



OHIO AUDITOR OF STATE
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Stratton
Jefferson County
PO Box 145
Stratton, Ohio 43961

We have performed the procedures enumerated below on the Village of Stratton's (the Village) receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2024 and 2023 and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Village. The Village is responsible for the receipts, disbursements and balances recorded in the cash basis accounting records for the years ended December 31, 2024 and 2023 and certain compliance requirements related to these transactions and balances included in the information provided to us by the Village.

The Village Council, Mayor and the management of the Village have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Village's receipts, disbursements and balances recorded in their cash-basis accounting records for the years ended December 31, 2024 and 2023, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

The procedures and the associated findings are as follows:

Cash

1. We recalculated the December 31, 2024 and December 31, 2023 bank reconciliations. We found no exceptions.
2. We agreed the January 1, 2023 beginning fund balances for each fund recorded in the Fund History Report to the December 31, 2022 balances in the prior year audited statements. We found no exceptions. We also agreed the January 1, 2024 beginning fund balances for each fund recorded in the Fund History Report to the December 31, 2023 balances in the Fund History Report. We found no exceptions.

3. We agreed the 2024 and 2023 bank reconciliation Bank Balances as of December 31, 2024 and 2023 to the total fund cash balances reported in the Fund History Report and the financial statements filed by the Village in the Hinkle System. The amounts agreed.
4. We confirmed the December 31, 2024 bank account balance with Ohio Pooled Collateral System. In addition, we observed the remaining year-end bank balances on the financial institution's website. The balances agreed. We also agreed the confirmed balances to the amounts appearing in the December 31, 2024 bank reconciliation without exception.
5. We selected 5 reconciling debits (such as outstanding checks) from the December 31, 2024 bank reconciliation:
 - a. We traced each debit to the subsequent January and February bank statements. We found all selected checks have been outstanding longer than 90 days and have not cleared the bank as of February 2025.
 - b. We traced the amounts and dates to the check register and determined the debits were dated prior to December 31. We found no exceptions.

Property Taxes and Intergovernmental Receipts

1. We selected a total of 5 receipts from the *Statement of Semiannual Apportionment of Taxes*, State Distribution Transaction Listing (DTL), and the County Auditor DTLs for 2024 and a total of 5 from 2023:
 - a. We compared the amount from the above named reports to the amount recorded in the Revenue History Report. The amounts agreed.
 - b. We inspected the Revenue History Report to determine these receipts were allocated to the proper funds as required by Ohio Rev. Code §§ 5705.05 and 5705.10. We found no exceptions.
 - c. We inspected the Revenue History Report to determine whether the receipt was recorded in the proper year. The receipt was recorded in the proper year. We found no exceptions.
2. We inspected the Revenue History Report to determine whether it included 2 real estate tax receipts for 2024 and 2023. The Revenue History Report included the proper number of tax receipts for each year. We found no exceptions.

Income Tax Receipts

1. We obtained the December 31, 2024 and 2023 the Monthly Distribution Summary Reports submitted by the Regional Income Tax Agency (RITA), the agency responsible for collecting income taxes on behalf of the Village. We agreed the total gross income taxes per year to the Village's Revenue History Report. The amounts agreed.
2. We obtained the original income tax ordinance which set the rate and effective period. The original ordinance was dated July 9, 2008. The latest council approved amendment for the engagement period was dated December 6, 2023. We agreed the most recent approved rate to the rate on RITA's supporting documentation. We found no exceptions.

Water, Sewer, and Garbage Collections

1. We selected 10 Water, Sewer, and Garbage collection cash receipts from the year ended December 31, 2024 and 10 Water, Sewer, and Garbage collection cash receipts from the year ended 2023 recorded in the Monthly Cash Receipts Journal and determined whether the:
 - a. Receipt amount per the Monthly Cash Receipts Journal Report agreed to the amount recorded to the credit of the customer's account in the Customer Account History Report. The amounts agreed.

- b. Amount charged for the related billing period:
 - i. Agreed with the debit to accounts receivable in the Customer Account History Report for the billing period. We found no exceptions.
 - ii. Complied with rates in force during the engagement period. We found no exceptions.
 - c. Receipt was posted to the proper funds and was recorded in the year received. We found no exceptions.
 2. We observed the Utility Billing Delinquent Report.
 - a. This report listed \$23,715 of accounts receivable as of December 31, 2024, and the amount could not be determined as of December 31, 2023.
 - b. Of the total receivables reported in the preceding procedure we could not determine what amounts were recorded as more than 90 days delinquent.
 3. The Village was unable to provide a non-cash accounts receivable adjustment report. Therefore, we could not determine the amount of the non-cash adjustments recorded in 2024 and 2023 or if proper approval was obtained.

Debt

1. From the prior audit report, we observed a loan was outstanding as of December 31, 2022. This outstanding balance is included in the "Summary Debt Table - Carry Forward Balance" column in the summary chart in procedure 3.
2. We inquired of management and inspected the Revenue History Report and Budget History Report for evidence of debt issued during 2024 or 2023 or debt payment activity during 2024 or 2023. We included the newly issued debt for 2023 in the Summary Debt table below.
3. From the summary of outstanding debt for 2024 and 2023 below:
 - a. We agreed the principal and interest payments from the related debt amortization schedules to debt service fund payments reported in the Expenditure History Report and included the total principal payments for both years in the table below. We found no exceptions.
 - b. We compared the date the debt service payments were due to the date the Village made the payments. In 2023 one payment for the Main Street Bank Loan was due on November 20, 2023 and was paid on December 11, 2023.
 - c. Based on the principal payments made, we agreed the outstanding balances to debt amortization schedule and included the outstanding balances in the summary table below. We found no exceptions.
 - d. The Village did not have any debt covenants that would result in modification of terms or cancellation of the debt.

Summary Debt Table					
Debt Issued	Carry Forward Balance 1/1/2023	New Issue 2023	New Issue 2024	Total Principal Payments 2023/2024	Outstanding Balance 12/31/2024
OPWC CN28Y Loan	\$45,360	\$0	\$0	\$2,268	\$43,092
Main Street Bank	\$0	\$400,000	\$0	\$39,969	\$360,031

4. For any new debt identified in procedure 2 and added to the table in procedures 3, we agreed the amount of debt proceeds received for 2023 from the debt documents to amounts recorded in the General fund per the Revenue History Report. The amounts agreed.
5. For new debt issued during 2023, we inspected the ordinance, which stated the Village must use the proceeds for Street Paving, Brine Tank Repairs, and Storm Water Pump System Upgrades. We inspected the Expenditure History Report and observed the Village paid services related to the above projects throughout 2024. We found no exceptions.

Payroll Cash Disbursements

1. We selected 1 payroll check for 5 employees from 2024 and 1 payroll check for 5 employees from 2023 from the Monthly Payroll Check Registers and:
 - a. We compared the hours and pay rate, or salary recorded in the Payroll Check Register to supporting documentation (timecard, legislatively or statutorily-approved rate or salary). We found no exceptions.
 - b. We inspected the fund and account codes to which the check was posted to determine the posting was allowable based on the employees' duties as documented in the minute record. We found no exceptions.
 - c. We confirmed the payment was posted to the proper year. We found no exceptions.
2. We selected the 2 new employees and Council Members from 2024 and 3 new employees and Council Members from 2023 and:
 - a. We inspected the employees' personnel files for the Retirement system, Federal, State & Local income tax withholding authorization. We found 2 of 5 employees tested did not have State income tax withholding authorizations in their personnel file.
 - b. We agreed the items in a. above to the Standing Data Report in Payroll System. We found no exceptions.
3. We inspected the last remittance of tax and retirement withholdings for the year ended December 31, 2024 to confirm remittances were timely paid, and if the amounts paid agreed to the amounts withheld, plus the employer's share where applicable, during the final withholding period during 2024. We observed the following:

Withholding (plus employer share, where applicable)	Date Due	Date Paid	Amount Due	Amount Paid
Federal income taxes & Medicare (and social security, for employees not enrolled in pension system)	January 31, 2025	December 20, 2024	\$1,747.56	\$1,747.56
State income taxes	January 15, 2025	No payment made	\$738.67	-
Village of Stratton income tax	January 31, 2025	No payment made	\$302.65	-
OPERS retirement	January 30, 2025	January 6, 2025	\$6,458.61	\$6,458.61
OP&F retirement	January 31, 2025	February 13, 2025	\$1,164.16	\$1,164.16

As noted above, the Village failed to meet the due date for the OP&F retirement payment as required by Ohio Rev. Code §§ 742.31 and 742.32. The Village incurred a late fee of \$50 as a result of the late payment. In addition, the Village failed to remit any State Income Taxes as required by Ohio Rev. Code § 5747.06 in 2024 and 2023. This has resulted in the Village incurring interest and penalties of \$402 and \$8,410 in 2024 and 2023 respectively. Lastly, the Village failed to remit local income tax withholdings to RITA in 2024 and 2023, this did not incur any penalties or interest.

Non-Payroll Cash Disbursements

1. We selected 10 disbursements from the Expenditure History Report for the year ended December 31, 2024 and 10 from the year ended 2023 and determined whether:
 - a. The disbursements were for a proper public purpose. We found no exceptions.
 - b. The check number, date, payee name and amount recorded on the canceled check agreed to the check number, date, payee name and amount recorded in the Expenditure History Report and to the names and amounts on the supporting invoices. We found 16 exceptions where the check numbers on the budget report did not match to the actual check numbers on the bank statement.
 - c. The payment was posted to a fund consistent with the restricted purpose for which the fund's cash can be used. We found no exceptions.
 - d. We found 4 instances where the certification date was after the vendor invoice date, and there was also no evidence that a *Then and Now Certificate* was issued. Ohio Rev. Code § 5705.41(D) requires certification at the time of a commitment, which should be on or before the invoice date, unless a *Then and Now Certificate* is used. Because we did not inspect all disbursements requiring certification, our report provides no assurance whether or not additional similar errors occurred.

Compliance – Budgetary

1. Ohio Rev. Code § 5705.41(B) prohibits expenditures (disbursements plus contract commitments including outstanding encumbrances) from exceeding appropriations. We compared total expenditures to total approved appropriations (Ohio Rev. Code §§ 5705.38 and 5705.40) plus any carryover appropriations for the years ended December 31, 2024 and 2023 for the General, Street Construction Maintenance & Repair, and Police and Fire Levy Funds as recorded in the Appropriation Report. Expenditures did not exceed appropriations
2. We inspected the only interfund transfer from 2024 and the 5 largest from 2023 Revenue History Report and Expense History Report for compliance with Ohio Rev. Code §§ 5705.14 - .16. We found no evidence of transfers these Sections prohibit, or for which Section 5705.16 would require approval by the Tax Commissioner.
3. We inspected the Year to Date Fund Report for the years ended December 31, 2024 and 2023 for negative cash fund balance. Ohio Rev. Code § 5705.10(I) provides that money paid into a fund must be used for the purposes for which such fund is established. As a result, a negative fund cash balance indicates that money from one fund was used to cover the expenses of another. There were no funds having negative cash fund balances.

Sunshine Law Compliance

1. We inquired with Village management and determined that the Village did not have a public records policy during the engagement period as required by Ohio Rev. Code § 149.43(E)(2).
2. We inquired with Village management and determined that the Village did not have any public records requests during the engagement period.
3. We inquired with Village management and determined that the Village did not have a records retention schedule during the engagement period and therefore could not make it readily available to the public as required by Ohio Rev. Code § 149.43(B)(2).
4. We inquired with Village management and determined that the Village did not have a public records policy during the engagement period therefore could not provide it to the records custodian/manager as required by Ohio Rev. Code § 149.43(E)(2).

5. We inquired with Village management and determined that the Village did not have a public records policy during the engagement period therefore it could not be included in a policy manual as required by Ohio Rev. Code § 149.43(E)(2).
6. We inquired with Village management and determined that the Village did not have a public records policy during the engagement period therefore it could not be displayed in all the branches of the Village as required by Ohio Rev. Code § 149.43(E)(2).
7. We inquired with Village management and determined that the Village did not have any applications for record disposal submitted to the Records Commission during the engagement period.
8. We inspected individual proof of attendance and determined whether each elected official in accordance with Ohio Rev. Code § 149.43(E)(1) (or his/her designee) successfully attended a certified three-hour Public Records Training for each term of office as required by Ohio Rev. Code § 109.43(B). We found the Fiscal Officer attended the required Public Records training. However, the Fiscal Officer could not provide proof that she was the designee for the Village Council members therefore all council members lacked the required public records training.
9. We inspected the public notices for the public meetings held during the engagement period and determined the Village notified the general public and news media of when and where meetings during the engagement period were to be held as required by Ohio Rev. Code § 121.22(F). We found no exceptions.
10. We inspected the minutes of public meetings during the engagement period in accordance with Ohio Rev. Code § 121.22(C) and determined whether they were:
 - a. Prepared – a file is created following the date of the meeting
 - b. Filed – placed with similar documents in an organized manner
 - c. Maintained - retained, at a minimum, for the engagement period
 - d. Open to public inspection – available for public viewing or request.We found no exceptions.
11. We inspected the minutes from the engagement period in accordance with Ohio Rev. Code § 121.22(G) and determined the following:
 - a. Executive sessions were only held at regular or special meetings.
 - b. The purpose for the meetings and going into an executive session (when applicable) correlated with one of the matters listed in Ohio Rev. Code § 121.22(G).
 - c. Formal governing board actions were adopted in open meetings.We found no exceptions.

Contract Compliance:


1. We inspected the Minutes and identified the Village had expenditures subject to competitive bidding. However, in January 2024 the Village obtained bids for the Storm Water Pump System Project. These bids were rejected due to the bid amounts exceeding the engineers' estimated project cost. In May 2024 additional bids were received and accepted on this project. However, there was no Council approval in the Village minutes to re-advertise for this project as required.
2. We selected 1 contract subject to competitive bidding requirements for 2024 and 1 for 2023 and
 - a. We inspected the contract and other bids for the contracted expenditure and determined:
 - i. The Village accepted the lowest bid and met the requirements of Ohio Rev. Code § 735.05
 - ii. No bid splitting occurred.

- iii. No deliberate attempts to evade bid limitations occurred, such as successive contracts just under the bid amount, occurred.
- iv. No apparent interest in the contract by a public official occurred.
We found no exceptions.
- b. We inspected the advertisements of the proposals for bids in the newspaper and determined they were made as required by Ohio Rev. Code § 731.14. We found no exceptions.

Other Compliance

1. Ohio Rev. Code § 117.38 requires villages to file their financial information in the HINKLE system within 60 days after the close of the fiscal year. This statute also permits the Auditor of State to extend the deadline for filing a financial report and establish terms and conditions for any such extension. Auditor of State established policies, regarding the filing of complete financial statements, as defined in AOS Bulletin 2015-007 in the Hinkle System. Financial information was filed on March 4, 2025 and March 13, 2024 for 2024 and 2023 respectively, which was not within the allotted timeframe.
2. We inquired of the fiscal officer and inspected the Fiscal Integrity Act Portal (<http://www.ohioauditor.gov/fiscalintegrity/default.html>) to determine whether the fiscal officer obtained the training required by Ohio Rev. Code §§ 507.12 and 733.81. Fiscal Officer obtained the required training.

KEITH FABER
Ohio Auditor of State



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

October 9, 2025

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF STRATTON

JEFFERSON COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 11/6/2025

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This report is a matter of public record and is available online at
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