

**PERRY**

**& Associates CPAs**

**PASSION** *Beyond the Numbers*

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2022 - 2021**



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Board of Trustees  
Guernsey County Port Authority  
1552 N. 14th Street  
Cambridge, OH 43725

We have reviewed the *Independent Auditor's Report* of the Guernsey County Port Authority, Guernsey County, prepared by Perry & Associates, Certified Public Accountants, A.C., for the audit period January 1, 2021 through December 31, 2022. 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 Guernsey County Port Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

September 13, 2023

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**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

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**INDEPENDENT AUDITOR'S REPORT**

Guernsey County Port Authority  
Guernsey County  
9900 Brick Church Rd.  
Cambridge, Ohio 43725

To the Board of Trustees:

***Report on the Audit of the Financial Statements***

***Unmodified and Adverse Opinions***

We have audited the financial statements of the Guernsey County Port Authority, Guernsey County, Ohio (the Port Authority), which comprises the cash balances, receipts and disbursements for the proprietary fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for the proprietary fund type as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Port Authority, as of December 31, 2022 and 2021, or the changes in financial position, or where applicable, cash flows thereof for the years then ended.

***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 Port Authority, 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.

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

As described in Note 2 of the financial statements, the financial statements are prepared by the Port Authority on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. 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 Port Authority'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 the financial audit standards in the Comptroller General of the United States' *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 Port Authority'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 Port Authority's ability to continue as a going concern for a reasonable period of time.



***Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023, on our consideration of the Port Authority'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 Port Authority'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 Port Authority's internal control over financial reporting and compliance.



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

June 30, 2023

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Enterprise</b>
<b>Operating Cash Receipts</b>	
Grant Income	\$ 50,000
Lease Income	93,150
Property & Equipment Sold	93,679
Transaction Fees	650
Application Fees	200
Loan Repayments	60,940
Received on Behalf of Other Entities	151
Interest	4,603
	<b>303,373</b>
 <i>Total Operating Cash Receipts</i>	
<b>Operating Cash Disbursements</b>	
Debt Repayment	80,264
Distributions on Behalf of Other Entities	59,950
Dues & Memberships	200
Insurance	3,127
Interest	12,886
Loans Disbursed	49,700
Meetings and Conferences	36
Office and Postage Expense	145
Professional Fees	5,920
Project Expenses	13,762
Community Investment	2,000
Real Estate Tax	21
Stipends	19,597
Miscellaneous	50
	<b>247,658</b>
 <i>Total Operating Cash Disbursements</i>	
 <i>Net Change in Fund Cash Balances</i>	
	<b>55,715</b>
 <i>Fund Cash Balance, January 1</i>	
	<b>320,358</b>
 <i>Fund Cash balance, December 31</i>	
	<b>\$ 376,073</b>

See accompanying notes to the basic financial statements.

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Guernsey County Port Authority, Guernsey County, (the Port Authority) is a body corporate and politic established to promote, develop and advance the general welfare, commerce and economic development of Guernsey County and its citizens and to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio pursuant to the Port Authority of § 4582.21 to 4582.59 of the Ohio Revised Code. The Port Authority is directed by a five-member Board of Directors appointed by the Guernsey County Commissioners.

The Port Authority facilitates the transfer of real property from local governmental entities to private businesses. If applicable, these transactions are described as property sold and property purchased in the financial statements.

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

**B. Basis of Accounting**

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

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

**C. Fund Accounting**

The Port Authority maintains an Enterprise Fund, a proprietary fund type, which is the general operating fund and is used to account for all financial resources of the Port Authority.

**D. Property, Plant, and Equipment**

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

**E. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level or control, and appropriations measures and subsequent amendments. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.

GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY

NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Budgetary Process (Continued)**

**3. Encumbrances**

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

A summary of 2022 budgetary activity appears in Note 3.

**F. Loan Repayments and Loans Disbursed**

The Port Authority makes loans to various small businesses to encourage business development. These loans are made through the USDA Revolving Loan Fund. Activity on these loans is described as loan repayments and loans disbursed on the financial statements. Repayments are used to finance additional loans.

**2. EQUITY IN POOLED DEPOSITS**

To improve cash management, cash received by the Entity is pooled. Monies for all funds are maintained in this pool. The Ohio Revised Code prescribes allowable deposits and investments. A summary of the Entity's deposit and investment accounts are as follows:

	2022
Demand Deposits	<u>\$ 38</u>
Total Deposits	<u>38</u>
STAR Ohio	<u>376,035</u>
Total Investments	<u>376,035</u>
Total carrying amount of deposits and investments held in the pool	<u><u>\$ 376,073</u></u>

***Deposits***

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

***Investments***

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

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ended December 31, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
Enterprise	\$ 241,501	\$ 303,373	\$ 61,872
Total	\$ 241,501	\$ 303,373	\$ 61,872

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
Enterprise	\$ 561,859	\$ 247,658	\$ 314,201
Total	\$ 561,859	\$ 247,658	\$ 314,201

**4. RISK MANAGEMENT**

The Port Authority has obtained commercial insurance for the following risks:

- Public Official Liability; and
- Commercial Property and Liability

**5. DEBT**

Debt outstanding as of December 31, 2022 was as follows:

	Principal	Interest Rate
Ohio Water Development Authority Loan	\$ 778,779	3%
Total	\$ 778,779	

The Port Authority received financing for a digester in 2011 through the Ohio Water Development Port Authority. The digester is leased by Island Aseptics. The original amount of the loan was \$2,237,068 at a rate of 3% maturing on January 1, 2027. The loan is to be repaid in semi-annual installments of \$93,150, including interest.

***Amortization***

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

Year Ending December 31:	OWDA Loan
2023	\$ 186,300
2024	186,300
2025	186,300
2026	186,300
2027	93,150
Total	\$ 838,350

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**6. CONSORTIUM**

The Port Authority is a member of a consortium of local government agencies in Guernsey County. This consortium has purchased property and is in the process of selling parcels to local or re-locating businesses. The cash balance of \$9,469 of the consortium is included in the Port Authority's financial statements.

**7. LEASE INCOME**

The Port Authority owns the wastewater treatment facility used by Island Aseptics. There is a 15-year lease with semi-annual payments of \$93,150, which equals the debt service payments to the Ohio Water Development Authority. Lease payments began in July 2012.

The amount of lease income for 2022 was \$93,150.

**8. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the Port Authority are subject to audit and adjustment by the grantor. 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.

**9. CAMBRIDGE RENAISSANCE, LLC**

Cambridge Renaissance, LLC is a single member LLC with the Guernsey County Port Authority being the managing partner. Cambridge Renaissance, LLC is the owner of a property/office building located at 710 Wheeling Ave., Cambridge, OH with the Area Agency on Aging – Region 9 being a single tenant. The base term of this lease is for a period of twenty (20) years beginning on November 1, 2019. Monthly Base Rent in an amount equal to the monthly principal and interest payments due and owing to WesBanco Bank, LLC plus three percent (3%) is due the 1<sup>st</sup> day of each month.

Cambridge Renaissance, LLC entered into loan agreement with WesBanco Bank, Inc. in the amount of \$2,610,000. for a term of 20 years. In addition, Cambridge Renaissance, LLC entered into a loan agreement with the Community Industrial Association in the amount up to \$400,000., for a term of 10 years. These loan agreements will be paid by the Monthly Base Rent with any amount collected exceeding the two (2) loan agreement obligations shall remain with the Cambridge Renaissance, LLC and used as a monthly administrative fee by the Guernsey County Port Authority at their discretion.

In 2022, all lease payments were made as agreed.

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<b>Enterprise</b>
<b>Operating Cash Receipts</b>	
Grant Income	\$ 88,405
Lease Income	279,449
Transaction Fees	18,981
Application Fees	200
Loan Repayments	66,141
Received on Behalf of Other Entities	18
Interest	4,517
Miscellaneous	4,826
<i>Total Operating Cash Receipts</i>	462,537
<b>Operating Cash Disbursements</b>	
Bank Service Charges	221
Debt Repayment	233,745
Dues & Memberships	200
Insurance	3,026
Interest	45,704
Loans Disbursed	42,838
Office and Postage Expense	271
Professional Fees	2,685
Project Expenses	46
Community Investment	2,000
Real Estate Tax	36
Stipends	17,207
Miscellaneous	14
<i>Total Operating Cash Disbursements</i>	347,993
<i>Net Change in Fund Cash Balances</i>	114,544
<i>Fund Cash Balance, January 1</i>	205,814
<i>Fund Cash balance, December 31</i>	\$ 320,358

See accompanying notes to the basic financial statements.

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2021**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

The Guernsey County Port Authority, Guernsey County, (the Authority) is a body corporate and politic established to promote, develop and advance the general welfare, commerce and economic development of Guernsey County and its citizens and to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio pursuant to the authority of § 4582.21 to 4582.59 of the Ohio Revised Code. The Authority is directed by a five-member Board of Directors appointed by the Guernsey County Commissioners.

The Authority facilitates the transfer of real property from local governmental entities to private businesses. If applicable, these transactions are described as property sold and property purchased in the financial statements.

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

**B. Basis of Accounting**

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

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

**C. Fund Accounting**

The Port Authority maintains an Enterprise Fund, a proprietary fund type, which is the general operating fund and is used to account for all financial resources of the Port Authority.

**D. Property, Plant, and Equipment**

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

**E. Budgetary Process**

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

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level or control, and appropriations measures and subsequent amendments. Appropriations lapse at year end.

**2. Estimated Resources**

Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1.



**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Budgetary Process (Continued)**

**3. Encumbrances**

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

A summary of 2021 budgetary activity appears in Note 3.

**F. Loan Repayments and Loans Disbursed**

The Authority makes loans to various small businesses to encourage business development. These loans are made through the USDA Revolving Loan Fund. Activity on these loans is described as loan repayments and loans disbursed on the financial statements. Repayments are used to finance additional loans.

**2. EQUITY IN POOLED DEPOSITS**

The Authority maintains a deposit pool used by all funds. The Ohio Revised Code prescribes allowable deposits. The carrying amount of deposits at December 31 was as follows:

	2021
Demand Deposits	\$ 320,358
Total Deposits	\$ 320,358

***Deposits***

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

**3. BUDGETARY ACTIVITY**

Budgetary activity for the year ended December 31, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
Enterprise	\$ 460,000	\$ 462,537	\$ 2,537
Total	\$ 460,000	\$ 462,537	\$ 2,537

  

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
Enterprise	\$ 665,814	\$ 347,993	\$ 317,821
Total	\$ 665,814	\$ 347,993	\$ 317,821

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**4. RISK MANAGEMENT**

The Port Authority has obtained commercial insurance for the following risks:

- Public Official Liability; and
- Commercial Property and Liability

**5. DEBT**

Debt outstanding as of December 31, 2021 was as follows:

	Principal	Interest Rate
Ohio Water Development Authority Loan	\$ 859,043	3%
Total	\$ 859,043	

The Port Authority received financing for a digester in 2011 through the Ohio Water Development Authority. The digester is leased by Island Aseptics. The original amount of the loan was \$2,237,068 at a rate of 3% maturing on January 1, 2027. The loan is to be repaid in semi-annual installments of \$93,150, including interest.

***Amortization***

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

Year Ending December 31:	OWDA Loan
2022	\$ 93,150
2023	186,300
2024	186,300
2025	186,300
2026	186,300
2027-2031	93,150
Total	\$ 931,500

**6. CONSORTIUM**

The Authority is a member of a consortium of local government agencies in Guernsey County. This consortium has purchased property and is in the process of selling parcels to local or re-locating businesses. The cash balance of \$9,469 of the consortium is included in the Authority's financial statements.

**7. LEASE INCOME**

The Authority owns the wastewater treatment facility used by Island Aseptics. There is a 15-year lease with semi-annual payments of \$93,150, which equals the debt service payments to the Ohio Water Development Authority. Lease payments began in July 2012.

The amount of lease income for 2021 was \$279,449.

**GUERNSEY COUNTY PORT AUTHORITY  
GUERNSEY COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**8. CONTINGENT LIABILITIES**

Amounts grantor agencies pay to the Authority are subject to audit and adjustment by the grantor. 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.

**9. CAMBRIDGE RENAISSANCE, LLC**

Cambridge Renaissance, LLC is a single member LLC with the Guernsey County Port Authority being the managing partner. Cambridge Renaissance, LLC is the owner of a property/office building located at 710 Wheeling Ave., Cambridge, OH with the Area Agency on Aging – Region 9 being a single tenant. The base term of this lease is for a period of twenty (20) years beginning on November 1, 2019. Monthly Base Rent in an amount equal to the monthly principal and interest payments due and owing to WesBanco Bank, LLC plus three percent (3%) is due the 1<sup>st</sup> day of each month.

Cambridge Renaissance, LLC entered into loan agreement with WesBanco Bank, Inc. in the amount of \$2,610,000. for a term of 20 years. In addition, Cambridge Renaissance, LLC entered into a loan agreement with the Community Industrial Association in the amount up to \$400,000., for a term of 10 years. These loan agreements will be paid by the Monthly Base Rent with any amount collected exceeding the two (2) loan agreement obligations shall remain with the Cambridge Renaissance, LLC and used as a monthly administrative fee by the Guernsey County Port Authority at their discretion.

In 2021, all lease payments were made as agreed.

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

Guernsey County Port Authority  
Guernsey County  
9900 Brick Church Rd.  
Cambridge, Ohio 43725

To the Board of Trustees:

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 cash balances, receipts, and disbursements for the proprietary fund type as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of Guernsey County Port Authority, Guernsey County, (the Port Authority) and have issued our report thereon dated June 30, 2023, wherein we noted the Port Authority followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Port Authority'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 Port Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Port Authority'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 Port Authority'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 Port Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

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



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

June 30, 2023

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# OHIO AUDITOR OF STATE KEITH FABER



**GUERNSEY COUNTY PORT AUTHORITY**

**GUERNSEY 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 9/26/2023**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)