



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE

## KEITH FABER



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### BASIC AUDIT REPORT

Village of Harrisville  
Harrison County  
9009 State Route 150  
Rayland, Ohio 43943

We have completed certain procedures in accordance with Ohio Rev. Code § 117.01(G) to the accounting records and related documents of the Village of Harrisville, Harrison County, Ohio (the Village) for the years ended December 31, 2024 and 2023.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code § 117.11(A). Because our procedures were not designed to opine on the Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2024 and 2023.

The Village's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code § 117.11(A) is to examine, analyze and inspect these records and documents.

Based on the results of our procedures, we found the following significant compliance or accounting issues to report.

#### Current Year Observations

1. **Ohio Rev. Code §109.43(B) and 149.43(E)(1)** require all state and local elected officials, or their designees, to attend 3 hours of training on Ohio's Public Records and Open Meetings Laws during each term of office. The training received must be certified by the Ohio Attorney General.

The Village had three officials whose terms ended during our audit period and did not attend the required training or have a designee attend the training as required by Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1).

The elected officials, or their designee, should, during their term of office, attend public records training and maintain proof of completion of the training.

2. **Ohio Rev. Code §117.38** states each public office shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the Auditor of State within sixty days after the close of the fiscal year. The Auditor of State may extend the deadline for filing a financial report and establish terms and conditions for any such extension. The Village filed its 2024 financial report on August 27, 2025. No extension was obtained.

The Village should submit the Annual Financial Report each year in accordance with the aforementioned requirements.

**Current Year Observations (Continued)**

3. **Ohio Rev. Code § 149.43(E)(2)** requires, in part, all public offices take certain actions with regard to their public record policy. Public offices must create and display in a conspicuous place in all locations where the public office has branch offices a poster describing the public records policy.

The Village did not display its public records policy in a conspicuous place in all locations.

The Village shall create a poster describing the public records policy and must conspicuously display it for public viewing.

4. **Ohio Rev. Code 5705.10(A)** states all revenue derived from the general levy for current expense within the ten-mill limitation, from any general levy for current expense authorized by vote in excess of the ten-mill limitation, and from sources other than the general property tax, unless its use for a particular purpose is prescribed by law, shall be paid into the general fund.

In 2024, the Village inappropriately recorded homestead and rollback to the Street Construction and Maintenance and State Highway Funds in the amounts of \$902, and \$73, respectively, instead of the General Fund. In 2023, the Village inappropriately recorded homestead and rollback to the Street Construction and Maintenance and State Highway Funds in the amounts of \$1,744 and \$141, respectively, instead of the General Fund.

These adjustments, which management agreed, were posted to the Village's accounting system. The Village should implement controls to help ensure all transactions are reviewed to for proper receipt posting.

5. **Ohio Rev Code § 5705.10(I)** requires that money paid into any fund shall be used only for the purposes for which such fund is established.

The Village improperly recorded debt payments in the General and the Street Construction and Maintenance Funds in the amounts of \$459 and \$916, respectively, instead of the Sewer Operating Fund.

These adjustments, which management agreed, were posted to the Village's accounting system. The Village should implement controls to help ensure all transactions are reviewed to for proper expenditure posting.

6. We noted that the Village did not pass an appropriation measure as required by **Ohio Rev. Code § 5705.38(A)**. We also noted that General Fund disbursements of \$58,945 exceeded appropriations of \$0 by \$58,945 for the year ended December 31, 2024. **Ohio Rev. Code § 5705.41(B)** prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated.

The Village should pass an appropriation measure on or about the first day of each fiscal year and make appropriation amendments as needed.

7. **Ohio Rev. Code § 5735.28** states motor vehicle registration, cents-per-gallon and gasoline tax monies are to be paid into the Street Construction Fund unless the Village is on the line of the state highway system as designated by the director of transportation and then 7.5% of the amount paid to any village shall be received into the State Highway Fund.

**Current Year Observations (Continued)**

**7. Ohio Rev. Code § 5735.28 (Continued)**

During 2024, we noted motor vehicle gas receipts in the amount of \$2,704 were posted 100% to the Street Construction Maintenance & Repair Fund instead of being allocated by 92.5% or \$2,501 to the Street Construction Maintenance & Repair Fund and 7.5% or \$203 to the State Highway Fund.

During 2023, we noted motor vehicle gas receipts in the amount of \$2,624 were posted 100% to the Street Construction Maintenance & Repair Fund instead of being allocated by 92.5% or \$2,427 to the Street Construction Maintenance & Repair Fund and 7.5% or \$197 to the State Highway Fund.

These adjustments, which management agreed, were posted to the Village's accounting system. The Village should implement controls to help ensure all transactions are reviewed and posted to the proper funds. This was included in the Village's 2022-21 basic audit report.

**8. Entities should plan for adequate segregation of duties or compensating controls. Segregation of duties provides two significant benefits: (1) a deliberate fraud is more difficult because it requires collusion of two or more persons and (2) it is more likely an error will be detected. When designing the Village's system of internal control and the specific control activities, management should plan for adequate segregation of duties or compensating controls.**

During 2023 and 2024, the Mayor, was responsible for billing, collecting, receipting and depositing utility receipts.

While it is not always possible to segregate duties in a small government, appropriate monitoring controls should be implemented to help reduce the risk of errors or irregularities not being detected in a timely manner. Periodically, members of Council or other appropriate individuals should review utility records.

**9. The Village should establish a policy as to the length of time checks should remain outstanding (i.e. six months) before a stop payment order is placed on the check or the check is voided and recorded in the Village's accounting system. The policy length should be stated on the face of the check.**

The Village's bank reconciliation at December 31, 2024 contained seven outstanding checks totaling \$2,091 which were outstanding up to 9 years. Carrying old outstanding checks on the reconciliations causes the monthly reconciliations to become a cumbersome task and could cause errors and/or irregularities to occur and not be detected in a timely manner.

The Village Fiscal Officer should review the outstanding payments for excessively long outstanding checks on a regular basis. Such review may identify checks that need reissued or voided. Any checks that have been outstanding for more than six months, or per policy, should be removed and voided following requirements under Ohio law.

**Current Year Observations (Continued)**

**10.** The Village does not maintain documentation or require approval of non-cash adjustments that are made to customer accounts in the utility system. Village Council also does not periodically review the utility billing and receivable records.

The Village billing system records adjustments by category, which include but not limited to, late charges, errors, and credits. For 2024, we noted 7 of 103 accounts had error adjustments totaling \$37,787. We also noted large amounts of late charges applied. For 2023, we noted 11 of 103 accounts had late charges over \$1,000 applied totaling \$7,930,260. For 2024, we noted 14 of the 103 accounts had late charges over \$1,000 applied totaling \$19,828,19, none of which had supporting documentation, or was approved by Council and the Village Administrator. A majority of these accounts are inactive and need to be written-off.

The Village should maintain documentation of all non-cash adjustments to customer utility accounts, as well as require approval of these adjustments by the appropriate Village personnel. Village Council should also periodically review utility billing and receivable records in order to write-off any inactive accounts. This was included in the Village's 2022-21 basic audit report.

KEITH FABER  
Ohio Auditor of State



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

December 10, 2025

# OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF HARRISVILLE

HARRISON 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 12/23/2025

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