



OHIO AUDITOR OF STATE
KEITH FABER



**VILLAGE OF SYRACUSE
MEIGS COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

Village of Syracuse
Meigs County
PO Box 266
Syracuse, Ohio 45779

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified, Qualified, Disclaimer, and Adverse Opinions

We have audited the financial statements of the Village of Syracuse, Meigs County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022, 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 Special Revenue and Proprietary Fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code §117.38 and Ohio Administrative Code 117-2-03(C) permit, described in Note 2.

Additional Opinion Qualification - General Fund

In our opinion, except for the possible effects of the matter described in the *Basis for Additional Opinion Qualification* section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for the General Fund for the years ended December 31, 2023 and 2022, and the related notes of the Village of Syracuse, Meigs County in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code 117-2-03(C) permit, described in Note 2.

Additional Opinion Disclaimer - Custodial Fund

We do not express an opinion on the accompanying financial statements for the Custodial Fund of the Village of Syracuse. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

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, 2023 and 2022, 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 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 Additional Opinion Qualification

General Fund Fines, Licenses, and Permits receipts were reported at \$23,191 and \$21,698 for the years ended December 31, 2023 and 2022, respectively, which was 18.2 percent and 13.4 percent of total General Fund cash receipts for the years ended December 31, 2023 and 2022, respectively. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as Fines, Licenses, and Permits receipts in the General Fund. Consequently, we were unable to determine whether any adjustments to this amount were necessary.

Basis for Disclaimer of Opinion

Licenses, Permits and Fees for Distribution receipts are reported at \$22,470 and \$26,044 for the years ended December 31, 2023 and 2022, respectively, which is 100% of Custodial Fund receipts for the years ended December 31, 2023 and 2022. We were unable to obtain sufficient appropriate audit evidence supporting the amounts recorded as Licenses, Permits and Fees for Distribution receipts.

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 § 117.38 and Ohio Administrative Code 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.

Emphasis of Matter

As discussed in Note 14 to the financial statements, during 2022, the Village restated beginning fund cash position at January 1, 2022 related to mispostings identified and reclassification of the Law Enforcement Trust Fund. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code § 117.38 and Ohio Administrative Code 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

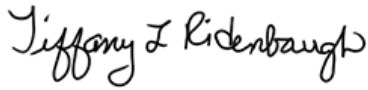
- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, 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.

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 November 6, 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

A handwritten signature in black ink that reads "Tiffany L. Ridenbaugh". The signature is written in a cursive, flowing style.

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

November 6, 2025

Village of Syracuse*Meigs 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 |
|---|------------------|--------------------|-------------------|
| Cash Receipts | | | |
| Property and Other Local Taxes | \$51,695 | \$43,881 | \$95,576 |
| Intergovernmental | 46,943 | 84,593 | 131,536 |
| Charges for Services | 0 | 23,486 | 23,486 |
| Fines, License and Permits | 23,191 | 2,111 | 25,302 |
| Earnings on Investments | 1,331 | 2,531 | 3,862 |
| Miscellaneous | 4,221 | 18,387 | 22,608 |
| <i>Total Cash Receipts</i> | <u>127,381</u> | <u>174,989</u> | <u>302,370</u> |
| Cash Disbursements | | | |
| Current: | | | |
| Security of Persons and Property | 41,841 | 52,287 | 94,128 |
| Leisure Time Activities | 18,706 | 32,532 | 51,238 |
| Transportation | 0 | 35,004 | 35,004 |
| General Government | 63,504 | 3,366 | 66,870 |
| Capital Outlay | 0 | 10,439 | 10,439 |
| Debt Service: | | | |
| Principal Retirement | 2,000 | 27,377 | 29,377 |
| Interest and Fiscal Charges | 208 | 2,511 | 2,719 |
| <i>Total Cash Disbursements</i> | <u>126,259</u> | <u>163,516</u> | <u>289,775</u> |
| <i>Net Change in Fund Cash Balances</i> | 1,122 | 11,473 | 12,595 |
| <i>Fund Cash Balances, January 1</i> | <u>112,796</u> | <u>179,004</u> | <u>291,800</u> |
| <i>Fund Cash Balances, December 31</i> | <u>\$113,918</u> | <u>\$190,477</u> | <u>\$304,395</u> |

See accompanying notes to the basic financial statements

Village of Syracuse
Meigs County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2023

| | <u>Proprietary Fund Types</u> |
|---|-------------------------------|
| | <u>Enterprise</u> |
| Operating Cash Receipts | |
| Charges for Services | \$163,438 |
| <i>Total Operating Cash Receipts</i> | <u>163,438</u> |
| Operating Cash Disbursements | |
| Personal Services | 31,638 |
| Employee Fringe Benefits | 4,815 |
| Contractual Services | 127,331 |
| Supplies and Materials | 44,663 |
| Other | 943 |
| <i>Total Operating Cash Disbursements</i> | <u>209,390</u> |
| <i>Operating Income (Loss)</i> | <u>(45,952)</u> |
| Non-Operating Receipts (Disbursements) | |
| Property and Other Local Taxes | |
| Intergovernmental Receipts | 83,296 |
| Special Assessments | 12,660 |
| Miscellaneous Receipts | 233 |
| Capital Outlay | (114,406) |
| Principal Retirement | (17,757) |
| Interest and Other Fiscal Charges | (1,285) |
| <i>Total Non-Operating Receipts (Disbursements)</i> | <u>(37,259)</u> |
| <i>Net Change in Fund Cash Balances</i> | (83,211) |
| <i>Fund Cash Balances, January 1</i> | <u>255,411</u> |
| <i>Fund Cash Balances, December 31</i> | <u><u>\$172,200</u></u> |

See accompanying notes to the basic financial statements

Village of Syracuse*Meigs County**Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)**All Fiduciary Fund Types**For the Year Ended December 31, 2023*

| | Fiduciary Fund Types |
|---|-------------------------|
| | Custodial |
| | Other Custodial |
| Additions | |
| Licenses, Permits and Fees for Distribution | 22,470 |
| <i>Total Additions</i> | 22,470 |
| Deductions | |
| Distributions to Other Governments | 7,106 |
| Distributions to Other Funds (Primary Gov't) | 16,224 |
| <i>Total Deductions</i> | 23,330 |
| <i>Net Change in Fund Balances</i> | (860) |
| <i>Fund Cash Balances, January 1</i> | 860 |
| <i>Fund Cash Balances, December 31</i> | \$0 |
| <i>See accompanying notes to the basic financial statements</i> | |

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Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Village of Syracuse (the Village), Meigs County, 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 road maintenance, water utilities, park operations, fire protection and police services

Jointly Governed Organizations and Public Entity Risk Pools

The Village participates in a jointly governed organization and a public entity risk pool, Notes 12 and 7 to the financial statements provide additional information for these entities. These organizations are the Syracuse-Racine Regional Sewer District and Ohio Plan Risk Management, Inc. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Street Construction, Maintenance and Repair (SCMR) 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 construction, maintenance, and repair of streets within the Village.

Fire Department Fund This fund receives tax money for fire protection.

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

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial fund accounts for Mayor's Court activity.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 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 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 § 117.38 and Ohio Administrative Code 117-2-03 (C) permit.

Budgetary Process

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

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 Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

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

A summary of 2023 budgetary activity appears in Note 4.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(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

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

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 (resolution). The Village must adhere to these commitments unless the Council 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.

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

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

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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 13.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the Water Operating Fund by \$11,594 for the year ended December 31, 2023.

Note 4 – 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 | \$105,110 | \$127,381 | \$22,271 |
| Special Revenue | 169,190 | 174,989 | 5,799 |
| Enterprise | 248,450 | 259,627 | 11,177 |
| Total | <u>\$522,750</u> | <u>\$561,997</u> | <u>\$39,247</u> |

| 2023 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|-------------------------|------------------------|------------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$148,423 | \$127,655 | \$20,768 |
| Special Revenue | 268,090 | 164,844 | 103,246 |
| Enterprise | 415,837 | 344,073 | 71,764 |
| Total | <u>\$832,350</u> | <u>\$636,572</u> | <u>\$195,778</u> |

Note 5 – Deposits and Investments

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 and investments. A summary of the Village's deposit and investment accounts are as follows:

| | <u>2023</u> |
|-------------------------------------|-------------|
| <i>Cash Management Pool:</i> | |
| Demand deposits | \$476,595 |

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, 2023, the village is holding \$3,959 in unremitted employee payroll withholdings.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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.

Note 6 – Taxes

Property Taxes

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

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

Note 7 – Risk Management

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

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

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remain unchanged. OPRM had 801 members as of December 31, 2023.

The Pool's audited financial statements conform with accounting principles generally accepted in the United States of America, with the exception of a qualified opinion related to recording premiums and membership fees earned in full as of December 31, 2023. Those premiums and fees should be earned pro-rata over the individual coverage and membership periods of each policy. The financial statements reported the following assets, liabilities and equity at December 31, 2023.

| | |
|-----------------|---------------|
| Assets | \$ 23,113,696 |
| Liabilities | (16,078,587) |
| Members' Equity | \$ 7,035,109 |

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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

Workers' Compensation

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

Note 8 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village 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 health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

Social Security

Some of the Village Council Members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

Note 9 – 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 year 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. For 2023, the portion of employer contributions OPERS allocated to health care for members in the members-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Debt

Debt outstanding at December 31, 2023, was as follows:

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

| | <u>Principal</u> | <u>Interest Rate</u> |
|---|-------------------------|----------------------|
| Home National Bank 201930 - Dump Truck | \$47,663 | 3.65% |
| Ohio Water Development Authority 7456 - Telemetry Replacement | \$37,472 | 2.51% |
| Ohio Public Works Commission CT76V - Well Rehab | \$87,664 | 0.00% |
| Ohio Public Works Commission CT99X - Village Wide Meter | \$90,207 | 0.00% |
| Rural Development Loan | \$67,350 | 0.00% |
| | 17,700 | 2.25% |
| United States Department of Agriculture- Cruiser and Truck | 17,000 | 2.13% |
| Total | <u><u>\$365,056</u></u> | |

The Village entered into a loan through Home National Bank for the purchase of a Dump Truck for the amount of \$70,382 for 6 years. The Village will make monthly payments of \$1,090, including interest, over the life of the loan.

The Ohio Water Development Authority (OWDA) loan relates to a water telemetry project required to bring water system management up to current operational standards for the system's size and function. The OWDA approved a loan of \$56,480 to the Village for this project. The Village will repay the loans in semiannual installments of \$1,805, including interest, over 20 years starting on July 1, 2017. The scheduled payment amount assumes that the full amount of \$56,480 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) Waterline Replacement loan relates to the State Route 124 Waterline Replacement project. The original interest-free loan amount was \$99,242. Semiannual installments in the amount of \$1,654 are paid on the 30-year loan.

The OPWC Well Rehab loan relates to the Well Rehab 2018 project. The original interest-free loan amount was \$100,230. Semiannual installments in the amount of \$1,671 are paid on the 30-year loan.

The OPWC Village Wide Meter loan relates to the Village-Wide Meter Replacement project. The original interest-free loan amount was \$74,833.82. Semiannual installments in the amount of \$1,871 are paid on the 20-year loan.

The Village entered into an Equipment Acquisition Bond through United States Department of Agriculture (USDA) in the amount of \$24,500 for 10 years. The Village will make monthly payments, including interest, over the life of the loan.

The Village entered into a Equipment Acquisition Bond through United States Department of Agriculture in the amount of \$21,000 for 5 years. The Village will make monthly payments, including interest, over the life of the loan.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

Amortization

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

| Year Ending December 31: | HNB 201930 - Dump Truck | OWDA 7456 - Telemetry | OPWC CT74V - Waterline Replacement | OPWC CT76V - Well Rehab | OPWC CT99X - Village Wide Meter | Rural Developm ent Loan | USDA- Cruiser and Truck |
|-----------------------------|----------------------------|--------------------------|---|-------------------------------|---|-------------------------------|-------------------------------|
| 2024 | \$13,079 | \$3,290 | \$3,308 | \$3,342 | \$3,742 | 2,798 | \$4,461 |
| 2025 | \$13,079 | \$3,290 | \$3,308 | \$3,342 | 3,742 | 2,744 | 4,474 |
| 2026 | \$13,079 | \$3,290 | \$3,308 | \$3,342 | 3,742 | 2,690 | 4,485 |
| 2027 | \$11,989 | \$3,290 | \$3,308 | \$3,342 | 3,742 | 2,836 | 4,494 |
| 2028 | \$0 | \$3,290 | \$3,308 | \$3,342 | 3,742 | 2,778 | 0 |
| 2029-2033 | 0 | \$16,450 | \$16,540 | \$16,710 | 18,710 | 5,480 | 0 |
| 2034-2038 | 0 | \$11,515 | \$16,540 | \$16,710 | 18,710 | 0 | 0 |
| 2039-2043 | 0 | 0 | \$16,540 | \$16,710 | 11,220 | 0 | 0 |
| 2044-2048 | 0 | 0 | \$16,540 | \$16,710 | 0 | 0 | 0 |
| 2049-2050 | 0 | 0 | 4,964 | \$6,657 | 0 | 0 | 0 |
| Total | <u>\$51,226</u> | <u>\$44,415</u> | <u>\$87,664</u> | <u>\$90,207</u> | <u>\$67,350</u> | <u>\$19,326</u> | <u>\$17,914</u> |

Note 11 – Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. 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.

Note 12 – Jointly Governed Organizations

Syracuse-Racine Regional Sewer District – The Syracuse-Racine Regional Sewer District is a regional sewer district organized under Chapter 6119 of the Ohio Revised Code. The District operates under the direction of a three-member Board of Trustees whose membership is composed of one appointment from each of the participating political subdivisions: Sutton Township, Village of Syracuse, and the Village of Racine. The membership elects a President, Vice President, and a Secretary-Treasurer, who are responsible for the fiscal control of the financial resources of the District. To obtain financial information, write to the Syracuse-Racine Regional Sewer District, Secretary-Treasurer, at PO Box 201 Racine, Ohio 45771. The Village paid the District \$489 for sewer services during 2023.

Note 13 – Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable 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:

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

| Fund Balances | General | Special Revenue | Total |
|--------------------------|----------------|--------------------|----------------|
| Nonspendable: | | | |
| Unclaimed Monies | \$0 | \$0 | \$0 |
| Corpus | 0 | 0 | 0 |
| Outstanding Encumbrances | 1,396 | 1,328 | 2,724 |
| <i>Total</i> | <u>\$1,396</u> | <u>\$1,328</u> | <u>\$2,724</u> |

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

Note 14 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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Village of Syracuse*Meigs County**Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)**All Governmental Fund Types**For the Year Ended December 31, 2022*

| | General | Special Revenue | Combined Total |
|---|-------------------------|-------------------------|-------------------------|
| Cash Receipts | | | |
| Property and Other Local Taxes | \$43,518 | \$44,127 | \$87,645 |
| Intergovernmental | 87,801 | 135,835 | 223,636 |
| Charges for Services | 0 | 22,699 | 22,699 |
| Fines, License and Permits | 21,698 | 1,424 | 23,122 |
| Earnings on Investments | 1,037 | 439 | 1,476 |
| Miscellaneous | 8,280 | 24,981 | 33,261 |
| <i>Total Cash Receipts</i> | <u>162,334</u> | <u>229,505</u> | <u>391,839</u> |
| Cash Disbursements | | | |
| Current: | | | |
| Security of Persons and Property | 28,409 | 64,477 | 92,886 |
| Leisure Time Activities | 11,432 | 3,845 | 15,277 |
| Transportation | 0 | 59,492 | 59,492 |
| General Government | 62,395 | 5,630 | 68,025 |
| Capital Outlay | 41,495 | 121,455 | 162,950 |
| Debt Service: | | | |
| Principal Retirement | 3,024 | 28,566 | 31,590 |
| Interest and Fiscal Charges | 240 | 2,518 | 2,758 |
| <i>Total Cash Disbursements</i> | <u>146,995</u> | <u>285,983</u> | <u>432,978</u> |
| <i>Excess of Receipts Over (Under) Disbursements</i> | <u>15,339</u> | <u>(56,478)</u> | <u>(41,139)</u> |
| Other Financing Receipts (Disbursements) | | | |
| Other Debt Proceeds | <u>0</u> | <u>21,000</u> | <u>21,000</u> |
| <i>Total Other Financing Receipts (Disbursements)</i> | <u>0</u> | <u>21,000</u> | <u>21,000</u> |
| <i>Net Change in Fund Cash Balances</i> | 15,339 | (35,478) | (20,139) |
| <i>Fund Cash Balances, January 1- restated</i> | <u>97,457</u> | <u>214,482</u> | <u>311,939</u> |
| <i>Fund Cash Balances, December 31</i> | <u><u>\$112,796</u></u> | <u><u>\$179,004</u></u> | <u><u>\$291,800</u></u> |

See accompanying notes to the basic financial statements

Village of Syracuse
Meigs County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balances (Regulatory Cash Basis)
All Proprietary Fund Types
For the Year Ended December 31, 2022

| | <u>Proprietary Fund Types</u> |
|---|-------------------------------|
| | <u>Enterprise</u> |
| Operating Cash Receipts | |
| Charges for Services | \$150,885 |
| <i>Total Operating Cash Receipts</i> | <u>150,885</u> |
| Operating Cash Disbursements | |
| Personal Services | 22,026 |
| Employee Fringe Benefits | 8,713 |
| Contractual Services | 80,143 |
| Supplies and Materials | 42,692 |
| <i>Total Operating Cash Disbursements</i> | <u>153,574</u> |
| <i>Operating Income (Loss)</i> | <u>(2,689)</u> |
| Non-Operating Receipts (Disbursements) | |
| Intergovernmental Receipts | 388,471 |
| Special Assessments | 13,930 |
| Earnings on Investments | 1,335 |
| Miscellaneous Receipts | 4,191 |
| Capital Outlay | (388,471) |
| Principal Retirement | (17,729) |
| Interest and Other Fiscal Charges | (891) |
| <i>Total Non-Operating Receipts (Disbursements)</i> | <u>836</u> |
| <i>Net Change in Fund Cash Balances</i> | (1,853) |
| <i>Fund Cash Balances, January 1 - restated</i> | <u>257,264</u> |
| <i>Fund Cash Balances, December 31</i> | <u><u>\$255,411</u></u> |

See accompanying notes to the basic financial statements

Village of Syracuse*Meigs County**Combined Statement of Additions, Deductions
and Changes in Fund Balances (Regulatory Cash Basis)**All Fiduciary Fund Types**For the Year Ended December 31, 2022*

| | Fiduciary Fund Types |
|---|-------------------------|
| | Custodial |
| | Other Custodial |
| Additions | |
| Licenses, Permits and Fees for Distribution | 26,044 |
| <i>Total Additions</i> | 26,044 |
| Deductions | |
| Distributions to Other Governments | 6,432 |
| Distributions to Other Funds (Primary Gov't) | 19,015 |
| <i>Total Deductions</i> | 25,447 |
| <i>Net Change in Fund Balances</i> | 597 |
| <i>Fund Cash Balances, January 1 - restated</i> | 263 |
| <i>Fund Cash Balances, December 31</i> | \$860 |

See accompanying notes to the basic financial statements

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Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The Village of Syracuse (the Village), Meigs County, 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 road maintenance, water utilities, park operations, fire protection and police services

Jointly Governed Organizations and Public Entity Risk Pools

The Village participates in a jointly governed organization and a public entity risk pool, Notes 11 and 6 to the financial statements provide additional information for these entities. These organizations are the Syracuse-Racine Regional Sewer District and Ohio Plan Risk Management, Inc. The Village's management believes these financial statements present all activities for which the Village is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

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

Street Construction, Maintenance and Repair (SCMR) 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 construction, maintenance, and repair of streets within the Village.

ARPA Fund This fund receives grant monies from the American Rescue Plan Act to aid public health and economic recovery from the COVID-19 pandemic.

Fire Department Fund This fund receives tax money for fire protection.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(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 Fund The Water Fund accounts for the provision of water treatment and distribution to the residents and commercial users located within the Village.

Fiduciary Funds Fiduciary funds include private purpose trust funds, investment trust funds, and custodial funds. Trust funds account for assets held under a trust agreement meeting certain criteria.

Custodial funds are purely custodial in nature and are used to report fiduciary activity that is not required to be reported in a trust fund. The Village's custodial fund accounts for Mayor's Court activity.

For regulatory purposes, certain own source revenues are permitted to flow through clearing funds presented as custodial funds. The amounts distributed to the other funds of the entity are identified on the combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types. Also, for regulatory purposes, certain deposits and clearing funds are permitted to be presented as custodial funds.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code § 117.38 and Ohio Administrative Code 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 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 § 117.38 and Ohio Administrative Code 117-2-03 (C) permit.

Budgetary Process

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

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 Village Council must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

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

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

A summary of 2022 budgetary activity appears in Note 3.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(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

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

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 (resolution). The Village must adhere to these commitments unless the Council 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.

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

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

The Village applies restricted resources first when 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

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

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 12.

Note 3 – Budgetary Activity

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

| 2022 Budgeted vs. Actual Receipts | | | |
|-----------------------------------|-------------------|------------------|------------------|
| Fund Type | Budgeted Receipts | Actual Receipts | Variance |
| General | \$186,103 | \$162,334 | (\$23,769) |
| Special Revenue | 230,761 | 250,505 | 19,744 |
| Enterprise | 420,075 | 558,812 | 138,737 |
| Total | <u>\$836,939</u> | <u>\$971,651</u> | <u>\$134,712</u> |

| 2022 Budgeted vs. Actual Budgetary Basis Expenditures | | | |
|---|-------------------------|------------------------|------------------|
| Fund Type | Appropriation Authority | Budgetary Expenditures | Variance |
| General | \$141,566 | \$148,808 | (\$7,242) |
| Special Revenue | 441,408 | 287,650 | 153,758 |
| Enterprise | 670,361 | 561,717 | 108,644 |
| Total | <u>\$1,253,335</u> | <u>\$998,175</u> | <u>\$255,160</u> |

Note 4 – Deposits and Investments

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 and investments. A summary of the Village's deposit and investment accounts are as follows:

| | 2022 |
|-------------------------------------|----------------|
| <i>Cash Management Pool:</i> | |
| Demand deposits | \$509,177 |
| Certificates of deposit | <u>38,894</u> |
| Total deposits | <u>548,071</u> |

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, 2022, the village is holding \$4,531 in unremitted employee payroll withholdings.

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

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 5 – Taxes

Property Taxes

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

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

Note 6 – Risk Management

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

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

Effective November 1, 2016, the OPRM elected to participate in a property loss corridor deductible. The property corridor includes losses paid between 70% and 75%. In 2018, the casualty loss corridor was eliminated, and the property corridor was adjusted to losses paid between 65% and 70%. Effective November 1, 2019, the property loss corridor was adjusted to losses between 60% and 67.5% and has remained unchanged. OPRM had 773 members as of December 31, 2022.

The Pool's audited financial statements conform with generally accepted accounting principles, and reported the following assets, liabilities and equity at December 31, 2022.

| | |
|-----------------|---------------|
| Assets | \$ 21,662,291 |
| Liabilities | (18,158,351) |
| Members' Equity | \$ 3,503,940 |

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

Workers' Compensation

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

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Some Village 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 health care and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the Village contributed an amount equaling 14 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

Social Security

Some of the Village Council Members contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

Employees contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2022.

Note 8 – 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 year 2022, 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. For 2022, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 9 – Debt

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

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

| | <u>Principal</u> | <u>Interest Rate</u> |
|---|------------------|----------------------|
| Home National Bank 194553 - Sand & Gravel | \$10,128 | 3.50% |
| Home National Bank 194100 - F150 Water Truck | \$3,998 | 3.50% |
| Home National Bank 196998 - Fire Dept Mule | \$2,890 | 3.65% |
| Home National Bank 201930 - Dump Truck | \$58,783 | 3.65% |
| Ohio Water Development Authority 7456 - Telemetry Replacement | \$39,778 | 2.51% |
| Ohio Public Works Commission CT76V - Well Rehab | \$90,972 | 0.00% |
| Meter | \$93,548 | 0.00% |
| Rural Development Loan | \$71,092 | 0.00% |
| | 20,000 | 2.25% |
| Total | <u>\$391,189</u> | |

The Village entered into a loan in 2018 through Home National Bank for the purchase of a Sand and Gravel Shed for the amount of \$58,800 for 5 years. The Village will make monthly payments of \$1,073, including interest, over the life of the loan

The Village entered into a loan in 2018 through Home National Bank for the purchase of a Water Truck for the amount of \$25,000 for 5 years. The Village will make monthly payments of \$459, including interest, over the life of the loan.

The Village entered into a loan through Home National Bank for the purchase of a 2020 Kawasaki Mule for the amount of \$19,000 for 5 years. The Village will make monthly payments of \$351, including interest, over the life of the loan.

The Village entered into a loan through Home National Bank for the purchase of a Dump Truck for the amount of \$70,382 for 6 years. The Village will make monthly payments of \$1,090, including interest, over the life of the loan.

The Ohio Water Development Authority (OWDA) loan relates to a water telemetry project required to bring water system management up to current operational standards for the system's size and function. The OWDA approved a loan of \$56,480 to the Village for this project. The Village will repay the loans in semiannual installments of \$1,805, including interest, over 20 years starting on July 1, 2017. The scheduled payment amount assumes that the full amount of \$56,480 will be borrowed. The OWDA will adjust scheduled payment to reflect any revisions in amounts the Village actually borrows. Water receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

The Ohio Public Works Commission (OPWC) Waterline Replacement loan relates to the State Route 124 Waterline Replacement project. The original interest-free loan amount was \$99,242. Semiannual installments in the amount of \$1,654 are paid on the 30-year loan.

The OPWC Well Rehab loan relates to the Well Rehab 2018 project. The original interest-free loan amount was \$100,230. Semiannual installments in the amount of \$1,671 are paid on the 30-year loan.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

The OPWC Village Wide Meter loan relates to the Village-Wide Meter Replacement project. The original interest-free loan amount was \$74,833.82. Semiannual installments in the amount of \$1,871 are paid on the 20-year loan.

The Village entered into an Equipment Acquisition Bond through United States Department of Agriculture in the amount of \$24,500 for 10 years. The Village will make monthly payments, including interest, over the life of the loan.

Amortization

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

| Year Ending December 31: | HNB 194553 - Sand & Gravel | HNB 194100 - F150 Water Truck | HNB 196998 - Fire Dept Mule | HNB 201930 - Dump Truck | OWDA 7456 - Telemetry |
|-----------------------------|----------------------------------|-------------------------------------|-----------------------------------|----------------------------|--------------------------|
| 2023 | \$10,730 | \$4,132 | \$3,162 | \$13,079 | \$3,290 |
| 2024 | 0 | 0 | 0 | \$13,079 | \$3,290 |
| 2025 | 0 | 0 | 0 | \$13,079 | \$3,290 |
| 2026 | 0 | 0 | 0 | \$13,079 | \$3,290 |
| 2027 | 0 | 0 | 0 | \$11,989 | \$3,290 |
| 2028-2032 | 0 | 0 | 0 | 0 | \$16,450 |
| 2033-2037 | 0 | 0 | 0 | 0 | \$14,805 |
| 2038-2042 | 0 | 0 | 0 | 0 | 0 |
| 2043-2047 | 0 | 0 | 0 | 0 | 0 |
| 2048-2050 | 0 | 0 | 0 | 0 | 0 |
| Total | <u>\$10,730</u> | <u>\$4,132</u> | <u>\$3,162</u> | <u>\$64,305</u> | <u>\$47,705</u> |

| Year Ending December 31: | OPWC CT74V - Waterline Replacement | OPWC CT76V - Well Rehab | OPWC CT99X - Village Wide Meter | Rural Development Loan |
|-----------------------------|--|----------------------------|---------------------------------------|------------------------------|
| 2023 | \$3,308 | \$3,342 | \$3,742 | \$2,750 |
| 2024 | \$3,308 | \$3,342 | 3,742 | 2,798 |
| 2025 | \$3,308 | \$3,342 | 3,742 | 2,744 |
| 2026 | \$3,308 | \$3,342 | 3,742 | 2,690 |
| 2027 | \$3,308 | \$3,342 | 3,742 | 2,836 |
| 2028-2032 | \$16,540 | \$16,710 | 18,710 | 8,258 |
| 2033-2037 | \$16,540 | \$16,710 | 18,710 | 0 |
| 2038-2042 | \$16,540 | \$16,710 | 14,962 | 0 |
| 2043-2047 | \$16,540 | \$16,710 | 0 | 0 |
| 2048-2050 | 8,272 | \$9,998 | 0 | 0 |
| Total | <u>\$90,972</u> | <u>\$93,548</u> | <u>\$71,092</u> | <u>\$22,076</u> |

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. 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.

Note 11 – Jointly Governed Organizations

Syracuse-Racine Regional Sewer District – The Syracuse-Racine Regional Sewer District is a regional sewer district organized under Chapter 6119 of the Ohio Revised Code. The District operates under the direction of a three-member Board of Trustees whose membership is composed of one appointment from each of the participating political subdivisions: Sutton Township, Village of Syracuse, and the Village of Racine. The membership elects a President, Vice President, and a Secretary-Treasurer, who are responsible for the fiscal control of the financial resources of the District. To obtain financial information, write to the Syracuse-Racine Regional Sewer District, Secretary-Treasurer, at PO Box 201 Racine, Ohio 45771. The Village paid the District \$773 for sewer services during 2022.

Note 12 – Fund Balances

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable 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:

| <u>Fund Balances</u> | <u>General</u> | <u>Special Revenue</u> | <u>Total</u> |
|--------------------------|----------------|----------------------------|----------------|
| Nonspendable: | | | |
| Unclaimed Monies | \$0 | \$0 | \$0 |
| Corpus | 0 | 0 | 0 |
| Outstanding Encumbrances | 1,813 | 1,667 | 3,480 |
| <i>Total</i> | <u>\$1,813</u> | <u>\$1,667</u> | <u>\$3,480</u> |

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

Note 13 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Village. The impact on the Village's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Village of Syracuse
Meigs County
Notes to the Financial Statements
For the Year Ended December 31, 2022
(Continued)

Note 14 – Restatement of Fund Cash Balance

The Village increased their beginning fund cash position at January 1, 2022 in the General Fund, decreased their beginning fund cash position at January 1, 2022 in the Special Revenue Funds, increased their beginning fund cash position at January 1, 2022 in the Enterprise Funds, and decreased their beginning fund cash position at January 1, 2022 in the Custodial Funds, \$1,095, \$701, \$5, and -\$193, respectively, due to various misposted transactions identified from prior years. In addition, the Law Enforcement Trust Fund was reclassified as a Special Revenue fund when it had been included in prior years in Custodial Funds. This increased Special Revenue Funds and decreased Custodial Funds by \$903.

The effect of the adjustment on beginning fund cash balance is reflected in the chart below.

| | | Error Correction | | |
|---------------------------------|---|---|---|-------------------------|
| | 12/31/2021 As Previously Reported | Prior Period Adjustments Identified | Law Enforcement Trust Fund Reclassification | 1/1/2022 As Restated |
| Governmental Funds | | | | |
| General Fund | \$96,362 | \$1,095 | \$0 | \$97,457 |
| Special Revenue Funds | 214280 | (701) | 903 | 214482 |
| Total Governmental Funds | <u>\$310,642</u> | <u>\$394</u> | <u>\$903</u> | <u>\$311,939</u> |
| Proprietary Funds | | | | |
| Enterprise Funds | <u>\$257,259</u> | <u>\$5</u> | <u>\$0</u> | <u>\$257,264</u> |
| Total Proprietary Funds | <u>\$257,259</u> | <u>\$5</u> | <u>\$0</u> | <u>\$257,264</u> |
| Fiduciary Funds | | | | |
| Custodial | | | | |
| Other Custodial | 1359 | (193) | (903) | 263 |
| Total Fiduciary Funds | <u>\$1,359</u> | <u>(\$193)</u> | <u>(\$903)</u> | <u>\$263</u> |

OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
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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 Syracuse
Meigs County
PO Box 266
Syracuse, Ohio 45779

To the Village Council:

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 each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements of the Village of Syracuse, Meigs County, Ohio (the Village) and have issued our report thereon dated November 6, 2025, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We did not express an opinion on the Custodial Fund. We also qualified our opinion on Fines, Licenses and Permits in the General Fund. We further noted the Village restated beginning fund cash position at January 1, 2022 related to mispostings identified and reclassification of the Law Enforcement Trust Fund.

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 opinions 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2023-001 and 2023-005 through 2023-007 that we consider to be material weaknesses.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as items 2023-001 through 2023-004.

Village's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village's responses to the findings identified in our audit and described in the accompanying Schedule of Findings. The Village's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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

November 6, 2025

**VILLAGE OF SYRAUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022**

| |
|---|
| 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS |
|---|

FINDING NUMBER 2023-001

Noncompliance and Material Weakness

Ohio Rev. Code § 1905.21 provides, in part, that the mayor of a municipal corporation and a mayor's court magistrate shall keep a docket. The mayor or mayor's court magistrate shall account for and dispose of all such fines, forfeitures, fees and costs collected.

Ohio Admin. Code § 117-2-02(A) provides that, when designing the public office's system of internal control and the specific control activities, management should consider ensuring that accounting records are properly designed, verifying the existence and valuation of assets and liabilities and periodically reconciling them to the accounting records, and performing analytical procedures to determine the reasonableness of financial data.

The Mayor could not provide dockets for a projected \$2,038 and \$7,549 of Mayors court transactions in 2023 and 2022, respectively. In addition, the dockets appeared incomplete/insufficient to determine if the charges agreed to approved schedules for an additional \$3,520 in 2023.

As such, we were unable to satisfy ourselves as to the completeness of Fines, Licenses and Permits receipts recorded in the General Fund in 2023 and 2022 and Licenses, Permits and Fees for Distribution in the Fiduciary Fund Type in 2023 and 2022. We have modified the opinion in the Independent Auditor's Report accordingly.

These receipts represent 18 and 13 percent, respectively, of receipts of the General Fund for the years ended December 31, 2023 and 2022 and 100 percent of receipts of the Fiduciary Fund Type for the years ended December 31, 2023 and 222.

The Mayor should ensure a complete docket is maintained for all cases handled by the court and that the Mayor's Court accounting system (Baldwin Group) includes all transactions so that case files are accurately updated.

Officials' Response: As of June 2024, the Village of Syracuse has been sending all tickets to county court. We feel at this time this is more beneficial to the village.

FINDING NUMBER 2023-002

Noncompliance

Ohio Rev. Code § 117.38 states, in part, that each public office, other than a state agency, shall file a financial report for each fiscal year. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. The report shall be certified by the proper officer or board and filed with the auditor of state within 60 days after the close of the fiscal year, except that public offices reporting pursuant to generally accepted accounting principles shall file their reports within 150 days after the close of the fiscal year. The Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension.

Mayors Court Fund & Law Enforcement Trust Fund activity was not included in the Village's annual financial report for 2022 and 2023. Therefore, the Village's annual financial reports did not include all required information.

**VILLAGE OF SYRAUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022
(Continued)**

| |
|---|
| 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued) |
|---|

FINDING NUMBER 2023-002 (Continued)

Noncompliance- Ohio Rev. Code § 117.38 (Continued)

The Village should implement procedures to verify its annual financial report is complete and filed with the Auditor of State by the required deadline.

Officials' Response: As of 2024, the Village is trying to be more diligent and timely with its filing of reports.

FINDING NUMBER 2023-003

Noncompliance

Ohio Rev. Code § 735.07 provides, in part, that when in the opinion of the director or public service it becomes necessary to make alterations or modifications in a contract such alterations or modifications shall be approved by the board of control.

The Village approved acceptance of a water project bid to Wilson Excavating on July 14, 2022, in the amount of \$381,874 at the regular council meeting. The original contract was competitively bid under the provisions of Ohio Rev. Code § 735.05 and authorized via approval by council; however, the amount paid for such contract exceeded the approved amount by \$69,525 without a subsequent approval of contract modification.

The Village should make sure to approve any amendments to contracts to avoid paying unnecessary costs.

Officials' Response: The Village is taking the appropriate steps to get variances approved through Council before large expenditures are paid.

FINDING NUMBER 2023-004

Noncompliance

Ohio Rev. Code § 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the Water Operating Fund expenditures exceeded appropriations by \$11,594 on December 31, 2023. Further, General Fund expenditures exceeded appropriations by \$7,242 on December 31, 2022. Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The Council should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Fiscal Officer should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

Officials' Response: The Village is taking steps to make sure it spends only what is appropriated or if need be adjust our appropriations with the Meigs county Auditor.

**VILLAGE OF SYRAUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022
(Continued)**

| |
|---|
| 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued) |
|---|

FINDING NUMBER 2023-005

Material Weakness- Budgetary Amounts Recorded in the Accounting System

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The appropriation resolution and subsequent amendments establish the legal spending authority of the Village, and the appropriation ledger provides the process by which the Village controls spending, it is therefore necessary the amounts appropriated by the Council are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Village and the receipts ledger provides the process by which the Village controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

The Village did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations (and/or amendments thereof) approved by Council varied from the appropriations posted to the accounting system. Additionally, the approved Certificate of Estimated Resources (and/or amendments thereof) was not accurately posted to the accounting system.

For the year ended December 31, 2023:

| Fund | Approved Appropriation | Appropriations per the Accounting System | Variance |
|----------------------|---------------------------|--|----------|
| Water Operating Fund | 207,642 | 236,784 | 29,142 |

For the year ended December 31, 2022:

| Fund | Approved Appropriation | Appropriations per the Accounting System | Variance |
|----------------------|---------------------------|--|----------|
| General Fund | 114,354 | 160,354 | 46,000 |
| Fire Department Fund | 99,891 | 100,713 | 822 |

| Fund | Estimated Receipts per Certificate of Estimated Resources | Estimated Receipts per the Accounting System | Variance |
|--------------|---|--|----------|
| General Fund | 135,065 | 176,065 | 41,000 |

Failure to accurately post the appropriations and estimated resources to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the financial statements.

**VILLAGE OF SYRAUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022
(Continued)**

| |
|---|
| 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued) |
|---|

FINDING NUMBER 2023-005 (Continued)

Material Weakness- Budgetary Amounts Recorded in the Accounting System (Continued)

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Village should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by the Council. The Village should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Officials' Response: The Village is presenting monthly bank reconciliations to the Council and making sure payments and receipts are entered in UAN in a timely fashion.

FINDING NUMBER 2023-006

Material Weakness- Financial Report and Bank Reconciliation Review

All public officials are responsible for the design and operation of a system of internal control that is adequate to provide reasonable assurance regarding the achievement of objectives for their respective public offices in certain categories, including but not limited to, reliability of financial reporting, effectiveness and efficiency of operations, compliance with applicable laws and regulations, and safeguarding of assets against unauthorized acquisition, use or disposition. When designing the public office's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls. Further, sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection. The Fiscal Officer is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and the Council are responsible for reviewing the reconciliations and related support. Monthly bank to book reconciliations were not reviewed for three months of 2022. Further, monthly financial reports, including budgeted and actual information, were not reviewed by the Village Council for three months in 2022.

Failure to timely review the reconciliation increases the risk of theft/fraud over the cash cycle and could lead to inaccurate reporting in the annual financial statements. Failure to review monthly financial statements increases the possibility the Board of Directors does not have a complete understanding of the Village's financial position when deciding on the various operations of the Village. In addition, the Council's review and approval of monthly financial reports would serve to mitigate any risks related to insufficient segregation of duties.

The Fiscal Officer should record all transactions and prepare monthly bank to book cash reconciliations, which include all bank accounts and all fund balances. Variances should be investigated, documented and corrected. In addition, the Council should review the monthly cash reconciliations including the related support (such as reconciling items) and document the reviews. Further, the Council should review and approve various financial reports timely. Reports should include budget and actual information. These reviews and specific reports and information should be evidenced by documentation in the Council's minutes.

**VILLAGE OF SYRAUSE
MEIGS COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022
(Continued)**

| |
|---|
| 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued) |
|---|

FINDING NUMBER 2023-006 (Continued)

Material Weakness- Financial Report and Bank Reconciliation Review (Continued)

Officials' Response: The Village is presenting monthly bank reconciliations to the Council and making sure payments and receipts are entered in UAN in a timely fashion.

FINDING NUMBER 2023-007

Material Weakness- Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The Fiscal Officer posted certain transactions incorrectly resulting in material audit adjustments.

During 2023:

- Certain receipts were misclassified in the Street Construction Maintenance and Repair Fund resulting in an increase in Intergovernmental receipts and a decrease in Property and Other Local Taxes receipts of \$17,071.
- State Fiscal Recovery Fund funding and related disbursements were not included in activity of the Village resulting in an increase in Intergovernmental receipts and Capital Outlay of \$44,774 in the Water Project Fund.
- Mayor's Court activity was not reflected in the annual financial report filed in the Hinkle System resulting in an increase in Fund Cash Balances, January 1 of \$598, an increase in Licenses, Permits and Fees for Distribution of \$22,470, an increase in Distributions to Other Governments of \$7,106, and an increase in Distributions to Other Funds (Primary Gov't) of \$16,224.

During 2022:

- Certain receipts were misclassified as Miscellaneous receipts in the General Fund resulting in an increase in Intergovernmental receipts and a decrease in Miscellaneous receipts of \$46,000.
- Certain receipts were misclassified in the Fire Department Fund resulting in an increase in Intergovernmental receipts of \$16,000, an increase in Other Debt Proceeds of \$21,000, and a decrease in Miscellaneous receipts of \$37,000.
- State Fiscal Recovery Fund funding and related disbursements were not included in activity of the Village resulting in an increase in Intergovernmental receipts and Capital Outlay of \$388,471 in the Water Project Fund.
- Mayor's Court activity was not reflected in the annual financial report filed in the Hinkle System resulting in a decrease in Fund Cash Balances, January 1- restated of \$191, an increase in Licenses, Permits and Fees for Distribution of \$26,044, an increase in Distributions to Other Governments of \$6,432, and an increase in Distributions to Other Funds (Primary Gov't) of \$19,015.

**VILLAGE OF SYRAUSE
MEIGS COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023 AND 2022
(Continued)**

| |
|---|
| 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued) |
|---|

FINDING NUMBER 2023-007 (Continued)

Material Weakness- Financial Reporting (Continued)

These misstatements were caused by confusion over proper classifications. As a result, these reclassifications/adjustments, and additional immaterial adjustments, with which the Village's management agrees were made to the financial statements. In addition, adjustments were posted to the footnote disclosures of the Village for 2023 and 2022. These reclassifications/adjustments are reflected in the accompanying financial statements and footnotes.

The Fiscal Officer should review the audit adjustments for proper classification and take additional care in posting transactions to the Village's ledgers in order to ensure the financial statements reflect the appropriate classifications. In addition, the Village should utilize the most recent footnote shells provided by the Auditor of State to help ensure completeness and accuracy of footnote disclosures.

Officials' Response: The Village is presenting monthly bank reconciliations to the Council and making sure payments and receipts are entered in UAN in a timely fashion.

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF SYRACUSE

MEIGS 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 12/9/2025

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