



**Village of Lithopolis  
Fairfield County  
Regular Audit  
For the Years Ended  
December 31, 2024 and 2023**



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Village Council  
Village of Lithopolis  
PO Box 278  
Lithopolis, OH 43136

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

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

KEITH FABER  
Ohio Auditor of State

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

September 04, 2025

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**VILLAGE OF LITHOPOLIS, OHIO  
FAIRFIELD COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Independent Auditor's Report.....	1
<b>Financial Statements:</b>	
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types – For the Year Ended December 31, 2024.....	4
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – Proprietary Fund Type – For the Year Ended December 31, 2024.....	5
Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type – For the Year Ended December 31, 2024.....	6
Notes to the Financial Statements – For the Year Ended December 31, 2024 .....	7
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types – For the Year Ended December 31, 2023 .....	16
Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis) – Proprietary Fund Type – For the Year Ended December 31, 2023 .....	17
Combined Statement of Additions, Deductions and Changes in Fund Balances (Regulatory Cash Basis) – Fiduciary Fund Type – For the Year Ended December 31, 2023 .....	18
Notes to the Financial Statements – For the Year Ended December 31, 2023 .....	19
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Governmental Auditing Standards</i> .....	29
Schedule of Findings.....	31
Summary Schedule of Prior Audit Findings .....	35

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## INDEPENDENT AUDITOR'S REPORT

Village of Lithopolis  
Fairfield County  
PO Box 278  
Lithopolis, OH 43136

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 Lithopolis, Fairfield County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

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

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

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Village, as of December 31, 2024 and 2023, or the changes in financial position or, where applicable, cash flows thereof for the years then ended.

#### ***Basis for Opinions***

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



**Jessica Heldman, CPA**

330 Muskingum Drive  
Marietta, OH 45750

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

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

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

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

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

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

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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 May 26, 2025, on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Jessica Heldman CPA*

**Jessica Heldman, CPA**  
*Marietta, Ohio*

May 26, 2025

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2024*

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 139,732	\$ -	\$ -	\$ 139,732
Municipal Income Tax	923,265	-	-	923,265
Intergovernmental	70,293	127,696	-	197,989
Special Assessments	-	63,892	-	63,892
Charges for Services	35	-	-	35
Licenses, Permits and Fees	286,427	-	-	286,427
Fines, Forfeitures and Settlements	12,864	1,650	-	14,514
Earnings on Investments	20,524	-	-	20,524
Miscellaneous	33,490	-	50,572	84,062
<i>Total Cash Receipts</i>	<u>1,486,630</u>	<u>193,238</u>	<u>50,572</u>	<u>1,730,440</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property	356,350	809	-	357,159
Public Health Services	11,334	-	-	11,334
Leisure Time Activities	-	1,700	-	1,700
Community Environment	26,000	-	-	26,000
Transportation	-	123,962	-	123,962
General Government	660,834	-	635	661,469
Capital Outlay	252,124	7,200	118,415	377,739
Debt Service:				
Principal Retirement	104,670	30,173	-	134,843
Interest and Fiscal Charges	1,954	346	-	2,300
<i>Total Cash Disbursements</i>	<u>1,413,266</u>	<u>164,190</u>	<u>119,050</u>	<u>1,696,506</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>73,364</u>	<u>29,048</u>	<u>(68,478)</u>	<u>33,934</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	4,514	-	4,514
Transfers Out	(37,514)	-	-	(37,514)
Other Financing Uses	-	(250)	-	(250)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(37,514)</u>	<u>4,264</u>	<u>-</u>	<u>(33,250)</u>
<i>Net Change in Fund Cash Balances</i>	<u>35,850</u>	<u>33,312</u>	<u>(68,478)</u>	<u>684</u>
<i>Fund Cash Balances, January 1</i>	<u>1,859,583</u>	<u>383,726</u>	<u>194,935</u>	<u>2,438,244</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,895,433</u>	<u>\$ 417,038</u>	<u>\$ 126,457</u>	<u>\$ 2,438,928</u>

See accompanying notes to the financial statements

**Village of Lithopolis, Ohio**  
*Fairfield County*  
**Combined Statement of Receipts, Disbursements**  
*and Changes in Fund Balances (Cash Basis)*  
**Proprietary Fund Type**  
*For the Year Ended December 31, 2024*

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 1,231,785
Miscellaneous	7,123
<i>Total Operating Cash Receipts</i>	<u>1,238,908</u>
<b>Operating Cash Disbursements</b>	
Personal Services	137,352
Fringe Benefits	95,396
Contractual Services	798,252
Supplies and Materials	153,269
<i>Total Operating Cash Disbursements</i>	<u>1,184,269</u>
<i>Operating Income (Loss)</i>	<u>54,639</u>
<b>Non-Operating Receipts (Disbursements)</b>	
Special Assessments	30,881
Miscellaneous Receipts	133,827
Capital Outlay	(917,776)
Principal Retirement	(219,114)
Interest and Other Fiscal Charges	(72,234)
Other Financing Sources	647
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(1,043,769)</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	(989,130)
Capital Contributions	1,102,290
Transfers In	33,000
<i>Net Change in Fund Cash Balances</i>	146,160
<i>Fund Cash Balances, January 1</i>	<u>1,544,819</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 1,690,979</u></u>

See accompanying notes to the financial statements

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Cash Basis)*  
*Fiduciary Fund Type*  
*For the Year Ended December 31, 2024*

	Fiduciary Fund Type
	Other Custodial
<b>Additions</b>	
Fines, Forfeitures and Settlements for Distribution	\$ 12,952
Other Amounts Collected for Distribution	8,599
<i>Total Additions</i>	<u>21,551</u>
<b>Deductions</b>	
Other Distributions	<u>19,327</u>
<i>Total Deductions</i>	<u>19,327</u>
<i>Net Change in Fund Balances</i>	2,224
<i>Fund Cash Balances, January 1</i>	<u>5,632</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 7,856</u></u>

See accompanying notes to the financial statements

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 1 – Reporting Entity**

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

**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) for 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 Fund:*** The Street Construction, Maintenance and Repair Fund accounts for and reports 92.5% of the State gasoline tax restricted for construction, maintenance and repair of streets within the Village.

***Permissive Motor Vehicle License Tax Fund:*** The Permissive Motor Vehicle License Tax Fund accounts for and reports funds received and restricted for maintenance and repair of streets within the Village.

***Parks and Recreation Impact Fees Fund:*** The Parks and Recreation Impact Fees Fund accounts for and reports subdivision impact fees for maintenance in parks and greenspace.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Local Fiscal Recovery Fund:*** The Local Fiscal Recovery Fund accounts for monies received from the State during the COVID-19 pandemic.

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

***TIF Capital Improvement Fund:*** The TIF Capital Improvement Fund accounts for the proceeds from TIF funding and expenditure for capital outlay.

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

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

***Sewer Fund:*** The Sewer Fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

***Stormwater Fund:*** The Stormwater Fund accounts for the provision of stormwater services to the residents and commercial users within the Village.

***Solid Waste Fund:*** The Solid Waste Fund accounts for the provision of solid waste 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 the Mayor's Court.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code 117.38 and Ohio Administrative Code 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).

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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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).

***Budgetary Process***

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

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

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

***Encumbrances:*** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be re-appropriated. The Village did not encumber all commitments required by Ohio law.

A summary of 2024 budgetary activity appears in Note 3.

***Deposits and Investments***

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

***Capital Assets***

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

***Accumulated Leave***

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.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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***Fund Balance***

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

***Nonspendable:*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

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

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

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned 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.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 3 – Budgetary Activity**

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

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 1,020,885	\$ 1,486,630	\$ 465,745
Special Revenue	211,074	197,752	(13,322)
Capital Projects	-	50,572	50,572
Enterprise	2,188,091	2,539,553	351,462
Total	<u>\$ 3,420,050</u>	<u>\$ 4,274,507</u>	<u>\$ 854,457</u>

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,835,030	\$ 1,450,780	\$ 384,250
Special Revenue	200,318	164,440	35,878
Capital Projects	137,500	119,050	18,450
Enterprise	2,770,682	2,420,238	350,444
Total	<u>\$ 4,943,530</u>	<u>\$ 4,154,508</u>	<u>\$ 789,022</u>

**Note 4 – Deposits and Investments**

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

	2024
Demand Deposits	<u>\$ 4,137,763</u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the Village is holding \$0 in unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. At December 31, 2024, \$0 of deposits were not insured or collateralized.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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**Note 5 – Taxes**

***Property Taxes***

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

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

***Income Taxes***

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

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

**Note 6 – Risk Management**

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

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

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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

***Ohio Police and Fire Retirement System***

The Village's full-time police officers belong to the Ohio Police and Fire Retirement Fund (OP&F). OP&F 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. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2024.

**Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance and co-pays incurred by the eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual health reimbursement accounts that retirees use to be reimbursed for health care expenses. For calendar year 2024, the portion of OPERS employer contribution allocated to health care was 0% for members in the traditional pension plan and 2% for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4%; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5% to fund these benefits.

**Note 9 – Debt**

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

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Lease - Police Cruiser	\$ 12,565	6.74%
Enterprise Obligation Lease - AMI Meters	314,247	2.62%
Enterprise Obligation Loan - Dump Truck	17,943	2.75%
Enterprise Promissory Note - Land	109,090	0%
OPWC #CQ10N	404,071	0%
OPWC #CQ26S	625,455	0%
OWDA #3920	1,457,981	4.35%
Total	<u>\$ 2,941,352</u>	

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2024*

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Maintenance Dump Truck – This loan is with Vinton County National Bank and was established in November 2020 for the purchase of a maintenance dump truck in the amount of \$84,959. The loan will be and has been paid in annual payments of \$18,439. Payoff is scheduled for November 2025.

Columbus Street Reconstruction Plan B Project – This loan is with Ohio Public Works Commission (OPWC) Loan #CQ10N. The loan was established in 2012 for the reconstruction of Columbus Street in the amount of \$655,250. The loan will be paid in biannual payments in the amount of \$10,921. Payoff is scheduled for January 2043.

Columbus Street Reconstruction Please II and III Projects – This loan is with OPWC Loan #CQ26S. The loan was established in 2016 for the reconstruction of Columbus Street in the amount of \$833,940. The loan will be paid in biannual payments of \$13,899. Payoff is scheduled for January 2043.

The Ohio Water Development Authority (OWDA) Loan #3920 relates to the water system improvements and was awarded in July 2003 in the amount of \$3,000,000 with payments beginning January 2005. The loan matures on July 1, 2034.

***Leases***

General Obligation Lease for the purchase of a police cruiser in September 2022 with annual payments of \$13,412. Final payment will be due September 30, 2025.

Enterprise Obligation Lease for the purchase of AMI Meters in October 2021 with annual payments of \$83,774. Final payment will be due October 12, 2028.

***Financed Purchases***

Enterprise Promissory Note for the purchase of 21.85 acres of land in May 2021 with monthly payments of \$7,273. Final payment will be due March 1, 2026.

**Village of Lithopolis, Ohio**  
*Fairfield 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:	General Obligation Lease	Enterprise Obligation Lease	Enterprise Obligation Loan	Enterprise Promissory Note	OPWC Loan #CQ10N	OPWC Loan #CQ26S	OWDA Loan #3920
2025	\$ 13,412	\$ 83,774	\$ 18,439	\$ 87,272	\$ 21,842	\$ 27,798	\$ 176,357
2026	-	83,774	-	21,818	21,842	27,798	176,779
2027	-	83,774	-	-	21,842	27,798	177,219
2028	-	83,774	-	-	21,841	27,798	177,679
2029	-	-	-	-	21,842	27,798	178,158
2030 - 2034	-	-	-	-	109,208	138,990	898,764
2035 - 2039	-	-	-	-	109,208	138,990	-
2040 - 2044	-	-	-	-	76,446	138,990	-
2045 - 2047	-	-	-	-	-	69,495	-
Total	<u>\$ 13,412</u>	<u>\$ 335,096</u>	<u>\$ 18,439</u>	<u>\$ 109,090</u>	<u>\$ 404,071</u>	<u>\$ 625,455</u>	<u>\$ 1,784,956</u>

**Note 10 – Fund Balances**

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balance of outstanding encumbrances in the General Fund was \$0.

The fund balances of special revenue funds is either restricted or committed. The fund balances 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.

**Village of Lithopolis, Ohio**  
**Fairfield County**  
**Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Cash Basis)**  
**All Governmental Fund Types**  
**For the Year Ended December 31, 2023**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
<b>Cash Receipts</b>				
Property and Other Local Taxes	\$ 142,677	\$ -	\$ -	\$ 142,677
Municipal Income Tax	917,989	-	-	917,989
Intergovernmental	43,407	120,036	-	163,443
Special Assessments	-	38,460	-	38,460
Charges for Services	10	-	-	10
Fines, Licenses and Permits	137,030	911	-	137,941
Earnings on Investments	12,651	-	-	12,651
Miscellaneous	20,019	-	52,178	72,197
<i>Total Cash Receipts</i>	<u>1,273,783</u>	<u>159,407</u>	<u>52,178</u>	<u>1,485,368</u>
<b>Cash Disbursements</b>				
Current:				
Security of Persons and Property	326,051	53	-	326,104
Public Health Services	6,110	-	-	6,110
Leisure Time Activities	-	42,101	-	42,101
Community Environment	21,672	-	-	21,672
Basic Utility Services	-	19,919	-	19,919
Transportation	-	160,374	-	160,374
General Government	608,747	-	658	609,405
Debt Service:				
Principal Retirement	98,302	32,438	-	130,740
Interest and Fiscal Charges	2,404	739	-	3,143
<i>Total Cash Disbursements</i>	<u>1,063,286</u>	<u>255,624</u>	<u>658</u>	<u>1,319,568</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>210,497</u>	<u>(96,217)</u>	<u>51,520</u>	<u>165,800</u>
<b>Other Financing Receipts (Disbursements)</b>				
Transfers In	-	7,209	-	7,209
Transfers Out	(114,209)	-	-	(114,209)
Other Financing Uses	-	(3,460)	-	(3,460)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(114,209)</u>	<u>3,749</u>	<u>-</u>	<u>(110,460)</u>
<i>Net Change in Fund Cash Balances</i>	<u>96,288</u>	<u>(92,468)</u>	<u>51,520</u>	<u>55,340</u>
<i>Fund Cash Balances, January 1 (Restated, See Note 11)</i>	<u>1,763,295</u>	<u>476,194</u>	<u>143,415</u>	<u>2,382,904</u>
<i>Fund Cash Balances, December 31</i>	<u>\$ 1,859,583</u>	<u>\$ 383,726</u>	<u>\$ 194,935</u>	<u>\$ 2,438,244</u>

See accompanying notes to the financial statements

**Village of Lithopolis, Ohio**  
*Fairfield County*  
**Combined Statement of Receipts, Disbursements**  
*and Changes in Fund Balances (Cash Basis)*  
**Proprietary Fund Type**  
*For the Year Ended December 31, 2023*

	Proprietary Fund Type
	Enterprise
<b>Operating Cash Receipts</b>	
Charges for Services	\$ 1,469,369
Miscellaneous	1,453
<i>Total Operating Cash Receipts</i>	<u>1,470,822</u>
<b>Operating Cash Disbursements</b>	
Personal Services	123,788
Fringe Benefits	86,613
Contractual Services	746,891
Supplies and Materials	122,871
<i>Total Operating Cash Disbursements</i>	<u>1,080,163</u>
<i>Operating Income (Loss)</i>	<u>390,659</u>
<b>Non-Operating Receipts (Disbursements)</b>	
Special Assessments	25,069
Miscellaneous Receipts	90,992
Capital Outlay	(500,551)
Principal Retirement	(215,281)
Interest and Other Fiscal Charges	(78,961)
Other Financing Sources	5,319
<i>Total Non-Operating Receipts (Disbursements)</i>	<u>(673,413)</u>
<i>Income (Loss) before Capital Contributions and Transfers</i>	(282,754)
Capital Contributions	300,000
Transfers In	107,000
<i>Net Change in Fund Cash Balances</i>	124,246
<i>Fund Cash Balances, January 1 (Restated, See Note 11)</i>	<u>1,420,573</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 1,544,819</u></u>

See accompanying notes to the financial statements

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Combined Statement of Additions, Deductions*  
*and Changes in Fund Balances (Cash Basis)*  
*Fiduciary Fund Type*  
*For the Year Ended December 31, 2023*

	Fiduciary Fund Type
	Other Custodial
<b>Additions</b>	
Fines, Forfeitures and Settlements for Distribution	\$ 13,416
<i>Total Additions</i>	<u>13,416</u>
<b>Deductions</b>	
Other Distributions	<u>10,045</u>
<i>Total Deductions</i>	<u>10,045</u>
<i>Net Change in Fund Balances</i>	3,371
<i>Fund Cash Balances, January 1 (Restated, See Note 11)</i>	<u>2,261</u>
<i>Fund Cash Balances, December 31</i>	<u><u>\$ 5,632</u></u>

See accompanying notes to the financial statements

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 1 – Reporting Entity**

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

**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) for 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 Fund:*** The Street Construction, Maintenance and Repair Fund accounts for and reports 92.5% of the State gasoline tax restricted for construction, maintenance and repair of streets within the Village.

***Parks and Recreation Impact Fees Fund:*** The Parks and Recreation Impact Fees Fund accounts for and reports subdivision impact fees for maintenance in parks and greenspace.

***Local Fiscal Recovery Fund:*** The Local Fiscal Recovery Fund accounts for monies received from the State during the COVID-19 pandemic.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

**TIF Capital Improvement Fund:** The TIF Capital Improvement Fund accounts for the proceeds from TIF funding and expenditure for capital outlay.

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

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

**Sewer Fund:** The Sewer Fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

**Stormwater Fund:** The Stormwater Fund accounts for the provision of stormwater services to the residents and commercial users within the Village.

**Solid Waste Fund:** The Solid Waste Fund accounts for the provision of solid waste 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 the Mayor's Court.

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code 117.38 and Ohio Administrative Code 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).

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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***Budgetary Process***

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

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

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

***Encumbrances:*** The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over and need not be re-appropriated. The Village did not encumber all commitments required by Ohio law.

A summary of 2023 budgetary activity appears in Note 3.

***Deposits and Investments***

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

***Capital Assets***

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

***Accumulated Leave***

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.

***Settlement Monies***

During 2023, Ohio reached a settlement agreement with Monsanto. As a participating subdivision, the Village received a settlement payment of \$17,414 during 2023. This amount is reflected as miscellaneous revenue in the Stormwater Fund in the accompanying financial statements.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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***Fund Balance***

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

***Nonspendable:*** The Village classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the Village and the nonexpendable portion of the corpus in permanent funds.

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

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

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

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

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned 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.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

**Note 3 – Budgetary Activity**

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

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 863,050	\$ 1,273,783	\$ 410,733
Special Revenue	170,074	166,616	(3,458)
Capital Projects	-	52,178	52,178
Enterprise	1,668,564	1,999,202	330,638
Total	<u>\$ 2,701,688</u>	<u>\$ 3,491,779</u>	<u>\$ 790,091</u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 1,514,671	\$ 952,218	\$ 562,453
Special Revenue	295,632	252,164	43,468
Capital Projects	22,500	658	21,842
Enterprise	2,155,243	1,908,859	246,384
Total	<u>\$ 3,988,046</u>	<u>\$ 3,113,899</u>	<u>\$ 874,147</u>

**Note 4 – Deposits and Investments**

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

	2023
Demand Deposits	<u>\$ 3,988,695</u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the Village is holding \$0 in unremitted employee payroll withholdings.

***Deposits***

Deposits are insured by the Federal Deposit Insurance Corporation; or collateralized through the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. At December 31, 2023, \$0 of deposits were not insured or collateralized.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 5 – Taxes**

***Property Taxes***

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

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

***Income Taxes***

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

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

**Note 6 – Risk Management**

***Commercial Insurance***

The Village has obtained commercial insurance for the following risks:

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

**Note 7 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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

***Ohio Police and Fire Retirement System***

The Village's full-time police officers belong to the Ohio Police and Fire Retirement Fund (OP&F). OP&F 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. OP&F participants contributed 12.25% of their wages. The Village contributed to OP&F an amount equal to 19.5% of full-time police members' wages. The Village has paid all contributions required through December 31, 2023.

**Note 8 – Postemployment Benefits**

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance and co-pays incurred by the eligible benefit recipients and their dependents. OP&F uses a stipend-based health care model. A stipend funded by OP&F is placed in individual health reimbursement accounts that retirees use to be reimbursed for health care expenses. For calendar year 2023, the portion of OPERS employer contribution allocated to health care was 0% for members in the traditional pension plan and 2% 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%; however, a portion of the health care rate was funded with reserves. OP&F contributes 0.5% to fund these benefits.

**Note 9 – Debt**

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

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Lease - Police Cruiser	\$ 24,337	6.74%
Enterprise Obligation Lease - AMI Meters	387,859	2.62%
Enterprise Obligation Loan - Dump Truck	35,408	2.75%
Enterprise Promissory Note - Land	196,363	0%
OPWC #CQ10N	425,913	0%
OPWC #CQ26S	653,253	0%
OWDA #3920	<u>1,572,177</u>	4.35%
Total	<u>\$ 3,295,310</u>	

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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Maintenance Dump Truck – This loan is with Vinton County National Bank and was established in November 2020 for the purchase of a maintenance dump truck in the amount of \$84,959. The loan will be and has been paid in annual payments of \$18,439. Payoff is scheduled for November 2025.

Columbus Street Reconstruction Plan B Project – This loan is with Ohio Public Works Commission (OPWC) Loan #CQ10N. The loan was established in 2012 for the reconstruction of Columbus Street in the amount of \$655,250. The loan will be paid in biannual payments in the amount of \$10,921. Payoff is scheduled for January 2043.

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The Ohio Water Development Authority (OWDA) Loan #3920 relates to the water system improvements and was awarded in July 2003 in the amount of \$3,000,000 with payments beginning January 2005. The loan matures on July 1, 2034.

***Leases***

General Obligation Lease for the purchase of a police cruiser in September 2022 with annual payments of \$13,412. Final payment will be due September 30, 2025.

Enterprise Obligation Lease for the purchase of AMI Meters in October 2021 with annual payments of \$83,774. Final payment will be due October 12, 2028.

***Financed Purchases***

Enterprise Promissory Note for the purchase of 21.85 acres of land in May 2021 with monthly payments of \$7,273. Final payment will be due March 1, 2026.

**Village of Lithopolis, Ohio**  
*Fairfield 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:	General Obligation Lease	Enterprise Obligation Lease	Enterprise Obligation Loan	Enterprise Promissory Note	OPWC Loan #CQ10N	OPWC Loan #CQ26S	OWDA Loan #3920
2024	\$ 13,412	\$ 83,774	\$ 18,439	\$ 87,273	\$ 21,842	\$ 27,798	\$ 175,953
2025	13,412	83,774	18,439	87,272	21,842	27,798	176,357
2026	-	83,774	-	21,818	21,842	27,798	176,779
2027	-	83,774	-	-	21,841	27,798	177,219
2028	-	83,774	-	-	21,842	27,798	177,679
2029 - 2033	-	-	-	-	109,208	138,990	896,028
2034 - 2038	-	-	-	-	109,208	138,990	180,894
2039 - 2043	-	-	-	-	98,288	138,990	-
2044 - 2047	-	-	-	-	-	97,293	-
Total	<u>\$ 26,824</u>	<u>\$ 418,870</u>	<u>\$ 36,878</u>	<u>\$ 196,363</u>	<u>\$ 425,913</u>	<u>\$ 653,253</u>	<u>\$ 1,960,909</u>

**Note 10 – Fund Balances**

Included in fund balance are amounts the Village cannot spend, including the balance of unclaimed monies which cannot be spent for five years and the unexpendable corpus of the permanent funds. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balance of outstanding encumbrances in the General Fund was \$3,141.

The fund balances of special revenue funds is either restricted or committed. The fund balances 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.

**Village of Lithopolis, Ohio**  
*Fairfield County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2023*

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**Note 11 – Restatement of Fund Cash Balances**

The Village has increased its beginning cash positions at January 1, 2023 in the General, Enterprise and Custodial Funds and decreased its beginning cash positions at January 1, 2023 in the Special Revenue and Capital Projects Funds due to proof of cash adjustments completed during 2023 affecting beginning 2023 beginning balances. The effects of the adjustments on beginning fund cash balances are reflected in the table below.

		<u>Error Correction</u>	
	12/31/2022		
	As Previously Reported	Proof of Cash Adjustments	1/1/2023 As Restated
Governmental Funds			
General Fund	\$ 1,721,788	\$ 41,507	\$ 1,763,295
Special Revenue Funds	496,238	(20,044)	476,194
Capital Projects Funds	168,583	(25,168)	143,415
Total Governmental Funds	<u>\$ 2,386,609</u>	<u>\$ (3,705)</u>	<u>\$ 2,382,904</u>
Proprietary Funds			
Enterprise Funds	<u>\$ 1,294,948</u>	<u>\$ 125,625</u>	<u>\$ 1,420,573</u>
Total Proprietary Funds	<u>\$ 1,294,948</u>	<u>\$ 125,625</u>	<u>\$ 1,420,573</u>
Fiduciary Funds			
Other Custodial	<u>\$ 12</u>	<u>\$ 2,249</u>	<u>\$ 2,261</u>
Total Fiduciary Funds	<u>\$ 12</u>	<u>\$ 2,249</u>	<u>\$ 2,261</u>



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

Village of Lithopolis  
Fairfield County  
PO Box 278  
Lithopolis, OH 43136

To the Village Council:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the cash balances, receipts and disbursements for each governmental and proprietary fund type and the fiduciary fund type combined total as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements of the Village of Lithopolis, Fairfield County, Ohio (the Village) and have issued our report thereon dated May 26, 2025, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative 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 2024-001 through 2024-004 that we consider to be material weaknesses.



**Jessica Heldman, CPA**

330 Muskingum Drive  
Marietta, OH 45750

***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 described in the accompanying schedule of findings as items 2024-002 and 2024-003.

***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.



**Jessica Heldman, CPA**  
*Marietta, Ohio*

May 26, 2025

**VILLAGE OF LITHOPOLIS, OHIO  
FAIRFIELD COUNTY  
SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**FINDING NUMBER 2024-001**

**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 and have not been prevented or detected by the Village's internal controls over financial reporting. The following errors were identified:

- Capital lease payments not properly classified in the General Fund in 2023 and 2024.
- Capital lease payments not properly classified in the Water Fund in 2023 and 2024.
- Note payments not properly classified in the General Fund in 2023 and 2024.
- Reimbursements and other miscellaneous operating receipts classified as Other Financing Sources instead of Miscellaneous in the General Fund in 2023 and 2024.
- Loan payments not properly classified in the Street Construction, Maintenance and Repair Fund in 2023 and 2024.
- Loan payments not properly classified in the Water, Sewer and Stormwater Funds in 2023 and 2024.
- New construction tap fees classified as Charges for Services revenue instead of Capital Contributions in the Water Fund in 2023.
- Capital purchases classified as Security of Persons & Property and General Government disbursements instead of Capital Outlay in the General Fund in 2024.
- Capital purchases classified as Leisure Time Activities disbursements instead of Capital Outlay in the Parks & Recreation Impact Fees Fund in 2024.
- Insurance reimbursements classified as Other Financing Sources instead of Miscellaneous in the Water Fund in 2024.

All of the above-noted adjustments and reclassifications are reflected in the financial statements and all adjustments have been posted to the Village's accounting system.

The Village should establish and implement procedures to verify that financial activity is recorded correctly and in a timely manner. The Uniform Accounting Network (UAN) Accounting & General Manual and other resources on the Auditor of State Web site can be used for guidance in the recording of financial activity.

**Officials' Response:** We did not receive a response from the client to this finding.

**VILLAGE OF LITHOPOLIS, OHIO  
FAIRFIELD COUNTY  
SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**FINDING NUMBER 2024-002**

**Material Weakness/Noncompliance**

**Ohio Revised Code § 5705.41 (D)(1)** requires that no subdivision or taxing unit shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the obligation has been lawfully appropriated for such purpose and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This certificate need be signed only by the subdivision's fiscal officer. Every contract made without such a certificate shall be void, and no warrant shall be issued in payment of any amount due thereon.

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

"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 by ordinance or resolution.

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

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.

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.

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

**VILLAGE OF LITHOPOLIS, OHIO  
FAIRFIELD COUNTY  
SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**FINDING NUMBER 2024-002 (Continued)**

The Village's Fiscal Officer did not certify the availability of funds prior to making commitments during 2024 for 63% of disbursements tested and during 2023 for 72% of 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 § 5705.41(D) requires to authorize disbursements.

**Officials' Response:** We did not receive a response from the client to this finding.

**FINDING NUMBER 2024-003**

**Material Weakness**

**Mayor's Court**

The Village does not record the total activity for the Mayor's Court on the Village's books. The Mayor's Court records are kept separate from the Village's books, and each month a check is written to the Village for its portion of the fines and fees. This practice does not report the Village's entire activity on the financial statements, which could result in the Mayor's Court activity being overlooked and not being reviewed or monitored by Council.

For 2023, \$13,416 of receipts and \$10,045 of disbursements were adjusted to the Mayor's Court Custodial Fund to properly reflect the Mayor's Court activity.

For 2024, \$12,306 of receipts were adjusted out of the Mayor's Court Custodial Fund due to 2023 activity being incorrectly recorded as receipts in 2024. \$483 of disbursements were adjusted into the Mayor's Court Custodial Fund due to Mayor's Court activity being underreported.

The fines and costs should be originally recorded in a Custodial Fund, and then only the portion of fines and costs due to the Village should be recorded as a receipt in the General and Mayor's Court Computerization Funds to clearly account for the portion of court receipts that legally belong to the Village. The fines and costs due to the state should also be paid from this Custodial Fund. This will allow for the entire activity of the Village to be included on the Village's books, and for Council to review the activity, and will help ensure more accurate financial statements.

**Officials' Response:** We did not receive a response from the client to this finding.

**VILLAGE OF LITHOPOLIS, OHIO  
FAIRFIELD COUNTY  
SCHEDULE OF FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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**FINDING NUMBER 2024-004**

**Material Weakness/Noncompliance**

**Ohio Revised Code § 733.40** provides that all fines, forfeitures, and costs in ordinance cases and all fees that are collected by the mayor, that in any manner come into the mayor's hands, or that are due to the mayor, and all money received by the mayor for the use of the municipal corporation shall be paid by the mayor into the treasury of the municipal corporation on the first Monday of each month. At the first regular meeting of the legislative authority each month, the mayor shall submit a full statement of all money received, from who and for what purposes received, and when paid into the treasury.

**Ohio Revised Code § 2949.091** requires the court, in which any person is convicted or pleads guilty to any offense, to impose on the following sums as costs in the case in addition to any other court costs that the court is required by law to impose upon the offender:

- Thirty dollars if the offense is a felony.
- Twenty dollars if the offense is a misdemeanor other than a traffic offense that is not a moving violation.
- Ten dollars if the offense is a traffic offense that is not a moving violation, excluding parking violations.

All such monies collected during the month shall be transmitted on or before the twentieth of the following month by the clerk of the courts to the Treasurer of State.

During 2024 and 2023, the Village did not remit monies to the Village and the State by the require dates. The Village should distribute the accurate amount of fines collected by Mayor's Court to the Village's General and Mayor's Court Computerization Funds by the first Monday of the following month and provide the required reports at that time. The Village should remit the State portion of Mayor's Court fines and fees collected to the State on or before the twentieth day of the following month and submit all reports as required timely.

**Officials' Response:** We did not receive a response from the client to this finding.

**VILLAGE OF LITHOPOLIS, OHIO  
FAIRFIELD COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

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<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2022-001	Financial Reporting	Not Corrected	Repeated as Finding 2024-001
2022-002	Ohio Revised Code Section 5705.41(D)	Not Corrected	Repeated as Finding 2024-002
2022-003	Mayor's Court	Not Corrected	Repeated as Finding 2024-003
2022-004	Bank Reconciliations	Corrected	N/A

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# OHIO AUDITOR OF STATE KEITH FABER



**VILLAGE OF LITHOPOLIS**

**FAIRFIELD 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 9/16/2025**

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](http://www.ohioauditor.gov)