basis:

(Table 1)
Net Position

	Governmental Activities		
	2023	2022	Change
Assets			
Cash	$ 2,626,560	$ 2,126,530	$ 500,030
Total Assets	2,626,560	2,126,530	500,030
Net Position			
Unrestricted	2,626,560	2,126,530	500,030
Total Net Position	$ 2,626,560	$ 2,126,530	$ 500,030

As mentioned previously, net position of governmental activities increased during 2023. The primary reason for the increase in cash balances was due to receipts exceeding disbursements with nearly all receipts increasing over prior year.

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Table 2 reflects the changes in net position in 2023 and 2022.

(Table 2)
Changes in Net Position

	Governmental Activities		
	2023	2022	Change
Receipts:			
Program Receipts:			
Charges for Services and Sales	$ 1,383,956	$ 940,299	$ 443,657
Operating Grants and Contributions	342,964	178,158	164,806
Total Program Receipts	1,726,920	1,118,457	608,463
General Receipts:			
Member County Contributions	2,363,629	2,125,398	238,231
Miscellaneous	27,590	64,911	(37,321)
Total General Receipts	2,391,219	2,190,309	200,910
Total Receipts	4,118,139	3,308,766	809,373
Disbursements:			
General Government:			
Personal Services	2,065,452	1,971,620	93,832
Fringe Benefits	793,020	748,423	44,597
Materials and Supplies	179,279	173,381	5,898
Contractual Services	528,800	478,114	50,686
Capital Outlay	51,558	40,564	10,994
Total Disbursements	3,618,109	3,412,102	206,007
Increase (Decrease) in Net Position	500,030	(103,336)	603,366
Net Position Beginning of Year	2,126,530	2,229,866	(103,336)
Net Position End of Year	$2,626,560	$2,126,530	$500,030

Certain revenues were reclassed in the 2022 column to be more comparable to current year classifications.

In 2023, program receipts are primarily comprised of charges for services, including tuition reimbursements rental income, and intergovernmental revenue. There was an increase in charges for services, which are received directly from individuals charged for the services they receive.

The District's remaining receipts are comprised of general receipts, most of which are member County contributions. Miscellaneous receipts are usually minimal compared to total receipts and vary each year.

Disbursements for general government represent the overhead costs of running the District and the support services provided for the governmental activities and account for the majority of the disbursements of the District.

Governmental Activities

The first column on the Statement of Activities for 2023 lists the major disbursement categories of the District. The next column identifies the amount of these disbursements. In 2023, the major program disbursements for governmental activities were general government. The next two columns entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants and contributions received by the District that must be used to provide a specific service. The Net (Disbursements) Receipts column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by member county contributions. These net costs are paid from the general receipts which are presented at the bottom of the Statement.

The District's Funds

In 2023, general fund had an increase in fund balance over 2022 due to receipts exceeding disbursements. Member contributions and charges for services mainly contributed to this increase.

A decrease in intergovernmental revenue and transfers from prior year contributed to a decrease in fund balance in the capital expense fund in 2023.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law which requires the District estimate receipts, approve appropriations, and encumber funds. The most significant budgeted fund is the General Fund.

The District amended budgeted appropriations during 2023. Actual receipts were more than anticipated primarily due to an increase in intergovernmental, rent and charges for services receipts. Actual disbursements were less than the final budget.

Debt

On December 31, 2023, the District had long term obligations in the form of copier leases in the amount of $52,200. See Note 9 for more detailed information.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to reflect the District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Superintendent, 923 Liberty Center Drive, Lancaster, Ohio 43130.

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Net Position - Cash Basis
December 31, 2023

	Governmental Activities
Assets	
Cash	$ 2,626,560
Total Assets	$ 2,626,560
Net Position	
Unrestricted	$ 2,626,560
Total Net Position	$ 2,626,560

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Activities - Cash Basis
For the Year Ended December 31, 2023

		Program Receipts		Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
General Government:				
Personal Services	$ 2,065,452	$ 790,052	$ 195,787	$ (1,079,613)
Fringe Benefits	793,020	303,337	75,171	(414,512)
Materials and Supplies	179,279	68,576	16,994	(93,709)
Contractual Services	528,800	202,270	50,125	(276,405)
Capital Outlay	51,558	19,721	4,887	(26,950)
Total Governmental Activities	$ 3,618,109	$ 1,383,956	$ 342,964	(1,891,189)
		General Receipts:		
		Member County Contributions		2,363,629
		Miscellaneous		27,590
		Total General Receipts		2,391,219
		Change in Net Position		500,030
		Net Position Beginning of Year		2,126,530
		Net Position End of Year		$ 2,626,560

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Assets and Fund Balances - Cash Basis
Governmental Funds
December 31, 2023

	General Fund	Capital Expense Fund	Total Governmental Funds
Assets			
Cash	$ 1,934,314	$ 692,246	$ 2,626,560
Total Assets	$ 1,934,314	$ 692,246	$ 2,626,560
Fund Balances			
Assigned	$ 847,389	$ 692,246	$ 1,539,635
Unassigned (Deficit)	1,086,925	-	1,086,925
Total Fund Balances	$ 1,934,314	$ 692,246	$ 2,626,560

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Receipts, Disbursements and Changes in Fund Balances - Cash Basis
Governmental Funds
For the Year Ended December 31, 2023

	General Fund	Capital Expense Fund	Total Governmental Funds
Receipts			
Intergovernmental	$ 342,964	$ 4,400	$ 347,364
Member County Contributions	2,363,629	-	2,363,629
Charges for Services	875,336	-	875,336
Rent	508,620	-	508,620
Other	23,190	-	23,190
Total Receipts	4,113,739	4,400	4,118,139
Disbursements			
Current:			
General Government:			
Personal Services	2,065,452	-	2,065,452
Fringe Benefits	793,020	-	793,020
Contractual Services	528,800	-	528,800
Materials and Supplies	179,279	-	179,279
Capital Outlay	21,671	29,887	51,558
Total Disbursements	3,588,222	29,887	3,618,109
Excess of Receipts Over (Under) Disbursements	525,517	(25,487)	500,030
Other Financing Sources (Uses)			
Transfers In	-	12,531	12,531
Transfers Out	(12,531)	-	(12,531)
Total Other Financing Sources (Uses)	(12,531)	12,531	-
Net Change in Fund Balances	512,986	(12,956)	500,030
Fund Balances January 1	1,421,328	705,202	2,126,530
Fund Balances End of Year	$ 1,934,314	$ 692,246	$ 2,626,560

See accompanying notes to the basic financial statements

Fairfield, Hocking, Licking, and Perry
Multi-County Juvenile Detention Center
Fairfield County, Ohio
Statement of Receipts, Disbursements and Changes
In Fund Balance - Budget and Actual - Budget Basis
General Fund
For the Year Ended December 31, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Receipts				
Intergovernmental	$ 181,000	$ 181,000	$ 342,964	$ 161,964
Member County Contributions	2,310,973	2,310,973	2,363,629	52,656
Charges for Services	494,410	494,410	875,336	380,926
Rent	306,600	306,600	508,620	202,020
Other	7,000	7,000	23,190	16,190
Total Receipts	3,299,983	3,299,983	4,113,739	813,756
Disbursements				
Current:				
General Government:				
Personal Services	2,281,810	2,286,510	2,065,452	221,058
Fringe Benefits	974,396	969,696	793,020	176,676
Contractual Services	620,716	616,866	564,496	52,370
Materials and Supplies	218,253	225,353	201,420	23,933
Capital Outlay	29,656	26,406	21,971	4,435
Total Disbursements	4,124,831	4,124,831	3,646,359	478,472
Excess of Receipts Over (Under) Disbursements	(824,848)	(824,848)	467,380	1,292,228
Other Financing Sources (Uses)				
Transfers Out	-	(12,531)	(12,531)	-
Net Change in Fund Balance	(824,848)	(837,379)	454,849	1,292,228
Unencumbered Fund Balance Beginning of Year	1,421,328	1,421,328	1,421,328	-
Unencumbered Fund Balance End of Year	$ 596,480	$ 583,949	$ 1,876,177	$ 1,292,228

See accompanying notes to the basic financial statements

NOTE 1 - REPORTING ENTITY

The Fairfield, Hocking, Licking, and Perry Multi-County Detention District, Fairfield County, Ohio (the District) was created on September 22, 2000, in accordance with 2151.343 of the Ohio Revised Code. The District 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 District is a joint venture operated by Fairfield, Hocking, Licking, and Perry Counties for the purpose of providing short-term care in a secure facility for juveniles who are accused, pending court action, adjudicated, or awaiting transfer to another facility.

The District is operated by a twelve-member Joint Board of Commissioners and a twelve-member Board of Trustees. The Joint Board of Commissioners consists of all of the Commissioners from the four counties in the District. 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 the Board of Trustees to operate the District.

The District's purpose is to not accumulate significant financial resources or experience fiscal stress that would cause additional financial benefit to, or burden on, the counties involved.

Public Entity Risk Pool

The District participates in the County Risk Sharing Authority (CORSA), a public entity risk pool. Note 11 to the financial statements provides additional information for this entity.

The District's management believes these financial statements present all activities for which the District 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 cash basis of accounting. This 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 cash basis of accounting. Following are the more significant of the District's accounting policies.

Basis of Presentation

The District's basic financial statements consist of government-wide financial 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 District as a whole. These statements include the financial activities of the District. All of the District's activities are considered governmental. Governmental activities generally are financed through charges for services, member county contributions, intergovernmental revenues or other non-exchange transactions.

The statement of net position presents the cash balance of the governmental activities of the District at year end. The statement of activities compares disbursements with program receipts for each function or program of the District's governmental 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 District is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions 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. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the District's general receipts.

Fund Financial Statements During the year, the District segregates transactions related to certain District 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 District at this more detailed level. The focus of governmental 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.

Fund Accounting

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

Governmental Funds The District classifies funds financed primarily from intergovernmental receipts (e.g., grants), charges for services, and other nonexchange transactions as governmental funds. The following are the District's only funds:

> ***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 District for any purpose provided it is expended or transferred according to the general laws of Ohio.
>
> ***Capital Expense Fund*** The Capital Expense Fund accounts for member county contributions and intergovernmental revenues whose use is assigned for general capital outlay.

Basis of Accounting

The District's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the District'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.

As a result of the use of this 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 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 District's Joint Board of Commissioners may appropriate.

The appropriations resolution is the Joint Board of Commissioners' authorization to spend resources and sets annual limits on cash disbursements plus encumbrances at the level of control selected by the Joint Board of Commissioners. The legal level of control has been established by the Joint Board of Commissioners fund, function, and object level for all funds.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in receipts are identified by the District's Fiscal Officer. 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 amended certificate of estimated resources in effect at the time final appropriations were passed by the Joint Board of Commissioners.

The appropriation 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 fiscal year, including amounts automatically carried forward from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Joint Board of Commissioners during the year.

Cash and Investments

As required by the Ohio Revised Code, the Fairfield County Treasurer is the custodian for the District's cash and investments. The County's cash and investment pool holds the District's cash and investments, which are reported at the County Treasurer's carrying amount.

Capital Assets

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

Accumulated Leave

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the District's cash basis of accounting.

Employer Contributions to Cost-Sharing Pension Plans

The District recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 6 and 7, the employer contributions include portions for pension benefits and for postretirement health care benefits.

Long-Term Obligations

The District's 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 (including the intangible right to use) when entering into a lease, Subscription-Based Information Technology Arrangements (SBITA), or financed purchase transaction is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments, SBITA payments, and financed purchase payments are reported when paid.

Net Position

Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The District's policy is to first apply restricted resources when a cash disbursement is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District 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. It also includes the long-term amount of interfund loans.

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.

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District 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. These amounts are assigned by the District's Joint Board of Commissioners. Assigned amounts represent intended uses established by policies of the Joint Board of Commissioners by resolution or by State Statute.

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

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

NOTE 3 - 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 – Budgetary Basis presented for the general 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 cash basis is that outstanding year end encumbrances are treated as cash disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis). The encumbrances outstanding at year-end (budgetary basis) for 2023 for the General Fund is $58,137.

NOTE 4 - FUNDING

The Joint Board of Commissioners has the responsibility for funding the District in accordance with one of the following methods:

1. In proportion to the number of children from such county who are maintained in the home during the year;
2. By a levy submitted to the Joint Board of Commissioners under Division (A) of Section 5705.19 of the Ohio Revised Code and approved by the electors of the District;
3. In proportion to the taxable property of each county, as shown on the tax duplicate; and
4. In any combination of the above.

NOTE 5 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of damage to or destruction of assets; errors and omissions; employee injuries, and natural disaster. By contracting with the County Risk Sharing Authority (CORSA) for liability, property, and crime insurance, the District has addressed these various types of risk.

The CORSA program has a $5,000 deductible which is applicable to, automobile liability, and a $25,000 deductible for all other insured liability coverages, including general and professional liability. General liability insurance is maintained in the amount of $1,000,000 for each occurrence, no annual aggregate. Other liability insurance includes $1,000,000 for Ohio Stop Gap, which provides additional coverage beyond the State Workers' Compensation program, $1,000,000 for errors and omissions liability wrongful acts, $1,000,000 for automobile liability, $1,000,000 for employee benefit liability, $250,000 for uninsured/under insured motorist liability, and $10,000,000 in excess liability (except for crime coverage and cyber liability). Crime insurance for potential employee dishonesty is held in the amount of $1,000,000.

Privacy and Security liability coverage is $1,750,000 per occurrence with an annual aggregate of $1,750,000. Coverage does contain some sub limits, which are included in aggregate for $$250,000 privacy response expense, $250,000 for claims expense, regulatory proceedings, penalties, and $250,000 for PCI-DSS assessments.

Self-Insurance

The County has a limited risk health insurance and prescription insurance program for employees. Premiums for the County plan are paid into the Self-Funded Health Insurance Internal Service Fund by other funds that are available to pay claims, claim reserves, and administrative costs. The County's Self-Funded Health Insurance Internal Service Fund makes weekly deposits to an impress account and claims payments are reimbursed directly to the third-party administrator. Medical TPA services are provided by United Health Care and pharmacy is provided by OptumRX.

NOTE 6 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System (OPERS)

Plan Description – District 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. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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

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

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

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost–of–living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 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:

	State and Local	
	Traditional	Combined
2023 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2023 Actual Contribution Rates		
Employer:		
Pension ****	14.0 %	12.0 %
Post-employment Health Care Benefits ****	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

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

**** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2023, the District's contractually required contribution was $285,030 for the traditional plan.

NOTE 7 – POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

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

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

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

Medicare Retirees Medicare-eligible with a minimum of 20 years of qualifying service credit

Non-Medicare Retirees Non-Medicare retirees qualify based on the following age-and-service criteria:

Group A 30 years of qualifying service credit at any age;

Group B 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

Group C 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit

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

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

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

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

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

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 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.

The heath care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The District's contractually required contribution was $0 for 2023.

NOTE 8 – OTHER EMPLOYER BENEFITS

The District also provides dental, vision, and Employee Assistance Program (EAP) for all eligible employees. Dental is provided by Delta Dental vision is provided by Vision Service Plan, and EAP is provided by United Behavioral Health.

The District provides life insurance and accidental death and dismemberment insurance to most employees through the Guardian Insurance Company.

NOTE 9 – LEASES

The District leases copiers under a noncancelable lease. The District disbursed $13,328 to pay lease costs for the year ended December 31, 2023. Future lease payments, including interest, are as follows:

Year	Amount
2024	$ 13,328
2025	13,328
2026	13,328
2027	12,216
Total	$ 52,200

NOTE 10 – CONTINGENT LIABILITIES

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

NOTE 11 – PUBLIC ENTITY RISK POOL

The County Risk Sharing Authority, Inc. (CORSA) is a shared risk pool among sixty-six counties in Ohio. CORSA was formed as an Ohio non-profit corporation for 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 has one vote on all matters requiring a vote, which will be cast by a designated representative. An elected board of not more than nine trustees manages the affairs of the Corporation. 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'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 to provide adequate cash reserves. The certificates are secured by the members' obligations to make coverage payments to CORSA. The participating members have no responsibility for the payment of the certificates. The Commission does not have an equity interest in CORSA.

NOTE 12 – FUND BALANCES

Fund balance is classified as non-spendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and are presented below.

Fund Balances	General Fund	Capital Expense	Total
Assigned to			
Purchases on Order	$ 58,137	$ -	$ 58,137
Subsequent Year's Appropriations	789,252	-	789,252
Capital Expenses	-	692,246	692,246
Total Assigned	847,389	692,246	1,539,635
Unassigned (deficits):	1,086,925	-	1,086,925
Total Fund Balances	$ 1,934,314	$ 692,246	$ 2,626,560

NOTE 13 – OTHER COMMITMENTS

The District utilizes encumbrances accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At fiscal year ended December 31, 2023, the District's commitments for encumbrances in the General governmental fund was $58,137.

NOTE 14 – TRANSFERS

Transfers are made to move unrestricted balances to support programs accounted for in other funds in accordance with budgetary authorization. During the year the general fund made transfers to the capital expense fund in the amount of $12,531.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Multi-County Detention District
Fairfield County
923 Liberty Center Drive
Lancaster, Ohio 43130

To the District Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of the Multi-County Detention District, Fairfield County, (the District) as of and for the year ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 we must report 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

June 13, 2025

OHIO AUDITOR OF STATE
KEITH FABER

FAIRFIELD, HOCKING, LICKING, AND PERRY MULTI-COUNTY DETENTION DISTRICT

FAIRFIELD 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 9/30/2025

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