



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

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VILLAGE OF CHRISTIANBURG  
CHAMPAIGN COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Village Council  
Village of Christiansburg  
PO Box 115  
Christiansburg, OH 45389

We have reviewed the *Independent Auditor's Report* of the Village of Christiansburg, Champaign County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2021 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber  
Auditor of State  
Columbus, Ohio

October 04, 2024

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**VILLAGE OF CHRISTIANBURG  
CHAMPAIGN COUNTY  
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**INDEPENDENT AUDITOR'S REPORT**

Village of Christiansburg  
Champaign County  
P.O. Box 115  
Christiansburg, Ohio 45389

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 Christiansburg, Champaign 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 year ended December 31, 2022 and 2021, and the related notes to the financial statements.

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

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

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

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

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and 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 June 27, 2024, 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.



BHM CPA Group, Inc.  
Circleville, Ohio  
June 27, 2024

**VILLAGE OF CHRISTIANBURG  
CHAMPAIGN 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**

	<u>Governmental Fund Types</u>			<b>Combined Totals</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 27,763	\$ 35,774	\$ -	\$ 63,537
Intergovernmental	24,847	73,408	-	98,255
Charges for Services	-	7,253	-	7,253
Earnings on Investments	5,114	49	-	5,163
Miscellaneous	1,657	6,178	-	7,835
<i>Total Cash Receipts</i>	<u>59,381</u>	<u>122,662</u>	<u>-</u>	<u>182,043</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons & Property	3,568	36,429	-	39,997
Leisure Time Activities	3,603	13,941	-	17,544
Basic Utility Services	-	26,450	-	26,450
Transportation	15,369	61,695	-	77,064
General Government	41,274	1,845	-	43,119
Capital Outlay	-	-	4,375	4,375
<i>Total Cash Disbursements</i>	<u>63,814</u>	<u>140,360</u>	<u>4,375</u>	<u>208,549</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>(4,433)</u>	<u>(17,698)</u>	<u>(4,375)</u>	<u>(26,506)</u>
<b>Other Financing Receipts (Disbursements):</b>				
Other Financing Sources	-	351	-	351
Other Financing Uses	-	(480)	-	(480)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>(129)</u>	<u>-</u>	<u>(129)</u>
<i>Net Change in Fund Cash Balances</i>	<u>(4,433)</u>	<u>(17,827)</u>	<u>(4,375)</u>	<u>(26,635)</u>
<i>Fund Cash Balances, January 1</i>	<u>106,574</u>	<u>249,068</u>	<u>18,498</u>	<u>374,140</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 102,141</u>	<u>\$ 231,241</u>	<u>\$ 14,123</u>	<u>\$ 347,505</u>

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

**VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY**

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

	<b>Proprietary Fund Type</b>
	<b>Enterprise</b>
<b>Operating Cash Receipts:</b>	
Charges for Services	278,365
<i>Total Operating Cash Receipts</i>	<i>278,365</i>
<b>Operating Cash Disbursements:</b>	
Current:	
Personal Services	34,173
Fringe Benefits	6,471
Contractual Services	192,541
Supplies and Materials	16,111
<i>Total Operating Cash Disbursements</i>	<i>249,296</i>
<i>Operating Income (Loss)</i>	<i>29,069</i>
<b>Non-Operating Receipts (Disbursements):</b>	
Miscellaneous Receipts	4,969
Capital Outlay	(53,614)
Principal Retirement	(53,912)
Interest and Other Fiscal Charges	(4,399)
Other Financing Uses	(164)
<i>Total Non-Operating Receipts (Disbursements)</i>	<i>(107,120)</i>
<i>Net Change in Fund Cash Balances</i>	<i>(78,051)</i>
<i>Fund Cash Balances, January 1</i>	<i>805,233</i>
<i>Fund Cash Balances, December 31</i>	<i>\$ 727,182</i>

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

**VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Fiduciary Fund
	Custodial
	Other Custodial
<b>Additions</b>	
Intergovernmental	\$ 10,000
<i>Total Additions</i>	10,000
<b>Deductions</b>	
Distributions as Fiscal Agent	10,000
<i>Total Deductions</i>	10,000
<i>Net Change in Fund Balances</i>	-
<i>Fund Cash Balances, January 1</i>	-
<i>Fund Cash Balances, December 31</i>	\$ -

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

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 1 – Reporting Entity**

The Village of Christiansburg (the Village), Champaign 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 water and sewer utilities, park operations, and police services. The Village contracts with the Champaign County Sheriff's department to provide security of persons and property. The Village contracts with the Christiansburg Fire Company to receive fire protection services.

***Public Entity Risk Pool***

The Village participates in a public entity risk pool. The Village's management believes these financial statements present all activities for which the Village is financially accountable. Note 6 to the financial statements describes these assets.

**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*** 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 and Ambulance Fund*** This fund receives tax revenue that is levied for purposes of contracting fire and ambulance services.

***Permissive Motor Vehicle License Tax Fund*** This fund accounts for revenue from vehicle registrations for planning, construction, improving, maintaining, repairing, of public roads, highways, and streets.

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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

**Addison Lateral Fund** – This fund receives transfers from the General Fund to pay for future work on the Addison Lateral storm sewer.

**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. 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.

**Sewer Fund** - The stormwater fund accounts for the provision of stormwater services to the residents and commercial users 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 the activity of pass-throughs to the Christiansburg Fire Company.

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 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.

***Budgetary Process***

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

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**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. Appropriations lapse at year end.

**Estimated Resources** - Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 carried over and need not be reappropriated.

A summary of 2022 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.

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

***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***

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

***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.

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

**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 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, 2022 follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$39,560	\$59,381	\$19,821
Special Revenue	78,180	123,013	44,833
Capital Projects	2,000	-	(2,000)
Enterprise	360,000	283,334	(76,666)
Total	\$479,740	\$465,728	\$(14,012)

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$107,041	\$64,735	\$42,306
Special Revenue	228,690	146,306	82,384
Capital Projects	18,400	4,375	14,025
Enterprise	596,932	361,385	\$235,547
Total	\$951,063	\$576,801	\$374,262



**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**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
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$152,284
Certificates of deposit	37,077
Other time deposits (savings and NOW accounts)	703,626
Total deposits	892,987
STAR Ohio	181,700
Total investments	181,700
Total carrying amount of deposits and investments held in the Pool	1,074,687

***Deposits***

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

***Investments***

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

**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.

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

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

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 6 – Risk Management**

***Risk Pool Membership***

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

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

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

	<u>2022</u>
Cash and investments	\$ 42,310,794
Actuarial liabilities	\$15,724,479

**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, 2022.

***Social Security***

Village council 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.

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2022.

**Note 9 – Debt**

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

	Principal	Interest Rate
Ohio Water Development Authority Loan 4824	\$466,696	1.50%
Ohio Water Development Authority Loan 6657	1,108,339	0%
Total	\$1,575,035	

The Ohio Water Development Authority (OWDA) loan 4824 relates to a water and sewer plant project the Ohio Environmental Protection Agency mandated. The OWDA total encumbered funds total \$792,868.75 for the Water Treatment Plant. The Village repays the loan in semiannual installments of, \$16,458.65 including interest, over 30 years.

The Ohio Water Development Authority (OWDA) loan 6657 relates to a project the Village entered to construct new sewer facilities. The OWDA total encumbered funds total \$1,641,984.30 for the Wastewater Treatment Plant. The Village repays the loan in semiannual installments of, \$41,049.61, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

***Amortization***

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

Year Ending December 31:	OWDA Loans
2023	115,016
2024	115,017
2025	115,017
2026	115,016
2027	115,017
2028-2032	575,082
2033-2037	451,934
2038	32,917
Total	\$1,635,016

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

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**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	General	Special Revenue	Total
Outstanding Encumbrances	921	5,466	6,387
<i>Total</i>	\$921	\$5,466	\$6,387

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

**Note 11 – 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. During 2022, the Village received COVID-19 funding. 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 funding, either federal or state, cannot be estimated.

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**VILLAGE OF CHRISTIANBURG  
CHAMPAIGN COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Governmental Fund Types</u>			<b>Combined Totals</b>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	
<b>Cash Receipts:</b>				
Property Taxes	\$ 19,028	\$ 39,520	\$ -	\$ 58,548
Intergovernmental	21,371	76,146	-	97,517
Charges for Services	-	8,083	-	8,083
Fines, Licenses, and Permits	50	-	-	50
Earnings on Investments	856	103	-	959
Miscellaneous	1,126	4,930	-	6,056
<i>Total Cash Receipts</i>	<u>42,431</u>	<u>128,782</u>	<u>-</u>	<u>171,213</u>
<b>Cash Disbursements:</b>				
Current:				
Security of Persons & Property	1,869	30,135	-	32,004
Leisure Time Activities	1,488	10,051	-	11,539
Transportation	732	29,145	-	29,877
General Government	27,038	2,505	-	29,543
<i>Total Cash Disbursements</i>	<u>31,127</u>	<u>71,836</u>	<u>-</u>	<u>102,963</u>
<i>Excess of Receipts Over/(Under) Disbursements</i>	<u>11,304</u>	<u>56,946</u>	<u>-</u>	<u>68,250</u>
<b>Other Financing Receipts (Disbursements):</b>				
Other Financing Sources	-	2,427	-	2,427
Other Financing Uses	-	(4,935)	-	(4,935)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>-</u>	<u>(2,508)</u>	<u>-</u>	<u>(2,508)</u>
<i>Net Change in Fund Cash Balances</i>	11,304	54,438	-	65,742
<i>Fund Cash Balances, January 1</i>	<u>95,270</u>	<u>194,630</u>	<u>18,498</u>	<u>308,398</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 106,574</u>	<u>\$ 249,068</u>	<u>\$ 18,498</u>	<u>\$ 374,140</u>

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

**VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY**

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

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
<b>Operating Cash Receipts:</b>	
Charges for Services	297,352
<i>Total Operating Cash Receipts</i>	<u>297,352</u>
<b>Operating Cash Disbursements:</b>	
Current:	
Personal Services	32,731
Fringe Benefits	5,274
Contractual Services	66,822
Supplies and Materials	13,872
Other	4,695
<i>Total Operating Cash Disbursements</i>	<u>123,394</u>
<i>Operating Income (Loss)</i>	173,958
<b>Non-Operating Receipts (Disbursements):</b>	
Miscellaneous Receipts	8,873
Capital Outlay	(11,361)
Principal Retirement	(107,536)
Interest and Other Fiscal Charges	(7,480)
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(117,504)</u>
<i>Net Change in Fund Cash Balances</i>	56,454
<i>Fund Cash Balances, January 1</i>	<u>748,779</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 805,233</u>

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

**VILLAGE OF CHRISTIANBURG  
CHAMPAIGN COUNTY**

**COMBINED STATEMENT OF ADDITIONS, DEDUCTIONS, AND  
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)  
FIDUCIARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Fiduciary Fund
	Custodial
	Other Custodial
<b>Additions</b>	
Intergovernmental	\$ 1,200
<i>Total Additions</i>	1,200
<b>Deductions</b>	
Distributions as Fiscal Agent	1,200
<i>Total Deductions</i>	1,200
<i>Net Change in Fund Balances</i>	-
<i>Fund Cash Balances, January 1</i>	-
<i>Fund Cash Balances, December 31</i>	\$ -

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



**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 1 – Reporting Entity**

The Village of Christiansburg (the Village), Champaign 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 water and sewer utilities, park operations, and police services. The Village contracts with the Champaign County Sheriff's department to provide security of persons and property. The Village contracts with the Christiansburg Fire Company to receive fire protection services.

***Public Entity Risk Pool***

The Village participates in a public entity risk pool. The Village's management believes these financial statements present all activities for which the Village is financially accountable. Note 6 to the financial statements describes these assets.

**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*** 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 and Ambulance Fund*** This fund receives tax revenue that is levied for purposes of contracting fire and ambulance services.

***Permissive Motor Vehicle License Tax Fund*** This fund accounts for revenue from vehicle registrations for planning, construction, improving, maintaining, repairing, of public roads, highways, and streets.

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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

**Addison Lateral Fund** – This fund receives transfers from the General Fund to pay for future work on the Addison Lateral storm sewer.

**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. 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.

**Sewer Fund** - The stormwater fund accounts for the provision of stormwater services to the residents and commercial users 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 the activity of pass-throughs to the Christiansburg Fire Company.

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 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.

### ***Budgetary Process***

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

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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***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. Appropriations lapse at year end.

***Estimated Resources*** - Estimated resources include estimates of cash to be received (budgeted receipts) plus 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 carried over and need not be reappropriated.

A summary of 2021 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.

Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

***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***

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

***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.

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**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 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, 2021 follows:

2021 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$39,560	\$42,431	\$2,871
Special Revenue	143,290	131,209	(12,081)
Capital Projects	2,000	-	(2,000)
Enterprise	360,000	306,225	(53,775)
<b>Total</b>	<b>\$544,850</b>	<b>\$479,865</b>	<b>\$(64,985)</b>

2021 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$89,865	\$31,803	\$58,062
Special Revenue	147,612	76,771	70,841
Capital Projects	20,000	-	20,000
Enterprise	503,690	249,771	\$253,919
<b>Total</b>	<b>\$761,167</b>	<b>\$358,345</b>	<b>\$402,822</b>

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**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:

	<u>2021</u>
<b><i>Cash Management Pool:</i></b>	
Demand deposits	\$209,684
Certificates of deposit	36,915
Other time deposits (savings and NOW accounts)	<u>754,130</u>
Total deposits	<u>1,000,729</u>
STAR Ohio	178,644
Total investments	<u>178,644</u>
Total carrying amount of deposits and investments held in the Pool	<u><u>1,179,373</u></u>

***Deposits***

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

***Investments***

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

**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.

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

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

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**Note 6 – Risk Management**

***Risk Pool Membership***

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

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

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

	<u>2021</u>
Cash and investments	\$ 41,996,850
Actuarial liabilities	\$14,974,099

**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, 2021.

***Social Security***

Village council 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, 2021.

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

**Note 8 – Postemployment Benefits**

OPERS offers cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2021. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2021.

**Note 9 – Debt**

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

	Principal	Interest Rate
Ohio Water Development Authority Loan 4824	\$479,558	1.50%
Ohio Water Development Authority Loan 6657	1,149,389	0%
Total	\$1,628,947	

The Ohio Water Development Authority (OWDA) loan 4824 relates to a water and sewer plant project the Ohio Environmental Protection Agency mandated. The OWDA total encumbered funds total \$792,868.75 for the Water Treatment Plant. The Village repays the loan in semiannual installments of, \$16,458.65 including interest, over 30 years.

The Ohio Water Development Authority (OWDA) loan 6657 relates to a project the Village entered to construct new sewer facilities. The OWDA total encumbered funds total \$1,641,984.30 for the Wastewater Treatment Plant. The Village repays the loan in semiannual installments of, \$41,049.61, over 20 years. Water and sewer receipts collateralize the loan. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements.

***Amortization***

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

Year Ending December 31:	OWDA Loans
2022	\$57,509
2023	115,016
2024	115,017
2025	115,017
2026	115,016
2027-2031	575,083
2032-2036	534,033
2037-2038	65,834
Total	\$1,692,525

**Village of Christiansburg, Ohio**  
*Champaign County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2021*

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**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:

<u>Fund Balances</u>	<u>General</u>	<u>Total</u>
Outstanding Encumbrances	676	676
<i>Total</i>	<u>\$676</u>	<u>\$676</u>

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

**Note 11 – 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. During 2021, the Village received COVID-19 funding. 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.





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

Village of Christiansburg  
Champaign County  
P.O. Box 115  
Christiansburg, Ohio 45389

To the Village Commission:

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 and the fiduciary fund type combined total as of and for the years ended December 31, 2022 and 2021 and the related notes to the financial statements of the Village of Christiansburg, Champaign County, (the Village) and have issued our report thereon dated June 27, 2024, wherein we noted the Village followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit.

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

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 2022-001 through 2022-003 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 2022-002, 2022-004 and 2022-005.

***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.



BHM CPA Group, Inc.  
Circleville, Ohio  
June 27, 2024

VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY

SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

**FINDING NUMBER 2022-001**

**Material Weakness – Financial Reporting**

Sound financial reporting is the responsibility of the fiscal officer and Village Council and is essential to ensure information provided to the readers of the financial statements is complete and accurate.

Material and immaterial misstatements were identified during the course of the audit which have not been prevented or detected by the Village’s internal controls over financial reporting. Misstatements were identified in the following areas:

- Intergovernmental Receipts
- Charges for Services Receipts
- Miscellaneous Receipts
- Security of Persons and Property Disbursements
- General Government Disbursements
- Leisure Time Activities Disbursements
- Supplies and Materials Disbursements
- Contractual Services Disbursements
- Principal Disbursements
- Interest Disbursements
- Fund Balance

To ensure the Village’s financial statements and notes to the financial statements are complete and accurate, we recommend the Fiscal Officer review the Ohio Village Officers Manual for guidance on the correct line item to post various receipts and expenditures of the Village.

**Officials Response:** The Village concurs with the finding as stated. We agree that it needs to be corrected and will take steps to do so. We will design and implement internal controls to address these issues and to prevent noncompliance.

**FINDING NUMBER 2022-002**

**Material Weakness/Noncompliance**

Ohio Revised Code section 5705.41(D)(1) prohibits a subdivision or taxing entity from making any contract or ordering any expenditure of money unless a certificate signed by the fiscal officer is attached thereto.

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 Section 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

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 Village can authorize the drawing of a warrant for the payment of the amount due. The Village has thirty days from the receipt of the “then and now” certificate to approve payment or ordinance or resolution.

VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY

SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

**FINDING NUMBER 2022-002**  
**(continued)**

**Material Weakness/Noncompliance**

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 Village.

2. Blanket Certificate – Fiscal Officers may prepare “blanket” certificates for a certain sum of money not in excess of an amount established by resolution or ordinance 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. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

The Village’s Fiscal Officer did not certify the availability of funds prior to making commitments during 2022 for 11 of the 21 disbursements tested. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

The Village’s Fiscal Officer should certify the availability of funds prior to the commitment being incurred. The most convenient certification method is to use purchase orders that include the certification language Ohio Rev. Code section 5705.41(D) requires to authorize disbursements.

**Officials Response:** The Village concurs with the finding as stated. We agree that it needs to be corrected and will take steps to do so. We will design and implement internal controls to address these issues and to prevent noncompliance.

**FINDING NUMBER 2022-003**

**Material Weakness – Bank Reconciliations**

Accurate reconciliation procedures are a key component of an effective accounting system required to enable the Village to properly classify transactions, maintain accountability for funds, distribute funds accurately, and detect fraud and errors in a timely manner.

During 2021 and 2022, the Village did not maintain and reconcile accounting information with bank balances on a timely basis. Errors were identified during the process of reconciling the Village’s accounts to the bank balances for the years ended December 31, 2021 and 2022. As a result, adjustments were made to fund balances, receipts, and disbursements in 2021 and 2022.

Untimely recording of transactions and inaccurate reconciliations reduce management’s ability to monitor Village assets and funds and increases the risk that errors, theft or fraud could occur and not be detected in a timely manner.

VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY

SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

**FINDING NUMBER 2022-003**  
**(continued)**

**Material Weakness – Bank Reconciliations**

We recommend the Village ensure that monthly reconciliations are performed timely and all variances between the book and the bank are identified and resolved during the reconciliation process. We also recommend that the monthly reconciliations be included in the financial packet presented to Council and that Council review and sign off on these reconciliations noting this review and approval. We further recommend that all transactions be posted to the accounting system timely.

**Officials Response:** The Village concurs with the finding as stated. We agree that it needs to be corrected and will take steps to do so. We will design and implement internal controls to address these issues and to prevent noncompliance.

**FINDING NUMBER 2022-004**

**Noncompliance**

**26 U.S.C. §§ 3401, 3402, 3403, 3404, 3405, and 3102(a)** require the employing government to withhold federal income and employment related taxes (such as Medicare). These Sections also require the government to report and remit those tax matters to the appropriate tax authorities and the recipients.

The Village failed to timely submit the required federal payroll taxes as required by the Internal Revenue Service. The Village did not make required payments of payroll withholdings to the IRS during 2022. The Village may incur late fees and penalties for not remitting 2022 federal taxes in a timely manner. We noted no payment of any late fees or penalties to the IRS during 2022.

We recommend the Village Fiscal Officer remit federal income taxes withheld on a timely basis. Additionally, the Village should maintain documentation concerning the remittance of federal income taxes as well as the required reports.

**Officials Response:** The Village concurs with the finding as stated. We agree that it needs to be corrected and will take steps to do so. We will design and implement internal controls to address these issues and to prevent noncompliance.

VILLAGE OF CHRISTIANSBURG  
CHAMPAIGN COUNTY

SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

**FINDING NUMBER 2022-005**

**Noncompliance**

**Ohio Rev. Code § 731.14** states, in full, that “All contracts made by the legislative authority of a village shall be executed in the name of the village and signed on its behalf by the mayor and clerk. Except where the contract is for equipment, services, materials, or supplies to be purchased under division (D) of section [713.23](#) or section [125.04](#) or [5513.01](#) of the Revised Code, available from a qualified nonprofit agency pursuant to sections [4115.31](#) to [4115.35](#) of the Revised Code, or required to be purchased from a qualified nonprofit agency under sections [125.60](#) to [125.6012](#) of the Revised Code, or, during the period of emergency declared by Executive Order 2020-01D, issued on March 9, 2020, when the purchase is for personal protective equipment necessary to respond to that emergency, when any expenditure, other than the compensation of persons employed in the village, exceeds fifty thousand dollars, such contracts shall be in writing and made with the lowest and best bidder after advertising once a week for not less than two consecutive weeks in a newspaper of general circulation within the village. The legislative authority may also cause notice to be inserted in trade papers or other publications designated by it or to be distributed by electronic means, including posting the notice on the legislative authority's internet web site. If the legislative authority posts the notice on its web site, it may eliminate the second notice otherwise required to be published in a newspaper of general circulation within the village, provided that the first notice published in such newspaper meets all of the following requirements:

- (A) It is published at least two weeks before the opening of bids.
- (B) It includes a statement that the notice is posted on the legislative authority's internet web site.
- (C) It includes the internet address of the legislative authority's internet web site.
- (D) It includes instructions describing how the notice may be accessed on the legislative authority's internet web site.

The bids shall be opened and shall be publicly read by the clerk of the village or a person designated by the clerk at the time, date, and place specified in the advertisement to bidders or specifications. The time, date, and place of bid openings may be extended to a later date by the legislative authority of the village, provided that written or oral notice of the change shall be given to all persons who have received or requested specifications no later than ninety-six hours prior to the original time and date fixed for the opening. This section does not apply to those villages that have provided for the appointment of a village administrator under section [735.271](#) of the Revised Code.

As used in this section, "personal protective equipment" means equipment worn to minimize exposure to hazards that cause workplace injuries and illnesses.”

In 2022, we noted the Village disbursed \$82,860 to a single vendor for a water tower repair and restoration project, which is not subject to the exceptions as defined in Ohio Rev. Code § 731.14. The Village was unable to demonstrate that competitive bidding procedures were utilized to select the contractor for the water tower project in 2022. We were not provided with any bidding documents, newspaper affidavits, or evidence from the meeting minutes which demonstrated the Village’s Board of Public Affairs or the Village Council reviewed bids and selected the lowest responsible bidder.

Failure to adopt procedures regarding competitive bidding will result in noncompliance with Ohio Rev. Code § 731.14. Furthermore, this could lead to misuse of public funds, as similar work could potentially be provided to the Village at a lower cost if bidding procedures were to be properly utilized. We recommend that the Village Council and, if applicable, the Board of Public Affairs let out future projects for competitive bidding and follow the guidelines outlined in Ohio Rev. Code § 731.14.

**Officials Response:** The Village concurs with the finding as stated. We agree that it needs to be corrected and will take steps to do so. We will design and implement internal controls to address these issues and to prevent noncompliance.

# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF CHRISTIANSBURG**

**CHAMPAIGN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 10/17/2024**

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

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