



OHIO AUDITOR OF STATE
KEITH FABER

A small, thin-lined outline of the state of Ohio is positioned to the right of the Auditor's name, with its handle extending towards the text.

**VILLAGE OF BELMORE
PUTNAM COUNTY
DECEMBER 31, 2024 AND 2023**

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Report on the Financial Statements, Internal Control, and Compliance

Village of Belmore
Putnam County
311 Main Street
P.O. Box 10
Belmore, Ohio 45815-0010

To the Village Council:

We have selectively tested certain accounts, financial records, reports and other documentation of the Village of Belmore, Putnam County, Ohio (the Village), as of and for the years ended December 31, 2024 and 2023. These procedures were designed to satisfy the audit requirements of Ohio Rev. Code § 117.11, and Ohio Admin. Code 117-4-02. Our engagement was not designed as a basis to opine on the accompanying financial statements, internal control over financial reporting, or compliance. We therefore express no opinions on these matters.

Internal Control Over Financial Reporting

Certain of the aforementioned tests relate to internal control over financial reporting. The results of those tests may allow us to identify internal control deficiencies. An internal control deficiency exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements, whether caused by error or fraud.

Our internal control tests were not designed to identify all internal control deficiencies that might exist. Therefore, unidentified weaknesses may exist. However, we consider findings 2024-002 and 2024-012 reported in the Schedule of Findings to be internal control deficiencies management and those charged with governance should address.

Village of Belmore
Putnam County
Report on the Financial Statements, Internal Control, and Compliance
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Compliance and Other Matters

We also tested compliance with certain provisions of laws, regulations, contracts, and grant agreements, applicable to the Village, noncompliance with which could affect the determination of financial statement amounts. The results of our tests disclosed instances of noncompliance we believe could affect the determination of financial statement amounts that we reported in the Schedule of Findings as items 2024-002, 2024-003, and 2024-005.

KEITH FABER
Ohio Auditor of State



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

December 19, 2025

Village of Belmore
Putnam 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

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Taxes	\$4,564	\$2,144	\$6,708
Intergovernmental	34,234	18,994	53,228
Special Assessments		883	883
Fines, Forfeitures and Settlements	105		105
Earnings on Investments	1	939	940
Miscellaneous	1,823	300	2,123
<i>Total Cash Receipts</i>	<u>40,727</u>	<u>23,260</u>	<u>63,987</u>
Cash Disbursements			
Current:			
Security of Persons and Property	2,897	22,933	25,830
Basic Utility Services	612	1,327	1,939
Transportation		6,649	6,649
General Government	40,937		40,937
<i>Total Cash Disbursements</i>	<u>44,446</u>	<u>30,909</u>	<u>75,355</u>
<i>Net Change in Fund Cash Balances</i>	<u>(3,719)</u>	<u>(7,649)</u>	<u>(11,368)</u>
<i>Fund Cash Balances, January 1</i>	<u>(25,723)</u>	<u>69,138</u>	<u>43,415</u>
<i>Fund Cash Balances, December 31</i>	<u>(\$29,442)</u>	<u>\$61,489</u>	<u>\$32,047</u>

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

Village of Belmore
Putnam County
*Combined Statement of Receipts, Disbursements
and Changes in Fund Balance (Regulatory Cash Basis)*
Proprietary Fund Type
For the Year Ended December 31, 2024

Proprietary Fund Type	
	Enterprise
Operating Cash Receipts	
Charges for Services	\$17,536
Miscellaneous	65
<i>Total Operating Cash Receipts</i>	<i>17,601</i>
Operating Cash Disbursements	
Contractual Services	15,717
Other	60
<i>Total Operating Cash Disbursements</i>	<i>15,777</i>
<i>Net Change in Fund Cash Balance</i>	<i>1,824</i>
<i>Fund Cash Balance, January 1</i>	<i>28,858</i>
<i>Fund Cash Balance, December 31</i>	<i>\$30,682</i>

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

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 1 – Reporting Entity

The Village of Belmore, Putnam County, Ohio (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities, police services, street maintenance and repair, and general government services. The Village appropriates General Fund money to support a volunteer fire department.

Public Entity Risk Pool

The Village participates in a public entity risk pool, the Public Entities Pool of Ohio (PEP). Note 7 to the financial statements provides additional information for this entity. 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 the proprietary fund type 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:

State Grants Fund This fund accounts for and reports state grant monies used for the purchase of fire equipment.

Street Lighting Fund This fund receives property tax money for operating the Village's streetlights.

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 Fund:

Sewer Operating Fund This fund accounts for the provision of sanitary sewer services to the residents and commercial users within the Village.

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

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 Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) 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. The Village did not use the encumbrance method of accounting.

A summary of 2024 budgetary activity appears in Note 4.

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.

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.

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.

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

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*.

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General, Street Construction Maintenance and Repair, State Highway, State Grants, Coronavirus Relief, Street Lighting, Fire Department, and Sewer Operating Funds in the amounts of \$44,446 \$1,375, \$5,274, \$13,706, \$1,327, \$8,297, \$930, and \$15,777, respectively. In addition, contrary to Ohio Rev. Code § 5705.10, the Village inappropriately recorded receipts in the wrong funds and had deficit balances in the General, Street Lighting, and Fire Department Funds in the amounts of \$29,442, \$15,745, and \$3,567, respectively.

Note 4 – Budgetary Activity

Budgetary activity for the years ending 2024 follows:

2024 Budgeted vs. Actual Receipts

Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$5,835	\$40,727	\$34,892
Special Revenue	2,508	23,260	20,752
Enterprise		17,601	17,601
Total	\$8,343	\$81,588	\$73,245

2024 Budgeted vs. Actual Budgetary Basis Expenditures

Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General		\$44,446	(\$44,446)
Special Revenue		30,909	(30,909)
Enterprise		15,777	(15,777)
Total		\$91,132	(\$91,132)

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

Note 5 – Deposits

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 accounts are as follows:

	<u>2024</u>
Cash Management Pool:	
Demand deposits	\$35,184
Certificates of deposit	27,545
Total deposits	<u><u>\$62,729</u></u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus any remitted payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Note 6 – 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.

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.

Note 7 – Risk Management

Risk Pool Membership

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2024
(Continued)

The Pool reported the following summary of actuarially-measured liabilities and assets available to pay those liabilities as of December 31:

<u>2024</u>	
Cash and investments	\$48,150,572
Actuarial liabilities	\$22,652,556

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

All 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.

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2024, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2024, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Fund Balances

The fund balance of Special Revenue Funds is restricted.

Note 12 – Fiscal Distress and Fiscal Emergency

As of December 31, 2024, the General Fund reported a deficit balance of \$29,442. As of December 17, 2025, management has not developed plans to address these conditions.

The Village was placed in Fiscal Emergency on December 18, 2025 for deficit fund balances and treasury deficiency. The Village has not yet adopted a financial recovery plan.

Village of Belmore
Putnam 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

	General	Special Revenue	Totals (Memorandum Only)
Cash Receipts			
Property and Other Taxes	\$925	\$2,127	\$3,052
Intergovernmental	34,696	108,718	143,414
Charges for Services		75	75
Fines, Licenses and Permits	420		420
Earnings on Investments	2	983	985
Miscellaneous	<u>2,662</u>		<u>2,662</u>
<i>Total Cash Receipts</i>	<u>38,705</u>	<u>111,903</u>	<u>150,608</u>
Cash Disbursements			
Current:			
Security of Persons and Property	4,954	40,220	45,174
Leisure Time Activities	674		674
Basic Utility Services	612	8,400	9,012
Transportation		1,015	1,015
General Government	<u>41,412</u>		<u>41,412</u>
Capital Outlay		<u>64,876</u>	<u>64,876</u>
<i>Total Cash Disbursements</i>	<u>47,652</u>	<u>114,511</u>	<u>162,163</u>
<i>Net Change in Fund Cash Balances</i>	<u>(8,947)</u>	<u>(2,608)</u>	<u>(11,555)</u>
<i>Fund Cash Balances, January 1</i>	<u>(16,776)</u>	<u>71,746</u>	<u>54,970</u>
<i>Fund Cash Balances, December 31</i>	<u><u>(\$25,723)</u></u>	<u><u>\$69,138</u></u>	<u><u>\$43,415</u></u>

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

Village of Belmore
Putnam County
Combined Statement of Receipts, Disbursements
and Changes in Fund Balance (Regulatory Cash Basis)
Proprietary Fund Type
For the Year Ended December 31, 2023

Proprietary Fund Type	
Enterprise	
Operating Cash Receipts	
Charges for Services	<u>\$17,258</u>
Operating Cash Disbursements	
Contractual Services	<u>17,873</u>
<i>Operating Loss</i>	<u>(615)</u>
Non-Operating Disbursements	
Capital Outlay	<u>99</u>
<i>Net Change in Fund Cash Balance</i>	<u>(714)</u>
<i>Fund Cash Balance, January 1</i>	<u>29,572</u>
<i>Fund Cash Balance, December 31</i>	<u>\$28,858</u>

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

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The Village of Belmore, Putnam County, Ohio (the Village) is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. A publicly-elected six-member Council directs the Village. The Village provides sewer utilities, police services, street maintenance and repair, and general government services. The Village appropriates General Fund money to support a volunteer fire department.

Public Entity Risk Pool

The Village participates in a public entity risk pool, the Public Entities Pool of Ohio (PEP). Note 7 to the financial statements provides additional information for this entity. 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 the proprietary fund type 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 Fund:

State Grants Fund This fund accounts for and reports state grant monies used for the purchase of fire equipment and improvements to various properties within the Village.

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 Fund:

Sewer Operating Fund This fund accounts for the provision of sanitary sewer services to the residents and commercial users within 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 Village recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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. The Village did not use the encumbrance method of accounting.

A summary of 2023 budgetary activity appears in Note 4.

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.

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.

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*.

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

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

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

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Compliance

Contrary to Ohio law, budgetary expenditures exceeded appropriation authority in the General, Street Construction Maintenance and Repair, State Grants, Coronavirus Relief, Street Lighting, Fire Department, and Sewer Operating Funds in the amounts of \$47,652, \$1,015, \$32,539, \$8,400, \$7,175, \$506, and \$17,972, respectively. In addition, contrary to Ohio Rev. Code § 5705.10, the Village inappropriately recorded receipts and disbursements in the wrong funds and had deficit balances in the General, Street Lighting, and Fire Department Funds in the amounts of \$25,723, \$12,928, and \$2,937, respectively.

Note 4 – Budgetary Activity

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

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$40,502	\$38,705	(\$1,797)
Special Revenue	9,431	111,903	102,472
Enterprise	17,000	17,258	258
Total	<u><u>\$66,933</u></u>	<u><u>\$167,866</u></u>	<u><u>\$100,933</u></u>

2023 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General		\$47,652	(\$47,652)
Special Revenue	\$64,876	114,511	(49,635)
Enterprise		17,972	(17,972)
Total	<u><u>\$64,876</u></u>	<u><u>\$180,135</u></u>	<u><u>(\$115,259)</u></u>

Note 5 – Deposits

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 accounts are as follows:

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

	<u>2023</u>
Cash Management Pool:	
Demand deposits	\$45,665
Certificates of deposit	26,608
Total deposits	<u><u>\$72,273</u></u>

The Village does not use a separate payroll clearing account. The expenditures included in the accompanying financial statements reflect net payroll plus any remitted payroll withholdings.

Deposits

Deposits are insured by the Federal Deposit Insurance Corporation.

Note 6 – 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.

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.

Note 7 – Risk Management

Risk Pool Membership

The Village is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the Village's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

<u>2023</u>	
Cash and investments	\$43,996,442
Actuarial liabilities	\$19,743,401

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

All 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.

Note 9 – Postemployment Benefits

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

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the Village are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Fund Balances

The fund balance of Special Revenue Funds is restricted.

Note 12 – Miscellaneous Revenues

Miscellaneous receipts in the General Fund primarily consisted of refunds and reimbursements.

Note 13 – Fiscal Distress

As of December 31, 2023, the General Fund reported a deficit balance of \$25,723. As of December 17, 2025, management has not developed plans to address these conditions.

Village of Belmore
Putnam County
Notes to the Financial Statements
For the Year Ended December 31, 2023
(Continued)

The Village was placed in Fiscal Emergency on December 18, 2025 for deficit fund balances and treasury deficiency. The Village has not yet adopted a financial recovery plan.

**VILLAGE OF BELMORE
PUTNAM COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2024 AND 2023**

Finding Number	2024-001
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Noncompliance – Public Retention Schedule

Ohio Rev. Code § 149.43(B)(2) provides that a public office shall have available a copy of its current records retention schedule at a location readily available to the public.

Due to deficiencies in policies and procedures over records retention, the Village does not have a formal records retention schedule.

The Village shall adopt a formal records retention schedule, which includes provisions for the application or schedule for destruction of public records, including transmission to the Ohio History Connection and approval by the Auditor of State's Office pursuant to Ohio Rev. Code § 149.381.

Finding Number	2024-002
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Noncompliance and Internal Control Deficiency – Monies Recorded in Improper Fund

Ohio Rev. Code § 5705.10(A) provides in part that all revenue derived from the general levy for current expense within the ten-mill limitation, from any general levy for current expense authorized by a 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. **Ohio Rev. Code § 5705.10(C)** requires “all revenue derived from a special levy shall be credited to a special fund for the purpose for which the levy was made.” Furthermore, **Ohio Rev. Code § 5705.10(D)** provides in part that all revenue derived from a source other than the general property tax and which the law prescribes shall be used for a particular purpose, shall be paid into a special fund for such purpose.

- In 2024, the Village inappropriately recorded \$723 and \$359 of gasoline tax and homestead and rollback receipts, respectively, in the General Fund. Given the source of the revenue, \$669, \$54, and \$359 should have been recorded in the Street Construction Maintenance and Repair, State Highway, and Street Lighting Special Revenue Funds, respectively.
- In 2024, the Village inappropriately recorded \$3,336 of property tax receipts in the Street Lighting Special Revenue Fund. Given the source of the revenue, this should have been recorded in the General Fund.
- In 2023, the Village inappropriately recorded \$709 and \$367 of gasoline tax and homestead and rollback receipts, respectively, in the General Fund. Given the source of the revenue, \$656, \$53, and \$367 should have been recorded in the Street Construction Maintenance and Repair, State Highway, and Street Lighting Special Revenue Funds, respectively.
- In 2023, the Village inappropriately recorded \$63,513 of grant receipts and disbursements in the General Fund. Given the source of the revenue and the purpose of the disbursement, this should have been recorded in the amount of \$64,876 in the State Grant Special Revenue Fund.

Audit adjustments are reflected in the financial statements and in the accounting records correcting these misstatements.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Village should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds.

Finding Number	2024-003
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Noncompliance – Deficit Fund Balances

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.

Therefore, a negative fund cash balance in any fund indicates that money from another fund or funds has been used to pay the obligations of the fund carrying the deficit balance.

The General, Street Lighting, and Fire Department Funds had deficit fund balances in the amounts of \$29,442, \$15,745, and \$3,567, respectively, at December 31, 2024. In addition, the General, Street Lighting, and Fire Department Funds had deficit fund balances in the amounts of \$25,723, \$12,928, and \$2,937, respectively, at December 31, 2023. Negative fund balances could result in the use of restricted receipts for unallowable purposes. A procedure and control, such as the Management and/or Board's periodic review of reports that show cash fund balances, and budgeted versus actual receipts and disbursements, should be implemented to identify those funds that may potentially develop a negative balance.

Advances or transfers should be made for these funds or appropriations modified to prevent a negative cash balance. The Village should refer to Ohio Compliance Supplement (OCS) Chapter 1 and/or Auditor of State Bulletin 97-003 for information regarding the accounting treatment and approval process for advances.

Finding Number	2024-004
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Noncompliance – Approval of Appropriations

Ohio Rev. Code § 5705.38(A) requires that on or about the first day of each fiscal year, the taxing authority of each subdivision or other taxing unit shall pass an appropriation measure. If it desires to postpone the passage of the annual appropriation measure until an amended certificate is received based on the actual balances, it may pass a temporary appropriation measure for meeting the ordinary expenses of the taxing unit until no later than the first day of April.

The Village did not approve appropriations for 2024 and 2023. These errors were the result of inadequate policies and procedures regarding timely approval of appropriations. As a result, none of the expenditures made in 2024 and 2023 were legally expended.

The Village should adopt permanent appropriations on or about the first day of each year. If the Village wants to postpone passage of the annual appropriations, the Village should adopt temporary appropriations to cover ordinary expenses until such time as the permanent appropriations are adopted.

Finding Number	2024-005
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Noncompliance – Expenditures in Excess of Appropriations

Ohio Rev. Code § 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the following Village funds had expenditures in excess of appropriations:

- General, Street Construction Maintenance and Repair, State Highway, State Grants, Coronavirus Relief, Street Lighting, Fire Department, and Sewer Operating Funds in the amounts of \$44,446 \$1,375, \$5,274, \$13,706, \$1,327, \$8,297, \$930, and \$15,777, respectively, as of December 31, 2024.
- General, Street Construction Maintenance and Repair, State Grants, Coronavirus Relief, Street Lighting, Fire Department, and Sewer Operating Funds in the amounts of \$47,652, \$1,015, \$32,539, \$8,400, \$7,175, \$506, and \$17,972, respectively, as of December 31, 2023.

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The Village Council should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Clerk/Treasurer should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

Finding Number	2024-006
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Noncompliance and Internal Control Deficiency – Improper Certification of Expenditures

Ohio Rev. Code § 5705.41(D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required to meet the obligation or, in the case of a continuing contract to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the contract is made has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. Every such contract made without such a certificate shall be void and no warrant shall be issued in payment of any amount due thereon.

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

1. "Then and Now" certificate – If the chief fiscal officer can certify both at the time the contract or order was made ("then"), and at the time the fiscal officer is completing the certification ("now"), that sufficient funds were available or in the process of collections, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, Village Council can authorize the drawing of a warrant for the payment of the amount due. Village Council has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts less than \$100 in counties and less than \$3,000 in all other subdivisions or taxing units may be paid by the fiscal officer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the Village.

2. Blanket Certificate – The auditor or fiscal officer may prepare "blanket" certificates for a certain sum of money, not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority, against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. Super Blanket Certificate – Village Council may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the fiscal officer for most professional services, fuel oil, gasoline, food items, roadway materials, utilities, and any other specific recurring and reasonably predictable operating expense. This certification may, but need not, be limited to a specific vendor. This certification is not to extend beyond the current fiscal year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

Due to deficiencies in internal controls, 100 percent of the transactions tested at 2024 and 2023 year-ends were not certified by the Clerk/Treasurer at the time the commitment was incurred, and there was no evidence the Village followed the aforementioned exceptions. Failure to properly certify the availability of funds can result in overspending funds and negative cash fund balances.

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

Finding Number	2024-007
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Noncompliance – On-Behalf Activity

Ohio Rev. Code § 5705.42 requires, in part, when the state or any department, division, agency, authority, or unit thereof makes a grant or loan of money to any political subdivision of this state to aid in paying the cost of any program, activity, or function of such subdivision, the amount is deemed appropriated and shall be recorded as such by the fiscal officer of the subdivision.

In 2023, the Village received on-behalf grant monies in the amount of \$64,876. Due to deficiencies in Village procedures over recording appropriations, the Village did not record these appropriations in the accounting system. Failing to record appropriations in the accounting system could result in management making misinformed decisions.

The Village should record appropriations for federal and state grants that are deemed appropriated. Since the Village is required to record appropriations, it should also request the amount be included on the certificate of estimated resources received from the County Budget Commission to enhance the Village's monitoring of financial activity.

Finding Number	2024-008
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Noncompliance and Internal Control Deficiency – Sewer Receipts Recorded to Improper Fund

Village of Belmore Ordinance 02-2017, indicates that the funds received from the collection of the rates and charges provided in these regulations shall be deposited as received by the Village into a separate fund designated the Belmore Village Sewer Fund.

Due to a deficiency in the implementation of controls over sewer receipts, the Village inappropriately recorded \$713 of sewer charges for services receipts in the General Fund as property and other taxes in 2023. Given the source of the revenue, this should have been recorded in the Sewer Operating Fund. Audit adjustments are reflected in the financial statements and in the accounting records correcting the misstatement.

The lack of controls over the posting of financial transactions decreases the reliability of financial data at year-end and can result in undetected errors and irregularities. The Village should implement controls to help ensure all transactions are reviewed to help ensure posting to the proper funds.

Finding Number	2024-009
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Internal Control Deficiency – Monthly Financial Reports Review

Sound accounting practices require Council to periodically review information to allow Council to make informed decisions regarding financial matters. Monthly financial reports should be prepared by the Village Clerk/Treasurer then reviewed and, if determined acceptable, approved by Village Council. Village Council should use this information to monitor Village finances and activities. These monthly financial reports should include items such as the Bank Reconciliation, Bank Statement, Payment Listing (with vouchers), Receipt Listing (with receipts), and Appropriation and Revenue Status reports showing a comparison of budget versus actual amounts.

Due to deficiencies in internal policies and control procedures, there was no evidence of any such monthly or year-end receipt, disbursement, or budget versus actual information being given to or approved by Village Council during the entire audit period. Monthly bank statements and Fund Status Reports with the Clerk/Treasurer's bank reconciliations were signed by Council. However, there was no evidence in the minutes of these documents being approved.

Lack of review over sufficient financial information has allowed the Village to incur an increasing deficit General Fund balance. The lack of review could also lead Council to make misinformed decisions and Village funds being lost, stolen, unaccounted for, or misused.

Council should be provided with sufficient monthly financial reports, as listed above, allowing for effective monitoring of Village financial activity. Council should then review this information for accuracy and completeness and sign these monthly reports, to show their approval. Minutes should indicate Council's approval of these reports so as to provide a record of their actions.

Finding Number	2024-010
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Internal Control Deficiency – Audit Committee

The Village should establish an audit committee to serve as liaison between management and its auditors and to follow up on citations and recommendations from the previous audit. The Village has established an audit committee; however, due to deficiencies in internal control policies and procedures, they failed to document when the committee met or what the committee reviewed.

The audit committee should be actively involved in:

- Meeting with the Village's independent auditors before and after each audit;
- Monitoring the progress of the financial and compliance audit;
- Evaluating the results of the financial and compliance audit; and
- Ensuring internal control and legal compliance issues identified in the audit are promptly and effectively remedied.

Failing to meet as a committee and follow up on audit results could result in issues identified in previous engagements not being corrected timely.

In order to help ensure the audit committee monitoring controls have been implemented and that citations and recommendations have been corrected and implemented, the audit committee should meet at least on a quarterly basis. Minutes should be taken as to when the committee meets, what financial documents have been reviewed, and any actions taken.

Finding Number	2024-011
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Internal Control Deficiency – Council Meeting Minutes

Sound accounting practices require the minutes of a regular or special meeting of any public body shall be promptly prepared, filed, and maintained and shall be open to public inspection. A public body must keep full and accurate minutes of its meetings. Those minutes do not have to be a verbatim transcript of the proceedings, but they must include enough facts and information to permit the public to understand and appreciate the rationale behind the public body's decisions.

Due to a deficiency in policies and procedures over the minutes, the Council meeting minute records were not signed by the Council President for years 2024 and 2023, and were not signed by the Mayor during May 2024 through December 2024. A lack of signed minutes makes it unclear whether the minutes are the official records of the Village Council meetings. In addition, the minutes did not indicate the prior meeting minutes were approved.

All records of official Council minutes should be approved by Council and should be signed by the Council President and the Mayor to indicate they are an accurate and official record of the Village Council meetings. The minutes should also indicate the approval of prior meeting minutes.

Finding Number	2024-012
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Internal Control Deficiency – Financial Reporting

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16.

The following errors were identified in the accompanying financial statements and notes to the financial statements:

- In 2024, charges for services and miscellaneous receipts in the amounts of \$1,090 and \$65, respectively, were incorrectly classified as special assessments in the Sewer Operating Fund.
- In 2024, appropriation authority in the budgetary activity note to the financial statements did not agree to amounts approved by Village Council. Due to appropriations not being approved by Council, appropriation authority was overstated in the General, Special Revenue, and Enterprise Funds in the amounts of \$45,892, \$16,301, and \$20,916, respectively.
- In 2024, budgetary expenditures in the budgetary activity note to the financial statements were overstated in the Enterprise Fund in the amount of \$1,155.
- In 2024, budgeted receipts in the budgetary activity note to the financial statements did not agree to amounts certified by the County Budget Commission. Budgeted receipts were overstated in the General, Special Revenue, and Enterprise Funds in the amounts of \$29,924, \$7,091, and \$23,555, respectively.
- In 2024, actual receipts in the budgetary activity note to the financial statements were overstated in the Enterprise Fund in the amount of \$1,530.
- In 2023, appropriation authority in the budgetary activity note to the financial statements did not agree to amounts approved by Village Council. Due to appropriations not being approved by Council, appropriation authority was overstated in the General and Enterprise Funds in the amounts of \$32,278 and \$15,700, respectively. Due to appropriations for on-behalf activity not being recorded, appropriations were understated in the Special Revenue Funds in the amount of \$59,876.

These errors were the result of inadequate policies and procedures in reviewing the financial statements and notes to the financial statements. Failure to complete accurate financial statements and notes to the financial statements could lead to Village Council making misinformed decisions. The accompanying financial statements and notes to the financial statements have been adjusted to correct these and other errors in amounts ranging from \$49 to \$2,282. In addition to the adjustments noted above, we also identified additional misstatements in amounts ranging from \$213 to \$358 which we have brought to the Village's attention.

The Village should adopt policies and procedures, including a final review of the financial statements and notes to the financial statements by the Clerk/Treasurer and Council, to help identify and correct errors and omissions.

Finding Number	2024-013
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Internal Control Deficiency – Budgetary Amounts Not Recorded Correctly in the Accounting System

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow Council to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the Village and the appropriation ledger provides the process by which the Village controls spending, it is therefore necessary the amounts appropriated by Council are precisely stated and accurately posted to the appropriation ledger.

The original certificate and amendments establish the amounts available for expenditures for the Village and the receipts ledger provides the process by which the Village controls what is available, it is therefore necessary the amounts estimated by the County Budget Commission are posted accurately to the receipts ledger.

The following budgetary amounts were not properly recorded in the accounting system:

- In 2024, estimated receipts in the accounting system did not agree to amounts certified by the County Budget Commission in the General, Street Construction Maintenance and Repair, State Highway, and Sewer Operating Funds in the amounts of \$29,924, \$6,690, \$441, and \$23,555, respectively.
- In 2024, appropriations posted to the accounting system did not agree to what was submitted to the County by Council in the General, Street Construction Maintenance and Repair, State Highway, Coronavirus Relief, Street Lighting, and Sewer Operating Funds in the amounts of \$45,892, \$6,690, \$400, \$6,744, \$2,467, and \$20,916, respectively.
- In 2023, appropriations posted to the accounting system did not agree to what was submitted to the County by Council in the General, Street Construction Maintenance and Repair, and Sewer Operating Funds in the amounts of \$27,909, \$5,000, and \$15,700, respectively.

The Village did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations (and/or amendments thereof) approved by Council were not properly posted to the accounting system. Additionally, the approved Certificate of Estimated Resources (and/or amendments thereof) was not posted to the accounting system.

Failure to accurately post the appropriations and estimated resources to the ledgers could result in overspending and negative cash balances.

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the Village should post to the ledgers, on a timely basis, estimated resources as certified by the budget commission and appropriations approved by Council. The Village should then monitor budget versus actual reports to help ensure amended certificates of resources and appropriations have been properly posted to the ledgers.

Finding Number	2024-014
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Internal Control Deficiency – Reconciling Sewer Billing System to General Ledger

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

A reconciliation of sewer billings, collections, and customer balances is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection.

Due to deficiencies in internal control policies and procedures over sewer collections, there is no evidence a reconciliation was performed of cash receipts received and/or posted to QuickBooks to the revenues posted in the Village's revenue ledger.

The Clerk/Treasurer or Mayor should reconcile monthly collections per QuickBooks sewer reports to amounts posted in the Village's revenue ledger. Reconciling items or differences should be documented, investigated, and resolved.

Finding Number	2024-015
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Internal Control Deficiency – Timely Depositing

In order to safeguard the Village's money, public money should be deposited to a designated depository on a timely basis.

Due to inadequate policies and procedures over the monitoring and depositing of receipts, 100 percent, totaling \$1,210 in 2024, of sewer receipts tested were not deposited with the designated depository for a period of thirteen business days after initial receipt of the monies. In addition, the Clerk/Treasurer deposited \$470 in 2024 sewer receipts on January 6, 2025. Furthermore, the Clerk/Treasurer deposited \$140 in 2023 sewer receipts on August 29, 2025.

Delays of this nature resulting from deficiencies in internal control procedures could cause receipts to be lost, misplaced, or stolen without being detected in a timely manner.

The Clerk/Treasurer should implement procedures to help ensure receipts are deposited timely.

Finding Number	2024-016
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Internal Control Deficiency – IT Security Administration – QuickBooks

Security management and administration policies and procedures help to ensure computer resources are appropriately provided to only authorized users. Security management and administration policies include on-boarding procedures to confirm initial user access is appropriate, continuing review of user access for appropriateness and enforcing the least privilege access for users.

While controls are in place restricting access to the application, we noted the following weaknesses:

- Cybersecurity training was not provided for employees.
- Password lifetimes were not set for the desktop and the quick-books application.
- Multi-factor authentication was not used to log into the desktop or the quick-books application.
- Anti-virus was not installed on the desktop.
- Firewall was not utilized to prevent unauthorized internet access to the desktop.

Providing appropriate security access over the application is crucial to prevent the modification, disclosure, disruption or unwanted changes within the application without detection by management.

The Village should develop and implement stronger security policies and procedures to help reduce the risk of unauthorized access to the application and corresponding data.

Finding Number	2024-017
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Internal Control Deficiency – IT Disaster Recovery Planning and Backup Procedures

Contingency planning includes the evaluation and implementation of a written plan to define the actions to be taken in the event of various disaster situations related to computer hardware and software. Disaster recovery planning ensures the most current data and infrastructure can be restored in the event of a disaster and removes as much time-consuming decision making as possible from the period immediately following the disaster.

While the Village has disaster recovery procedures in place, such as backing up critical data, a documented disaster recovery plan has not been created. In addition, we noted inadequate controls and procedures over the backup process of the critical data.

Without a comprehensive, tested plan, there is a greater risk of loss of data, and an increased risk that computer operations important for the functioning of the Village may not be restored in a timely, cost-effective manner.

The Village should complete a written disaster recovery plan and ensure it includes, at a minimum, the following:

- List of staff and their assigned tasks.
- Emergency telephone numbers for staff.
- Backup procedures over the application data.
- Documentation of the steps necessary to restore data from backups.
- Manual user procedures, which may need to be followed.
- Insurance and vendor information.
- Recovery site scenarios and reciprocal agreements.

The Village should prepare a structured test of the plan, periodically test the plan, formally address the results of the test, and update the plan based on the results. A copy of the plan should be kept off site.

Finding Number	2024-018
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Finding for Recovery – Late Fees and Penalties

Tammy Rayle was the Village's Fiscal Officer from prior to 2010 through September 8, 2022. Due to Ms. Rayle's negligence, during her tenure there were several Federal tax payments not made timely.

Federal tax:

The law requires employers to withhold taxes from employees' paychecks and remit those taxes to the government. The United States Internal Revenue Code, for example, requires employers to deduct from wages paid to employees the employees' share of FICA taxes and individual income taxes. See **26 U.S.C. §§ 3102(a) and 3402(a)**. Those withholdings are considered to be held in "a special fund in trust for the United States." 26 U.S.C. § 7501(a). The employer is liable for the withheld portion of the employee's wages and must pay over the full amount to the government each quarter. See *United States v Farr*, 536 F.3d 1174, 1176 (10th Circ. 2008).

The Internal Revenue Service (IRS) assessed and the Village paid penalties and interest due to failures to properly remit federal tax withholdings in the amount of \$1,211.10.

Per Ohio Rev. Code § 733.82, an officer of a municipal corporation having the duties of a municipal treasurer shall be held liable for a loss of public funds when that loss results from the officer's negligence or other wrongful act. Here, Ms. Rayle was negligent when she repeatedly failed to properly remit withholdings, and therefore she is liable for the late fees that were incurred due to that negligence.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code § 117.24, a Finding for Recovery for public monies illegally expended is hereby issued in the amount of \$1,211.10 against Tammy Rayle and her bonding company, Old Republic Surety Company, jointly and severely, and in favor of the Village of Belmore's General Fund in the amount of \$1,211.10.

Village Council should establish procedures to verify withholdings and payments are made in a timely manner to avoid interest and penalties for delinquent submissions. Failure to do so could result in potential findings for recovery being issued in future audits.

Officials' Response:

We did not receive responses from Officials to these findings.

Village of Belmore

311 Main St – PO Box 10

Belmore, OH 45815-0010

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS DECEMBER 31, 2024 and 2023

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2022-001	This finding was first reported in 2018. Ohio Rev. Code §§ 109.43(B) and 149.43(E)(1) for not attending public records training.	Yes	
2022-002	This finding was first reported in 2018. Ohio Rev. Code § 117.38(B) for not filing a complete annual financial report timely.	Yes	
2022-003	This finding was first reported in 2018. Ohio Rev. Code § 117.103(B)(1) for not informing current employees of the new fraud reporting system.	Yes	
2022-004	This finding was first reported in 2018. Ohio Rev. Code § 121.22(F) for not notifying the public of council meetings.	Yes	
2022-005	This finding was first reported in 2018. Ohio Rev. Code § 135.22(B) for the Clerk/Treasurer not attending the annual continuing education programs or completing the annual exemption.	Yes	
2022-006	This finding was first reported in 2018. Ohio Rev. Code § 149.351(A) for not maintaining payroll remittances and time sheets.	Yes	
2022-007	This finding was first reported in 2018. Ohio Rev. Code § 149.43(B)(2) for not establishing a records retention policy and schedule.	No	Not corrected and reissued as Finding 2024-001 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-008	This finding was first reported in 2018. Ohio Rev. Code § 149.43(E)(2) for not establishing a public records policy.	Yes	

Village of Belmore
 Putnam County
 Summary Schedule of Prior Audit Findings
 Page 2

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2022-009	This finding was first reported in 2018. Internal control deficiency and noncompliance with Ohio Rev. Code § 5705.10 for posting revenue in the wrong fund.	No	Not corrected and reissued as Finding 2024-002 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-010	This finding was first reported in 2020. Ohio Rev. Code § 5705.10(l) for deficit fund balances in the General, Street Lighting, and Fire Department Funds.	No	Not corrected and reissued as Finding 2024-003 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-011	This finding was first reported in 2014. Ohio Rev. Code § 5705.36(A)(1) for not filing the required certificate for 2022 and 2021 with the County Auditor by the required date.	Yes	
2022-012	This finding was first reported in 2018. Ohio Rev. Code § 5705.38(A) for not approving annual appropriations on or about the first day of each fiscal year or passing temporary appropriations.	No	Not corrected and reissued as Finding 2024-004 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-013	This finding was first reported in 2014. Ohio Rev. Code § 5705.41(B) for expenditures in excess of appropriations.	No	Not corrected and reissued as Finding 2024-005 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-014	This finding was first reported in 1998. Internal control deficiency and noncompliance with Ohio Rev. Code § 5705.41(D)(1) for not properly certifying disbursements.	No	Not corrected and reissued as Finding 2024-006 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-015	This finding was first reported in 2018. Ohio Rev. Code § 5705.42 for not properly posting on behalf activity.	No	Not corrected and reissued as Finding 2024-007 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.

Village of Belmore
 Putnam County
 Summary Schedule of Prior Audit Findings
 Page 3

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2022-016	This finding was first reported in 2021. Ohio Rev. Code § 5705.09 for Council not approving the establishment of a new fund.	Yes	
2022-017	This finding was first reported in 2014. Internal Revenue Regulations 26 U.S.C. § 3402 and 3403 for not remitting Medicare and Federal Income Tax withheld.	No	Not corrected and reissued as Finding 2024-018 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-018	This finding was first reported in 2019. Internal control deficiency and noncompliance with Village of Belmore Ordinance 02-2017 for posting sewer charges for services receipts in the wrong fund.	No	Not corrected and reissued as Finding 2024-008 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-019	This finding was first reported in 2018. Internal control deficiency for lack of evidence of monthly or year-end financial information being given to or reviewed by Village Council on a monthly basis.	No	Not corrected and reissued as Finding 2024-009 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-020	This finding was first reported in 2018. Internal control deficiency for lack of an active audit committee.	No	Not corrected and reissued as Finding 2024-010 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-021	This finding was first reported in 2018. Internal control deficiency for lack of maintaining sewer computer backup disks in a secure offsite location, away from the Village computer.	No	Not corrected and reissued as Finding 2024-017 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-022	This finding was first reported in 2018. Internal control deficiency for lack of Council minutes being consistently signed by the Council President and the Clerk/Treasurer.	No	Not corrected and reissued as Finding 2024-011 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.

Village of Belmore
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Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain
2022-023	This finding was first reported in 2010. Internal control deficiency for lack of monitoring of financial transactions resulting in errors in the financial statements.	No	Not corrected and reissued as Finding 2024-012 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-024	This finding was first reported in 2018. Internal control deficiency for not posting estimated amounts in the Village's financial ledgers properly.	No	Not corrected and reissued as Finding 2024-013 in this report. The Village doesn't have an explanation as to why the finding reoccurred. The Village officials are aware of these issues and are taking steps to correct them.
2022-025	This finding was first reported in 2018. Internal control deficiency for not paying invoices timely or maintaining records in an orderly manner.	Yes	
2022-026	This finding was first reported in 2010. Internal control deficiency for not preparing monthly bank to book reconciliations.	Yes	

OHIO AUDITOR OF STATE KEITH FABER



VILLAGE OF BELMORE

PUTNAM 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 1/8/2026

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