

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY, OHIO
REGULAR AUDIT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**





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Village Council
Village of Dillonvale
135 School Street, PO Box 546
Dillonvale, OH 43917

We have reviewed the *Independent Auditor's Report* of the Village of Dillonvale, Jefferson County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2023 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Village of Dillonvale is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L Ridenbaugh".

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

January 22, 2026

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**VILLAGE OF DILLONVALE
JEFFERSON COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Village of Dillonvale
Jefferson County
P.O. Box 546
Dillonvale, Ohio 43917

To the Village Council:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Village of Dillonvale, Jefferson County, Ohio (the Village), which comprise the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 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 and 2023, or the changes in financial position or 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 Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by 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 the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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.

Charles E. Harris & Associates

Charles E. Harris & Associates, Inc.

September 15, 2025

VILLAGE OF DILLONVALE
JEFFERSON COUNTY

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

	General	Special Revenue	Capital Project	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$ 82,114	\$ 47,691	\$ -	\$ 129,805
Intergovernmental	29,250	57,077	-	86,327
Charges for Services	-	200	-	200
Licenses, Permits and Fees	8,682	-	-	8,682
Fines, Forfeitures and Settlements	-	316	-	316
Earnings on Investments	1,550	-	-	1,550
Miscellaneous	42,734	499	-	43,233
<i>Total Cash Receipts</i>	<i>164,330</i>	<i>105,783</i>	<i>-</i>	<i>270,113</i>
Cash Disbursements				
Current:				
Security of Persons and Property	21,512	15,404	-	36,916
Leisure Time Activities	14,320	-	-	14,320
Transportation	-	77,044	-	77,044
General Government	93,630	-	-	93,630
Capital Outlay	50,833	-	-	50,833
<i>Total Cash Disbursements</i>	<i>180,295</i>	<i>92,448</i>	<i>-</i>	<i>272,743</i>
<i>Net Change in Fund Cash Balances</i>	<i>(15,965)</i>	<i>13,335</i>	<i>-</i>	<i>(2,630)</i>
<i>Fund Cash Balances, January 1</i>	<i>254,732</i>	<i>197,858</i>	<i>453</i>	<i>453,043</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 238,767</i>	<i>\$ 211,193</i>	<i>\$ 453</i>	<i>\$ 450,413</i>

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

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	\$ 248,820
<i>Total Operating Cash Receipts</i>	<u>248,820</u>
Operating Cash Disbursements	
Personal Services	101,522
Employee Fringe Benefits	15,189
Contractual Services	19,353
Supplies and Materials	<u>118,958</u>
<i>Total Operating Cash Disbursements</i>	<u>255,022</u>
<i>Operating Income</i>	(6,202)
Non-Operating Receipts (Disbursements)	
Intergovernmental	8,100
Earnings on Investments	621
Miscellaneous Receipts	499
Principal Retirement	(27,400)
Interest and Other Fiscal Charges	<u>(26,077)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(44,257)</u>
<i>Net Change in Fund Cash Balances</i>	(50,459)
<i>Fund Cash Balances, January 1</i>	<u>87,701</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 37,242</u>

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

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Village of Dillonvale, Jefferson 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 water, sanitation utilities, police services, street maintenance, and general governmental services. The Village contracts with the Dillonvale volunteer Fire Department to receive fire and EMS protection services.

Public Entity Risk Pool

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

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, a 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 Funds:

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 construction, maintenance, and repair of streets within the Village.

State Highway Improvement Fund

The state highway improvement 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 the state highway within the Village. This includes traffic light repair and painting of pedestrian walking lines.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting – (Continued)

Permissive Motor Vehicle License Tax Fund

The permissive motor vehicle license tax fund accounts for and reports that portion of the motor vehicle registration fees restricted for construction, maintenance, and repair of streets within the Village.

Police Levy Funds

These funds accounts for the provision of police protection to the residents. Proceeds from the tax levies and charges for services to pay for supplies and material for the police department.

Dillonvale EMS/Dillonvale Voluntary Fire Department (DEMS/DVFD Levy 1986 Fund)

This fund accounts for the provision of fire and ems services to the residents. Proceeds from a tax levy are forwarded to the departments.

Capital Project Fund

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

Other Capital Projects – The other capital projects fund accounts was not utilized in 2024.

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.

Sanitation Fund – The sanitation fund accounts for the collection of garbage to the residents and commercial users located within the Village.

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 expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

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 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 2024 budgetary activity appears in Note 3.

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 earn leave 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.

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.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

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 the 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.

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 10.

Note 3 – Budgetary Activity

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

Fund Type	2024 Budgeted vs. Actual Receipts		
	Budgeted		Actual
	Receipts	Receipts	
General	\$ 215,841	\$ 164,330	\$ (51,511)
Special Revenue	104,690	105,783	1,093
Enterprise	286,077	258,040	(28,037)

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 3 – Budgetary Activity - (Continued)

2024 Budgeted vs. Actual Budgetary Basis Disbursements				
Fund Type	Appropriation		Budgetary	
	Authority	Disbursements	Variance	
General	\$ 224,581	\$ 181,537	\$ 43,044	
Special Revenue	181,909	92,967	88,942	
Enterprise	356,845	310,251	46,594	

Contrary to Ohio Revised Code Section 5705.41(D), certain disbursements were not properly certified prior to commitment to expend the funds.

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 investments accounts are as follows:

	2024
<i>Cash Management Pool:</i>	
Demand deposits	\$ 390,980
Money Market	70,856
Total Deposits	461,836
STAR Ohio	25,819
Total Deposits and Investments	<u>\$ 487,655</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, 2024, the Village did not have any 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 and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments in Star Ohio are not evidenced by securities that exist in physical or book-entry form.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

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

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.

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 actuarially-measured liabilities and assets available to pay those liabilities as of December 31:

<u>2024</u>	
Cash and investments	\$ 48,150,572
Actuarial liabilities	\$ 22,652,556

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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, 2024.

Social Security

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, 2024.

Note 8 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement agreement (HRA) allowance to benefit receipts 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 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, 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. OP&F contributes 0.5 percent to fund these benefits.

Note 9 – Debt

Debt outstanding at December 31, 2024, was as follows:

	Principal	Interest Rate
USDA Dump Truck	\$8,800	2.38%
USDA Water System Mortgage - Series A	366,300	4.50%
USDA Water System Mortgage - Series B	183,100	4.50%
Total	<u>\$558,200</u>	

The United States Department of Agriculture (USDA) Dump Truck Bonds were issued for the purchase of a new dump truck. The USDA approved \$40,000 in bonds to the Village for this project at an interest rate of 2.875%. The Village will repay the bonds in annual installments over ten years, with the final payment being made in 2026. This loan will be repaid from the Enterprise Garbage Debt Service Reserve Fund.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 9 – Debt – (Continued)

The United States Department of Agriculture (USDA) Water System Mortgage Revenue Bonds were established in 2000 and payment started in 2001. Both bonds have an interest rate of 4.50% and will be repaid in annual installments over 40 years. The Bond Covenant requires the Village to establish and fund a reserve fund, included as an enterprise debt service fund. The balance in the fund at December 31, 2020 is \$11,351. The Village has agreed to set water rates sufficient to cover the revenue bond debt service requirements. This loan will be repaid from the USDA Loan Enterprise Debt Service Fund.

Amortization

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

Year Ending December 31:	USDA Dump Truck	USDA Water System Mortgage - Series A	USDA Water System Mortgage - Series B
2025	\$ 4,609	\$ 32,584	\$ 16,239
2026	4,504	32,659	16,280
2027	-	32,599	16,301
2028	-	32,595	16,318
2029	-	32,595	16,318
2030-2034	-	163,025	81,554
2035-2039	-	130,455	81,494
2040-2044	-	65,190	16,297
Total	\$ 9,113	\$ 521,702	\$ 260,801

Note 10 – Fund Balances

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

Fund Balances	Special		
	General	Revenue	Total
Outstanding Encumbrances	\$ 1,242	\$ 519	\$ 1,761
Total	\$ 1,242	\$ 519	\$ 1,761

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 and committed amounts in the special revenue and capital projects funds include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

VILLAGE OF DILLONVALE
JEFFERSON 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	Capital Project	Combined Total
Cash Receipts				
Property and Other Local Taxes	\$ 80,996	\$ 47,030	\$ -	\$ 128,026
Intergovernmental	36,873	57,090	-	93,963
Charges for Services	-	800	-	800
Fines, Licenses and Permits	8,964	50	-	9,014
Earnings on Investments	1,525	-	-	1,525
Miscellaneous	84,029	242	-	84,271
<i>Total Cash Receipts</i>	<i>212,387</i>	<i>105,212</i>	<i>-</i>	<i>317,599</i>
Cash Disbursements				
Current:				
Security of Persons and Property	18,407	33,054	-	51,461
Leisure Time Activities	6,973	-	-	6,973
Transportation	-	67,284	-	67,284
General Government	94,674	32,679	-	127,353
Capital Outlay	38,121	-	-	38,121
<i>Total Cash Disbursements</i>	<i>158,175</i>	<i>133,017</i>	<i>-</i>	<i>291,192</i>
<i>Excess of Receipts Over (Under) Disbursements</i>	<i>54,212</i>	<i>(27,805)</i>	<i>-</i>	<i>26,407</i>
Other Financing Receipts (Disbursements)				
Sale of Capital Asset	562	-	-	562
<i>Total Other Financing Receipts (Disbursements)</i>	<i>562</i>	<i>-</i>	<i>-</i>	<i>562</i>
<i>Net Change in Fund Cash Balances</i>	<i>54,774</i>	<i>(27,805)</i>	<i>-</i>	<i>26,969</i>
<i>Fund Cash Balances, January 1</i>	<i>199,958</i>	<i>225,663</i>	<i>453</i>	<i>426,074</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 254,732</i>	<i>\$ 197,858</i>	<i>\$ 453</i>	<i>\$ 453,043</i>

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

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts	
Charges for Services	<u>\$ 239,031</u>
<i>Total Operating Cash Receipts</i>	<u>239,031</u>
Operating Cash Disbursements	
Personal Services	89,284
Employee Fringe Benefits	15,065
Contractual Services	19,068
Supplies and Materials	101,113
Other	<u>63</u>
<i>Total Operating Cash Disbursements</i>	<u>224,593</u>
<i>Operating Income</i>	14,438
Non-Operating Receipts (Disbursements)	
Earnings on Investments	547
Miscellaneous Receipts	23
Capital Outlay	(20,000)
Principal Retirement	(26,200)
Interest and Other Fiscal Charges	<u>(27,168)</u>
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(72,798)</u>
<i>Income (Loss) before Transfers</i>	(58,360)
Transfers In	71,332
Transfers Out	<u>(71,332)</u>
<i>Net Change in Fund Cash Balances</i>	(58,360)
<i>Fund Cash Balances, January 1</i>	<u>146,061</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 87,701</u>

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

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Village of Dillonvale, Jefferson 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 water, sanitation utilities, police services, street maintenance, and general governmental services. The Village contracts with the Dillonvale volunteer Fire Department to receive fire and EMS protection services.

Public Entity Risk Pool

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

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, a 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 Funds:

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 construction, maintenance, and repair of streets within the Village.

State Highway Improvement Fund

The state highway improvement 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 the state highway within the Village. This includes traffic light repair and painting of pedestrian walking lines.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Accounting – (Continued)

Permissive Motor Vehicle License Tax Fund

The permissive motor vehicle license tax fund accounts for and reports that portion of the motor vehicle registration fees restricted for construction, maintenance, and repair of streets within the Village.

Police Levy Funds

These funds accounts for the provision of police protection to the residents. Proceeds from the tax levies and charges for services to pay for supplies and material for the police department.

Dillonvale EMS/Dillonvale Voluntary Fire Department (DEMS/DVFD Levy 1986 Fund)

This fund accounts for the provision of fire and ems services to the residents. Proceeds from a tax levy are forwarded to the departments.

Capital Project Fund

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

Other Capital Projects – The other capital projects fund accounts was not utilized in 2023.

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.

Sanitation Fund – The sanitation fund accounts for the collection of garbage to the residents and commercial users located within the Village.

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 expenditures when a commitment is made (i.e., when an encumbrance is approved).

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

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

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 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 3.

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 earn leave 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.

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.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

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.

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 the 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.

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 10.

Note 3 – Budgetary Activity

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

Fund Type	2023 Budgeted vs. Actual Receipts		
	Budgeted Receipts	Actual Receipts	Variance
General	\$ 310,728	\$ 212,949	\$ (97,779)
Special Revenue	108,696	105,212	(3,484)
Enterprise	306,000	310,933	4,933

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 3 – Budgetary Activity - (Continued)

2023 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation	Budgetary	Variance
	Authority	Disbursements	
General	\$ 316,885	\$ 164,154	\$ 152,731
Special Revenue	226,380	135,450	90,930
Enterprise	385,542	371,193	14,349

Contrary to Ohio Revised Code Section 5705.41(D), certain disbursements were not properly certified prior to commitment to expend the funds.

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:

	2023
<i>Cash Management Pool:</i>	
Demand deposits	\$ 446,238
Money Market	70,018
Total Deposits	516,256
STAR Ohio	24,488
Total Deposits and Investments	<u>\$ 540,744</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, 2024, the Village did not have any 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 and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments

Investments in Star Ohio are not evidenced by securities that exist in physical or book-entry form.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

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

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.

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 actuarially-measured liabilities and assets available to pay those liabilities as of December 31:

2023

Cash and investments	\$ 43,996,442
Actuarial liabilities	\$ 19,743,401

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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 8 – Postemployment Benefits

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement agreement (HRA) allowance to benefit receipts 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 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, 2023, was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
USDA Dump Truck	\$13,000	2.38%
USDA Water System Mortgage - Series A	381,700	4.50%
USDA Water System Mortgage - Series B	190,900	4.50%
Total	<u>\$585,600</u>	

The United States Department of Agriculture (USDA) Dump Truck Bonds were issued for the purchase of a new dump truck. The USDA approved \$40,000 in bonds to the Village for this project at an interest rate of 2.875%. The Village will repay the bonds in annual installments over ten years, with the final payment being made in 2026. This loan will be repaid from the Enterprise Garbage Debt Service Reserve Fund.

Village of Dillonvale, Ohio
Jefferson County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt (Continued)

The United States Department of Agriculture (USDA) Water System Mortgage Revenue Bonds were established in 2000 and payment started in 2001. Both bonds have an interest rate of 4.50% and will be repaid in annual installments over 40 years. The Bond Covenant requires the Village to establish and fund a reserve fund, included as an enterprise debt service fund. The balance in the fund at December 31, 2020 is \$11,351. The Village has agreed to set water rates sufficient to cover the revenue bond debt service requirements. This loan will be repaid from the USDA Loan Enterprise Debt Service Fund.

Amortization

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

Year Ending December 31:	USDA Dump Truck	USDA Water System Mortgage - Series A	USDA Water System Mortgage - Series B
2024	\$ 4,509	\$ 32,576	\$ 16,391
2025	4,609	32,584	16,239
2026	4,504	32,659	16,280
2027	-	32,599	16,301
2028	-	32,595	16,318
2029-2033	-	163,025	81,554
2034-2038	-	163,050	81,494
2039-2042	-	65,190	32,594
Total	<u>\$ 13,622</u>	<u>\$ 554,278</u>	<u>\$ 277,171</u>

Note 10 – Fund Balances

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

Fund Balances	Special		
	General	Revenue	Total
Outstanding Encumbrances	\$ 5,979	\$ 2,433	\$ 8,412
<i>Total</i>	<u>\$ 5,979</u>	<u>\$ 2,433</u>	<u>\$ 8,412</u>

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

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

Village of Dillonvale
Jefferson County
P.O. Box 546
Dillonvale, Ohio 43917

To the Village Council:

We have audited, in accordance with 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 of the Village of Dillonvale, Jefferson County, (the Village) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, and have issued our report thereon dated September 15, 2025, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 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 purposes 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2024-002 and 2024-003 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings as item 2024-001 to be a significant deficiency.

*Village of Dillonvale
Jefferson 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings as item 2024-004.

We also noted certain other matters not requiring inclusion in this report that we reported to the Village's management in a separate letter dated September 15, 2025.

Village's Responses 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 Corrective Action Plan. 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.

Charles E. Harris & Associates

Charles E. Harris & Associates, Inc.

September 15, 2025

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY
SCHEDULE OF FINDINGS
DECEMBER 31, 2024 AND 2023**

**Findings Related to the Financial Statements
Required to be Reported in Accordance with GAGAS**

FINDING NUMBER 2024-001 – Significant Deficiency

Tracking Leave Balances

Village Ordinance 1994-25 establishes the benefits for employee paid holidays and sick leave accrual, which is accumulated at 1.25 days per month up to a maximum balance of 40 days for full-time employees after a 6-month probationary period. Village Ordinance 2004-21 establishes the benefits for employee vacation leave accrual, which is awarded based on length of service to full-time employees. Also, the Village requests employees provide notification to their supervisor by April 1st annually so vacations can be approved and posted.

A review of the 2024 and 2023 Wage Detail reports showed two employees carried negative leave balances and several employees did not have their leave balances tracked in the Uniform Accounting Network (UAN) system. Balances were not properly updated in the UAN system resulting in leave balances exceeding available balances. Failure to update leave balances could result in employees being entitled to more or less leave than system reports include.

The Clerk-Treasurer should update available leave balances at the beginning of each year in UAN and leave balances should be accurately maintained throughout the year with updates being completed when time is used by each employee. The Village should also consider using leave forms which are approved by the Supervisor and compared to the timesheet each pay. This will help ensure that sick and vacation leave is being properly tracked.

Management's Response - See Corrective Action Plan

FINDING 2024-002 – Material Weakness

Appropriations Posted to the Accounting System

The Village did not have a control procedure in place to ensure that budgetary amounts, as authorized by Village Council and approved by the County Budget Commission, were reconciled to the budgetary amounts posted to the accounting system. This resulted in incorrect amounts being recorded in the accounting system and inaccurate budgetary information available to Village officials for their monitoring.

Variances between approved appropriation amounts and amounts recorded in the UAN system at December 31, 2024 and 2023 were as follows:

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY
SCHEDULE OF FINDINGS – (CONTINUED)
DECEMBER 31, 2024 AND 2023**

Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS – (Continued)
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FINDING 2024-002 – Material Weakness (Continued)

Appropriations Posted to the Accounting System (Continued)

Variances between approved appropriations amounts and amounts recorded in the UAN system at December 31, 2024 and 2023 were as follows:

2024 Fund	Appropriations Approved by Resolution		Appropriations Posted to the Accounting System		Variance
General	\$	218,602	\$	223,602	\$ (5,000)
Street Construction Maint. & Repair		83,600		76,100	7,500
2023 Fund	Appropriations Approved by Resolution		Appropriations Posted to the Accounting System		Variance
General	\$	316,885	\$	323,693	\$ (6,808)
Parks and Recreation		61,900		62,263	(363)
Water Operating		251,100		241,100	10,000

Village officials should be monitoring the budgetary activity in order to make informed decisions regarding Village finances. The proper recording of budgetary activity in the UAN system provides safeguards as the system is designed to let the fiscal officer know if budgetary violations will occur. Adjustments were made to the budgetary activity reported in notes to the financial statements in order to accurately present estimated receipts as certified by the County Budget Commission and appropriations plus carryover appropriations approved by Council.

We recommend the Village implement procedures to ensure budgetary amounts are accurately posted to the accounting system and financial statements and reconciled to the amounts approved by Village Council and the budget commission after each amendment.

Management's Response – See Corrective Action Plan.

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY
SCHEDULE OF FINDINGS – (CONTINUED)
DECEMBER 31, 2024 AND 2023**

**Findings Related to the Financial Statements
Required to be Reported in Accordance with GAGAS – (Continued)**

FINDING 2024-003 - Material Weakness

Financial Reporting - Posting Receipts and Disbursements

During 2024 and 2023, receipts and disbursements were not always posted or classified correctly. The following posting errors were noted:

For 2024:

- General – Charges for Services – Consumer Rent fund was reclassified to General – Miscellaneous – Rental fund in the amount of \$ 3,684.
- General Property and Other Local Taxes – General Property Tax – Real Estate fund was reclassified to General – Intergovernmental – Property Allocation in the amount of \$3,755.
- Police Levy 1987 – Property and Other Local Taxes – General Property Tax – Real Estate fund was reclassified to Police Levy 1987 – Intergovernmental – Property Tax Allocation fund in the amount of \$415
- DEMS/DVFD Levy Fund – Property and Other Local Taxes – General Property Tax – Real Estate fund was reclassified to DEMS/DVFD Levy – Intergovernmental – Property tax Allocation fund in the amount of \$830.
- Police Levy 2019 – Property and Other Local Taxes – General Property Tax – Real Estate fund was reclassified to Police Levy 2019 – Intergovernmental – Property Tax Allocation fund in the amount of \$660.
- Permissive Motor Vehicle License Tax – Property and Other Local Taxes – Permissive Sales Tax was reclassified to Permissive Motor Vehicle License Tax – Intergovernmental – Grant or Aird (Non-Federal and Non-State Intergovernmental fund in the amount of \$5,000.
- Street Construction Maintenance Repair – Intergovernmental – License Tax – State levied fund was reclassified to Permissive Motor Vehicle License Tax – Intergovernmental – License Tax – State Levied Fund in the amount of \$4,931.
- Water Operating Charges for Services – Consumer Rent were reclassified to Water Operating Intergovernmental – State – Restricted Fund in the amount of \$8,100.
- State Highway – Intergovernmental – License Tax – State Levied Fund was reclassified to Permissive Motor Vehicle License Tax – Intergovernmental License Tax – State Levied in amount of \$313.
- State Highway – Integovernmental – Gasoline Tax (State) fund was reclassified to Permissive Motor Vehicle License Tax – Intergovernmental -License Tax – State Levied fund in the amount of \$56.
- General – Intergovernmental – Local Government Distribution fund was reclassified in the amount of \$333 to State construction Maintenance Repaid – Intergovernmental – License Tax – State Levied fund in the amount of \$308, and State Highway – Intergovernmental – License Tax – State Levied fund in the amount of \$25.
- Permissive Motor Vehicle License Tax – Property and Other Local Taxes – Permissive Sales Tax was reclassified to Permissive Motor Vehicle License Tax – Intergovernmental – License Taxes – State Levied in the amount of \$1,100.
- Water Operating – Special Assessments – Other – Special Assessments was reclassified to Water Operating – Charges for Services – Consumer Rent.

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY
SCHEDULE OF FINDINGS – (CONTINUED)
DECEMBER 31, 2024 AND 2023**

**Findings Related to the Financial Statements
Required to be Reported in Accordance with GAGAS – (Continued)**

FINDING 2024-003 - Material Weakness – (Continued)

Financial Reporting - Posting Receipts and Disbursements – (Continued)

For 2023:

- General Fund – Charges for Services – Consumer Rent reclassified to General Fund – Miscellaneous – Rentals in the amount of \$3,095.
- General Fund – Property and Other Local Taxes – General Property Tax – Real Estate reclassified to General Fund – Intergovernmental – Property Tax Allocation in the amount of \$45, Police Levy 1987 Fund – Intergovernmental – Property tax Allocation in the amount of \$14, DEMS/DVFD Levy 1986 Fund – Intergovernmental – Property Tax Allocation in the amount of \$8 and Police Levy 2019 Fund – Intergovernmental – Property Tax Allocation in the amount of \$4.
- Permissive Motor Vehicle License Tax Fund – Property and Other Local Taxes – Permissive Sales tax reclassified to Permissive Motor Vehicle License tax Fund – Intergovernmental – Grants or Aid (Non-Federal and Non-State Intergovernmental) in the amount of \$2,200
- Police Levy 1987 Fund – Property and Other Local Taxes – Real Estate reclassified to DEMS/DVFD Levy 1986 Fund – property and Other Local Taxes – Real Estate fund in the amount of \$7,087.
- Dillonvale Emergency Medical Service/ Dillonvale Voluntary Fire Department (DEMS/DVFD Levy 1986 Fund) – Property and Other Local Taxes – Real Estate reclassified to Police Levy 19887 Fund – Property and Other Local Taxes - Real Estate in the amount of \$ 3,545.
- General Fund – Intergovernmental – Property Tax Allocation reclassified to Police Levy 1987 Fund – Intergovernmental – Property Tax Allocation in the amount of \$ 405, DEMS/DVFD Levy 1986 Fund – Intergovernmental – Property Tax Allocation in the amount of \$ 811 and Police Levy 2019 Fund – Intergovernmental – Property Tax Allocation in the amount of \$405.
- Street construction maintenance and repaid Fund – Intergovernmental – License Tax – State Levied reclassified to Permissive Motor Vehicle License Tax Fund - Intergovernmental License Tax – State Levied in the amount of \$ 5,546.
- State Highway Fund – Intergovernmental – License Tax – State Levied to Permissive Motor Vehicle License Tax – License Tax – State Levied in the amount of \$ 450.
- General Fund – Intergovernmental – Local Government Distribution was reclassified to Street Construction Maintenance and Repaid Fund in the amount of \$ 276 and State Highway Fund – Intergovernmental – License Tax – State Levied in the amount of \$ 22.
- Street Construction Maintenance and Repaid Fund – Intergovernmental – License Tax – State Levied reclassified to Permissive Motor Vehicle License Tax Fund – Intergovernmental – License Tax – State Levied in the amount of \$ 5,546.
- State Highway Fund – Intergovernmental – License Tax – State Levied reclassified to Permissive Motor Vehicle License tax Fund – Intergovernmental – License Tax – State Levied I the amount of \$ 450.
- Permissive Motor Vehicle License Tax Fund – Intergovernmental – License Tax – State Levied reclassified to Street construction Maintenance and Repaid Fund – License Tax – State Levied in the amount of \$226, and State Highway fund – Intergovernmental – License Tax – State Levied in the amount of \$ 18.
- Waer Operating fund – Special Assessments – Other – Special Assessments reclassified to Water Operating Fund – Charges for Servies – Consumer Rent in the amount of \$168.

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY
SCHEDULE OF FINDINGS – (CONTINUED)
DECEMBER 31, 2024 AND 2023**

**Findings Related to the Financial Statements
Required to be Reported in Accordance with GAGAS – (Continued)**

FINDING 2024-003 - Material Weakness – (Continued)

Financial Reporting - Posting Receipts and Disbursements – (Continued)

Not posting receipts and disbursements correctly resulted in the financial statements and Village records requiring reclassification and adjusting entries. The financial statements and Village records reflect all reclassifications and adjustments.

Also, during 2024 and 2023 aspects of the notes to the financial statements were corrected from the Hinkle filing to agree to the financial statements in the audit report and to include all necessary note disclosures. We made corrections to the following note disclosures:

- Budgetary
- Fund Balances
- Debt
- Deposit
- Risk Management
- Defined Benefit Pension Plan
- Postemployment Benefits

We recommend the Fiscal Officer refer to the Village Officers' Handbook, Uniform Accounting Network (UAN) manual and Auditor of State guidance to determine the proper establishment of disbursement accounts and proper posting. Also, to help ensure accuracy and reliability in the financial reporting process, we recommend management perform a detailed review of its draft financial statements and notes to the financial statements. Such review should include procedures to ensure that all receipts and disbursements are properly identified and classified on the financial statements. We recommend the Village use the most current available templates for financial statements and notes to the financial statements on the Auditor of State's website <http://www.ohioauditor.gov/references/shells/regulatory.html> to prepare an accurate annual financial report.

Management's Response – See Corrective Action Plan.

FINDING 2024-004 – Noncompliance

Certifying the Availability of Funds

Ohio Revised Code Section 5705.41(D) requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless a certificate signed by the fiscal officer is attached thereto. The fiscal officer must certify that the amount required meeting any such contract or expenditure has been lawfully appropriated and is in the treasury, or is in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Only the subdivision's fiscal officer need sign the certificate. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

There are several exceptions to the standard requirement stated above that a fiscal officer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY
SCHEDULE OF FINDINGS – (CONTINUED)
DECEMBER 31, 2024 AND 2023**

**Findings Related to the Financial Statements
Required to be Reported in Accordance with GAGAS – (Continued)**

FINDING 2024-004 – Noncompliance – (Continued)

Certifying the Availability of Funds – (Continued)

1. “Then and Now” certificate - If the fiscal officer can certify that both at the time that the contract or order was made (“then”), and at the time that the fiscal officer is completing the certification (“now”), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority can authorize the drawing of a warrant for the payment of the amount due. The taxing authority has thirty days from the receipt of the “then and now” certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the fiscal officer without a resolution or ordinance upon completion of the “then and now” certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

2. Blanket Certificate – Fiscal officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by ordinance or resolution adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – The Village may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. Only one super blanket certificate may be outstanding at a particular time for any one line-item appropriation.

The Village did not properly certify the availability of funds prior to purchase commitment for 9% and 20% and of the expenditures tested for 2024 and 2023, respectively.

Unless the exceptions noted above are used, prior certification is not only required by statute but is a key control in the disbursement process to assure that purchase commitments receive prior approval. To improve controls over disbursements and to help reduce the possibility of the Village’s funds exceeding budgetary spending limitations, we recommend that the Fiscal Officer certify that the funds are or will be available prior to an obligation being incurred by the Village. When prior certification is not possible, “then and now” certification should be used.

Management’s Response – See Corrective Action Plan.

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY**

**SUMMARY SCHEDULE OF PRIOR FINDINGS –
PREPARED BY MANAGEMENT**

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Material Weakness - Financial Reporting	Not Corrected	N/A
2022-002	Material Weakness – Cash reconciliation	Corrected	N/A
2022-003	Material Weakness – Budgetary Control	Corrected	N/A
2022-004	Material Weakness/Non-Compliance - 23 U.S.C. Section 3402 & Ohio Revised Code Section 5747.06	Partially corrected	N/A
2022-005	Significant Deficiency – Tracking of Leave Balances	Not corrected	N/A
2022-006	Significant Deficiency – Ohio Rev. Code § 145.47 Village did not submit the monthly OPERS reports	Partially corrected	N/A
2022-007	Noncompliance - Ohio Revised Code Sections 733.40, 2743.70, 2949.091, & 2949.094	Corrected	N/A
2022-008	Noncompliance - Ohio Revised Code Section 133.15 allows the issuance of securities	Corrected	N/A

**VILLAGE OF DILLONVALE
JEFFERSON COUNTY**

**CORRECTIVE ACTION PLAN - PREPARED BY MANAGEMENT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	Tracking Leave Balance	Immediately	Jodi Lash, Fiscal Officer
2024-002	The Fiscal Officer will monitor the budgetary activity and update the UAN System.	Immediately	Jodi Lash, Fiscal Officer
2024-003	Fiscal Officer will follow the guidance obtained during the current audit process to complete upcoming annual financial reports filed on the Hinkle System.	Immediately	Jodi Lash, Fiscal Officer
2024-004	The Fiscal Officer will properly certify all disbursements and approve them prior to Invoices.	Immediately	Jodi Lash, Fiscal Officer

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OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF DILLONVALE

JEFFERSON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 2/3/2026

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

This report is a matter of public record and is available online at
www.ohioauditor.gov