



OHIO AUDITOR OF STATE
KEITH FABER



**PLEASANT VALLEY REGIONAL SEWER DISTRICT
ROSS COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Pleasant Valley Regional Sewer District
Ross County
1822 Anderson Station Road
Chillicothe, OH 45601

To the Board of Trustees:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Pleasant Valley Regional Sewer District, Ross County, Ohio (the District), which comprises the cash balances, receipts and disbursements for the enterprise 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 the enterprise 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 District, as of December 31, 2024 and 2023, or the changes in financial position or, where applicable, cash flows thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, 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 District 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 District'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 October 7, 2025, on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State

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

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

October 7, 2025

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Pleasant Valley Regional Sewer District
Ross County
Combined Statement of Receipts, Disbursements
And Changes in Fund Balances (Regulatory Cash Basis)
For the Year Ended December 31, 2024

Operating Cash Receipts	
Charges for Services	\$1,063,617
Miscellaneous	35,537
	<hr/>
<i>Total Operating Cash Receipts</i>	<u>1,099,154</u>
Operating Cash Disbursements	
Purchased Services	382,894
Personal Services	459,296
Materials and Supplies	66,500
Other	27,337
	<hr/>
<i>Total Operating Cash Disbursements</i>	<u>936,027</u>
<i>Operating Income/(Loss)</i>	<u>163,127</u>
Non-Operating Cash Receipts	
Earnings on Investment	62,602
Intergovernmental Revenues	32,944
Purchased Services	(29,635)
Capital Outlay	(99,660)
Principal Payments	(62,214)
Interest and Fiscal Charges	(51,968)
	<hr/>
<i>Total Non-Operating Cash Receipts</i>	<u>(147,931)</u>
<i>Net Receipts Over/(Under) Disbursements</i>	<u>15,196</u>
Cash Balances, January 1	<u>1,854,418</u>
<i>Cash Balances, December 31</i>	<u><u>\$1,869,614</u></u>

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

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Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 - Reporting Entity

The Pleasant Valley Regional Sewer District (the District), Ross 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. Each political subdivision within the District appoints one member to the Board of Trustees to direct the District. There are five Board of Trustees members. Subdivisions within the District are Twin, Union and Scioto Townships, Ross County Commissioners and Ross County Water Company. The District provides sewer services to residents of the District.

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

Note 2- Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

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 District 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 be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations, and appropriations may not exceed estimated resources. The District 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).

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. The District did not use the encumbrance method of accounting.

A summary of 2024 budgetary activity appears in Note 3.

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Deposits and Investments

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

Accumulated Leave

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

Note 3 - Budgetary Activity

Budgetary activity for the year ending 2024 follows:

2024 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$1,205,869	\$1,194,700	(\$11,169)
\$1,205,869	\$1,194,700	(\$11,169)

2024 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$1,370,727	\$1,179,504	\$191,223
\$1,370,727	\$1,179,504	\$191,223

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 4 - Deposits and Investments

The District maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2024
Demand deposits	\$1,250,471
Certificates of deposit	619,143
Total deposits	1,869,614
Total deposits	<u>\$1,869,614</u>

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation. The District's deposits are collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Note 5 - Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Note 6 - Defined Benefit Pension Plans

District employees belong to the Ohio Public Employees Retirement System (OPERS). District Board of Trustees do not contribute to 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 District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2024.

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 7 -Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 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.

Note 8 – Debt

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

	<u>Principal</u>	<u>Interest Rate</u>
OWDA Loan #5122	\$147,658	4.00%
Ross Co. Comm. Capital Lease	\$13,050	5.15%
USDA Loan #92-03	\$1,218,300	3.13%
OWDA Loan #8682	\$341,536	1.78%
Total	<u>\$1,720,544</u>	

In 2009, Ohio Water Development Authority (OWDA) loan #5122 in the amount of \$227,398 was used for the expansion of sewer lines to the Green Acres Subdivision and Slate Mills area. The loan will be repaid in semi-annual installments over 30 years with the last payment scheduled to be made in December 2039.

In 2004, the District entered into a lease agreement with the Ross County Commissioners for the purpose of leasing sewage lines and appurtenances in order to transport raw sewage, effluent, wastewater and other waste substances and materials. The lease is being paid in semi-annual installments over 20 years with the last payment due in June 2024. The District was not charged for the final payment that was scheduled to be paid in December 2024.

In March 2015, the District entered into a loan agreement, Water Resource Revenue Bonds, Series 2015, with United States Department of Agriculture Rural Development (USDA) for \$1,403,000. The loan was for the construction of a new administration building and improvements to the treatment plant. The loan is being repaid in annual installments over 40 years with the last payment due in March 2055.

In October 2019, the District entered into a loan agreement with Ohio Water Development Authority (OWDA) loan #8682 for the amount of \$461,381.50 to be used for the upgrades to the Sunrush Pump Station. The Certificate of Substantial Completion was signed in July 2020. The loan is being repaid in semi-annual installments over 20 years with the last payment due in July 2040.

The mortgage revenue bond covenant requires the District to establish and fund a debt service reserve fund, included as a debt service fund. The balance in the fund at December 31, 2024, is \$63,066.

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Amortization

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

Year Ending			
December 31:	OWDA	Commissioners	USDA
2025	\$38,415	\$13,396	\$61,872
2026	38,426		61,928
2027	38,437		61,959
2028	38,449		62,064
2029	38,462		61,947
2030-2034	192,513		309,635
2035-2039	192,913		309,797
2040-2044	12,656		39,709
2045-2049	0		309,718
2050-2054	0		309,623
2055	0		61,978
Total	<u>\$590,271</u>	<u>\$13,396</u>	<u>\$1,650,230</u>

Note 9 – Contingent Liabilities

The District is defendant in a lawsuit. Although management cannot presently determine the outcome of these suits, management believes that the resolution of these matters will not materially adversely affect the District's financial condition.

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Pleasant Valley Regional Sewer District
Ross County
Combined Statement of Receipts, Disbursements
And Changes in Fund Balances (Regulatory Cash Basis)
For the Year Ended December 31, 2023

Operating Cash Receipts	
Charges for Services	\$1,051,192
Miscellaneous	7,910
	<hr/>
<i>Total Operating Cash Receipts</i>	<i>1,059,102</i>
	<hr/>
Operating Cash Disbursements	
Purchased Services	284,969
Personal Services	440,803
Office Supplies and Materials	63,231
Other	27,600
	<hr/>
<i>Total Operating Cash Disbursements</i>	<i>816,603</i>
	<hr/>
<i>Operating Income/(Loss)</i>	<i>242,499</i>
	<hr/>
Non-Operating Cash Receipts	
Earnings on Investment	50,006
Intergovernmental Revenues	60,657
Miscellaneous	27,753
Purchased Services	(39,288)
Capital Outlay	(33,890)
Principal Payments	(72,885)
Interest and Fiscal Charges	(54,887)
	<hr/>
<i>Total Non-Operating Cash Receipts</i>	<i>(62,534)</i>
	<hr/>
<i>Net Receipts Over/(Under) Disbursements</i>	<i>179,965</i>
	<hr/>
Cash Balances, January 1	1,674,453
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<i>Cash Balances, December 31</i>	<i>\$1,854,418</i>
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The notes to the financial statements are an integral part of this statement.

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Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1- Reporting Entity

The Pleasant Valley Regional Sewer District (the District), Ross 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. Each political subdivision within the District appoints one member to the Board of Trustees to direct the District. There are five Board of Trustees members. Subdivisions within the District are Twin, Union and Scioto Townships, Ross County Commissioners and Ross County Water Company. The District provides sewer services to residents of the District.

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

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a statement of receipts, disbursements and changes in fund balances (regulatory cash basis).

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 District 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 be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations and appropriations may not exceed estimated resources. The District 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).

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. The District did not use the encumbrance method of accounting.

A summary of 2023 budgetary activity appears in Note 3.

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Deposits and Investments

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

Accumulated Leave

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

Note 3 - Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts		
Budgeted Receipts	Actual Receipts	Variance
\$1,161,585	\$1,197,518	\$35,933
\$1,161,585	\$1,197,518	\$35,933

2023 Budgeted vs. Actual Budgetary Basis Expenditures		
Appropriation Authority	Budgetary Expenditures	Variance
\$1,442,872	\$1,017,553	\$425,319
\$1,442,872	\$1,017,553	\$425,319

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 4 - Deposits and Investments

The District maintains a deposits and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2023
Demand deposits	<u>\$1,360,715</u>
Total deposits	<u>1,360,715</u>
STAR Ohio	493,703
Total investments	<u>493,703</u>
Total deposits and investments	<u><u>\$1,854,418</u></u>

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.

Note 5 - Risk Management

Commercial Insurance

The District has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.

Note 6 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

District employees belong to the Ohio Public Employees Retirement System (OPERS). District Board of Trustees do not contribute to 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 District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2023.

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 7 - Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 8 - Debt

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

OWDA Loan #5122	\$154,635	4.00%
Ross Co. Comm. Capital Lease	26,455	5.15%
USDA Loan #92-03	1,241,500	3.13%
OWDA Loan #8682	<u>360,514</u>	1.78%
Total	<u>\$1,783,104</u>	

In 2009, Ohio Water Development Authority (OWDA) loan #5122 in the amount of \$227,398 was used for the expansion of sewer lines to the Green Acres Subdivision and Slate Mills area. The loan will be repaid in semi-annual installments over 30 years with the last payment scheduled to be made in December 2039.

In 2004, the District entered into a lease agreement with the Ross County Commissioners for the purpose of leasing sewage lines and appurtenances in order to transport raw sewage, effluent, wastewater and other waste substances and materials. The lease is being paid in semi-annual installments over 20 years with the last payment due in December 2024.

In March 2015, the District entered into a loan agreement, Water Resource Revenue Bonds, Series 2015, with United States Department of Agriculture Rural Development (USDA) for \$1,403,000. The loan was for the construction of a new administration building and improvements to the treatment plant. The loan is being repaid in annual installments over 40 years with the last payment due in March 2055.

In October 2019, the District entered into a loan agreement with Ohio Water Development Authority (OWDA) loan #8682 for the amount of \$461,381.50 to be used for the upgrades to the Sunrush Pump Station. The Certificate of Substantial Completion was signed in July 2020. The loan is being repaid in semi-annual installments over 20 years with the last payment due in July 2040.

The mortgage revenue bond covenant requires the District to establish and fund a debt service reserve fund, included as a debt service fund. The balance in the fund at December 31, 2023, is \$63,064.

Pleasant Valley Regional Sewer District
Ross County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Amortization

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

Year Ending				
December 31:	OWDA	Commissioners	USDA	
2024	\$38,404	\$27,136	\$62,103	
2025	38,415		61,872	
2026	38,426		61,928	
2027	38,437		61,959	
2028	38,449		62,064	
2029-2033	192,443		309,723	
2034-2038	192,827		309,731	
2039-2043	51,274		309,660	
2044-2048	0		309,793	
2049-2053	0		309,626	
2054-2055	0		123,875	
Total	<u>\$628,675</u>	<u>\$27,136</u>	<u>\$1,982,334</u>	

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OHIO AUDITOR OF STATE KEITH FABER



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

Pleasant Valley Regional Sewer District
Ross County
1822 Anderson Station Road
Chillicothe, OH 45601

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts, and disbursements for the enterprise fund as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the Pleasant Valley Regional Sewer District, Ross County, Ohio (the District), and have issued our report thereon dated October 7, 2025, wherein we noted the District 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 District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



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

October 7, 2025

OHIO AUDITOR OF STATE KEITH FABER



PLEASANT VALLEY REGIONAL SEWER DISTRICT

ROSS 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 11/6/2025

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

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