

# PERRY

& Associates CPAs

**PASSION** *Beyond the Numbers*

**MEDWAY DRUG ENFORCEMENT AGENCY  
WAYNE COUNTY  
REGULAR AUDIT  
FOR THE YEARS ENDED DECEMBER 31, 2024 - 2023**





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Columbus, Ohio 43215  
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Agency Board  
Medway Drug Enforcement Agency  
P.O. Box 872  
Wooster, Ohio 44691

We have reviewed the *Independent Auditor's Report* of the Medway Drug Enforcement Agency, Wayne 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 Medway Drug Enforcement Agency 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

January 30, 2026

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**MEDWAY DRUG ENFORCEMENT AGENCY**  
**WAYNE COUNTY**  
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## INDEPENDENT AUDITOR'S REPORT

Medway Drug Enforcement Agency  
Wayne County  
P.O. Box 872  
Wooster, Ohio 44691

To the Board:

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

#### ***Unmodified and Adverse Opinions***

We have audited the financial statements of the Medway Drug Enforcement Agency, Wayne County, Ohio (the Agency), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2024 and 2023 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 each governmental fund type as of and for the years ended December 31, 2024 and 2023, 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 1.

#### ***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 Agency, as of December 31, 2024 and 2023, or the changes in financial position 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 Agency, 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 1 of the financial statements, the financial statements are prepared by the Agency 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 1 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 Agency'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 Agency'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.

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

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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 Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2025, on our consideration of the Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.



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

August 15, 2025

**MEDWAY DRUG ENFORCEMENT AGENCY  
WAYNE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

	General	Special Revenue	Combined Total
<b>Cash Receipts</b>			
Local Taxes	\$ 1,670,930	\$ -	\$ 1,670,930
Intergovernmental:	25,805	139,535	165,340
Fines and Restitution	-	212,374	212,374
Miscellaneous	2,482	12,710	15,192
<i>Total Cash Receipts</i>	<u>1,699,217</u>	<u>364,619</u>	<u>2,063,836</u>
<b>Cash Disbursements</b>			
Current:			
Salaries	605,599	165,370	770,969
Supplies and Materials	26,041	6,186	32,227
Contract Repairs	8,045	-	8,045
Contract Services	65,769	-	65,769
Rentals	33,422	26,392	59,814
Travel Expenses	13,948	13,207	27,155
PERS	131,981	5,796	137,777
Workers' Compensation	11,967	-	11,967
Other	68,418	-	68,418
Medicare	11,179	-	11,179
Health & Life Insurance	192,729	-	192,729
Unemployment	-	-	-
Capital Outlay	56,303	-	56,303
<i>Total Cash Disbursements</i>	<u>1,225,401</u>	<u>216,951</u>	<u>1,442,352</u>
<i>Net Change in Fund Cash Balances</i>	<u>473,816</u>	<u>147,668</u>	<u>621,484</u>
<i>Fund Cash Balances, January 1</i>	<u>1,837,113</u>	<u>224,826</u>	<u>2,061,939</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 2,310,929</u></u>	<u><u>\$ 372,494</u></u>	<u><u>\$ 2,683,423</u></u>

The notes to the financial statements are an integral part of this statement.

**Medway Drug Enforcement Agency**  
Wayne County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**1. Summary of Significant Accounting Policies**

**a. Description of Agency**

The constitution and laws of the State of Ohio establish the rights and privileges of the MEDWAY Drug Enforcement Agency, Wayne County, (the Agency) as a body corporate and politic. The Agency is governed by a Council of Governments, consisting of two separate operating Boards. The first of these bodies is a six-member Governing Board composed of law enforcement officials and the Prosecutor from the participating entities; the second body is a five-member General Assembly composed of publicly-elected officials from the participating entities. The Agency provides undercover drug enforcement programs for the purpose of reducing drug trafficking and related crimes.

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

**b. Basis of Presentation**

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

**c. Accounting Basis**

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 Agency 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

**d. Deposits and Investments**

The Wayne County Auditor acts as the fiscal agent for the Agency. The County maintains a cash and investment pool used by all funds. The Agency maintains small amounts of cash and deposits in commercial bank accounts for its operations. The Agency also maintains a separate account for monies seized in drug raids, which have not yet been forfeited to the Agency.

**e. Fund Accounting**

The Agency uses fund accounting to segregate cash and investments that are restricted as to use. The Agency classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**Medway Drug Enforcement Agency**  
Wayne County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**1. Summary of Significant Accounting Policies (Continued)**

**e. Fund Accounting (Continued)**

**2. Special Revenue Fund**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Agency had the following significant Special Revenue Funds:

MEDWAY Law Enforcement Trust Fund – This fund receives funds from local property and cash forfeitures under the law and may be expended for any operating expenses of the Agency. At least 10% of the first \$100,000 must be expended for educating the public.

Narcotics Task Force Grant Fund – This fund receives federal Byrne Grant monies to fund additional drug enforcement agents.

MEDWAY DLEF OCJS NTF Grant Fund – This fund receives grant monies from the Ohio Drug Law Enforcement Fund to help defray costs of running the Agency.

**f. Budgetary Process**

Since the Agency does not levy taxes, a tax budget is not required by the Ohio Revised Code. The Wayne County Auditor serves as the fiscal agent for the Agency and requires the Agency to submit an annual budget of estimated cash receipts and disbursements which serves as the financial plan for the year.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Agency must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure as part of the Wayne County Budget. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Agency reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not to reappropriated.

A summary of 2024 budgetary activity appears in Note 3.

**Medway Drug Enforcement Agency**  
*Wayne County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**1. Summary of Significant Accounting Policies (Continued)**

**g. Capital Assets**

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

**h. Accumulated Leave**

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

**i. Fund Balance**

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

**1. Nonspendable**

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

**2. Restricted**

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

**3. Committed**

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

**4. Assigned**

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

**5. Unassigned**

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

**Medway Drug Enforcement Agency**  
*Wayne County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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## **1. Summary of Significant Accounting Policies (Continued)**

### **i. Fund Balance (Continued)**

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 9.

## **2. Equity in Pooled Deposits and Investments**

The Wayne County Auditor is the fiscal agent for the Agency. The County maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments for the Agency at December 31, 2024 was \$2,683,423.

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

Due to the nature of the Agency's operations, the Agency maintains a bank account and cash outside of the County's direct control. These accounts are replenished through request to the County. These requests are recorded as disbursements on the Agency's financial statements at the time the County makes the disbursement to the Agency. Therefore, the bank account and cash maintained by the Agency are not reflected in the ending cash fund balances of the accompanying financial statements. The balances of these accounts as of December 31 was as follows:

	2024
Bank Account Balance	\$ 13,187
Cash on hand	-
Total	\$ 13,187

Additionally, the Agency maintains a separate bank account to track funds seized and held pending final disposition of the respective case. As of December 31, 2024, the balance in this account was \$45,832.

## **3. Budgetary Activity**

Budgetary activity for the year ending December 31, 2024 follows:

### **2024 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,699,217	\$ 1,699,217	\$ -
Special Revenue	139,535	364,619	225,084
Total	\$ 1,838,752	\$ 2,063,836	\$ 225,084

### **2024 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 2,431,330	\$ 1,274,912	\$ 1,156,418
Special Revenue	364,361	217,861	146,500
Total	\$ 2,795,691	\$ 1,492,773	\$ 1,302,918

**Medway Drug Enforcement Agency**  
Wayne County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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#### **4. Property Tax**

Wayne County levies a tax on behalf of the MEDWAY Drug Enforcement Agency.

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

Public utilities are also taxed on personal and real property located within the Agency.

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

#### **5. Defined Benefit Pension Plans**

The Agency's law enforcement officers belong to the Ohio Public Employees Retirement System (OPERS) Law Enforcement. Other employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2024, Law Enforcement participants contributed 13 percent of their wages. For 2024, the Agency contributed an amount equal to 18.1 percent of their wages. For 2024, OPERS members contributed 10 percent of their wages and the Agency contributed an amount equaling 14 percent, of the participants' gross salaries. The Agency has paid all contributions required through December 31, 2024.

#### **6. Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar years 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan.

#### **7. Risk Management**

##### **Commercial Insurance**

The Agency has obtained commercial insurance for the following risks:

Comprehensive property and general liability;  
Vehicles;  
Commercial inland marine;  
Public officials' liability;  
Employees liability; and  
Employee benefits liability.

The County also provides health insurance and dental and vision coverage to full-time employees through the Wayne County Benefit Plan.

**Medway Drug Enforcement Agency**  
*Wayne County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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## **8. Contingent Liabilities**

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

## **9. Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	2024		Special Revenue	Total
	General			
Outstanding Encumbrances	\$ 49,511		\$ 910	\$ 50,421
Total	\$ 49,511		\$ 910	\$ 50,421

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

**MEDWAY DRUG ENFORCEMENT AGENCY  
WAYNE COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS  
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General	Special Revenue	Combined Total
<b>Cash Receipts</b>			
Local Taxes	\$ 1,657,947	\$ -	\$ 1,657,947
Intergovernmental:	29,338	246,780	276,118
Fines and Restitution	-	87,704	87,704
Miscellaneous	15	3,629	3,644
<i>Total Cash Receipts</i>	<u>1,687,300</u>	<u>338,113</u>	<u>2,025,413</u>
<b>Cash Disbursements</b>			
Current:			
Salaries	432,390	130,661	563,051
Supplies and Materials	14,008	8,964	22,972
Contract Repairs	7,845	-	7,845
Contract Services	75,905	-	75,905
Rentals	-	34,800	34,800
Travel Expenses	6,781	-	6,781
PERS	71,491	23,650	95,141
Workers' Compensation	4,291	-	4,291
Other	44,776	-	44,776
Medicare	6,163	1,895	8,058
Health & Life Insurance	120,175	-	120,175
Unemployment	-	-	-
Capital Outlay	23,618	-	23,618
<i>Total Cash Disbursements</i>	<u>807,443</u>	<u>199,970</u>	<u>1,007,413</u>
<i>Net Change in Fund Cash Balances</i>	<u>879,857</u>	<u>138,143</u>	<u>1,018,000</u>
<i>Fund Cash Balances, January 1</i>	<u>957,256</u>	<u>86,683</u>	<u>1,043,939</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 1,837,113</u></u>	<u><u>\$ 224,826</u></u>	<u><u>\$ 2,061,939</u></u>

The notes to the financial statements are an integral part of this statement.

**Medway Drug Enforcement Agency**  
Wayne County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**1. Summary of Significant Accounting Policies**

**a. Description of Agency**

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

**b. Basis of Presentation**

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

**c. Accounting Basis**

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 Agency 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

**d. Deposits and Investments**

The Wayne County Auditor acts as the fiscal agent for the Agency. The County maintains a cash and investment pool used by all funds. The Agency maintains small amounts of cash and deposits in commercial bank accounts for its operations. The Agency also maintains a separate account for monies seized in drug raids, which have not yet been forfeited to the Agency.

**e. Fund Accounting**

The Agency uses fund accounting to segregate cash and investments that are restricted as to use. The Agency classifies its funds into the following types:

**1. General Fund**

The General Fund reports all financial resources except those required to be accounted for in another fund.

**Medway Drug Enforcement Agency**  
Wayne County  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**1. Summary of Significant Accounting Policies (Continued)**

**e. Fund Accounting (Continued)**

**2. Special Revenue Fund**

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Agency had the following significant Special Revenue Funds:

MEDWAY Law Enforcement Trust Fund – This fund receives funds from local property and cash forfeitures under the law and may be expended for any operating expenses of the Agency. At least 10% of the first \$100,000 must be expended for educating the public.

Narcotics Task Force Grant Fund – This fund receives federal Byrne Grant monies to fund additional drug enforcement agents.

MEDWAY DLEF OCJS NTF Grant Fund – This fund receives grant monies from the Ohio Drug Law Enforcement Fund to help defray costs of running the Agency.

**f. Budgetary Process**

Since the Agency does not levy taxes, a tax budget is not required by the Ohio Revised Code. The Wayne County Auditor serves as the fiscal agent for the Agency and requires the Agency to submit an annual budget of estimated cash receipts and disbursements which serves as the financial plan for the year.

**1. Appropriations**

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control and appropriations may not exceed estimated resources. The Agency must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure as part of the Wayne County Budget. Unencumbered appropriations lapse at year end.

**2. Estimated Resources**

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

**3. Encumbrances**

The Agency reserves (encumbers) appropriations when commitments are made. Encumbrances outstanding at year end are carried over, and need not to reappropriated.

A summary of 2023 budgetary activity appears in Note 3.

**Medway Drug Enforcement Agency**  
*Wayne County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**1. Summary of Significant Accounting Policies (Continued)**

**g. Capital Assets**

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

**h. Accumulated Leave**

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

**i. Fund Balance**

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

**1. Nonspendable**

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

**2. Restricted**

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

**3. Committed**

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

**4. Assigned**

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

**5. Unassigned**

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

**Medway Drug Enforcement Agency**  
*Wayne County*  
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*For the Year Ended December 31, 2023*

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## **1. Summary of Significant Accounting Policies (Continued)**

### **i. Fund Balance (Continued)**

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 9.

## **2. Equity in Pooled Deposits and Investments**

The Wayne County Auditor is the fiscal agent for the Agency. The County maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments for the Agency at December 31, 2023 was \$2,061,939.

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

Due to the nature of the Agency's operations, the Agency maintains a bank account and cash outside of the County's direct control. These accounts are replenished through request to the County. These requests are recorded as disbursements on the Agency's financial statements at the time the County makes the disbursement to the Agency. Therefore, the bank account and cash maintained by the Agency are not reflected in the ending cash fund balances of the accompanying financial statements. The balances of these accounts as of December 31 was as follows:

	2023
Bank Account Balance	\$ 24,185
Cash on hand	3,499
Total	\$ 27,684

Additionally, the Agency maintains a separate bank account to track funds seized and held pending final disposition of the respective case. As of December 31, 2023, the balance in this account was \$45,490.

## **3. Budgetary Activity**

Budgetary activity for the year ending December 31, 2023 follows:

### **2023 Budgeted vs. Actual Receipts**

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,687,300	\$ 1,687,300	\$ -
Special Revenue	246,779	338,113	91,334
Total	\$ 1,934,079	\$ 2,025,413	\$ 91,334

### **2023 Budgeted vs. Actual Budgetary Basis Expenditures**

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,699,256	\$ 845,468	\$ 853,788
Special Revenue	333,462	200,880	132,582
Total	\$ 2,032,718	\$ 1,046,348	\$ 986,370

**Medway Drug Enforcement Agency**  
Wayne County  
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#### **4. Property Tax**

Wayne County levies a tax on behalf of the MEDWAY Drug Enforcement Agency.

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

Public utilities are also taxed on personal and real property located within the Agency.

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

#### **5. Defined Benefit Pension Plans**

The Agency's law enforcement officers belong to the Ohio Public Employees Retirement System (OPERS) Law Enforcement. Other employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2023, Law Enforcement participants contributed 13 percent of their wages. For 2023, the Agency contributed an amount equal to 18.1 percent of their wages. For 2023, OPERS members contributed 10 percent of their wages and the Agency contributed an amount equaling 14 percent, of the participants' gross salaries. The Agency has paid all contributions required through December 31, 2023.

#### **6. Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar years 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan.

#### **7. Risk Management**

##### **Commercial Insurance**

The Agency has obtained commercial insurance for the following risks:

Comprehensive property and general liability;  
Vehicles;  
Commercial inland marine;  
Public officials' liability;  
Employees liability; and  
Employee benefits liability.

The County also provides health insurance and dental and vision coverage to full-time employees through the Wayne County Benefit Plan.

**Medway Drug Enforcement Agency**  
*Wayne County*  
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## **8. Contingent Liabilities**

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

## **9. Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	2023		Special Revenue	Total
	General			
Outstanding Encumbrances	\$ 38,025		\$ 910	\$ 38,935
Total	\$ 38,025		\$ 910	\$ 38,935

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

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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

Medway Drug Enforcement Agency  
Wayne County  
P.O. Box 872  
Wooster, Ohio 44691

To the Board:

We have audited, in accordance with auditing standards generally accepted in the United States of America and 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 each governmental fund type as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the **Medway Drug Enforcement Agency**, Wayne County, Ohio (the Agency) and have issued our report thereon dated August 15, 2025, wherein we noted the Agency 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 Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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.

Medway Drug Enforcement Agency  
Wayne County  
Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by *Government Auditing Standards*  
Page 2

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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 Agency'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

August 15, 2025

# OHIO AUDITOR OF STATE KEITH FABER



MEDWAY DRUG ENFORCEMENT AGENCY

WAYNE 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 2/12/2026

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

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