



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

VILLAGE OF MILLERSBURG
HOLMES COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Village Council
Village of Millersburg
6 N. Washington Street
Millersburg, OH 44654

We have reviewed the *Independent Auditor's Report* of the Village of Millersburg, Holmes County, prepared by BHM CPA Group, Inc., 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 Millersburg is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

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

October 07, 2025

This page intentionally left blank.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Basic Financial Statements
For the Years Ended December 31, 2024 and 2023
Table of Contents

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor’s Report.....	1
Basic Financial Statements:	
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types For the Fiscal Year Ended December 31, 2024.....	4
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Proprietary Fund Types For the Fiscal Year Ended December 31, 2024.....	5
Notes to the Financial Statements For the Fiscal Year Ended December 31, 2024.....	6
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types For the Fiscal Year Ended December 31, 2023.....	16
Combined Statement of Receipts, Disbursements, and Changes in Fund Balances (Regulatory Cash Basis) – All Proprietary Fund Types For the Fiscal Year Ended December 31, 2023.....	17
Notes to the Financial Statements For the Fiscal Year Ended December 31, 2023.....	18
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	27

This page intentionally left blank.



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Village of Millersburg
Holmes County
6 N. Washington Street
Millersburg, OH 44654

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 Millersburg, Holmes County, Ohio (the Village), which comprises the cash balances, receipts and disbursements for each governmental and proprietary fund type as of and for the year 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 as of and for the year 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.

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 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.

BHM CPA Group

BHM CPA Group, Inc.
Portsmouth, Ohio
June 18, 2025

**VILLAGE OF MILLERSBURG
HOLMES COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts:				
Property and Other Taxes	\$ 187,982	\$ 204,442	\$ -	\$ 392,424
Municipal Income Tax	2,689,571	-	-	2,689,571
Intergovernmental	60,758	234,319	-	295,077
Charges for Services	10,963	19,950	-	30,913
Licenses, Permits and Fees	59,016	-	-	59,016
Fines, Forfeitures and Settlements	22,231	379	-	22,610
Earnings on Investments	263,979	12,208	-	276,187
Miscellaneous	37,382	8,733	-	46,115
Total Cash Receipts	3,331,882	480,031	-	3,811,913
Cash Disbursements:				
Current:				
Security of Persons & Property	1,163,100	136,277	-	1,299,377
Public Health Services	11,288	68,449	-	79,737
Leisure Time Activities	142,851	-	-	142,851
Community Environment	14,680	129,844	-	144,524
Transportation	419,353	471,171	4,248	894,772
General Government	728,023	-	-	728,023
Capital Outlay	-	5,100	-	5,100
Total Cash Disbursements	2,479,295	810,841	4,248	3,294,384
Excess of Receipts Over/(Under) Disbursements	852,587	(330,810)	(4,248)	517,529
Other Financing Receipts (Disbursements):				
Sale of Capital Assets	20,283	-	-	20,283
Transfers-In	22,703	380,000	-	402,703
Transfers-Out	(380,000)	-	-	(380,000)
Total Other Financing Receipts (Disbursements)	(337,014)	380,000	-	42,986
Net Change in Fund Cash Balances	515,573	49,190	(4,248)	560,515
Fund Cash Balances, January 1	4,468,837	911,773	158,375	5,538,985
Fund Cash Balances, December 31	\$ 4,984,410	\$ 960,963	\$ 154,127	\$ 6,099,500

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

**VILLAGE OF MILLERSBURG
HOLMES COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Proprietary Fund Type
	Enterprise
Operating Cash Receipts:	
Charges for Services	\$ 1,046,415
Miscellaneous	15
	<u>1,046,430</u>
Total Operating Cash Receipts	<u>1,046,430</u>
Operating Cash Disbursements:	
Current:	
Personal Services	454,782
Employee Fringe Benefits	220,035
Contractual Services	295,505
Supplies and Materials	64,564
	<u>1,034,886</u>
Total Operating Cash Disbursements	<u>1,034,886</u>
Operating Income (Loss)	11,544
Non-Operating Receipts (Disbursements):	
Sale of Capital Assets	3,550
Miscellaneous Receipts	11,960
Capital Outlay	(299,713)
Principal Retirement	(293,897)
Interest and Other Fiscal Charges	(438)
Other Financing Sources	17,500
Other Financing Uses	(17,500)
	<u>(578,538)</u>
Total Non-Operating Receipts (Disbursements)	<u>(578,538)</u>
Income (Loss) before Transfers	(566,994)
Capital Contributions	176,510
Transfers Out	(22,703)
	<u>(22,703)</u>
Total Transfers and Advances	<u>(22,703)</u>
Net Change in Fund Cash Balances	(413,187)
Fund Cash Balances, January 1	<u>1,897,984</u>
Fund Cash Balances, December 31	<u><u>\$ 1,484,797</u></u>

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

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1 – Reporting Entity

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

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

Street Construction Maintenance and Repair The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for the construction, maintenance and repair of the streets within the Village.

Police Disability & Pension Fund This fund collects property tax receipts which are used to pay the village portion of police retirement.

Cemetery Fund The cemetery fund accounts for and reports the sale of cemetery lots, along with burial opening and closing fees.

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:

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Water Fund & Sewer Funds These funds are used to account for charges for services from residents to cover the cost of providing water and sewer services.

Debt Service Funds This fund was used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds: WWTP Debt Service Funds is used to account for monies used to repay a loan with the Ohio Water Development Authority for the wastewater treatment plant. In 2024, the loan with Ohio Water Development Authority was paid in full. Therefore, the Debt Service Fund has been dissolved/closed and will no longer be utilized.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays. The Village had the following significant capital project funds:

Sidewalk Replacement Fund The sidewalk replacement fund accounts for and reports proceeds of general fund transfers. The proceeds are restricted for construction and replacement of sidewalks throughout the Village.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

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

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

Encumbrances The Ohio Revised Code requires the Village to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2024 budgetary activity appears in Note 3.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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.

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.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 10.

Note 3 – Budgetary Activity

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

2024 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$3,268,105	\$3,374,868	\$106,763
Special Revenue	862,150	860,031	(2,119)
Capital Projects	0	0	0
Enterprise	1,340,400	1,255,950	(84,450)
Total	<u>\$5,470,655</u>	<u>\$5,490,849</u>	<u>\$20,194</u>

2024 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,509,742	\$2,924,876	\$584,866
Special Revenue	960,088	853,830	106,258
Capital Projects	125,000	69,248	55,752
Enterprise	1,903,190	1,800,509	102,681
Total	<u>\$6,498,020</u>	<u>\$5,648,463</u>	<u>\$849,557</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 deposit and investment accounts are as follows:

	2024
<i>Cash Management Pool:</i>	
Demand deposits	\$ 1,083,143
Total deposits	<u>1,083,143</u>
Platinum Savings	6,501,154
Total investments	<u>6,501,154</u>
Total carrying amount of deposits and investments held in the Pool	<u>\$ 7,584,297</u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2024, the Village is holding \$19,553 in unremitted employee payroll withholdings.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Deposits

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

Investments

The Federal Reserve holds the Village's U.S. Treasury Notes in book-entry form by, in the name of the Village's financial institution. The financial institution maintains records identifying the Village as owner of these securities.

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

Note 5 – Taxes

Property Taxes

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

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

Income Tax

The Village levies a municipal income tax of 1.5 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 of 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

Workers' Compensation

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six-member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Each year the participant pay an enrollment fee to the program to cover the costs of administering the program.

Risk Pool Membership

The Village is a member of the Ohio Plan Risk Management Inc. Ohio Plan Pool assumes the risk of loss up to the limits of the village of Millersburg's policy. Ohio Plan covers the following risks:

- General liability and casualty
- Public official's liability
- Vehicle
- Comprehensive Property
- Errors and Omissions
- Inland Marine

The Ohio Plan reported the following summary of actuarially measured liabilities and the assets available to pay those liabilities. The Summary is prepared under the accrual basis of accounting whereby revenues and assets are recognized when the service is provide and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. A summary of the Plan's assets and liabilities as of December 31, 2023 is as follows:

	<u>2023</u>
Cash & Investments	\$ 23,113,696
Liabilities	\$ 16,078,587

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2024</i>	<i>10%</i>	<i>14%</i>

Ohio Police and Fire Retirement System

The Village's certified Fire Fighters and full-time Police Officers belong to the Ohio Police and Fire Pension 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.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

The Ohio Revised Code also prescribes contribution rates. OP&F participants contributed 12.25 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2024.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OP&F- full time police</i>	<i>July 1, 2014 - June 30, 2015</i>	<i>11.5%</i>	<i>19.5%</i>
<i>OP&F- full time police</i>	<i>July 1, 2015 - December 31, 2024</i>	<i>12.25%</i>	<i>19.5%</i>

Social Security

4 council members and 1 mayor of the Village contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

They contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2024.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2024. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2024. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9 – Debt

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

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Loan	\$ 32,996	0.00%
Total	<u>\$ 32,996</u>	

The Ohio Public Works Commission Loan relates to a reservoir painting project. The OPWC approved a \$49,995 loan to the Village at 0% interest for this project in 2016. The Village will repay the loan in semiannual installments of \$1,000 over 25 years. The Village pays this debt from the Water Operating Fund.

The Ohio Water Development Authority (OWDA) loan relates to a wastewater (sewer) plant expansion project the Ohio Environmental Protection Agency mandated. The OWDA approved up to \$5,728,509 in a loan to the Village at 0.20% interest for this project in 2005. The Village repaid the loan in semiannual installments of \$146,168, including interest, over 20 years. The Village agreed to set utility rates sufficient to cover OWDA debt service requirements. The Village paid this debt from the Wastewater Debt Service Fund. This debt was paid in full in 2024.

Amortization

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

<u>Year Ending December 31:</u>	<u>OPWC</u>
2025	\$ 2,000
2026	2,000
2027	2,000
2028	2,000
2029	2,000
2030-2041	22,996
Total	<u>\$ 32,996</u>

Note 10 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency ended in April 2023.

Note 11 – Fund Balances

Included in fund balance are amounts the Village cannot spend, including 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 balances of these amounts were as follows:

VILLAGE OF MILLERSBURG
HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Fund Balances	General	Special Revenue	Capital Projects	Permanent	Total
Nonspendable:					
Corpus	-	-	-	-	-
Outstanding Encumbrances	65,581	42,989	65,000	131,372	304,942
<i>Total</i>	<u>\$ 65,581</u>	<u>\$ 42,989</u>	<u>\$ 65,000</u>	<u>\$ 131,372</u>	<u>\$ 304,942</u>

The fund balance of special revenue funds is either restricted or committed. The fund balance of debt service funds are restricted, committed or assigned. The fund balance of permanent funds that is not part of the nonspendable corpus is either restricted or committed. These restricted, committed and assigned amounts in the special revenue, debt service and permanent funds would include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**VILLAGE OF MILLERSBURG
HOLMES COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	
Cash Receipts:				
Property and Other Taxes	\$ 187,918	\$ 201,548	\$ -	\$ 389,466
Municipal Income Tax	2,691,216	-	-	2,691,216
Intergovernmental	49,369	227,277	-	276,646
Charges for Services	10,623	16,900	-	27,523
Fines, Licenses, and Permits	79,447	100	-	79,547
Earnings on Investments	244,335	11,119	-	255,454
Miscellaneous	37,884	8,716	-	46,600
Total Cash Receipts	3,300,792	465,660	-	3,766,452
Cash Disbursements:				
Current:				
Security of Persons & Property	1,085,003	133,707	-	1,218,710
Public Health Services	11,288	68,105	-	79,393
Leisure Time Activities	160,197	75	-	160,272
Community Environment	14,332	130,902	-	145,234
Transportation	366,713	443,018	33,421	843,152
General Government	663,506	-	-	663,506
Capital Outlay	-	303,324	-	303,324
Total Cash Disbursements	2,301,039	1,079,131	33,421	3,413,591
Excess of Receipts Over/(Under) Disbursements	999,753	(613,471)	(33,421)	352,861
Other Financing Receipts (Disbursements):				
Transfers-In	-	380,000	-	380,000
Transfers-Out	(580,000)	-	-	(580,000)
Total Other Financing Receipts (Disbursements)	(580,000)	380,000	-	(200,000)
Net Change in Fund Cash Balances	419,753	(233,471)	(33,421)	152,861
Fund Cash Balances, January 1	4,049,084	1,145,244	191,796	5,386,124
Fund Cash Balances, December 31	<u>\$ 4,468,837</u>	<u>\$ 911,773</u>	<u>\$ 158,375</u>	<u>\$ 5,538,985</u>

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

**VILLAGE OF MILLERSBURG
HOLMES COUNTY**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (REGULATORY CASH BASIS)
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Proprietary Fund Type</u>
	<u>Enterprise</u>
Operating Cash Receipts:	
Charges for Services	\$ 1,085,128
Total Operating Cash Receipts	<u>1,085,128</u>
Operating Cash Disbursements:	
Current:	
Personal Services	429,152
Employee Fringe Benefits	222,499
Contractual Services	280,313
Supplies and Materials	<u>96,644</u>
Total Operating Cash Disbursements	<u>1,028,608</u>
Operating Income (Loss)	56,520
Non-Operating Receipts (Disbursements):	
Miscellaneous Receipts	11,710
Capital Outlay	(226,792)
Principal Retirement	(293,315)
Interest and Other Fiscal Charges	(1,021)
Other Financing Sources	17,500
Other Financing Uses	<u>(17,500)</u>
Total Non-Operating Receipts (Disbursements)	<u>(509,418)</u>
Income (Loss) before Transfers	(452,898)
Capital Contributions	177,640
Transfers In	<u>200,000</u>
Total Transfers	<u>377,640</u>
Net Change in Fund Cash Balances	(75,258)
Fund Cash Balances, January 1	<u>1,973,242</u>
Fund Cash Balances, December 31	<u><u>\$ 1,897,984</u></u>

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

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

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

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

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Village's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types, and a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all proprietary fund types and a combined statement of additions, deductions and changes in fund balances (regulatory cash basis) all fiduciary fund types which are all organized on a fund type basis.

Fund Accounting

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Village are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Village for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Village had the following significant Special Revenue Funds:

Street Construction Maintenance and Repair The street construction maintenance and repair fund accounts for and reports that portion of the State gasoline tax and motor vehicle license registration fees restricted for construction, maintenance, and repair of streets within the Village.

Police Disability & Pension Fund This funds collects property tax receipts which are used to pay the village portion of police retirement.

Cemetery Fund This fund receives revenue from charges for services which are expended for the maintenance of the cemetery.

Enterprise Funds These funds account for operations that are similar to private business enterprises where management intends that the significant costs of providing certain goods or services will be recovered through users' charges, The Village had the following significant Enterprise Funds:

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Water Fund & Sewer Funds These funds are used to account for charges for services from residents to cover the cost of providing water and sewer services.

Debt Service Funds This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Village had the following significant Debt Service Funds: WWTP Debt Service Fund is used to account for monies used to repay a loan with the Ohio Water Development Authority for a wastewater treatment plant.

Capital Project Funds These funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays. The Village had the following significant capital project funds:

Sidewalk Replacement Fund The sidewalk replacement fund accounts for and reports proceeds of general fund transfers. The proceeds are restricted for construction and replacement of sidewalks throughout the Village.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (D). This basis is similar to the cash receipts and disbursements accounting basis. The Board 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 (D) permit.

Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund 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 reappropriated.

A summary of 2023 budgetary activity appears in Note 3.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Deposits

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

Investments

The Village's financial institution transfer securities to the Village agent to collateralize repurchase agreements. The securities are not in the Village's name.

Capital Assets

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

Accumulated Leave

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

Fund Balance

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

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

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

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.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

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 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending 2023 follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$2,973,105	\$3,300,792	\$327,687
Special Revenue	825,120	845,660	20,540
Capital Projects	58,204	0	(58,204)
Enterprise	1,516,500	1,491,978	(24,522)
Total	\$5,372,929	\$5,638,430	\$265,501

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$3,294,775	\$3,068,887	\$225,888
Special Revenue	1,205,442	1,094,269	111,173
Capital Projects	125,000	33,421	91,579
Enterprise	1,682,926	1,696,237	(13,311)
Total	\$6,308,143	\$5,892,814	\$414,329

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 4 – Deposits and Investments

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

	<u>2023</u>
<i>Cash Management Pool:</i>	
Demand deposits	<u>\$1,197,565</u>
Total deposits	<u>1,197,565</u>
Platimun Savings	<u>6,238,904</u>
Total investments	<u>6,238,904</u>
Total carrying amount of deposits and investments held in the Pool	<u><u>7,436,469</u></u>
 Total Deposits and Investments	 <u><u>\$7,436,469</u></u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statement reflect net payroll plus all remitted payroll withholdings. At December 31, 2023, the village is holding \$56,824 in unremitted employee payroll withholdings.

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. If the property owner elects to pay annually, the payment is due in February. If the property owner elects to pay semiannually, the first half is due In February. The second half payment is due in July.

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

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

Income Taxes

The Village levies a municipal income tax of 1.5 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 of 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.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 6 – Risk Management

Workers' Compensation

The Village participates in the Ohio Municipal League Group Rating Plan (GRP) for worker's compensation. The pool's business and affairs are conducted by a twenty-six-member Board of Trustees consisting of fifteen mayors, two council members, three administrators, three finance directors, and three law directors which are voted on by the members for staggered two-year terms. The Executive Director of the Ohio Municipal League serves as the coordinator of the Program. Each year the participants pay an enrollment fee to the program to cover the costs of administering the program.

Risk Pool Membership

The Village is a member of the Ohio Municipal Joint Self Insurance Pool (the Pool). The Pool assumes the risk of loss up to the limits of the Village of Millersburg's policy. The Pool may make supplemental assessments if the experience of the overall pool is unfavorable. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Vehicle
- Comprehensive Property
- Errors and Omissions
- Inland Marine

The Ohio Plan reported the following summary of actuarially measured liabilities and the assets available to pay those liabilities. The Summary is prepared under the accrual basis of accounting whereby revenues and assets are recognized when the service is provide and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. A summary of the Plan's assets and liabilities as of December 31, 2023 is as follows:

	<u>2023</u>
Cash & Investments	\$ 23,113,696
Liabilities	\$ 16,078,587

Note 7 – Defined Benefit Pension Plans

Ohio Public Employees Retirement System

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

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

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OPERS – Local</i>	<i>2012-2023</i>	<i>10%</i>	<i>14%</i>

Ohio Police and Fire Retirement System

Village's certified full-time Police Officers belong to the Ohio Police and Fire Pension 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 percent of their wages. The Village contributed to OP&F an amount equal to 19.5 percent of full-time police members' wages. The Village has paid all contributions required through December 31, 2023.

<i>Retirement Rates</i>	<i>Year</i>	<i>Member Rate</i>	<i>Employer Rate</i>
<i>OP&F- full time police</i>	<i>July 1, 2014 - June 30, 2015</i>	<i>11.5%</i>	<i>19.5%</i>
<i>OP&F- full time police</i>	<i>July 1, 2015 - December 31, 2023</i>	<i>12.25%</i>	<i>19.5%</i>

Social Security

Elected Officials opting out of a public retirement system, contributed to Social Security. This plan provides retirement benefits, including survivor and disability benefits to participants.

The Elected Officials contributed 6.2 percent of their gross salaries. The Village contributed an amount equal to 6.2 percent of participants' gross salaries. The Village has paid all contributions required through December 31, 2023.

Note 8 – Postemployment Benefits

Both OPERS and OP&F offer cost-sharing, multiple-employer defined benefit postemployment plans, which include multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement, and Medicare Part B premium reimbursements, to qualifying benefit recipients.

The portion of employer contributions allocated to health care for OPERS members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2023. The portion of employer contributions allocated to health care for OPERS members in the Member Directed Plan was 4.0 percent during calendar year 2023. OP&F contributes 0.5 percent to fund these benefits.

Beginning January 1, 2019, OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F was placed in individual Health Reimbursement Accounts that retirees use to be reimbursed for health care expenses.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 9 – Debt

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

	<u>Principal</u>	<u>Interest Rate</u>
Ohio Public Works Loan	\$34,996	0.00%
Ohio Water Development Authority Loan	\$291,897	0.20%
Total	<u>\$326,893</u>	

The Ohio Public Works Commission Loan relates to a reservoir painting project. The OPWC approved a \$49,995 loan to the Village at 0% interest for this project in 2016. The Village will repay the loan in semiannual installments of \$999.99 over 25 years. The Village pays this debt from the Water Operating Fund.

The Ohio Water Development Authority (OWDA) loan relates to a wastewater (sewer) plant expansion project the Ohio Environmental Protection Agency mandated. The OWDA approved up to \$5,728,509 in a loan to the Village at 0.20% interest for this project in 2005. The Village will repay the loans in semiannual installments of \$146,167.66, including interest, over 20 years. The Village has agreed to set utility rates sufficient to cover OWDA debt service requirements. The Village pays this debt from the Wastewater Debt Service Fund.

Amortization

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

Year Ending		
<u>December 31:</u>	<u>OPWC</u>	<u>OWDA Loan</u>
2024	\$2,000	\$292,335
2025	2,000	-
2026	2,000	-
2027	2,000	-
2028	2,000	-
2029-2041	<u>24,996</u>	-
Total	<u>\$34,996</u>	<u>\$292,335</u>

Note 10 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021. The national state of emergency ended on April 10, 2023.

Note 11 – 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.

VILLAGE OF MILLERSBURG
HOLMES COUNTY
Notes to the Financial Statements
For the Year Ended December 31, 2023

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Capital Projects	Permanent	Total
Nonspendable:					
Corpus	-	-	-	-	-
Outstanding Encumbrances	187,848	15,138	-	130,022	333,008
<i>Total</i>	<u>\$ 187,848</u>	<u>\$ 15,138</u>	<u>\$ -</u>	<u>\$ 130,022</u>	<u>\$ 333,008</u>

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



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

Village of Millersburg
Holmes County
6 N. Washington Street
Millersburg, OH 44654

To the Village Council:

We have audited, in accordance the 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, the financial statements of the Village of Millersburg, Holmes County (the Village) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements and have issued our report thereon dated June 18, 2025, wherein we noted the Village followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and slightly slanted to the right.

BHM CPA Group, Inc.
Portsmouth, Ohio
June 18, 2025

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF MILLERSBURG

HOLMES COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 10/21/2025

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