



OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF LEESBURG
HIGHLAND COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Prepared by Management:	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis)	
All Governmental Fund Types	
For the Year Ended December 31, 2024	5
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis)	
Enterprise Fund	
For the Year Ended December 31, 2024	6
Notes to the Financial Statements	
For the Year Ended December 31, 2024	7
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	17
Prepared by Management:	
Summary Schedule of Prior Audit Findings	19

This page intentionally left blank.



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

INDEPENDENT AUDITOR'S REPORT

Village of Leesburg
Highland County
57 South Fairfield Street
Leesburg, Ohio 45135

To the Village Council Members:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Leesburg, Highland County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the year ended December 31, 2024, 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 and proprietary fund type as of and for the year ended December 31, 2024, 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 Village, as of December 31, 2024, or the changes in financial position or, where applicable, cash flows thereof for the year 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 Village, 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 Village 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 Village'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 Village'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 Village's ability to continue as a going concern for a reasonable period of time.

Village of Leesburg
Highland County
Independent Auditor's Report
Page 3

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 September 15, 2025, on our consideration of the Village'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 Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

September 15, 2025

This page intentionally left blank.

Village of Leesburg, Ohio

Highland 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*

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Combined Total</u>
Cash Receipts				
Property and Other Local Taxes	\$34,028			\$34,028
Municipal Income Tax	714,985			714,985
Intergovernmental	48,262	95,802	53,474	197,538
Special Assessments	24,038			24,038
Licenses, Permits and Fees	140			140
Fines, Forfeitures and Settlements	8,515			8,515
Earnings on Investments	65,403	6,565		71,968
Miscellaneous	31,301	354		31,655
<i>Total Cash Receipts</i>	<u>926,672</u>	<u>102,721</u>	<u>53,474</u>	<u>1,082,867</u>
Cash Disbursements				
Current:				
Security of Persons and Property	323,268			323,268
Public Health Services	300			300
Leisure Time Activities	5,207			5,207
Basic Utility Services		11,899		11,899
Transportation		148,909		148,909
General Government	221,638			221,638
Capital Outlay		1,827	81,335	83,162
Debt Service:				
Principal Retirement	19,424	4,857		24,281
Interest and Fiscal Charges	3,866	628		4,494
<i>Total Cash Disbursements</i>	<u>573,703</u>	<u>168,120</u>	<u>81,335</u>	<u>823,158</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>352,969</u>	<u>(65,399)</u>	<u>(27,861)</u>	<u>259,709</u>
Other Financing Receipts (Disbursements)				
Sale of Capital Assets	5,500			5,500
Transfers In		63,040		63,040
Transfers Out	(63,040)			(63,040)
Other Financing Uses	(8,758)			(8,758)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(66,298)</u>	<u>63,040</u>	<u>0</u>	<u>(3,258)</u>
Special Item	<u>735</u>	<u>0</u>	<u>0</u>	<u>735</u>
<i>Net Change in Fund Cash Balances</i>	<u>287,406</u>	<u>(2,359)</u>	<u>(27,861)</u>	<u>257,186</u>
<i>Fund Cash Balances, January 1</i>	<u>886,155</u>	<u>158,889</u>	<u>40,967</u>	<u>1,086,011</u>
<i>Fund Cash Balances, December 31</i>	<u>\$1,173,561</u>	<u>\$156,530</u>	<u>\$13,106</u>	<u>\$1,343,197</u>

See accompanying notes to the basic financial statements

Village of Leesburg, Ohio

Highland County

Combined Statement of Receipts, Disbursements

and Changes in Fund Balances (Regulatory Cash Basis)

Enterprise Funds

For the Year Ended December 31, 2024

Operating Cash Receipts

	<u>Enterprise</u>
Charges for Services	<u>\$836,872</u>
<i>Total Operating Cash Receipts</i>	<u>836,872</u>

Operating Cash Disbursements

Personal Services	134,084
Employee Fringe Benefits	67,263
Contractual Services	304,868
Supplies and Materials	<u>78,078</u>

<i>Total Operating Cash Disbursements</i>	<u>584,293</u>
---	----------------

<i>Operating Income (Loss)</i>	<u>252,579</u>
--------------------------------	----------------

Non-Operating Receipts (Disbursements)

Intergovernmental Receipts	159
Earnings on Investments (proprietary funds only)	495
Miscellaneous Receipts	1,288
Capital Outlay	(42,130)
Principal Retirement	(172,107)
Interest and Other Fiscal Charges	(32,066)

<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(244,361)</u>
---	------------------

<i>Income (Loss) before Capital Contributions, Special Item, Extraordinary Item, Transfers and Advances</i>	8,218
---	-------

Transfers In	218,132
Transfers Out	<u>(218,132)</u>

<i>Net Change in Fund Cash Balances</i>	8,218
---	-------

<i>Fund Cash Balances, January 1</i>	<u>641,995</u>
--------------------------------------	----------------

<i>Fund Cash Balances, December 31</i>	<u>\$650,213</u>
--	------------------

See accompanying notes to the basic financial statements

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Village of Leesburg, Highland County, Ohio (the Village), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides street maintenance, water and sewer utilities, garbage collection, and police services.

Public Entity Risk Pool

The Village participates in the Public Entities Pool of Ohio (PEP), a public risk entity pool. Note 6 to the financial statements provides additional information for this entity.

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Fund Accounting

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

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

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

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

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Village had the following significant Capital Project Fund:

Other Capital Projects Fund This fund accounts for and reports the receipt of special assessments issued by the Village for the reconstruction, repair and improvement of roads and water sewer lines.

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

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

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

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

Special Revenue Fund *The state highway fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for the purpose of construction, maintenance, and policing of public roadways.*

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 Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary disbursements when a commitment is made (i.e., when an encumbrance is approved).

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

Budgetary Process

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

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

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

Encumbrances The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made.

A summary of 2024 budgetary activity appears in Note 3.

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

Deposits and Investments

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

Capital Assets

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

Accumulated Leave

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

SBITAs

The Village has entered into noncancelable Subscription-Based Information Technology Arrangements (SBITA) contracts (as defined by GASB 96) for several types of software including contracts related to financial systems. Subscription disbursements are recognized when they are paid.

Fund Balance

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

Nonspendable The Village classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. 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 Village and the nonexpendable portion of the corpus in permanent funds.

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

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

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

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (continued)

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

The Village applies restricted resources first when 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 11.

Note 3 – Budgetary Activity

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

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$920,293	\$932,907	\$12,614
Special Revenue	170,034	165,761	(4,273)
Capital Projects	53,474	53,474	0
Enterprise	1,035,600	1,056,946	21,346
Total	\$2,179,401	\$2,209,088	\$29,687

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$841,310	\$653,595	\$187,715
Special Revenue	188,310	168,819	19,491
Capital Projects	93,834	81,335	12,499
Enterprise	1,180,767	1,051,520	129,247
Total	\$2,304,221	\$1,955,269	\$348,952

Note 4 – Deposits

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

	2024
Demand deposits	\$1,993,410

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 4 – Deposits (continued)

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the Village had \$11,585 in unremitted employee payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation, or collateralized by securities specifically pledged by the financial institution to the Village.

Note 5 – Taxes

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the Council adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable 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 Village.

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

Local Income Taxes

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

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

Note 6 – Risk Management

Workers' Compensation

Workers' compensation coverage is provided by the State of Ohio. The Village pays the State Workers' Compensation System based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 6 – Risk Management (continued)

Risk Pool Membership

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31 (latest information available):

	2023
Cash and investments	\$ 48,150,572
Actuarial liabilities	22,652,556

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10% of their gross salaries and the Village contributed an amount equaling 14% of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

Ohio Police and Fire Retirement System

The Village's full-time Police Officers belong to the Ohio Police and Fire Retirement System (OP&F). OP&F is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2024.

Social Security

Some Village employees contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 7 – Defined Benefit Pension Plans (continued)

Employees contributed 6.2% of their gross salaries. The Village contributed an amount equal to 6.2% of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer 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. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0% for members in the traditional pension plan and 2% for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4%; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5% to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2024 was as follows:

	<u>Principal</u>	<u>Interest Rat</u>
Water System Improvement Loan	\$ 14,200	6.00%
OPWC #CO05D Water Treatment Plant	15,746	0.00%
OPWC #CO02G Wastewater Treatment Plant Renovation	60,000	0.00%
OPWC #C010N Water Supply Improvements	62,019	0.00%
OWDA #4395 Wastewater Treatment Upgrade	1,571,880	1.50%
OWDA #5677 Water Wells and Disinfection	159,137	1.50%
OWDA #6413 Remote Read Water Meters	68,402	2.00%
OWDA #7018 Sewer Line Replacement	106,367	0.91%
OWDA #9504 Water System Repair and Mapping	29,005	0.00%
Ford F250 Truck	15,431	6.50%
2023 SUV Lease	21,270	9.20%
Total	<u>\$ 2,123,457</u>	

The Water System Improvement Loan was issued in 1986 for \$116,000 to finance an improvement project on the Village's water plant. The bonds are being retired over a period of 40 years, paid from sewer system revenues.

During 2001, the Village received a no interest OPWC Loan for \$209,947 to finance a water tower replacement project. The loan will be repaid from water system revenues, over a period of 20 years.

During 2005, the Village received a no interest OPWC Loan for \$400,000 to finance a wastewater treatment plant expansion and upgrade. These loans will be repaid from sewer system revenues, over a period of 30 years.

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Debt (continued)

During 2011, the Village received an OPWC Loan for \$103,365 to finance a water improvement project. Repayment will be made over a period of 30 years from the water system revenues.

During 2005, the Village received an Ohio Water Development Authority (OWDA) Loan for \$2,776,000 to finance a wastewater treatment plant expansion and upgrade. This loan will be repaid from sewer system revenues over a period of 30 years.

During 2010, the Village received an OWDA Loan for \$256,283 to finance a water well project. Repayment will be made over a period of 30 years from water system revenues.

During 2013, the Village received an OWDA Loan for \$136,961 to finance a remote read water meter project. Repayment will be made over a period of 20 years from water system revenues.

During 2015, the Village received an OWDA Loan to finance a sewer line replacement project. The project is ongoing. The Village has received \$142,497 in loan proceeds as of December 31, 2018. Repayment will be made over 30 years from sewer system revenues.

During 2023, the village received an OWDA Loan to finance water system repairs and mapping projects. The project is ongoing. The village received \$48,344 in loan proceeds as of December 31, 2023. Repayment will be made over 5 years. No amortization schedule is available at this time.

During 2023, the Village entered into a loan agreement with Southern Hills Bank for a Ford F250 Truck. The Village received \$30,000 in debt proceeds as of December 31, 2023. Repayment will be completed within the next year.

During 2023, the Village entered into a Lease Agreement with Statewide Municipal Leasing for a lease of a 2023 SUV. The Village received \$63,983 in lease proceeds as of December 31, 2023. Repayment will be made over 3 years.

Amortization

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

<u>Year Ending</u>	<u>Water System</u>	<u>OPWC</u>	<u>For F-250</u>		<u>SUV Financed</u>
	<u>Improvement</u>	<u>Loans</u>	<u>OWDA Loans</u>	<u>Truck</u>	<u>Purchase</u>
December 31:					
2025	\$ 7,752	\$ 33,943	\$ 151,523	\$ 16,448	\$ 23,290
2026	7738	23,446	151,523	-	-
2027	-	13,446	151,523	-	-
2028	-	3,446	141,855	-	-
2029	-	3,446	141,855	-	-
2030-2034	-	17,228	700,930	-	-
2035-2039	-	17,228	667,560	-	-
2040-2044	-	8,614	48,571	-	-
2045-2049	-	-	8,185	-	-
Total	\$ 15,490	\$ 120,797	\$ 2,163,525	\$ 16,448	\$ 23,290

Village of Leesburg
Highland County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 10 – Contingent Liabilities

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

Note 11 – Fund Balances

Included in the fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years, and the unspendable corpus of the permanent funds. 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	General	Special Revenue	Total
Outstanding Encumbrances	\$8,094	\$699	\$8,793
Nonspendable			
Unclaimed Funds	193	0	\$193
Total	<u>\$8,287</u>	<u>\$699</u>	<u>\$8,986</u>

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

This page intentionally left blank.



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

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

Village of Leesburg
Highland County
57 South Fairfield Street
Leesburg, Ohio 45135

To the Village Council Members:

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*, the financial statements of the cash balances, receipts, and disbursements for each governmental and proprietary fund type as of and for the year ended December 31, 2024 and the related notes to the financial statements of the Village of Leesburg, Highland County, Ohio (the Village) and have issued our report thereon dated September 15, 2025, wherein we noted the Village 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 Village'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village'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.

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State



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

September 15, 2025

VILLAGE OF LEESBURG

55 SOUTH FAIRFIELD STREET, P.O. BOX 305
LEESBURG, OH 45135
admin@leesburgohiphio.org

MAYOR'S OFFICE VILLAGE ADMINISTRATOR FISCAL OFFICER WATER DEPARTMENT
937-780-3801 937-780-6380 937-780-6928 937-780-3281

**VILLAGE OF LEESBURG
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2024**

Finding Number	Finding Summary	Status	Additional Information
2023-001	Financial Reporting Errors	Not Corrected	Reissued, see management letter.
2023-002	Budgetary Posting	Corrected	
2023-003	Federal Reporting Local Fiscal Recovery Funds (SLFRF)	Corrected	
2023-004	Procurement, Suspension, and Debarment	Not Corrected	Reissued, see management Letter
2023-005	Procurement, Suspension, and Debarment	Corrected	

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF LEESBURG

HIGHLAND 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 10/14/2025

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